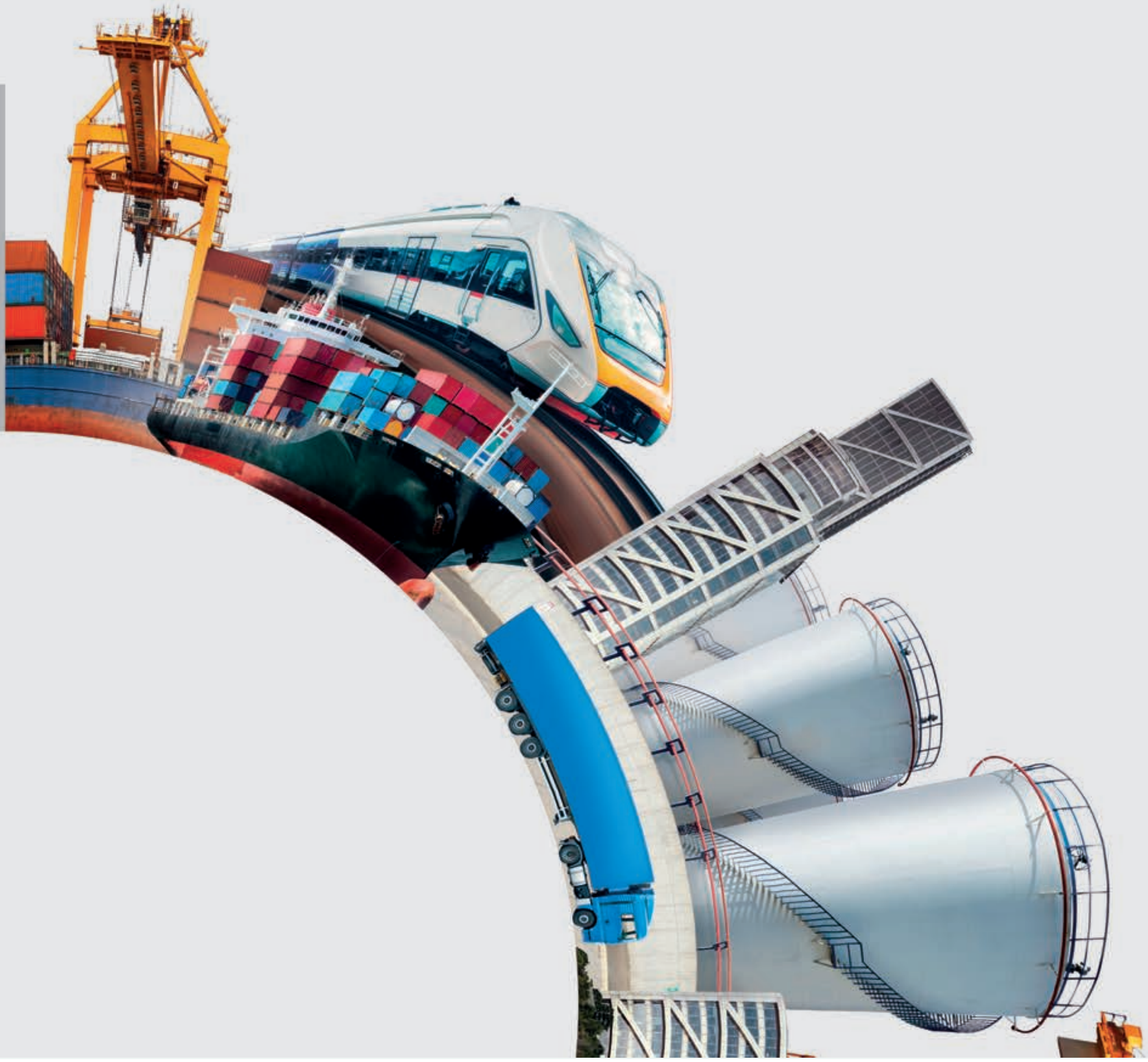


# JPMorgan Global Core Real Assets Limited

Half Year Report & Financial Statements
for the six months ended 31st August 2022

J.P.Morgan
ASSET MANAGEMENT

# Key Features

JPMorgan Global Core Real Assets Limited (the 'Company' or 'JARA') is a closed-ended investment company incorporated in accordance with the Companies (Guernsey) Law, 2008. The address of its registered office is at 1st Floor, Les Echelons Court, Les Echelons, South Esplanade, St Peter Port, Guernsey GY1 1AR.

The principal activity of the Company is investing in securities as set out in the Company's Investment Objective and Investment Policy.

## Investment Objective

The Company seeks to provide shareholders with stable income and capital appreciation from exposure to a globally diversified portfolio of Core Real Assets.

## Investment Policy

The Company pursues its investment objective through diversified investment in private funds or managed accounts managed or advised by entities within J.P. Morgan Asset Management (collectively referred to as 'JPMAM'), the asset management business of JPMorgan Chase & Co.

## Dividend Policy

The Company has a target annual dividend yield of 4% to 6%, based on the initial issue price of 100.0p per share.

## Capital Structure

As at 31st August 2022, the Company's share capital comprised 219,407,952 ordinary shares of no par value.

## Management Company

The Company employs JPMorgan Funds Limited ('JPMF' or the 'Manager') as its Alternative Investment Fund Manager. JPMF delegates the management of the Company's portfolio to JPMorgan Asset Management (UK) Limited ('JPMAM UK') which further delegates the management to J.P. Morgan Asset Management, Inc., Security Capital Research & Management Inc. and J.P. Morgan Alternative Asset Management Inc. (collectively referred to as 'JPMAM' or the 'Investment Manager' or 'Investment Managers'). All of these entities are wholly owned subsidiaries of J.P. Morgan Chase & Co.

## Management Fees

JPMF is entitled to receive from the Company, a management fee in respect of that part of the Company's net asset value which is invested in JPMAM products, calculated at the rate of 0.05% per annum. The Company's investments in the JPMAM products also bear the management fee charged by the relevant manager at the level of the relevant JPMAM product (the 'underlying management fees'). The total overall management fee payable to JPMAM is the aggregate of the management fee and the underlying management fees. No management fee is charged on uninvested assets held in cash or cash equivalents.

The total overall management fee borne by the Company is currently 0.93% per annum, falling on a tiered basis to 0.81% per annum if the Company's net asset value is £1 billion or more, as set out in the table below:

| Company's Net Asset Value invested in JPMAM Products | Total Overall Management Fee |
|---|---:|
| £100m | 0.93% |
| £300m | 0.91% |
| £500m | 0.86% |
| £1,000m | 0.81% |

## Administrator

The Company employs J.P. Morgan Administration Services (Guernsey) Limited as its administrator.

## Gearing

The Company may use gearing, in the form of a bank facility or revolving credit facility, for cash management, currency hedging purposes or other short term needs. Borrowings may be in sterling or other currencies. The Company's total borrowings will not exceed 20% of net asset value calculated at the time of drawdown. The Company does not currently have any borrowing facilities.

## Continuation Resolution

In accordance with the Company's Articles of Incorporation, the Directors are required to propose a resolution that the Company continue as a closed-ended investment company at the Annual General Meeting in 2024 and every fifth year thereafter.

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

The Company currently conducts its affairs so that its shares can be recommended by Independent Financial Advisers to ordinary retail investors in accordance with the rules of the FCA 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 company. The Company's shares are not classified as 'complex instruments' under the FCA's revised 'appropriateness' criteria adopted in the implementation of MiFID II.

## Website

The Company's website, which can be found at www.jpmrealassets.co.uk includes useful information on the Company, such as daily share prices, factsheets and will show current and historic half year and annual reports once available.

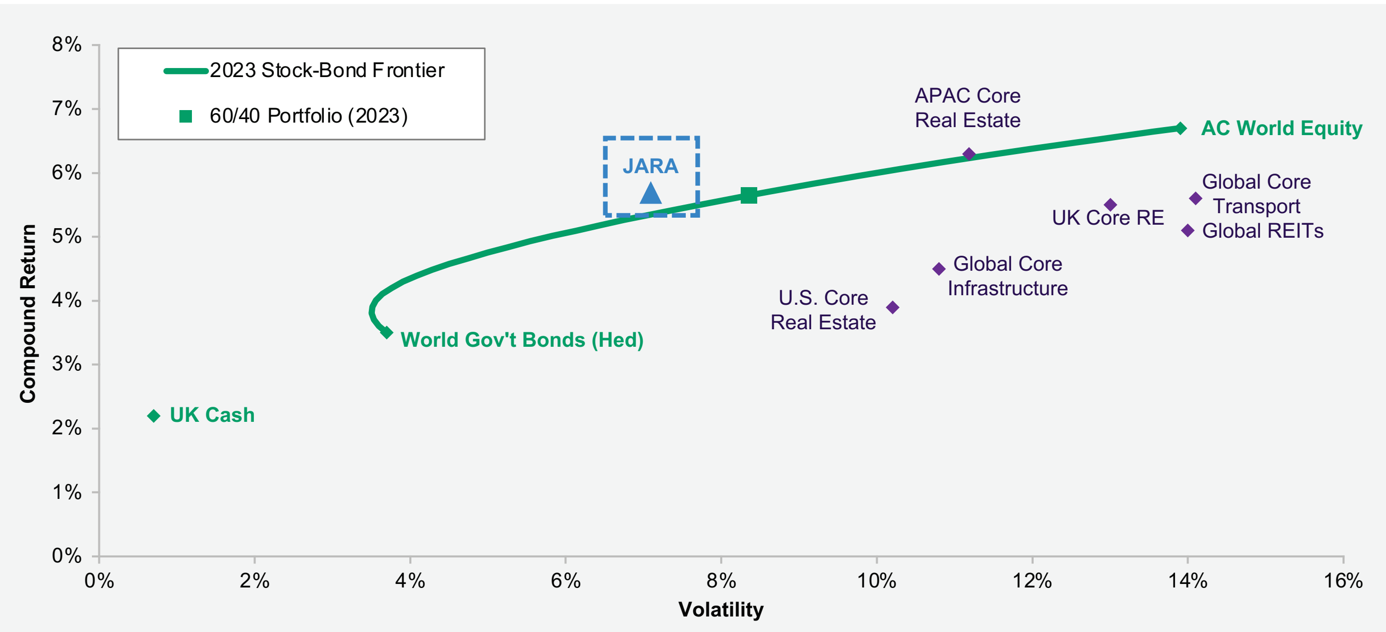
## A cornerstone allocation to Global Core Real Assets

JARA seeks to provide shareholders with a cornerstone allocation to real assets through a portfolio which is diversified across real asset categories and geographies. JARA delivers this by accessing a number of JPMAM's institutional real asset strategies, focused on Infrastructure, Real Estate and Transport. These strategies are significant in scale with established, mature portfolios able to provide investors with predictable long term cashflows that are hard to access through the public markets. The scale and diversification of these strategies provides JARA's shareholders with access to geographies and investments not typically available to them in other real asset vehicles.

JARA predominantly allocates towards 'core' real assets, which have forecastable cash flows for long periods of time with a low margin of error. As such it is expected that a significant part of JARA's investment return will be derived from income and typically these cash flows are linked to high quality counterparties in developed, mostly OECD markets. This is in contrast with 'non-core' or value-add assets that tend to have a higher risk/higher return profile and a greater dispersion of returns.

As well as seeking to provide investors with a stable income, real assets can provide strong risk adjusted returns. The below analysis is based on JPMAM's Long Term Capital Market Assumptions – an annual publication which provides a forward-looking view of asset class risk and returns over the next 10-15 years. The purple line shows the stock/bond efficient frontier and provides an illustration of the level of return and volatility which might be expected from a public markets' portfolio. The goal for investors is to maximise outcomes for a given level of volatility and, therefore, asset classes which sit above the efficient frontier are typically deemed to be accretive to investor portfolios as they offer a higher return for a given level of volatility. As shown below, real assets and, importantly, JARA sit above the stock/bond efficient frontier and therefore adding JARA into a portfolio should have an accretive impact on returns and efficiency.

**JARA sits above the stock/bond efficient frontier[1]**




Source: J.P. Morgan 2023 Long Term Capital Market Assumptions (LTCMA); estimates as of September 2022. For illustrative purposes only. Illustrative JARA portfolio allocations are based on a representative portfolio and are subject to change.

[1] Expected returns and expected volatility are based on 2023 LTCMA asset class assumptions and are denominated in GBP, net of fees. The expected returns and expected volatilities are for illustrative purposes only and are subject to significant limitations. Forecasts are not a reliable indicator of future performance.

It is also important to highlight how JARA compares to single real asset categories such as global infrastructure, global transport and region-specific real estate. Whilst JARA aims to deliver a similar total return to these asset classes its volatility is expected to be lower – making it a more efficient investment. This is driven by the uncorrelated nature of JARA's component investments. As such, JARA looks to benefit from a double layer of diversification as its dedicated real asset categories offer an uncorrelated return to public markets but also each other thereby reducing portfolio level volatility vs. any one single real asset category allocation. As noted in the next section, there is also significant opportunity for active asset allocation across the real asset market – something which JPMAM is well positioned to take advantage of for JARA's portfolio.

# Key Features

## Benefits of active asset allocation

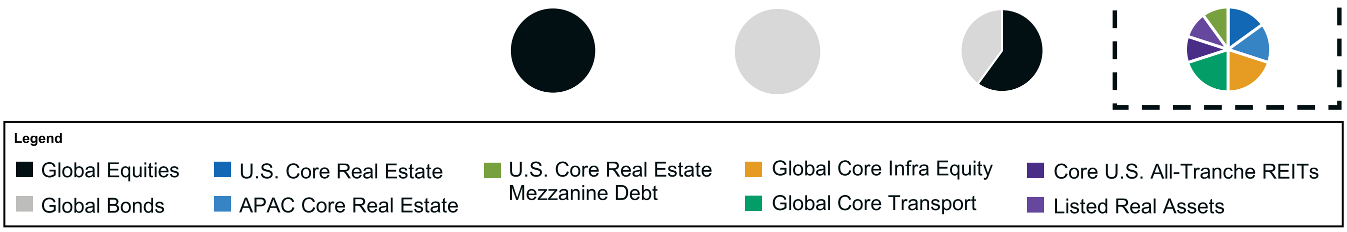
JPMAM has one of the world's leading alternatives platform with $215 billion+ in assets under management ('AUM') across the alternatives spectrum. Within this, real assets represent approximately $90 billion in AUM, the majority of which is focused on core, income producing assets (data as of 31st December 2021).

JARA's portfolio is managed by JPMAM's Alternatives Solutions Group ('ASG'); a team focused on designing, building and managing multi-alternatives solutions. The ASG team has over 25 years of experience in managing alternatives solutions and has the goal to bring 'more science and less art' to alternatives asset allocation and portfolio construction utilising top-down views and capital market assumptions with bottom-up market data from JPMAM's 300+ alternative investment professionals.

JARA therefore benefits from accessing these already scaled core strategies with a lower cost and lower exposure to any one geography, asset or regulatory risk. In addition, JARA has the ability to pivot exposures at the underlying strategy level – for example by underweighting or overweighting a certain sector or geography. It also benefits from ongoing active management from the ASG which looks to optimise returns by evolving the strategic asset allocation over time to take advantage of any new opportunities the market provides. Active asset allocation is fundamental to investing in the core real asset market given the wide variety of outcomes possible. To take advantage of this potential dispersion, the ASG look to actively allocate across different asset classes, whilst being mindful of the constraints which exist when investing in illiquid asset classes. This active asset allocation will be informed by our relative view of both income and total return achievable by each asset class within the medium to long term. The scale and global diversification of these strategies provides JARA's shareholders with access to deals they would be unable to access on their own.

## Strategic asset allocation

| Key Historical Metrics: 15-yrs (2007 - 2021) | Global Equities | Global Bonds | 60/40 Global Financial Assets | JARA |
|---|---|---|---|---|
| Historical Return | 8.2% | 3.3% | 6.7% | 8.4% |
| Historical Volatility | 17.4% | 4.6% | 10.5% | 6.9% |
| Return per Unit of Risk | 0.5 | 0.7 | 0.6 | 1.2 |
| Max Drawdown | -38% | -5% | -21% | -10% |
| % of Time Over CPI + 3% | 85% | 15% | 69% | 85% |




For discussion purposes only. Simulated past performance is not a reliable indicator of current or future results. Backtested results are calculated by the retroactive application of a model constructed on the basis of historical data and based on assumptions integral to the model which may or may not be testable and are subject to losses. Past performance is not a reliable indicator of current and future results. Diversification does not guarantee investment returns and does not eliminate the risk of loss.

Sources: Bloomberg, Barclay's Capital, Clarksons, FTSE EPRA/NAREIT, IPD, JLL, MSCI, NCREIF-ODCE, S&P, and JPMAM Global Alternatives. Illustrative long-term analysis using asset class annual returns from 2007 to 2021.

Data Notes:

(1) Core Real Assets Portfolio is meant to portray hypothetical backtested JARA performance and contains the following allocations: 15% U.S. Core RE, 15% APAC Core Real Estate, 10% U.S. Real Estate Core Mezzanine Debt, 20% Global Core Infra Equity, 20% Global Core Transport, 10% U.S. All-tranche REITs, and 10% Listed Real Assets.

(2) The risk-return characteristics are calculated in local currency terms unless otherwise indicated.

(3) 60/40 Global Financial Assets denotes 60% MSCI World and 40% Barclays Global Agg.

(4) Return per unit of risk is calculated by dividing the 15-year CAGR by the 15-year standard deviation.

(5) Volatility is calculated using historical annual standard deviation of historical returns.

(6) The portfolio attributes stated in the above table are for illustrative purposes only.

(7) The max drawdown denotes the maximum historical peak to trough decline in asset values.

(8) % of time over UK CPI + 3% is calculated using UK CPI on a 3-year rolling returns plus 3%.

(9) The Core Real Assets portfolio assumes annual rebalancing.

## Underlying strategies

### Infrastructure

- Core/core+ infrastructure in OECD markets
- Sectors focus on renewables, contracted power, utilities and storage
- Platform investing approach allowing for long term value creation

### Transport

- Yield-focused backbone transport assets with long term leases with on average investment grade counterparties
- Providing income, uncorrelated returns and global exposure
- Maritime, energy logistics, aircraft, rail and fleet leasing

### Real Estate

- High quality real estate, across the U.S. and Asia-Pacific region. Exposure is through allocation to both equity and debt assets
- Core property sectors – logistics, residential, office and retail – in major growth markets with attractive demographics targeting the most dynamic liquid gateway cities, which are important hubs for economic growth
- Exposed predominantly to industrial/logistics, multifamily and office
- Real estate debt allocation is primarily floating rate and therefore provides a more defensive, rate sensitive allocation

### Listed Real Assets

- Listed exposure across real estate, infrastructure and transportation securities
- Listed real estate includes all-tranche REIT approach whereby investment is also diversified into debt securities

## Exposure to global themes

Real assets are the building blocks of productive societies – offering places for people to work and shop; providing essential services such as electricity and water and helping transport people and goods around the globe. As such, they are fundamental to the way we live our lives and are linked to many of the global trends we experience in society every day.

## Global trends within JARA's portfolio


For illustrative purpose only. As of 31 August 2022. Source of the images: J.P. Morgan. Holdings and exposure may be subject to change from time to time. All investments might not be suitable for all investors. Provided for information only, not to be construed as offer, research or investment advice.

Similar to how the fallout from the global pandemic created and accelerated some of these themes, over time, JPMAM expects new, equally influential themes to become important to the real asset market. This may, for example, be in how real assets can help Europe increase its energy independence or help the digitisation of our lives.

In each case, JPMAM remains vigilant and excited to pursue new themes within the core real asset marketplace on behalf of JARA.

# Contents

# Financial Highlights

## Total returns (including dividends reinvested)

| | Six months to 31st August 2022 | Year ended 28th February 2022 |
|---|---|---|
| Return to shareholders[1,A] | +29.2% | –8.9% |
| Return on net assets[2,A] | +15.9% | +12.9% |
| Dividend per share | 2.00p | 4.00p |

[1] Source: Morningstar. This is the total return (i.e. including dividends reinvested) on the Company's share price.
[2] Source: Morningstar/J.P. Morgan. This is the total return (i.e. including dividends reinvested) on the Company's net asset value per share.
[A] Alternative Performance Measure ('APM').

**A glossary of terms and Alternative Performance Measures is provided on pages 34 and 35.**

# Financial Highlights

## Summary of results

| | 31st August 2022 | 28th February 2022 | % change |
|---|---|---|---|
| Net asset value per share[APM] | 108.0p | 95.0p | +13.7[1] |
| Share price | 107.3p | 84.7p | +26.7[2] |
| Share price discount to net asset value per share[APM] | (0.7)% | (10.8)% | |
| Shareholders' funds (£'000) | 237,044 | 206,589 | +14.7 |
| Shares in issue | 219,407,952 | 217,407,952 | +0.9 |
| **Net cash[APM]** | **(1.9)%** | **(0.9)%** | |
| **Ongoing charges[APM]** | **1.22%** | **1.35%** | |

[1] % change, excluding dividends paid. Including dividends, the total return is 15.9%.
[2] % change, excluding dividends paid. Including dividends, the total return is 29.2%.
[A] Alternative Performance Measure ('APM').

**A glossary of terms and Alternative Performance Measures is provided on pages 34 and 35.**

# Chairman's Statement

**John Scott**
Chairman

## Introduction

I am pleased to present the interim report for JPMorgan Global Core Real Assets Limited (the 'Company', or 'JARA') for the six months ended 31st August 2022.

This has been an encouraging period for JARA. The Company recorded a total return on net assets of +15.9% over the six months, reflecting a period of positive performance in our underlying holdings, while also benefitting from the significant strengthening of the US dollar versus sterling; currency movements contributed +11.8% to returns. When combined with a narrowing of the discount to our net asset value, the result is a price total return for shareholders of +29.2%, the discount having tightened from 10.8% to 0.7% over the same period. The Investment Managers' Report reviews the Company's performance and gives a detailed commentary on the investment strategy and portfolio construction, and their outlook for the underlying strategies.

## Objectives and Features

Over the period economic activity around the world continued to recover from the COVID induced difficulties seen in the previous two years, but a tight labour market, loose monetary policy and supply chain woes saw inflation take hold in most economies. In addition, the invasion of Ukraine by Russia at the end of February 2022 ignited the most serious war in Europe in 75 years, with major ramifications for energy markets and commodity prices; at the time of writing there is no end in sight to this conflict.

The immediate domestic problem for western economies is inflation. The US Federal Reserve, the Bank of England and the European Central Bank have all increased interest rates and even after the latest round of rate hikes may well push them further by the end of 2022. The expectation is that the US, especially, is resolute in its determination to tighten monetary conditions and that equity markets, which have in general been soft in the past six months, may see some further collateral damage from this aggressive stance.

Happily, JARA has to a large extent been designed to cope well with the financial environment we face today, where so many sectors and asset classes are simultaneously affected by both macro and policy factors. As our name suggests, we invest around the world in core real assets of the type which are needed and paid for, come rain or shine. Our Investment Managers have achieved diversity on both a sectoral basis and across a number of developed economies, an approach which is proving to be reassuringly resilient during the challenging investment climate arising from conflict, inflation and the after-effects of the most disruptive pandemic for a century.

## Capital Deployment and Allocation

The portfolio has been fully invested since Q1 2021, but the period saw a shift in the real estate composition, reducing the equity allocation and increasing JARA's exposure to real estate-linked debt. This resulted in some 7% of the portfolio being allocated to this debt class, which increased income, reduced volatility and is in the main exposed to floating rate loans which are benefitting from rising rates, helping to increase the income generated by JARA's portfolio.

## Dividends

The Company declared two interim dividends of one penny each per Ordinary Share each, which were paid to shareholders on 31 May 2022 and 30 August 2022. A third dividend of a penny per Ordinary Share was declared after the period end and will be paid to shareholders on 29th November 2022.

## Share Issuance and Capital Raising

In the six-month review period, the Company took advantage of investor demand to issue an additional 2 million shares, raising some £2.3 million of proceeds. This issuance reflects the Board's assessment of the benefits that come from additional share issuance, the new shares being issued at a premium to NAV to compensate existing shareholders for any possible dilution of returns that can arise when new capital is waiting to be deployed. The Board maintains its view that periodic issuance of new shares at a modest premium when client demand and market opportunities arise is a sound way to grow JARA.

# Chairman's Statement

## Share Price and Interest Rates

JARA's discount moved from 10.8% at the start of the period to 0.7% at the end with an average of 0.5% over the six month period. This, however, masks the Company trading at a premium for a considerable portion of the period and opportunistically being able to issue new shares at a premium to NAV. The change from quarterly to monthly NAV disclosure served to provide investors with an enhanced degree of information and appeared to result in a more stable share price. Post period end, concerns over rising interest rates and therefore increasing risk free rates hit JARA's price, a similar impact was seen for most of the listed alternative asset funds. JARA's core nature and diversification across different interest rate environments via its global portfolio, should insulate it from a large portion of asset and interest rate specific risk. Over time, the portfolio income should increase as contractual revenue increases and natural inflation led price rises benefit the Company.

## Outlook

JARA has now been in business for three years and, when launched in September 2019, we had no notion of the storms that lay just around the corner. These started with COVID, which caused us multiple problems as discussed in previous reports, and we now face the interlinked challenges of inflation, energy shortages and war. In the face of all of these your Company is proving to be remarkably resilient, thanks both to the nature of its underlying assets and to the considerable investment diversity which has been achieved by our Investment Managers.

This is an opportune moment at which to remind ourselves of what JARA offers to its owners. We invest conservatively in pools of assets run internationally by arms of JPMorgan, designed to generate in aggregate an income stream of some 4% per annum, while at the same time providing a degree of capital growth in real terms. With a return to shareholders over the past six months of some 29%, including two interim dividends, we have comfortably met that objective during the latest period, but it is perhaps more relevant to look at our record since launch, where our total shareholder return to 31st August 2022 stands at an annualised rate with dividends reinvested of +6.2%.

UK investors, in particular, face a challenging outlook, with sterling under pressure, the political gyrations of its elected leaders undermining the confidence of international capital providers and with a role for the British economy in a post-Brexit world yet to be fully defined. In this context JARA presents a compelling investment proposition and your Board takes this opportunity to reiterate its confidence in the investment philosophy pursued by JARA and its Investment Managers.

**John Scott**
Chairman

29th November 2022

# Investment Managers' Report

## Review of Markets

The six months to 31st August 2022 was a difficult period with a rotation from a relatively positive outlook at the beginning of the period to markets confronting extensive challenges on a number of fronts. One of the primary challenges has been inflation which was initially stoked by excess savings and stimulus from the COVID pandemic, then materially worsened by the Russian invasion of Ukraine and the significant disruption to energy and commodity markets. The realisation that inflation would remain higher, and persist for longer, than Central Bank targets, means a squeeze on consumers from higher prices and elevated borrowing costs as Central Banks have rapidly increased interest rates. This resulted in a very difficult six months for equities and, to make matters worse, government bonds have also been hit so far this year, with falling prices and rapidly rising yields failing to provide the protection that investors usually seek during periods of such volatility.

Even as interest rates have risen, there are expectations for further increases later this year, although the pace of the increase is likely to be less steep than originally thought. Inflationary pressures remain the primary driver for these expectations, with inflation up to 8-10% across Europe and the U.S. and the UK seeing even higher rates. A good proportion of the increase in prices has been due to changes in energy and commodity markets. The U.S. has provided some mitigation to this through an increase in crude oil production and the release of strategic reserves, but unfortunately the same levers are not available to the U.K. and Europe.

On entering a downturn, eyes naturally shift to the U.S. housing market where the fixed rate for mortgages has already risen from below 3% to above 6%. However, while the number of housing transactions, and the associated economic activity, will likely continue to slow, it appears improbable that we will see a repeat of the 2008 housing-led financial crisis. This is because 95% of American mortgages today are on long-term fixed rates, compared with only 80% in 2007. As a result, there should be fewer forced sellers as a result of interest rate rises. There has also been much less sub-prime lending, and the banks are now better capitalised, which means they are better able to withstand loan losses that might be seen in a recession.

On a more positive note, the West has adapted well to 'living with Covid'. Less so, however, in China, with a smaller degree of infection-induced immunity and lower vaccine take-up among the elderly, meaning that various forms of restrictions continue to be imposed by the Chinese Government in a continuing attempt the quash the virus. Given that China accounts for between a third and a half of all global growth, these restrictions have wide economic consequences, including an impact on the transportation market.

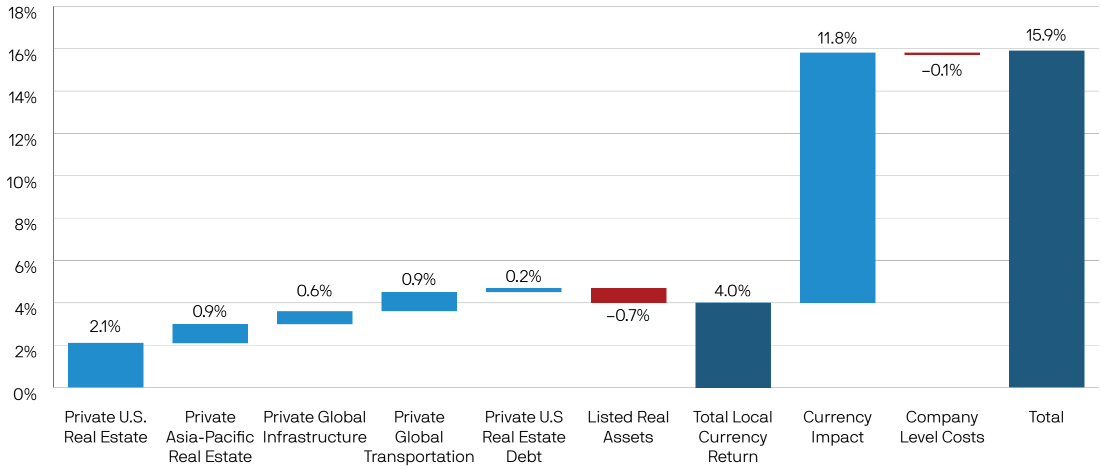
Our view is that fiscal support and more gradual central bank tightening will help us avoid a severe global downturn. With major markets having already experienced double-digit declines, our central scenario does not point to significant further downside for assets. But this is a time for forecasters to be humble in their convictions; understanding the post-pandemic economy and unprecedented policy response further complicates the forecasting process. As investors, this translates into a need for well diversified, balanced portfolios and, very possibly, increased use of non-public market diversifiers such a real assets as a way to ensure robust portfolio outcomes.

## Portfolio Review

### Portfolio Review and Positioning

The first six months of this financial year truly represents JARA's first full two quarters of being fully invested. Over the period, the Company's net asset value ('NAV) total return in sterling terms was +15.9%, this return being inclusive of two dividends of one penny per share. The annualised income based on the latest NAV is 3.7% and 4.0% on initial issue price. This strong positive NAV return aligns with JARA's assets remaining resilient throughout the period despite broader volatility, albeit the return in sterling was helped by a strong US dollar. JARA's real estate, infrastructure and transportation allocations were all positive contributors to the total return as shown below.

**Weighted contribution to total NAV performance per sleeve**




Source: J.P. Morgan Asset Management. Numbers may not sum due to rounding. Currency impact also includes return earned from cash holdings over the year. Table shows the components of return contribution made up of income and capital. Capital contribution may be negative for reasons including asset depreciation, asset write downs or due to income return including some return of capital.

The below table details the Company's current sector allocation.

## Sector Exposures

| Sector | Allocation (%) | Direction of Travel |
|---|---|---|
| Industrial / Logistics | 19% | – |
| Office | 12% | ▼ |
| Residential | 9% | – |
| Retail | 5% | – |
| Other Real Estate | 5% | – |
| **Total Real Estate (private % / public %)** | **50% (40% / 10%)** | |
| Utilities | 10% | ▲ |
| Renewable Energy | 5% | – |
| Liquid Bulk Storage | 2% | – |
| Conventional Energy | 2% | – |
| Fixed transportation Assets | 1% | – |
| **Total Infrastructure (private % / public %)** | **20% (16% / 4%)** | |
| Maritime | 9% | ▼ |
| Energy Logistics | 8% | ▲ |
| Aviation | 2% | – |
| Rolling Stocks | 2% | – |
| **Total Transportation (private % / public %)** | **21% (18% / 3%)** | |
| Real Estate Mezzanine Debt | 7% | – |
| **Other Real Assets (private % / public %)** | **7% (7% / 0%)** | |
| | | |
| **Total Invested Portfolio** | **99%** | |

Source: J P. Morgan Asset Management. Data as of August 2022. 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. Numbers may not add to 100% due to rounding. The 'Direction of Travel' column arrows look to reflect any notable moves since the last reporting period as well as any known, but not yet completed transactions which could see a material shift in allocation.

JARA continues to be focused on providing investors with access to a global portfolio of real assets. The Company currently has 55% of its portfolio in the U.S, 28% in Asia-Pacific, 15% in Europe and 2% in the

# Investment Managers' Report

U.K. With this global portfolio comes global currency exposure which has been a significant positive contributor to the portfolio in the past six months alongside the strong local currency asset returns.

One of the primary drivers of return over the previous six months has been real estate. U.S. real estate contributed +2.1% over the period and Asia-Pacific real estate contributed +0.9%. This return was driven by the strong momentum at the start of the year where extraordinary demand was fuelled by a tight labour market and strong consumer and supply constraints, all of which combined to allow for broad-based rental growth. Towards the end of the period, however, capitalisation and discount rates started to expand to adapt for the increased probability of a recession, as well as the more restricted availability of debt.

Given the changing environment we have been evolving our holdings, with a focus on sectors, geographies and assets where we see supply constraints and demand supported by longer-term structural trends. We remain particularly excited about sectors which are typically in underinvested and/or higher growth parts of the economy. This includes sub-sectors like truck terminals, outdoor storage, healthcare and biotechnology. Our 7% allocation to real estate debt can also provide some insulation from volatility in real estate equity. With 83% exposure to floating loan rate loans across the mezzanine debt portfolio, this provides, positive interest rate sensitivity and improved income as rates rise.

Infrastructure and Transportation markets remain resilient and well supported by investor demand. Over the six-month period, our Infrastructure and Transportation strategies contributed +0.6% and +0.9% to the portfolio, respectively. An area of outperformance has been power generation which, whilst we primarily are focused on fixed long-term contracts, has benefited from higher energy prices where we have more market-based exposure. We have also increased exposure to the utility sector. Whilst these assets have experienced some cost pressure recently, their ability to pass on higher costs over time via passthrough mechanisms in the long term contracts should allow them to benefit from an inflation linked return. Acquisitions in contracted power and utilities have meant a shift away from more 'GDP - sensitive' assets such as airports and seaports. As we enter a more uncertain period of the economic cycle, we feel utilities will benefit from their strong cash-flow generation with lower sensitivity to the economic cycle.

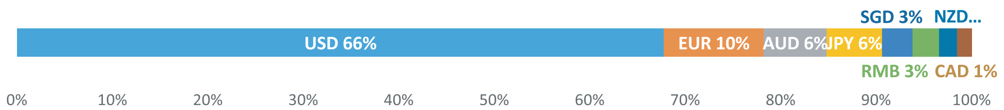
Among other things, Russia's invasion of Ukraine has also provided further requirements for both Infrastructure and Transportation. Both continue to benefit from the move towards a more energy efficient society, and are also going to play a key role in enabling economies to secure greater energy independence. As a result of this, we also see opportunities particularly in natural gas – both in strategically located storage facilities and in liquid natural gas carriers, where we continue to invest.

The Company's listed real asset allocation was a negative contributor of –0.7%. As a reminder, this allocation is made up of two distinct strategies: U.S. all-tranche REITs and an allocation more broadly across a variety of other listed real assets. The benefit of having an allocation to listed real assets within the portfolio is both as a source of liquidity – giving more flexibility around asset allocation – and a further diversifier in returns and sectoral exposure. This allocation was, however, impacted by the broader listed market sell-off during the period.

### Other Portfolio metrics/exposures

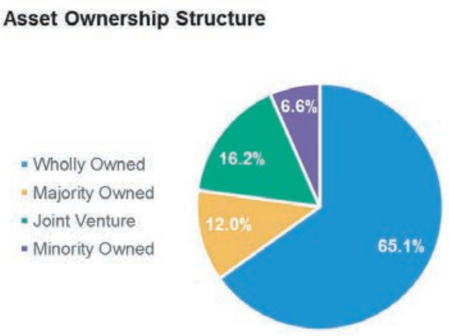
| Number of private Investments | Number of private assets |
|---|---|
| 309 | 1,168 |

### Currency



# Investment Managers' Report

## Balance Sheet





**7.3%** Weighted Average Discount Rate

**35.4%** Weighted Average Look-through LTV[1]

**3.1%** Weighted Average Cost of Debt[3]

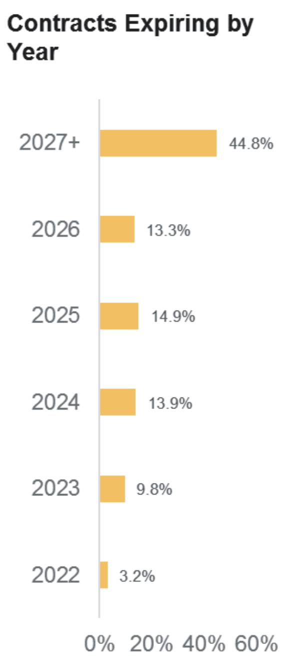
**77% / 23%** Fixed / Floating Debt[3]

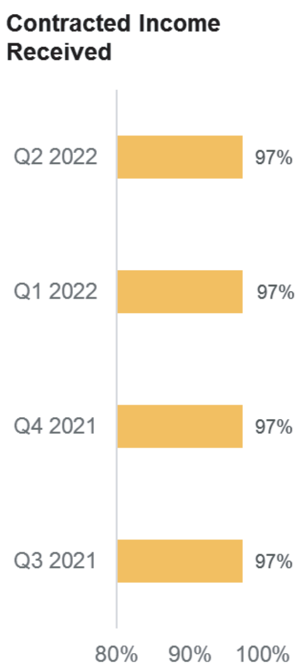
Data as at 31st August 2022. Numbers include only private assets in the portfolio. Weighted average based on selected private asset allocations, normalised to 100%.

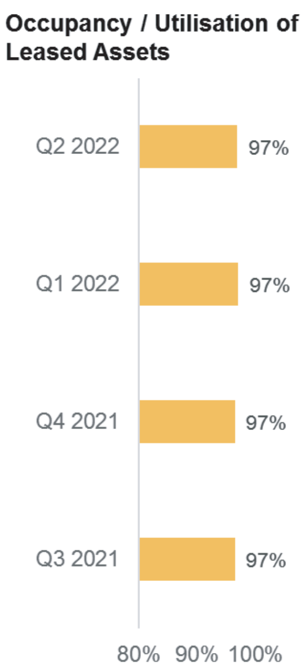
1 – Loan-to-value (LTV) includes real estate mezzanine debt ('mezz') at 0% leverage.

2 – Debt maturity is look-through and excludes mezz.

3 – Excludes mezz.




Data as at 31st August 2022. Numbers include only private real estate and transportation assets.

Investment Managers
**J.P. Morgan Asset Management, Inc.**
**Security Capital Research & Management Inc. and J.P. Morgan Alternative Asset Management Inc.**

29th November 2022

# Geographic Analysis

## Geographic

| | 31st August 2022 Portfolio %[1] | 28th February 2022 Portfolio %[1] |
|---|---|---|
| United States of America | 47.3 | 45.5 |
| Global* | 18.7 | 18.8 |
| Australia | 6.5 | 6.5 |
| Japan | 5.9 | 6.1 |
| Singapore | 3.2 | 3.2 |
| China | 2.7 | 2.7 |
| New Zealand | 1.9 | 1.9 |
| United Kingdom | 1.9 | 2.1 |
| Spain | 1.7 | 1.9 |
| Germany | 1.7 | 1.9 |
| Italy | 1.5 | 1.7 |
| Canada | 1.5 | 1.7 |
| Netherlands | 1.1 | 1.1 |
| South Korea | 0.7 | 0.7 |
| Hong Kong | 0.7 | 0.7 |
| Sweden | 0.7 | 0.7 |
| France | 0.5 | 0.7 |
| Portugal | 0.4 | 0.4 |
| Finland | 0.4 | 0.4 |
| Switzerland | 0.2 | 0.2 |
| Denmark | 0.2 | 0.2 |
| Bermuda | 0.2 | 0.3 |
| Norway | 0.1 | 0.2 |
| Chile | 0.1 | 0.1 |
| Belgium | 0.1 | 0.2 |
| Estonia | 0.1 | 0.1 |
| **Total** | **100.0** | **100.0** |

[1] Based on total investments of £232.5m (28th February 2022: £204.7m).

* Represented by the holding of Global Transport Income Fund Feeder Partnership SCSp. Due to the nature of the underlying assets, a geographical allocation is not available.

# List of Investments

## List of investments

As at 31st August 2022

Holdings which have a value of £125,000 or more are disclosed on an individual basis, holdings which have a value of less than £125,000 are disclosed in aggregate, per country, as Other investments.

| Company | Valuation £'000 |
|---|---|
| **Private Collective Investment Schemes** | |
| SPF FIV5 (Lux) SCSp (Strategic Property Fund FIV5 (Lux) SCSp)[1] | 52,890 |
| Global Transport Income Fund Feeder Partnership SCSp | 43,521 |
| Strategic Property Fund Asia SCSp | 42,004 |
| IIF UK 1 LP (Infrastructure Investments Fund UK 1 LP) | 38,569 |
| U.S. Real Estate Mezzanine Debt Fund Feeder (Lux) SCSp | 16,562 |
| **TOTAL COLLECTIVE INVESTMENT SCHEMES** | **193,546** |

| Company | Valuation £'000 |
|---|---|
| **Equities** | |
| **United States of America** | |
| Public Storage | 1,331 |
| Prologis | 1,250 |
| American Homes 4 Rent | 882 |
| Digital Realty | 730 |
| Equinix | 718 |
| Vornado Realty Preference 5.25% | 611 |
| Simon Property | 529 |
| Equity Residential | 475 |
| Ventas | 471 |
| CubeSmart | 454 |
| Alexandria Real Estate Equities | 401 |
| Kite Realty | 381 |
| AvalonBay Communities | 381 |
| Apartment Income | 372 |
| Kimco Realty Preference 5.25% | 355 |
| Healthpeak Properties | 342 |
| Host Hotels & Resorts | 338 |
| Federal Realty Investment | 322 |
| Camden Property | 297 |
| Life Storage | 290 |
| Invitation Homes | 260 |
| Welltower | 259 |
| VICI Properties | 245 |
| Essex Property | 232 |

| Company | Valuation £'000 |
|---|---|
| **Equities continued** | |
| **United States of America continued** | |
| DiamondRock Hospitality Preference 8.25% | 232 |
| First Industrial Realty | 216 |
| Urstadt Biddle Properties Preference 5.88% | 205 |
| SL Green Realty Preference 6.50% | 205 |
| Douglas Emmett | 194 |
| Hudson Pacific Properties Preference 6.38% | 184 |
| South Jersey Industries | 181 |
| Regency Centers | 179 |
| Pebblebrook Hotel Preference 6.38% | 177 |
| Boston Properties | 174 |
| SITE Centers | 164 |
| Southern | 160 |
| SBA Communications | 158 |
| Iron Mountain | 155 |
| UDR | 152 |
| CH Robinson Worldwide | 152 |
| Duke Energy | 149 |
| National Fuel Gas | 148 |
| Consolidated Edison | 142 |
| Clearway Energy | 141 |
| Ryder System | 140 |
| Equity LifeStyle Properties | 140 |
| Marten Transport | 138 |
| United Parcel Service | 137 |
| FirstEnergy | 135 |
| Duke Realty | 134 |
| Forward Air | 133 |
| Spire | 132 |
| Ameren | 132 |
| Avangrid | 131 |
| PPL | 129 |
| Dominion Energy | 129 |
| Chatham Lodging Preference 6.63% | 126 |
| Other investments | 4,905 |
| | **22,035** |

# List of Investments

## List of investments (continued)

As at 31st August 2022

Holdings which have a value of £125,000 or more are disclosed on an individual basis, holdings which have a value of less than £125,000 are disclosed in aggregate, per country, as Other investments.

| Company | Valuation £'000 |
|---|---|
| **Equities continued** | |
| **Japan** | |
| Electric Power Development | 137 |
| Hitachi Transport System | 136 |
| Seibu | 133 |
| Kansai Electric Power | 130 |
| Maruwa Unyu Kikan | 128 |
| Other investments | 2,670 |
| | **3,334** |
| **Canada** | |
| Capital Power | 157 |
| Northland Power | 149 |
| Hydro One | 148 |
| TFI International | 144 |
| Canadian National Railway | 141 |
| Canadian Utilities | 140 |
| Emera | 138 |
| Mullen | 134 |
| Algonquin Power & Utilities | 129 |
| TransAlta Renewables | 128 |
| Atco | 127 |
| Other investments | 887 |
| | **2,422** |
| **Australia** | |
| APA | 133 |
| Aurizon | 129 |
| Shopping Centres Australasia Property | 126 |
| Other investments | 980 |
| | **1,368** |
| **United Kingdom** | |
| SSE | 133 |
| National Grid | 130 |
| Severn Trent | 127 |
| Other investments | 785 |
| | **1,175** |
| **Italy** | |
| ERG | 139 |
| Other investments | 783 |
| | **922** |

| Company | Valuation £'000 |
|---|---|
| **Equities continued** | |
| **Hong Kong** | |
| MTR | 134 |
| Power Assets | 131 |
| Sino Land | 128 |
| CLP | 126 |
| Other investments | 273 |
| | **792** |
| **Spain** | |
| Cia de Distribucion Integral Logista | 141 |
| Naturgy Energy | 132 |
| Other investments | 436 |
| | **709** |
| **Singapore** | |
| Other investments | 701 |
| | **701** |
| **Germany** | |
| Other investments | 544 |
| | **544** |
| **France** | |
| Other investments | 465 |
| | **465** |
| **Denmark** | |
| Other investments | 404 |
| | **404** |
| **Bermuda** | |
| Other investments | 359 |
| | **359** |
| **Portugal** | |
| Other investments | 259 |
| | **259** |
| **New Zealand** | |
| Contract Energy | 134 |
| Other investments | 70 |
| | **204** |
| **Finland** | |
| Other investments | 178 |
| | **178** |
| **Belgium** | |
| Other investments | 163 |
| | **163** |

## List of investments (continued)

As at 31st August 2022

Holdings which have a value of £125,000 or more are disclosed on an individual basis, holdings which have a value of less than £125,000 are disclosed in aggregate, per country, as Other investments.

| Company | Valuation £'000 |
|---|---|
| **Equities continued** | |
| **Switzerland** | |
| Other investments | 118 |
| | **118** |
| **Austria** | |
| Other investments | 101 |
| | **101** |
| **Supranational** | |
| Other investments | 99 |
| | **99** |
| **Netherlands** | |
| Other investments | 83 |
| | **83** |
| **Norway** | |
| Other investments | 69 |
| | **69** |
| **Ireland** | |
| Other investments | 26 |
| | **26** |
| **Sweden** | |
| Other investments | 11 |
| | **11** |
| TOTAL EQUITIES | **36,541** |
| **Bonds** | |
| **United States of America** | |
| Healthpeak Properties 2.87% 2031 | 202 |
| Kimco Realty 2.80% 2028 | 189 |
| VICI Properties 4.95% 2030 | 171 |
| VICI Properties 4.75% 2026 | 170 |
| SITE Centers 3.62% 2025 | 154 |
| Other investments | 1,519 |
| **TOTAL BONDS** | **2,405** |
| **TOTAL INVESTMENTS[2]** | **232,492** |

[1] Invests into the Strategic Property Fund providing access into the US property market.

[2] All investments are listed on a stock exchange, except the Private Collective Investment Schemes.

# Statement of Comprehensive Income

## For the six months ended 31st August 2022

| | (Unaudited) Six months ended 31st August 2022 £'000 | (Unaudited) Six months ended 31st August 2021* £'000 | (Audited) Year ended 28th February 2022 £'000 |
|---|---|---|---|
| Gains on investments held at fair value through profit or loss | 28,896 | 7,614 | 15,896 |
| Net foreign currency gains | 203 | 1,093 | 905 |
| Investment income | 5,443 | 4,653 | 9,846 |
| Interest receivable and similar income | 2 | 8 | 183 |
| **Total return** | **34,544** | **13,368** | **26,830** |
| Management fee | (934) | (636) | (1,628) |
| Other administrative expenses | (426) | (654) | (1,023) |
| **Return before finance costs and taxation** | **33,184** | **12,078** | **24,179** |
| Finance costs | (1) | — | (1) |
| **Return before taxation** | 33,183 | 12,078 | 24,178 |
| Taxation | (535) | (128) | (485) |
| **Net return** | **32,648** | **11,950** | **23,693** |
| **Return per share (note 3)** | **15.01p** | **5.67p** | **11.06p** |

The Company does not have any income or expense that is not included in the net return for the period/year. Accordingly the 'Net return for the period/year, is also the 'Total comprehensive income' for the period/year, as defined in IAS1 (revised).

All Items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period/year.

* For the year ended 28th February 2022 the indirect (non-cash) management fees incurred on the Private Collective Investment Schemes were presented through the Statement of Comprehensive Income together with the direct management fees. For consistency the comparative figures to 31st August 2021 have been updated to reflect this new presentation.

# Statement of Changes in Equity

## For the six months ended 31st August 2022

| | Share premium £'000 | Retained earnings £'000 | Total £'000 |
|---|---|---|---|
| **Six months ended 31st August 2022 (Unaudited)** | | | |
| **At 28th February 2022** | **217,123** | **(10,534)** | **206,589** |
| Issue of ordinary shares | 2,155 | — | 2,155 |
| Net return for the period | — | 32,648 | 32,648 |
| Dividends paid in the period (note 4) | — | (4,348) | (4,348) |
| **At 31st August 2022** | **219,278** | **17,766** | **237,044** |
| **Six months ended 31st August 2021 (Audited)** | | | |
| **At 28th February 2021** | **209,136** | **(25,619)** | **183,517** |
| Issue of ordinary shares | 7,987 | — | 7,987 |
| Net return for the period | — | 11,950 | 11,950 |
| Dividends paid in the period (note 4) | — | (4,260) | (4,260) |
| **At 31st August 2021** | **217,123** | **(17,929)** | **199,194** |
| **Year ended 28th February 2022 (Audited)** | | | |
| **At 28th February 2021** | **209,136** | **(25,619)** | **183,517** |
| Issue of ordinary shares | 7,987 | — | 7,987 |
| Net return for the year | — | 23,693 | 23,693 |
| Dividends paid in the year (note 4) | — | (8,608) | (8,608) |
| **At 28th February 2022** | **217,123** | **(10,534)** | **206,589** |

# Statement of Financial Position

## At 31st August 2022

| | (Unaudited) 31st August 2022 £'000 | (Unaudited) 31st August 2021 £'000 | (Audited) 28th February 2022 £'000 |
|---|---|---|---|
| **Assets** | | | |
| **Non current assets** | | | |
| Investments held at fair value through profit or loss | 232,492 | 187,983 | 204,667 |
| **Current assets** | | | |
| Other receivables | 459 | 485 | 1,063 |
| Cash and cash equivalents | 4,573 | 11,185 | 1,175 |
| | 5,032 | 11,670 | 2,238 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Other payables | (480) | (459) | (316) |
| **Net current assets** | **4,552** | **11,211** | **1,922** |
| **Total assets less current liabilities** | **237,044** | **199,194** | **206,589** |
| **Net assets** | **237,044** | **199,194** | **206,589** |
| **Amounts attributable to shareholders** | | | |
| Share premium | 219,278 | 217,123 | 217,123 |
| Retained earnings | 17,766 | (17,929) | (10,534) |
| **Total shareholders' funds** | **237,044** | **199,194** | **206,589** |
| **Net asset value per share** (note 6) | **108.0p** | **91.6p** | **95.0p** |

# Statement of Cash Flows

## For the six months ended 31st August 2022

| | (Unaudited) Six months ended 31st August 2022 £'000 | (Unaudited) Six months ended 31st August 2021* £'000 | (Audited) Year ended 28th February 2022 £'000 |
|---|---|---|---|
| **Operating activities** | | | |
| Return before taxation | 33,183 | 12,078 | 24,178 |
| Deduct dividends received | (5,407) | (4,583) | (9,730) |
| Deduct investment income – interest | (36) | (70) | (116) |
| Deduct deposit and liquidity fund interest received | (2) | (8) | (183) |
| Less interest expense | (1) | — | (1) |
| Add indirect management fee | 497 | 299 | 880 |
| Less gains on investments held at fair value through profit or loss | (28,896) | (7,614) | (15,896) |
| Decrease/(increase) in prepayments and accrued income | 25 | 15 | (14) |
| Increase/(decrease) in other payables | 90 | 34 | (101) |
| Add exchange gains on cash and cash equivalents | (71) | (166) | 107 |
| Taxation | (541) | (240) | (484) |
| **Net cash inflow/(outflow) from operating activities before interest and taxation** | **(1,159)** | **(255)** | **(1,360)** |
| Dividends received | 6,004 | 4,952 | 9,413 |
| Investment income – interest | 38 | 103 | 150 |
| Deposit and liquidity fund interest received | 2 | 8 | 183 |
| Interest expense | 1 | — | 1 |
| Purchases of investments held at fair value through profit or loss | (31,021) | (79,396) | (53,630) |
| Sales of investments held at fair value through profit or loss | 31,655 | 62,013 | 27,279 |
| **Net cash inflow/(outflow) from operating activities** | **5,520** | **(12,575)** | **(17,964)** |
| **Financing activities** | | | |
| Issue of ordinary shares | 2,155 | 7,987 | 7,987 |
| Dividends paid | (4,348) | (4,260) | (8,608) |
| **Net cash (outflow)inflow from financing activities** | **(2,193)** | **3,727** | **(621)** |
| Increase/(decrease) in cash and cash equivalents | 3,327 | (8,848) | (18,585) |
| Cash and cash equivalents at the start of the period/year | 1,175 | 19,867 | 19,867 |
| Exchange movements | 71 | 166 | (107) |
| **Cash and cash equivalents at the end of the period/year[1]** | **4,573** | **11,185** | **1,175** |

[1] Cash and cash equivalents includes liquidity funds.

* For the year ended 28th February 2022 the indirect (non-cash) management fees incurred on the Private Collective Investment Schemes were presented through the Statement of Comprehensive Income together with the direct management fees. For consistency the comparative figures to 31st August 2021 have been updated to reflect this new presentation.

# Notes to the Financial Statements

For the six months ended 31st August 2022.

## 1. General information

The Company is a closed-ended investment company incorporated in accordance with the Companies (Guernsey) Law, 2008. Its registered office is at 1st Floor, Les Echelons Court, Les Echelons, South Esplanade, St Peter Port, Guernsey GY1 1AR.

The principal activity of the Company is investing in securities as set out in the Company's Objective and Investment Policy.

The Company was incorporated on 22nd February 2019. It was admitted to the premium listing category of the Official List of the Financial Conduct Authority and to trading on the Main Market and had its first day of trading on 24th September 2019.

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

### Investment objective

The Company will seek to provide Shareholders with stable income and capital appreciation from exposure to a globally diversified portfolio of core real assets.

### Investment policy

The Company will pursue its investment objective through diversified investment in private funds or accounts managed or advised by entities within J.P. Morgan Asset Management (together referred to as 'JPMAM'), the asset management business of JPMorgan Chase & Co. These JPMAM Products will comprise 'Private Funds', being private collective investment vehicles, and 'Managed Accounts', which will typically take the form of a custody account the assets in which are managed by a discretionary manager.

## 2. Accounting policies

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'), which comprise standards and interpretations approved by the International Accounting Standards Board ('IASB'), the IFRS Interpretations Committee and interpretations approved by the International Accounting Standards Committee ('IASC') that remain in effect and the Companies (Guernsey) Law, 2008.

These financial statements have been prepared on a going concern basis in accordance with IAS 1, applying the historical cost convention, except for the measurement of financial assets including derivative financial instruments designated as held at fair value through profit or loss ('FVTPL') that have been measured at fair value.

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 28th February 2022.

## 3. Return per share

| | (Unaudited) Six months ended 31st August 2022 £'000 | (Unaudited) Six months ended 31st August 2021 £'000 | (Audited) Year ended 28th February 2022 £'000 |
|---|---|---|---|
| Total return | 32,648 | 11,950 | 23,693 |
| Weighted average number of shares in issue during the period/year | 217,570,995 | 211,009,854 | 214,182,610 |
| **Total return per share** | **15.01p** | **5.67p** | **11.06p** |

# Notes to the Financial Statements

## 4. Dividends paid

| | (Unaudited) Six months ended 31st August 2022 £'000 | (Unaudited) Six months ended 31st August 2021 £'000 | (Audited) Year ended 28th February 2022 £'000 |
|---|---|---|---|
| 2022/2023 First interim dividend of 1.00p (2021/2022: 1.00p) per share | 2,174 | 2,088 | 2,088 |
| 2022/2023 Second interim dividend of 1.00p (2021/2022: 1.00p) per share | 2,174 | 2,172 | 2,172 |
| 2021/2022 Third interim dividend of 1.00p | — | — | 2,174 |
| 2021/2022 Fourth interim dividend of 1.00p | — | — | 2,174 |
| **Total dividends paid in the period** | **4,348** | **4,260** | **8,608** |

A third interim dividend of one penny per share, amounting to £2,194,080 has been declared payable on 29th November 2022 in respect of the year ending 28th February 2023.

## 5. Net asset value per share

| | (Unaudited) Six months ended 31st August 2022 £'000 | (Unaudited) Six months ended 31st August 2021 £'000 | (Audited) Year ended 28th February 2022 £'000 |
|---|---|---|---|
| Net assets (£'000) | 237,044 | 199,194 | 206,589 |
| Number of shares in issue | 219,407,952 | 217,407,952 | 217,407,952 |
| **Net asset value per share** | **108.0p** | **91.6p** | **95.0p** |

## 6. Disclosures regarding financial instruments measured at fair value

The disclosures required by the IFRS 13: 'Fair Value Measurement' are given below. The Company's financial instruments within the scope of IFRS 13 that are held at fair value comprise its investment portfolio and derivative contracts.

The investments are categorised into a hierarchy consisting of the following three levels:

Level 1 – valued using unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 – valued by reference to valuation techniques using other observable inputs not included within Level 1.

Level 3 – valued by reference to valuation techniques using unobservable inputs.

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset.

The recognition and measurement policies for financial instruments measured at fair value are consistent with those disclosed in the last annual financial statements.

The following tables set out the fair value measurements using the IFRS 13 hierarchy at the relevant period end:

| | (Unaudited) 31st August 2022 | | | |
|---|---|---|---|---|
| | Level 1 £'000 | Level 2 £'000 | Level 3 £'000 | Total £'000 |
| **Financial instruments held at fair value through profit or loss** | | | | |
| **As at 31st August 2022** | | | | |
| Equity investments | 36,541 | — | — | 36,541 |
| Debt securities | — | 2,405 | — | 2,405 |
| Private Collective Investment Scheme[1] | — | — | 193,546 | 193,546 |
| Liquidity fund[2] | 141 | — | — | 141 |
| | **36,682** | **2,405** | **193,546** | **232,633** |

[1] Consists of the Private Collective Investment Schemes: Infrastructure Investments Fund UK 1 LP, Strategy Property Fund FIV5 (Lux) SCSp, Strategic Property Fund Asia SCSp, Global Transport Income Fund Feeder Partnership SCSp and U.S. Real Estate Mezzanine Debt Fund Feeder (Lux) SCSp.

[2] Presented under Cash and cash equivalents in Statement of Financial Position.

There were no transfers between level 1, 2 or 3 during the period.

A reconciliation of the movement in level 3 financial instruments for the period ended 31st August 2022 is set out below.

| | (Unaudited) 31st August 2022 Total £'000 | (Unaudited) 31st August 2021 Total £'000 | (Audited) 28th February 2022 Total £'000 |
|---|---|---|---|
| **Level 3** | | | |
| **Opening balance** | **160,466** | **122,564** | **122,564** |
| Commitment drawndown in the period/year | 6,260 | 19,968 | 29,227 |
| Dividend distributions[1] | (644) | (644) | (1,319) |
| Expenses such as Management and Advisory fees[2] | (497) | (299) | (880) |
| Interest on commitments drawndown but not yet unitised | 10 | 40 | 54 |
| Unrealised gain on investments | 27,951 | 1,776 | 10,820 |
| **Closing balance** | **193,546** | **143,405** | **160,466** |

[1] In relation to Strategic Property Fund FIV5 (Lux) SCSp, Global Transport Income Fund Feeder Partnership SCSp, Strategic Property Fund Asia SCSp, Infrastructure Investments Fund UK 1 LP and U.S. Real Estate Mezzanine Debt Fund Feeder (Lux) SCSp.

[2] Management fee in relation to Global Transport Income Fund Feeder Partnership SCSp, Strategic Property Fund Asia SCSp and Infrastructure Investments Fund UK 1 LP. For the six months ended 31st August 2022 also in relation to the U.S. Real Estate Mezzanine Debt Fund Feeder (Lux) SCSp.

# Notes to the Financial Statements

## 6. Disclosures regarding financial instruments measured at fair value (continued)

The level 3 financial instruments consists of the Private Collective Investment Schemes: Infrastructure Investments Fund UK 1 LP, Strategic Property Fund FIV5 (Lux) SCSp, Strategic Property Fund Asia SCSp, Global Transport Income Fund Master Partnership and U.S. Real Estate Mezzanine Debt Fund Feeder (Lux) SCSp.

The valuation of the Private Collective Investment Schemes (Strategy Property Fund FIV5 (Lux) SCSp, Strategic Property Fund Asia SCSp, Infrastructure Investments Fund UK 1 LP, Global Transport Income Fund Feeder Partnership SCSp and U.S. Real Estate Mezzanine Debt Fund Feeder (Lux) SCSp) is based upon the latest available valuation provided by the unlisted private fund's manager, details are given in the table below. This element of the valuation is considered to be an unobservable input of the level 3 financial instrument valuation.

| | As at 31st August 2022 | | As at 28th February 2022* | |
|---|---|---|---|---|
| **Fund** | **Date of valuation provided by the Private Fund Manager** | **Valuation per unit (USD$)** | **Date of valuation provided by the Private Fund Manager** | **Valuation per unit (USD$)** |
| Strategic Property Fund FIV5 (Lux) SCSP | 30th June 2022 | 13.27 | 31st December 2021 | 12.15 |
| Infrastructure Investments Fund | 30th June 2022 | 0.86 | 31st December 2021 | 0.88 |
| Strategic Property Fund Asia SCSP | 30th June 2022 | 112.18 | 31st December 2021 | 112.35 |
| Global Transport Income Fund Master Partnership | 31st March 2022 | 108.92 | 31st December 2021 | 111.04 |
| U.S. Real Estate Mezzanine Debt Fund Feeder (Lux) SCSp | 30th June 2022 | 100.07 | N/A | N/A |

* As the year end of the Company (28th February) is non-coterminous with the dates of the valuations provided by the Managers of the Private Funds, the valuation per unit used includes an adjustment for the estimated income and capital returns for the period 1st January 2022 to 28th February 2022. No such adjustment has been made for the valuations used in the 31st August 2022 valuation.

If the price per unit varied by 1%, this would result in a change of £1,935,000 (year ended 28th February 2022: £1,605,000) to the valuation of the level 3 financial instruments.

# Interim Management Report

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

## Principal and Emerging Risks and Uncertainties

The principal and emerging risks and uncertainties faced by the Company fall into the following broad categories: investment management and performance, operational, regulatory, environmental, global and pandemics. Information on each of these areas is given in the Company's Strategic Report within the Annual Report and Financial Statements for the year ended 28th February 2022.

## 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 that having considered the Company's objective, risk management policies, capital management policies and procedures, the nature of the portfolio and expenditure projections, the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for a period of at least 12 months from the date of approval of this Half Year Report. They have not identified any material uncertainties to the Company's ability to continue to do so over a period of at least 12 months from the date of approval of this Half Year Report. This conclusion also takes into account the Board's assessment of the risks arising from the ongoing COVID-19 pandemic and recent market uncertainty, which has now been exacerbated by Russia's invasion of Ukraine on the current and future operations of the Company.

## 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 Report has been prepared in accordance with FRS104 'Interim Financial Reporting' and gives a true and fair view of the assets, liabilities, financial position and net return of the Company as required by the Disclosure Guidance and Transparency Rules ('DTR') 4.2.4R; and

(ii) the interim management report includes a fair review of the information required by DTR 4.2.7R and 4.2.8R.

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 Scott**
Chairman

29th November 2022

# Glossary of Terms and Alternative Performance Measures ('APMS') (Unaudited)

### Return to Shareholders (APM)

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

| Total return calculation | Page | Six months ended 31st August 2022 | |
|---|---|---|---|
| Opening share price (p) | 9 | 84.7 | (a) |
| Closing share price (p) | 9 | 107.3 | (b) |
| Total dividend adjustment factor[1] | | 1.020110 | (c) |
| Adjusted closing share price (p) (d = b x c) | | 109.4 | (d) |
| **Total return to shareholders (e = d / a – 1)** | | **29.2%**[2] | (e) |

[1] The distribution adjustment factor is calculated on the assumption that the distributions paid out by the Company are reinvested into the shares of the Company at the last traded price quoted at the ex-distribution date.

[2] Total return calculated based upon absolute figures. Above illustration uses rounded figures.

### Return on Net Assets (APM)

Total return on net asset value ('NAV') per share, on a bid value to bid value basis, assuming that all distributions 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-distribution.

| Total return calculation | Page | Six months ended 31st August 2022 | |
|---|---|---|---|
| Opening NAV per share (p) | 9 | 95.0 | (a) |
| Closing NAV per share (p) | 9 | 108.0 | (b) |
| Total distribution adjustment factor[1] | | 1.019296 | (c) |
| Adjusted closing share price (p) (d = b x c) | | 110.0 | (d) |
| **Total return on net assets (e = d / a – 1)** | | **15.9%** | (e) |

[1] The distribution adjustment factor is calculated on the assumption that the distributions paid out by the Company are reinvested into the shares of the Company at the NAV at the ex-distribution date.

## 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.

| Gearing calculation | Page | 31st August 2022 £'000 | 28th February 2022 £'000 | |
|---|---|---|---|---|
| Investments held at fair value through profit or loss | 25 | 232,492 | 204,667 | (a) |
| Net assets | 25 | 237,044 | 206,589 | (b) |
| **Net Cash (c = a / b – 1)** | | **(1.9)%** | **(0.9)%** | (c) |

# Glossary of Terms and Alternative Performance Measures ('APMS') (Unaudited)

## Ongoing Charges (APM)

The ongoing charges represent 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 August 2022 is an estimated annualised figure based on the figures for the six months ended 31st August 2022.

| Ongoing charges calculation | Page | 31st August 2022 £'000 | 28th February 2022 £'000 | |
|---|---|---|---|---|
| Management Fee[1] | 23 | 1,868 | 1,628 | |
| Other administrative expenses | 23 | 852 | 1,023 | |
| Total management fee and other administrative expenses | | 2,720 | 2,651 | (a) |
| Average daily cum-income net assets | | 222,677 | 196,366 | (b) |
| **Ongoing charges (c = a / b)** | | **1.22%** | **1.35%** | (c) |

[1] Represents both direct management fees, and indirect management fees.

## Share Price Discount/Premium to Net Asset Value ('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 (page 9).

# Where to Buy J.P. Morgan Investment Trusts

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

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 provider's 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' website at https://www.theaic.co.uk/how-to-vote-your-shares 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

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

To familiarise yourself with the Financial Conduct Authority adviser charging and commission rules, visit fca.org.uk

# Information About the Company

## FINANCIAL CALENDAR

| | |
|---|---|
| Financial year-end date | **28th/29th February** |
| Distributions payable | **February, May, August and November** |
| Final results announced | **June/July** |
| Annual General Meeting | **July/August** |
| Half year end | **31st August** |
| Half year results announced | **November** |

## History
JPMorgan Global Core Real Assets Limited is a Guernsey-incorporated investment company which was launched in September 2019.

## Directors
John Scott (Chairman)
Helen Green
Simon Holden
Chris Russell

## Company Numbers
Company Registration Number: 66082
London Stock Exchange ISIN Code: GG00BJVKW831
Bloomberg: JARA
LEI: 549300D8JHZTH6GI8F97
SEDOL: BJVKW83

## Market Information
The Company's unaudited net asset value is published quarterly via the London Stock Exchange.

The Company's shares are listed on the London Stock Exchange. The market price is shown daily in the Financial Times, and on the Company's website at www.jpmrealassets.co.uk, where the share price is updated every 15 minutes during trading hours.

## Website
The Company's website can be found at www.jpmrealassets.co.uk and includes useful information about the Company, such as daily prices, factsheets and will include current and historic half year and annual reports once available.

## 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

## Administrator
J.P. Morgan Administration Services (Guernsey) Limited

aic
The Association of Investment Companies

A member of the AIC

## Company's Registered Office
1st Floor
Les Echelons Court
Les Echelons
South Esplanade
St Peter Port
Guernsey GY1 1AR.

For Company Secretarial and administrative matters, please contact Emma Lamb at the above address.

## Depositary
The Bank of New York Mellon (International) Limited
1 Canada Square
London E14 5AL

The Depositary has appointed JPMorgan Chase Bank, N.A. as the Company's custodian.

## Custodian
J.P. Morgan Chase Bank, National Association
25 Bank Street
Canary Wharf
London E14 5JP

## Registrar
Link Asset Services (Guernsey) Limited
Mont Crevelt House
Bulwer Avenue
St Sampson
Guernsey GY2 4LH
Telephone number: 0371 664 0300

(Calls cost 10p per minute plus network extras)

Lines open 8.30 a.m. to 5.30 p.m. Monday to Friday. The overseas helpline number is +44 (0)121 415 0224.

Email: enquiries@linkgroup.co.uk

Registered shareholders can obtain further details on their holdings on the internet by visiting www.signalshares.com.

## Independent Auditor
PricewaterhouseCoopers CI LLP
PO Box 321
Royal Bank Place
1 Glategny Esplanade
St Peter Port
Guernsey GY1 4ND

## Broker
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J.P.Morgan
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