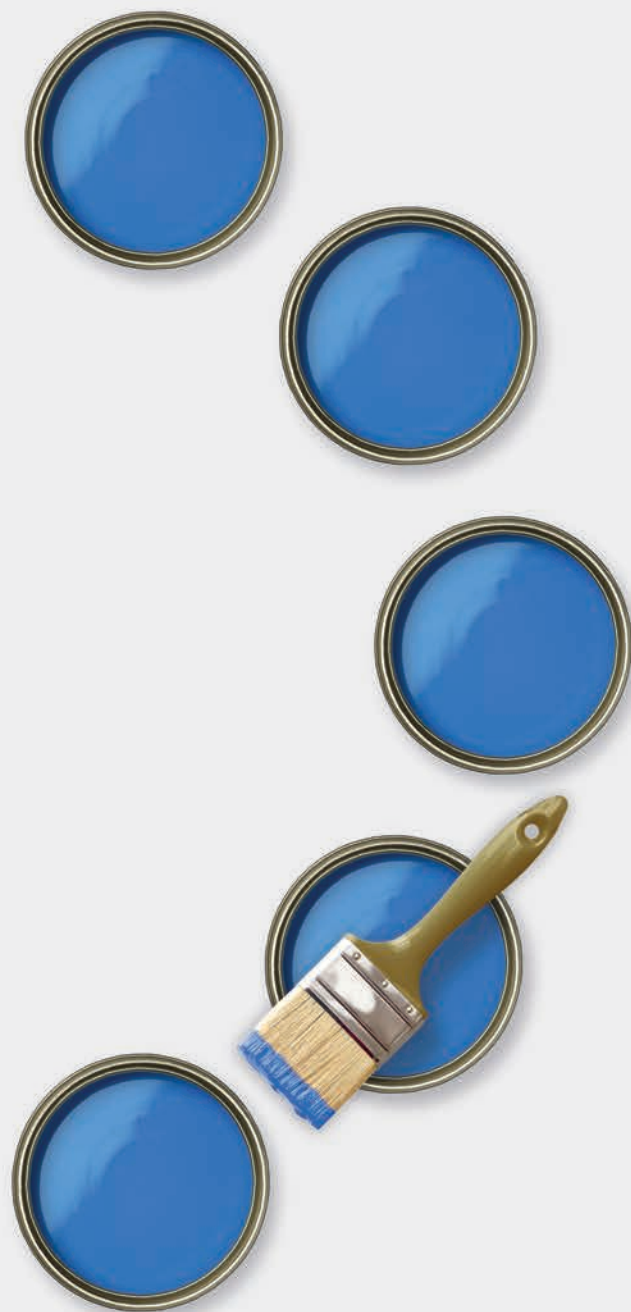


# JPMorgan Global Growth & Income plc

Half Year Report & Financial Statements for the six months ended 31st December 2020



## KEY FEATURES

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### Your Company

#### Objective

Superior total returns from world stock markets.

#### Investment Policy

To provide a diversified portfolio of approximately 50-90 stocks in which the investment manager has a high degree of conviction.

#### Investment Strategy

To provide superior total returns and outperform the MSCI All Countries World Index over the long-term by investing in companies based around the world. The manager is focused on building a high conviction portfolio of typically 50-90 stocks, drawing on an investment process underpinned by fundamental research. Portfolio construction is driven by bottom-up stock selection rather than geographical or sector allocation. Currency exposure is predominantly hedged back towards the benchmark. The Company uses borrowing to gear the portfolio within a range of 5% cash to 20% geared under normal market conditions.

#### Dividend Policy

The Company has a distribution policy whereby at the start of each financial year the Company will announce the distribution it intends to pay to shareholders in the forthcoming year in quarterly instalments. In aggregate, the current intention is to pay dividends totalling at least 4% of the net asset value of the Company as at the end of the preceding financial year. Where the target dividend is likely to result in a dividend yield that is materially out of line with the wider market, the Board may choose to set the target dividend at a different level that is more in-line with the wider market and other global income trusts and funds.

#### Gearing

The Company issued £30 million fixed rate 30 year unsecured notes at an annual coupon of 2.93% on 9th January 2018. The notes are unsecured which gives the Company increased flexibility to manage its borrowings in the future.

#### Benchmark

The Company's benchmark is the MSCI All Countries World Index in sterling terms (total return with net dividends reinvested).

#### Capital Structure

At 31st December 2020, the Company's issued share capital comprised 154,905,500 Ordinary shares of 5p each including 8,961,215 shares held in Treasury.

#### Share Issuance and Repurchase Policy

Shares held in Treasury and new shares will only be reissued/issued at a premium to net asset value. In order for the Company's shares to trade at a relatively narrow discount, the Company has a long-term policy of repurchasing its shares with the aim of maintaining an average discount of around 5% or less calculated with debt at par value. Any shares repurchased under this policy may be held in Treasury or cancelled.

#### Management Company and Company Secretary

The Company employs JPMorgan Funds Limited ('JPMF' or the 'Manager') as the Company's Alternative Investment Fund Manager ('AIFM') and the Company Secretary. JPMF delegates the management of the Company's portfolio to JPMorgan Asset Management (UK) Limited ('JPMAM').

#### Financial Conduct Authority ('FCA') regulation of 'non-mainstream pooled investments' and MiFID II 'complex instruments'

The Company currently conducts its affairs so that the shares issued by JPMorgan Global Growth & Income plc can be recommended by Independent Financial Advisers to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future.

The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust. The Company's ordinary shares are not considered to be 'complex instruments' under the FCA's 'Appropriateness' rules and guidance in the Conduct of Business sourcebook.

#### Association of Investment Companies ('AIC')

The Company is a member of the AIC.

#### Website

The Company's website, which can be found at [www.jpmmglobalgrowthandincome.co.uk](http://www.jpmmglobalgrowthandincome.co.uk), includes useful information on the Company, such as daily prices, factsheets and current and historic half year and annual reports.

### Why invest in the JPMorgan Global Growth & Income plc

JPMorgan Global Growth & Income plc is a distinctive strategy for today's market - aiming to provide the best of both worlds. The investment managers focus on investing in their best ideas from across the world's stock market, whilst the Company provides a quarterly dividend distribution - set at the beginning of its financial year.

### Our investment approach

JPMorgan Global Growth & Income plc investment managers have the freedom to invest anywhere in the world in search of the best ideas from across JPMorgan's team of over seventy in-house investment analysts. The investment managers look to build a portfolio of global stocks that offer the best total returns.

The Company introduced a new dividend policy in 2016 - and has paid out 4% of the net asset value as dividends set at the start of each financial year since then. This new dividend policy does not change the managers' investment approach, which is focused on continuing to generate total returns.



“ THE BREADTH OF POTENTIAL INVESTMENTS WE RESEARCH ALLOWS US TO INVEST ONLY IN THOSE WITH THE VERY BEST CHARACTERISTICS ”

Investment Manager,  
JPMorgan Global Growth & Income plc  
Helge Skibeli



“ OUR WORLD-CLASS INVESTMENT TEAM HAS SOME OF THE MOST EXPERIENCED AND TALENTED INVESTORS YOU CAN FIND ”

Investment Manager,  
JPMorgan Global Growth & Income plc  
Rajesh Tanna



“ OUR RELENTLESS FOCUS ON FUNDAMENTAL RESEARCH AND THE LONG-TERM OUTLOOK ENSURES THAT WE CAN LOOK THROUGH THE NOISE AND CONCENTRATE ON WHAT IS IMPORTANT ”

Investment Manager,  
JPMorgan Global Growth & Income plc  
Tim Woodhouse

Europe  
Research Team

**12 Analysts**

Asia  
Research Team

**14 Analysts**

US  
Research Team

**25 Analysts**

Emerging Markets/  
Pacific Rim Research Team

**37 Analysts**

## KEY FEATURES

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### FACTS

4%

Has paid out 4% of NAV per annum as distribution

81

investment analysts located globally

50-90

global best ideas stocks

### Investing Responsibly

An increasingly broad spectrum of investors now rightly focus not simply on return, risk and investment process issues but also on Environmental, Social and Governance ('ESG') considerations for their portfolios. They want to know that: their investment managers are aware of these concerns; they take them into account in building their portfolios; and they raise matters directly with investee companies.

For JPMorgan Global Growth & Income plc, ESG considerations are incorporated at the heart of our investment process by considering the potential impact to our analysts' long-term company forecasts, focusing on the sustainability and redeployment of cash flows. For example, if we believe a company's labour policies will not persist due to social pressure, then we will reflect higher costs and lower margins in our forecasts; directly impacting our long term value for the company. Or if environmental policies or regulatory risk may result in stranded assets, then we may write down the book value.

Through this process we also identify negative ESG outliers which can then be considered in the investment process as a risk-mitigation tool. This approach is a collaboration between research analysts, regional and global Directors of Research and our team of ESG equity specialists. We also supplement our internal analysis with independent, third-party research from providers such as MSCI.

Specifically, analysts consider areas such as:

- Accounting and tax policies: is management aggressive in applying accounting and tax rules?
- Disclosure and investor communication: does the management answer your questions?
- Shareholder rights: is there a controlling shareholder or voting structure that may adversely affect our ability to access cash flow?
- Remuneration: is executive compensation reasonable and aligned with shareholders?
- Social: are we concerned about their corporate governance and labour practices?
- Environmental: will changing environmental regulations impact the business model? What are the risks for environmental waste or accidents?

Engagement with companies around ESG considerations is a key aspect of our ESG policy. In addition to engaging in meaningful interaction with investee companies through dedicated meetings, we vote in a prudent and diligent manner, and in the financial interests of our clients.

It is important to note that in formulating our ESG policy, we have endeavoured not to discriminate against individual companies or sectors purely on the grounds of the particular business sector in which they are involved. Thus a tobacco company or a company in an extractive industry will not be automatically marked down because of the sector in which they operate. Similarly, a company in a low-impact industry, such as financial services, will still be expected to have in place detailed policies and rigorous oversight of its environmental impact.

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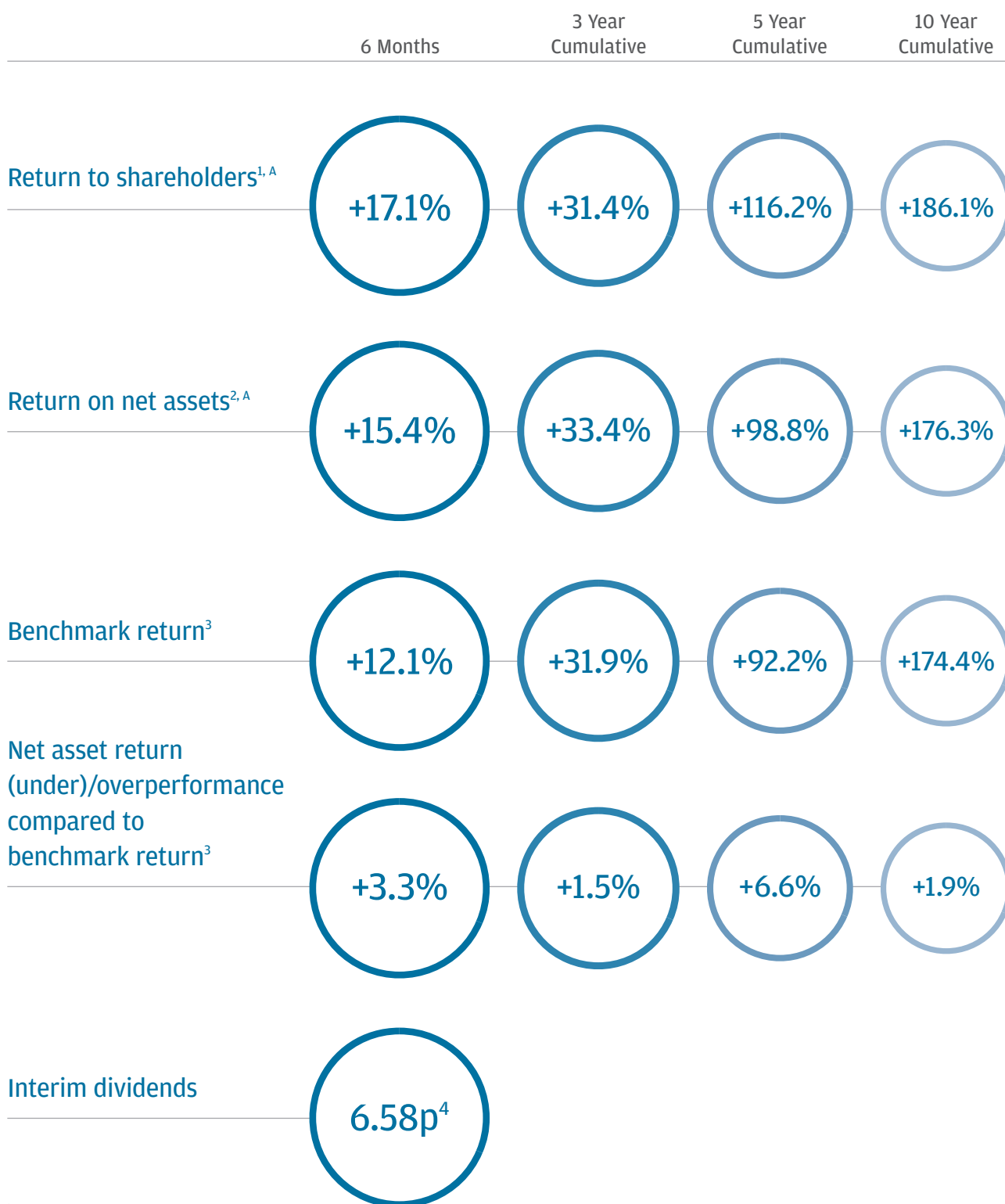
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# Half Year Performance

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TOTAL RETURNS (INCLUDING DIVIDENDS REINVESTED) TO 31ST DECEMBER 2020



<sup>1</sup> Source: Morningstar.

<sup>2</sup> Source: Morningstar/J.P. Morgan, using cum-income net asset value per share, with debt at par value.

<sup>3</sup> Source: MSCI. The Company's benchmark is the MSCI All Countries World Index in sterling terms.

<sup>4</sup> Comprising two quarterly dividend payments of 3.29p per share each paid on 2nd October 2020 and 8th January 2021.

<sup>A</sup> Alternative Performance Measure ('APM').

A glossary of terms and APMS is provided on pages 27 to 29.

# FINANCIAL HIGHLIGHTS

## SUMMARY OF RESULTS

	31st December 2020	30th June 2020	% change
Total return to shareholders <sup>1,^</sup>	<b>+17.1%</b>	+4.8%	
Total return on net assets with debt at par value <sup>2,^</sup>	<b>+15.4%</b>	+6.0%	
Total return on net assets with debt at fair value <sup>2,^</sup>	<b>+16.1%</b>	+4.8%	
Benchmark total return <sup>3</sup>	<b>+12.1%</b>	+5.2%	
Shareholders' funds (£'000)	<b>560,026</b>	478,837	<b>+17.0</b>
Net asset value per share with debt at par value <sup>^</sup>	<b>383.7p</b>	338.9p	<b>+13.2<sup>4</sup></b>
Net asset value per share with debt at fair value <sup>^</sup>	<b>377.2p</b>	331.4p	<b>+13.8<sup>5</sup></b>
Share price	<b>386.5p</b>	336.0p	<b>+15.0<sup>6</sup></b>
Share price premium/(discount) to net asset value per share with debt at par value <sup>^</sup>	<b>0.7%</b>	(0.9)%	
Share price premium to net asset value per share with debt at fair value <sup>^</sup>	<b>2.4%</b>	1.4%	
Shares in issue (excluding shares held in Treasury)	<b>145,944,285</b>	141,311,285	<b>+3.3</b>
Gearing/(net cash) <sup>^</sup>	<b>4.5%</b>	(1.2)%	
Ongoing charges excluding performance fee payable <sup>^</sup>	<b>0.53%</b>	0.55%	
Ongoing charges including performance fee payable <sup>^</sup>	<b>1.23%</b>	0.66%	

<sup>1</sup> Source: Morningstar.

<sup>2</sup> Source: Morningstar/J.P. Morgan, using cum income net asset value per share.

<sup>3</sup> Source: MSCI. The Company's benchmark is the MSCI All Countries World Index in sterling terms.

<sup>4</sup> This return excludes dividends reinvested. Including dividends reinvested, the return would be +15.4%.

<sup>5</sup> This return excludes dividends reinvested. Including dividends reinvested, the return would be +16.1%.

<sup>6</sup> This return excludes dividends reinvested. Including dividends reinvested, the return would be +17.1%.

<sup>^</sup> Alternative Performance Measure ('APM').

A glossary of terms and APMs is provided on pages 27 to 29.



## Chairman's Statement

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**Nigel Wightman**  
Chairman

While the global economy continued to be disrupted during the first half of the Company's financial year by the COVID-19 pandemic, the unprecedented fiscal and monetary support provided by governments and central banks helped to underpin global equity markets. As markets looked ahead to successful vaccine campaigns stock prices were generally firm; in the half year to 31st December 2020 the MSCI World All Countries Index (in sterling terms) - the Company's benchmark - rose by 12.1%.

Against this background I am pleased to report that, as a result of astute stock picking by the Investment Managers, the Company's total return on net assets over this period was +15.4% and the total return to shareholders including dividends reinvested was +17.1%.

The table below sets out these figures in more detail and highlights the success of stock selection over the period. The Investment Managers' Report provides a detailed commentary on market developments, portfolio activity and the outlook.

## PERFORMANCE ATTRIBUTION

SIX MONTHS ENDED 31ST DECEMBER 2020

	%	%
<b>Contributions to total returns</b>		
<b>Benchmark return</b>		<b>12.1</b>
Asset allocation	0.0	
Stock selection	4.1	
Currency effect	(0.2)	
Gearing/cash	0.4	
Investment Managers' contribution		4.3
<b>Portfolio return</b>		<b>16.4</b>
Management fee/other expenses	(0.3)	
Performance fee	(0.7)	
<b>Net asset value return - prior to structural effects</b>		<b>15.4</b>
Structural effects		
Share buy-backs/issuance	0.0	
<b>Net asset value return - Debt at par value<sup>A</sup></b>		<b>15.4</b>
Impact of Fair Value Valuation of Debt		0.7
<b>Net asset value return - Debt at fair value<sup>A</sup></b>		<b>16.1</b>
<b>Return to shareholders<sup>A</sup></b>		<b>17.1</b>

Source: JPMAM and Morningstar.

All figures are on a total return basis.

This performance attribution analyses how the Company achieved its performance relative to its benchmark index. The Investment Managers' report provides a detailed commentary on these figures and discusses activity, performance and the market outlook.

<sup>A</sup> Alternative Performance Measure ('APM').

**A glossary of terms and APMs is provided on pages 27 to 29.**

The Company's shares continued to trade close to, or at a small premium to NAV during the half year and we were able to reissue 4,633,000 shares from Treasury for a total consideration of £16,707,000. Our shares have continued to trade at a premium to NAV in 2021, allowing us to continue reissuing them; up to the time of writing, a further 1,335,000 shares have been reissued from Treasury in 2021 for a total consideration of £5,248,000.

As a result of the rise in net asset value and issuance of new shares, shareholders' funds rose over the period from £478.8 million to £560.0 million.

The Board has agreed to issue £20 million fixed rate 15 year unsecured notes at an annualised coupon of 2.36%. The funding date is planned to be 12th March 2021 and these notes will be due to be repaid on 12th March 2036. After the issuance of these notes, the Company's total notes will amount to £50 million. The Board has agreed to issue the new notes to take advantage of current market conditions which we consider offer an attractive level of well-priced long term gearing. The notes will be unsecured which gives the Company increased flexibility to manage its borrowings in the future. There has been no change in the Investment Managers' permitted gearing range, as previously set by the Board, which limits gearing within the range of 5% net cash to 20% geared in normal market conditions.

As has already been announced, I will be retiring from the Board at the end of the Annual General Meeting in October this year. I am delighted to announce that Tristan Hillgarth will then replace me as Chairman. Tristan joined the Board in November 2014 and is therefore eligible under the AIC Code of Corporate Governance to serve as Chairman. Gay Collins, who joined the Board in February 2012, will continue to serve as Senior Independent Director. Sarah Whitney, who joined the Board in January 2020, will continue as Chairman of the Audit & Management Engagement Committee and will assume the role of Chairman of the Remuneration Committee from Tristan when he takes over as Chairman of the Board.

To fill the vacancy on the Board, we are pleased to announce the appointment of James Macpherson to the Board with effect from 1st April 2021. James was until recently Deputy CIO, Fundamental Active Equities at BlackRock where he led the Global, Thematic, Natural Resources and Health Science strategies and Equity Closed-end funds. He was a senior fund manager at BlackRock and predecessor companies for 35 years, and was co-head of UK Equities from 2001-2016.

All directors are subject to election or re-election at the Annual General Meeting in October.

Global equity markets have been buoyed by fiscal and monetary support and by the remarkable speed at which a number of successful vaccines have been developed to combat COVID-19. While mass vaccination will take time, and maybe complicated by the arrival of virus mutations, our Investment Managers believe strongly that the return to some greater degree of normality will result in a global economic recovery and significant uptick in corporate earnings. As a result the portfolio has seen some adjustment away from those stocks that have done particularly well in the pandemic and towards those that should benefit from a cyclical rebound in economies.

**Nigel Wightman**  
*Chairman*

5th March 2021





**Helge Skibeli**  
Investment Manager

### **'We will either find a way, or make one' – Hannibal Barca**

As we look back on the events of the past six months, and indeed the whole of 2020, it seems important to be proud of the innovation and ingenuity that means there is light at the end of the COVID-19 tunnel. We saw two new mRNA vaccines, conceived of and brought to market in less than a year – a technology that had shown promise but had not been used at large scale until now. We can perhaps allow ourselves to be hopeful for many future treatments using this technology. A reminder, if ever we needed one, that humans are capable of a great deal, and that we will get through these challenging times.

Some of the ways in which we have learnt to adapt to the pandemic will last far into the future. Be it telemedicine, at-home fitness, video-conferencing, or online shopping – these are trends that are here to stay. Some others we believe will return with time – the consumer demand for travel and leisure being one such example. We have continued to focus on understanding which changes are temporary, and which ones are permanent.

As much as COVID-19 dominated our lives in the past few months, other major events have not gone unnoticed. We have seen the election of, and transition to, a new administration in the United States. This will have implications ranging from taxation to environmental policy, and we have already been thinking about how they are likely to impact the companies we invest in.

Through all this, markets have been strong. MSCI ACWI, the benchmark to which we compare your Company, rose 12% in the six months reporting period. This resilience is a reminder that there will always be opportunities, and we take our job in finding these for our shareholders very seriously. Short-term uncertainty, as we have written before, is part of investing, and should be embraced, not feared. By focusing on the long-term, and on structural forces, we can look through this short-term uncertainty to find the investments that will generate value for many years.



**Rajesh Tanna**  
Investment Manager

### **Portfolio Review and Spotlight on Stocks**

That long-term approach was what drove a meaningful increase in our exposure to more cyclical names in the past six months. This approach worked very well, with the NAV of the Company rising 15.4%, and the share price rising 17.1%, versus the benchmark rise at 12.1%.

The top contributing sector to the strong performance of your Company was Pharma and Medtech. This was driven by a couple of names that rebounded strongly. The first was our position in Zimmer Biomet – a leading manufacturer of orthopaedic implants. They had been hit by the pandemic as hospitals did not have capacity for elective procedures, but we saw business recover through the second half of 2020. We believe that demand for their products is simply postponed, rather than destroyed, and therefore we expect earnings recovering quickly to previous levels. Another name that contributed in this sector was Alexion Pharmaceuticals, an innovative biotech company that develops drugs for rare blood disorders. This company was the subject of a bid to acquire them by AstraZeneca, which they accepted.

Within the Media sector, Lyft was our top contributing individual stock. The second largest rideshare provider in the US after Uber returned 60% in the six months to the end of December, driven by improving rider trends. They also accelerated their journey to profitability, taking advantage of weaker sales to optimise their costs, which in turn should allow for lower cost journeys for future riders. It is apparent to us that they will be an important player in both rideshare, and likely autonomous driving networks, for many years to come, and we continue to own the stock.

Our Semiconductor positioning brought with it both positives and negatives. We do not own Apple, not because it is not a great company – it is – but because we see more attractive opportunities elsewhere in the sector. One such name is Taiwan Semiconductor Manufacturing (TSMC). This was our second best contributing name in the past six months, and underscores our focus on finding areas of the electronics value chain that will deliver the best returns for you, our shareholders.

Our positions in the Energy sector detracted from performance. Despite a rebound in the oil price, our holdings did not bounce as much as we might have expected. Our belief that cash flow generation matters, and that these companies will eventually be rewarded for capital discipline, underpins our continued ownership of BP and ConocoPhillips.



**Tim Woodhouse**  
Investment Manager

Autos was a difficult sector for us in the past year. Whilst our returns in Volkswagen and Toyota have been respectable, they did not come close to matching the 227% return of Tesla over the past six months. There is no doubt that Tesla has changed the landscape of the auto market in the past few years, but we struggle to justify the current valuation. We believe the market for electric vehicles is about to get significantly more competitive - Volkswagen being a clear example of a company that has had numerous issues with developing their own, but are now close to marketing a compelling alternative. The market will grow significantly from here, and we prefer to invest in it via stocks where expectations are low, rather than those that are already assumed to have won.

### Outlook and positioning

Pre-pandemic, we had spoken frequently of our concerns around where we were in the business cycle, and hence had kept gearing at zero. We could not have predicted the cause of the recession, but the outcome ultimately is that we believe we are at the start of a new cycle. Since the summer, we have meaningfully taken up gearing from those low levels. The portfolio currently has around 5.5% gearing, reflecting our confidence in the economic recovery ahead of us. This also leaves us adequate room to take it up further if we see any pullback in markets.

Our confidence in the economic recovery is over multiple years, but of course predicting the events in the coming months is difficult. Vaccine rollouts have begun, with some promising progress in some countries, and some difficulties in others. The emergence of new strains has raised questions with respect to the efficacy of the vaccines, but we have confidence that these are temporary issues that vaccine developers will be able to handle effectively, and as such retain our confidence that we are on a path to normalcy over the course of 2021.

This year has certainly reminded us of a couple of important lessons on investing that are tied to gearing and the vaccine. The first is that volatility is natural, and happens every year. On average, the S&P500 will fall 14% from a peak to a trough, but as we know, equities invariably have recovered those losses. It seems reasonable to expect that hiccups in the vaccine rollout could be one contributor to volatility as we go through this year, along with events that we are unable to predict. The second lesson is the importance of not only staying invested, but taking advantage of those dislocations. We will use gearing to take advantage of any such episodes, which is why we retain flexibility to add.

Our positive outlook on the economy is also reflected in our positioning in the portfolio. Industrial and Consumer Cyclical are currently the sectors where we have the largest overweight positions relative to our benchmark, with names including Booking.com, Airbus, and Volkswagen. More recently we have added exposure to Financials, including MasterCard and BNP Paribas.

There remain many names that investors remain nervous of, as they wait to see what the consumer does as they receive the vaccine. Our long-term philosophy means we are comfortable owning names like Ryanair and Lyft, as our desire to travel once it is safe will certainly return. American Express is another name that will benefit from a rebound in travel spending, with the added benefit that we don't mind if that spend is on an Airbnb 50 miles away, or a flight to the other side of the world - we are agnostic.

Throughout everything this past year, we have focused on our strengths - identifying structural trends, thinking long term, and finding great companies to invest in. Equities remain a great place to be, and we have never been more convinced of the merits of investing globally. The sheer size of the opportunity set gives us the best prospect to generate returns for you, our shareholders, by identifying the most compelling investments, regardless of where they are located.

We would like to thank you for your continued support, and look forward to continuing this partnership.

**Helge Skibeli**

**Rajesh Tanna**

**Tim Woodhouse**

*Investment Managers*

5th March 2021

## LIST OF INVESTMENTS

AT 31ST DECEMBER 2020

Company	Valuation £'000	Company	Valuation £'000	Company	Valuation £'000
<b>UNITED STATES</b>		<b>FRANCE</b>		<b>JAPAN</b>	
Alphabet	26,190	Schneider Electric	12,393	Toyota Motor	11,404
Microsoft	25,142	Vinci	12,161		<b>11,404</b>
Amazon.com	20,332	Safran	11,329	<b>NETHERLANDS</b>	
Analog Devices	16,114	LVMH Moet Hennessy Louis Vuitton	7,147	ASML	5,968
Coca-Cola	15,469	BNP Paribas	5,787		<b>5,968</b>
NXP Semiconductors	14,182	Airbus	5,121	<b>DENMARK</b>	
Mastercard	12,954		<b>53,938</b>	Carlsberg	5,898
Eli Lilly	12,697	<b>GERMANY</b>			<b>5,898</b>
Boston Scientific	12,554	adidas	17,666	<b>IRELAND</b>	
Zimmer Biomet	12,341	Muenchener Rueckversicherungs-		Ryanair	5,864
Honeywell International	12,251	Gesellschaft	8,830		<b>5,864</b>
American Express	11,964	Volkswagen Preference	6,527	<b>AUSTRIA</b>	
Lyft	11,934	RWE	5,050	Erste Group Bank	5,859
AbbVie	11,668		<b>38,073</b>		<b>5,859</b>
Comcast	11,295	<b>SOUTH KOREA</b>		<b>SPAIN</b>	
Booking	10,915	Samsung Electronics	22,484	Iberdrola	5,283
Yum! Brands	9,507		<b>22,484</b>		<b>5,283</b>
Chubb	9,408	<b>UNITED KINGDOM</b>		<b>TAIWAN</b>	
Morgan Stanley	9,391	Taylor Wimpey	7,312	Taiwan Semiconductor Manufacturing <sup>1</sup>	2,341
Norfolk Southern	9,389	BP	7,166		<b>2,341</b>
Applied Materials	9,248	Diageo	6,895	<b>TOTAL INVESTMENTS</b>	
Chevron	8,900		<b>21,373</b>		<b>585,155</b>
Prologis	8,889	<b>CHINA AND HONG KONG</b>			
Bristol-Myers Squibb	8,701	Alibaba <sup>1</sup>	8,058		
Eastman Chemical	8,593	Ping An Insurance Group Co. of China	6,401		
salesforce.com	7,688		<b>14,459</b>		
Charter Communications	6,873	<b>SWEDEN</b>			
Wells Fargo	6,672	Volvo	7,855		
Alexion Pharmaceuticals	6,594	SKF	5,404		
NextEra Energy	5,915		<b>13,259</b>		
Trane Technologies	5,910				
UnitedHealth	5,886				
O'Reilly Automotive	5,846				
Cigna	5,087				
Texas Instruments	2,453				
	<b>378,952</b>				

<sup>1</sup> ADRs (American Depositary Receipts).

## PORTFOLIO ANALYSES

### GEOGRAPHICAL ANALYSIS

	31st December 2020		30th June 2020	
	Portfolio % <sup>1</sup>	Benchmark %	Portfolio % <sup>1</sup>	Benchmark %
United States	64.8	57.3	69.9	57.6
France	9.2	3.0	6.8	3.0
Germany	6.5	2.5	4.5	2.5
South Korea	3.8	1.8	1.5	1.4
United Kingdom	3.7	3.8	4.7	3.9
China and Hong Kong	2.5	6.0	3.0	5.9
Sweden	2.3	0.9	0.5	0.8
Japan	1.9	6.8	0.8	7.0
Netherlands	1.0	1.0	3.2	1.2
Denmark	1.0	0.7	1.1	0.6
Ireland	1.0	0.2	–	0.2
Austria	1.0	0.0	0.4	–
Spain	0.9	0.7	0.9	0.7
Taiwan	0.4	1.7	1.9	1.5
Canada	–	2.7	–	2.8
Switzerland	–	2.6	–	2.8
Australia	–	1.9	–	1.9
India	–	1.2	–	1.0
Brazil	–	0.7	–	0.6
Italy	–	0.6	–	0.6
South Africa	–	0.5	–	0.5
Russia	–	0.4	–	0.4
Belgium	–	0.3	–	0.3
Finland	–	0.3	–	0.3
Singapore	–	0.3	–	0.3
Mexico	–	0.2	0.8	0.2
Indonesia	–	0.2	–	0.2
Norway	–	0.1	–	0.1
Other	–	1.6	–	1.7
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

<sup>1</sup> Based on total investments of £585.2m (30th June 2020: £473.2m).



SECTOR ANALYSIS

	31st December 2020		30th June 2020	
	Portfolio % <sup>1</sup>	Benchmark %	Portfolio % <sup>1</sup>	Benchmark %
Technology - Semi & Hardware	12.4	11.6	10.9	10.3
Media	11.4	10.6	11.3	10.5
Industrial Cyclical	11.0	6.9	8.7	6.7
Pharm/Medtech	11.0	9.9	11.2	10.9
Retail	6.9	5.7	8.3	5.7
Banks	6.8	7.8	6.3	7.3
Technology - Software	5.6	7.7	8.5	7.9
Consumer Staples	4.8	5.9	4.9	6.4
Automobiles & Auto Part	4.4	2.8	1.1	1.9
Insurance	4.2	3.1	3.2	3.2
Consumer Cyclical & Services	4.1	2.5	1.9	2.3
Telecommunications	3.1	3.5	2.5	3.9
Utilities	2.8	3.0	2.5	3.2
Energy	2.8	3.1	2.9	3.6
Financial Services	2.2	4.9	3.6	5.1
Health Services & Systems	1.9	1.8	2.6	2.0
Transportation	1.6	1.9	1.8	1.9
Property	1.5	2.2	1.8	2.4
Basic Industries	1.5	5.1	6.0	4.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

<sup>1</sup> Based on total investments of £585.2m (30th June 2020: £473.2m).

# Financial Statements

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## STATEMENT OF COMPREHENSIVE INCOME

### FOR THE SIX MONTHS ENDED 31ST DECEMBER 2020

	(Unaudited) Six months ended 31st December 2020			(Unaudited) Six months ended 31st December 2019			(Audited) Year ended 30th June 2020		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments held at fair value through profit or loss	–	75,202	75,202	–	18,679	18,679	–	22,989	22,989
Net foreign currency gains	–	396	396	–	234	234	–	83	83
Income from investments	3,942	–	3,942	3,693	–	3,693	8,329	–	8,329
Interest receivable and similar income	29	–	29	118	–	118	212	–	212
<b>Gross return</b>	<b>3,971</b>	<b>75,598</b>	<b>79,569</b>	<b>3,811</b>	<b>18,913</b>	<b>22,724</b>	<b>8,541</b>	<b>23,072</b>	<b>31,613</b>
Management fee	(261)	(782)	(1,043)	(479)	(479)	(958)	(953)	(953)	(1,906)
Performance fee (charge)/writeback	–	(3,689)	(3,689)	–	38	38	–	(507)	(507)
Other administrative expenses	(308)	–	(308)	(292)	–	(292)	(565)	–	(565)
<b>Net return before finance costs and taxation</b>	<b>3,402</b>	<b>71,127</b>	<b>74,529</b>	<b>3,040</b>	<b>18,472</b>	<b>21,512</b>	<b>7,023</b>	<b>21,612</b>	<b>28,635</b>
Finance costs	(113)	(338)	(451)	(236)	(236)	(472)	(449)	(449)	(898)
<b>Net return before taxation</b>	<b>3,289</b>	<b>70,789</b>	<b>74,078</b>	<b>2,804</b>	<b>18,236</b>	<b>21,040</b>	<b>6,574</b>	<b>21,163</b>	<b>27,737</b>
Taxation	(324)	–	(324)	(414)	–	(414)	(1,091)	–	(1,091)
<b>Net return after taxation</b>	<b>2,965</b>	<b>70,789</b>	<b>73,754</b>	<b>2,390</b>	<b>18,236</b>	<b>20,626</b>	<b>5,483</b>	<b>21,163</b>	<b>26,646</b>
<b>Return per share (note 3)</b>	<b>2.07p</b>	<b>49.41p</b>	<b>51.48p</b>	<b>1.77p</b>	<b>13.54p</b>	<b>15.31p</b>	<b>4.00p</b>	<b>15.44p</b>	<b>19.44p</b>

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period.

The 'Total' column of this statement is the profit and loss account of the Company and the 'Revenue' and 'Capital' columns represent supplementary information prepared under guidance issued by the Association of Investment Companies.

The net return/(loss) on ordinary activities after taxation represents the profit/(loss) for the period and also the total comprehensive income.

## STATEMENT OF CHANGES IN EQUITY

### FOR THE SIX MONTHS ENDED 31ST DECEMBER 2020

	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserves <sup>1</sup> £'000	Revenue reserve <sup>1</sup> £'000	Total £'000
<b>Six months ended 31st December 2020 (Unaudited)</b>						
<b>At 30th June 2020</b>	<b>7,746</b>	<b>71,672</b>	<b>27,401</b>	<b>372,018</b>	<b>–</b>	<b>478,837</b>
Issue of shares from Treasury	–	8,292	–	8,415	–	16,707
Net return	–	–	–	70,789	2,965	73,754
Dividends paid in the period (note 4)	–	–	–	(6,307)	(2,965)	(9,272)
<b>At 31st December 2020</b>	<b>7,746</b>	<b>79,964</b>	<b>27,401</b>	<b>444,915</b>	<b>–</b>	<b>560,026</b>
<b>Six months ended 31st December 2019 (Unaudited)</b>						
<b>At 30th June 2019</b>	<b>7,746</b>	<b>58,956</b>	<b>27,401</b>	<b>347,414</b>	<b>–</b>	<b>441,517</b>
Issue of shares from Treasury	–	6,977	–	8,041	–	15,018
Net return	–	–	–	18,236	2,390	20,626
Dividends paid in the period (note 4)	–	–	–	(6,120)	(2,390)	(8,510)
<b>At 31st December 2019</b>	<b>7,746</b>	<b>65,933</b>	<b>27,401</b>	<b>367,571</b>	<b>–</b>	<b>468,651</b>
<b>Year ended 30th June 2020 (Audited)</b>						
<b>At 30th June 2019</b>	<b>7,746</b>	<b>58,956</b>	<b>27,401</b>	<b>347,414</b>	<b>–</b>	<b>441,517</b>
Issue of shares from Treasury	–	12,716	–	15,420	–	28,136
Net return	–	–	–	21,163	5,483	26,646
Dividends paid in the year (note 4)	–	–	–	(11,979)	(5,483)	(17,462)
<b>At 30th June 2020</b>	<b>7,746</b>	<b>71,672</b>	<b>27,401</b>	<b>372,018</b>	<b>–</b>	<b>478,837</b>

<sup>1</sup> These reserves form the distributable reserves of the Company and may be used to fund distributions to investors via dividend payments.

## STATEMENT OF FINANCIAL POSITION

AT 31ST DECEMBER 2020

	(Unaudited) 31st December 2020 £'000	(Unaudited) 31st December 2019 £'000	(Audited) 30th June 2020 £'000
<b>Fixed assets</b>			
Investments held at fair value through profit or loss	585,155	461,534	473,187
<b>Current assets</b>			
Derivative financial assets	3,195	1,415	2,026
Debtors	869	593	12,410
Cash and cash equivalents	8,537	37,110	36,972
	12,601	39,118	51,408
<b>Current liabilities</b>			
<b>Creditors:</b> amounts falling due within one year	(1,895)	(515)	(13,710)
Derivative financial liabilities	(2,780)	(1,289)	(1,636)
<b>Net current assets</b>	<b>7,926</b>	<b>37,314</b>	<b>36,062</b>
<b>Total assets less current liabilities</b>	<b>593,081</b>	<b>498,848</b>	<b>509,249</b>
<b>Creditors:</b> amounts falling due after more than one year	(30,035)	(30,029)	(30,032)
<b>Provisions for liabilities and charges</b>			
Performance fee payable	(3,020)	(168)	(380)
<b>Net assets</b>	<b>560,026</b>	<b>468,651</b>	<b>478,837</b>
<b>Capital and reserves</b>			
Called up share capital	7,746	7,746	7,746
Share premium	79,964	65,933	71,672
Capital redemption reserve	27,401	27,401	27,401
Capital reserves	444,915	367,571	372,018
Revenue reserve	–	–	–
<b>Total shareholders' funds</b>	<b>560,026</b>	<b>468,651</b>	<b>478,837</b>
<b>Net asset value per share (note 5)</b>	<b>383.7p</b>	<b>341.4p</b>	<b>338.9p</b>

## STATEMENT OF CASH FLOWS

### FOR THE SIX MONTHS ENDED 31ST DECEMBER 2020

	(Unaudited) Six months ended 31st December 2020 £'000	(Unaudited) Six months ended 31st December 2019 £'000	(Audited) Year ended 30th June 2020 £'000
Net cash outflow from operations before dividend and interest (note 6)	(1,419)	(940)	(2,363)
Dividends received	3,567	3,613	7,288
Interest received	16	120	201
Overseas tax recovered	143	42	55
Interest paid	(439)	(444)	(889)
<b>Net cash inflow from operating activities</b>	<b>1,868</b>	<b>2,391</b>	<b>4,292</b>
Purchases of investments	(250,848)	(166,137)	(462,896)
Sales of investments	212,948	181,571	472,116
Settlement of forward currency contracts	405	352	184
<b>Net cash (outflow)/inflow from investing activities</b>	<b>(37,495)</b>	<b>15,786</b>	<b>9,404</b>
Dividends paid	(9,272)	(8,510)	(17,462)
Issue of shares from Treasury	16,457	14,944	28,235
Utilisation of bank overdraft	8	–	–
<b>Net cash inflow from financing activities</b>	<b>7,193</b>	<b>6,434</b>	<b>10,773</b>
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>(28,434)</b>	<b>24,611</b>	<b>24,469</b>
Cash and cash equivalents at start of period	36,972	12,499	12,499
Exchange movements	(1)	–	4
Cash and cash equivalents at end of period	8,537	37,110	36,972
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>(28,434)</b>	<b>24,611</b>	<b>24,469</b>
Cash and cash equivalents consist of:			
Cash and short term deposits	413	4,778	5,255
Cash held in JPMorgan Sterling Liquidity Fund	8,124	32,332	31,717
<b>Total</b>	<b>8,537</b>	<b>37,110</b>	<b>36,972</b>

### RECONCILIATION OF NET DEBT

	As at 30th June 2020 £'000	Cash flows £'000	Other non-cash charges £'000	As at 31st December 2020 £'000
<b>Cash and cash equivalents</b>				
Cash	5,255	(4,841)	(1)	413
Cash equivalents	31,717	(23,593)	–	8,124
	36,972	(28,434)	(1)	8,537
<b>Borrowings</b>				
Overdraft	–	(8)	–	(8)
Debt due within one year	(30,032)	–	(3)	(30,035)
	(30,032)	(8)	(3)	(30,043)
<b>Total</b>	<b>6,940</b>	<b>(28,442)</b>	<b>(4)</b>	<b>(21,506)</b>

**FOR THE SIX MONTHS ENDED 31ST DECEMBER 2020**

**1. Financial statements**

The information contained within the financial statements in this half year report has not been audited or reviewed by the Company's auditors.

The figures and financial information for the year ended 30th June 2020 are extracted from the latest published financial statements of the Company and do not constitute statutory accounts for that year. Those financial statements have been delivered to the Registrar of Companies and included the report of the auditors which are unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

**2. Accounting policies**

The financial statements have been prepared in accordance with the Companies Act 2006, FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' of the United Kingdom Generally Accepted Accounting Practice ('UK GAAP') and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the 'SORP') issued by the Association of Investment Companies in October 2019.

FRS 104, 'Interim Financial Reporting', issued by the Financial Reporting Council ('FRC') in March 2015, and updated in March 2018, has been applied in preparing this condensed set of financial statements for the six months ended 31st December 2019.

All of the Company's operations are of a continuing nature.

The accounting policies applied to this condensed set of financial statements are consistent with those applied in the financial statements for the year ended 30th June 2020.

**3. Return/(loss) per share**

	(Unaudited) Six months ended 31st December 2020 £'000	(Unaudited) Six months ended 31st December 2019 £'000	(Audited) Year ended 30th June 2020 £'000
Return per share is based on the following:			
Revenue return	2,965	2,390	5,483
Capital return	70,789	18,236	21,163
<b>Total return</b>	<b>73,754</b>	<b>20,626</b>	<b>26,646</b>
Weighted average number of shares in issue	143,271,068	134,639,111	137,054,495
Revenue return per share	2.07p	1.77p	4.00p
Capital return per share	49.41p	13.54p	15.44p
<b>Total return per share</b>	<b>51.48p</b>	<b>15.31p</b>	<b>19.44p</b>

**4. Dividends paid**

	(Unaudited) Six months ended 31st December 2020 £'000	(Unaudited) Six months ended 31st December 2019 £'000	(Audited) Year ended 30th June 2020 £'000
2020 fourth interim dividend of 3.26p (2019: 3.13p)	4,599	4,154	4,154
2021 first interim dividend of 3.29p (2020: 3.26p)	4,673	4,356	4,356
2020 second interim dividend of 3.26p	–	–	4,428
2020 third interim dividend of 3.26p	–	–	4,524
<b>Total dividends paid in the period/year</b>	<b>9,272</b>	<b>8,510</b>	<b>17,462</b>

A second interim dividend of 3.29p has been paid on 8th January 2021 for the financial year ending 30th June 2021, costing £4,768,000.

A third interim dividend of 3.29p per share has been declared for payment on 1st April 2021 for the financial year ending 30th June 2021.

**5. Net asset value per share**

	(Unaudited) Six months ended 31st December 2020	(Unaudited) Six months ended 31st December 2019	(Audited) Year ended 30th June 2020
Net assets (£'000)	560,026	468,651	478,837
Number of shares in issue	145,944,285	137,276,285	141,311,285
<b>Net asset value per share</b>	<b>383.7p</b>	<b>341.4p</b>	<b>338.9p</b>

**6. Reconciliation of net return before finance costs and taxation to net cash outflow from operations before dividends and interest**

	(Unaudited) Six months ended 31st December 2020 £'000	(Unaudited) Six months ended 31st December 2019 £'000	(Audited) Year ended 30th June 2020 £'000
Net return before finance costs and taxation	74,529	21,512	28,635
Less: capital return before finance costs and taxation	(71,127)	(18,472)	(21,612)
Decrease in accrued income and other debtors	119	528	264
Decrease in accrued expenses	(44)	(83)	(31)
Management fee charged to capital	(782)	(479)	(953)
Overseas withholding tax	(498)	(441)	(1,154)
Dividends received	(3,567)	(3,613)	(7,288)
Interest received	(16)	(120)	(201)
Realised (losses)/gains on foreign exchange transactions	(33)	228	(23)
<b>Net cash outflow from operations before dividends and interest</b>	<b>(1,419)</b>	<b>(940)</b>	<b>(2,363)</b>



**7. Fair valuation of investments**

The fair value hierarchy disclosures required by FRS 102 are given below:

	(Unaudited)		(Unaudited)		(Audited)	
	Six months ended		Six months ended		Year ended	
	31st December 2020		31st December 2019		30th June 2020	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
	£'000	£'000	£'000	£'000	£'000	£'000
Level 1	585,155	–	461,534	–	473,187	–
Level 2 <sup>1</sup>	3,195	(2,780)	1,415	(1,289)	2,026	(1,636)
<b>Total</b>	<b>588,350</b>	<b>(2,780)</b>	<b>462,949</b>	<b>(1,289)</b>	<b>475,213</b>	<b>(1,636)</b>

<sup>1</sup> Forward foreign currency contracts.

# Interim Management Report

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The Company is required to make the following disclosures in its half year report:

### Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Company have not changed and fall into the following broad categories: investment and strategy; market; accounting, legal and regulatory; corporate governance and shareholder relations; operational; going concern; and financial. Information on each of these areas is given in the Business Review within the Annual Report and Financial Statements for the year ended 30th June 2020.

### Related Parties Transactions

During the first six months of the current financial year, no transactions with related parties have taken place which have materially affected the financial position or the performance of the Company.

### Going Concern

The Directors believe, having considered the Company's investment objectives, risk management policies, capital management policies and procedures, nature of the portfolio and expenditure projections, that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future and, more specifically, that there are no material uncertainties pertaining to the Company that would prevent its ability to continue in such operation existence for at least 12 months from the date of the approval of this half yearly financial report. For these reasons, they consider there is reasonable evidence to continue to adopt the going concern basis in preparing the financial statements.

### Directors' Responsibilities

The Board of Directors confirms that, to the best of its knowledge:

- (i) the condensed set of financial statements contained within the half yearly financial report has been prepared in accordance with FRS 104 'Interim Financial Reporting' gives a true and fair view of the state of affairs of the Company and of the assets, liabilities, financial position and net return of the Company, as at 31st December 2020, as required by the UK Listing Authority Disclosure and Transparency Rules 4.2.4R; and
- (ii) the interim management report includes a fair review of the information required by 4.2.7R and 4.2.8R of the UK Listing Authority Disclosure and Transparency Rules.

In order to provide these confirmations, and in preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business;

and the Directors confirm that they have done so.

For and on behalf of the Board

**Nigel Wightman**

*Chairman*

5th March 2021

## Shareholder Information

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### Return to Shareholders (APM)

Total return to shareholders, on a last traded price to last traded price basis, assuming that all dividends received were reinvested, without transaction costs, into the shares of the Company at the time the shares were quoted ex-dividend.

Total return calculation	Page	Period ended	Period ended	
		31st December	31st December	
		2020	2019	
Opening share price (p)	6	336.0	333.5	(a)
Closing share price (p)	6	386.5	346.5	(b)
Total dividend adjustment factor <sup>1</sup>		1.018121	1.019327	(c)
Adjusted closing share price (d = b x c)		393.5	353.2	(d)
<b>Total return to shareholder (e = d / a - 1)</b>		<b>17.1%</b>	<b>5.9%</b>	<b>(e)</b>

<sup>1</sup> The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at the last traded price quoted at the ex-dividend date.

### Return on Net Assets with debt at par value (APM)

Total return on net asset value ('NAV') per share assuming that all dividends paid out by the Company were reinvested, without transaction costs, into the shares of the Company at the NAV per share at the time the shares were quoted ex-dividend.

Total return calculation	Page	Period ended	Period ended	
		31st December	31st December	
		2020	2019	
Opening cum-income NAV per share (p)	6	338.9	332.4	
(-) the 4th interim dividend declared but not paid pre year-end date		(3.26)	(3.13)	
Adjusted opening cum-income NAV per share (p)		335.6	329.3	(a)
Closing cum-income NAV per share (p)	6	383.7	341.4	
(-) the 4th interim dividend declared but not paid pre year-end date		(3.29)	(3.26)	
Adjusted closing cum-income NAV per share (p)		380.4	338.1	(b)
Total dividend adjustment factor <sup>2</sup>		1.018246	1.019632	(c)
Adjusted closing cum-income NAV per share (d = b x c)		387.4	344.8	(d)
<b>Total return on net assets with debt at par value (e = d / a - 1)</b>		<b>15.4%</b>	<b>4.7%</b>	<b>(e)</b>

<sup>2</sup> The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at the cum-income NAV at the ex-dividend date.

### Return on Net Assets with Debt at Fair Value (APM)

The Company's debt (debenture) is valued in the Statement of Financial Position (on page 19) at amortised cost, £30,035,000 which is materially equivalent to the repayment value of the debt on the assumption that it is held to maturity. This is often referred to as 'Debt at Par Value'. The current replacement or market value of the debt, which assumes it is repaid and renegotiated under current market conditions, is often referred to as the 'Debt at Fair Value'. The difference between fair and par values of the debt is subtracted from the NAV to derive the NAV with debt at fair value. The fair value of the £200,000 debenture and the fair value of the £30 million loan notes issued by the Company has been calculated using discounted cash flow techniques, using the yield from similar dated gilt plus a margin based on the five year average for the AA Barclays Sterling Corporate Bond spread.

As at 31st December 2020, the cum-income NAV with debt at fair value was £550,501,843 (June 2020: £468,306,000) or 377.2p (June 2020: 331.4p) per share.

## GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES ('APMS')

		Period ended 31st December 2020	Period ended 31st December 2019	
<b>Total return calculation</b>	<b>Page</b>			
Opening cum-income NAV per share (p)	6	331.4	329.0	
(-) the 4th interim dividend declared but not paid pre year-end date		(3.26)	(3.04)	
Adjusted opening cum-income NAV per share (p)		328.1	326.0	(a)
Closing cum-income NAV per share debt at fair value (p)	6	377.2	337.1	
(-) the 4th interim dividend declared but not paid pre year-end date		(3.29)	(3.26)	
Adjusted closing cum-income NAV per share (p)		373.9	333.8	(b)
Total dividend adjustment factor <sup>2</sup>		1.018605	1.019940	(c)
Adjusted closing cum-income NAV per share (d = b x c)		380.9	340.5	(d)
<b>Total return on net assets with debt at fair value (e = d / a - 1)</b>		<b>16.1%</b>	<b>4.5%</b>	<b>(e)</b>

<sup>2</sup> The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at the cum-income NAV at the ex-dividend date.

### Net asset value per share (APM)

The value of the Company's net assets (total assets less total liabilities) divided by the number of ordinary shares in issue. Please see note 5 on page 22 for detailed calculations.

### Benchmark total return

Total return on the benchmark, on a closing-market value to closing-market value basis, assuming that all dividends received were reinvested, without transaction costs, in the shares of the underlying companies at the time the shares were quoted ex-dividend.

The benchmark is a recognised index of stocks which should not be taken as wholly representative of the Company's investment universe. The Company's investment strategy does not follow or 'track' this index and consequently, there may be some divergence between the Company's performance and that of the benchmark.

### Gearing/(Net Cash) (APM)

Gearing represents the excess amount above shareholders' funds of total investments, expressed as a percentage of the shareholders' funds. If the amount calculated is negative, this is shown as a 'net cash' position.

		Period ended 31st December 2020 £'000	Year ended 30th June 2020 £'000	
<b>Gearing calculation</b>	<b>Page</b>			
Investments held at fair value through profit or loss	19	585,155	473,187	(a)
Net assets	19	560,026	478,837	(b)
<b>Gearing/(net cash) (c = a / b - 1)</b>		<b>4.5%</b>	<b>(1.2)%</b>	<b>(c)</b>

### Ongoing Charges (APM)

The ongoing charges represent the Company's management fee and all other operating expenses excluding finance costs payable, expressed as a percentage of the average of the daily cum-income net assets during the year and is calculated in accordance with guidance issued by the Association of Investment Companies.

The figure for Management fee and Other administrative expenses, in the calculation for the period ended 31st December 2020, is an estimated annualised figure based on the actual figure for the six months to 31st December 2020.

## GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES ('APMS')

Ongoing charges calculation	Page	Period ended	Year ended	
		31st December	30th June	
		2020	2020	
		£'000	£'000	
Management Fee	17	2,086	1,906	
Other administrative expenses	17	616	565	
Total management fee and other administrative expenses		2,702	2,471	(a)
Performance fee chargeable		3,689	507	
Total management fee, other administrative expenses and performance fee chargeable		6,391	2,978	(b)
Average daily cum-income net assets		508,458	450,031	(c)
Ongoing charges excluding performance fee chargeable (d = a / c)		0.53%	0.55%	(d)
Ongoing charges including performance fee chargeable (d = b / c)		1.26%	0.66%	

### Share Price Discount/Premium to Net Asset Value ('NAV') per Share (APM)

If the share price of an investment trust is lower than the NAV per share, the shares are said to be trading at a discount. The discount is shown as a percentage of the NAV per share.

### Portfolio Turnover

Portfolio turnover is based on the average equity purchases and sales expressed as a percentage of average opening and closing portfolio values (excluding liquidity funds).

### Performance attribution

Analysis of how the Company achieved its recorded performance relative to its benchmark.

### Performance Attribution Definitions:

#### Asset allocation

Measures the impact of allocating assets differently from those in the benchmark, via the portfolio's weighting in different countries, sectors or asset types.

#### Stock selection

Measures the effect of investing in securities to a greater or lesser extent than their weighting in the benchmark, or of investing in securities which are not included in the benchmark.

#### Currency effect

Measures the impact of currency exposure differences between the Company's portfolio and its benchmark.

#### Gearing/(net cash)

Measures the impact on returns of borrowings or cash balances on the Company's relative performance.

#### Management fee/Other expenses

The payment of fees and expenses reduces the level of total assets, and therefore has a negative effect on relative performance.

#### Share buyback

Measures the enhancement to net asset value per share of buying back the Company's shares for cancellation at a price which is less than the Company's net asset value per share.

### American Depositary Receipts (ADRs)

Certificates that are traded on US stock exchanges representing a specific number of shares in a non-US company. ADRs are denominated and pay dividends in US dollars and may be treated like regular shares of stock.

You can invest in a J.P. Morgan investment trust through the following:

## 1. Via a third party provider

Third party providers include:

AJ Bell	Hargreaves Lansdown
Barclays Smart Investor	Interactive Investor
Charles Stanley Direct	Selftrade
Fidelity FundsNetwork	The Share Centre
Halifax	

Please note this list is not exhaustive and the availability of individual trusts may vary depending on the provider. These websites are third party sites and J.P. Morgan Asset Management does not endorse or recommend any. Please observe each site's privacy and cookie policies as well as their platform charges structure.

The Board encourages all of its shareholders to exercise their rights and notes that many specialist platforms provide shareholders with the ability to receive company documentation, to vote their shares and to attend general meetings, at no cost. Please refer to your investment platform for more details, or visit the Association of Investment Companies' ('AIC') website at [www.theaic.co.uk/aic/shareholder-voting-consumer-platforms](http://www.theaic.co.uk/aic/shareholder-voting-consumer-platforms) for information on which platforms support these services and how to utilise them.

## 2. Through a professional adviser

Professional advisers are usually able to access the products of all the companies in the market and can help you find an investment that suits your individual circumstances. An adviser will let you know the fee for their service before you go ahead. You can find an adviser at [unbiased.co.uk](http://unbiased.co.uk)

You may also buy investment trusts through stockbrokers, wealth managers and banks.

To familiarise yourself with the Financial Conduct Authority (FCA) adviser charging and commission rules, visit [fca.org.uk](http://fca.org.uk)

## Be ScamSmart

### Investment scams are designed to look like genuine investments

#### Spot the warning signs

Have you been:

- contacted out of the blue
- promised tempting returns and told the investment is safe
- called repeatedly, or
- told the offer is only available for a limited time?

If so, you might have been contacted by fraudsters.

### Avoid investment fraud

#### 1 Reject cold calls

If you've received unsolicited contact about an investment opportunity, chances are it's a high risk investment or a scam. You should treat the call with extreme caution. The safest thing to do is to hang up.

#### 2 Check the FCA Warning List

The FCA Warning List is a list of firms and individuals we know are operating without our authorisation.

#### 3 Get impartial advice

Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

**Remember: if it sounds too good to be true, it probably is!**

### Report a Scam

If you suspect that you have been approached by fraudsters please tell the FCA using the reporting form at [www.fca.org.uk/consumers/report-scam-unauthorised-firm](http://www.fca.org.uk/consumers/report-scam-unauthorised-firm). You can also call the FCA Consumer Helpline on **0800 111 6768**

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at [www.actionfraud.police.uk](http://www.actionfraud.police.uk)

**Find out more at**  
[www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)





## FINANCIAL CALENDAR

Financial year end	30th June
Half year results announced	March
Final results announced	September
Interim dividends paid (quarterly)	January, April, July, October
Interest payment on 4.5% perpetual debenture stock	1st January, 1st July
Interest payment on 30 yr unsecured 2.93% loan notes	9th January and 9th July
Annual General Meeting	October

### History

The Company was formed in 1887. The Company was a general investment trust until 1982, when it adopted its current objective. The current name was adopted on 8th July 2016 from JPMorgan Overseas Investment Trust plc.

### Directors

Nigel Wightman (Chairman)  
Sarah Whitney  
Gay Collins  
Tristan Hillgarth

### Company Numbers

Company registration number: 24299  
Stock Exchange SEDOL BYMKY69  
Bloomberg Code: JGGI LN  
ISIN: GBO0BYMKY695  
LEI: 5493007C31005PJKR078

### Market Information

The Company's unaudited net asset value ('NAV') is published daily, via the London Stock Exchange.

The Company's shares are listed on the London Stock Exchange. The market price is shown daily in the Financial Times, The Times, The Daily Telegraph, The Scotsman and on the JPMorgan website at [www.jpmmorglobalgrowthandincome.co.uk](http://www.jpmmorglobalgrowthandincome.co.uk), where the share price is updated every fifteen minutes during trading hours.

### Website

[www.jpmmorglobalgrowthandincome.co.uk](http://www.jpmmorglobalgrowthandincome.co.uk)

### Share Transactions

The Company's shares may be dealt in directly through a stockbroker or professional adviser acting on an investor's behalf.

### Manager and Company Secretary

JPMorgan Funds Limited

### Company's Registered Office

60 Victoria Embankment  
London EC4Y 0JP  
Telephone number: 020 7742 4000

For company secretarial and administrative matters please contact Divya Amin at the above address.

### Depository

The Bank of New York Mellon (International) Limited  
1 Canada Square  
London E14 5AL

The Depository has appointed JPMorgan Chase Bank, N.A. as the Company's custodian.

### Registrars

Equiniti Limited  
Reference 1103  
Aspect House  
Spencer Road  
Lancing  
West Sussex BN99 6DA  
Telephone number: 0371 384 2330

Lines open 8.30 a.m. to 5.30 p.m. Monday to Friday. Calls to the helpline will cost no more than a national rate call to a 01 or 02 number. Callers from overseas should dial +44 121 415 0225.

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrar quoting reference 1103. Registered shareholders can obtain further details on their holdings on the internet by visiting [www.shareview.co.uk](http://www.shareview.co.uk).

### New Zealand Registrars

Computershare Investor Services Limited  
Private Bag 92119, Victoria Street West,  
Auckland 1142  
Level 2  
159 Hurstmere Road  
Takapuna  
Auckland  
New Zealand.  
Telephone: 09 488 8777

Notifications of changes of address and enquiries regarding certificates or dividend cheques should be made in writing to the Registrars.

### Independent Auditors

Ernst & Young LLP  
Statutory Auditor  
Atria One  
144, Morrison Street  
Edinburgh EH3 8EX

### UK Brokers

Winterflood Securities Limited  
The Atrium Building  
Cannon Bridge  
25 Dowgate Hill  
London EC4R 2GA  
Telephone: 020 3100 0000

### New Zealand Brokers

First NZ Capital Securities  
P.O. Box 396  
Wellington  
New Zealand  
Telephone: 0800 800 968 (NZ Toll Free)  
Please contact Peter Irwin



The Association of  
Investment Companies

A member of the AIC

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## CONTACT

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