



# JPMorgan Mid Cap Investment Trust plc

Selecting the stars of the FTSE 250

Half Year Report & Financial Statements for the  
six months ended 31st December 2021

## KEY FEATURES

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### Your Company

#### Objective

JPMorgan Mid Cap Investment Trust plc (the 'Company') aims to achieve capital growth from investment in medium-sized UK listed companies. The Company specialises in investment in FTSE 250 companies, using long and short term borrowings to increase returns to shareholders.

#### Investment Policies

- To focus on FTSE 250 stocks that deliver strong capital growth.
- To have significant exposure to the UK economy, with selective exposure to overseas earnings.
- To seek out both value stocks and growth stocks, including AIM stocks, to deliver strong performance throughout the market cycle.
- To use gearing to increase potential returns to shareholders.
- To invest no more than 15% of gross assets in other UK listed investment companies (including investment trusts).

#### Benchmark

The FTSE 250 Index (excluding investment trusts).

#### Capital Structure

- UK domiciled.
- Premium listing on the London Stock Exchange.
- As at 31st December 2021, the Company's issued share capital comprised 25,398,080 ordinary shares of 25p each including 1,935,310 shares held in Treasury.

#### Management Company

The Company employs 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 ('JPMAM').

#### Environment, Social and Governance ('ESG') Considerations

ESG considerations are fully integrated into the Company's stock selection process. JPMAM research teams compile proprietary ESG analyses on each company as well as using external vendor research to rank them. Following in-depth strategic and financial analysis, these ESG rankings and factors are also taken into consideration as part of the investment case. In addition, the Manager, together with stewardship specialists, engages with investee companies on specific ESG issues. JPMAM is a United Nations Principles of Responsible Investment ('UN PRI') signatory and endeavours to vote at all of the meetings called by companies in which your portfolio invests.

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

The Company currently conducts its affairs so that the shares issued by the Company can be recommended by independent financial advisers to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future.

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

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

The Company is a member of the AIC.

#### Website

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

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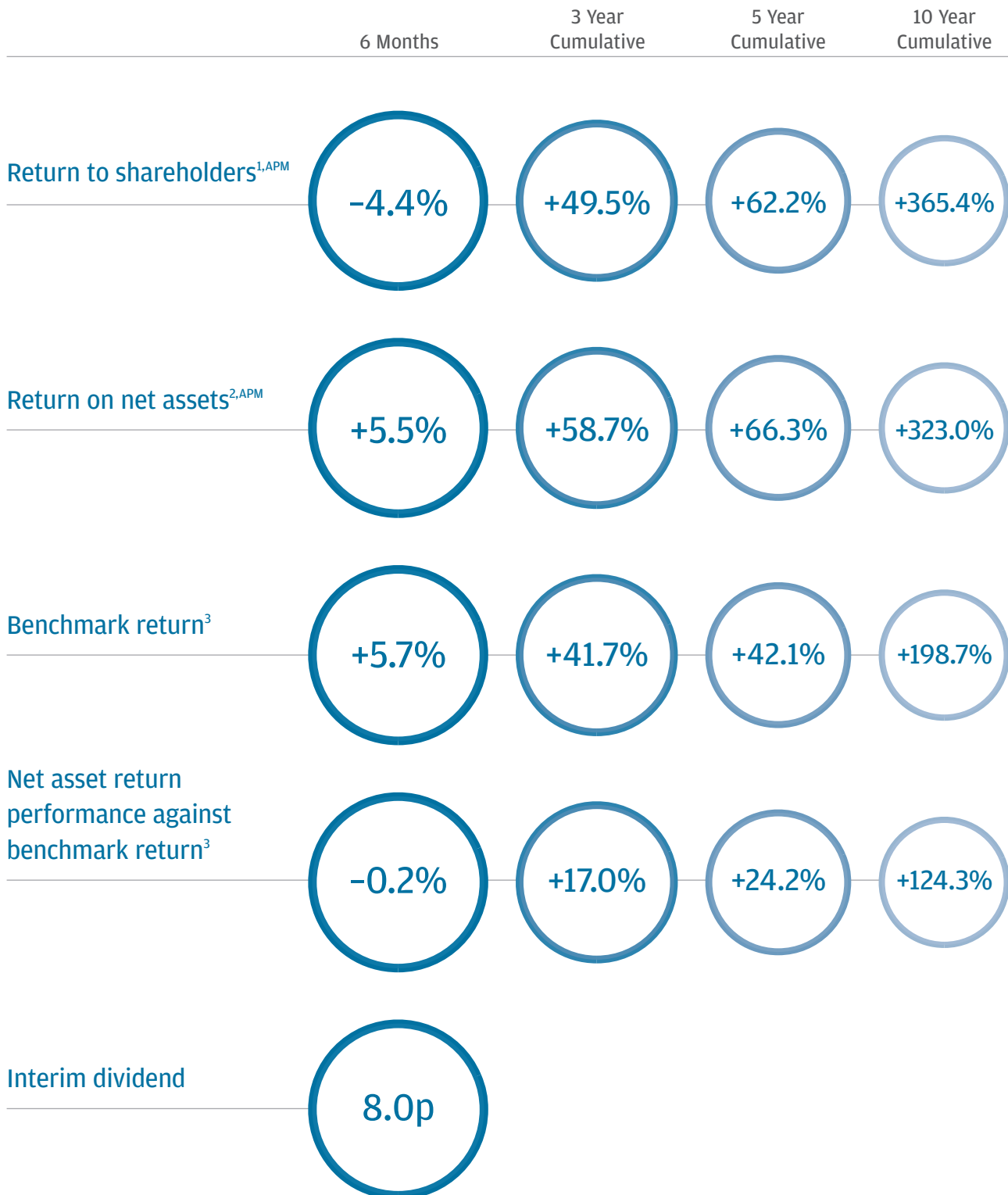
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## Half Year Performance

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## TOTAL RETURNS (INCLUDING DIVIDENDS REINVESTED) TO 31ST DECEMBER 2021

<sup>1</sup> Source: Morningstar.<sup>2</sup> Source: Morningstar/J.P.Morgan, using net asset value per share.<sup>3</sup> Source: Morningstar. The Company's benchmark is the FTSE 250 Index (excluding investment trusts).<sup>APM</sup> Alternative performance measure ('APM').

A glossary of terms and APMs is provided on pages 24 and 25.

## FINANCIAL HIGHLIGHTS

### SUMMARY OF RESULTS

	31st December 2021	30th June 2021	% change
Shareholders' funds (£'000)	353,913	340,361	+4.0
Number of shares in issue (excluding shares held in Treasury)	23,462,770	23,462,770	—
Net asset value per share <sup>APM</sup>	1,508.4p	1,450.6p	+4.0 <sup>1</sup>
Share price	1,335.0p	1,420.0p	-6.0 <sup>2</sup>
Share price discount to net asset value per share <sup>APM</sup>	11.5%	2.1%	
Gearing <sup>APM</sup>	7.7%	9.2%	
Ongoing Charges Ratio <sup>APM</sup>	0.82%	0.83%	

<sup>1</sup> This return excludes dividends reinvested. Including dividends reinvested the return would be +5.5%.

<sup>2</sup> This return excludes dividends reinvested. Including dividends reinvested the return would be -4.4%.

<sup>APM</sup> Alternative performance measure ('APM').

A glossary of terms and APMs is provided on pages 24 and 25.

## Chairman's Statement

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**John Evans**  
Chairman

### Performance

In the six months to 31st December 2021 the total return on net assets was +5.5%, marginally behind the Company's benchmark, the FTSE 250 Index (excluding investment trusts), which returned +5.7%. The Company's share price was volatile during the reporting period and the share price discount to net asset value widened from 2.1% at 30th June 2021 to 11.5% at 31st December 2021. Consequently the share price total return for the period was -4.4%.

A review of the Company's performance for the period and the outlook for the remainder of the year is provided in the Investment Managers' report that follows.

### Share Price Rating to NAV per Share

The Board monitors consistently the premium or discount that the Company's shares trade at relative to its Net Asset Value ('NAV'). The Company has the ability to issue shares should the rating move to a premium to NAV and the Board is able to sanction the purchase of shares by the Company when it considers that the discount is at a level where a purchase is in the best interests of our shareholders.

During the period under review the Company's discount widened significantly and the Board maintained close contact with its advisers to consider any appropriate action. Your Directors recognise the importance to shareholders that the Company's share price should not differ excessively from the underlying NAV. However, the Board has to address any imbalance between supply and demand against an overall assessment of general market trends. The widening of the Company's discount over the six month period under review was a trend experienced by many of its peers and hence can be attributed to general investment reticence in relation to the sector. In the absence of significant sellers, the Company did not repurchase any of its shares over the reporting period.

An opportunity arose post the period end to repurchase 91,451 shares at an average discount of 12%. Shares repurchased are held in Treasury for possible re-issue. Treasury shares and any new ordinary shares will only be sold or issued at a premium to NAV.

### Increased Marketing Promotion of JPMorgan Mid Cap Investment Trust

At the end of 2021 the Board agreed to commence a targeted media campaign with the objective of increasing the awareness and engagement of the Company with retail and self-directed investors and to reinforce its key attractions to this audience, particularly given the strong performance the Company has enjoyed. The purpose of this campaign, which commenced in November 2021, is to generate demand for shares in the Company and therefore benefit current shareholders through a better rating for their shares.

The Company's website has also recently been enhanced to improve the user experience and a new strapline, 'Selecting the Stars of the FTSE 250', and accompanying branding has been developed.

The Board firmly believes that the Company presents an attractive investment opportunity and that the Company's new marketing campaign will heighten interest in the asset class and bring the Company to the attention of potential investors.

### Revenue and Dividends

It is pleasing to report that the Company's revenue position is recovering, having been adversely impacted by the dividend cuts made by UK companies across all indices and sectors, as they sought to manage their businesses during the initial ravages of the pandemic. Net revenue after taxation for the six months to 31st December 2021 was £3.94 million (2020: £1.88 million) and earnings per share were 16.77p (2020: 7.99p). The Board has declared an interim dividend of 8.0p (2020: 8.0p) to be paid on 21st April 2022 to shareholders on the register at the close of business on 18th March 2022.

Whilst the Company has a capital growth objective, the Board considers that dividends are an important component of shareholder total return over the long term. The Company has been able to benefit from its ability to utilise revenue reserves built up in previous years to smooth dividend payments and maintain the 2019 pre-pandemic total dividend level for its 2020 and 2021 financial years. To maintain the total dividend of 29.5p per share in both 2020 and 2021, a total of £4,471,000 from the Company's revenue reserves (19.1p per share) was utilised, reducing the revenue reserves to approximately 21.8p per share.

The Board is encouraged by the increased level of dividends being declared by UK companies and the consequent increase in your Company's revenue per share; net revenue received over the six months ended



31st December 2021 is 109.1% more than that received in the commensurate period last year and, of perhaps more note, is 11.2% higher than the net revenue received pre the pandemic in the six months ended 31st December 2019. A decision on the level of the dividends for the current financial year will be carefully reviewed when there is greater clarity on the net income position of the Company for the full year.

### Loan Facilities and Gearing

The Board has determined that in normal circumstances the Company's overall gearing range is 10% net cash to 20% geared. Within this range, after due consideration at each Board meeting, the Board normally sets a narrower, short term gearing range for the ensuing period. The Company's gearing strategy is implemented through the use of bank borrowing facilities. The Company currently has access to two loan facilities totalling £55 million, expiring in February 2023 and March 2024, with the option of further increasing the March 2024 facility by £20 million. The Board is happy that the quantum, terms and tenure of the facilities give the fund managers a flexible structure to use with the objective of enhancing shareholder returns.

More information on the Company's gearing position over the reporting period is detailed within the Investment Managers' Report.

### Board of Directors

Having been on the Board since 2013, and in line with best standards of corporate governance, Richard Huntingford will be standing down from the Board in September 2022. Richard is the Board's Senior Independent Director and it has been agreed by the Board that Richard Gubbins will be his successor in this role.

Following a recent selection process the Board is pleased to report that Lisa Gordon has been appointed as a Non-Executive Director with effect from 1st May 2022. Lisa has more than 25 years' of board experience, in both executive and non-executive roles at both listed and private companies. Having started her career in financial services as an analyst, she was founding Director and the Corporate Development Director of Local World plc (prior to its acquisition by Trinity Mirror), the Chief Operating Officer of Yattendon Group, a private conglomerate, and the Director of Corporate Development of Chrysalis Group PLC, the media group. Lisa is currently Non-Executive Chairman of Cenkos and a Non-Executive Director of Alpha FX Group plc, M&C Saatchi Plc and Magic Light Pictures Limited.

### Outlook

Markets around the world are currently challenged by the combination of rising short term interest rates, elevated levels of inflation and the requirement to end quantitative easing in many developed economies. The heightened geopolitical risk created by Russia's invasion of Ukraine is another and significant source of uncertainty for investors. An immediate effect of the conflict has been a further and steep rise in commodity, and in particular gas, prices – further fuelling inflationary pressures.

If the outcome of the above is for investors to become uncomfortable with the level of risk in portfolios the likely result, which has been illustrated in 2022 to date, is for them to seek to reduce exposure to assets with higher valuations. This particularly applies to assets trading above long term valuation mean levels.

The UK Mid Cap as an asset class would appear to offer some protection from a reduction in extended valuations as it is an area that is below peak historic valuations and, as discussed in my last Chairman's statement, has seen in the first half of the financial year a high level of bid activity for its constituents as corporate investors see value.

The breadth of opportunities within the FTSE 250 remains compelling and over time the Company's Investment Managers have demonstrated the skills to find good companies trading at attractive valuations and back their judgements by creating a focused portfolio. In the year to June 2021 the FTSE 250 (excluding investment trusts) produced a strong total return of +36.7% and the NAV total return for your Company was stronger still returning +48.6%.

Despite being positive for the first six months of your Company's financial year current returns are now negative as the background discussed above bears down on markets. Whilst in the short term it is difficult to deal with a sharp market movement due to 'macro' factors the Board is encouraged that the investments in the portfolio continue to report robust results and appear well placed to cope with inflationary and supply pressures.

**John Evans**  
*Chairman*

9th March 2022





**Georgina Brittain**  
Investment Manager



**Katen Patel**  
Investment Manager

## Performance and Market Background

Stockmarkets continued to rise during the first half of your Company's financial year, but new headwinds began to appear. Inflation started to increase, caused by the re-opening of the global economy and the ensuing supply side shortages ranging from semi-conductor chips to energy to labour. While initially deemed transitory, it brought to the fore the inevitable rise in interest rates in the USA and the UK from their abnormally low levels. In December, the UK was first to increase interest rates (by 15bps) from the 0.1% set at the start of the pandemic. The impact of COVID continued to be felt in the period from the Delta variant and then more recently the Omicron variant. While these caused market volatility, their overall impact on the economy – excepting travel and hospitality – was much less severe.

Against this backdrop, your Company produced a total return on net asset value of +5.5% in the six month period, compared to a return of +5.7% for the FTSE 250 (ex Investment Trusts) Index. The share price total return was lower at -4.4%, as the discount of the share price relative to net assets widened significantly.

## Portfolio

A number of our key holdings produced very strong performance in the six months, including Watches of Switzerland, Future, JD Sports Fashion and OSB, and we also benefitted from the take-over approach for Meggitt, a company we had recently added to the portfolio. On the negative side, the main detractors were CMC Markets (a spreadbetting company) and Games Workshop (a manufacturer and retailer of war gaming figurines), and two recent IPOs, Victorian Plumbing (bathware) and Alphawave IP (a leading edge semiconductor manufacturer). 2021 saw a boom in IPOs, and while a number have undoubtedly disappointed, including the two aforementioned, others that we participated in have done well, such as Bridgepoint, an alternative private assets fund management group and Devolver Digital, a gaming company.

Other changes to the portfolio saw us adding new investments such as Airtel Africa, (telecommunications and mobile money in Africa), Alpha FX, (corporate FX provider), Marks & Spencer and Reach (newspaper and digital publisher). We also sold out of certain holdings including Qinetiq, Restaurant Group and Workspace. These changes led to an increase in the portfolio's revenue exposure to the UK over the period but a reduction in our overweight stance in the Consumer Discretionary sector.

## Outlook

The Bank of England raised interest rates for a second time to 0.5% on 3rd February 2022, and stockmarkets expect at least three more rises in 2022. On the same day, the energy price cap was raised by 54%, very significantly raising the cost of utility bills (prior to financial assistance from the Government). The most recent inflation data in December 2021 was 5.4% (CPI) and it is forecast to continue to climb until the second quarter of 2022. January also saw high volatility and some sharp declines in stockmarkets, with the FTSE 250 (ex Investment Trusts) Index ending the month down just under 6.4%. Geopolitical tensions then ratcheted up in February, culminating in the invasion of a sovereign country neighbouring Europe.

## So why are we approximately 8% geared and positive on the outlook?

Prior to the Russian invasion of Ukraine, the UK economy was forecast by the IMF and OECD to grow 4.7% in 2022, as it continues to recover from the historic decline in 2020, and normal life resumes. Recent events will likely reduce this GDP forecast, and clearly will prolong high inflation, and we will monitor this closely. However, unemployment is lower than expected, job vacancies stand at over one million, and overall for the UK, consumer household deposits (savings as a proportion of disposable income) remain extremely high. The JPMorgan estimate of excess household savings from the pandemic over the last two years is over 10% of GDP. The forecast for the FTSE 250 is for median earnings growth of 11% this year whilst the valuation (price/earnings ratio) is now at 12x, well below long-term norms. Our portfolio remains cheaper than this and is also growing faster, with a number of our holdings continuing to benefit from the

structural growth areas they operate in and a number from the reopening of the economy. It should also be said that the UK market as a whole has sensible valuations and (with the exception of those companies harmed in the short term by COVID restrictions) we do not invest in unprofitable companies.

The long term profitable and cash-generative winners that we seek to invest in are largely weathering the inflationary and supply chains issues and continue to produce strong results. We believe the emphasis we have always placed on quality within the portfolio - measured by Returns on Equity and Returns on Invested Capital - in addition to our focus on earnings momentum and valuations will stand them, and you, our investors, in good stead.

**Georgina Brittain**  
**Katen Patel**  
*Investment Managers*

9th March 2022

## LIST OF INVESTMENTS

AS AT 31ST DECEMBER 2021

Company	Valuation £'000
<b>CONSUMER DISCRETIONARY</b>	
Future	22,597
Watches of Switzerland	17,016
Vistry	14,386
Dunelm	14,156
JD Sports Fashion <sup>1</sup>	13,776
Pets at Home	13,439
Bellway	12,176
Games Workshop	11,958
Howden Joinery	9,237
Wizz Air	8,368
Marks & Spencer	7,289
JET2 <sup>2</sup>	6,252
Reach	4,969
Frasers	4,780
Currys	4,347
888	4,259
National Express	3,837
Rank	2,293
Mitchells & Butlers	1,997
Team17 <sup>2</sup>	1,925
Moonpig	1,743
Keywords Studios <sup>2</sup>	1,618
Wickes	1,576
Next Fifteen Communications <sup>2</sup>	1,530
Victorian Plumbing <sup>2</sup>	1,509
easyJet	1,153
Devolver Digital <sup>2</sup>	1,056
	<b>189,242</b>
<b>INDUSTRIALS</b>	
Grafton	12,453
IMI	9,374
Ashtead <sup>1</sup>	7,249
Morgan Sindall	7,182
Diploma	5,904
Serco	5,209
Travis Perkins	5,202
Rotork	4,590
Page	4,561
Oxford Instruments	4,340
Royal Mail <sup>1</sup>	2,960
Morgan Advanced Materials	2,775

Company	Valuation £'000
<b>INDUSTRIALS CONT.</b>	
Marshalls	2,701
FDM	2,290
	<b>76,790</b>
<b>FINANCIALS</b>	
OSB	15,512
Man	7,062
Liontrust Asset Management	5,597
Intermediate Capital <sup>1</sup>	4,717
Brewin Dolphin	3,717
Close Brothers	3,676
Provident Financial	3,087
IntegraFin	2,803
Bridgepoint	2,703
Investec	2,482
Petershill Partners	2,311
CMC Markets	1,528
Alpha FX <sup>2</sup>	995
	<b>56,190</b>
<b>TECHNOLOGY</b>	
Computacenter	12,949
Bytes Technology	5,103
Softcat	4,690
Alphawave IP	1,480
	<b>24,222</b>
<b>CONSUMER STAPLES</b>	
Premier Foods	4,615
Britvic	4,048
	<b>8,663</b>
<b>BASIC MATERIALS</b>	
RHI Magnesita	2,810
Hill & Smith	2,775
Ferrexpo	2,380
	<b>7,965</b>
<b>TELECOMMUNICATIONS</b>	
Airtel Africa	3,494
Spirent Communications	3,312
	<b>6,806</b>

Company	Valuation £'000
<b>HEALTH CARE</b>	
Indivior	4,183
Dechra Pharmaceuticals <sup>1</sup>	2,385
	<b>6,568</b>
<b>REAL ESTATE</b>	
Savills	3,450
CLS	1,417
	<b>4,867</b>
<b>TOTAL INVESTMENTS</b>	<b>381,313</b>

<sup>1</sup> FTSE 100 Index companies.<sup>2</sup> AIM listed companies.

## PORTFOLIO ANALYSES

### INVESTMENT ACTIVITY

	31st December 2021 % <sup>1</sup>	30th June 2021 % <sup>1</sup>
FTSE 250 Index companies	87.1	87.9
FTSE 100 Index companies	8.2	6.7
AIM Listed companies	3.9	4.1
Other investments <sup>2</sup>	0.8	1.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

<sup>1</sup> Based on total investments of £381.3m (30th June 2021: £371.8m).

<sup>2</sup> At 31st December 2021, Alphawave IP and Wickes were listed on the main market but not included in any of the above indices (30th June 2021: Alphawave IP and Provident Financial).

### SECTOR

	31st December 2021		30th June 2021	
	Portfolio % <sup>1</sup>	Benchmark %	Portfolio % <sup>1</sup>	Benchmark %
Consumer Discretionary	49.6	22.9	52.3	23.8
Industrials	20.1	21.3	18.6	22.0
Financials	14.7	17.1	12.7	15.9
Technology	6.4	5.2	6.4	4.0
Consumer Staples	2.3	4.6	2.5	6.3
Basic Materials	2.1	5.8	2.7	3.9
Telecommunications	1.8	1.7	0.8	1.3
Health Care	1.7	3.5	2.3	6.3
Real Estate	1.3	12.6	1.7	11.6
Utilities	–	3.5	–	3.4
Energy	–	1.8	–	1.5
<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 £381.3m (30th June 2021: £371.8m).

## Financial Statements

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# STATEMENT OF COMPREHENSIVE INCOME

## FOR THE SIX MONTHS ENDED 31ST DECEMBER 2021

	(Unaudited) Six months ended 31st December 2021			(Unaudited) Six months ended 31st December 2020			(Audited) Year ended 30th June 2021		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments held at fair value through profit or loss	–	15,735	15,735	–	58,324	58,324	–	108,764	108,764
Net foreign currency losses	–	(2)	(2)	–	(6)	(6)	–	–	–
Income from investments	4,666	–	4,666	2,350	–	2,350	5,960	–	5,960
Interest receivable and similar income	4	–	4	2	–	2	4	–	4
<b>Gross return</b>	<b>4,670</b>	<b>15,733</b>	<b>20,403</b>	<b>2,352</b>	<b>58,318</b>	<b>60,670</b>	<b>5,964</b>	<b>108,764</b>	<b>114,728</b>
Management fee	(365)	(851)	(1,216)	(259)	(606)	(865)	(585)	(1,364)	(1,949)
Other administrative expenses	(231)	–	(231)	(205)	–	(205)	(433)	–	(433)
<b>Net return before finance costs and taxation</b>	<b>4,074</b>	<b>14,882</b>	<b>18,956</b>	<b>1,888</b>	<b>57,712</b>	<b>59,600</b>	<b>4,946</b>	<b>107,400</b>	<b>112,346</b>
Finance costs	(95)	(221)	(316)	(65)	(151)	(216)	(146)	(341)	(487)
<b>Net return before taxation</b>	<b>3,979</b>	<b>14,661</b>	<b>18,640</b>	<b>1,823</b>	<b>57,561</b>	<b>59,384</b>	<b>4,800</b>	<b>107,059</b>	<b>111,859</b>
Taxation (charge)/credit	(44)	–	(44)	59	–	59	(29)	–	(29)
<b>Net return after taxation</b>	<b>3,935</b>	<b>14,661</b>	<b>18,596</b>	<b>1,882</b>	<b>57,561</b>	<b>59,443</b>	<b>4,771</b>	<b>107,059</b>	<b>111,830</b>
<b>Return per share (note 3)</b>	<b>16.77p</b>	<b>62.49p</b>	<b>79.26p</b>	<b>7.99p</b>	<b>244.53p</b>	<b>252.52p</b>	<b>20.32p</b>	<b>455.96p</b>	<b>476.28p</b>

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

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

The net return/(loss) after taxation represents the profit/(loss) for the period/year and also the Total Comprehensive Income.



## STATEMENT OF CHANGES IN EQUITY

### FOR THE SIX MONTHS ENDED 31ST DECEMBER 2021

	Called up share capital £'000	Share Premium £'000	Capital redemption reserve £'000	Capital reserve <sup>1</sup> £'000	Revenue reserve <sup>1</sup> £'000	Total £'000
<b>Six months ended 31st December 2021 (Unaudited)</b>						
At 30th June 2021	6,350	454	3,650	319,752	10,155	340,361
Net return	—	—	—	14,661	3,935	18,596
Dividends paid in the period (note 4)	—	—	—	—	(5,044)	(5,044)
<b>At 31st December 2021</b>	<b>6,350</b>	<b>454</b>	<b>3,650</b>	<b>334,413</b>	<b>9,046</b>	<b>353,913</b>
<b>Six months ended 31st December 2020 (Unaudited)</b>						
At 30th June 2020	6,350	—	3,650	215,093	12,299	237,392
Repurchase of shares into Treasury	—	—	—	(2,685)	—	(2,685)
Net return	—	—	—	57,561	1,882	59,443
Dividends paid in the period (note 4)	—	—	—	—	(5,042)	(5,042)
<b>At 31st December 2020</b>	<b>6,350</b>	<b>—</b>	<b>3,650</b>	<b>269,969</b>	<b>9,139</b>	<b>289,108</b>
<b>Year ended 30th June 2021 (Audited)</b>						
At 30th June 2020	6,350	—	3,650	215,093	12,299	237,392
Issue of shares from Treasury	—	454	—	299	—	753
Repurchase of shares into Treasury	—	—	—	(2,699)	—	(2,699)
Net return	—	—	—	107,059	4,771	111,830
Dividends paid in the year (note 4)	—	—	—	—	(6,915)	(6,915)
<b>At 30th June 2021</b>	<b>6,350</b>	<b>454</b>	<b>3,650</b>	<b>319,752</b>	<b>10,155</b>	<b>340,361</b>

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

## STATEMENT OF FINANCIAL POSITION

### AT 31ST DECEMBER 2021

	(Unaudited) 31st December 2021 £'000	(Unaudited) 31st December 2020 £'000	(Audited) 30th June 2021 £'000
<b>Fixed assets</b>			
Investments held at fair value through profit or loss	381,313	317,278	371,795
<b>Current assets</b>			
Debtors	1,081	688	892
Cash and cash equivalents	11,738	2,675	12,847
	12,819	3,363	13,739
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	(16,219)	(16,533)	(15,173)
<b>Net current liabilities</b>	<b>(3,400)</b>	<b>(13,170)</b>	<b>(1,434)</b>
<b>Total assets less current liabilities</b>	<b>377,913</b>	<b>304,108</b>	<b>370,361</b>
Creditors: amounts falling due after more than one year	(24,000)	(15,000)	(30,000)
<b>Net assets</b>	<b>353,913</b>	<b>289,108</b>	<b>340,361</b>
<b>Capital and reserves</b>			
Called up share capital	6,350	6,350	6,350
Share premium	454	–	454
Capital redemption reserve	3,650	3,650	3,650
Capital reserve	334,413	269,969	319,752
Revenue reserve	9,046	9,139	10,155
<b>Total shareholders' funds</b>	<b>353,913</b>	<b>289,108</b>	<b>340,361</b>
<b>Net asset value per share (note 5)</b>	<b>1,508.4p</b>	<b>1,234.8p</b>	<b>1,450.6p</b>

## STATEMENT OF CASH FLOWS

## FOR THE SIX MONTHS ENDED 31ST DECEMBER 2021

	(Unaudited) 31st December 2021 £'000	(Unaudited) 31st December 2020 £'000	(Audited) 30th June 2021 £'000
Net cash outflow from operations before dividends and interest (note 6)	(1,488)	(1,117)	(2,388)
Dividends received	4,448	2,344	5,623
Interest received	4	2	4
Overseas tax (paid)/recovered	(15)	76	119
Interest paid	(319)	(226)	(443)
<b>Net cash inflow from operating activities</b>	<b>2,630</b>	<b>1,079</b>	<b>2,915</b>
Purchases of investments	(44,178)	(78,181)	(127,383)
Sales of investments	51,482	69,530	113,201
Loss on spot currency contract	—	(1)	—
<b>Net cash inflow/(outflow) from investing activities</b>	<b>7,304</b>	<b>(8,652)</b>	<b>(14,182)</b>
Dividends paid	(5,044)	(5,042)	(6,915)
Re-issue of shares from Treasury	—	—	753
Repurchase of shares into Treasury	—	(2,685)	(2,699)
Drawdown of bank loan	—	12,000	42,000
Repayment of bank loan	(6,000)	—	(15,000)
<b>Net cash (outflow)/inflow from financing activities</b>	<b>(11,044)</b>	<b>4,273</b>	<b>18,139</b>
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>(1,110)</b>	<b>(3,300)</b>	<b>6,872</b>
Cash and cash equivalents at start of period/year	12,847	5,973	5,973
Exchange movements	1	2	2
Cash and cash equivalents at end of period/year	11,738	2,675	12,847
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>(1,110)</b>	<b>(3,300)</b>	<b>6,872</b>
<b>Cash and cash equivalents consist of:</b>			
Cash and short term deposits	561	344	254
Cash held in JPMorgan Sterling Liquidity Fund	11,177	2,331	12,593
<b>Total</b>	<b>11,738</b>	<b>2,675</b>	<b>12,847</b>

## RECONCILIATION OF NET DEBT

	As at 30th June 2021 £'000	Cash flows £'000	Other non-cash charges £'000	As at 31st December 2021 £'000
<b>Cash and cash equivalents</b>				
Cash	254	306	1	561
Cash equivalents	12,593	(1,416)	—	11,177
	12,847	(1,110)	1	11,738
<b>Borrowings</b>				
Debt due within one year	(15,000)	—	—	(15,000)
Debt due after one year	(30,000)	6,000	—	(24,000)
	(45,000)	6,000	—	(39,000)
<b>Total</b>	<b>(32,153)</b>	<b>4,890</b>	<b>1</b>	<b>(27,262)</b>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE SIX MONTHS ENDED 31ST DECEMBER 2021

### 1. Financial statements

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

The figures and financial information for the year ended 30th June 2021 are extracted from the latest published financial statements of the Company and do not constitute statutory accounts for that year. Those financial statements have been delivered to the Registrar of Companies and included the report of the 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 revised 'SORP') issued by the Association of Investment Companies in October 2019.

FRS 104, 'Interim Financial Reporting', issued by the Financial Reporting Council ('FRC') in March 2015 has been applied in preparing this condensed set of financial statements for the six months ended 31st December 2021.

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

The accounting policies applied to this condensed set of financial statements are consistent with those applied in the financial statements for the year ended 30th June 2021.

### 3. Return per share

	(Unaudited) Six months ended 31st December 2021 £'000	(Unaudited) Six months ended 31st December 2020 £'000	(Audited) Year ended 30th June 2021 £'000
Return per share is based on the following:			
Revenue return	3,935	1,882	4,771
Capital return	14,661	57,561	107,059
<b>Total return</b>	<b>18,596</b>	<b>59,443</b>	<b>111,830</b>
Weighted average number of shares in issue	23,462,770	23,539,643	23,479,879
Revenue return per share	16.77p	7.99p	20.32p
Capital return per share	62.49p	244.53p	455.96p
<b>Total return per share</b>	<b>79.26p</b>	<b>252.52p</b>	<b>476.28p</b>

#### 4. Dividends paid

	(Unaudited) Six months ended 31st December 2021 £'000	(Unaudited) Six months ended 31st December 2020 £'000	(Audited) Year ended 30th June 2021 £'000
2021 Final dividend of 21.5p (2020: 21.5p) per share	5,044	5,042	5,042
2021 Interim dividend of 8.0p per share	–	–	1,873
<b>Total dividends paid</b>	<b>5,044</b>	<b>5,042</b>	<b>6,915</b>

All dividends paid in the period/year have been funded from the Revenue Reserve.

An interim dividend of 8.0p has been declared in respect of the six months ended 31st December 2021, to be paid on 21st April 2022 to shareholders on the register at the close of business on 18th March 2022.

#### 5. Net asset value per share

	(Unaudited) Six months ended 31st December 2021	(Unaudited) Six months ended 31st December 2020	(Audited) Year ended 30th June 2021
Net assets (£'000)	353,913	289,108	340,361
Number of shares in issue	23,462,770	23,412,770	23,462,770
<b>Net asset value per share</b>	<b>1,508.4p</b>	<b>1,234.8p</b>	<b>1,450.6p</b>

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

	(Unaudited) Six months ended 31st December 2021 £'000	(Unaudited) Six months ended 31st December 2020 £'000	(Audited) Year ended 30th June 2021 £'000
Net return before finance costs and taxation	18,956	59,600	112,346
Less capital return loss before finance costs and taxation	(14,882)	(57,712)	(107,400)
(Increase)/decrease in accrued income and other debtors	(108)	44	(129)
Decrease in accrued expenses	(38)	(43)	(3)
Management fee charged to capital	(851)	(606)	(1,364)
Overseas withholding tax	(110)	(47)	(209)
Dividends received	(4,448)	(2,344)	(5,623)
Interest received	(4)	(2)	(4)
Realised losses on foreign currency transactions	(3)	(7)	(2)
<b>Net cash outflow from operations before dividends and interest</b>	<b>(1,488)</b>	<b>(1,117)</b>	<b>(2,388)</b>

## 7. Fair valuation of instruments

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

	(Unaudited) Six months ended 31st December 2021		(Unaudited) Six months ended 31st December 2020		(Audited) Year ended 30th June 2021	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	381,313	–	317,278	–	371,795	–
<b>Total</b>	<b>381,313</b>	<b>–</b>	<b>317,278</b>	<b>–</b>	<b>371,795</b>	<b>–</b>

# Half Year Management Report

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

### Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Company have not changed and fall into the following broad categories: investment and strategy; financial; accounting, legal and regulatory; corporate governance and shareholder relations; and operational and cybercrime. Information on each of these areas is given in the Business Review within the Annual Report and Financial Statements for the year ended 30th June 2021.

### 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 during the period.

### Going Concern

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

### Directors' Responsibilities

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

- (i) the condensed set of financial statements contained within the half 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 31st December 2021, as required by the UK Listing Authority Disclosure and Transparency Rules 4.2.4R; and
- (ii) the half year management report includes a fair review of the information required by 4.2.7R and 4.2.8R of the UK Listing Authority Disclosure Guidance and Transparency Rules.

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

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

and the Directors confirm that they have done so.

For and on behalf of the Board

**John Evans**

*Chairman*

9th March 2022



## Shareholder Information

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

### Return to Shareholders (APM)

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

Total return calculation	Page	Period ended	
		31st December 2021	
Opening share price (p)	4	1,420.0	(a)
Closing share price (p)	4	1,335.0	(b)
Total dividend adjustment factor <sup>1</sup>		1.016667	(c)
Adjusted closing share price (d = b x c)		1,357.3	(d)
<b>Total return to shareholder (e = d / a - 1)</b>		<b>-4.4%</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 (APM)

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

Total return calculation	Page	Period ended	
		31st December 2021	
Opening cum-income NAV per share (p)	4	1,450.6	(a)
Closing cum-income NAV per share (p)	4	1,508.4	(b)
Total dividend adjustment factor <sup>1</sup>		1.014876	(c)
Adjusted closing cum-income NAV per share (d = b x c)		1,530.8	(d)
<b>Total return on net assets (e = d / a - 1)</b>		<b>5.5%</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.

### 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 (see page 3).

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

### Net asset value per share (APM)

The value of the Company's net assets (total assets less total liabilities) divided by the number of ordinary shares in issue. Please see note 5 on page 19 for detailed calculations.

**Gearing/Net cash (APM)**

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

		31st December 2021 £'000	30th June 2021 £'000	
<b>Gearing calculation</b>	<b>Page</b>			
Investments held at fair value through profit or loss	16	381,313	371,795	(a)
Net assets	16	353,913	340,361	(b)
<b>Gearing (c = a / b - 1)</b>		<b>7.7%</b>	<b>9.2%</b>	<b>(c)</b>

**Ongoing charges ratio (APM)**

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

The figure as at 31st December 2021 is an estimated figure based on annualised actual figures for the six months ended 31st December 2021.

		31st December 2021 £'000	30th June 2021 £'000	
<b>Ongoing charges ratio calculation</b>	<b>Page</b>			
Management fee	14	2,432	1,949	
Other administrative expenses	14	462	433	
Total management fee and other administrative expenses		2,894	2,382	(a)
Average daily cum-income net assets		353,513	285,691	(b)
<b>Ongoing charges ratio (c = a / b)</b>		<b>0.82%</b>	<b>0.83%</b>	<b>(c)</b>

**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. It is more common for an investment trust's shares to trade at a discount than at a premium (page 4).

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 You Invest	Halifax Share Dealing
Barclays Smart Investor	Hargreaves Lansdown
Charles Stanley Direct	Interactive Investor
Fidelity Personal Investing	

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

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

### 2. Through a professional adviser

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

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

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

## Be ScamSmart

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

#### Spot the warning signs

Have you been:

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

If so, you might have been contacted by fraudsters.

### Avoid investment fraud

#### 1 Reject cold calls

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

#### 2 Check the FCA Warning List

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

#### 3 Get impartial advice

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

### Report a Scam

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

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

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

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



## FINANCIAL CALENDAR

Financial year end	30th June
Half Year results announced	February
Final results announced	September
Half yearly dividends on ordinary shares paid	November, April
Annual General Meeting	November

## History

JPMorgan Mid Cap Investment Trust plc was launched in 1972 as Crossfriars Trust Limited. The Company changed its name to The Fleming Enterprise Investment Trust plc in 1982. It adopted its current investment policy of concentrating on FTSE 250 companies in 1993. The Company changed its name to The Fleming Mid Cap Investment Trust plc in October 1998, JPMorgan Fleming Mid Cap Investment Trust plc in October 2001 and adopted its present name on 9th November 2005.

## Directors

John Evans (Chairman)  
 Richard Gubbins  
 Richard Huntingford (Senior Independent Director)  
 Margaret Payn (Chair of the Audit & Risk Committee)  
 Hannah Philp (Chair of the Marketing & Communication Committee)

## Company Numbers

Company registration number: 1047690  
 London Stock Exchange Sedol number: 0235761  
 Bloomberg code: JMF  
 LEI: 549300QED71GEP4UFN49

## Market Information

The Company's net asset value ('NAV') is published daily via the London Stock Exchange. The Company's shares are listed on the London Stock Exchange and the price is noted daily in the Financial Times, The Times, The Daily Telegraph, The Scotsman and on the J.P. Morgan website at [www.jpmmidcap.co.uk](http://www.jpmmidcap.co.uk), where the share price is updated every fifteen minutes during trading hours.

## Website

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

## JPMorgan Mid Cap MSCI ESG Rating



## Company's Registered Office

60 Victoria Embankment  
 London EC4Y 0JP  
 Telephone number: 020 7742 4000  
 For company secretarial and administrative matters please contact Alison Vincent.

## Depository

The Bank of New York Mellon (International) Limited  
 1 Canada Square  
 London E14 5AL  
 The Depository has appointed JPMorgan Chase Bank, N.A. as the Company's Custodian.

## Registrars

Equiniti Limited  
 Reference 1082  
 Aspect House  
 Spencer Road  
 Lancing  
 West Sussex BN99 6DA  
 Telephone number: 0371 384 2321

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

Notifications of changes of address and enquiries regarding certificates or dividend cheques should be made in writing to the Registrar quoting reference 1082.

Registered shareholders can obtain further details on individual holdings on the internet by visiting [www.shareview.co.uk](http://www.shareview.co.uk)

## Independent Auditors

PricewaterhouseCoopers LLP  
 Chartered Accountants and Statutory Auditors  
 7 More London Riverside  
 London SE1 2RT

## Brokers

Investec Bank plc  
 30 Gresham Street  
 London EC2V 7QP



The Association of  
 Investment Companies

A member of the AIC

## CONTACT

60 Victoria Embankment  
London  
EC4Y 0JP  
Tel +44 (0) 20 7742 4000  
Website [www.jpmmidcap.co.uk](http://www.jpmmidcap.co.uk)

