

JPMorgan China Growth & Income plc

Company Registration No. 02853893

Unaudited Half year results for the six months ended 31st March 2023

Filed pursuant to Section 838 of the Companies Act 2006

Alexandra Mackesy

Alexandra Mackesy (Director)

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LONDON STOCK EXCHANGE ANNOUNCEMENT
JPMORGAN CHINA GROWTH & INCOME TRUST PLC
UNAUDITED HALF YEAR RESULTS FOR THE SIX MONTHS
ENDED 31ST MARCH 2023

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	(Unaudited) Six months ended 31st March 2023			(Unaudited) Six months ended 31st March 2022			(Audited) Year ended 30th September 2022		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) on investments held at fair value through profit or loss	—	20,148	20,148	—	(139,922)	(139,922)	—	(158,974)	(158,974)
Net foreign currency gains/(losses)	—	4,542	4,542	—	(1,335)	(1,335)	—	(10,027)	(10,027)
Income from investments	270	—	270	283	—	283	3,693	—	3,693
Interest receivable and similar income ¹	290	—	290	225	—	225	493	—	493
Gross return/(loss)	560	24,690	25,250	508	(141,257)	(140,749)	4,186	(169,001)	(164,815)
Management fee	(329)	(988)	(1,317)	(483)	(1,450)	(1,933)	(850)	(2,549)	(3,399)
Other administrative expenses	(280)	—	(280)	(320)	—	(320)	(605)	—	(605)
Net return/(loss) before finance costs and taxation	(49)	23,702	23,653	(295)	(142,707)	(143,002)	2,731	(171,550)	(168,819)
Finance costs	(363)	(1,088)	(1,451)	(89)	(268)	(357)	(281)	(845)	(1,126)
Net return/(loss) before taxation	(412)	22,614	22,202	(384)	(142,975)	(143,359)	2,450	(172,395)	(169,945)
Taxation	(8)	—	(8)	—	—	—	(199)	—	(199)
Net return/(loss) after taxation	(420)	22,614	22,194	(384)	(142,975)	(143,359)	2,251	(172,395)	(170,144)
Return/(loss) per share (note 3)	(0.50)p	27.18p	26.68p	(0.46)p	(171.84)p	(172.30)p	2.71p	(207.20)p	(204.49)p

¹ Includes income from securities lending.

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 return/(loss) for the period and also the total comprehensive income.

CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Called up share capital £'000	Share premium £'000	Exercised warrant reserve £'000	Capital redemption reserve £'000	Other reserve ¹ £'000	Capital reserves ² £'000	Revenue reserve ² £'000	Total £'000
Six months ended 31st March 2023 (Unaudited)								
At 30th September 2022	20,803	80,951	3	581	37,392	144,556	—	284,286
Net return/(loss)	—	—	—	—	—	22,614	(420)	22,194
Dividend paid in the period (note 4)	—	—	—	—	—	(5,692)	—	(5,692)
At 31st March 2023	20,803	80,951	3	581	37,392	161,478	(420)	300,788
Six months ended 31st March 2022 (Unaudited)								
At 30th September 2021	20,803	80,951	3	581	37,392	333,672	—	473,402
Net loss	—	—	—	—	—	(142,975)	(384)	(143,359)
Dividends paid in the period (note 4)	—	—	—	—	(9,486) ³	—	—	(9,486)
At 31st March 2022³	20,803	80,951	3	581	27,906	190,697	(384)	320,557
Year ended 30th September 2022 (Audited)								
At 30th September 2021	20,803	80,951	3	581	37,392	333,672	—	473,402
Net (loss)/return	—	—	—	—	—	(172,395)	2,251	(170,144)
Dividend paid in the year (note 4)	—	—	—	—	—	(16,721) ³	(2,251)	(18,972)
At 30th September 2022	20,803	80,951	3	581	37,392	144,556	—	284,286

¹ Created during the year ended 30th September 1999, following a cancellation of the share premium account.

² These reserves form the distributable reserves of the Company and may be used to fund distribution to investors.

³ For the six months ended 31st March 2022, the dividend paid of £9,486,000 was initially recognised in other reserve and subsequently reallocated to capital reserves for the year ended 30th September 2022. The other reserve and capital reserves as at 31st March 2022 have not been adjusted for this reallocation. As at 30th September 2022, all the dividends paid in the year were allocated to capital reserves.

CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	(Unaudited) At 31st March 2023 £'000	(Unaudited) At 31st March 2022 £'000	(Audited) At 30th September 2022 £'000
Fixed assets			
Investments held at fair value through profit or loss	348,361	377,680	333,206
Current assets			
Debtors	954	888	1,997
Cash and cash equivalents	7,798	1,895	10,950
	8,752	2,783	12,947
Current liabilities			
Creditors: amounts falling due within one year¹	(56,325)	(248)	(61,867)
Net current (liabilities)/assets	(47,573)	2,535	(48,920)
Total assets less current liabilities	300,788	380,215	284,286
Creditors: amounts falling due after more than one year¹	—	(59,658)	—
Net assets	300,788	320,557	284,286
Capital and reserves			
Called up share capital	20,803	20,803	20,803
Share premium	80,951	80,951	80,951
Exercised warrant reserve	3	3	3
Capital redemption reserve	581	581	581
Other reserve	37,392	27,906 ²	37,392
Capital reserves	161,478	190,697 ²	144,556
Revenue reserve	(420)	(384)	—
Total shareholders' funds	300,788	320,557	284,286
Net asset value per share (note 5)	361.5p	385.3p	341.7p

¹ As at 31st March 2023, £52.6m (31st March 2022: £59.7m; 30th September 2022: £57.5m) was drawn down from the loan facility.

² For the six months ended 31st March 2022, the dividend paid of £9,486,000 was initially recognised in other reserve and subsequently reallocated to capital reserves for the year ended 30th September 2022. The other reserve and capital reserves as at 31st March 2022 have not been adjusted for this reallocation. As at 30th September 2022, all the dividends paid in the year were allocated to capital reserves.

Alexandra Mackesy
Alexandra Mackesy (Director)

CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

	(Unaudited) Six months ended 31st March 2023 £'000	(Unaudited) Six months ended 31st March 2022 ¹ £'000	(Audited) Year ended 30th September 2022 ¹ £'000
Cash flows from operating activities			
Net return/(loss) before finance costs and taxation	23,653	(143,002)	(168,819)
Adjustment for:			
Net (gains)/losses on investments held at fair value through profit or loss	(20,148)	139,922	158,974
Net foreign currency (gains)/losses	(4,542)	1,335	10,027
Dividend income	(270)	(283)	(3,693)
Interest income	(117)	(1)	(59)
Realised gains on foreign exchange transactions	(809)	(496)	(776)
Realised exchange (gains)/losses on the Liquidity Fund	(310)	51	1,089
Increase in accrued income and other debtors	(12)	(27)	(17)
(Decrease)/increase in accrued expenses	(24)	(78)	6
Net cash used in operating activities	(2,579)	(2,579)	(3,268)
Dividends received	310	237	3,412
Interest received	117	1	59
Net cash (outflow)/inflow from operating activities	(2,152)	(2,341)	203
Purchases of investments and derivatives	(122,398)	(156,164)	(233,601)
Sales of investments and derivatives	127,557	159,858	265,482
Settlement of foreign currency contracts	—	(147)	(129)
Net cash inflow from investing activities	5,159	3,547	31,752
Equity dividends paid	(5,692)	(9,486)	(18,972)
Repayment of loan	(4,317)	—	(12,470)
Drawdown of loan	4,723	9,995	9,995
Utilisation of bank overdraft	—	(124)	(124)
Interest paid	(1,187)	(327)	(920)
Net cash (outflow)/inflow from financing activities	(6,473)	58	(22,491)
(Decrease)/increase in cash and cash equivalents	(3,466)	1,264	9,464
Cash and cash equivalents at start of period/year	10,950	36	36
Unrealised gains on foreign currency cash and cash equivalents	314	595	1,450
Cash and cash equivalents at end of period/year	7,798	1,895	10,950
Cash and cash equivalents consist of:			
Cash and short term deposits	272	1,516	2,865
Cash held in JPMorgan US Dollar Liquidity Fund	7,526	379	8,085
Total	7,798	1,895	10,950

¹ The presentation of the Cash Flow Statement, as permitted under FRS 102, has been changed so as to present the reconciliation of 'net return/(loss) before finance costs and taxation' to 'net cash used in operating activities' on the face of the Cash Flow Statement. Previously, this was shown by way of note. Other than consequential changes in presentation of the certain cash flow items, there is no change to the cash flows as presented in previous periods.

Reconciliation of net debt

	As at 30th September 2022 £'000	Cash flows £'000	Other non-cash charges £'000	As at 31st March 2023 £'000
Cash and cash equivalents				
Cash	2,865	(3,290)	697	272
Cash equivalents	8,085	(176)	(383)	7,526
	10,950	(3,466)	314	7,798
Borrowings				
Bank loan	(57,511)	(406)	5,347	(52,570)
	(57,511)	(406)	5,347	(52,570)
Net debt	(46,561)	(3,872)	5,661	(44,772)

NOTES TO THE FINANCIAL STATEMENTS

for the six months ended 31st March 2023

1. Financial statements

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

The figures and financial information for the year ended 30th September 2022 are extracted from the latest published financial statements of the Company and do not constitute statutory accounts for that year. Those financial statements have been delivered to the Registrar of Companies and included the report of the auditors which 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 are prepared in accordance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice ('UK GAAP') including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the 'SORP') issued by the Association of Investment Companies in July 2022.

FRS 104, 'Interim Financial Reporting', issued by the Financial Reporting Council ('FRC') in March 2015, has been applied in preparing this condensed set of financial statements for the six months ended 31st March 2023.

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 September 2022.

3. Return/(loss) per share

	(Unaudited) Six months ended 31st March 2023 £'000	(Unaudited) Six months ended 31st March 2022 £'000	(Audited) Year ended 30th September 2022 £'000
Return/(loss) per share is based on the following:			
Revenue (loss)/return	(420)	(384)	2,251
Capital return/(loss)	22,614	(142,975)	(172,395)
Total return/(loss)	22,194	(143,359)	(170,144)
Weighted average number of shares in issue during the period/year	83,202,465	83,202,465	83,202,465
Revenue (loss)/return per share	(0.50)p	(0.46)p	2.71p
Capital return/(loss) per share	27.18p	(171.84)p	(207.20)p
Total return/(loss) per share	26.68p	(172.30)p	(204.49)p

4. Dividends paid

	(Unaudited) Six months ended 31st March 2023 £'000	(Unaudited) Six months ended 31st March 2022 £'000	(Audited) Year ended 30th September 2022 £'000
2023 first quarterly interim dividend of 3.42p (2022: 5.7p)	2,846	4,743	4,743
2023 second quarterly interim dividend of 3.42p (2022: 5.7p)	2,846	4,743	4,743
2022 third quarterly interim dividend of 5.7p	—	—	4,743
2022 fourth quarterly interim dividend of 5.7p	—	—	4,743
Total dividends paid	5,692	9,486	18,972

A third quarterly dividend of 3.42p has been declared for payment on 1st June 2023 for the financial year ending 30th September 2023.

Dividend payments in excess of the revenue amount will be paid out of the Company's distributable reserves.

5. Net asset value per share

	(Unaudited) Six months ended 31st March 2023	(Unaudited) Six months ended 31st March 2022	(Audited) Year ended 30th September 2022
Net assets (£'000)	300,788	320,557	284,286
Number of shares in issue	83,202,465	83,202,465	83,202,465
Net asset value per share	361.5p	385.3p	341.7p

JPMORGAN FUNDS LIMITED

26 May 2023