



Unaudited Semi-Annual Report – 31 December 2024

# **JPMorgan Provident Capital Fund**

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This report does not constitute an offer of any units in the fund forming the subject matter of this document (the "Fund"). Subscriptions are only valid if made on the basis of the current explanatory memorandum (or equivalent), supplemented by the most recent financial report.

**Statement of Financial Position**  
**As at 31 December 2024 (Unaudited)**

	Notes	31.12.2024 HKD	30.6.2024 HKD
<b>Assets</b>			
<b>Current assets</b>			
Cash at banks		30,566,242	5,617,290
Amount due from brokers		-	6,315,138
Amounts receivable on allotment		61,771	2,177,385
Margin deposits		20,471,416	15,501,509
Derivatives		4,685,968	561,532
Investments		1,142,902,895	1,248,511,591
Interest and other accounts receivable		-	79
<b>Total assets</b>		1,198,688,292	1,278,684,524
<b>Liabilities</b>		-----	-----
<b>Current liabilities</b>			
Amount due to brokers		-	6,349,955
Amounts payable on redemption		641,995	80,568
Distribution payable	6	7,883	5,762
Derivatives		1,444,295	2,708,845
Other accounts payable		1,037,251	1,065,596
<b>Liabilities (excluding net assets attributable to holders of redeemable units)</b>		3,131,424	10,210,726
<b>Net assets attributable to holders of redeemable units</b>	3	<u>1,195,556,868</u>	<u>1,268,473,798</u>

**Statement of Comprehensive Income**  
**For the period ended 31 December 2024 (Unaudited)**

	Notes	1.7.2024 to 31.12.2024	1.7.2023 to 31.12.2023
		HKD	HKD
<b>Income</b>			
Net gains on investments and derivatives	4	27,870,975	56,007,382
Interest on deposits		410,132	925,286
Net foreign currency exchange (losses)/gains		(1,209,703)	179,373
		27,071,404	57,112,041
		-----	-----
<b>Expenses</b>			
Management fee	5(a)	5,055,124	8,471,087
Administration fee	5(a)	325,493	304,873
Safe custody and bank charges	5(a), 5(b)	122,852	132,182
Trustee's fee	5(b)	97,334	97,732
Transaction costs	5(a), 5(b)	59,925	28,502
Legal and professional expenses		33,577	70,100
Auditor's fee		6,684	101,158
Printing and publication expenses		992	444
Other operating expenses		11,128	11,333
		5,713,109	9,217,411
		-----	-----
<b>Net operating profit</b>		<b>21,358,295</b>	<b>47,894,630</b>
<b>Finance costs</b>			
Distribution	6	(44,757)	(26,685)
Interest expense		(780)	-
		-----	-----
<b>Increase in net assets attributable to holders of redeemable units and total comprehensive income</b>		<b>21,312,758</b>	<b>47,867,945</b>
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*The notes on pages 5 to 8 form part of these financial statements.*

**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units**  
**For the period ended 31 December 2024 (Unaudited)**

	Notes	1.7.2024 to 31.12.2024 HKD	1.7.2023 to 31.12.2023 HKD
<b>Net assets attributable to holders of redeemable units at the beginning of the period</b>		1,268,473,798	2,354,201,171
Allotment of redeemable units	3	65,624,923	51,984,993
Redemption of redeemable units	3	(159,854,611)	(498,035,705)
<b>Net redemption</b>		(94,229,688)	(446,050,712)
		-----	-----
		1,174,244,110	1,908,150,459
<b>Increase in net assets attributable to holders of redeemable units and total comprehensive income</b>		21,312,758	47,867,945
<b>Net assets attributable to holders of redeemable units at the end of the period</b>		1,195,556,868	1,956,018,404
		=====	=====

*The notes on pages 5 to 8 form part of these financial statements.*

**Statement of Cash Flows**  
**For the period ended 31 December 2024 (Unaudited)**

	1.7.2024 to 31.12.2024	1.7.2023 to 31.12.2023
	HKD	HKD
<b>Operating activities</b>		
Purchase of investments and derivatives	(262,943,121)	(601,827,374)
Proceeds from disposal of investments and derivatives	390,998,989	1,011,974,132
Interest received	410,132	925,286
Transaction costs paid	(60,723)	(29,490)
Trustee's fee paid	(95,281)	(98,325)
Administration fee paid	(320,209)	(311,197)
(Increase)/decrease in margin deposits	(4,969,907)	8,652,195
Management fee paid	(4,988,261)	(8,773,949)
Others	(1,244,543)	(194,018)
<b>Net cash inflow from operating activities</b>	<b>116,787,076</b>	<b>410,317,260</b>
<b>Financing activities</b>		
Interest paid	(780)	-
Receipts on allotment of redeemable units	67,740,537	52,564,934
Payments on redemption of redeemable units	(159,293,184)	(497,538,259)
Distribution paid	(42,636)	(26,535)
<b>Net cash outflow from financing activities</b>	<b>(91,596,063)</b>	<b>(444,999,860)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>		
Cash and cash equivalents at the beginning of the period	25,191,013	(34,682,600)
Exchange losses on cash and cash equivalents	5,617,290	53,248,072
	(242,061)	(54,459)
<b>Cash and cash equivalents at the end of the period</b>	<b>30,566,242</b>	<b>18,511,013</b>
<b>Analysis of balances of cash and cash equivalents:</b>		
Cash at banks	30,566,242	18,511,013

**Notes to the Financial Statements****1 The Fund**

JPMorgan Provident Capital Fund (the "Fund") was established under a Trust Deed dated 29 September 1995, as amended (the "Trust Deed") and is governed by the laws of Hong Kong. The Fund is authorized by the Securities and Futures Commission of Hong Kong (the "SFC").

The investment objective of the Fund is to minimize its short-term capital risk in Hong Kong dollar terms, while providing the potential for some capital appreciation. The Fund seeks to achieve these investment objectives by investing primarily (i.e. at least 70% of its net asset value) in a professionally managed portfolio of interests in collective investment schemes (including exchange-traded funds) managed by the Manager or its Connected Persons and passively-managed exchange-traded funds managed by unaffiliated management companies.

The Fund offers four classes of units, administration units, distribution units, distribution units - R and investment units. All unitholders' rights with regard to the convening, voting or otherwise acting at any meeting of unitholders are the same.

**2 Summary of material accounting policies****(a) Accounting policies of interim financial statements**

The accounting policies and methods of computation used in the preparation of these unaudited condensed interim financial statements are consistent with those used in the annual financial statements for the year ended 30 June 2024.

**(b) Investments and derivatives***Classification*

The Fund classifies its investments and derivatives based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

As such, the Fund classifies all of its investment portfolio as financial assets or liabilities at fair value through profit or loss.

*Recognition, derecognition and measurement*

Purchases and sales of investments and derivatives are accounted for on the trade date basis. Investments and derivatives are initially recognized at fair value and are subsequently re-measured at fair value. Realized and unrealized gains and losses on investments and derivatives are recognized in the Statement of Comprehensive Income. Investments and derivatives are derecognized when the rights to receive cash flows from the investments and derivatives have expired or the Fund has transferred substantially all risks and rewards of ownership.

*Fair value estimation*

Investments in collective investment schemes are stated at fair value based on the net asset value per unit of the respective funds as determined by the administrators of the relevant funds.

Open futures and swap contracts are valued at last traded prices for both long and short positions at the valuation date. The differences between the last traded prices and the contract prices are recognized in the Statement of Comprehensive Income.

*Structured entities*

The Fund considers all of its investments in other funds ("Investee Funds") to be investments in unconsolidated structured entities. The Fund invests in Investee Funds whose objectives are to achieve long-term capital growth.

**(c) Foreign currency translation***Functional and presentation currency*

The Fund has adopted Hong Kong dollar as its functional and presentation currency.

***Transactions and balances***

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of assets and liabilities denominated in foreign currencies at period/year end exchange rates are recognized in the Statement of Comprehensive Income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the Statement of Comprehensive Income within "Net foreign currency exchange gains/losses". Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the Statement of Comprehensive Income within "Net gains/losses on investments and derivatives".

**(d) Proceeds and payments on allotment and redemption of units**

The net asset value per unit is computed for each dealing day. The price at which units are allotted or redeemed is calculated by reference to the net asset value per unit as at the close of business on the relevant dealing day in accordance with the provisions of the Trust Deed which may be different from the accounting policies stated in the financial statements.

Units of the Fund are redeemable at the option of the holders of redeemable units and are classified as a financial liability in the Statement of Financial Position which represents the net assets attributable to holders of redeemable units (or "net asset value" or "net assets" or "NAV") and is carried at the redemption amount that would be payable at the Statement of Financial Position date if the holders of redeemable units exercised the right to redeem units of the Fund.

**3 Number of units in issue and net assets attributable to holders of redeemable units (per unit)**
1.7.2024 to 31.12.2024

	Administration Units	Distribution Units	Distribution Units - R	Investment Units
<b>Number of units in issue:</b>				
At the beginning of the period	408,625.515	176,497.520	652,433	3,839,497.493
Total allotments	67,032.011	70,394.238	170,835	151,115.494
Total redemptions	(87,333.508)	(5,326.385)	-	(441,320.225)
At the end of the period	<u>388,324.018</u>	<u>241,565.373</u>	<u>823.268</u>	<u>3,549,292.762</u>

1.7.2023 to 31.12.2023

	Administration Units	Distribution Units	Distribution Units - R	Investment Units
<b>Number of units in issue:</b>				
At the beginning of the period	436,704.938	166,474.727	1,331.269	7,756,757.795
Total allotments	20,388.438	8,537.687	121.671	163,862.943
Total redemptions	(57,606.124)	(1,913.373)	(815.627)	(1,692,958.229)
At the end of the period	<u>399,487.252</u>	<u>173,099.041</u>	<u>637.313</u>	<u>6,227,662.509</u>

	31.12.2024 HKD	30.6.2024 HKD
Net assets attributable to holders of redeemable units		
Administration Units	100,509,633	104,314,406
Distribution Units	1,890,080	1,394,411
Distribution Units - R	7,782	6,212
Investment Units	1,093,149,373	1,162,758,769
	<u>1,195,556,868</u>	<u>1,268,473,798</u>
Net assets attributable to holders of redeemable units (per unit)		
Administration Units	258.83	255.28
Distribution Units	<u>7.82</u>	<u>7.90</u>
Distribution Units - R	<u>9.45</u>	<u>9.52</u>
Investment Units	<u>307.99</u>	<u>302.84</u>

**4 Net gains on investments and derivatives**

	1.7.2024 to 31.12.2024 HKD	1.7.2023 to 31.12.2023 HKD
Change in unrealized gains/losses in value of investments and derivatives	(6,048,236)	87,811,813
Realized gains/(losses) on sale of investments and derivatives	33,919,211	(31,804,431)
	<u>27,870,975</u>	<u>56,007,382</u>

**5 Transactions with the Trustee, the Manager and their Connected Persons**

(a) During the periods ended 31 December 2024 and 2023, respective amounts paid to the Manager, JPMorgan Funds (Asia) Limited, and its Connected Persons were as follows:

	1.7.2024 to 31.12.2024 HKD	1.7.2023 to 31.12.2023 HKD
Management fee	5,055,124	8,471,087
Administration fee	325,493	304,873
Safe custody and bank charges	73,677	110,685
Transaction costs	2,568	2,447

(b) During the periods ended 31 December 2024 and 2023, respective amounts paid to the Trustee, Cititrust Limited, and its Connected Persons were as follows:

	1.7.2024 to 31.12.2024 HKD	1.7.2023 to 31.12.2023 HKD
Trustee's fee	97,334	97,732
Transaction costs	57,357	26,055
Safe custody and bank charges	20,089	10,637

## 6 Distribution

It is the intention of the Manager to make distributions on a monthly basis or/and at such other time as the Manager may, with the prior approval of the Trustee, notify to unitholders.

In the event that the amount available for distribution is insufficient to pay distributions as the Fund declares, the Manager may in its discretion determine that such distributions be paid from capital.

Distribution Class	Ex date	Pay date	Rate	Units	HKD
<b><u>1.7.2024 to 31.12.2024</u></b>					
Distribution Units	31.7.2024	8.8.2024	HKD0.0325	177,846.282	(5,780)
Distribution Units - R	31.7.2024	8.8.2024	HKD0.0391	655.099	(26)
Distribution Units	30.8.2024	9.9.2024	HKD0.0325	235,792.796	(7,663)
Distribution Units - R	30.8.2024	9.9.2024	HKD0.0392	657.799	(26)
Distribution Units	30.9.2024	9.10.2024	HKD0.0325	238,610.060	(7,755)
Distribution Units - R	30.9.2024	9.10.2024	HKD0.0392	660.455	(26)
Distribution Units	31.10.2024	8.11.2024	HKD0.0325	238,389.879	(7,747)
Distribution Units - R	31.10.2024	8.11.2024	HKD0.0392	663.102	(26)
Distribution Units	29.11.2024	9.12.2024	HKD0.0325	239,977.380	(7,799)
Distribution Units - R	29.11.2024	9.12.2024	HKD0.0393	665.784	(26)
Distribution Units	30.12.2024	10.1.2025	HKD0.0325	241,565.373	(7,851)
Distribution Units - R	30.12.2024	10.1.2025	HKD0.0393	823.268	(32)
Total distribution to holders of redeemable units					<b>(44,757)</b>
<b><u>1.7.2023 to 31.12.2023</u></b>					
Distribution Units	31.7.2023	8.8.2023	HKD0.0260	167,641.022	(4,358)
Distribution Units - R	31.7.2023	8.8.2023	HKD0.0312	1,439.622	(45)
Distribution Units	31.8.2023	8.9.2023	HKD0.0260	168,183.061	(4,373)
Distribution Units - R	31.8.2023	8.9.2023	HKD0.0312	631.424	(20)
Distribution Units	29.9.2023	10.10.2023	HKD0.0260	169,390.883	(4,404)
Distribution Units - R	29.9.2023	10.10.2023	HKD0.0312	633.537	(20)
Distribution Units	31.10.2023	8.11.2023	HKD0.0260	170,631.531	(4,436)
Distribution Units - R	31.10.2023	8.11.2023	HKD0.0312	633.014	(20)
Distribution Units	30.11.2023	8.12.2023	HKD0.0260	171,874.028	(4,469)
Distribution Units - R	30.11.2023	8.12.2023	HKD0.0313	635.176	(20)
Distribution Units	29.12.2023	9.1.2024	HKD0.0260	173,099.041	(4,500)
Distribution Units - R	29.12.2023	9.1.2024	HKD0.0312	637.313	(20)
Total distribution to holders of redeemable units					<b>(26,685)</b>

**Investment Portfolio  
As at 31 December 2024 (Unaudited)**

	Place of establishment	Holding	Fair value HKD	% of net assets
<b>Listed/Quoted Investments (95.9%)</b>				
<b>(I) Collective Investment Schemes (95.6%)</b>				
<b>Asia Pacific Region (4.0%)</b>				
JPM SAR Asian Fund 'B'*	Hong Kong	49,572	47,494,719	4.0
<b>Europe (5.1%)</b>				
JPMF-JPM Europe Equity 'X' (acc)-EUR*	Luxembourg	175,000	60,937,153	5.1
<b>International (73.0%)</b>				
JPM Global Bond Fund 'X' (acc)-USD*	Hong Kong	3,633,123	306,772,239	25.7
JPM SAR Investment Grade Corporate Bond Fund 'B'*	Hong Kong	556,758	5,111,039	0.4
JPMF-JPM Emerging Markets Debt 'X' (acc)-USD*	Luxembourg	12,284	12,658,220	1.1
JPMF-JPM Global Aggregate Bond 'X' (acc)-USD**	Luxembourg	401,639	345,311,785	28.9
JPMF-JPM Global Bond Opportunities 'X' (acc)-USD**	Luxembourg	12,484	12,140,890	1.0
JPMF-JPM Global Equity Premium Income ETF*	Ireland	25,649	5,532,401	0.5
JPMF-JPM Income Fund 'X' (acc)-USD*	Luxembourg	117,621	104,533,617	8.7
JPMIF-JPM Global Select Equity 'X' (acc)-USD*	Luxembourg	15,546	80,256,254	6.7
<b>Japan (4.1%)</b>				
JPM SAR Japan Fund 'B'*	Hong Kong	113,020	43,159,080	3.6
JPMIF-JPM Japan Strategic Value 'X' (acc)-JPY**#	Luxembourg	2,053	6,093,569	0.5
<b>United States (9.4%)</b>				
JPMF-JPM US Growth 'X' (acc)-USD*	Luxembourg	55,475	47,048,244	3.9
JPMF-JPM US Value 'X' (acc)-USD*	Luxembourg	76,588	33,369,849	2.8
JPMIF-JPM US Select Equity 'X' (acc)-USD**#	Luxembourg	4,569	32,483,836	2.7
			1,142,902,895	95.6
<b>(II) Derivatives (0.3%)</b>				
<b>Futures (0.3%)</b>				
Euro-BTP Future 06/03/2025		24	(508,443)	(0.0)
Euro-Bund Future 06/03/2025		20	(563,864)	(0.0)
Euro-Schatz Future 06/03/2025		(24)	86,430	0.0
Hang Seng Idx Fut 27/01/2025		125	1,747,750	0.1
MSCI World Index 21/03/2025		(79)	2,323,083	0.2
S&P500 Emini Fut 21/03/2025		2	(16,604)	(0.0)
US 5Yr Note (CBT) 31/03/2025		(121)	528,705	0.0
US Long Bond (CBT) 20/03/2025		16	(355,384)	(0.0)
			3,241,673	0.3
<b>Total Listed/Quoted Investments</b>				
			1,146,144,568	95.9
<b>Other net assets</b>				
			49,412,300	4.1
<b>Net assets attributable to holders of redeemable units at 31 December 2024</b>				
			1,195,556,868	100.0
<b>Total investments, at cost</b>				
			1,074,892,652	

\* Issued and managed by a Connected Person of the Manager

# Not authorized in Hong Kong and not available to the public in Hong Kong

**Statement of Movements in Portfolio Holdings**  
**For the period ended 31 December 2024 (Unaudited)**

	% holdings of net assets	31.12.2024	30.6.2024
<b>Listed/Quoted Investments</b>			
<b>Collective Investment Schemes</b>			
International	73.0	70.7	
United States	9.4	8.4	
Europe	5.1	8.1	
Japan	4.1	4.3	
Asia Pacific Region	4.0	5.4	
Hong Kong	-	1.5	
<b>Derivatives</b>			
Futures	0.3	(0.2)	
<b>Total Listed/Quoted Investments</b>	<b>95.9</b>	<b>98.2</b>	
<b>Other net assets</b>	<b>4.1</b>	<b>1.8</b>	
<b>Net assets attributable to holders of redeemable units</b>	<b>100.0</b>	<b>100.0</b>	

**Details of Financial Derivative Instruments  
As at 31 December 2024 (Unaudited)**

Open futures contracts as at 31 December 2024 were as follows:

	Underlying assets	Counterparty	Unrealized gains/(losses) HKD
<u>As at 31.12.2024</u>			
Euro-Schatz Future 06/03/2025	Confederation 2-year debt instruments issued by the Federal Republic of Germany, the Republic of Italy, the Republic of France, the Kingdom of Spain or the Swiss Confederation	Citigroup Global Markets Ltd	86,430
Hang Seng Idx Fut 27/01/2025	Hang Seng Index	Citigroup Global Markets Ltd	1,747,750
MSCI World Index 21/03/2025	MSCI World Index	Citigroup Global Markets Ltd	2,323,083
US 5Yr Note (CBT) 31/03/2025	5-year U.S Treasury notes	Citigroup Global Markets Ltd	528,705
		Total unrealized gains	4,685,968
		-----	-----
Euro-BTP Future 06/03/2025	10-year debt instruments issued by the Federal Republic of Germany, the Republic of Italy, the Republic of France, the Kingdom of Spain or the Swiss Confederation 10-year debt instruments issued by the Federal Republic of Germany, the Republic of Italy, the Republic of France, the Kingdom of Spain or the Swiss Confederation	Citigroup Global Markets Ltd	(508,443)
Euro-Bund Future 06/03/2025	S&P 500 Index	Citigroup Global Markets Ltd	(563,864)
S&P500 Emini Fut 21/03/2025		Citigroup Global Markets Ltd	(16,604)
US Long Bond (CBT) 20/03/2025	10-year U.S Treasury bonds	Citigroup Global Markets Ltd	(355,384)
		Total unrealized losses	(1,444,295)
		-----	-----
		Net unrealized gains	3,241,673
		=====	=====

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