

Jupiter China Fund

For the year ended 31 August 2019

ANNUAL

Report & Accounts



ON THE PLANET TO PERFORM


JUPITER

Contents

• Fund Information*	1
• Investment Report*	3
• Comparative Tables	5
• Portfolio Statement*	7
• Summary of Material Portfolio Changes	9
• Statement of Authorised Fund Manager's Responsibilities in relation to the Financial Statements of the Scheme	10
• Statement of Trustee's Responsibilities in relation to the Financial Statements of the Scheme	10
• Report of the Trustee	10
• Independent Auditors' Report	11
• Statement of Total Return	13
• Statement of Change in Net Assets Attributable to Unitholders	13
• Balance Sheet	14
• Directors' Statement	14
• Notes to the Financial Statements	15
• Distribution Table	26
• General Information*	27

*These collectively comprise the Authorised Fund Manager's Report

Fund Information

Manager, Registrar and Administrator

Jupiter Unit Trust Managers Limited

PO Box 10666

Chelmsford

CM99 2BG

Tel: 0800 561 4000

Fax: 0800 561 4001

www.jupiteram.com

Registered Address:

The Zig Zag Building,

70 Victoria Street,

London SW1E 6SQ

Authorised and regulated by the Financial Conduct Authority.

Directors

The Directors of Jupiter Unit Trust Managers Limited are:

R Corfield

P M Moore

J Singh

N Ring*

K Baillie**

T Scholefield**

P Wagstaff***

*Resigned 31 May 2019

**Independent. Appointed 1 May 2019

***Appointed 31 July 2019

Trustee

National Westminster Bank plc (Prior to 1 June 2019)

Trustee and Depositary Services

Floor 1

280 Bishopsgate

London EC2M 4RB

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and by the Prudential Regulation Authority.

Northern Trust Global Services SE (UK branch)

(From 1 June 2019)

50 Bank Street

Canary Wharf

London E14 5NT

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and by the Prudential Regulation Authority.

Investment Adviser

Jupiter Asset Management Limited

The Zig Zag Building

70 Victoria Street

London SW1E 6SQ

Authorised and regulated by the Financial Conduct Authority.

Independent Auditors

PricewaterhouseCoopers LLP

Atria One

144 Morrison Street

Edinburgh

EH3 8EX

It is the intention of Jupiter Unit Trust Managers Limited to make this Report & Accounts available on their website. The maintenance and integrity of the Jupiter Unit Trust Managers Limited website is the responsibility of the Directors; the work carried out by the auditors of the Jupiter China Fund does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Fund Information (continued)

Investment Objective

To achieve long-term capital growth.

Investment Policy

To invest principally in companies operating in China (including Hong Kong) but may also invest in companies operating in other countries which, in the Manager's opinion, conduct a material proportion of their business in China (including Hong Kong) or derive a material proportion of their earnings from activities in China. The Manager will only enter into derivative transactions for the purpose of efficient management of the portfolio and not for investment.

Status

The Fund operates under the Investment Funds Sourcebook (FUND) where applicable and the Collective Investment Schemes Sourcebook (COLL) of the Financial Conduct Authority (FCA). The Fund is an authorised unit trust scheme under Section 237 of the Financial Services and Markets Act 2000 and is a UCITS scheme as defined in the COLL rules. It is in the 'China/Greater China' Investment Association sector.

The Fund is a qualifying fund for inclusion within a stocks and shares Individual Savings Account (ISA). It is the Manager's intention to continue to manage the affairs of the Fund in order to meet the qualifying requirements as outlined in current legislation.

Unit Classes

In addition to the basic class of units which are available to all types of investors, the Fund also offers I-Class units which are available to investors who invest a minimum of £5,000,000. Further details are available from the Manager on request. Please note that in order to distinguish between the unit classes within the Fund they are defined in these accounts as either Retail Units (non I-Class) or I-Class Units. The unit types associated with each unit class are disclosed in the Comparative Tables on page 5.

Fund Accounting Services

With effect from 16 September 2019 responsibility for performing fund accounting services moved from HSBC Securities Services (UK) Limited to Northern Trust Global Services SE.

Cumulative Performance (% change to 31 August 2019)

	1 year	3 years	5 years	10 years	Since launch*
Percentage Growth	-3.5	17.1	37.8	81.9	179.6
Sector position	36/37	34/35	31/33	19/21	13/13
Quartile ranking	4th	4th	4th	4th	4th

Source: FE, I-Class Units, NAV to NAV or bid to NAV dependent on the period of reporting, all performance is net of fees with net income reinvested. Past performance is no guide to the future. *Launch date 20 October 2006.

This document is for informational purposes only and is not investment advice. Market and exchange rate movements can cause the value of an investment to fall as well as rise, and you may get back less than originally invested. We recommend you discuss any investment decisions with a financial adviser, particularly if you are unsure whether an investment is suitable. Jupiter is unable to provide investment advice. Current tax levels and reliefs will depend on your individual circumstances and are subject to change in the future. **The Fund invests in a single developing geographic area and there is a greater risk of volatility due to political and economic change, fees and expenses are generally higher than in western markets. These markets are generally less liquid, with trading and settlement systems that are generally less reliable than in developed markets, which may result in large price movements or losses to the fund. The fund invests in smaller companies, which can be less liquid than investments in larger companies and can have fewer resources than larger companies to cope with unexpected adverse events. As such price fluctuations may have a greater impact on the Fund. This fund invests mainly in shares and it is likely to experience fluctuations in price which are larger than funds that invest only in bonds and/or cash.** For definitions please see the glossary at jupiteram.com. Every effort is made to ensure the accuracy of any information provided but no assurances or warranties are given. Company examples are for illustrative purposes only and are not a recommendation to buy or sell. Quoted yields are not guaranteed and may change in the future. Jupiter Unit Trust Managers Limited is authorised and regulated by the Financial Conduct Authority and their registered address is The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ.

ANNUAL REPORT

Jupiter China Fund

For the year ended 31 August 2019

Investment Report

Performance Review

For the 12 months ended 31 August 2019, the total return on the Jupiter China Fund was -3.5%* in sterling terms compared to 1.3% for the MSCI China Index. Over the five years to 31 August 2019, the Jupiter China Fund has returned 37.8%* compared to 72.8%* for the MSCI China Index. The fund was ranked 36th out of 37 funds over one year and 31st out of 33 funds over five years.

**Source: FE, NAV to NAV or bid to NAV dependent on the period of reporting, all performance is net of fees with net income reinvested. The statistics disclosed above relate to I-Class Units unless otherwise stated.*

Market Review

Along with other global stock markets, Chinese equities experienced a turbulent twelve months. A sell-off in the fourth quarter of 2018 was countered by a sharp rebound in the first quarter of 2019, but stocks reversed direction again in May 2019 following the breakdown of trade talks between the US and China. The trade tensions with the US continued to dominate headlines for much of the review period, with both sides imposing tariffs on an ever-broader range of products. The resulting uncertainty has impacted not only exporters, but corporate and consumer confidence as well.

From a domestic perspective, the macro backdrop has been supported by fiscal measures, including income tax reductions. Monetary policy has also been supportive, with measures taken to reduce the reserve rate requirement and pressure put on state banks to lend to small and medium enterprises.

Although the trade war continues to present a risk to the Chinese market, our view is that the fund is well-placed to weather that instability. The fund is well diversified both due to its multi-cap approach and the strict management of position sizes so that all holdings contribute but no single position should overwhelm the portfolio's risk/return characteristics. As a result, the volatility of the fund has consistently been below that of its target benchmark, the MSCI China Index.

Policy Review

Returns relative to the fund's benchmark and peers has been weak over the year. This has been a symptom of diversifying beyond the large index constituents. While asset allocation into small and mid-cap firms has seriously detracted from performance, stock selection has been very positive and has limited asset allocation pressures. We maintain a thoroughly diversified multi-cap approach to portfolio construction and believe that the extent to which valuations have de-coupled has also created a significant opportunity in businesses not represented in the key indices. While the fund has exposure to smaller sized, more enterprising and higher growth opportunities, the overall liquidity to manage position sizes remains reasonable.

On a stock level, gaming company NetEase ADR performed well over the period under review as it recovered from weakness in 2018 that was due to regulatory pressures on new game launches. This pressure is now gradually easing; the firm has become more cost conscious and the business is evidencing success in its ability to distribute locally developed games overseas. Management have also put a plan in place to realise value on non-core assets, a substantive amount of which is loss-making. These plans include the listing of its music streaming business (the number two music streaming platform in China) as well as the sale of the firm's leading cross-border commerce platform Kaola.

Tiangong International, a manufacturer of high-speed cutting tools, was another notable contributor. Its strong performance was supported by greater profitability from the firm's developing titanium production capability. We continue to believe that there is further scope for the profitability of the titanium production to rise, and for the firm to increasingly distribute products directly rather than via distributors – a change that should support a higher margin and improved profitability.

Investment Report (continued)

Other positives included Bizlink Holdings, a leader in the production of wire harnesses for auto applications and IT connectivity devices. While the product category is not glamorous, the firm sells into a number of high-growth end-markets where having a consistently reliable supplier is critical. For instance, they are the key supplier of wire harnesses to Tesla.

On a negative note, online search engine Baidu ADR was one of the largest detractors. The business has an outright leadership position in Chinese search, continues to grow users, and has had success in a number of non-search initiatives. Weakness in reported numbers has been due to a policy change, heavy investment in user engagement and rising competition within the advertising space. In our view, none of these headwinds have broken the underlying investment case and we remain confident in Baidu's medium-term growth outlook.

Other negatives included China Petroleum & Chemical, a Chinese oil company, which came under pressure due to a lower oil price, and marine theme park operator Haichang Ocean Park Holdings, whose business has been through a period of heavy investment, having recently opened large parks in Shanghai and Sanya. Stock price weakness was largely down to the uncertainty over the new park openings and concern around a pre initial public offering investor being required to exit. We remain confident in the prospect of both existing and new parks and are encouraged to hear that, after a final project in Zhengzhou, there will be no further large-scale projects.

Investment Outlook

Overall, 2018 was a year of material reform in China: policymakers have rolled out biting change within the financial sector, there has been a tightening of regulation around online activity and a continued reduction of excessive supply in key industries. These moves, against the background of uncertainty over the trading outlook for the country, has had a clear effect on domestic confidence, putting pockets of the economy under pressure. As a consequence, second quarter GDP decelerated to 6.2%, the lowest level since the early 90's.

China, however, has a highly diverse economy, so while change can be a challenge, it also creates opportunities. For instance, we believe the overhaul within the financial sector is likely to create material stress on some business models but is also likely to mean more deposit and lending opportunities for firms already in-line with regulation. Similarly, for online commerce platforms, the need to comply with new regulatory rules requirements is a sizeable risk for certain websites, but a competitive advantage for those that already have robust risk processes. More broadly, ongoing supply reductions driven by rising standards will materially harm some businesses, and yet for others it supports an improving competitive landscape and more pricing power.

In our view, these changes are far from reflected in stock valuations. 2019 began with a challenging macro-economic backdrop, but we believe the increasingly divergent outlook within China's corporate universe should gradually be reflected in a positive re-evaluation of the underlying strength of certain companies across the market. In our view, this will likely be most apparent in the small and mid-cap part of the market, where considerable underperformance in recent years has created what we believe are a number of highly attractive opportunities.

Ross Teverson
Fund Manager

Comparative Tables

Change in net assets per unit

	Retail Income			I-Class Income		
	31.08.19	31.08.18	31.08.17	31.08.19	31.08.18	31.08.17
Opening net asset value per unit	124.50p	130.81p	106.27p	127.11p	131.33p	107.68p
Return before operating charges*	(3.41p)	(2.56p)	27.21p	(3.48p)	(0.37p)	26.39p
Operating charges	(2.14p)	(2.41p)	(2.09p)	(1.27p)	(1.43p)	(1.25p)
Return after operating charges*	(5.55p)	(4.97p)	25.12p	(4.75p)	(1.80p)	25.14p
Distributions on income unit	(0.52p)	(1.34p)	(0.58p)	(1.47p)	(2.42p)	(1.49p)
Closing net asset value per unit	118.43p	124.50p	130.81p	120.89p	127.11p	131.33p
*after direct transaction costs of:	0.14p	0.14p	0.17p	0.14p	0.14p	0.18p

Performance

Return after charges	(4.46%)	(3.80%)	23.64%	(3.74%)	(1.37%)	23.35%
----------------------	---------	---------	--------	---------	---------	--------

Other information

Closing net asset value (£'000)	2,621	3,078	3,269	4,168	4,502	4,735
Closing number of units	2,212,831	2,472,271	2,499,605	3,447,762	3,542,052	3,605,179
Operating charges	1.78%	1.78%	1.80%	1.03%	1.03%	1.05%
Direct transaction costs	0.12%	0.10%	0.15%	0.12%	0.10%	0.15%

Prices

Highest unit price	131.34p	151.83p	138.40p	134.71p	149.61p	135.21p
Lowest unit price	106.67p	124.73p	104.76p	109.04p	128.35p	106.99p

Change in net assets per unit

	Retail Accumulation			I-Class Accumulation		
	31.08.19	31.08.18	31.08.17	31.08.19	31.08.18	31.08.17
Opening net asset value per unit	130.97p	135.87p	109.85p	137.87p	141.47p	113.35p
Return before operating charges*	(3.59p)	(2.39p)	28.19p	(3.78p)	(2.08p)	29.44p
Operating charges	(2.25p)	(2.51p)	(2.17p)	(1.38p)	(1.52p)	(1.32p)
Return after operating charges*	(5.84p)	(4.90p)	26.02p	(5.16p)	(3.60p)	28.12p
Distributions on accumulation unit	(0.55p)	(1.40p)	(0.60p)	(1.59p)	(2.58p)	(1.57p)
Retained distributions on accumulation unit	0.55p	1.40p	0.60p	1.59p	2.58p	1.57p
Closing net asset value per unit	125.13p	130.97p	135.87p	132.71p	137.87p	141.47p
*after direct transaction costs of:	0.15p	0.14p	0.18p	0.16p	0.15p	0.18p

Performance

Return after charges	(4.46%)	(3.61%)	23.69%	(3.74%)	(2.54%)	24.81%
----------------------	---------	---------	--------	---------	---------	--------

Other information

Closing net asset value (£'000)	61,573	71,925	85,605	45,997	49,698	49,459
Closing number of units	49,208,116	54,915,642	63,007,441	34,659,051	36,046,037	34,959,392
Operating charges	1.78%	1.78%	1.80%	1.03%	1.03%	1.05%
Direct transaction costs	0.12%	0.10%	0.15%	0.12%	0.10%	0.15%

Prices

Highest unit price	138.17p	158.00p	143.39p	146.11p	159.24p	142.31p
Lowest unit price	112.24p	129.81p	108.57p	118.30p	136.61p	112.63p

Comparative Tables (continued)

Portfolio Turnover Rate

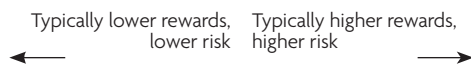
The Portfolio Turnover Rate (PTR) of the Fund, based on the figures included within the financial statements for the period as indicated below, is as follows:

	Year to 31.08.19	Year to 31.08.18
Portfolio Turnover Rate	49.85%	47.88%

The PTR provides an indication of the rate the Manager has bought and sold the underlying assets of the Fund during the period as indicated above. In general, the higher the PTR of a fund, the greater level of portfolio transaction costs will be incurred.

Risk and reward indicator

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Retail Units

1	2	3	4	5	6	7
---	---	---	---	---	---	---

I-Class Units

1	2	3	4	5	6	7
---	---	---	---	---	---	---

- The lowest category does not mean 'no risk'. Some risk will still be present in funds with a risk and reward rating of 1.
- The Fund is in this category as it invests in a wide range of shares of companies based in China, which carry a degree of risk.

Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

Charges taken from the Fund over the year to:	31.08.19	31.08.18
Ongoing charges for Retail Units	1.78%	1.78%
Ongoing charges for I-Class Units	1.03%	1.03%

Portfolio Statement

As at 31 August 2019

Holding	Investment	Market value £	Total net assets %
CHINA (INCLUDING HONG KONG) - 99.67% (96.75%)			
Consumer Goods – 5.04% (9.01%)			
3,993,500	Bestway Global Holding	1,489,881	1.30
659,500	Health and Happiness	2,256,554	1.97
1,415,000	Vinda International Holdings	2,016,709	1.77
		5,763,144	5.04
Consumer Services – 15.01% (18.90%)			
42,396	Alibaba Group Holding ADR	6,091,781	5.33
6,665,500	Crystal International Group	2,165,420	1.89
6,420,000	Goodbaby International Holdings	989,009	0.86
23,583,000	Haichang Ocean Park Holdings	2,718,564	2.38
567,000	Luk Fook Holdings	1,158,685	1.01
4,142,000	Regina Miracle International	2,174,681	1.90
502,400	Sands China	1,871,703	1.64
		17,169,843	15.01
Financials – 15.40% (13.60%)			
15,919,000	Bank of China	4,971,413	4.35
8,117,000	China Construction Bank	4,942,190	4.32
1,103,000	China Life Insurance	2,117,624	1.85
916,000	China Overseas Land & Investments	2,375,847	2.08
125,022	Jupiter Global Fund – China Select Fund†	1,716,557	1.50
6,200	Ping An Insurance	62,207	0.05
152,000	Ping An Insurance H Share	1,432,027	1.25
		17,617,865	15.40
Healthcare – 9.03% (7.75%)			
4,052,000	3SBio	5,121,115	4.48
5,079,000	Consun Pharmaceutical	2,267,439	1.98
640,000	Ginko International	2,936,266	2.57
		10,324,820	9.03

Portfolio Statement

Holding	Investment	Market value £	Total net assets %
Industrials – 23.09% (21.29%)			
720,170	Bizlink Holding	4,057,145	3.55
5,000,000	China Metal Recycling* ^Δ	–	–
9,216,000	CPMC	3,167,846	2.77
6,662,000	CRRC	3,756,079	3.28
1,198,000	Greatview Aseptic Pack	533,573	0.47
369,527	Hollysys Automation Technologies	4,742,544	4.15
1,724,200	Hon Hai Precision Industry	3,339,982	2.92
691,772	Qudian ADR	4,538,538	3.97
9,044,000	Tiangong International	2,265,198	1.98
		26,400,905	23.09
Oil & Gas – 3.83% (4.13%)			
6,320,000	China Petroleum & Chemical	3,040,028	2.66
3,286,000	PetroChina	1,339,569	1.17
		4,379,597	3.83
Technology – 23.07% (16.30%)			
59,867	Baidu ADR	5,135,039	4.49
237,597	JD.com ADR	5,944,559	5.20
411,000	MediaTek	3,943,176	3.45
29,215	NetEase ADR	6,111,677	5.34
154,300	Tencent	5,248,827	4.59
		26,383,278	23.07
Telecommunications – 5.20% (5.77%)			
50,000	China Mobile (Hong Kong)	340,065	0.30
6,854,000	China Unicom	5,602,560	4.90
		5,942,625	5.20
	Total value of investments	113,982,077	99.67
	Net other assets	376,747	0.33
	Net assets	114,358,824	100.00

All holdings are ordinary shares or stock units unless otherwise stated.

The sectors are based on the Industry Classification Benchmark (see page 28).

The figures in brackets show allocations as at 31 August 2018.

¹Represents an investment in a Jupiter Investment Management Group Limited product.

^{*}Represents an unquoted security.

^ΔRepresents an unapproved security.

Summary of Material Portfolio Changes

Significant purchases and sales for the year ended 31 August 2019

Purchases	Cost £	Sales	Proceeds £
Qudian ADR	3,456,008	NWS Holding	3,886,922
Baidu ADR	3,387,554	Bitauto Holdings ADR	3,613,893
Health and Happiness	3,144,403	China Mobile	3,073,846
CRRC	2,706,691	Merida Industry	2,796,469
Vinda International Holdings	2,386,108	Tiangong International	2,645,905
China Unicom	2,255,408	Hengan International	2,450,075
3SBio	1,897,380	Sands China	2,256,017
JD.com ADR	1,849,482	Huayu Automotive Systems P-Note 23/11/2021 (HSBC)	2,229,795
PetroChina	1,686,130	Longfor Properties	2,165,724
Sands China	1,610,307	ChangYou.com ADR	2,082,570
Subtotal	24,379,471	Subtotal	27,201,216
Total cost of purchases, including the above, for the year	40,914,678	Total cost of sales, including the above, for the year	46,017,020

Statement of Authorised Fund Manager's responsibilities in relation to the financial statements of the Scheme

The Financial Conduct Authority's Collective Investment Schemes (COLL) and where applicable Investment Funds (FUND) Sourcebooks, as amended (the Sourcebooks) require the Authorised Fund Manager (the 'Manager') to prepare financial statements for each annual accounting period which give a true and fair view of the financial affairs of the Scheme and of its revenue and expenditure for the year. In preparing the financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

- prepare the accounts on a going concern basis, unless it is inappropriate to do so;
- comply with the requirements of the Statement of Recommended Practice for Authorised Funds;
- follow applicable accounting standards; and
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements.

The Manager is responsible for the management of the Scheme in accordance with the Sourcebooks and the Scheme's Trust Deed and Prospectus. The Manager is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Trustee's responsibilities in relation to the financial statements of the Scheme

The Trustee must ensure that the Scheme is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the Trust Deed and Prospectus (together 'the Scheme documents') as detailed below.

The Trustee must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Scheme and its investors.

The Trustee is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Scheme in accordance with the Regulations.

The Trustee must ensure that:

- the Scheme's cash flows are properly monitored and that cash of the Scheme is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of units are carried out in accordance with the Regulations;

- the value of units of the Scheme are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Scheme's assets is remitted to the Scheme within the usual time limits;
- the Scheme's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager (the 'AFM') are carried out (unless they conflict with the Regulations).

The Trustee also has a duty to take reasonable care to ensure that the Scheme is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Scheme.

A copy of the Report of Trustee is set out below.

Report of the Trustee

Jupiter China Fund

Having carried out such procedures as we considered necessary to discharge our responsibilities as Trustee of the Scheme, it is our opinion, based on information available to us and explanations provided, that, in all material respects, acting through the AFM:

- has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Scheme's units and the application of the Scheme's

revenue in accordance with the Regulations and the Scheme Documents; and

- has observed the investment and borrowing powers and restrictions applicable to the Scheme.

Northern Trust Global Services SE (UK branch)

Trustee & Depositary Services

London

22 October 2019

Independent Auditors' Report to the Unitholders of the Jupiter China Fund

Report on the audit of the financial statements

Opinion

In our opinion, the Jupiter China Fund's financial statements:

- give a true and fair view of the financial position of the Fund as at 31 August 2019 and of the net revenue and the net capital losses of its scheme property for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards), comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law, the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

We have audited the financial statements, included within the Annual Report and Accounts ('the Annual Report'), which comprise: the Balance Sheet as at 31 August 2019; the Statement of Total Return and the Statement of Change in Net Assets Attributable to Unitholders for the year then ended; the distribution tables; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the Authorised Fund Manager's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the Authorised Fund Manager has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Fund's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Fund's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the Fund's business and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Fund Manager is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Authorised Fund Manager's Report

In our opinion, the information given in the Authorised Fund Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditors' Report to the Unitholders of the Jupiter China Fund (continued)

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Fund Manager for the financial statements

As explained more fully in the Statement of Authorised Fund Manager's responsibilities in relation to the financial statements of the Scheme set out on page 10, the Authorised Fund Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Fund Manager is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Fund Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Fund Manager either intend to wind up or terminate the Fund, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Fund's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes Sourcebook and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes Sourcebook we are required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
Edinburgh
22 October 2019

Statement of Total Return

For the year ended 31 August 2019

	Note	Year to 31.08.19		Year to 31.08.18	
		£	£	£	£
Income					
Net capital losses	3		(5,955,035)		(5,646,232)
Revenue	4	2,798,097		4,083,724	
Expenses	5	(1,749,843)		(2,085,055)	
Interest payable and similar charges		(1,630)		(3,224)	
Net revenue before taxation		1,046,624		1,995,445	
Taxation	6	(156,800)		(170,654)	
Net revenue after taxation			889,824		1,824,791
Total return before distributions			(5,065,211)		(3,821,441)
Distributions	7		(900,283)		(1,827,059)
Change in net assets attributable to unitholders from investment activities			(5,965,494)		(5,648,500)

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 31 August 2019

		Year to 31.08.19		Year to 31.08.18	
		£	£	£	£
Opening net assets attributable to unitholders			129,203,129		143,068,350
Amounts receivable on issue of units	8,077,625			9,139,078	
Amounts payable on cancellation of units	(17,777,155)			(19,053,396)	
			(9,699,530)		(9,914,318)
Change in net assets attributable to unitholders from investment activities			(5,965,494)		(5,648,500)
Retained distribution on accumulation units			820,719		1,697,597
Closing net assets attributable to unitholders			114,358,824		129,203,129

Balance Sheet

As at 31 August 2019

	Note	31.08.19 £	31.08.18 £
Assets			
Investments		113,982,077	125,005,707
Current Assets:			
Debtors	8	482,305	639,888
Cash and bank balances		641,533	4,059,533
Total assets		115,105,915	129,705,128
Liabilities			
Creditors:			
Bank overdrafts		(80,196)	(54)
Distribution payable		(62,054)	(119,059)
Other creditors	9	(604,841)	(382,886)
Total liabilities		(747,091)	(501,999)
Net assets attributable to unitholders		114,358,824	129,203,129

Directors' Statement

Jupiter China Fund

This report has been prepared in accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook and Investment Funds Sourcebook where applicable and the Statement of Recommended Practice issued by the Investment Association.

Directors: Paula Moore, Rupert Corfield

Jupiter Unit Trust Managers Limited
London
22 October 2019

Notes to the Financial Statements

For the year ended 31 August 2019

1. Accounting Policies

(a) Basis of Accounting

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in compliance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook. They have been prepared in accordance with FRS102 and the Statement of Recommended Practice for Financial Statements of UK Authorised Funds issued by The Investment Management Association (now referred to as the Investment Association) in May 2014 (the 2014 SORP).

As stated in the Statement of Authorised Fund Managers' Responsibilities in relation to the financial statements of the Scheme on page 10, the Manager continues to adopt the going concern basis in the preparation of the financial statements of the Fund.

The accounting policies outlined below have been applied on a consistent basis throughout the year.

(b) Revenue

All dividends from companies declared ex-dividend during the year ended 31 August 2019 are included in revenue, net of any attributable tax. Any reported revenue from an offshore fund in excess of any Distributions is recognised as revenue after the end of the reporting period, not later than the date when the reporting fund makes this information available.

Overseas revenue received after the deduction of withholding tax is shown gross of tax, with the tax consequences shown within the tax charge.

Bank interest and interest on short-term deposits are accrued up to the year end date.

The Fund holds units or shares in other Collective Investment Schemes and funds (underlying funds). Any periodic charge rebates from underlying funds are recognised on an accruals basis. Where it is the policy of the underlying fund to charge its periodic charge to capital in determining its distribution, the Fund has recognised any such rebates as capital.

Special dividends are reviewed on a case by case basis when determining if the dividend is to be treated as revenue or capital. The tax treatment follows the accounting treatment of the principal amount.

(c) Expenses

All expenses, including overdraft interest, but excluding those relating to the purchase and sale of investments, are charged against the revenue of the Fund. All of the Fund's expenses are recognised on an accrual basis.

(d) Valuation of Investments

The investments of the Fund have been valued using bid market values ruling on international stock exchanges at Close of Business on 30 August 2019, being the last valuation point of the year. Market value is defined by the SORP as fair value which is generally the bid value of each security.

Where a stock is unlisted or where there is a non liquid market, a valuation for this stock has been obtained from market makers where possible, and suspended stocks are normally valued at their suspension price. However, where the Manager believes that these prices do not reflect a fair value, or where no reliable price exists for a security, it is valued at a price which in the opinion of the Manager reflects a fair and reasonable price for that investment.

A Valuation and Pricing Committee (VPC) of the Investment Manager is responsible for approving unquoted prices. The VPC meets on a quarterly basis and consists of representatives from various parts of the Investment Manager who act as an independent party, segregated from the fund management function to review and approve fair value pricing decisions and pricing models on a regular basis.

Notes to the Financial Statements (continued)

1. Accounting Policies – continued

(e) Foreign Exchange

Transactions in foreign currencies are translated into Sterling at the rates ruling at the dates of the transactions. Assets and liabilities expressed in foreign currencies are translated at the rates ruling at close of business on 30 August 2019, being the last valuation point of the year.

(f) Taxation

Corporation tax is provided at 20% on revenue, other than UK dividends and overseas dividends, after deduction of expenses. Where overseas tax has been deducted from overseas revenue that tax can, in some instances, be set off against Corporation tax payable, by way of double taxation relief.

The charge for tax is based on the profit for the year and takes into account deferred taxation because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the Deferred tax can be offset.

(g) Equalisation

Equalisation received from underlying funds is treated as capital of the Fund.

2. Distribution Policies

(a) Basis of Distribution

All of the net revenue available for distribution at the end of the final accounting period will be distributed to unitholders as a dividend distribution. In order to achieve a controlled dividend flow to unitholders, interim distributions may be made at the Manager's discretion, up to a maximum of the distributable revenue available for the period. Should expenses and taxation together exceed revenue, there will be no distribution and the shortfall will be met from capital.

If, in respect of a particular accounting period, the average income allocation to unitholders (disregarding, for this purpose, any units held by the Manager or Trustee or their associates) would be less than £25, the Manager reserves the right (with the agreement of the Trustee) not to make any income allocation and, in such an event, the amount of net revenue remaining for that period will be credited to capital and reflected in the value of units.

(b) Distributions Dates

Net revenue, if any, will be distributed or accumulated to unitholders as a dividend distribution, annually on 31 October in respect of the accounting year ending 31 August.

Notes to the Financial Statements (continued)

3. Net capital losses

The net losses on investments during the year comprise:

	31.08.19 £	31.08.18 £
Currency (losses)/gains	(3,312)	16,482
Transaction charges	(30,434)	(27,841)
Losses on non-derivative securities	(5,921,289)	(5,661,819)
Special dividends	–	26,946
Net capital losses	(5,955,035)	(5,646,232)

4. Revenue

	31.08.19 £	31.08.18 £
Overseas dividends	2,770,303	4,051,627
Bank interest	1,657	991
Periodic charge rebates	26,137	31,106
Total revenue	2,798,097	4,083,724

5. Expenses

	31.08.19 £	31.08.18 £
Payable to the Manager, associates of the Manager and agents of either of them:		
Manager's periodic charge	1,440,319	1,714,829
Registration fees	257,441	301,158
	1,697,760	2,015,987
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee's fee	16,182	18,930
VAT recovered on Trustee's fee	(1,632)	(3,348)
Safe custody fees	23,785	31,849
	38,335	47,431
Other expenses:		
Audit fee*	11,742	11,400
VAT recovered Audit fee	(3,700)	–
Financial Conduct Authority fee	125	150
Legal fees	255	593
VAT recovered on Legal fee	–	(71)
Charges on ADR dividend receipts	229	4,079
Professional fees	5,097	5,486
	13,748	21,637
Total expenses	1,749,843	2,085,055

*The audit fee (excluding VAT) incurred during the year was £9,785 (31.08.18: £9,500).

Notes to the Financial Statements (continued)

6. Taxation

(a) Analysis of charge in the year:

	31.08.19 £	31.08.18 £
Irrecoverable overseas tax	156,800	170,654
Total tax charge for the year	156,800	170,654

(b) Factors affecting current tax charge for the year:

The tax assessed for the year is lower (2018 lower) than the standard rate of Corporation Tax in the UK for an authorised unit trust. The differences are explained below:

	31.08.19 £	31.08.18 £
Net revenue before taxation	1,046,624	1,995,445
Corporation Tax at 20%	209,325	399,089
Effects of:		
Revenue not subject to taxation	(554,061)	(810,325)
Irrecoverable overseas tax	156,800	170,654
Current year expenses not utilised	344,736	411,236
Current tax charge for the year	156,800	170,654

Authorised unit trusts are exempt from tax on capital gains, therefore any capital return is not included in the above reconciliation.

(c) Provision for Deferred Tax

At 31 August 2019 there are surplus management expenses of £29,047,706 (31.08.18: £27,324,025). It is unlikely the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore a Deferred Tax asset of £5,809,541 (31.08.18: £5,464,805) has not been recognised.

Notes to the Financial Statements (continued)

7. Distributions

The distributions take account of amounts received on the issue of units and deducted on the cancellation of units and comprise:

	31.08.19 £	31.08.18 £
Final distribution	882,773	1,816,656
	882,773	1,816,656
Amounts received on issue of units	(1,083)	(22,971)
Amounts paid on cancellation of units	18,593	33,374
Net distributions for the year	900,283	1,827,059
Reconciliation of net revenue after taxation to Distributions:		
Net revenue after taxation for the year	889,824	1,824,791
Equalisation on conversions	10,478	2,215
Net movement in revenue account	(19)	53
Net distributions for the year	900,283	1,827,059

Details of the distributions in pence per unit are shown in the Distribution Table on page 26.

8. Debtors

	31.08.19 £	31.08.18 £
Accrued revenue	297,489	274,601
Amounts receivable for issue of units	20,827	259,861
Currency sales awaiting settlement	159,475	99,882
Periodic charge rebates receivable	4,514	4,680
VAT recoverable	–	864
Total debtors	482,305	639,888

9. Other creditors

	31.08.19 £	31.08.18 £
Accrued expenses	59,468	60,826
Amounts payable for cancellation of units	226,739	122,461
Currency purchases awaiting settlement	159,159	99,717
Purchases awaiting settlement	159,475	99,882
Total other creditors	604,841	382,886

Notes to the Financial Statements (continued)

10. Contingent Assets, Liabilities and Capital Commitments

The Fund had no contingent assets, liabilities or capital commitments at the balance sheet date (31.08.18: £nil).

11. Related Party Transactions

Jupiter Unit Trust Managers Limited (JUTM), as Manager, is a related party in respect of their dealings with the Fund. JUTM acts as principal in respect of all transactions of units in the Fund. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and, if applicable, in Note 7 (Distributions).

Amounts payable to JUTM in respect of issues/cancellations are disclosed in the Statement of Change in Net Assets Attributable to Unitholders. At the year end the net balance of £205,912 was payable to JUTM (31.08.18: £137,400 due from JUTM). These amounts are included in Amounts receivable for issues of units in Note 8 and Amounts payable for cancellation of units in Note 9.

Any amounts due to or from JUTM at the end of the accounting year are disclosed in Notes 8 (debtors) and 9 (other creditors). Amounts payable to JUTM in respect of fund management are disclosed in Note 5 (expenses). At the year end £33,043 (31.08.18: £33,825) was due to JUTM. These amounts are included in accrued expenses in Note 9.

In relation to note 8 (debtors), the amount receivable on periodic charge rebates £4,514 (31.08.18: £4,680) is made up fully of a rebate on the periodic charge of Jupiter Global Fund – China Select Fund.

Holdings in other Jupiter products at the year-end, which are displayed in the portfolio statement on page 7 are valued at £1,716,557 (31.08.18: £1,787,095).

Throughout the year the fund has received dividends from other Jupiter products valued at £20,117 (31.08.18: £10,555).

In the year the fund had purchases in other Jupiter products to the value of £20,117 (31.08.18: £10,555).

12. Financial Instruments

In pursuing its investment objectives the Fund holds a number of financial instruments. These comprise securities and other investments, cash balances, short term fixed deposits, bank overdrafts and debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable from issues and payable for cancellations and debtors for accrued revenue.

The Fund may enter into derivative transactions, the purpose of which will only be for efficient management of the Fund and not for investment purposes.

The main risks it faces from its financial instruments are liquidity, market price, foreign currency and interest rate. The Manager reviews policies for managing these risks in pursuance of the Investment Objective and Policy as set out on page 2 and they are summarised later. These risks remain unchanged from the prior year.

Adherence to investment guidelines and to investment and borrowing powers set out in the Trust Deed, Scheme Particulars and in the rules of the Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Review and Portfolio Statement.

Notes to the Financial Statements (continued)

12. Financial Instruments – continued

Liquidity Risk

With any financial instrument held, there is the risk that the Fund may not be able to sell the full amount it wishes to at any given point of time, at the price at which the holding is valued within the portfolio. This risk is most pronounced for instruments in smaller companies listed on emerging market exchanges and for unlisted or unquoted securities. It is possible therefore, that if the Fund was forced to raise money quickly in order to meet significant redemption requests, the price achieved for some of the less liquid instruments would be lower than that at which they are valued. The Fund aims to reduce this liquidity risk by holding a well diversified range of securities.

Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held by the Fund. It represents the potential loss the Fund might suffer through holding market positions which are affected by adverse price movements.

The Manager regularly considers the asset allocation of the portfolio in order to minimise the risk associated with particular markets or industry sectors whilst continuing to follow the Investment Objective and Policy (as set out on page 2).

Price Risk Sensitivity

A ten per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £11,398,208 (31.08.18: £12,500,571). A ten per cent decrease would have an equal and opposite effect.

Foreign Currency Risk

A substantial proportion of the net assets of the Fund is denominated in currencies other than Sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

	31.08.19	31.08.18
Currency	Total £	Total £
Chinese Yuan Renminbi	62,207	–
Hong Kong Dollar	65,433,201	68,922,667
Taiwanese Dollar	14,503,384	16,725,232
US Dollar	32,564,078	37,844,805

Foreign Currency Risk Sensitivity

A ten per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets by £11,256,287 (31.08.18: £12,349,270). A ten per cent decrease would have an equal and opposite effect.

Notes to the Financial Statements (continued)

12. Financial Instruments – continued

Interest Rate Risk

The Fund holds various cash positions and any change to the interest rates relevant for particular positions may result in either revenue increasing or decreasing.

Interest Rate Risk Profile of Financial Assets and Financial Liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31.08.19 was:

Currency	Floating Rate financial assets £	Financial assets not carrying interest £	Total £
31.08.19			
Chinese Yuan Renmindi	–	62,207	62,207
Hong Kong Dollar	–	65,592,676	65,592,676
Taiwanese Dollar	–	14,503,384	14,503,384
US Dollar	–	32,564,138	32,564,138
Sterling	641,533	1,741,977	2,383,510
Total	641,533	114,464,382	115,105,915
31.08.18			
Hong Kong Dollar	–	69,022,549	69,022,549
Taiwanese Dollar	–	16,725,232	16,725,232
US Dollar	–	37,844,859	37,844,859
Sterling	4,059,533	2,052,955	6,112,488
Total	4,059,533	125,645,595	129,705,128

Currency	Floating Rate financial liabilities £	Financial liabilities not carrying interest £	Total £
31.08.19			
Hong Kong Dollar	–	159,475	159,475
US Dollar	60	–	60
Sterling	80,136	507,420	587,556
Total	80,196	666,895	747,091
31.08.18			
Hong Kong Dollar	–	99,882	99,882
US Dollar	54	–	54
Sterling	–	402,063	402,063
Total	54	501,945	501,999

There are no material amounts of non interest-bearing financial assets, which do not have maturity dates, other than equities, and therefore no sensitivity analysis has been disclosed in these financial statements.

The floating rate financial assets and liabilities include bank balances and overdrafts that bear interest. Interest rates on Sterling and overseas bank balances as supplied by the custodian may vary in line with market conditions and the size of deposit. Overdraft interest is calculated at the current Bank of England base rate plus 1.00%.

Notes to the Financial Statements (continued)

12. Financial Instruments – continued

Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The fair value of investments has been determined using the following hierarchy:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

Basis of valuation	Assets	Liabilities
31.08.19	£	£
Level 1	112,265,520	–
Level 2	1,716,557	–
Level 3	–	–
	<u>113,982,077</u>	<u>–</u>
31.08.18	£	£
Level 1	123,218,612	–
Level 2	1,787,095	–
Level 3	–	–
	<u>125,005,707</u>	<u>–</u>

13. Portfolio Transaction Costs

For the year ended 31 August 2019

	Equities		Corporate Actions		Total
	£	%	£	%	£
Analysis of total purchases costs					
Purchases in year before transaction costs	40,838,609		20,117		40,858,726
Commissions	26,669	0.07%	–	0.00%	26,669
Taxes	8,238	0.02%	–	0.00%	8,238
Expenses and other charges	21,045	0.05%	–	0.00%	21,045
	<u>55,952</u>		<u>–</u>		<u>55,952</u>
Gross purchases total	<u>40,894,561</u>		<u>20,117</u>		<u>40,914,678</u>
Analysis of total sales costs					
Sales in year before transaction costs	45,963,988		140,468		46,104,456
Commissions	(41,594)	0.09%	–	0.00%	(41,594)
Taxes	(5,713)	0.01%	–	0.00%	(5,713)
Expenses and other charges	(40,129)	0.09%	–	0.00%	(40,129)
	<u>(87,436)</u>		<u>–</u>		<u>(87,436)</u>
Sales net of transaction costs	<u>45,876,552</u>		<u>140,468</u>		<u>46,017,020</u>

Commission, taxes and expenses as % of average net assets

Commission 0.06%

Taxes 0.01%

Expenses 0.05%

The average portfolio dealing spread as at the balance sheet date was 0.33%

Notes to the Financial Statements (continued)

13. Portfolio Transaction Costs – continued

For the year ended 31 August 2018

	Equities		Corporate Actions		Total
	£	%	£	%	£
Analysis of total purchases costs					
Purchases in year before transaction costs	42,338,364		96,433		42,434,797
Commissions	48,952	0.12%	–	–	48,952
Taxes	14,095	0.03%	–	–	14,095
Expenses and other charges	178	0.00%	–	–	178
	63,225		–		63,225
Gross purchases total	42,401,589		96,433		42,498,022
Analysis of total sales costs					
Sales in year before transaction costs	54,468,466		–		54,468,466
Commissions	(45,605)	0.08%	–	–	(45,605)
Taxes	(31,469)	0.06%	–	–	(31,469)
Expenses and other charges	(6,534)	0.01%	–	–	(6,534)
	(83,608)		–		(83,608)
Sales net of transaction costs	54,384,858		–		54,384,858

Commission, taxes and expenses as % of average net assets

Commission 0.07%

Taxes 0.03%

Expenses 0.00%

The average portfolio dealing spread as at the balance sheet date was 0.33%

Notes to the Financial Statements (continued)

14. Unitholders' Funds

The Fund has the following unit classes in issue, with the following charges and minimum initial investment levels:

Unit Class	Initial Charge	Manager's periodic charge	Minimum initial investment
Retail Units	0.00%	1.50%	£500
I-Class Units	0.00%	0.75%	£5,000,000

Revenue, and other expenses not included in the table above are allocated each day pro rata to the value of the assets attributable to each unit class and taxation is calculated by reference to the net revenue after expenses attributable to each unit class. Due to the varying expenses, the level of net revenue after expenses attributable to each unit class and the distributable revenue is likely to differ.

The Net Asset Value per unit and the number of units in each class are given in the Comparative Tables on page 5. All unit classes have the same rights on winding up.

Reconciliation of Units	Retail Income	Retail Accumulation	I-Class Income	I-Class Accumulation
Opening units at 1 September 2018	2,472,271	54,915,642	3,542,052	36,046,037
Units issued in year	78,156	1,623,287	514,746	3,983,911
Units cancelled in year	(225,368)	(5,491,987)	(718,468)	(7,110,211)
Units converted in year	(112,228)	(1,838,826)	109,432	1,739,314
Closing units at 31 August 2019	2,212,831	49,208,116	3,447,762	34,659,051

Distribution Table

For the year ended 31 August 2019

Distribution in pence per unit

FINAL

Group 1: units purchased prior to 1 September 2018

Group 2: units purchased on or after 1 September 2018 to 31 August 2019

	Income	Equalisation	Distribution payable 31.10.19	Distribution paid 31.10.18
Retail Income Units				
Group 1	0.5209	–	0.5209	1.3426
Group 2	0.5209	0.0000	0.5209	1.3426

	Income	Equalisation	Distribution to be accumulated 31.10.19	Distribution accumulated 31.10.18
Retail Accumulation Units				
Group 1	0.5481	–	0.5481	1.3976
Group 2	0.5481	0.0000	0.5481	1.3976

	Income	Equalisation	Distribution payable 31.10.19	Distribution paid 31.10.18
I-Class Income Units				
Group 1	1.4655	–	1.4655	2.4242
Group 2	1.3220	0.1435	1.4655	2.4242

	Income	Equalisation	Distribution to be accumulated 31.10.19	Distribution accumulated 31.10.18
I-Class Accumulation Units				
Group 1	1.5898	–	1.5898	2.5803
Group 2	1.4295	0.1603	1.5898	2.5803

All Unit Types

The relevant information required by a corporate unitholder is as follows:

- Franked investment income 100.00%
- Annual payment 0.00%
(non-foreign element)

Equalisation applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to holders of these units as a return of capital. Being capital, it is not liable to Income Tax but must be deducted from the cost of units for Capital Gains Tax purposes.

General Information (unaudited)

Remuneration

Under the requirements of the Undertakings for Collective Investment in Transferable Securities V Directive ('UCITS V'), Jupiter Unit Trust Managers Limited ('JUTM') (part of the Jupiter Group, which comprises Jupiter Fund Management plc and all of its subsidiaries ('Jupiter')) is required to comply with certain disclosure and reporting obligations for funds that are considered to be UCITS schemes. This includes the Jupiter China fund (the 'Fund').

Jupiter operates a Group-wide remuneration policy, which applies to all employees across the Group. All employees are incentivised in a similar way and are rewarded according to personal performance and Jupiter's success. Details of the remuneration policy, including the applicable financial and non-financial criteria, are set out in the detailed remuneration policy disclosures available via the following link:

<https://www.jupiteram.com/corporate/Governance/Risk-management>

Remuneration decisions are governed by Jupiter's Remuneration Committee (the 'Committee'), which meets on a regular basis to consider remuneration matters across the Group. In order to avoid conflicts of interest, the Committee comprises independent non-executive directors, and no individual is involved in any decisions regarding their own remuneration. Implementation of the remuneration policy for the Group is subject to an annual independent review by Jupiter's internal audit department. No material outcomes or irregularities were identified as a result of the most recent independent review, which took place in 2019.

JUTM's Board includes two independent Non Executive Directors who are remunerated directly by the company. No other members of the Board receive remuneration from JUTM and are instead remunerated directly by their employing entity in the Jupiter Group. JUTM does not employ any other staff. In the interests of transparency, Jupiter has apportioned the total employee remuneration paid to all its 562 staff in respect of JUTM's UCITS V duties performed for the UCITS schemes on a 'number of funds' basis. It has estimated that the total amount of employee remuneration paid in respect of duties for the Fund is £670,511 of which £422,180 is fixed remuneration and £248,331 is variable remuneration.

The aggregate total remuneration paid to UCITS V Identified Staff that is attributable to duties for the Fund is £156,907 of which £107,183 is paid to Senior Management and £49,724 is paid to other staff. It should be noted that the aforementioned Identified Staff also provide services to other companies within Jupiter and its clients. They are included because their professional activities are considered to have a material impact on the risk profile of the Fund.

Tax Information Reporting

UK tax legislation requires fund managers to provide information to HMRC on certain investors who purchase units in unit trusts. Accordingly, the fund may have to provide information annually to HMRC on the tax residencies of those unitholders that are tax resident out with the UK, in those countries that have signed up to the OECD's ('Organisation for Economic Cooperation and Development') Common Reporting Standard for Automatic Exchange of Financial Account Information (the 'Common Reporting Standard'), or the United States (under the Foreign Account Tax Compliance Act, 'FATCA').

All new unitholders that invest in the fund must complete a certification form as part of the application form. Existing unitholders may also be contacted by the Registrar should any extra information be needed to correctly determine their tax residence.

Failure to provide this information may result in the account being reported to HMRC.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – **information for account holders**: gov.uk/government/publications/exchange-of-information-account-holders.

General Information (unaudited) (continued)

Advice to unitholders

In recent years investment related scams have become increasingly sophisticated and difficult to spot. We are therefore warning all our unitholders to be cautious so that they can protect themselves 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 are only making the offer available to you
- ask you to not tell anyone else about it

You can avoid investment scams by:

- **Rejecting unexpected offers** – Scammers usually cold call but contact can also come by email, post, word of mouth or at a seminar. If you have been offered an investment out of the blue, chances are it's a high risk investment or a scam.
- **Checking 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 proper FCA authorisation.
- **Getting impartial advice** – Before investing get impartial advice and don't use an adviser from the firm that contacted you.

If you are suspicious, report it

- You can report the firm or scam to the FCA by contacting their Consumer Helpline on **0800 111 6768** or using their online reporting form.
- If you have lost money in a scam, contact **Action Fraud** on **0300 123 2040** or **www.actionfraud.police.uk**

For further helpful information about investment scams and how to avoid them please visit **www.fca.org.uk/scamsmart**

Jupiter continues to monitor developments in the Brexit negotiations and Jupiter's overarching aim is to ensure continuity of its business for all of its clients, and plans are in place to manage risks associated with Brexit, both 'hard' and 'soft'.

Responsible Stewardship

Jupiter believes that responsible stewardship is an important issue and aims to act in the best interests of all its stakeholders by engaging with the companies that it invests in, and by exercising its voting rights with care. We believe companies with high standards of corporate responsibility, governance and sustainable business practices create an appropriate culture to enhance good investment performance. **Jupiter's Corporate Governance and Voting Policy** and its compliance with the **UK Stewardship Code**, together with supporting disclosure reports are available at **www.jupiteram.com**

Other Information

This document contains information based on the MSCI China Index and the Industry Classification Benchmark (ICB). Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent. ICB is a product of FTSE International Limited (FTSE) and all intellectual property rights in and to ICB vest in FTSE. Jupiter Asset Management Limited has been licensed by FTSE to use ICB. FTSE is a trade mark owned by the London Stock Exchange Plc and is used by FTSE International Limited ('FTSE') under licence. FTSE and its licensors do not accept liability to any person for any loss or damage arising out of any error or omission in ICB.



Jupiter Unit Trust Managers Limited, PO Box 10666, Chelmsford CM99 2BG
Tel: 0800 561 4000 Fax: 0800 561 4001
www.jupiteram.com

Authorised and regulated by the Financial Conduct Authority
whose address is 12 Endeavour Square, London E20 1JN