



# JPMorgan Claverhouse Investment Trust plc

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



*Awarded to investment  
companies that have  
increased their  
dividends each year for  
20 years or more*

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**J.P.Morgan**  
ASSET MANAGEMENT

## Key Features

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Launched in 1963, JPMorgan Claverhouse Investment Trust Plc (the 'Company' or 'Claverhouse') is an investment trust, with a premium listing on the London Stock Exchange.

### Objective

To provide shareholders with a combination of capital and income growth from UK investments.

### Investment Policy

- To invest in a diversified portfolio consisting mostly of leading companies listed on the London Stock Exchange. The Company's portfolio consists of between 60 and 80 investments in which the Manager has high conviction.
- To invest no more than 15% of gross assets in other UK listed investment companies (including investment trusts).
- To invest no more than 15% of gross assets in any individual investment (including unit trusts and open ended investment companies) at the time of acquisition.
- To invest no more than 10% of gross assets to be invested in companies that themselves may invest more than 15% of gross assets in UK listed investment companies.
- To use short and long term gearing to increase potential returns to shareholders.
- To use FTSE index futures to effect changes in the level of the Company's gearing.

### Benchmark

The FTSE All-Share Index (total return) (the 'Benchmark').

### Capital Structure

As at 30th June 2024, the Company's issued share capital comprised 60,145,653 ordinary shares of 25p each, including 3,078,295 ordinary shares held in Treasury.

### Gearing Policy

The Company's gearing policy (excluding the effect of any futures) is to operate within a range of 5% net cash to 20% geared in normal market conditions. The Manager has been granted discretion by the Board to vary the gearing level between 5% net cash and 17.5% geared (including the effect of any futures).

### Borrowings

The Company holds £30 million in 3.22% private placement notes, maturing in March 2045. The revolving credit facility with Mizuho Bank Limited, matured in May 2024. It was replaced with a new £40 million one-year revolving loan facility with The Royal Bank of Scotland International Limited.

### Management Company and Company Secretary

The Company engages JPMorgan Funds Limited ('JPMF' or the 'Manager') as its Alternative Investment Fund Manager and Company Secretary. JPMF delegates the management of the Company's portfolio to JPMorgan Asset Management (UK) Limited ('JPMAM' or the 'Investment Manager'). William Meadon and Callum Abbot (the 'Portfolio Managers') were the Company's designated portfolio managers on behalf of the Investment Manager during the reported period. However, William Meadon will be leaving JPMAM in August 2024. Callum Abbot, who has been a co-manager on the Company for the last six years, remains in this role and will be joined by Anthony Lynch and Katen Patel, as co-managers, with effect from 1st July 2024.

### Environmental, Social and Governance

The Company considers financially material Environmental, Social and Governance ('ESG') factors in investment analysis and investment decisions, with the goal of enhancing long-term, risk-adjusted financial returns. For further information, please refer to the Company's website and the latest annual report. Information can also be found on the AIC website – [www.theaic.co.uk](http://www.theaic.co.uk)

### AIC Dividend Heroes

The AIC Dividend Hero emblem on the front cover indicates that the Company has increased its dividends each year for at least 20 years. In 2023, the Company raised its dividend for its 51st consecutive year.

### Website

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

### Contact the Company

General enquiries about the Company should be directed to the Company Secretary at [invtrusts.cosec@jpmorgan.com](mailto:invtrusts.cosec@jpmorgan.com)

#### FINANCIAL CALENDAR

Financial year end	31st December
Final results announced	March
Half year end	30th June
Half year results announced	August
Quarterly interim dividends on ordinary shares paid	June, September, December, March
Annual General Meeting	April

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## Keeping in Touch

The Board appreciates the ongoing support of its shareholders. The Board and the Portfolio Managers are keen to increase dialogue with the Company's shareholders and other interested parties. If you wish to sign up to receive email updates from the Company, including news and views and latest performance statistics, please [click here](#) or use the below QR Code.







## Financial Highlights

## Total returns (including dividends reinvested) to 30th June 2024

	6 months	3 Years Cumulative	5 Years Cumulative	10 Years Cumulative
Return to shareholders <sup>1,A</sup>	+7.3%	+12.5%	+26.2%	+85.0%
Return on net assets <sup>2,A</sup> – with debt at par value	+8.9%	+15.2%	+25.7%	+77.8%
Benchmark return <sup>3</sup>	+7.4%	+23.7%	+30.7%	+77.3%
Net asset return relative to benchmark return <sup>3</sup>	+1.5%	–8.5%	–5.0%	+0.5%
Interim dividends <sup>4</sup>	16.5p			

<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: Morningstar. The Company's benchmark is the FTSE All-Share Index (total return).

<sup>4</sup> This figure comprises one interim dividend paid of 8.25p and one payable of 8.25p (2023: 16.0p).

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

A glossary of terms and APMs is provided on pages 29 to 31.

## Financial Highlights

### Summary of results

	30th June 2024	31st December 2023	% Change
Shareholders' funds (£'000)	427,196	407,797	4.8
Net asset value per share with:			
– debt at fair value <sup>1,2,A</sup>	762.2p	716.8p	6.3 <sup>5</sup>
– debt at par value <sup>1,A</sup>	748.6p	705.7p	6.1 <sup>5</sup>
Share price	714.0p	684.0p	4.4 <sup>6</sup>
Share price discount to net asset value per share with:			
– debt at fair value <sup>3,A</sup>	(6.3)%	(4.6)%	
– debt at par value <sup>3,A</sup>	(4.6)%	(3.1)%	
Shares in issue (excluding shares held in Treasury) <sup>4</sup>	57,067,358	57,785,140	
<b>Gearing (excluding effect of futures)<sup>A</sup></b>	<b>8.4%</b>	<b>7.7%</b>	
<b>Gearing (including effect of futures)<sup>A</sup></b>	<b>7.0%</b>	<b>6.3%</b>	
<b>Ongoing charges<sup>7,A</sup></b>	<b>0.63%</b>	<b>0.70%</b>	

<sup>1</sup> Includes the current year revenue account balance after deducting dividends paid year to date.

<sup>2</sup> The fair value of the £30m private placement loan has been calculated using discounted cash flow techniques using the yield on a similarly dated gilt plus a margin based on the five year average yield for the AA Barclays Corporate Bond.

<sup>3</sup> Source: JPMAM.

<sup>4</sup> Excluding 3,078,295 (31st December 2023: 2,360,513) shares held in Treasury.

<sup>5</sup> % change, excluding dividends reinvested. Including dividends reinvested the net asset value, with debt at fair value and debt at par value, total returns would be +9.2% and +8.9% respectively.

<sup>6</sup> % change, excluding dividends reinvested. Including dividends reinvested, the total return would be +7.3%.

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

A list of APMs, with explanations and calculations, and a glossary of terms are provided on pages 29 to 31.





## Chairman's Statement



David Fletcher  
Chairman

### Performance

Over the six months to 30th June 2024, the UK continued to recover from the inflation and cost of living crises which began in 2022. The economy emerged from a mild recession, although growth remains below trend, and inflation decreased steadily, hitting the Bank of England's 2% target in May 2024 for the first time since July 2021. The Bank of England held base rates steady over the review period, although interest rates have started or are expected to fall in the UK, the US and Europe which should support global market sentiment.

During the review period, the Company's benchmark, the FTSE All Share Index grew by 7.4% while the Company's net asset value (NAV) (with debt at fair value) returned 9.2%, ahead of the benchmark. This outperformance was largely the result of stock selection decisions. The Company's share price rose 7.3% during the period, reflecting a slight widening of the share price discount relative to NAV. Over the ten years to 30th June 2024, the Company realised an accumulated return of 77.8% on a NAV basis and 85.0% in share price terms, outperforming the benchmark return of 77.3%.

As at 30th June 2024, the Company's NAV per share (with debt at par value) was 748.6p and the share price was 714.0p. Since the end of the period, the NAV (with debt at par value) has decreased to 739.9p and the share price remains 714.0p, as at 7th August 2024.

The Investment Manager's report on pages 12 to 14 provides more detail on performance during the period, recent portfolio changes and the outlook for both the market and the Company.

### Revenue and Dividends

The Board's dividend policy seeks to increase the total dividend each year and, taking a run of years together, to increase dividends at a rate close to or above the inflation rate. Although UK inflation has eased significantly from its recent highs, the Board will continue to monitor carefully the outlook for dividend income and will draw on revenue reserves, if required, to realise its dividend objectives.

The Company has increased its dividend for 51 successive years. For the financial year ended 31st December 2023, the total dividend was 34.50p. This comprised three quarterly interim dividends of 8.0p and a fourth quarterly interim dividend of 10.5p.

A first quarterly dividend of 8.25p per share in respect of the current financial year was paid on 3rd June 2024. It remains the Board's intention that the first three quarterly dividends should be of equal size, and to this end, it has declared a second quarterly dividend of 8.25p per share to be paid on 2nd September 2024 to shareholders on the register at the close of business on 26th July 2024.

Portfolio earnings during the six months to 30th June 2024 will not fully cover these payouts, so they will be funded partially from revenue reserves. Revenue per share for the six months to 30th June 2024 was 16.02p, compared with 15.80p earned in the same period in 2023.

### Discount, Share Repurchases

Discounts have widened across the investment trust sector in the past 18 months, as investors have switched out of equities into fixed income and money market funds in response to sharp increases in interest rates.

The Board's objective remains to act in the best interest of Shareholders by using its repurchase and allotment authorities to manage imbalances between the supply and demand of the Company's shares, with the intention of reducing the volatility of the discount or premium, in normal market conditions. During the reporting period, the Board utilised the Company's buy back authority, buying a total of 717,782 shares, at a cost of £4.9 million. Since then, the Company has bought back a further 50,000 shares, at a cost of £364,000, as at 7th August 2024.



## Chairman's Statement

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### Gearing/Long Term Borrowing

The Company's gearing policy (excluding the effect of any futures) is to operate within a range of 5% net cash and 20% geared in normal market conditions. The Portfolio Managers have discretion to vary the gearing level between 5% net cash and 17.5% geared (including the effect of any futures). The Board believes that over the long-term, a moderate level of gearing is an efficient way to enhance shareholder returns.

Taking into account borrowings, net of cash balances held and the effect of futures, the Company ended the review period approximately 7.0% geared, compared to 6.3% at the end of FY23. The Company holds £30 million in 3.22% private placement notes, maturing in March 2045. The revolving credit facility with Mizuho Bank Limited matured in May 2024. It was replaced with a new £40 million one-year revolving loan facility with The Royal Bank of Scotland International Limited.

### Board Succession

I will be retiring from the Board at the Company's next AGM in April 2025 and Victoria Stewart has been appointed to succeed me as Chair of the Board in April 2025. Work is ongoing to find a suitably qualified Director to join the Board following my retirement and the Board expects to announce an appointment in late 2024.

### Portfolio Management Changes

Since the end of the review period, the Company has seen a change in portfolio managers. As announced in July, William Meadon will be leaving JPMorgan Asset Management in August 2024. As a result, two new portfolio managers, Anthony Lynch and Katen Patel, joined Callum Abbot as managers for the Company, with effect from 1st July 2024. Callum has managed the fund alongside William for six years.

William became the portfolio manager of the Company in 2012, following a sustained period of disappointing investment performance. Initially, he worked with Sarah Emly, and following her sad death in 2018, he was joined by Callum Abbot. The Company has outperformed in 33 out of the 49 quarters since William took on portfolio management in 2012. Over his 12-year tenure, the Company enjoyed a positive investment record versus the benchmark. On behalf of the Board and shareholders I would like to thank William for his significant contribution to the Company's success. The Board enjoyed working with William and his presentations at the Company's AGMs were always well-received and much appreciated. We wish him every success in his future endeavours.

The new managers, Anthony Lynch and Katen Patel, are experienced members of JPMorgan's UK asset management team. They have each been with JPMorgan for over ten years and both have strong track records of investing in companies across the market capitalisation spectrum of listed UK companies. Latterly they have also been jointly managing JPMorgan's open-ended UK Equity Income Fund, which has very similar investment objectives and policies to your Company. This fund has seen strong investment performance since Anthony and Katen assumed management responsibility. The investment team have over 35 years of investment trust experience and we believe that they are well qualified to benefit shareholders. We look forward to working with them.

Although the Company has a new management team, there will be no change to its investment objective or key policies, which were set out in the 2023 Annual Report. The managers will be supported by the same UK research and analytical team and follow the same model. However, we expect that there will be a few tweaks to the portfolio. We foresee a combined focus on companies' dividend growth prospects, as well as companies already offering high yields. This may mean a slight increase in the number of portfolio companies in the mid cap and small cap sectors and an increase in the diversity of sources for revenue.

## Chairman's Statement

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This shift in focus will be explained in more detail in the 2024 Annual Report. The portfolio managers understand clearly that the Board is still prioritising outperformance of the benchmark, and dividend growth in line with or above CPI, taking a run of years together. While the Company has significant revenue reserves which are available to support dividend payments, the shift in emphasis towards companies with good dividend growth prospects should support future dividend coverage over time.

### Outlook

The geopolitical climate remains a significant concern for investors. Tensions between Russia and the NATO countries are simmering as the war in Ukraine drags on, the conflict in the Middle East shows little sign of resolution, and Sino-US relations remain fraught, despite a flurry of high-level, relatively congenial meetings earlier this year. There is a risk that the outcome of November's US presidential election will escalate tensions on all these fronts and spark fresh bouts of market volatility. In the short term the recent decision by US President Biden not to run for re-election in November will increase market uncertainty.

In the UK, the market environment is more positive, and we share the managers' guarded optimism about the prospects for the market and the Company. The likelihood of imminent decreases in UK interest rates, combined with rising real wages, has boosted business and consumer confidence. On the political front, the prospect of a more stable political climate following the general election last month has been welcomed by investors.

Despite these favourable developments, UK equity valuations remain attractive in absolute terms and relative to other markets. The recent pick up in M&A activity in the UK market suggests investors are beginning to recognise the value on offer, but there is scope for further significant gains, as and when corporate earnings prospects improve and investors' confidence in this market increases. Meanwhile, investors, both in the UK and abroad, have a rare opportunity to access the attractive dividend yields on offer in the UK at historically low valuations.

The Company's managers are taking advantage of the dividend growth opportunities they see across the market, and they are positioning the portfolio to benefit from better times ahead.

In summary, we believe the Company is well-placed to continue delivering steady and consistent returns and growing income over the long-term.

### Keeping in Touch

The Company is committed to engaging with its shareholders and other interested parties. To support this goal, the Company delivers email updates on the Company's progress with regular news and views, as well as the latest performance data. If you have not already signed up to receive these communications and you wish to do so, please [click here](#) or use the below QR Code.



The Board appreciates the ongoing support of its shareholders.

**David Fletcher**  
Chairman

9th August 2024





## Investment Manager's Report



### Callum Abbot

Portfolio Manager Callum Abbot is a portfolio manager within J.P.Morgan Asset Management, based in London. An employee for 12 years, Callum obtained a BA (Hons) in both Geography and Management at the University of Cambridge. Callum is a CFA charterholder.



### Anthony Lynch

Anthony Lynch, is a portfolio manager within JPMorgan's International Equity Group, based in London. He is a co-manager on The Mercantile Investment Trust plc and has additional responsibilities for equity income mandates investing in the listed UK market. An employee since 15 years, Anthony obtained a B.A. (Hons) in Economics from Durham University and is a CFA charterholder.



### Katen Patel

Katen Patel is a portfolio manager within the JPMorgan's International Equity Group, based in London. He is a co-manager on JPMorgan UK Small Cap Growth & Income plc and has additional responsibilities for equity income mandates investing in the listed UK market. An employee for 11 years, Katen obtained a BSc. in Management from the London School of Economics and is a CFA charterholder.

## Market Review: a turning point in the rates cycle?

The first half of 2024 has been a tale of stickier than expected core inflation leading to delays in anticipated interest rate cuts. That said, the reduction in the rate of UK CPI from over 11% in November 2022 back down to 2.0% in May has eased the pressure being faced by businesses and consumers.

Global GDP growth has remained below trend in the first half of the year. Despite that, we saw the UK recover strongly from its shallow recession in late 2023, with growth in the first quarter of 2024 well ahead of market expectations. As inflation has begun to normalise we have seen UK household real incomes return to positive growth and this has fed through to sharply improved consumer confidence. We have also seen a material increase in M&A activity, with 17 bids for FTSE 350 companies announced year-to-date and still live, compared to just two for the whole of last year. These factors have driven greater breadth in UK market returns, with the FTSE 250 and FTSE small cap indices outperforming the FTSE 100 year-to-date.

This improved backdrop has been reflected in the performance of the Company's benchmark; the FTSE All-Share, Share (the 'Benchmark'), which returned 7.4% in the six months to 30th June 2024.

## Performance

In the six months to 30th June 2024, the Company delivered a total return on net assets (capital plus dividends re-invested, with debt at par value) of 8.9% compared to the Benchmark's return of 7.4%. The total return to shareholders was 7.3% with the discount widening to 4.6% (debt at par value) and 6.3% (debt at fair value).

Relative performance benefitted from our overweight position in the Aerospace & Defence sector, with holdings in companies such as **Rolls Royce** and **Qinetiq** benefitting from increasing defence spending by NATO members' governments.

Our holding in **3i Group**, the private equity business with a large holding in the European discount retailer, **Action**, was another strong contributor to performance, with the shares delivering a return of 28% on-top of the 88% delivered last year. We continue to believe that the market underappreciates the duration of the growth potential at Action and 3i remains our largest portfolio holding.

**JD Sports**, the sports fashion retailer, performed poorly in the first half of the year reflecting an increasingly promotional marketplace, with Nike products in particular suffering from weak demand. We have exited our holding.

**Watches of Switzerland**, the luxury watch retailer, also underperformed following a reduction in premium watch allocations from its largest supplier, Rolex. We have also exited this holding, reflecting the difficult environment for luxury goods sales and question marks over their key supplier relationship.

## Top contributors and detractors to performance vs FTSE All-Share Index

Top 5 Stocks	Average		Bottom 5 stocks	Average	
	Active	Attribution		Active	Attribution
Rolls-Royce Holdings	+1.8%	+0.68%	JD Sports Fashion	+0.2%	-0.47%
3i Group	+2.9%	+0.57%	Glencore	-0.4%	-0.33%
Intermediate Capital Group	+1.9%	+0.42%	SSE	+1.5%	-0.32%
Reckitt Benckiser	-1.2%	+0.39%	Watches of Switzerland	+0.0%	-0.27%
Diageo	-1.9%	+0.37%	Barratt Developments	+0.9%	-0.24%

Source: JPMAM, Six months to 30th June 2024.

## Investment Manager's Report

## Top Over and Under-weight positions vs FTSE All-Share Index

Top Five Overweight Positions		Top Five Underweight Positions	
3i Group	+2.9%	Diageo	-1.7%
Shell	+2.2%	Reckitt Benckiser	-1.3%
Intermediate Capital Group	+2.2%	Glencore	-1.2%
JD Sports	+2.1%	Flutter Entertainment	-1.1%
Rolls-Royce Holdings	+1.9%	Unilever	-0.9%

Source: JPMAM, as at 30th June 2024.

### Purchases

Over the half year we built new positions in **NatWest** and **Barclays**, both of which plan to return a large proportion of their market cap to shareholders over the next few years and generate double digit returns on equity across the cycle, yet still trade at material discounts to net asset value.

We increased our position in **Intermediate Capital Group**, making it one of our largest active investments. The alternative asset manager continues to demonstrate that its business model is more resilient than in previous cycles and has delivered significant fundraising at attractive margins, which has driven profit growth ahead of market expectations despite the difficult competitive backdrop.

We topped up our holdings in the retailers **Tesco** and **Marks & Spencer**, which have taken market share in food from Morrisons, Asda, Waitrose and even the discounter Aldi. This has helped support earnings expectations and valuations remain compelling.

### Sales

In the second quarter of the year, we reduced exposure to the Georgian listed banks by selling out of **TBC Bank Group** and reducing our position in the **Bank of Georgia**. After a strong run we felt that the valuation case was no longer as compelling. These sales were executed before the political situation in Georgia destabilised.

We also sold out of Asian exposed financial companies, **Prudential** and **Standard Chartered**. Prudential has seen persistent downgrades due to expectations about China's reopening not coming to fruition. It also does not generate as much capital as other insurers, therefore making it relatively less compelling from an income perspective. We sold out of our underweight position in Standard Chartered as we prefer HSBC for Asian exposure and have instead increased exposure to UK banks, which are returning more excess capital and have higher return on equity targets.

We sold out of retailers **Watches of Switzerland Group** and **JD Sports**. Both stocks benefitted from strong trading through the pandemic period, however, now end markets have become more challenging as demand has waned.

We already had a large underweight position in the global consumer goods company **Reckitt Benckiser** but decided to sell out as we believed it was unlikely to be able to achieve its organic growth targets given pricing was unlikely to be as strong as it had been in 2023. This was well timed as the stock subsequently issued a profit warning and has been impacted by litigation.

We exited **Flutter** as the stock traded at an expensive multiple and we did not feel this reflected both the regulatory risk or execution risk in the US.

### Evolution of the investment approach

As discussed in the Chairman's statement, William Meadon stepped down from managing the portfolio on 30th June 2024, with Anthony Lynch and Katen Patel joining Callum Abbot in managing the Company's portfolio from 1st July 2024. We thank William for his significant contributions over the past 12 years.

## Investment Manager's Report

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There is no change to the Company's investment objective, but the new team has used this as an opportunity to evolve the investment approach, with more of an emphasis placed on the dividend growth characteristics of holdings across the full breadth of the FTSE All-Share Index. Following an initial period of modest repositioning, ongoing portfolio turnover is expected to reduce versus recent history.

Examples of new positions added to the portfolio include companies such as **XPS Pensions**, the pension consultant, where a number of multi-year industry tailwinds and strong management execution are supporting strong earnings and dividend growth and **Urban Logistics**, a REIT exposed to attractive 'last mile' logistics assets.

The result has been an increase in the diversity of the sources of our income and greater confidence in the dividend growth prospects of the aggregate portfolio going forwards. We believe that these changes will be supportive to Claverhouse's AIC dividend hero status, recognising that the dividend is not currently covered by earnings.

### Market Outlook

The inter-connected forces of inflation and monetary policy have continued to dominate the market narrative so far in 2024. However, with the rate of inflation less extreme than it has been for two years, and global interest rates still in restrictive territory, we believe that we are close to the turning point for this interest rate cycle. As a result, we have observed improving consumer and business sentiment as the UK has begun to recover from recession.

Notwithstanding the strong start to 2024, the UK equity market continues to trade at a significant discount to both its own history and to other markets, offering the highest dividend yield of major equity markets. In addition, the elevated level of share buybacks outpaces any other major market and gives us confidence in the sustainability of dividends going forwards. With valuations still attractive, any improvement in the outlook for corporate earnings growth could, therefore, deliver further healthy market gains.

We remain cognisant of the ever-changing geopolitical backdrop and the risk it poses to the fragile recovery in global growth. The ongoing conflicts in Ukraine and the Middle East, alongside a number of finely balanced elections, have the potential to knock this recovery off-course. In the UK, the change in government has been met with a moderately positive reaction from markets, reflecting increased stability in the eyes of international investors.

We have positioned the portfolio to benefit from the dividend growth opportunities that we are finding across the market cap spectrum and our confidence in the outlook is reflected in our gearing level of 7.0%.

**Callum Abbot**  
**Anthony Lynch**  
**Katen Patel**  
Portfolio Managers

9th August 2024



## Sector Analysis

Sector	30th June 2024		31st December 2023	
	Portfolio	Benchmark	Portfolio	Benchmark
	% <sup>1</sup>	%	% <sup>1</sup>	%
Financials <sup>2</sup>	25.0	24.5	21.4	23.6
Consumer Discretionary	14.6	10.8	15.7	12.2
Energy	13.5	11.2	13.3	11.0
Industrials	12.1	12.3	11.2	11.6
Consumer Staples	11.7	13.4	11.6	14.0
Health Care	9.1	12.0	10.1	11.1
Basic Materials	6.1	7.1	7.5	7.5
Utilities	2.8	3.6	5.6	3.7
Technology	2.6	1.3	1.2	1.4
Real Estate	2.5	2.6	2.4	2.7
Telecommunications	—	1.2	—	1.2
<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 £463.2m (2023: £439.1m).

<sup>2</sup> Includes the Company's investment in JPMorgan UK Small Cap Growth & Income plc: 3.2% (2023: 3.1%) of the portfolio.

## Portfolio Information

### List of investments

As at 30th June 2024

Company	Valuation £'000	% of Portfolio	Company	Valuation £'000	% of Portfolio
<b>Financials</b>			<b>Industrials</b>		
HSBC	26,563	5.7	BAE Systems	16,174	3.5
3i	17,362	3.8	Rolls-Royce	15,152	3.2
JPMorgan UK Small Cap Growth & Income plc	14,989	3.2	QinetiQ	5,258	1.1
Intermediate Capital	10,491	2.3	Experian	5,126	1.1
M&G	6,286	1.4	Ashtead	5,097	1.1
London Stock Exchange	5,741	1.3	Melrose Industries	2,260	0.5
NatWest	5,464	1.2	Smurfit Kappa	1,690	0.4
Lloyds Banking	5,144	1.1	Hays	1,446	0.3
Barclays	5,089	1.1	Page	1,382	0.3
Aviva	4,366	0.9	Mitie	1,367	0.3
Legal & General	3,249	0.7	RS	1,241	0.3
Man	2,832	0.6		<b>56,193</b>	<b>12.1</b>
Paragon Banking	2,233	0.5	<b>Consumer Staples</b>		
Admiral	2,021	0.4	Unilever	15,066	3.2
OSB	1,934	0.4	Imperial Brands	9,983	2.2
Bank of Georgia	1,863	0.4	Tesco	9,146	2.0
	<b>115,627</b>	<b>25.0</b>	British American Tobacco	8,333	1.8
<b>Consumer Discretionary</b>			Marks & Spencer	6,966	1.5
RELX	13,599	2.9	Diageo	2,415	0.5
Next	8,084	1.7	Associated British Foods	2,204	0.5
Compass	7,136	1.5		<b>54,113</b>	<b>11.7</b>
4imprint	6,539	1.4	<b>Health Care</b>		
Taylor Wimpey	4,820	1.0	AstraZeneca	31,249	6.7
Bellway	4,477	1.0	GSK	10,807	2.4
InterContinental Hotels	4,280	0.9		<b>42,056</b>	<b>9.1</b>
Barratt Developments	4,247	0.9	<b>Basic Materials</b>		
Dunelm	4,048	0.9	Rio Tinto	15,517	3.4
JET2	3,931	0.9	Anglo American	7,907	1.7
Games Workshop	3,082	0.7	Glencore	4,711	1.0
Redrow	2,421	0.5		<b>28,135</b>	<b>6.1</b>
Berkeley	1,150	0.3	<b>Utilities</b>		
	<b>67,814</b>	<b>14.6</b>	SSE	7,872	1.7
<b>Energy</b>			National Grid	3,068	0.7
Shell	41,943	9.1	Centrica	1,884	0.4
BP	20,536	4.4		<b>12,824</b>	<b>2.8</b>
	<b>62,479</b>	<b>13.5</b>	<b>Technology</b>		
			Bytes Technology	5,737	1.2
			Softcat	3,340	0.7
			Sage	3,246	0.7
				<b>12,323</b>	<b>2.6</b>

## Portfolio Information

Company	Valuation £'000	% of Portfolio
<b>Real Estate</b>		
British Land	3,379	0.7
Land Securities	3,216	0.7
Shaftesbury Capital	2,874	0.6
Workspace	1,270	0.3
Segro	945	0.2
	<b>11,684</b>	<b>2.5</b>
<b>Total investments</b>	<b>463,248</b>	<b>100.0</b>
<b>Futures</b>		
FTSE 100 Index 20/09/2024 <sup>1</sup>	8	—
	<b>8</b>	<b>—</b>
<b>Total investments including derivatives</b>	<b>463,256</b>	<b>100.0</b>

<sup>1</sup> The notional cost of the short FTSE 100 Index futures was (£6,167,000) with a notional market value of (£6,159,000).

The above companies have been classified into sectors based on the Industry Classification Benchmark (ICB).







## Condensed Statement of Comprehensive Income

For the six months ended 30th June 2024

	(Unaudited) Six months ended 30th June 2024			(Unaudited) Six months ended 30th June 2023			(Audited) Year ended 31st December 2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) on investments held at fair value through profit or loss	—	26,282	26,282	—	(4,658)	(4,658)	—	12,726	12,726
Net foreign currency (losses)/gains	—	(13)	(13)	—	4	4	—	6	6
Income from investments	9,996	653	10,649	10,358	—	10,358	19,816	—	19,816
Interest receivable and similar income	285	—	285	291	—	291	694	—	694
<b>Gross return/(loss)</b>	<b>10,281</b>	<b>26,922</b>	<b>37,203</b>	<b>10,649</b>	<b>(4,654)</b>	<b>5,995</b>	<b>20,510</b>	<b>12,732</b>	<b>33,242</b>
Management fee	(312)	(578)	(890)	(389)	(723)	(1,112)	(693)	(1,286)	(1,979)
Other administrative expenses	(404)	—	(404)	(423)	—	(423)	(867)	—	(867)
<b>Net return/(loss) before finance costs and taxation</b>	<b>9,565</b>	<b>26,344</b>	<b>35,909</b>	<b>9,837</b>	<b>(5,377)</b>	<b>4,460</b>	<b>18,950</b>	<b>11,446</b>	<b>30,396</b>
Finance costs	(370)	(689)	(1,059)	(376)	(699)	(1,075)	(757)	(1,406)	(2,163)
<b>Net return/(loss) before taxation</b>	<b>9,195</b>	<b>25,655</b>	<b>34,850</b>	<b>9,461</b>	<b>(6,076)</b>	<b>3,385</b>	<b>18,193</b>	<b>10,040</b>	<b>28,233</b>
Taxation credit/(charge)	6	—	6	(8)	—	(8)	(17)	—	(17)
<b>Net return/(loss) after taxation</b>	<b>9,201</b>	<b>25,655</b>	<b>34,856</b>	<b>9,453</b>	<b>(6,076)</b>	<b>3,377</b>	<b>18,176</b>	<b>10,040</b>	<b>28,216</b>
<b>Return/(loss) per share</b> (note 3)	<b>16.02p</b>	<b>44.68p</b>	<b>60.70p</b>	<b>15.80p</b>	<b>(10.16)p</b>	<b>5.64p</b>	<b>30.69p</b>	<b>16.95p</b>	<b>47.64p</b>

All revenue and capital items in the above statement derive from continuing operations.

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 for the period/year.

## Condensed Statement of Changes in Equity

	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 30th June 2024 (Unaudited)</b>						
<b>At 31st December 2023</b>	<b>15,037</b>	<b>176,867</b>	<b>6,680</b>	<b>188,588</b>	<b>20,625</b>	<b>407,797</b>
Repurchase of shares into Treasury	—	—	—	(4,968)	—	(4,968)
Proceeds from share forfeiture <sup>2</sup>	—	—	—	168	—	168
Net return	—	—	—	25,655	9,201	34,856
Dividends paid in the period (note 4)	—	—	—	—	(10,780)	(10,780)
Refund of unclaimed dividends <sup>2</sup> (note 4)	—	—	—	—	123	123
<b>At 30th June 2024</b>	<b>15,037</b>	<b>176,867</b>	<b>6,680</b>	<b>209,443</b>	<b>19,169</b>	<b>427,196</b>
<b>Six months ended 30th June 2023 (Unaudited)</b>						
<b>At 31st December 2022</b>	<b>15,037</b>	<b>176,867</b>	<b>6,680</b>	<b>194,276</b>	<b>22,940</b>	<b>415,800</b>
Repurchase of shares into Treasury	—	—	—	(5,375)	—	(5,375)
Net (loss)/return	—	—	—	(6,076)	9,453	3,377
Dividends paid in the period (note 4)	—	—	—	—	(11,083)	(11,083)
<b>At 30th June 2023</b>	<b>15,037</b>	<b>176,867</b>	<b>6,680</b>	<b>182,825</b>	<b>21,310</b>	<b>402,719</b>
<b>Year ended 31st December 2023 (Audited)</b>						
<b>At 31st December 2022</b>	<b>15,037</b>	<b>176,867</b>	<b>6,680</b>	<b>194,276</b>	<b>22,940</b>	<b>415,800</b>
Repurchase of shares into Treasury	—	—	—	(15,728)	—	(15,728)
Net return	—	—	—	10,040	18,176	28,216
Dividends paid in the year (note 4)	—	—	—	—	(20,491)	(20,491)
<b>At 31st December 2023</b>	<b>15,037</b>	<b>176,867</b>	<b>6,680</b>	<b>188,588</b>	<b>20,625</b>	<b>407,797</b>

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

<sup>2</sup> During the period the Company undertook an Asset Reunification Program for its shareholders. In accordance with the Company's Articles of Association, shares that could not be traced to shareholders over 12 years old were forfeited. These shares were sold in the open market and the proceeds returned to the Company. In addition, unclaimed dividends over 12 years old were also returned to the Company.



## Condensed Statement of Financial Position

At 30th June 2024

	(Unaudited) At 30th June 2024 £'000	(Unaudited) At 30th June 2023 £'000	(Audited) At 31st December 2023 £'000
<b>Non current assets</b>			
Investments held at fair value through profit or loss	463,248	443,181	439,131
<b>Current assets</b>			
Derivative financial assets	8	215	—
Debtors	1,673	2,904	1,105
Cash and cash equivalents	12,586	16,390	8,296
Cash held at broker	299	844	432
	<b>14,566</b>	<b>20,353</b>	<b>9,833</b>
<b>Current liabilities</b>			
<b>Creditors:</b> amounts falling due within one year	(20,618)	(30,815)	(11,010)
Derivative financial liabilities	—	—	(157)
<b>Net current liabilities</b>	<b>(6,052)</b>	<b>(10,462)</b>	<b>(1,334)</b>
<b>Total assets less current liabilities</b>	<b>457,196</b>	<b>432,719</b>	<b>437,797</b>
<b>Non current liabilities</b>			
<b>Creditors:</b> amounts falling due after more than one year	(30,000)	(30,000)	(30,000)
<b>Net assets</b>	<b>427,196</b>	<b>402,719</b>	<b>407,797</b>
<b>Capital and reserves</b>			
Called up share capital	15,037	15,037	15,037
Share premium	176,867	176,867	176,867
Capital redemption reserve	6,680	6,680	6,680
Capital reserves	209,443	182,825	188,588
Revenue reserve	19,169	21,310	20,625
<b>Total shareholders' funds</b>	<b>427,196</b>	<b>402,719</b>	<b>407,797</b>
<b>Net asset value per share (note 5)</b>	<b>748.6p</b>	<b>678.4p</b>	<b>705.7p</b>

For the 2023 year end, the 'Fixed Assets' sub-heading was changed to 'Non-Current Assets' to align to the adapted format under FRS 102. This change did not result in any measurement changes in respect of prior periods or the current period.

## Condensed Statement of Cash Flows

For the six months ended 30th June 2024

	(Unaudited) Six months ended 30th June 2024 £'000	(Unaudited) Six months ended 30th June 2023 £'000	(Audited) Year ended 31st December 2023 £'000
<b>Cash flows from operating activities</b>			
Net return before finance costs and taxation	35,909	4,460	30,396
Adjustment for:			
Net (gains)/losses on investments held at fair value through profit or loss	(26,282)	4,658	(12,726)
Net foreign currency losses/(gains)	13	(4)	(6)
Dividend income	(10,649)	(10,358)	(19,816)
Interest income	(285)	(291)	(694)
Realised (losses)/gains on foreign exchange transactions	(13)	4	6
Decrease/(increase) in accrued income and other debtors	14	11	(1)
(Decrease)/increase in accrued expenses	(83)	210	211
<b>Net cash outflow from operations before dividends and interest</b>	<b>(1,376)</b>	<b>(1,310)</b>	<b>(2,630)</b>
Dividends received	10,050	10,068	19,804
Interest received	273	314	683
Overseas withholding tax recovered	35	—	—
<b>Net cash inflow from operating activities</b>	<b>8,982</b>	<b>9,072</b>	<b>17,857</b>
Purchases of investments	(59,098)	(53,943)	(109,200)
Sales of investments	61,551	50,486	129,024
Settlement of futures contracts	(451)	(603)	(520)
Transfer of margin cash from/(to) the broker	133	(844)	(432)
<b>Net cash inflow/(outflow) from investing activities</b>	<b>2,135</b>	<b>(4,904)</b>	<b>18,872</b>
Dividends paid	(10,780)	(11,083)	(20,491)
Repurchase of the Company's shares into Treasury	(5,209)	(5,370)	(15,484)
Proceeds from share forfeiture	168	—	—
Refund of unclaimed dividends	123	—	—
Repayment of bank loan	(15,000)	—	(20,000)
Drawdown of bank loan	25,000	20,000	20,000
Interest paid	(1,129)	(881)	(2,014)
<b>Net cash (outflow)/inflow from financing activities</b>	<b>(6,827)</b>	<b>2,666</b>	<b>(37,989)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>4,290</b>	<b>6,834</b>	<b>(1,260)</b>
Cash and cash equivalents at start of period/year	8,296	9,556	9,556
<b>Cash and cash equivalents at end of period/year</b>	<b>12,586</b>	<b>16,390</b>	<b>8,296</b>
<b>Cash and cash equivalents consist of:</b>			
Cash and short term deposits	258	269	611
Cash held in JPMorgan GBP Liquidity Fund	12,328	16,121	7,685
<b>Total</b>	<b>12,586</b>	<b>16,390</b>	<b>8,296</b>

## Notes to the Condensed Financial Statements

For the six months ended 30th June 2024.

### 1. Financial statements

The condensed financial information contained in this half yearly financial report does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The financial information for the six months ended 30th June 2024 and 30th June 2023 has not been audited or reviewed by the Company's Auditor.

The figures and financial information for the year ended 31st December 2023 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 including the report of the auditor 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 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 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 June 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 December 2023.

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

	(Unaudited) Six months ended 30th June 2024 £'000	(Unaudited) Six months ended 30th June 2023 £'000	(Audited) Year ended 31st December 2023 £'000
Return per share is based on the following:			
Revenue return	9,201	9,453	18,176
Capital return/(loss)	25,655	(6,076)	10,040
<b>Total return</b>	<b>34,856</b>	<b>3,377</b>	<b>28,216</b>
Weighted average number of shares in issue	57,422,451	59,810,159	59,232,911
Revenue return per share	16.02p	15.80p	30.69p
Capital return/(loss) per share	44.68p	(10.16)p	16.95p
<b>Total return per share</b>	<b>60.70p</b>	<b>5.64p</b>	<b>47.64p</b>

## Notes to the Condensed Financial Statements

### 4. Dividends paid

	(Unaudited) Six months ended 30th June 2024		(Unaudited) Six months ended 30th June 2023		(Audited) Year ended 31st December 2023	
	Pence	£'000	Pence	£'000	Pence	£'000
<b>Dividend paid</b>						
Final dividend in respect of prior year	10.50	6,059	10.50	6,309	10.50	6,308
First quarterly dividend	8.25	4,721	8.00	4,774	8.00	4,775
Second quarterly dividend	—	—	—	—	8.00	4,731
Third quarterly dividend	—	—	—	—	8.00	4,677
<b>Total dividends paid</b>	<b>18.75</b>	<b>10,780</b>	<b>18.50</b>	<b>11,083</b>	<b>34.50</b>	<b>20,491</b>
Refund of unclaimed dividends over 12 years old		(123)		—		—
<b>Net dividends paid</b>		<b>10,657</b>		<b>11,083</b>		<b>20,491</b>

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

A second quarterly dividend of 8.25p (2023: 8.00p) per share, amounting to £4,704,000 (2023: £4,731,000) has been declared payable in respect of the year ending 31st December 2024. It will be paid on 2nd September 2024 to shareholders on the register at the close of business on 26th July 2024.

### 5. Net asset value per share

The net asset value per Ordinary share and the net asset value attributable to the Ordinary shares at the period/year end are shown below. These were calculated using 57,067,358 (June 2023: 59,359,718; December 2023: 57,785,140) Ordinary shares in issue at the period/year end (excluding Treasury shares).

	(Unaudited) 30th June 2024 Six months ended Net asset value attributable		(Unaudited) 30th June 2023 Six months ended Net asset value attributable		(Audited) 31st December 2023 Year ended Net asset value attributable	
	£'000	pence	£'000	pence	£'000	pence
<b>Net asset value – debt at par</b>	<b>427,196</b>	<b>748.6</b>	<b>402,719</b>	<b>678.4</b>	<b>407,797</b>	<b>705.7</b>
Add: amortised cost of £30 million 3.22% private placement loan March 2045	30,000	52.5	30,000	50.5	30,000	51.9
Less: fair value of £30 million 3.22% private placement loan March 2045	(22,214)	(38.9)	(22,243)	(37.5)	(23,608)	(40.8)
<b>Net asset value - debt at fair value</b>	<b>434,982</b>	<b>762.2</b>	<b>410,476</b>	<b>691.4</b>	<b>414,189</b>	<b>716.8</b>



## Notes to the Financial Statements

## 6. Fair valuation of instruments

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

	(Unaudited)		(Unaudited)		(Audited)	
	Six months ended		Six months ended		Year ended	
	30th June 2024		30th June 2023		31st December 2023	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
	£'000	£'000	£'000	£'000	£'000	£'000
Level 1 <sup>1</sup>	463,256	—	443,396	—	439,131	(157)
<b>Total value of investments</b>	<b>463,256</b>	<b>—</b>	<b>443,396</b>	<b>—</b>	<b>439,131</b>	<b>(157)</b>

<sup>1</sup> Includes future currency contracts.

## 7. Reconciliation of net debt

	As at			As at
	31st December	Cash flows	Other	30th June
	2023	non-cash	charges	2024
	£'000	£'000	£'000	£'000
<b>Cash and cash equivalents</b>				
Cash and short term deposits	611	(353)	—	258
Cash held in JPMorgan GBP Liquidity Fund	7,685	4,643	—	12,328
	<b>8,296</b>	<b>4,290</b>	<b>—</b>	<b>12,586</b>
<b>Borrowings</b>				
<b>Debt due within one year</b>				
Bank loan	(10,000)	(10,000)	—	(20,000)
<b>Debt due after one year</b>				
£30 million 3.22% private placement loan	(30,000)	—	—	(30,000)
	<b>(40,000)</b>	<b>(10,000)</b>	<b>—</b>	<b>(50,000)</b>
<b>Net debt</b>	<b>(31,704)</b>	<b>(5,710)</b>	<b>—</b>	<b>(37,414)</b>





## Interim Management Report

The Company is required to make the following disclosures in its half yearly report.

### Principal Risks and Uncertainties

The Board has an ongoing process for identifying, evaluating and managing the principal risks, emerging risks and uncertainties of the Company. The principal risks and uncertainties faced by the Company fall into the following broad categories: cybercrime; geopolitical and macro-economic; share price volatility; investment and strategy; market factors such as interest rates, inflation and equity market performance; operational; loss of investment team; strategy and performance; climate change; legal and regulatory/corporate governance; and financial. Detailed information on each of these areas is given in the Strategic Report within the Annual Report and Accounts for the year ended 31st December 2023 and in the view of the Board, these principal risks and uncertainties are as applicable to the remaining six months of the financial year as they were to the period under review. The Board, through the Audit Committee, has identified Artificial Intelligence as an emerging risk. There have been no changes to emerging risks over the reporting period.

### 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, liquidity and 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 operational existence for at least 12 months from the date of the approval of this half yearly report. For these reasons, they consider that there is sufficient evidence to continue to adopt the going concern basis in preparing the financial statements. This conclusion also takes into account the Board's assessment of the impact of heightened market volatility due to the Russian invasion of Ukraine and the unrest in Israel and Gaza.

### Statement of Directors' Responsibilities

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

- (i) the condensed set of financial statements contained within the half year financial report has been prepared in accordance with FRS 104 'Interim Financial Reporting' 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 June 2024 as required by the 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 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

**David Fletcher**  
Chairman

9th August 2024



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

### Alternative Performance Measures ('APMs')

Alternative Performance Measures (APMs) are numerical measures of current, historical or future financial performance, financial position or cash flow that are not GAAP measures. APMs are intended to supplement the information in the financial statements, providing useful industry-specific information that can assist shareholders to better understand the performance of the Company.

Where a measure is labelled as an APM, a definition and reconciliation to a GAAP measure is set out below.

### 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.

Total return calculation	Page	Six months ended 30th June 2024	
Opening share price as at 31st December 2023 (p)	6	684.0	(a)
Closing share price as at 30th June 2024 (p)	6	714.0	(b)
Total dividend adjustment factor <sup>1</sup>		1.027829	(c)
Adjusted closing share price (p) $d = b \times c$		733.9	(d)
<b>Total return to shareholders <math>e = (d/a) - 1</math></b>		<b>7.3%</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, on a bid value to bid value basis, assuming that all dividends paid out by the Company were reinvested, into the shares of the Company at the NAV per share at the time the shares were quoted ex-dividend.

Total return calculation	Page	Six months ended 30th June 2024	
Opening cum-income NAV per share with debt at par value as at 31st December 2023 (p)	6	705.7	(a)
Closing cum-income NAV per share with debt at par value as at 30th June 2024 (p)	6	748.6	(b)
Total dividend adjustment factor <sup>1</sup>		1.027044	(c)
Adjusted closing cum-income NAV per share with debt at par value (p) $d = b \times c$		768.8	(d)
<b>Total return on net assets with debt at par value <math>e = (d/a) - 1</math></b>		<b>8.9%</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 cum-income NAV at the ex-dividend date.

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

The Company's long-term debt (private placement) is valued in the Statement of Financial Position at amortised cost, 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 £30,000,000 private placement loan has been calculated using discounted cash flow techniques, using the yield from a similar dated gilt plus a margin based on the five year average for the AA Barclays Sterling Corporate Bond spread. As at 30th June 2024, the cum income NAV with debt at fair value was £435,051,000 (31st December 2023: 414,189,000) or 762.3p (31st December 2023: 716.8p) per share.



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

	Page	Six months ended 30th June 2024	
<b>Total return calculation</b>			
Opening cum-income NAV per share with debt at fair value as at 31st December 2023 (p)	6	716.8	(a)
Closing cum-income NAV per share with debt at fair value as at 30th June 2024 (p)	6	762.2	(b)
Total dividend adjustment factor <sup>1</sup>		1.026598	(c)
Adjusted closing cum-income NAV per share with debt at fair value (p) $d = b \times c$		782.5	(d)
<b>Total return on net assets with debt at fair value <math>e = (d/a) - 1</math></b>		<b>9.2%</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 cum-income 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

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 '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 net assets of total investments, expressed as a percentage of net assets. If the amount calculated is negative, this is shown as a 'net cash' position.

	Page	Six months ended 30th June 2024 £'000	Year ended 31st December 2023 £'000	
<b>Gearing calculation (excluding effect of futures)</b>				
Investments held at fair value through profit or loss	21	463,248	439,131	(a)
Net assets	24	427,196	407,797	(b)
<b>Gearing <math>c = (a/b) - 1</math></b>		<b>8.4%</b>	<b>7.7%</b>	<b>(c)</b>

	Page	Six months ended 30th June 2024 £'000	Year ended 31st December 2023 £'000	
<b>Gearing calculation (including effect of futures)</b>				
Investments held at fair value through profit or loss	21	463,248	439,131	(a)
Futures notional market value (short)	17	(6,159)	(5,817)	(b)
Net assets	24	427,196	407,797	(c)
<b>Gearing <math>d = \{(a+b)/c\} - 1</math></b>		<b>7.0%</b>	<b>6.3%</b>	<b>(d)</b>

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

### 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 ongoing charges percentage shown in the six months ended 30th June 2024, is an annualised estimate for the full year ending 31st December 2024.

	Page	Six months ended 30th June 2024 £'000	Year ended 31st December 2023 £'000	
Management fee	19	890	1,979	
Other administrative expenses	19	404	867	
Total management fee and other administrative expenses		1,294	2,846	(a)
Average daily cum-income net assets		412,303	409,269	(b)
<b>Ongoing charges c = (a/b)x 2</b>	6	<b>0.63%</b>		(c)
<b>Ongoing charges d = a/b</b>			<b>0.70%</b>	(d)

### Share Price (Discount)/Premium to 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.

	Page	Six months ended 30th June 2024	Year ended 31st December 2023	
Share price (p)	6	714.0	684.0	(a)
Net assets value per share with debt at fair value (p)	6	762.2	716.8	(b)
<b>Discount to net asset value with debt at fair value c = (a-b)/b</b>		<b>(6.3)%</b>	<b>(4.6)%</b>	(c)

	Page	Six months ended 30th June 2024	Year ended 31st December 2023	
Share price (p)	6	714.0	684.0	(a)
Net assets value per share with debt at par value (p)	6	748.6	705.7	(b)
<b>Discount to net asset value with debt at par value c = (a-b)/b</b>		<b>(4.6)%</b>	<b>(3.1)%</b>	(c)

## Investing in JPMorgan Claverhouse Investment Trust plc

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 Investcentre	Hargreaves Lansdown
Barclays Smart investor	iDealing
Bestinvest	IG
Charles Stanley Direct	Interactive investor
Close brothers A.M. Self	IWeb
Directed Service	ShareDeal active
Fidelity Personal Investing	Willis Owen
Freetrade	X-O.co.uk
Halifax Share Dealing	

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' 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.

### 2. Voting on Company Business and Attending its Annual General Meeting

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 <https://www.theaic.co.uk/howto-vote-your-shares> for information on which platforms support these services and how to utilise them.

### 3. Through a professional adviser

Professional advisers are usually able to access the products of all the companies in the market and can help you to 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 adviser charging and commission rules, visit [fca.org.uk](http://fca.org.uk).

### 4. Dividend reinvestment plan

The Company operates a dividend reinvestment plan. For further information please contact the Registrars, platform provider or a professional adviser.

## 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](http://www.actionfraud.police.uk)



**Be ScamSmart and visit**  
[www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)



## Information About the Company

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### 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 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.

### Task Force on Climate-related Financial Disclosures

As a listed Investment Trust, the Company is exempt from Task Force on Climate-related Financial Disclosures ('TCFD') disclosures. However, in accordance with the requirements of the TCFD, on 30th June 2023, the Investment Manager published its first UK TCFD Report for the Company in respect of the year ended 31st December 2022. The report discloses estimates of the portfolio's climate-related risks and opportunities according to the FCA Environmental, Social and Governance Sourcebook and the TCFD Recommendations. The report is available on the Company's website: [www.jpmlclaverhouse.co.uk](http://www.jpmlclaverhouse.co.uk)

### 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.

## Information About the Company

### History

The Company was launched as Claverhouse Investment Trust Limited in 1963 with assets of £5 million and managed by Robert Fleming & Co. The Company took its name from Viscount Claverhouse ('Bonnie Dundee') who was killed at the Battle of Killiecrankie in 1689 whilst leading a rebellion against William and Mary. The name was chosen to commemorate the Company's link with Dundee, where Flemings originated in 1873. The Company changed its name to The Fleming Claverhouse Investment Trust plc in 1983, to JPMorgan Fleming Claverhouse Investment Trust plc in 2003 and adopted its present name in 2007.

### Directors

David Fletcher (Chairman)  
Joanne Fintzen  
Jill May  
Nicholas Melhuish  
Victoria Stewart

### Company Numbers

Company registration number: 754577  
London Stock Exchange code: 0342218  
ISIN: GB0003422184  
Bloomberg Code: JCH LN  
LEI: 549300NFZYFSCD52W53

### Market Information

The Company's net asset value 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 on the Company's website at [www.jpmlclaverhouse.co.uk](http://www.jpmlclaverhouse.co.uk) where the share price is updated every 15 minutes during trading hours.

### Website

[www.jpmlclaverhouse.co.uk](http://www.jpmlclaverhouse.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

### Investment Manager

JPMorgan Asset Management (UK) Limited

### Company's Registered Office

60 Victoria Embankment  
London EC4Y 0JP  
Telephone: 0800 20 40 20 or +44 1268 44 44 70

Please contact Anmol Dhillon for company secretarial and administrative matters.

### Depository

The Bank of New York Mellon (International) Limited  
160 Queen Victoria Street  
London EC4V 4LA

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

### Registrar (with effect from 8th July 2024)

Computershare Investor Services PLC  
The Pavilions  
Bridgwater Rd  
Bristol  
BS99 6ZZ  
United Kingdom  
Telephone + 44 (0) 370 707 1521

Lines open 8.30 a.m. to 5.30 p.m. Monday to Friday  
Shareholders can manage their shareholding online by visiting Investor Centre at [www.investorcentre.co.uk](http://www.investorcentre.co.uk). Shareholders just require their Shareholder Reference Number ('SRN'), which can be found on any communications previously received from Computershare.

### Independent Auditor

PricewaterhouseCoopers LLP  
Altria One  
144 Morrison Street  
Edinburgh EH3 8EX

### Broker

Deutsche Numis  
45 Gresham St,  
London EC2V 7BF



The Association of  
Investment Companies

A member of the AIC

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