



JPMorgan European Discovery Trust plc

Uncovering Europe's hidden gems

Half Year Report & Financial Statements
for the six months ended 30th September 2024

Key Features

Your Company

Objective

Capital growth from smaller Continental European companies.

Investment Policies

- To invest in a diversified portfolio of high-quality smaller companies in Continental Europe.
- To emphasise capital growth rather than income. Therefore shareholders should expect the dividend to vary from year to year.
- To manage liquidity and borrowings to increase potential returns to shareholders. The Board's current gearing policy is to be between 20% net cash and 20% geared.
- To invest no more than 15% of gross assets in other UK listed investment companies (including investment trusts).

Risk

It should be noted that the Company invests in the shares of smaller companies, which tend to be more volatile than those of larger companies. The Company also employs gearing to generate greater returns. The Company's shares should therefore be regarded as carrying greater than average risk.

Benchmark

MSCI Europe (ex UK) small cap net total return index in sterling terms.

Capital Structure

At 30th September 2024, the Company's share capital comprised in issue of 119,798,336 ordinary shares of 5p each. There were 16,516,567 shares held in Treasury.

Management Company

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

Association of Investment Companies ('AIC')

The Company is a member of the AIC.

Website

More information about the Company can be found online at www.jpmeuropeandiscovery.co.uk.

FINANCIAL CALENDAR

Financial year end	31st March
Final results announced	June
Half year end	30th September
Half year results announced	December
Annual General Meeting	July
Dividend	February/August

Half Year Performance	
Financial Highlights	5
Chairman's Statement	
Chairman's Statement	8
Investment Review	
Investment Managers' Report	11
Manager's Investment Process	16
List of Investments	19
Portfolio Information	21
Financial Statements	
Condensed Statement of Comprehensive Income	23
Condensed Statement of Changes in Equity	24
Condensed Statement of Financial Position	25
Condensed Statement of Cash Flows	26
Notes to the Condensed Financial Statements	27
Interim Management Report	
Interim Management Report	30
Shareholder Information	
Glossary of Terms and Alternative Performance Measures ('APMs')	32
Investing in JPMorgan European Discovery Trust plc	34
Share Fraud Warning	35
Information About the Company	36



Financial Highlights

Total returns (including dividends reinvested) to 30th September 2024

	6 Months	3 Years Cumulative	5 Years Cumulative	10 Years Cumulative
Return to shareholders ^{1,A}	+2.2%	-2.3%	+43.9%	+183.7%
Return on net assets ^{2,A}	-0.5%	-9.6%	+32.4%	+163.5%
Benchmark return ^{3,A}	+1.0%	-2.1%	+39.2%	+140.1%
Shareholder return compared to benchmark return ^A	+1.2%	-0.2%	+4.7%	+43.6%
Net asset return compared to benchmark return ^A	-1.5%	-7.5%	-6.9%	+23.5%

¹ Source: Morningstar.

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

³ Source: Morningstar. The Company's benchmark is the MSCI Europe (ex UK) Small Cap Net Total Return Index.

^A Alternative Performance Measure ('APM').

A glossary of terms and APMs is provided on pages 32 and 33.

Financial Highlights

Summary of results

	30th September 2024	31st March 2024	% change
Shareholders' funds (£'000)	610,864	769,046	-20.6
Net asset value per share ^A	509.9p	520.7p	-2.1 ¹
Share price	467.5p	465.5p	0.4 ²
Share price discount to net asset value per share ^A	8.3%	10.6%	
Shares in issue (excluding shares held in treasury)	119,798,336	147,692,459	
Gearing^A	4.7%	7.9%	
Ongoing charges^A	0.89%	0.92%	

¹ % change, excluding dividends reinvested. Including dividend reinvested the return is -0.5%.

² % change, excluding dividends reinvested. Including dividends reinvested the return is +2.2%.

^A Alternative performance measure ('APM').

A glossary of terms and APMs is provided on pages 32 and 33.



Chairman's Statement



Marc van Gelder
Chairman

Dear Shareholder,

I am pleased to present the Company's results for the half-year ended 30th September 2024.

Investment Performance

The improvement in the market environment which I noted in the Annual Report continued in the half year to 30th September 2024. Inflationary pressures continued to subside, the European Central Bank (ECB) initiated a monetary easing cycle and real wage increases are lifting consumer confidence. These developments were generally supportive of small cap companies. The Company's benchmark, the MSCI Europe (ex UK) Small Cap Index, returned +1.0% over the six month period. However, the Company's performance lagged, recording a total return on net assets of -0.5%. The total return to shareholders was +2.2%, due to a moderate narrowing of the discount at which the Company's shares traded relative to its NAV, from 10.6% to 8.3%.

This recent underperformance in NAV terms is disappointing, but it follows a period of outperformance for the financial year ended 31st March 2024. As the Company adopts a long-term investment strategy, it is important to also consider performance over a longer timeframe. Over the past five years, the total return on net assets was +32.4%, compared to the benchmark total return of +39.2%. Over the past ten years, the total return of +163.5% was high in absolute terms and comfortably above the benchmark return of +140.1%.

The Investment Manager's Report that follows provides a review and outlook of markets, as well as more detail on the performance drivers within the portfolio.

Revenue and Dividends

The Company's net revenue return for the six months to 30th September 2024 was higher than the corresponding period in 2023, at 10.72 pence per share (30th September 2023: 10.42 pence). The Board has decided to increase the interim dividend to 3.0 pence (2023: 2.5 pence) per share, which will be paid on 5th February 2025 to shareholders on the register as at 20th December 2024 (the ex-dividend date will be 19th December 2024). When determining the final dividend for the current financial year, the Board will take into account the income received over the year as a whole, and the level of the Company's revenue reserves, which stood at £24.47m as at 30th September 2024.

Discount Management and Share Repurchases

The Board continues to monitor the level of the share price discount and believes that its ability to repurchase shares to minimise the short-term volatility and the absolute level of the discount is of prime importance to shareholders. A total of 6,734,095 shares were repurchased into Treasury in the six months to 30th September 2024. A further 2,015,144 shares have been repurchased since the period end. At the time of writing, the share price discount was 12.2%.

Tender Offer

As previously announced, during the year, the Company undertook a Tender Offer providing shareholders with the opportunity to tender up to 15% of the issued share capital in the Company (excluding Shares held in Treasury). 21,160,028 shares were validly tendered pursuant to the Tender Offer.

The Board

In line with the Board's succession planning on the retirement of Nicholas Smith at the 2024 Annual General meeting, in July, the Board undertook a search to identify a new Director. Following the successful conclusion of this search and as announced, James Will was appointed as an independent non-executive director with effect from the conclusion of the 2024 Annual General Meeting.

James brings a wealth of Investment Trust industry experience, his other Non-Executive Director roles include being the Chair of Asia Dragon Trust plc and the Senior Independent Director at Herald Investment Trust plc.

Chairman's Statement

Environmental, Social and Governance ('ESG')

The Board has continued to engage with the Manager on the integration of ESG factors into its investment process. These issues are considered at every stage of the investment decision. The Board shares the Investment Managers' view of the significance of financially material ESG factors, both when making initial investment decisions and throughout the period of the investment. To this end, it seeks to maintain a meaningful and ongoing engagement with investee companies.

For more details, please refer to pages 30 to 32 of the 2024 Annual Report which can be found on the Company's website at: www.jpmeuropeandiscovery.co.uk.

Change of Registrar

As mentioned in the 2024 Annual Report, following a competitive tender process, the Company transferred the management of its share register from Equiniti Financial Services Limited to Computershare Investor Services PLC ('Computershare'), with effect from 16th September 2024.

A notification letter from Computershare was sent to all registered shareholders advising of this change. The letter included an invitation to shareholders to create an online account which will provide access to the details of their shareholdings and an opportunity to participate in the Company's Dividend Reinvestment Plan (DRIP). Please visit www.investorcentre.co.uk for further information.

Outlook

The outlook for European small caps, and for your Company, is positive, despite the recent upsurge in global political uncertainty. Easing inflation pressures, declining interest rates and more buoyant consumer sentiment will continue to provide favourable economic tailwinds. In addition, lower rates combined with tempting valuations, are likely to reignite interest in M&A activity in the sector. Some of the Company's portfolio holdings may be direct beneficiaries. We share the Investment Manager's conviction that innovative and nimble small cap companies are by their nature best placed to capitalise on emerging trends, such as the rapid adoption of artificial intelligence (AI). Also, after an uncharacteristically long period of underperformance, European small caps are ripe for a rebound. In conclusion, 2025 looks set to be an interesting and remunerative one for your Company, and one which should serve to extend its long-term track record of strong gains and outperformance.

On behalf of the Board I would like to thank you for your ongoing support.

Marc van Gelder
Chairman

6th December 2024



Investment Managers' Report

As we reflect on the first half of the financial year, we observe a dynamic landscape that has significantly influenced the performance of Europe's smaller companies. Key developments, such as inflation stabilisation, interest rate cuts by the ECB, and rising consumer confidence have shaped market and stock performance. These factors, alongside political events, have created opportunities for investors like us who focus on uncovering overlooked companies ('hidden gems') across continental Europe.

In this report we will discuss how these elements have affected the Company's performance, and we outline our strategic approach moving forward. We will also highlight some of the hidden gems in the Company's investment portfolio and share our views on European smaller companies.



Jon Ingram
Investment Manager

Macroeconomic Review

Three main factors influenced the performance of Europe's smaller companies over the past six months: inflation stabilisation, central bank rate cuts, and increased consumer confidence.

- **Inflation:** In the Euro area, the Consumer Price Index (CPI) fell from 2.4% in March 2024 to 1.7% in September 2024, down from highs of +10% in 2022. Core inflation has fallen to 2.7%.
- **Financial Conditions:** Lower inflation has allowed central banks to cut interest rates. The ECB has so far reduced rates three times this year, from 4.00% to 3.25%.
- **Consumer Confidence:** Rising real wages in Europe have boosted consumer confidence, benefiting domestically focused smaller companies.

While political developments can influence market sentiment and risk perceptions, recent elections in the UK and France are only likely to have moderate long-term impact on company fundamentals.

The same can be said about the severe bout of weakness in Japanese stocks during July, after the Bank of Japan raised interest rates and warned of further tightening ahead.

The Chinese government's array of stimulus measures, announced in September, have led to a rally in Chinese equities, although their success remains uncertain.

Additionally, the result of the US election is expected to add more volatility to global markets as investors react to potential policy changes, though as with the other regions, we believe the long-term performance of stock prices will ultimately be driven by company fundamentals.



Jack Featherby
Investment Manager



Jules Bloch
Investment Manager

Portfolio Performance

Table 1: Performance of JPMorgan European Discovery Trust versus major markets

Company/index name	31st March – 30th September 2024 (%)
JEDT (NAV)	-0.5
NAV relative to benchmark	-1.5
JEDT (Price)	2.2
End of period discount	-8.3
MSCI Europe (ex UK) Small Cap	1.0
MSCI Europe (ex UK)	-0.4

Source: JPMorgan Asset Management and Bloomberg.

Relative to the MSCI Europe ex UK Small Cap index, the Company's investment portfolio underperformed by 1.5% over the period. The portfolio's intra-period performance volatility was relatively muted, with an equal number of outperforming months and underperforming months. Portfolio underperformance was driven by some major political and macroeconomic events during the period, including the announcement of the French legislative elections in June, the sudden unwinding of the Yen carry trade in early August, and the announcement of Chinese stimulus measures over September. Each of these events led to a significant increase in the stock market's risk premium, and this subsequently weighed on the performance of Europe's Smaller Companies.

Investment Managers' Report

Table 2: Sector Performance - Top 3 and Bottom 3 sectors contributing to performance

Group	Account		Benchmark		Attribution		Total (%)
	Avg Wgt (%)	Return (%)	Avg Wgt (%)	Selection (%)	Allocation (%)		
Real Estate	6.27	19.32	7.85	0.45	-0.17	0.27	
Consumer Staples	4.43	6.82	4.80	0.27	-0.05	0.23	
Communication Services	7.55	2.98	4.51	0.32	-0.10	0.22	
Financials	13.91	3.17	14.24	-0.41	-0.02	-0.43	
Consumer Discretionary	11.67	-8.67	8.30	-0.29	-0.30	-0.59	
Industrials	32.31	-2.21	25.99	-1.39	0.12	-1.27	

Source: JPMorgan Asset Management.

Analysing the Company's performance by sector, the Real Estate sector was the largest positive contributor to returns. Here, performance was principally driven by increasingly positive sentiment around ECB rate cuts. Within the sector, TAG Immobilien, a German residential building owner and operator, contributed most, on the back of its initially depressed valuation and a stabilisation in property valuations.

The Company's exposure to Consumer Staples and Communication Services also enhanced returns, with individual stock specifics driving performance in both sectors. Within Consumer Staples, returns were driven by Swedish specialty vegetable oils and fats producer, AAK. This company has benefited over the last six months from a dramatic increase in the price of cocoa butter, which has driven demand for substitutes, including AAK's palm oil-based products. Within Communication Services, performance was supported by the Company's investment in CTS Eventim, a German-based online ticketing platform for the entertainment industry. CTS is doing well thanks to rocketing demand for live entertainment. Activity is surging due to changing monetisation trends in the music industry which have led to a rise 'mega' tours by artists such as Taylor Swift and Adele.

The Company's largest sectorial detractors were Industrials, Consumer Discretionary and Financials. The industrial sector underperformance was primarily the result of a ~7% overweight to the sector. Over the review period, the Company exited several of its largest Industrial sector holdings to reduce this overweight. Otherwise, negative performance within Industrials was driven by the continued weakness of the German industrial economy (see 'Portfolio Changes' section for further details). Financial sector holdings have been adversely impacted by expectations of a decline in net interest income (NII) now the ECB has begun cutting rates. Despite this headwind for NII, we think the current mantra of 'higher for longer' interest rates, coupled with still deeply discounted valuations, should support share price performance in Financials going forward. Finally, Consumer Discretionary names have suffered from a weak automotive market, as well as broader weakness in consumer spending across the US and Europe. Within all these sectors, negative performance was primarily the result of our sector allocation, rather than stock specifics.

Table 3: Investment performance - Top 3 and Bottom 3 investments contributing to performance

Security Name	Account		Benchmark		Total Effect (%)
	Avg Wgt (%)	Return (%)	Avg Wgt (%)	Wgt Diff (%)	
Nexans	2.12	35.04	0.41	1.71	0.50
Unipol Gruppo	1.94	38.35	0.44	1.50	0.46
Bonesupport	1.66	33.04	0.16	1.50	0.43
Scor	1.01	-34.87	0.44	0.58	-0.51
Stabilus	1.01	-35.50	0.14	0.87	-0.52
Kion	1.55	-33.26	0.34	1.22	-0.67

Source: JPMorgan Asset Management.

Investment Managers' Report

The top three contributors to performance over the period were Nexans, Unipol Gruppo, and Bonesupport.

Nexans, a French company, is the world's second largest supplier of high voltage cables. This investment contributed strongly to performance thanks to continued massive demand for their high voltage cable solutions. Nexans provide the high specificity cables needed to connect offshore wind farms to the electrical grid. Their cables are also used as transnational interconnectors to connect power grids in one country to those of other countries. Through these businesses Nexans play a key role in the transition to renewable energy. We believe their investment thesis is just starting to play out, and we have a high conviction for Nexans' investment proposition going forward.

Unipol Gruppo is an Italian insurance provider and financial conglomerate. The stock contributed strongly to returns following the company's decision to streamline its operating structure by merging its Hold-Co structure with its listed subsidiary, Unipol Sai. In addition, results have been consistently strong throughout the year.

Bonesupport, a Swedish healthcare company specialising in orthobiologics, also contributed positively following their expansion into the US market. FDA clearance of the company's spinal fusion treatment was also received sooner than expected.

The top three detractors were Scor, Kion and Stabilus. We have subsequently exited all three positions.

Scor, a French reinsurer, underperformed due to missed expectations driven by US mortality claims. This led to a profit warning which raised questions around the potential volatility of future profits.

Kion, a German manufacturer of forklift trucks, also faced a weak start to the year. Poor order intake delayed the potential for recovery and left no indication of when a recovery could start. Stabilus, a German manufacturer of gas springs and power risers, also issued a negative profit update citing lower demand for automotive and commercial vehicles. This also led us to believe the recovery we expected would continue to be delayed.

Portfolio Changes

Table 4: Top 3 investment portfolio buys and Top 3 sells

Security Name	Sector	Change PRT (%)	Trade Type
Nexans SA	Industrials	1.7	Topped up
Banco Comercial Portugues	Financials	1.5	New buy
Cairn Homes PLC	Consumer Discretionary	1.4	Topped up
Kion	Industrials	-2.7	Sell out
Scor	Financials	-2.4	Sell out
Hensoldt AG	Industrials	-1.8	Sell out

Source: JPMorgan Asset Management.

During the period, we increased the Company's investment holdings in Nexans and Cairn Homes, an Irish home builder, and initiated a new position in Banco Comercial Portugues (BCP).

The boosted position in Nexans followed its recent strong performance, as discussed earlier, which increased our confidence in the business's strong market position. We also like Nexan's ability to drive shareholder value through higher margins and through cash flows, thanks to extraordinarily strong global demand for high voltage cables in a tight supply market.

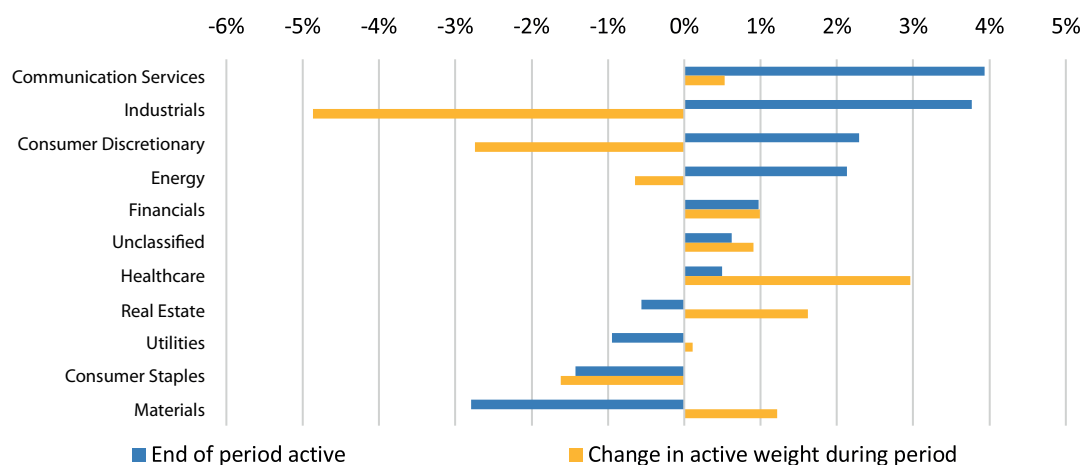
The decision to invest in BCP, a Portuguese retail bank, was driven by confidence in its investment case following a turnaround in business performance supported by persistently high interest rates.

The Company's third largest portfolio position change was the increase in holding of Cairn Homes. Cairn are currently benefitting from improved housing demand in Ireland. We also received positively their announcement to extend their share buyback programme. We increased our position when the ECB began lowering rates as this should, on a fundamental level, support further demand for new housing.

Investment Managers' Report

The Company exited positions in Scor, Kion, Stablius and Hensoldt. We felt uncertain about the future earnings prospects of each of these investments (the reasons for the disposal of the first three names are discussed earlier). With Hensoldt, a key supplier of sensor technologies to the defence industry, the decision to sell was motivated by our concerns about domestic political support for further German defence spending, given the country's fiscal challenges.

As a result of the above portfolio changes, the Company's investment portfolio sector positioning has evolved as shown below.



Source: JPMorgan Asset Management.

Over the half year, exposure to Communication Services grew to become the Company's largest sector overweight. This growth was driven by strong performance from the Company's investments in businesses such as the previously mentioned CTS Eventim.

Industrial sector exposure contracted, becoming the second largest sector overweight. We continue to see a significant number of opportunities within this sector, and we believe industrials should do well as Europe recovers from the effects of inflation and the European energy crisis. We have, however, decided to reduce the portfolio's sector weighting based on stock specific decisions.

The Company's exposure to the Real Estate and Healthcare sectors, both sectors sensitive to interest rates, increased over the period. We feel that the ECB's rate cuts should support specific areas of the Real Estate sector, especially German residential real estate investment, over the coming months. In Healthcare, we have increasing conviction in several companies offering unique technologies, which have so far been overlooked by the market. For example, we have built a position in Camurus, a Swedish drug development company with proprietary drug delivery technology that we believe is at the beginning of a multi-year growth cycle. Top performer Bonesupport, mentioned above, also falls into this category.

Materials remain the portfolio's largest underweight due to their cyclical nature and poor track record in value creation. Although post-pandemic demand and energy price spikes boosted materials sector margins, recent declines in gas and electricity prices pose challenges for the sector.

Outlook

When considering the outlook for European financial markets, one uncomfortable reality is that political uncertainty is escalating, especially given the perceived binary nature of many national elections occurring around the region and world. However, we cannot second guess the impact of political events on financial markets. The Company's investment strategy remains focused instead on identifying Europe's 'hidden gems' – great companies with strong fundamentals that have escaped the attention of most investors.

Macroeconomic developments over the review period have been decisively positive. Looking across the asset class, we expect the easing of monetary headwinds and improving economic growth indicators to be favourable for economically geared smaller companies.

Investment Managers' Report

In addition, after a period of subdued deal flow, lower interest rates in concert with attractive valuations, are likely to catalyse an uptick in M&A within the European smaller companies space. We believe this should benefit both the asset class and the Company. Private equity investors and other participants in M&A activity tend to seek out the same kind of overlooked businesses that we seek, and we expect some of our portfolio holdings to be targeted by these investors.

Chart 1 – Small Cap cyclically adjusted PE ratios (ESCexUK = MSCI Europe exUK Small Cap index)

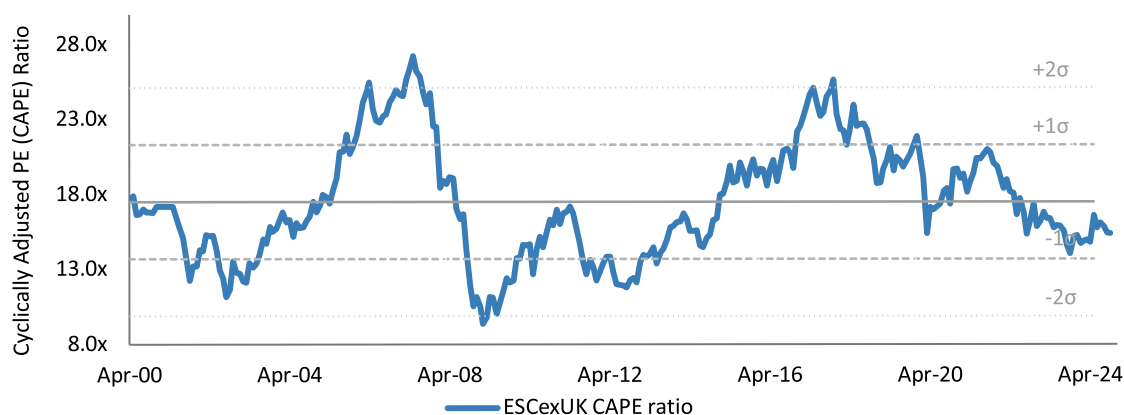
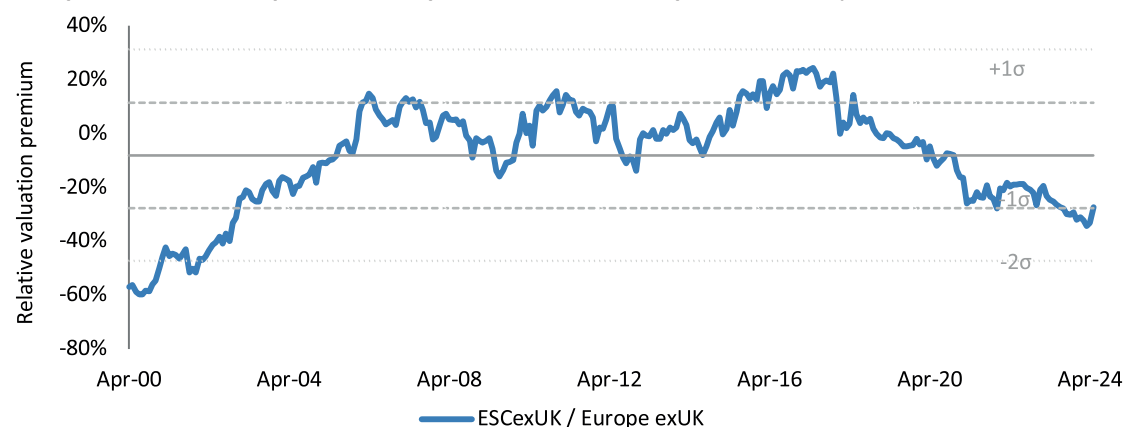


Chart 2 - Small Cap cyclically adjusted PE ratios relative to large caps (ESCexUK = MSCI Europe exUK Small Cap index, Europe exUK = MSCI Europe exUK Index)



The portfolio's exposure to structural themes will be another driver of portfolio returns. We continue to hold a strong conviction that many of the companies that will be most successful in harnessing the AI revolution, pharmaceutical advancements, and other emerging structural trends, are likely to originate from the smaller companies space within Europe. Many of these future leaders are yet to be identified (or even conceived), but we are always on the lookout.

We anticipate that the combination of attractive valuations, supportive macroeconomic conditions, and long-term thematic drivers will serve as significant catalysts for European smaller companies. This sector of the market has outperformed most other major public asset classes globally over the past two decades, and after a protracted period of underperformance, these stocks are overdue for a resurgence. As we said in our last report, the outlook has rarely been brighter, and we look forward to reporting the Company's progress on capturing this recovery as it unfolds.

Jon Ingram
Jack Featherby
Jules Bloch
Investment Managers

6th December 2024

Manager's Investment Process

The Company aims to achieve capital growth by investing in a portfolio of smaller Continental European companies. The investment universe is defined at the time of purchase by the countries and market capitalisation range of the constituents of the benchmark, the MSCI Europe (ex UK) Small Cap Index.

The Manager employs a bottom-up selection process which seeks to identify Europe's *hidden gems* before they are discovered by the wider investing community. Typically, these companies are well-priced, market-leading growth companies, with catalysts for medium-term outperformance.

The search for hidden gems is a collaborative, team-based effort that starts with idea generation, then proceeds to fundamental research, before the investment managers construct a portfolio of companies they deem to be best suited to prevailing market conditions. Overall risk and financially material environmental, social and governance (ESG) considerations are integrated into each stage of the investment decision-making process, including research, company engagement – before and after stocks enter the portfolio – and portfolio construction.

Idea Generation

The primary source of investment ideas is the Manager's proprietary quantitative investment screening process that ranks stocks within the Company's investment universe according to their valuation, quality, and momentum characteristics. Valuation is assessed using metrics such as valuation multiples and discounted cash flow analysis. Quality is judged on characteristics such as return on capital, the sustainability of earnings, and capital discipline, while Momentum is considered in terms of factors such as whether a company is exceeding the market's earnings estimates.

Fundamental Research

After identifying companies with the characteristics the Investment Managers are seeking, the investment process progresses to in-house fundamental research. The Investment Managers evaluate each investment opportunity using their own expertise, in addition to JP Morgan's extensive analytical and technological resources. The Continental European small cap team is part of the wider International Equity Group at JPMorgan, so the Investment Managers have access to the extensive expertise of some 100 investment professionals who comprise this group.

Portfolio Construction

The Investment Managers draw on this research to construct a concentrated best ideas portfolio of Europe's hidden gems. The Company's investment guidelines do not restrict the Investment Managers from investing in any sector or country. So, they invest in the best opportunities for the prevailing market environment. This is determined on a bottom-up basis, rather than being driven by a top-down, macroeconomic view.

The Investment Managers utilise JPMorgan's proprietary risk tools to ensure that the portfolio's risk exposures are identified and evaluated, whether they be stock or style specific, related to the economic environment, or to conditions within the sector or country.

The Board has set a liquidity range of between 20% cash and 20% gearing within which the Investment Managers may operate. This gives the investment team further flexibility to adjust portfolio risk according to their assessment of the market outlook. However, the Company does not hedge the currency exposure of its portfolio assets. This policy is based on the view that the performance impact of foreign exchange rate fluctuations evens out over the longer term.

Environment, Social and Governance (ESG) considerations

The Investment Managers consider ESG challenges as part of the investment process. The Company does not have an ESG-based exclusion list of stocks or sectors. However, the Investment Managers do aim to determine whether a company faces potential headwinds or tailwinds from ESG considerations, and how such factors may ultimately impact its earning capacity and share price. This assessment may influence the decision to purchase a company, or impact the size of the position, according to the level of their conviction in the stock.

Manager's Investment Process

Engagement with companies is an essential part of the Manager's ESG process – both ahead of a decision to invest and for the duration of any investment. Once a stock is held in the portfolio, engagement is frequent and ongoing. This is with the intention of influencing management behaviour and encouraging best practices, which the Manager believes has significant potential to enhance returns over time. The Company conducted over 250 company meetings during the previous financial year. This pro-active approach allows the Investment Managers to manage ESG risks, as well as to systematically incorporate insights gained from engagement into their investment decisions.

Sell Discipline

The Investment Managers employ a strict sell discipline. A portfolio holding will be sold if it meets any of the following conditions:

- The market capitalisation has significantly outgrown the benchmark index;
- There is a deterioration in the underlying fundamental investment thesis;
- The valuation has become unattractive; or
- Better investment opportunities are identified.

Performance

The investment process enables the Investment Managers to identify and invest early in companies experiencing improving operational performance. This strategy works best when markets are trending higher but tends to struggle during periods of high volatility caused by global crises and other sources of uncertainty. However, historically once these periods of stress end the portfolio performance has bounced back strongly.

In recent years, the market has experienced an unprecedented number of global crises in a short period of time: the Covid-19 pandemic, global supply chain disruption, conflict on Europe's eastern border and in the Middle East, and the unexpected resurgence of inflation and associated aggressive monetary tightening. Nevertheless, if history is a guide, performance should recover as markets continue to normalise. In the meantime, the Investment Managers have evolved the investment process to better manage risk exposures during volatile periods and minimise downside risk, by adding more diversification to the portfolio, at the stock, sector and country levels.

Stock Examples

The following examples are included to give shareholders an insight into how the Investment Managers consider portfolio companies.

CTS Eventim

Stock overview

CTS Eventim is a leading provider of ticketing solutions, offering online and offline sales for concerts, sports events, theater performances, and other live entertainment. The company utilises advanced technology to streamline the ticket purchasing process for consumers and event organisers. The company has a strong international footprint with operations in multiple countries. This allows them to cater to diverse markets in the live entertainment industry.

Investment thesis

- The live events industry is experiencing robust growth as consumer demand for unique, in-person experiences continues to rise. CTS Eventim capitalises on this trend by offering a wide range of events, from concerts to sports, ensuring a steady stream of revenue and opportunities for expansion.

Manager's Investment Process

- As consumers increasingly prefer the convenience of online transactions, CTS Eventim's advanced digital platform positions it well to capture this shift. Its user-friendly online ticketing system enhances the customer experience and expands the company's market reach, driving higher sales volumes and increasing profitability.
- CTS Eventim benefits from network effects, where the value of its platform increases as more users and events join. This creates a competitive advantage that results in superior profitability. Additionally, the company's scalable business model allows for cost efficiencies, further boosting profitability as they grow.

Arcadis

Stock overview

Arcadis provides design, engineering, and consultancy services for natural and built assets. The company focuses on delivering sustainable solutions across various sectors, including infrastructure, water, environment, and buildings. With the company's presence in numerous countries it is able to leverage its global expertise to address local challenges. The international footprint enables the offering of tailored solutions that meet regional needs drawing on a broad range of experiences and innovations. The company is committed to sustainability and integrates environmentally friendly practices into its projects. It aims to enhance quality of life by creating resilient and sustainable urban and natural environments, aligned with global sustainability goals.

Investment thesis

- Arcadis benefits from the increasing global focus on sustainable cities, water networks and purification, and environmental remediation. As governments and organisations prioritise sustainability, the company's expertise in creating resilient and eco-friendly solutions means it is well-positioned to meet this demand.
- The engineering and consultancy market is highly fragmented, providing Arcadis with opportunities for strategic M&A, evidenced by a recent North American acquisition. This approach allows the company to expand its top line, enhance service offerings and strengthen its market position by integrating complementary businesses.
- Arcadis has potential for margin expansion by growing in high-value niches such as pharmaceuticals and semiconductors, especially in the US. Additionally, the company's focus on sustainability and meaningful projects attracts and retains exceptional talent, fostering innovation and maintaining a competitive edge in delivering high-quality solutions.

List of Investments

List of Investments

At 30th September 2024

Company	Valuation £'000	% of Portfolio	Company	Valuation £'000	% of Portfolio
France			Sweden		
SPIE	17,706	2.8	AAK	15,347	2.4
Nexans	17,704	2.8	Munters	12,657	2.0
Elis	13,509	2.1	BoneSupport	12,365	1.9
IPSOS	11,738	1.8	Hexpol	7,572	1.2
Covivio	11,570	1.8	Electrolux Professional	7,358	1.2
Virbac	10,845	1.7	Camurus	6,713	1.1
Sopra Steria	10,654	1.7	AQ	6,466	1.0
Gaztransport Et Technigaz	10,218	1.6	BioGaia	4,145	0.6
SEB	9,077	1.4	Medcap	3,982	0.6
Planisware	7,742	1.2	VBG	3,763	0.6
Wavestone	2,017	0.3	Proact IT	3,164	0.5
	122,780	19.2	Norva24	2,140	0.3
Germany			Loomis	299	—
CTS Eventim	17,009	2.7		85,971	13.4
TAG Immobilien	16,446	2.6	Netherlands		
Bilfinger	16,099	2.5	Arcadis	16,493	2.6
FUCHS Preference	11,178	1.7	Koninklijke Vopak	14,162	2.2
Scout24	10,743	1.7	Fugro	12,543	2.0
Freenet	9,935	1.5	Allfunds	7,751	1.2
Atoss Software	9,353	1.5		50,949	8.0
LEG Immobilien	6,314	1.0	Austria		
SAF-Holland	4,229	0.7	DO & CO	12,424	1.9
	101,306	15.9	BAWAG	10,772	1.7
Italy			Wienerberger	7,596	1.2
Unipol Gruppo	14,681	2.3	ANDRITZ	7,204	1.1
De' Longhi	13,905	2.2		37,996	5.9
BPER Banca	13,600	2.1	Norway		
BFF Bank	10,639	1.7	Storebrand	13,310	2.1
Lottomatica	9,743	1.5	Aker Solutions	9,225	1.4
A2A	9,093	1.5	Kitron	1,611	0.3
Sanlorenzo	9,061	1.4	Bakkafrost	6,907	1.1
Saipem	6,575	1.0		31,053	4.9
Iren	5,244	0.8	Spain		
Banca Monte dei Paschi di Siena	3,274	0.5	Merlin Properties Socimi	15,184	2.4
	95,815	15.0	Fluidra	9,131	1.4
				24,315	3.8

List of Investments

List of Investments continued

At 30th September 2024

Company	Valuation £'000	% of Portfolio
Denmark		
NKT	8,959	1.4
Sydbank	8,397	1.3
Zealand Pharma	6,520	1.0
	23,876	3.7
Switzerland		
Accelleron Industries	11,478	1.8
Inficon	8,555	1.3
	20,033	3.1
Ireland		
Cairn Homes	13,571	2.1
	13,571	2.1
Belgium		
Fagron	11,787	1.9
	11,787	1.9
Finland		
Puulo	6,503	1.0
Metsa Board	4,592	0.7
	11,095	1.7
Portugal		
Banco Comercial Portugues	8,783	1.4
	8,783	1.4
Total Investments	639,330	100.0

Portfolio Information

Geographical Analysis

	30th September 2024		31st March 2024	
	Portfolio	Benchmark	Portfolio	Benchmark
	% ¹	%	% ¹	%
France	19.2	10.6	20.2	11.0
Germany	15.9	11.9	21.7	13.3
Italy	15.0	10.1	14.8	10.1
Sweden	13.4	17.7	12.1	17.3
Netherlands	8.0	4.3	5.8	5.0
Austria	5.9	2.9	3.9	2.8
Norway	4.9	7.2	3.9	6.9
Spain	3.8	5.5	4.1	5.7
Denmark	3.7	6.0	5.7	6.3
Switzerland	3.1	13.7	2.7	12.9
Ireland	2.1	0.9	1.5	0.9
Belgium	1.9	4.2	1.7	3.5
Finland	1.7	4.0	1.9	3.4
Portugal	1.4	1.0	—	0.9
Total	100.0	100.0	100.0	100.0

¹ Based on total investments of £639.3m (31st March 2024: £829.7m).

Sector Analysis

	30th September 2024		31st March 2024	
	Portfolio	Benchmark	Portfolio	Benchmark
	% ¹	%	% ¹	%
Industrials	27.5	25.8	32.7	29.0
Financials	14.3	14.0	13.3	14.6
Consumer Discretionary	10.3	8.6	19.7	11.8
Healthcare	8.8	8.8	6.0	8.5
Real Estate	7.8	8.7	4.8	7.8
Communication Services	7.7	4.2	1.5	1.7
Information Technology	6.8	9.0	8.1	9.2
Energy	6.2	4.7	5.2	4.0
Materials	4.8	7.9	3.1	5.5
Consumer Staples	3.5	5.0	4.1	5.3
Utilities	2.3	3.3	1.5	2.6
Total	100.0	100.0	100.0	100.0

¹ Based on total investments of £639.3m (31st March 2024: £829.7m).



Condensed Statement of Comprehensive Income

	(Unaudited) Six months ended 30th September 2024			(Unaudited) Six months ended 30th September 2023			(Audited) Year ended 31st March 2024		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(Losses)/gains on investments held at fair value through profit or loss	—	(23,245)	(23,245)	—	(102,583)	(102,583)	—	25,759	25,759
Foreign exchange (losses)/gains on JPMorgan EUR Liquidity Fund	—	(1,536)	(1,536)	—	235	235	—	(172)	(172)
Net foreign currency gains	—	2,710	2,710	—	1,166	1,166	—	2,225	2,225
Income from investments	19,080	—	19,080	19,519	—	19,519	23,050	—	23,050
Interest receivable and similar income	948	—	948	351	—	351	932	—	932
Gross return/(loss)	20,028	(22,071)	(2,043)	19,870	(101,182)	(81,312)	23,982	27,812	51,794
Management fee	(838)	(1,956)	(2,794)	(944)	(2,202)	(3,146)	(1,732)	(4,041)	(5,773)
Other administrative expenses	(424)	—	(424)	(355)	—	(355)	(860)	—	(860)
Net return/(loss) before finance costs and taxation	18,766	(24,027)	(5,261)	18,571	(103,384)	(84,813)	21,390	23,771	45,161
Finance costs	(756)	(1,764)	(2,520)	(657)	(1,532)	(2,189)	(1,227)	(2,861)	(4,088)
Net return/(loss) before taxation	18,010	(25,791)	(7,781)	17,914	(104,916)	(87,002)	20,163	20,910	41,073
Taxation	(2,969)	—	(2,969)	(1,509)	—	(1,509)	(1,493)	—	(1,493)
Net return/(loss) after taxation	15,041	(25,791)	(10,750)	16,405	(104,916)	(88,511)	18,670	20,910	39,580
Return/(loss) per share (note 3)	10.72p	(18.38)p	(7.66)p	10.42p	(66.62)p	(56.20)p	12.04p	13.49p	25.53p

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) after taxation represents the profit/(loss) for the period/year and also the total comprehensive income.

Condensed Statement of Changes in Equity

	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserve ¹ £'000	Revenue reserve ¹ £'000	Total £'000
Six months ended 30th September 2024 (Unaudited)						
At 31st March 2024	7,874	1,312	7,762	731,289	20,809	769,046
Repurchase of shares for cancellation	(1,058)	—	1,058	(104,375)	—	(104,375)
Repurchase of shares into Treasury	—	—	—	(31,569)	—	(31,569)
Cost in relation to Tender offer	—	—	—	(105)	—	(105)
Net (loss)/return after taxation on ordinary shares	—	—	—	(25,791)	15,041	(10,750)
Dividends paid in the period (note 4)	—	—	—	—	(11,383)	(11,383)
At 30th September 2024	6,816	1,312	8,820	569,449	24,467	610,864
Six months ended 30th September 2023 (Unaudited)						
At 31st March 2023	7,874	1,312	7,762	749,999	18,115	785,062
Repurchase of shares into Treasury	—	—	—	(185)	—	(185)
Net (loss)/return after taxation on ordinary shares	—	—	—	(104,916)	16,405	(88,511)
Dividends paid in the period (note 4)	—	—	—	—	(12,283)	(12,283)
At 30th September 2023	7,874	1,312	7,762	644,898	22,237	684,083
Year ended 31st March 2024 (Audited)						
At 31st March 2023	7,874	1,312	7,762	749,999	18,115	785,062
Repurchase of shares into Treasury	—	—	—	(40,278)	—	(40,278)
Proceeds from unclaimed shares forfeited	—	—	—	658	—	658
Net return after taxation on ordinary shares	—	—	—	20,910	18,670	39,580
Dividends paid in the year (note 4)	—	—	—	—	(15,976)	(15,976)
At 31st March 2024	7,874	1,312	7,762	731,289	20,809	769,046

¹ These reserves form the distributable reserves of the Company and may be used to fund distribution of profits to investors via dividend payments.

Condensed Statement of Financial Position

	(Unaudited) 30th September 2024 £'000	(Unaudited) 30th September 2023 £'000	(Audited) 31st March 2024 £'000
Fixed assets			
Investments held at fair value through profit or loss	639,330	710,083	829,738
Current assets			
Debtors	5,939	5,966	6,815
Cash and cash equivalents	24,375	43,530	7,554
	30,314	49,496	14,369
Current liabilities			
Creditors: amounts falling due within one year	(538)	(75,496)	(2,391)
Net current assets/(liabilities)	29,776	(26,000)	11,978
Total assets less current liabilities	669,106	684,083	841,716
Creditors: amounts falling due after more than one year	(58,242)	—	(72,670)
Net assets	610,864	684,083	769,046
Capital and reserve			
Called up share capital	6,816	7,874	7,874
Share premium	1,312	1,312	1,312
Capital redemption reserve	8,820	7,762	7,762
Capital reserves	569,449	644,898	731,289
Revenue reserve	24,467	22,237	20,809
Total shareholders' funds	610,864	684,083	769,046
Net asset value per share (note 5)	509.9p	434.5p	520.7p

The financial statements on pages 23 to 26 were approved and authorised for issue by the Directors on 6th December 2024 and signed on their behalf by:

Marc van Gelder
Director

The notes on pages 27 and 28 form an integral part of these financial statements.

The Company's registration number is 2431143.

Condensed Statement of Cash Flows

	(Unaudited) Six months ended 30th September 2024 £'000	(Unaudited) Six months ended 30th September 2023 £'000	(Audited) Year ended 31st March 2024 £'000
Cash flows from operating activities			
Net (loss)/return before finance costs and taxation	(5,261)	(84,813)	45,161
Adjustment for:			
Net losses/(gains) on investments held at fair value through profit or loss	23,245	102,583	(25,759)
Foreign exchange losses/(gains) on JPMorgan EUR Liquidity Fund	1,536	(235)	172
Net foreign currency gains	(2,710)	(1,166)	(2,225)
Dividend income	(19,080)	(19,519)	(23,050)
Interest income	(815)	(246)	(801)
Realised gain/(loss) on foreign exchange transactions	470	(494)	(486)
Realised foreign exchange losses on JPMorgan EUR Liquidity Fund	(1,206)	(123)	(267)
Decrease/(increase) in accrued income and other debtors	47	23	(37)
Increase/(decrease) in accrued expenses	50	32	(31)
Net cash outflow from operations before dividends, interest and taxation	(3,724)	(3,958)	(7,323)
Dividends received	15,969	16,517	23,751
Interest received	868	147	748
Overseas withholding tax recovered/(paid)	298	1,227	(2,881)
Net cash inflow from operating activities	13,411	13,933	14,295
Purchases of investments	(175,822)	(350,432)	(683,947)
Sales of investments	342,521	381,566	723,852
Net cash inflow from investing activities	166,699	31,134	39,905
Dividends paid	(11,383)	(12,283)	(15,976)
Repurchase and cancellation of the Company's own Shares	(104,375)	—	—
Repurchase of shares into Treasury	(31,982)	—	(39,592)
Cost in relation to Tender offer	(105)	—	—
Proceeds from unclaimed shares forfeited	—	—	658
Repayment of bank loans	(33,562)	(34,447)	(34,447)
Drawdown of bank loans	21,377	—	—
Interest paid	(2,532)	(2,169)	(4,770)
Net cash outflow from financing activities	(162,562)	(48,899)	(94,127)
Increase/(decrease) in cash and cash equivalents	17,548	(3,832)	(39,927)
Cash and cash equivalents at start of period/year	7,160	47,000	47,000
Exchange movements	(333)	362	87
Cash and cash equivalents at end of period/year	24,375	43,530	7,160
Cash and cash equivalents consist of:			
Cash and short term deposits	376	497	312
Cash held in JPMorgan Euro Liquidity Fund	23,999	43,033	7,242
Cash and cash equivalents per the Statement of Financial Position	24,375	43,530	7,554
Bank overdraft	—	—	(394)
Total cash, cash equivalents and bank overdraft per the Statement of Cash Flows	24,375	43,530	7,160

Notes to the Condensed Financial Statements

For the six months ended 30th September 2024

1. Financial statements

The information contained within the condensed 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 31st March 2024 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 include the report of the auditors which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

2. Accounting policies

The condensed 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 revised 'SORP') issued by the Association of Investment Companies in July 2022.

FRS 104, 'Interim Financial Reporting', issued by the Financial Reporting Council ('FRC') in March 2015 has been applied in preparing this condensed set of financial statements for the six months ended 30th September 2024.

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 31st March 2024.

3. Return/(loss) per share

	(Unaudited) Six months ended 30th September 2024 £'000	(Unaudited) Six months ended 30th September 2023 £'000	(Audited) Year ended 31st March 2024 £'000
Return/(loss) per share is based on the following:			
Revenue return	15,041	16,405	18,670
Capital (loss)/return	(25,791)	(104,916)	20,910
Total (loss)/return	(10,750)	(88,511)	39,580
Weighted average number of shares in issue	140,300,451	157,474,385	155,063,487
Revenue return per share	10.72p	10.42p	12.04p
Capital (loss)/return per share	(18.38)p	(66.62)p	13.49p
Total (loss)/return per share	(7.66)p	(56.20)p	25.53p

4. Dividends paid

	(Unaudited) Six months ended 30th September 2024		(Unaudited) Six months ended 30th September 2023		(Audited) Year ended 31st March 2024	
	Pence	£'000	Pence	£'000	Pence	£'000
Dividends paid						
Final dividend in respect of the prior year	8.0	11,383	7.8	12,283	7.8	12,283
Interim dividend	—	—	—	—	2.5	3,813
Unclaimed dividends returned to the Company	—	—	—	—	—	(120)
Total dividends paid in the period/year	8.0	11,383	7.8	12,283	10.3	15,976

All dividends paid in the period have been funded from the revenue reserve.

An interim dividend of 3.0p (2023: 2.5p) has been declared in respect of the six months ended 30th September 2024, amounting to £3,594,000.

Notes to the Condensed Financial Statements

5. Net asset value per share

	(Unaudited) Six months ended 30th September 2024	(Unaudited) Six months ended 30th September 2023	(Audited) Year ended 31st March 2024
Net assets (£'000)	610,864	684,083	769,046
Number of shares in issue	119,798,336	157,424,931	147,692,459
Net asset value per share	509.9p	434.5p	520.7p

6. Fair valuation of investments

The fair value hierarchy analysis for financial instruments held at fair value at the period end is as follows:

	(Unaudited) Six months ended 30th September 2024		(Unaudited) Six months ended 30th September 2023		(Audited) Year ended 31st March 2024	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
	£'000	£'000	£'000	£'000	£'000	£'000
Level 1	639,330	—	710,083	—	829,738	—
Total value of investments	639,330	—	710,083	—	829,738	—

7. Analysis of change in net debt

	As at 31st March 2024 £'000	Cash flows £'000	Other non-cash charges £'000	As at 30th September 2024 £'000
Cash and cash equivalents				
Cash	312	67	(3)	376
Cash equivalents	7,242	17,087	(330)	23,999
Bank overdraft	(394)	394	—	—
	7,160	17,548	(333)	24,375
Borrowings				
Debt due after one year	(72,670)	12,185	2,243	(58,242)
	(72,670)	12,185	2,243	(58,242)
Net debt	(65,510)	29,733	1,910	(33,867)



Interim Management Report

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

Principal Risks and Uncertainties

The principal & emerging risks and uncertainties faced by the Company fall into the following broad categories: investment underperformance & strategy; market and currency; geo-political, global economics; accounting, legal and regulatory; operational & cyber-crime, corporate governance & shareholder relations, climate change, artificial intelligence, and global pandemic. The Board has reviewed the principal risks and uncertainties, reported in the Annual Report and Financial Statements for the year ended 31st March 2024, and concluded that it does not believe that currently there are any emerging risks facing the Company. In the view of the Board, these principal risks and uncertainties are as much applicable to the remaining six months of the financial year as they were to the six months under review.

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. More specifically, that there are no material uncertainties pertaining to the Company that would prevent its ability to continue in such operational existence for at least 12 months from the date of the approval of this half yearly financial report. For these reasons, they consider that there is reasonable evidence to continue to adopt the going concern basis in preparing the financial statements.

Directors' Responsibilities

The Board of Directors confirm 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 Reports and 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 30th September 2024, as required by the UK Listing Authority Disclosure Guidance 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 Guidance 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

Marc van Gelder
Chairman

6th December 2024



Glossary of Terms and Alternative Performance Measures ('APMs')

Return to Shareholders (APM)

Total return to the 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.

	Page	Six months ended 30th September 2024	
Total return calculation			
Opening share price (p)	6	465.5	(a)
Closing share price (p)	6	467.5	(b)
Total dividend adjustment factor ¹		1.017563	(c)
Adjusted closing share price (p) (d = b x c)		475.7	(d)
Total return to shareholders (e = (d/a) - 1)		+2.2%	(e)

¹ 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 (APM)

Total return on net asset value ('NAV') per share, on a bid value to bid value basis, 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.

	Page	Six months ended 30th September 2024	
Total return calculation			
Opening NAV per share (p)	6	520.7	(a)
Closing NAV per share (p)	6	509.9	(b)
Total dividend adjustment factor ¹		1.015880	(c)
Adjusted closing NAV per share (p) (d = b x c)		518.0	(d)
Total return on net assets (e = (d/a) - 1)		-0.5%	(e)

¹ 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 NAV at the ex-dividend date.

In accordance with industry practice, dividends payable which have been declared but which are unpaid at the balance sheet date are deducted from the NAV per share when calculating the total return on net assets.

Benchmark Return (APM)

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.

Glossary of Terms and Alternative Performance Measures ('APMs')

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.

		30th September 2024 £'000	31st March 2024 £'000	
Gearing calculation	Page			
Investments held at fair value through profit or loss	25	639,330	829,738	(a)
Net assets	25	610,864	769,046	(b)
Gearing (c = (a/b) - 1)		4.7%	7.9%	(c)

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 as at 30th September 2024 is an estimated annualised figure based on the numbers for the six months ended 30th September 2024, multiplied by two.

		Six months ended 30th September 2024 £'000	Year ended 31st March 2024 £'000	
Ongoing charges calculation	Page			
Management fee	23	5,588	5,773	
Other administrative expenses	23	848	860	
Total management fee and other administrative expenses		6,436	6,633	(a)
Average daily cum-income net assets		723,870	717,766	(b)
Ongoing charges (c = a/b)		0.89%	0.92%	(c)

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.

The opposite of a discount is a premium. It is more common for an investment trust's shares to trade at a discount than at a premium.

		Six months ended 30th September 2024 £'000	Year ended 31st March 2024 £'000	
	Page			
Share price (p)	6	467.5	465.5	(a)
Net assets value per share with debt at par value (p)	6	509.9	520.7	(b)
Discount to net asset value with debt at par value (e = (a-b)/ b)		(8.3)%	(10.6)%	(c)

Investing in JPMorgan European Discovery Trust plc

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

Via a third party provider

Third party providers include:

AJ Bell Investcentre	Halifax Share Dealing
Hargreaves Landsdown	Barclays Smart Investor
Charles Stanley Direct	Interactive investor
Fidelity Personal Investing	

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

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

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

To familiarise yourself with the Financial Conduct Authority adviser charging and commission rules, visit fca.org.uk

Voting on Company Business and Attending its Annual General Meeting

The Board encourages all of its shareholders to exercise their rights by voting at general meetings and attending if able to do so. If your shares are held through a platform, your platform provider will 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' website at <https://www.theaic.co.uk/how-to-vote-your-shares> for information on which platforms support these services and how to utilise them.

Share Fraud Warning

Investment and pension scams are often sophisticated and difficult to spot



Be a **ScamSmart** Investor

Be a ScamSmart investor and spot the warning signs

Fraudsters will often:

- contact you out of the blue
- apply pressure to invest quickly
- downplay the risks to your money
- promise tempting returns that sound too good to be true
- say that they're only making the offer available to you or even ask you to not tell anyone else about it



How to avoid investment and pension scams

- 1 Reject unexpected offers**
 Scammers usually cold call, but contact can also come by email, post, word of mouth or at a seminar. If you've been offered an investment out of the blue, chances are it's a high risk investment or a scam.
- 2 Check the FCA Warning List**
 Use the FCA Warning List to check the risks of a potential investment – you can also search to see if the firm is known to be operating without our authorisation.
- 3 Get impartial advice**
 Get impartial advice before investing – don't use an adviser from the firm that contacted you.

If you're suspicious, report it

You can report the firm or scam to us by contacting our **Consumer Helpline** on **0800 111 6768** or using our reporting form using the link below.

If you've lost money in a scam, contact Action Fraud on 0300 123 2040 or www.actionfraud.police.uk



Be ScamSmart and visit
www.fca.org.uk/scamsmart

Information About the Company

Financial Conduct Authority ('FCA') Regulation of 'non-mainstream pooled investments', MiFID II 'complex investments'

The Company currently conducts its affairs so that the shares issued by the Company 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 COB sourcebook.

Consumer Duty Value Assessment

The Manager has conducted an annual value assessment on the Company in line with FCA rules set out in the Consumer Duty regulation. The assessment focuses on the nature of the product, including benefits received and its quality, limitations that are part of the product, expected total costs to clients and target market considerations. Within this, the assessment considers quality of services, performance of the Company (against both benchmark and peers), total fees (including management fees and entry and exit fees as applicable to the Company), and also considers whether all consumers, including vulnerable consumers, are able to receive fair value from the product. The Manager has concluded that the Company is providing value based on the above assessment.

Task Force on Climate-related Financial Disclosures

As a regulatory requirement, JPMorgan Asset Management (JPMAM) published its first UK Task Force on Climate-related Financial Disclosures ('TCFD') Report for the Company in respect of the year ended 31st December 2023 in June 2024. The report discloses estimates of the Company's portfolio climate-related risks and opportunities according to the Financial Conduct Authority (FCA) Environmental, Social and Governance (ESG) Sourcebook and the Task Force on Climate-related Disclosures (TCFD). The report is available on the Company's website under the ESG documents section:

<https://am.jpmorgan.com/content/dam/jpm-am-aem/emea/regional/en/regulatory/esg-information/jpm-european-discovery-trust-plc-fund-tcf-d-report-uk-per.pdf>

The Board is aware that best practice reporting under TCFD is still evolving with respect to metrics and input data quality, as well as the interpretation and implications of the outputs produced, and will continue to monitor developments as they occur.

Information About the Company

History

On 24th April 1990, the Company acquired the undertaking and assets of Fleming European Fledgeling Fund Limited (the 'Fund') in exchange for the issue of its shares and warrants.

That Fund was an open-ended, unquoted investment company based in Jersey with the same objectives and investment policies as the Company. The Company changed its name from JPMorgan European Smaller Companies Trust plc to JPMorgan European Discovery Trust plc on 15th June 2021. It is a constituent of the FTSE 250 index.

Directors

Marc van Gelder (Chairman)
 Arun Sarwal (Audit Committee Chairman)
 Sarah Watters (Senior Independent Director)
 Suzy Ross
 James Will

Company Numbers

Company registration number: 2431143
 London Stock Exchange number: 0341969
 ISIN: GB00BMTS0Z37
 Bloomberg code: JEDT LN
 LEI: 54930049CEWDI46Y3U28

Market Information

The Company's net asset value ('NAV') per share 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 and on the Company's website at www.ipmeuropeandiscovery.co.uk, where the share price is updated every 15 minutes during trading hours.

Website

www.ipmeuropeandiscovery.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: 0800 20 40 20 or +44 1268 44 44 70
 email: invtrusts.cosec@jpmorgan.com

For company secretarial issues and administrative matters, please contact Priyanka Vijay Anand 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

Computershare Investor Services PLC
 The Pavilions
 Bridgwater Road
 Bristol
 BS99 6ZZ
 United Kingdom
 Telephone +44 (0) 370 707 1417

Lines open 8.30 a.m. to 5.30 p.m. Monday to Friday.

Shareholders can manage their shareholding online by visiting the Investor Centre at www.investorcentre.co.uk. Shareholders just require their Shareholder Reference Number, which can be found on any communications previously received from Computershare.

Independent Auditors

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

Brokers

Cavendish Financial;
 One Bartholomew Close,
 London, EC1A 7BL

aic

The Association of
 Investment Companies

A member of the AIC

CONTACT

60 Victoria Embankment

London

EC4Y 0JP

Freephone: 0800 20 40 20

Calls from outside the UK: +44 1268 44 44 70

Website: www.jpmorganeuropeandiscovery.co.uk

