



# JPMorgan UK Small Cap Growth & Income plc

June 2025

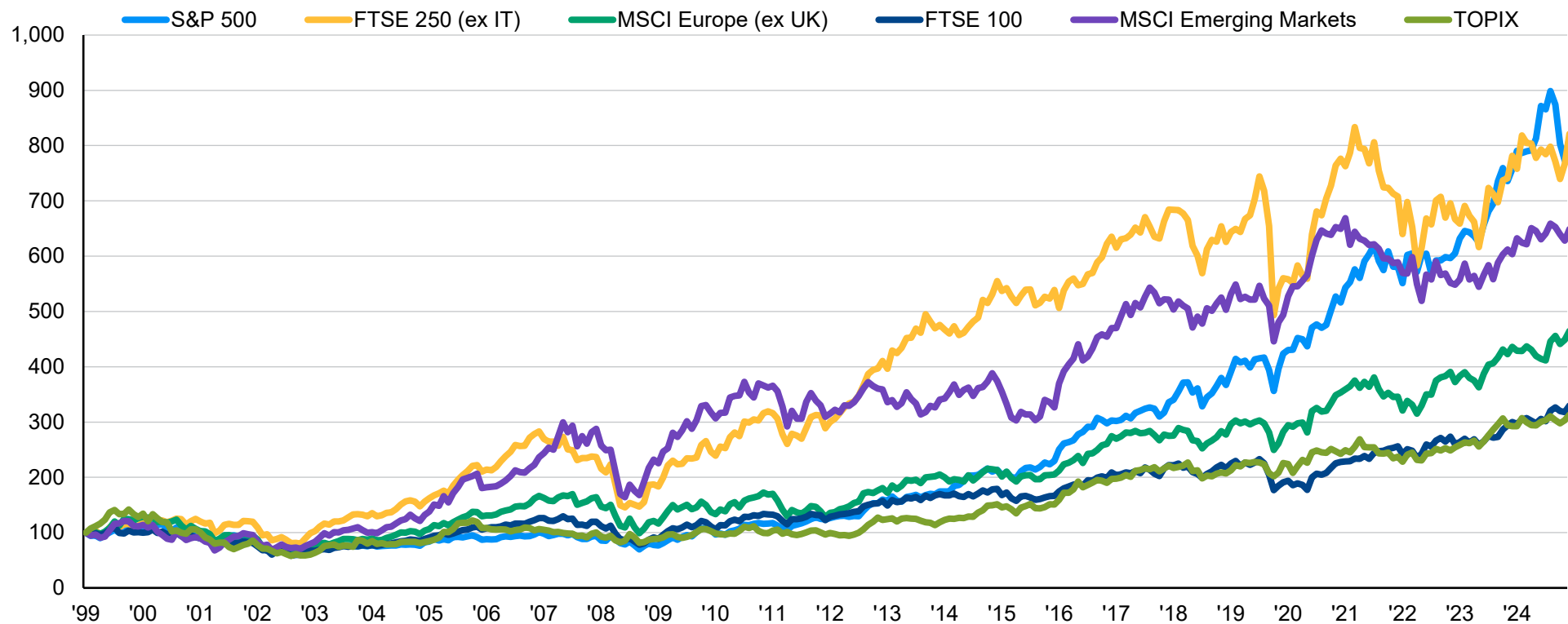
**Georgina Brittain**  
Portfolio Manager

This is a marketing communication. Please refer to the legal documents and the KID before making any final investment decisions.

**J.P.Morgan**  
ASSET MANAGEMENT

# Long term outperformance of UK mid and small caps

## Cumulative returns



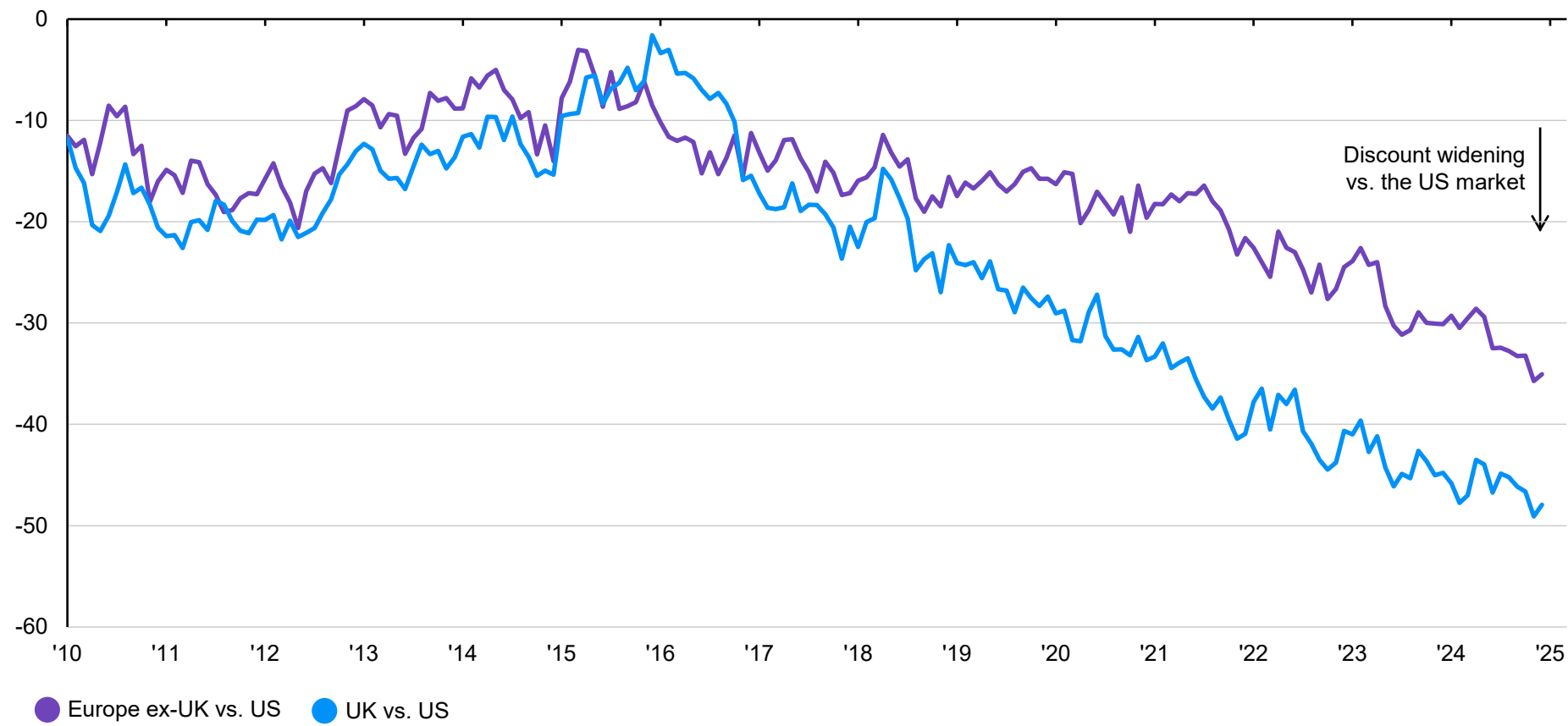
Source: J.P. Morgan Asset Management, Bloomberg. All series are rebased to 100 as at 30 June 1999 to 30 April 2025. All indices in GBP and include reinvested dividends. Indices do not include fees or operating expenses and are not available for actual investment.

Past performance is not a reliable indicator of current and future results.

# A once in a generation valuation opportunity

## Relative equity valuations

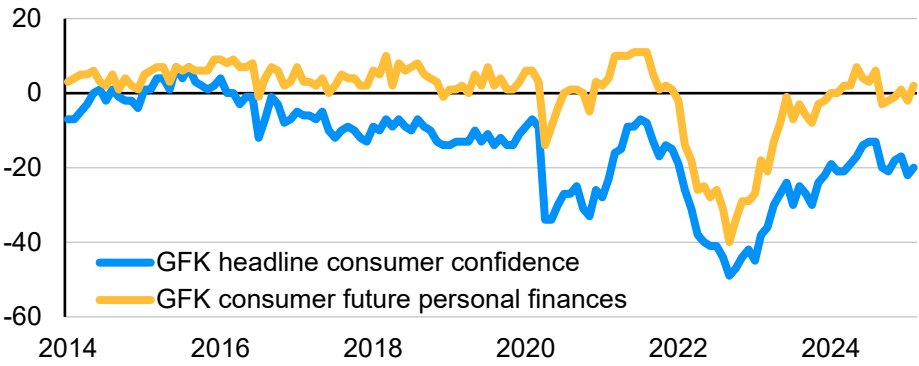
%, relative discount/premium based on 12-month forward P/E ratios



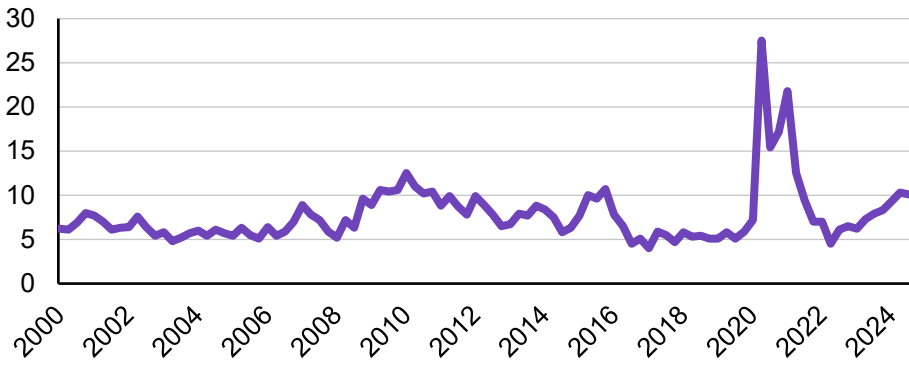
Source: J.P. Morgan Asset Management FTSE, IBES, LSEG Datastream, MSCI, S&P Global, J.P. Morgan Asset Management. US: S&P 500; Europe ex-UK: MSCI Europe ex-UK; UK: FTSE All-Share. Valuation is price to 12-month forward earnings. **Past performance is not a reliable indicator of current and future results.** Guide to the Markets - UK. Data as of 31 December 2024

# Economic outlook

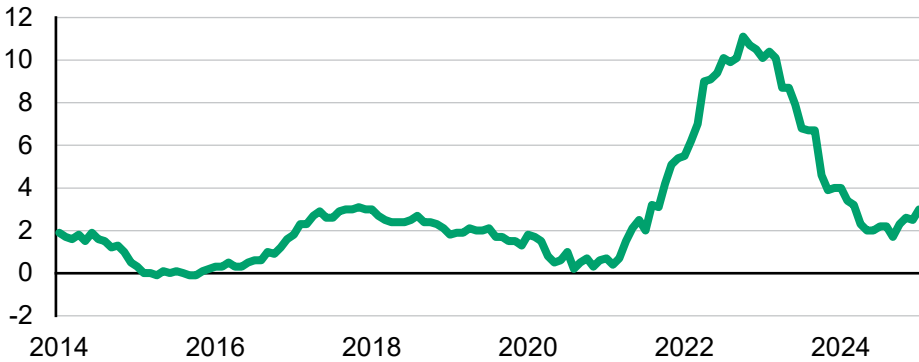
UK GfK consumer confidence



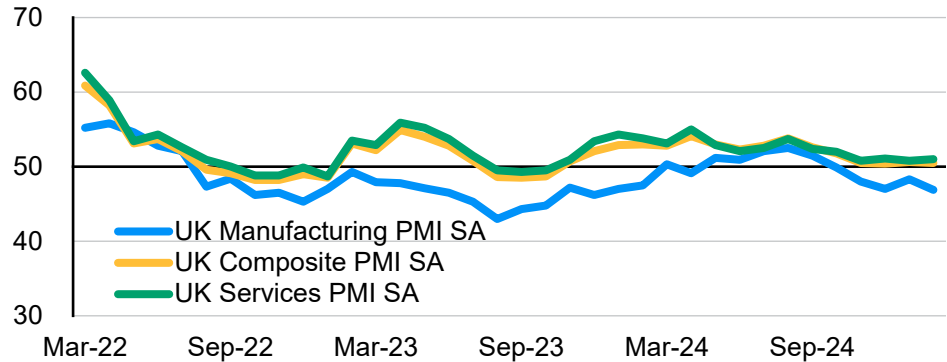
UK household saving ratio (%)



UK CPI (% YoY)



UK Purchasing Managers Indices



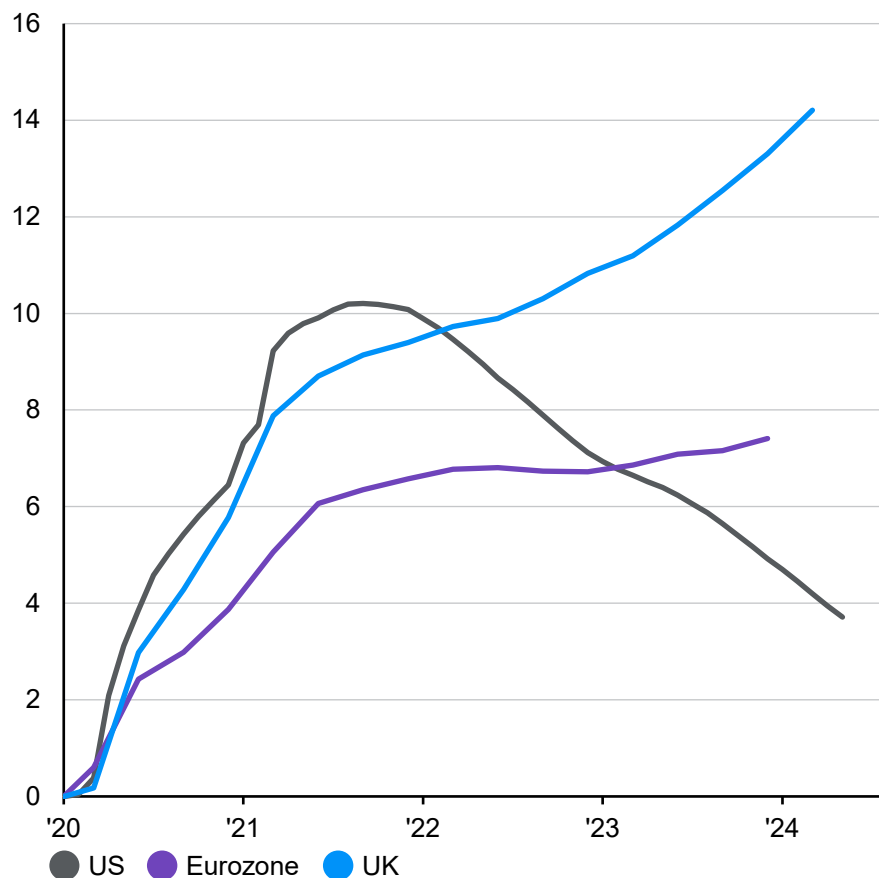
Sources: top left chart: GfK, Bloomberg, data from January 2014 to February 2025; top right chart: ONS, Bloomberg, data from March 2000 to September 2024; bottom left chart: ONS, Bloomberg, data from January 2014 to January 2025; bottom right chart: S&P Global/CIPS, Bloomberg, data from March 2022 to February 2025

# Global consumer balance sheets

Global economy

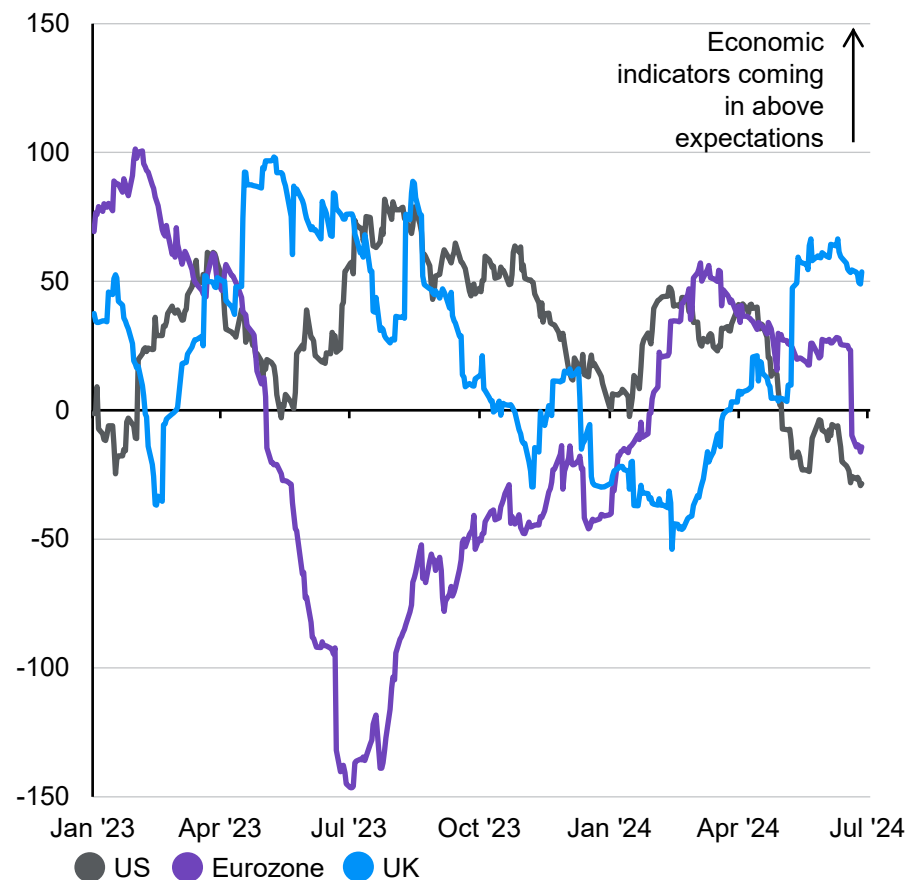
## Accumulated excess savings

% of 2023 GDP, relative to pre-pandemic savings rates



## Citigroup economic surprise indices

Index level

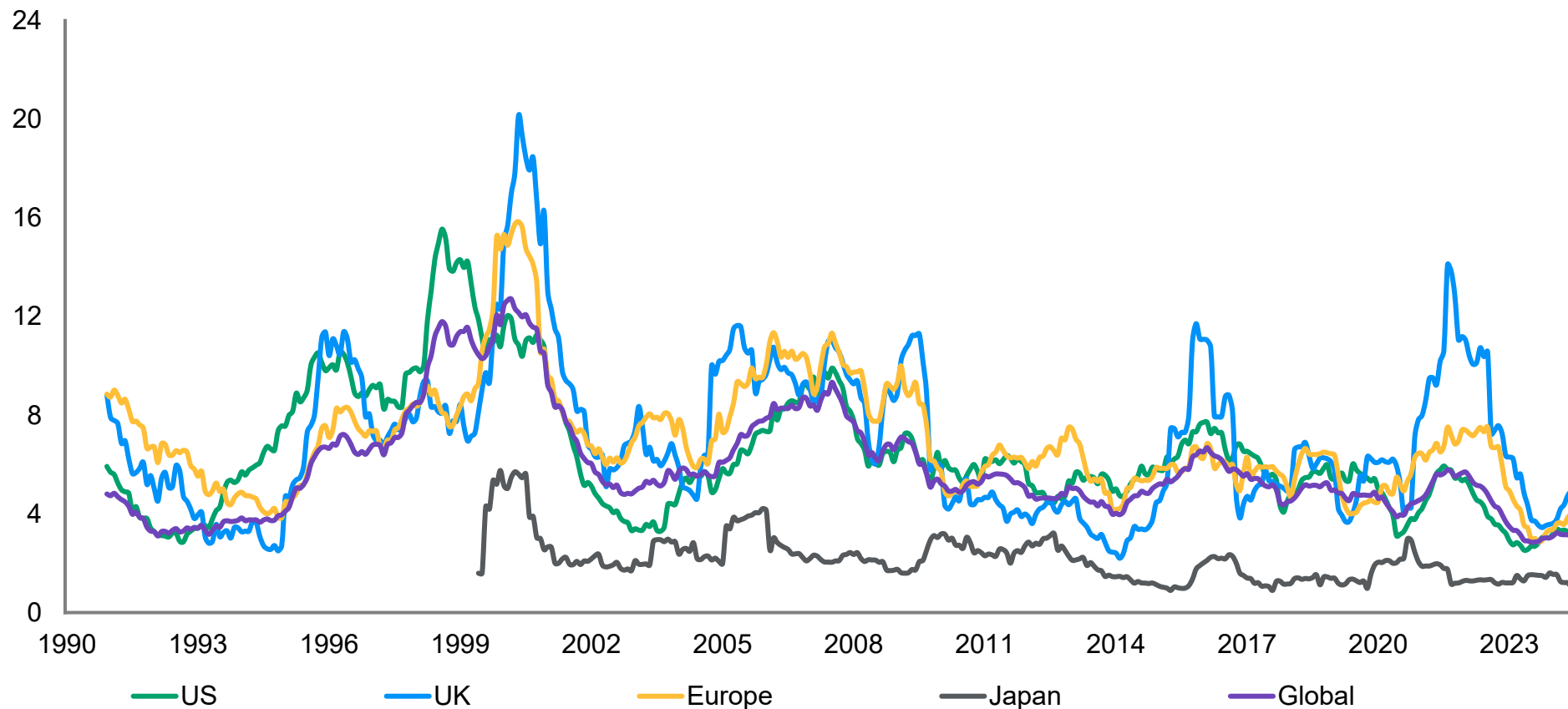


Source: (Left) BEA, Eurostat, LSEG Datastream, ONS, J.P. Morgan Asset Management. Excess savings calculated relative to savings rates in the fourth quarter of 2019. (Right) Bloomberg, Citi, J.P. Morgan Asset Management. *Guide to the Markets - UK*. Data as of 30 June 2024.

## M&A deal value as a % of market cap

Private Equity and Corporates can see how cheap the UK is

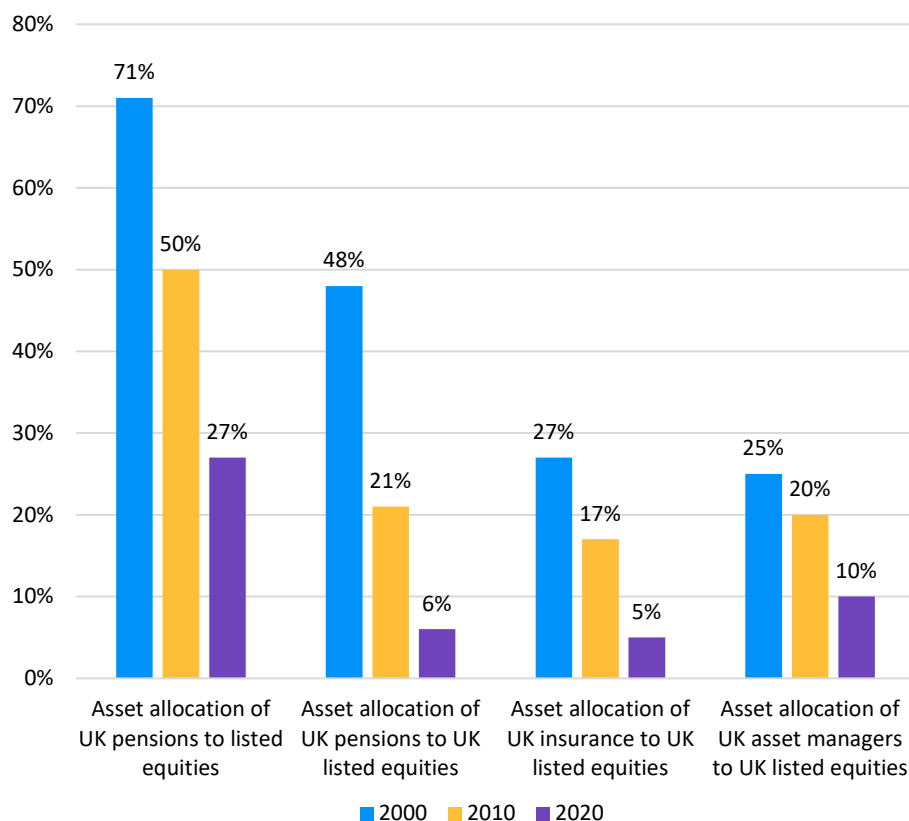
12M Aggregate M&A Deal Value (% of Market Cap)



Source: Morgan Stanley, July 2024. Copyright 2024 Morgan Stanley. Opinions, estimates, forecasts, projections and statements of financial market trends are based on market conditions at the date of the publication, constitute our judgment and are subject to change without notice.

# Demand drain: the structural move away from UK equities since 2000

## Asset allocation



## Drivers of price insensitive selling

- Closure and subsequent de-risking of defined benefit pension schemes
- Equity benchmark changes
- Brexit

## Where do we go from here?

- Price insensitive selling approaching the end?
- Pensions reform
  - Incentivise more pensions savings
  - Incentivise investment in UK companies

Source: New Financial, March 2023. Opinions, estimates, forecasts, projections and statements of financial market trends are based on market conditions at the date of the publication, constitute our judgment and are subject to change without notice

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# Investment philosophy

We believe that attractively valued, high-quality stocks with positive momentum outperform the market

Value	+	Quality	+	Momentum																		
<ul style="list-style-type: none"><li>Themes:<ul style="list-style-type: none"><li>Out of favour stocks with catalysts</li><li>Cyclical end market recovery</li><li>High cash generation</li></ul></li><li>The numbers:<table><tr><th>FCF Yield</th><th>Trust</th><th>Index</th></tr><tr><td>Small Cap</td><td>8.4%</td><td>5.7%</td></tr></table></li></ul>	FCF Yield	Trust	Index	Small Cap	8.4%	5.7%		<ul style="list-style-type: none"><li>Themes:<ul style="list-style-type: none"><li>Market leaders</li><li>High return of capital</li><li>Disciplined capital allocation</li></ul></li><li>The numbers:<table><tr><th>ROIC</th><th>Trust</th><th>Index</th></tr><tr><td>Small Cap</td><td>14.9%</td><td>9.2%</td></tr></table></li></ul>	ROIC	Trust	Index	Small Cap	14.9%	9.2%		<ul style="list-style-type: none"><li>Themes:<ul style="list-style-type: none"><li>Structurally growing end markets</li><li>Bolt-on acquisition strategy</li><li>Disruptive technology</li></ul></li><li>The numbers:<table><tr><th>Momentum</th><th>Trust</th><th>Index</th></tr><tr><td>Small Cap</td><td>1.8%</td><td>-3.1%</td></tr></table></li></ul>	Momentum	Trust	Index	Small Cap	1.8%	-3.1%
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Source: J.P. Morgan Asset Management, as of 30 April 2025. Figures reported are weighted medians. Figures shown are Value = Free Cash Flow Yield, Quality = return on invested capital, Momentum = 3 month historic earnings per share revisions. Small Cap is the JPMorgan UK Small Cap Growth & Income plc, whose index is Numis Smaller Companies plus AIM ex IT.

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# Fund Summary

## JPMorgan UK Small Cap Growth & Income plc



**Georgina Brittain**  
Portfolio Manager  
Exp: 30 / 30

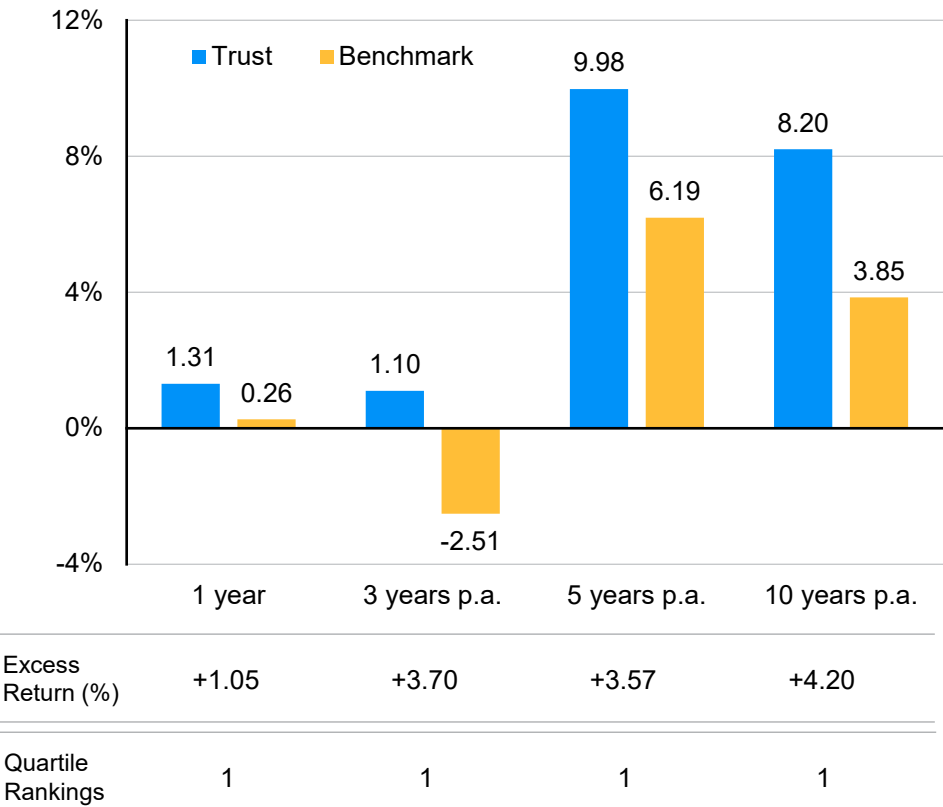


**Katen Patel**  
Portfolio Manager  
Exp: 19 / 12

Fund Information	
Benchmark	NUMIS Smaller Companies plus AIM ex IT Index
Company assets*	£494m
Gearing range	10% cash to 15% geared
Discount (-) / Premium	-11.8%
Enhanced dividend policy	4% NAV (paid quarterly)

Source: J.P. Morgan Asset Management. As at 30 April 2025. \*Includes the assets of the JPMorgan MidCap IT after the merger in February 2024. Net asset value performance data has been calculated on a NAV to NAV basis, including ongoing charges and any applicable fees, with any income reinvested, in GBP. NAV is the cum income NAV with debt at fair value, diluted for treasury and/or subscription shares if applicable, with any income reinvested. Excess returns calculated geometrically. Benchmark changed from the FTSE Smaller Companies Index ex IT to the NUMIS Smaller Companies Index plus AIM ex IT on 1st January 2019. The manager seeks to achieve the stated objectives. There can be no guarantee the objectives will be met. Experience: Industry/Firm as of 31 December 2024. Peer group quartile ranking within JPM customised peer group, using Morningstar data.

## Annualised performance to 30 April 2025



Past performance is not a reliable indicator for current and future results.

# Performance attribution

JPMorgan UK Small Cap Growth & Income plc  
for 1 year ending 30 April 2025

## Stock attribution

Attribution summary	Stock: 2.76
	Sector: -0.36
Benchmark	Numis Smaller Companies plus AIM (excluding Investment Companies) Index

Top 10 contributors	Relative weight (%)	Stock return (%)	Impact (%)
XPS Pensions Group	2.51	50.89	1.13
Premier Foods	4.04	24.44	0.95
Morgan Sindall Group	2.13	62.41	0.93
Lion Finance Group	4.07	18.17	0.73
Alpha Group International	2.48	28.50	0.71
TBC Bank Group	0.92	48.32	0.50
Volution Group	1.67	32.71	0.48
John Wood Group	Not Held	-87.57	0.46
Keller Group	1.72	33.04	0.45
Plus500	0.62	43.65	0.41

Top 10 detractors	Relative weight (%)	Stock return (%)	Impact (%)
Ashtead Technology Holdings	3.99	-39.02	-2.07
4imprint Group	2.63	-44.21	-1.53
Next 15 Group	0.59	-70.41	-0.73
Judges Scientific	1.13	-45.56	-0.71
Warpaint London	3.48	-20.53	-0.70
Zegona Communications	Not Held	81.74	-0.63
Keywords Studios	Not Held	112.86	-0.47
Greatland Gold	Not Held	119.83	-0.47
Hostelworld Group	1.09	-33.23	-0.43
hVIVO	0.90	-32.27	-0.37

Source: Factset. Data is gross of fees in GBP. Attribution results are for indicative purposes only. The portfolio is actively managed. Holdings, sector weights, allocations and leverage, as applicable, are subject to change at the discretion of the Investment Manager without notice. **Past performance is not a reliable indicator of current and future results.**

# Portfolio evolution

## Key Stock Action Examples

### Example Portfolio Additions

MJ Gleeson



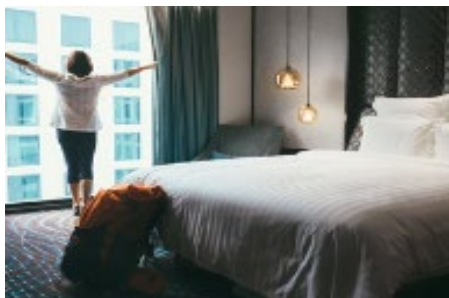
Volution



Applied Nutrition



Hostelworld



### Example Portfolio Exits

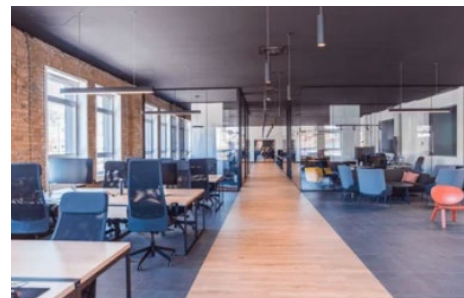
National Express



Videndum



Workspace



Ergomed



Image source: Shutterstock. As of 30 April 2025. Example portfolio additions exits and additions. The above is not an exhaustive list. The companies/securities above are shown for illustrative purposes only. Their inclusion/exclusion should not be interpreted as a recommendation to buy or sell.

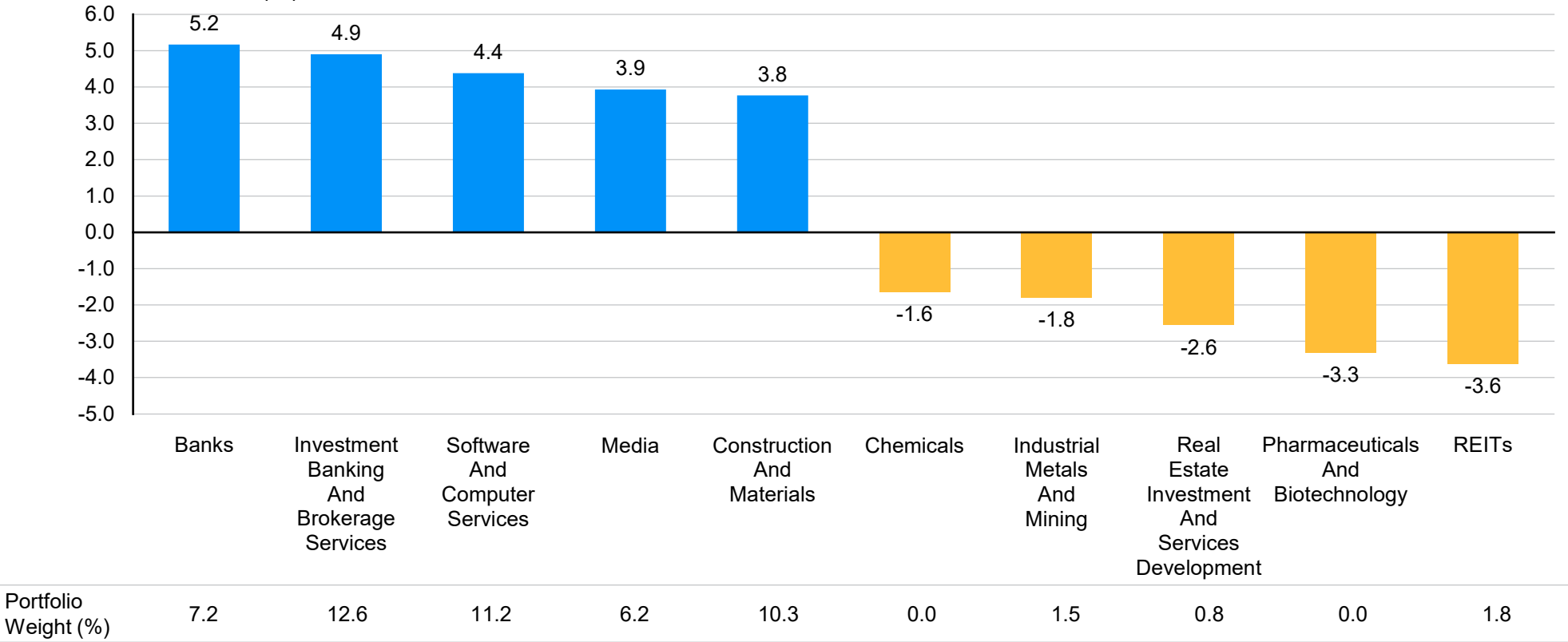
# Portfolio positions

JPMorgan UK Small Cap Growth & Income plc as of 30 April 2025

Benchmark	Numis Smaller Companies plus AIM (excluding Investment Companies) Index
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## Active and absolute sector positions

Relative to benchmark (%)



Source: J.P. Morgan Asset Management, Factset. The investment trust is actively managed. Holdings, sector weights, allocations and leverage, as applicable, are subject to change at the discretion of the Investment Manager without notice.

# Portfolio positions

JPMorgan UK Small Cap Growth & Income plc as of 30 April 2025

**Benchmark**

Numis Smaller Companies  
plus AIM (excluding  
Investment Companies) Index

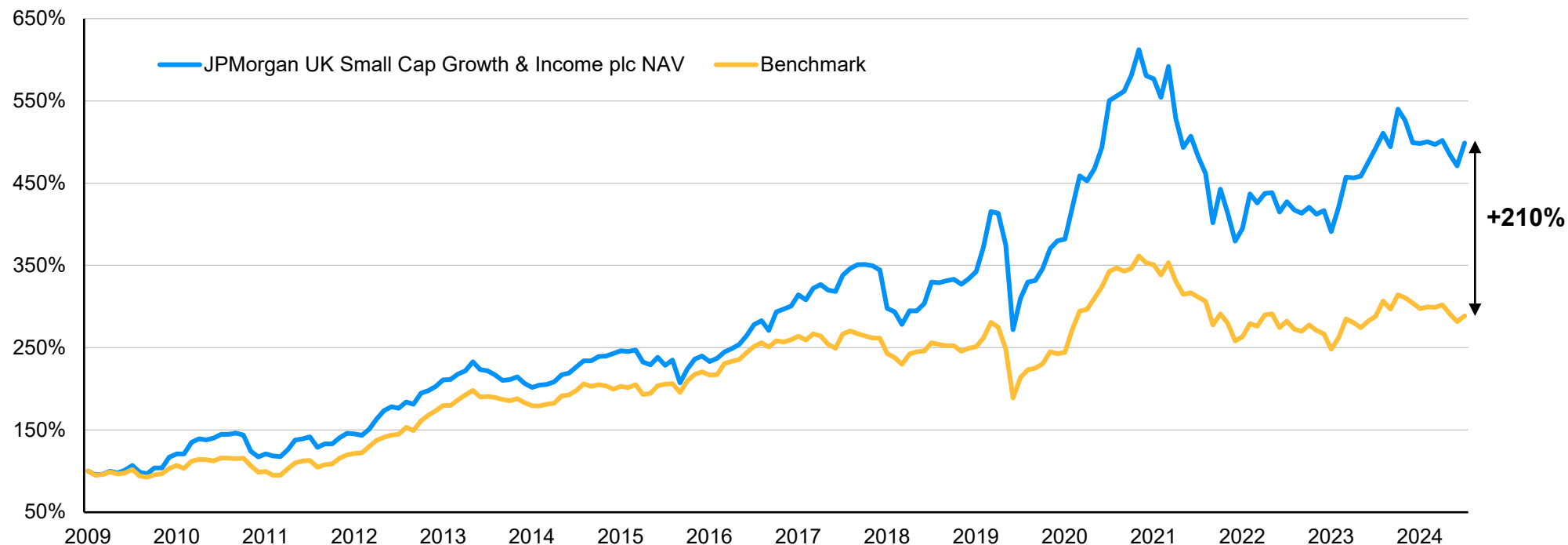
## Top 10 overweight positions

Stock	Portfolio weight (%)	Benchmark weight (%)	Relative position (%)
Premier Foods	5.5	0.9	4.6
Lion Finance Group	4.5	0.0	4.5
Ashtead Technology Holdings	3.5	0.2	3.3
Jet2	3.2	0.0	3.2
XPS Pensions Group	3.5	0.4	3.1
Alpha Group International	3.5	0.6	2.9
Morgan Sindall Group	3.4	0.8	2.6
Cerillion	2.8	0.2	2.5
Bytes Technology Group	3.0	0.6	2.4
Warpaint London	2.2	0.2	2.1
<b>Total</b>	<b>35.1</b>	<b>3.8</b>	<b>31.2</b>

Source: J.P. Morgan Asset Management, Factset. The investment trust is actively managed. Holdings, sector weights, allocations and leverage, as applicable, are subject to change at the discretion of the Investment Manager without notice.

# Long term investment performance

## Cumulative returns to 30 April 2025 (%)



**...long term alpha generation by current portfolio managers**

Source: J.P. Morgan Asset Management. Data from 31 October 2009 – 30 April 2025. Benchmark changed from the FTSE Smaller Companies Index ex IT to the NUMIS Smaller Companies Index plus AIM ex IT on 1 January 2019. Net asset value performance data has been calculated on a NAV to NAV basis, including ongoing charges and any applicable fees, with any income reinvested, in GBP. NAV is the cum income NAV with debt at fair value, diluted for treasury and/or subscription shares if applicable, with any income reinvested. All indices in sterling and include reinvested dividends. Indices do not include fees or operating expenses and are not available for actual investment. Returns are cumulative.

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**J.P.Morgan**  
ASSET MANAGEMENT

## Summary

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- Opportunities for significant growth by small cap companies
- 
- Robust, disciplined process. Established and refined over three decades
- 
- Strong long term relative performance vs benchmark & peers

Please see performance slides for further details.

**Past performance is not a reliable indicator of current and future performance.**

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# Appendix



# Performance

JPMorgan UK Small Cap Growth & Income plc

As of 30 April 2025

## Annualised performance, net of fees (%)

	Three months	Y.T.D.	Six months	One year	Three years	Five years	Ten years
JPMorgan UK Small Cap Growth & Income plc NAV (debt at fair value)	-0.63	0.36	0.13	1.31	1.10	9.98	8.20
JPMorgan UK Small Cap Growth & Income plc share price	-2.20	1.09	-6.47	-1.83	2.16	9.49	9.42
NUMIS Smaller Companies Index plus AIM ex IC *	-4.40	-3.47	-2.97	0.26	-2.51	6.19	3.85
<b>Excess return (NAV)</b>	<b>+3.95</b>	<b>+3.97</b>	<b>+3.20</b>	<b>+1.05</b>	<b>+3.70</b>	<b>+3.57</b>	<b>+4.20</b>

## Calendar year performance, net of fees (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
JPMorgan UK Small Cap Growth & Income plc NAV (debt at fair value)	-5.72	20.37	-0.95	31.62	-13.64	49.21	10.46	29.00	-28.03	7.41	8.65
JPMorgan UK Small Cap Growth & Income plc share price	-9.16	26.03	-6.69	36.41	-9.04	67.53	15.57	11.13	-28.49	9.69	6.70
NUMIS Smaller Companies Index plus AIM ex IC *	-2.68	12.99	12.54	15.61	-13.80	22.16	4.93	20.03	-21.93	3.21	5.02
<b>Excess return (NAV)</b>	<b>-3.12</b>	<b>+6.53</b>	<b>-11.98</b>	<b>+13.85</b>	<b>+0.19</b>	<b>+22.14</b>	<b>+5.27</b>	<b>+7.47</b>	<b>-7.81</b>	<b>+4.07</b>	<b>+3.46</b>

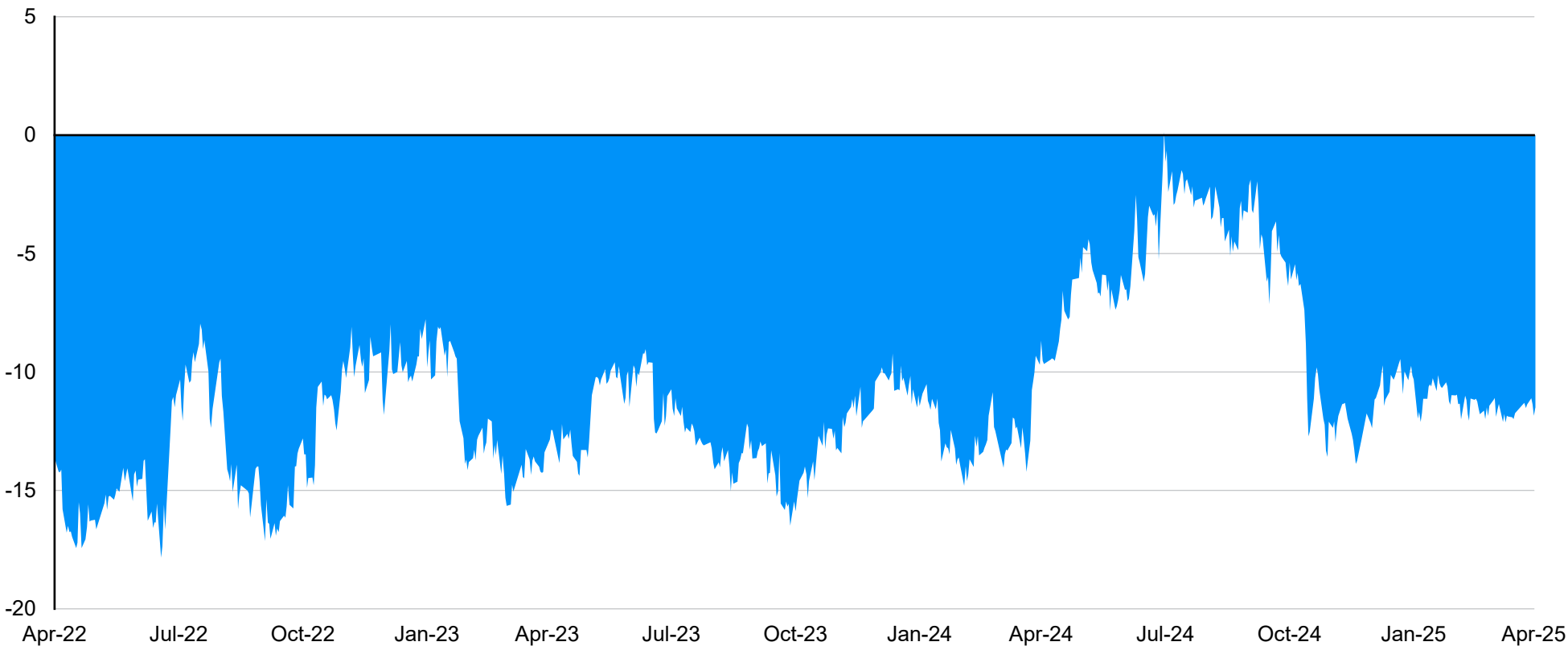
Source: J.P. Morgan Asset Management/Morningstar. Net asset value performance data has been calculated on a NAV to NAV basis, including ongoing charges and any applicable fees, with any income reinvested, in GBP. NAV is the cum income NAV with debt at fair value, diluted for treasury and/or subscription shares if applicable, with any income reinvested. Share price performance figures are calculated on a mid market basis in GBP with income reinvested on the ex-dividend date. The performance of the company's portfolio, or NAV performance, is not the same as share price performance and shareholders may not realise returns which are the same as NAV performance. Indices do not include fees or operating expenses and you cannot invest in them. Geometric excess returns. Periods over one year are annualised. \*Benchmark changed from the FTSE Smaller Companies Index ex IT to the NUMIS Smaller Companies Index plus AIM ex IC on 1st January 2019.

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**J.P.Morgan**  
ASSET MANAGEMENT

# Premium/Discount to NAV

## JPMorgan UK Small Cap Growth & Income plc



Source: Bloomberg. Data from 30 April 2022 to 30 April 2025.

**Past performance is not a reliable indicator for current and future results.**

# Biographies

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**Georgina Brittain**

Georgina Brittain, *Managing Director*, is a portfolio manager within the J.P. Morgan Asset Management International Equity Group, based in London. Georgina joined the firm in 1995. She obtained a MA in Classics from the University of Oxford, and earned a Diploma in Law from City University, London. She is a qualified barrister.



**Katen Patel**

Katen Patel, *Executive Director*, is a portfolio manager within the J.P. Morgan Asset Management International Equity Group, based in London. An employee since April 2013, he previously worked at HSBC Bank Plc in a European equity sales role. He obtained a BSc. in Management from the London School of Economics and Political Science. Katen is a CFA charterholder.

**... expertise, experience and the backing of a large group**

# Investment objective and risk profile

JPMorgan UK Small Cap Growth & Income plc (the Company) as of 30 April 2025

## INVESTMENT OBJECTIVE

The Company's objective is to achieve capital growth from UK listed smaller companies and a rising share price over the longer term by taking carefully controlled risks. The Company has the ability to use borrowing to gear the portfolio within the range of 10% net cash to 15% geared in normal market conditions. Gearing may magnify gains or losses experienced by the Company. The Company makes quarterly distributions, that are set at the beginning of each financial year. On aggregate, the intention is to pay dividends totalling at least 4% of the NAV as at the end of the preceding financial year.

## KEY RISKS

- External factors may cause an entire asset class to decline in value. Prices and values of all shares or all bonds could decline at the same time, or fluctuate in response to the performance of individual companies and general market conditions.
- This Company may utilise gearing (borrowing) which will exaggerate market movements both up and down.
- This Company invests in smaller companies which may increase its risk profile.
- The share price may trade at a discount to the Net Asset Value of the Company.
- The single market in which the Company primarily invests, in this case the UK, may be subject to particular political and economic risks and, as a result, the Company may be more volatile than more broadly diversified Company's.
- Companies listed on AIM tend to be smaller and early-stage companies and may carry greater risks than an investment in a Company with a full listing on the London Stock Exchange.

## SUMMARY RISK INDICATOR

1	2	3	4	5	6	7
Lower risk					Higher risk	

The risk indicator assumes you keep the product for 5 year(s). The risk of the product may be significantly higher if held for less than the recommended holding period.

Please refer to the Investor Disclosure Document, latest annual report, and Key Information Document (KID) for more information relating to the Company.

# Important information

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