

JPMorgan US Smaller Companies Investment Trust plc

Invest in the Heart of America

Annual Report & Financial Statements for the year ended 31st December 2025



J.P.Morgan
ASSET MANAGEMENT

Contents

JPMorgan US Smaller Companies Investment Trust plc (JUSC or the Company)

Annual Report & Financial Statements for the year ended 31st December 2025

Key Features 3

Strategic Report

Financial Highlights	6
Chair's Statement	8
Investment Manager's Report	12
Manager's Investment Process	16
Ten Largest Investments	20
Portfolio Information	22
Business Review	27
Principal and Emerging Risks	31
Long-Term Viability	35
Duty to Promote the Success of the Company	36

Directors' Report

Board of Directors	41
Directors' Report	42
Corporate Governance Statement	45
Audit Committee Report	52

Directors' Remuneration Report	56
--------------------------------	----

Statement of Directors' Responsibilities	60
------------------------------------------	----

Independent Auditor's Report	62
------------------------------	----

Financial Statements

Statement of Comprehensive Income	68
Statement of Changes in Equity	69
Statement of Financial Position	70
Statement of Cash Flows	71
Notes to the Financial Statements	72

Regulatory Disclosures (Unaudited)

Alternative Investment Fund Managers Directive Disclosures (Unaudited)	89
Securities Financing Transactions Regulation Disclosure (Unaudited)	90

Shareholder Information (Unaudited)

Notice of Annual General Meeting	92
Glossary of Terms and Alternative Performance Measures (Unaudited)	96
Investing in the Company	99
Share Fraud Warning	100
Information About the Company	101

2026 Financial Calendar

Financial year end	31st December
Full year results announced	March/April
Half year end	30th June
Half year results announced	Aug/Sept
Annual General Meeting	June

Website

www.jpumusmallercompanies.co.uk

Please visit the website above for useful information such as daily prices, factsheets and current and historic half year and annual reports.

Stay informed: receive the latest JUSC newsletter

Sign up to receive regular email updates and relevant news and views directly to your inbox. Scan the QR code below on your smartphone camera or opt in via <https://tinyurl.com/JUSC-Sign-Up>



Contact the Company

General enquiries about the Company should be directed to the Company Secretary at jpmam.investment.trusts@jpmorgan.com

Image Cover: Cityscape of downtown Denver with the Flatirons and Longs Peak, United States.

JPMorgan US Smaller Companies Investment Trust plc (the Company) at a Glance



Investment Objective

Capital growth from investing in US smaller companies.



Investment Policy

The portfolio is a product of the investment team's bottom-up investment approach and disciplined portfolio construction.

The investment philosophy is clear: to invest in companies that have a financially sustainable competitive advantage, that are run by competent management teams who have a track record of success and are good stewards of capital, and to focus on owning equity stakes in businesses that trade at a discount to their intrinsic value.



Investment team

The investment team is situated in New York. The lead portfolio manager, Don San Jose, has managed the portfolio since November 2008. The co-managers, Dan Percella and Jon Brachle, were appointed in 2014 and 2017 respectively. They are supported by additional investment professionals dedicated to researching US smaller companies, as well as the wider JPMAM investment management team.



Benchmark Index

The Russell 2000 Index total return with net dividends reinvested, expressed in sterling terms (the Benchmark). This index is a smaller companies index and is rebalanced annually to represent the smallest two thousand stocks by market capitalisation of all companies quoted in the Russell 3000 Index. Comparison of the Company's performance is made against this index.



Capital Structure

At 31st December 2025, the Company's share capital comprised 65,406,275 ordinary shares of 2.5p each including 11,670,969 shares held in Treasury. Since the year end, a further 1,607,113 shares have been repurchased into Treasury.



Share Issuance and Buyback Policy

The Directors have authority on behalf of the Company to either buyback shares in the market for cancellation or into Treasury or issue new ordinary shares for cash.

Share buybacks are only undertaken at a discount to Net Asset Value (NAV), ensuring value accretion for continuing shareholders. Shares are only sold at a premium to NAV, whether new shares, or shares re-issued from Treasury.



Management Company and Company Secretary

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

Key Features

“We seek to invest in high-quality companies at a reasonable valuation.”

Jon Brachle, Portfolio Manager
JPMorgan US Smaller Companies Investment Trust plc



Our heritage and our team

JPMorgan US Smaller Companies Investment Trust plc (the Company) has a long track record of investment in US small capitalisation stocks, employing a consistent and disciplined process. The lead portfolio manager of the Company is Don San Jose, who has 29 years' experience and has been managing the Company since 2008. He is assisted in the management of the Company by co-portfolio managers Dan Percella and Jon Brachle. The Portfolio Managers have research responsibilities for the Company. They are also supported by Chris Carter and Jesse Huang, who are dedicated to researching US smaller companies. The investment team has an average of 20 years' experience. The experience and longevity of the investment team serve as a significant competitive advantage. In addition, the investment team can leverage the vast resources at JPMAM which include over 70 US equity analysts and over 130 research analysts globally.

Our proven investment approach

Don San Jose and the team are bottom-up managers and select stocks based on company fundamentals and proprietary fundamental analysis to construct portfolios. It is through independent research focused on high-quality stocks, together with a disciplined approach to valuation that the team aims to add value for investors over the long term. The team exercises a fundamental approach to investing in companies with an emphasis on durable business models, quality management, consistent earnings, high return on invested capital and sustainable free cash flow. The fundamental components of the investment philosophy have remained consistent since the team began managing US small cap assets. However, the investment approach has evolved considerably in recent years with expanded stock coverage and the use of additional resources, including the integration of financially material Environment, Social and Governance (ESG) metrics into the investment process and the enhanced use of technological tools.

2,500+
companies¹

Companies under coverage within the Global Equity Research team

70+
professionals¹

The team leverages the insights of over 70 research analysts in the U.S. and over 130 globally

20+
years¹

The 70+ U.S. equity analysts have an average of 20 years of industry experience

93.8%
Active Share^{1,A}

Fundamental approach, focusing on high-quality companies with attractive valuations

Source: J.P. Morgan Asset Management.

¹ Data as of December 2025.

^A Alternative Performance Measure.



Financial Highlights

Total returns (including dividends reinvested) to 31st December 2025

	2025	2024	3 Years Cumulative	5 Years Cumulative	10 Years Cumulative
Return to shareholders ^{1,A}	-15.3%	+18.7%	+4.6%	+2.7%	+131.1%
Return on net assets ^{2,A}	-10.9%	+11.3%	+3.7%	+12.0%	+146.0%
Benchmark return ³	+4.8%	+13.3%	+30.7%	+35.2%	+168.9%
Return on net assets relative to benchmark return ^{3,A}	-15.7%	-2.0%	-27.0%	-23.2%	-22.9%
Dividend in respect of the year ⁴	3.2p	3.1p			

¹ Source: Morningstar.

² Source: Morningstar/J.P. Morgan, using cum-income net asset value per share with debt at par value.

³ Source: Russell Investments. The Company's benchmark is the Russell 2000 Index total return with net dividends reinvested, expressed in sterling terms.

⁴ 2025 dividend is subject to approval by shareholders at the 2026 Annual General Meeting.

^A Alternative Performance Measure (APM).

A glossary of terms and APMs is provided on pages 96 to 98.

Financial Highlights

Summary of results

	2025	2024	% change
Net asset value, share price, discount and market data at 31st December			
Net asset value per ordinary share ²	428.5p	484.6p	-11.6
Share price ¹	400.0p	476.0p	-16.0
Share price discount to net asset value per ordinary share ^A	6.7%	1.8%	
Shareholders' funds (£'000)	230,234	293,789	-21.6
Exchange rate	£1 = \$1.3451	£1 = \$1.2524	-6.9 ³
Ordinary shares in issue (excluding shares held in Treasury)	53,735,306	60,622,264	-11.4
Revenue and Dividend for the year ended 31st December			
Net revenue attributable to shareholders (£'000)	1,966	2,321	-15.3
Revenue return per ordinary share ^A	3.39p	3.74p	-9.4
Dividend per ordinary share ⁴	3.2p	3.1p	+3.2
Gearing at 31st December^A			
	9.7%	7.7%	
Ongoing Charges^A			
	1.00%	0.92%	

¹ Source: Morningstar.

² Source: Morningstar/J.P. Morgan, using cum income net asset value per share and debt at par value.

³ The US dollar weakened against Sterling during the year.

⁴ 2025 dividend is subject to approval by shareholders at the 2026 Annual General Meeting.

^A Alternative Performance Measure (APM).

A glossary of terms and APMs is provided on pages 96 to 98.

Chair's Statement



“The Board believes that the Company’s long-term investment philosophy, combined with the investment trust structure, continues to offer shareholders significant investment benefits over the long run.”

Dominic Neary, Chair

Introduction

The Company’s investment objective is to generate capital growth from investing in US smaller companies with a sustainable competitive advantage, that are run by proven management teams, and that trade at a discount to their intrinsic value. Total returns in 2025 significantly lagged the Company’s benchmark, the Russell 2000 Index. The majority of the under-performance was realised over the three-month period from August to October when high expectations for the potential benefits of artificial intelligence (AI) drove related stocks to elevated levels. These market conditions proved very challenging for the Company, given its focus on high-quality, reasonably priced stocks.

The Board regularly monitors and reviews the Investment Manager, their investment philosophy, process and the underlying investments in the Company’s investment portfolio. In 2025 additional scrutiny of all aspects of the Company’s investment management was undertaken in the face of performance challenges.

Despite the recent setback, the Board believes that the Company’s long-term investment philosophy, combined with the investment trust structure, continues to offer shareholders significant investment benefits over the long run. Further, the Board currently believes that the Manager’s scale, resources and experienced investment team will serve the Company well over time. Shareholders also indicated their support for the Company’s approach at the June 2025 Annual General Meeting (AGM) by voting for the continuation of the Company for a further five years.

Market overview

2025 delivered record highs in US equity markets despite bouts of severe volatility. The year began on a positive note, thanks to initial optimism about the new administration’s pro-growth agenda. This confidence gave way to concerns over tariffs, tighter immigration controls and shifting foreign policy priorities which were seen as inflationary and less supportive of growth. The market’s negative reaction to these developments prompted some moderation in policy which was sufficient to calm market fears and clear the way for a significant market rebound in the second half of the year. This rally was led by the same very small cohort of high-growth technology and AI-oriented stocks that has driven market returns in recent years. Across the broader market, expensive, speculative growth stocks and lower quality names fared best, while other stocks lagged.

Dominic Neary

Chair

Chair's Statement

Across the investment trust sector corporate activity remained elevated, with record M&A, high levels of share buybacks, and continued activist investor presence in the market.

Performance

Over the 12 months to 31st December 2025, the Company's net asset value (NAV) total return was -10.9%, underperforming the Russell 2000 Index which rose by 4.8%.

The total return to shareholders was -15.3%, reflecting a widening in the share price discount to NAV from 1.8% at the end of 2024 to 6.7% on 31st December 2025. (The discount averaged 7.3% over the year).

The significant short term underperformance of the benchmark reflects the narrow market breadth over the period; the shares of lower-quality, growth-oriented companies exposed to AI and related themes significantly outperformed the attractively-valued, higher-quality area of the market to which your portfolio is predominantly exposed.

A full explanation of portfolio performance is provided in the Investment Manager's Report, along with details of recent portfolio activity and the Portfolio Managers' view on the outlook for the market and Company.

Discount management, share issuance and buybacks

The Board remains committed to active discount management to enhance shareholder value, and to minimise the discrepancy between the share price and the net asset value. Our ability to do so depends on the prevailing market conditions. With the Company trading at a discount to net asset value over the entirety of 2025 the Board's focus was on stimulating demand for the Company's shares. To this end we have two key levers at our disposal: an active, value-enhancing share buyback programme, and effective ongoing marketing activities.

During the year to 31st December 2025 the Company repurchased 6,886,958 shares into treasury, representing 11.4% of the share capital in issue (excluding shares held in Treasury) at 31st December 2024, at an average discount of 9.3%. Since the period end a further 1,607,113 shares have been repurchased at an average discount of 8.0% as at 15th April 2026.

Marketing activity remained strong over the year, promoting the Company as a vehicle to profitably 'Invest in the Heart of America,' through shareholder events, and regular video and article updates from the Investment Manager (available on the Company's website). Since the year end the Company launched its LinkedIn page www.linkedin.com/company/jpmorgan-us-smaller-companies-investment-trustplc where shareholders can follow updates and thought pieces related to the Company.

Dividend

The Board is delighted to recommend the payment of a dividend of 3.2p in respect of the financial year ended 31st December 2025 (2024: 3.1p). Subject to shareholders' approval at the forthcoming AGM, this dividend will be paid on 10th July 2026 to shareholders on the register at the close of business on 12th June 2026. The ex-dividend date is 11th June 2026.

The Company's objective is unchanged and remains one of capital growth. The dividend distribution amount will normally be driven by the minimum dividend required to maintain the Company's investment trust status. Therefore, the dividend level may fluctuate as the distributions typically reflect the naturally occurring income on the underlying portfolio.

Gearing

The Board believes that the use of gearing is a key advantage of the investment trust structure. Our policy is to adjust gearing levels according to the Board and Manager's long-term expectations for market returns. At the beginning of the year, the Company had fully drawn down its US\$30 million revolving credit facility with Scotiabank. The Board renewed the loan facility in March 2025 with a new provider, Bank of America. This new facility is for US\$35 million, with a US\$5 million accordion option.

As at 31st December 2025, the Company had drawn down US\$35 million (£26 million) and closed the year with gearing of 9.7% (2024: 7.7%).

Board and succession planning

In January 2026, the Board, through its Nomination Committee, carried out a comprehensive evaluation of the Board, its committees, the individual Directors and the Chair. Topics discussed included the size, composition and diversity of the Board, Board processes and information sources, shareholder engagement, and Director training and accountability. The resulting report demonstrated that the Board is working effectively for shareholders and in line with expectations. Additionally, the Board meets the FCA Listing Rules targets on gender diversity, female representation in a senior role, and ethnic representation.

The Board has detailed succession plans in place. These are particularly important for a small board to ensure that no discontinuity is caused by the retirement of non-executive directors after nine years' service, according to our policy, and as recommended by the Association of Investment Companies' Code of Corporate Governance. In line with our succession framework, Shefaly Yogendra will retire from the Board at the conclusion of the 2026 AGM. On behalf of the Board and shareholders I would like to thank Shefaly for her dedication to the Company and her insightful challenge and support over the nine years she has served as a director.

Chair's Statement

Further, as announced on 26th March 2026, Christopher Metcalfe retired on 1st April 2026 after over seven years on the Board. We would like to thank Christopher for his guidance and significant contributions to the Company over his tenure, including his additional responsibilities as Senior Independent Director. Shefaly and Christopher will be missed, and we wish them both well in their future endeavours.

With effect from 1st April 2026, Mandy Donald has assumed the role of the Senior Independent Director of the Company.

The Board appointed an external executive search firm to assist in the recruitment of a new Director in 2025, and we were delighted to announce the appointment of Cindy Rampersaud, effective 1st November 2025. Cindy is a senior leader with over 25 years of executive and 15 years of board experience across a range of sectors including the publishing, technology and music industries. Her current roles include Deputy Chair and Audit and Risk Committee Chair of the UK Health Security Agency, and Non-Executive Director at Sage Homes.

The Board has recently appointed an external executive search firm to aid in the recruitment of a new Director following Christopher Metcalfe's departure. The recruitment process is underway and we expect to announce the appointment of a new director by, or shortly after, the AGM on 15th June 2026.

As a result of these changes Dominic Neary and Mandy Donald will offer themselves for re-appointment at the forthcoming AGM, while Cindy Rampersaud will offer herself for appointment for the first time.

Review of Manager Services and Fees

During the year, the Board, through its Management Engagement Committee, carried out a thorough review of the investment management, secretarial and marketing services provided to the Company by the Manager. As part of this review a reduction to the investment management fee arrangement was agreed. With effect from 1st January 2026, a fee of 0.70% per annum will be charged on net assets (i.e. excluding borrowed funds) up to £300 million, and 0.60% per annum on all assets above that value. Previously the fee was 0.70% per annum charged against gross assets (excluding any holdings in the JPMorgan Liquidity Fund), which included a fee on the investments funded by borrowings.

Following this review the Board has concluded that the continued appointment of the Manager on the terms agreed is in the interests of the shareholders.

Portfolio Company Engagement

As detailed in the Manager's Investment Process on pages 16 to 19, extensive engagement with company management teams is a vital element of stock selection. Company

engagement is led by the Portfolio Managers and analysts with the intention of gaining a full insight into the attractiveness of a company, and the outlook for its shares. This incorporates a deep understanding of the company's current health, strategic direction, competitor landscape and its future prospects. In addition, focus is placed on assessing how various financially material ESG factors may affect the risk profile of the business.

The Board shares the Investment Manager's view of the importance of this combined approach to company engagement as a central component of the investment process in seeking to deliver attractive risk-adjusted returns for shareholders.

Annual General Meeting

The Board invites shareholders to join us in person for the Company's AGM to be held on Monday, 15th June 2026 at 2.30 p.m. at 60 Victoria Embankment, London EC4Y 0JP. We hope to welcome as many shareholders as possible.

As with previous years, shareholders will have the opportunity to hear from the Portfolio Managers. Their presentation will be followed by a question-and-answer session. There will be refreshments afterwards when shareholders will be able to meet members of the Board. Shareholders wishing to follow the AGM proceedings but choosing not to attend in person will be able to do so online and will be able to ask questions through conferencing software. Details on how to register together with access details can be found on the Company's website: www.jpmsmallercompanies.co.uk, or by contacting the Company Secretary at jpmam.investment.trusts@jpmorgan.com.

In accordance with best practice, all voting on the resolutions will be conducted on a poll. Shareholders viewing the meeting via conferencing software will not be able to vote on the poll and we therefore encourage all shareholders, and particularly those who cannot attend physically, to submit their proxy votes in advance of the meeting, so that they are registered and recorded at the AGM. Proxy votes can be lodged in advance of the AGM either by post or electronically. Detailed instructions are included in the Notes to the Notice of Annual General Meeting in the Annual Report. Please ensure that you act promptly on the notifications for voting, and that you contact your share platform or wealth manager by their stipulated deadline to ensure that your votes are submitted on time. In addition, shareholders are encouraged to send any questions ahead of the AGM to the Board via the Company Secretary at the email address above. We will endeavour to answer relevant questions at the meeting or via the website depending on arrangements in place at the time.

If there are any changes to the above AGM arrangements, the Company will update shareholders through its website and, as appropriate, through an announcement on the London Stock Exchange.

My fellow Board members, representatives of JPMorgan and I look forward to the opportunity to meet and speak with shareholders after the formalities of the meeting have been concluded.

Outlook

After a tough year for your Company it is concerning to have begun 2026 with increased uncertainty and volatility, driven by the recent developments in Iran and the wider Middle East, which look likely to significantly impact inflation and growth prospects for some time to come. While we cannot control near-term geopolitical developments, we can make some hopeful observations in support of the outlook for your Company's portfolio for the long term. First, the valuations of US smaller capitalisation stocks relative to larger capitalisation stocks are now at historical lows, signalling that a rebound in smaller capitalisation stocks is well overdue. While the timing of any such recovery is difficult to judge, particularly in light of recent events, the outperformance of smaller companies in the latter half of 2025 suggests investors may have been starting to recognise the attractively-priced opportunities available in this area of the market.

The Board believes that the Manager's disciplined approach will allow them to continue to identify and capitalise on opportunities to invest in great US companies. My fellow directors and I are confident that their efforts will ensure that the Company delivers strong performance to its shareholders over time, despite the market's recent preference for alternative investment styles.

We thank you for your patience and support.

Stay informed

The Company delivers email updates with regular news and views, as well as up-to-date performance data. If you have not already signed up to receive these communications and you wish to do so, you can opt in via <https://tinyurl.com/JUSC-Sign-Up> or by scanning the QR code on page 2 of the Annual Report.

Further, the Board and I are keen to continue to develop our relationship with shareholders, and we therefore welcome your questions and observations via email at JUSC.Chair@jpmorgan.com.

Dominic Neary
Chair

16th April 2026

Investment Manager's Report

“We stand by our conviction that the investment case for smaller companies is appealing, especially for long-term investors, as they include innovative companies that serve market niches and thereby can be a way to get in early on innovation.”



Don San Jose
Portfolio Manager



Jon Brachle
Portfolio Manager



Dan Percella
Portfolio Manager

Market Review

2025 will be remembered as a year of extraordinary uncertainty for investors, yet markets ultimately delivered impressive results. The S&P 500 posted a robust return of +17.9% in US dollar terms, marking its third consecutive year of double-digit gains, while the Russell 2000 Index returned +12.8% in US dollar terms. This remarkable climb came despite a lack of clarity on US tariffs, uncertainty about the trajectory of interest rates, concerns about the durability of AI-driven growth, and the longest government shutdown in US history.

The year began with a period of significant volatility. In the first four months, US equities neared bear market territory as the US administration's approach to tariff and other key policies left investors on unstable ground. A sharp April sell-off, led by the 'Magnificent 7' tech giants, and growing doubts about the sustainability of AI's momentum, added to the turbulence as the year progressed. The S&P 500 fell 19% from peak to trough before bottoming on April 8, then rallied by an impressive 39% through to year-end. Notably, corporate earnings growth proved more resilient to tariffs than many had anticipated.

Investors were also troubled by the uncertain direction of monetary policy. The Federal Reserve paused its rate-cutting cycle in the first half of the year, responding to fears about tariff-induced price pressures and recession. As conditions stabilised, the Fed resumed cuts in September, delivering three 25 basis point reductions before year-end. This contributed to a 40-basis point decline in the 10-year Treasury yield, which closed the year at 4.17% – its first year-on-year decline since 2020.

Late in the year, the government shut down for 43 days in October and November, suspending normal government business, including public services, payments and some data releases. Despite these inconveniences, markets continued

to post gains, consistent with historical patterns during extended closures. Congress reached a deal in mid-November, clearing the way for the resumption of regular government activity.

Against this challenging backdrop, the S&P 500 demonstrated remarkable resilience, surging to record highs by year-end. Behind the strong returns, market leadership in 2025 remained narrow; 10 stocks drove 60% of the S&P 500's return, while roughly 355 stocks (more than 60% of the benchmark) underperformed the market, with nearly 190 stocks (15% of the benchmark) declining over the year.

Within the small cap space, we saw a similar overall picture: the Russell 2000 Index fell 24% from peak to trough, its worst ever drawdown, before bottoming in early April. The index then rallied an impressive 42% through to year-end. For the full year, the Russell 2000 Index posted a +12.8% gain in US dollar terms, though this performance trailed large caps for the fifth consecutive year. As in the large cap sector of the market, the year was characterised by very narrow market breadth, with AI and related themes propelling index returns. The market environment favoured growth-oriented investments and speculative activity in a variety of industries such as quantum computing, bitcoin miners, nuclear power and flying taxis. Considerations related to fundamental business quality were overshadowed, and quality factors like profitability and valuation underperformed significantly.

As a result, returns were notably concentrated, with the top 10 contributors driving 28% of the Russell 2000's gains for the year. Four of the top five contributors had AI exposure. Despite this concentration in returns, most sectors of the index rose over the year. Telecommunications, basic materials and health care were the top performing sectors, while consumer staples and consumer discretionary were the main detractors.

Investment Manager's Report

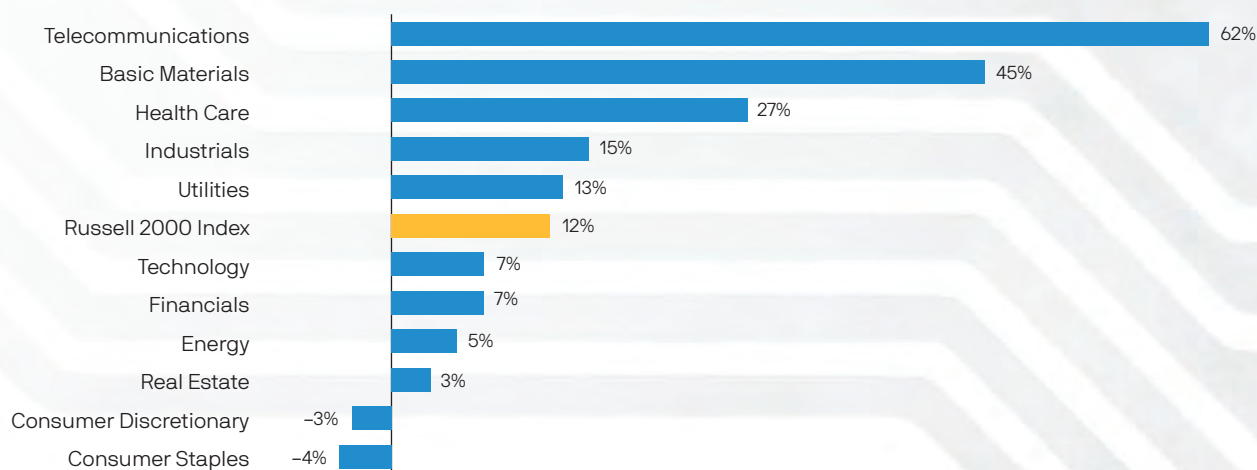
The following charts provide an overview of the returns of different investment styles in the US market during 2025, as well as the sector performance of the Russell 2000 over the year. Large, Mid, and Small represent the size of the companies by market capitalisation. A value style represents

companies that are trading at lower valuations relative to fundamentals, while a growth style represents companies priced for faster-than-average future earnings expansion, often at higher valuations.

2025 US Equity Market Performance (in US\$)

2025	Value	Blend	Growth
Large	15.9%	17.9%	18.6%
Mid	11.0%	10.6%	8.7%
Small	12.6%	12.8%	13.0%

2025 Russell 2000 Index performance (in US\$)



Source: Russell Investment Group, Standard & Poor's, J.P. Morgan Asset Management. Data as of 31st December 2025. All calculations are cumulative total return, including dividends reinvested for the stated period. For all time periods, total return is based on Russell style indices with the exception of the large blend category, which is based on the S&P 500 Index (gross return). Past performance is not a reliable indicator for current and future performance.

Performance

Against this background, the Company's net asset value declined by 10.9% in 2025, diverging from its benchmark, the Russell 2000 Index, which gained 4.8% in sterling terms. Our portfolio seeks to invest in high-quality companies at a reasonable valuation. The increase in investor appetite for risk particularly around speculative themes such as meme stocks, bitcoin miners, and lower-quality companies, fuelled a rally that created significant headwinds for our investment approach during most of 2025. This environment not only weighed on the stocks held within the portfolio, but also meant that a substantial portion of the underperformance stemmed from not holding certain names that benefited disproportionately from this speculative momentum. In other words, the shortfall was not solely a result of poor stock selection within the portfolio — a meaningful share of the drag came from the opportunity cost of being underweight or absent from key benchmark constituents that rallied sharply amid this environment.

Stock selection challenges in several sectors also detracted from relative performance. Stock selection in the industrials and health care sectors had the most detrimental impact. Within industrials, our exposure to **WillScot** was the largest detractor. WillScot is one of the largest providers of modular office space and portable storage solutions to a broad range of US commercial and industrial customers. The stock struggled throughout 2025 due to mixed financial performance and ongoing challenges. The company faced year-over-year revenue declines, primarily from a write-off of unrecoverable account receivables and lower delivery and installation revenues. Despite some improvements in adjusted EBITDA margins, overall revenue and leasing revenues faced headwinds. Additionally, the company adopted a more conservative full-year guidance, reflecting a cautious outlook amidst cyclical headwinds and competitive pressures. However, we continue to like the business, its valuation is attractive, and we expect volumes to stabilise or turn positive, so we have maintained our holding, but we are closely monitoring the position.

Investment Manager's Report

The portfolio was underweight in the healthcare sector, even though it was among the top-performing sectors in both 4Q 2025 and for the year overall. This positioning reflects our investment approach, which emphasises profitability, valuation and quality factors, and thus does not invest in biotech stocks which drove most of the relative outperformance of the sector.

Consumer staples detracted more modestly, in part due to our exposure to **Freshpet**. The performance of this business lagged during 2025 due to a combination of slower-than-expected sales growth and increased competition. Despite improvements in profitability, including higher gross margins and positive free cash flow, the company struggled to maintain its rapid growth rate. The introduction of new products and expanded distribution channels showed promise, but the overall pet food category's softness and economic uncertainties impacted consumer spending. We remain invested.

On the positive side, our sector allocation in consumer discretionary and stock selection in real estate contributed to performance.

Within consumer discretionary, our exposure to **Five Below** and **BJs Wholesale Club** proved beneficial. Five Below sells trendy discount products primarily priced under five dollars. The stock rallied on the heels of significant financial improvements and strategic initiatives. The company reported strong sales growth, driven by increased transactions and higher average

ticket prices. Operational efficiencies, better inventory management, and effective marketing campaigns also contributed to performance. Additionally, the company successfully mitigated the price impact of higher tariffs and managed to reduce the adverse effects of inventory losses due to damage, theft and errors (known as 'shrink rates'). The appointment of new executives, including a CFO and Chief Merchandising Officer, further bolstered investor confidence. BJs Wholesale Club is a membership-based warehouse club which offers discounted groceries and general merchandise. The company experienced strong performance over the past year, driven by consistent financial improvements and strategic initiatives. As a result, the company reported record net sales, membership growth, and adjusted earnings per share. Membership fee income increased, and higher-tier membership penetration reached new highs. The company also saw positive traffic growth and strong performance in its digital sales. Additionally, BJs maintained robust cost discipline and expanded its footprint with new club openings, which contributed to its overall financial health and stock performance.

Elsewhere, our exposure to **RBC Bearings** added to performance. This precision engineering company saw significant growth in its aerospace and defence segment, with increased sales and gross margins. The industrial segment also showed steady performance, while the acquisition of its competitor, VACCO, contributed to a substantial increase in its order book.

Performance Attribution

Year ended 31st December 2025

	%	%
Contributions to total returns		
Benchmark return		4.8
Asset Allocation	0.4	
Stock Selection*	(16.5)	
Investment Manager Contribution		(16.1)
Portfolio total return		(11.3)
Impact of cash/gearing*	0.5	
Management fee and Other administrative expenses	(1.0)	
Share buybacks	0.9	
Other effects		0.4
Net Asset Value total return		(10.9)
Share Price total return		(15.3)

* Includes impact of FX movements.

Source: Morningstar/J.P. Morgan. All figures are on a total return basis.

Performance attribution analyses how the Company achieved its recorded performance relative to its benchmark index.

A glossary of terms and APMs is provided on pages 96 to 98.

Investment Manager's Report

Portfolio Positioning

Our investment philosophy remains focused on finding companies with durable franchises, good management teams and stable earnings, that trade at a discount to their intrinsic value. We stand by our conviction that the investment case for smaller companies is appealing, especially for long-term investors, as they include innovative companies that serve market niches and thereby can be a way to access innovation early in its development.

We took the opportunities provided by the pronounced dislocation in the US small caps market over the past year to selectively increase exposure to high-quality names across several sectors. We also took some profits, and reduced risk, by trimming some positions in higher-beta cyclicals and rate-sensitive positions.

On both an absolute and a relative basis, our largest overweight is in the industrials sector, followed by financials. Conversely, our most significant underweights are in the health care, technology, and telecommunications sectors.

Market Outlook

After a difficult 2025, where returns in US small cap companies were concentrated in a narrow group of AI-related stocks and focused on speculative themes, as we look ahead to 2026, we see promising opportunities across the sector. Several factors point to better times ahead, for 2026 and beyond.

The valuation case for quality smaller companies is now even more compelling. High-quality, profitable small caps fell to historically low valuations in 2025, underperforming weaker companies by record margins. History suggests these extremes typically reverse, creating attractive entry points. Importantly, small caps are beginning to show clear signs of recovery. They have outperformed the broader market significantly since last April's lows. Even more encouraging, small cap earnings growth exceeded large cap growth for the first time in over three years during the third quarter of 2025. This was partly an earnings phenomenon as small cap earnings growth topped that of large caps for the first time in 13 reporting seasons.

Additionally, we remain optimistic about the health of the US economy as it continues to demonstrate resilience and adaptability, outperforming many forecasts, despite the past year's pervasive uncertainties. The unemployment rate is holding relatively steady and consumer financial conditions remain manageable. That said, geopolitical uncertainty and elevated energy prices in the first quarter of 2026 have impacted the prospects for significant rate cuts, and made the range of economic outcomes appear wider. Our research analysts anticipate strong earnings growth for the S&P 500, projecting a 15% increase in 2026 and 13% in 2027. These positive forecasts reinforce our confidence in the market's potential. However, we remain alert to risks that could introduce volatility, such as risks due to tariff impacts, cracks in the labour market and continued policy uncertainty.

Against this generally encouraging backdrop, we intend to maintain our search for innovative, high-quality, smaller cap companies with attractive investment cases. And just as we did in the past year we will continue to use any bouts of market volatility to capitalise on compelling stock selection opportunities, with a view to building on the Company's long-term track record of strong capital growth. We acknowledge that the relative performance of the Company in 2025 was challenging and frustrating. Our focus on high-quality companies that can deliver over a cycle did not keep up with the market's enthusiasm for AI and related themes. Over the long term, we maintain conviction that a high-quality portfolio of US smaller companies can add value over time.

Thank you for your continued support.

Don San Jose
Jon Brachle
Dan Percella
 Portfolio Managers

16th April 2026

Manager's Investment Process

Investment philosophy

The Company focuses on investing in high-quality smaller companies across the US through pure bottom-up stock selection, aiming to outperform the Russell 2000 Index over a market cycle or rolling three-year basis. The philosophy centres on well-managed, cash-generative businesses with enduring competitive advantages and attractive growth prospects.

Investment Philosophy – a focus on quality and valuation

Portfolio Management



Don San Jose

Managing Director
CIO Value
Portfolio Manager
Experience: 29 / 26



Dan Percella

Managing Director
Co-Portfolio Manager
Experience: 24 / 18



Jon Brachle

Managing Director
Co-Portfolio Manager
Experience: 19 / 19

Quality Business

We focus on quality first:

- Durable business model
- Consistent earnings
- Clear competitive advantages
- High return on invested capital
- Sustainable free cashflow

Quality Management

Management is key:

- Good stewards of capital
- Committed to increasing shareholder value
- Track record of success

Valuation

Valuation is critical:

- Price / earnings
- Price / book value
- Private market analysis
- Free cashflow yield
- Enterprise value analysis

"We believe that the analytical focus that we place on uncovering high-quality companies which are trading at attractive valuations is a differentiating characteristic of our approach and one that serves to add value for our clients over the long term."

Portfolio Management

The investment approach is led by a team of three portfolio managers: Don San Jose, lead portfolio manager with 29 years' industry experience, and co-portfolio managers Dan Percella and Jon Brachle. The team's analytical focus on uncovering high-quality companies trading at attractive valuations is a differentiating characteristic of the approach. This philosophy encompasses three key pillars: Quality Business, Quality Management, and Valuation – focusing on durable business models, good stewards of capital, and disciplined valuation metrics including free cashflow yield and enterprise value analysis.

Why invest in this Company

The long-term economic success of the United States is founded upon the depth and breadth of its thriving corporate sector, with ambitious companies providing a constant source of renewal and evolution. With acknowledged expertise in US equities, the JPMorgan US Smaller Companies Investment Trust team has a demonstrable track record of identifying high-quality businesses with outstanding long-term prospects.

There are three key steps in the investment process:

1) Idea generation and fundamental research

The investment team begins by narrowing a universe of over 2,000 publicly-traded small cap stocks through systematic quantitative screens focusing on Price/Free Cash Flow, Insider Buying, and Cash Flow Return on Investment. The New York-based team seeks to visit every portfolio holding and prospective investment, often meeting one-on-one with management teams. These company visits are crucial for gaining conviction in forecasts and determining appropriate position weights.

The team's fundamental analysis focuses on quantitative business, product, and management factors, as well as qualitative financial factors. They seek companies with leadership in specialty niches, sustainable competitive advantages, and predictable business models, led by management teams with strong track records and meaningful ownership stakes.

Manager's Investment Process

2) Valuation framework

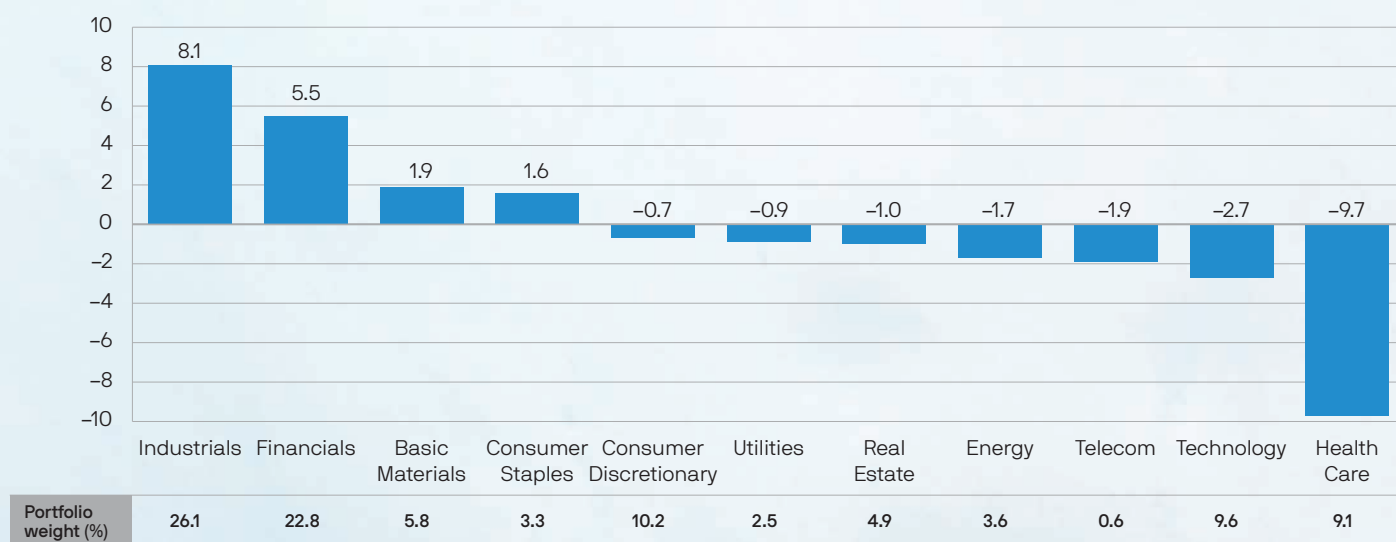
The team employs a disciplined valuation approach to enhance long-term returns. Stocks are analysed based on their long-term investment merits using quantitative methods including Enterprise Value, Free Cash Flow Yield, and Private Market Value. Qualitative factors such as Earnings Per Share predictability, management confidence, business durability, and end-market risks are also evaluated to identify each company's intrinsic value.

3) Portfolio construction

The portfolio manager constructs a risk-controlled portfolio by including only securities that pass rigorous criteria. Individual positions are typically weighted 1% to 3% based on risk-adjusted expected return, with a maximum limit of 5% per stock. The portfolio normally holds 70 to 100 names selected from the Russell 2000 Index, with the objective to generate excess returns and outperform the benchmark over a full market cycle through rigorous stock selection. Financially material ESG factors are considered at each stage of the investment process including research, company engagement and portfolio construction.

Active and absolute sector positions

Relative to benchmark (%)



Source: J.P. Morgan Asset Management. Figures may not add up to 100% due to cash & cash equivalent component. 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.

Sell Discipline

The portfolio managers employ a strict sell discipline based on the following principles:

We reduce or eliminate a position when:



We are no longer comfortable with our fundamental thesis

- **The quality of the business** is not as strong as anticipated
- **The quality of management** is not as good as expected
- **Valuation** is no longer attractive



Displacement by a better idea



Market expectations exceed the company's potential to deliver

- Expectations are too high
- Overvaluation by the market

Manager’s Investment Process

Our approach to Environment, Social and Governance (ESG):

The Company is not a sustainable or ESG investment vehicle. In actively managed strategies deemed by J.P. Morgan Asset Management (JPMAM) to be ESG integrated under our governance process, we systematically assess financially material ESG factors amongst other factors in our investment decisions with the goals of managing risk and improving long-term returns. ESG integration does not change a strategy’s investment objective, exclude specific types of companies or constrain a strategy’s investable universe.

As mentioned, the investment team employ a fundamental bottom-up process in their stock selection which includes ESG analysis. The Manager’s ESG views on specific companies are the product of proprietary research and one-on-one engagements with companies. These views are one of a number of inputs into the investment process and are not the sole driver of decision-making. The research framework uses several internally developed processes to assess the financially material ESG risks and opportunities of any business. An ESG Checklist applies the same detailed 40 questions to more than 2,500 companies under coverage globally. This Checklist asks 12 questions specifically addressing environmental considerations, 14 on social factors and 14 on governance issues. This is not a ‘pass/fail’ exercise, but rather a tool to inform discussions between portfolio managers and fundamental analysts, and engagements with the companies they cover. Engagement meetings can involve analysts, portfolio managers and members of the stewardship team.

Questions on the Checklist include:

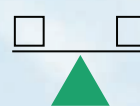
ENVIRONMENTAL	<ul style="list-style-type: none"> ● Is the business vulnerable to regulation aimed at limiting greenhouse gas emissions? ● Does the company have issues with toxic emissions, waste management or other environmental damage? ● Is the company failing to manage its use of water resources responsibly?
SOCIAL	<ul style="list-style-type: none"> ● Does the company have issues with labour relations? ● Has the company had issues with privacy or data security? ● Does the company engage in anti-competitive behaviour and/or treat its customers unfairly?
GOVERNANCE	<ul style="list-style-type: none"> ● Does the management fail to admit mistakes? ● Has the company changed key accounting policies? ● Does the owner have a history of poor governance, or of abusing minority shareholders?

Company Engagement

Active engagement with companies has long been an integral part of the Manager’s approach to investment. Engagement is used not only to understand how companies consider issues related to ESG, but also to try to influence their behaviour, encourage best practices, and to identify potential risks and opportunities.

Engagement driven by the JPMAM Investment Stewardship Team focuses on the six firm-wide priorities detailed below. Underlying each priority are specific themes which are typically topical issues within the industry and with our clients. These themes are reviewed on an annual basis.

Portfolio Managers and Research Analysts in the US Equity Group also directly drive engagement with companies, addressing a broad range of ESG issues as part of their bottom-up stock analysis and ongoing interaction with companies.



Climate change	Natural capital and ecosystems	Human capital management	Stakeholder engagement	Governance	Strategy alignment with the long term
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For JPMorgan US Smaller Companies Investment Trust, the JPMAM Investment Stewardship team, in conjunction with the Manager, conducted engagements across 11 companies in the year to 31st December 2025, specifically to discuss ESG issues. The companies engaged with represented 12.0% (by value) of the portfolio with the engagements by sector and theme broken down as follows:

Manager's Investment Process

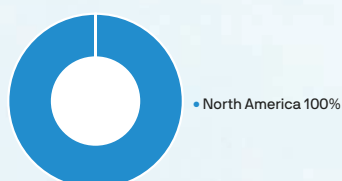
Engagement by ESG pillars

Environmental	Social	Governance
4 companies	7 companies	4 companies

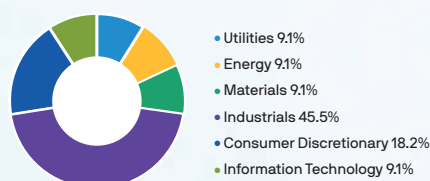
Engagement by ESG theme

Climate change	Natural capital and ecosystems	Social stakeholder management	Human capital	Governance	Strategy alignment with the long term
0.0%	26.9%	7.7%	34.6%	15.4%	15.4%

Engagement by region



Engagement by sector



Engagement by position



Proxy Voting

Alongside these direct engagements, JPMAM exercises the voting rights of shares held in client portfolios, where entrusted with this responsibility. The Manager seeks to vote in a prudent and diligent manner, based exclusively on its reasonable judgement of what will best serve the financial interests of its clients. JPMAM will aim to vote at all meetings called by the companies in which it is invested, unless there are any market restrictions or conflicts of interests.

In the US Equity Group, proxy voting is a collaboration between investors and the JPMAM Investment Stewardship specialists in the Global Sustainable Investing Team. JPMAM examines the share structure and voting arrangements of the companies in which it invests, as well as the board's balance, oversight functions and remuneration policy. For full details, please see the JPMAM Corporate Governance Policy & Voting Guidelines, copies of which are available on request, or to download from JPMAM's website: <https://am.jpmorgan.com/gb/en/asset-management/per/about-us/investment-stewardship/>

A summary of key voting statistics and activity undertaken in respect of stocks in the Company's portfolio for the 12 months to 31st December 2025 is detailed below.

JPMorgan US Smaller Companies Investment Trust plc

Items	Number	Percentage
Number of votable meetings	93	—
Number of votable items	817	—
Number of items voted (instructions of Do Not Vote are not considered voted)	817	100
Number of votes for	792	97
Number of votes against	14	2
Votes withheld	1	—
MSOP	10	1
Did not vote	0	—
With Management	800	98
Against Management	17	2
Directors Related	8	47
Non-Salary Comp	5	29
Other/Misc	4	24
With Policy	809	99
Against Policy	8	1

MSOP: Management Say On Pay frequency vote.

J.P. Morgan Asset Management

16th April 2026

Ten Largest Investments

MSA Safety

1

Industrials

Mine Safety Appliances, or MSA Safety Incorporated, is an American manufacturer and supplier of safety equipment designed for use in a variety of hazardous conditions in industries such as construction, the military, fire service, and chemical, oil, and gas production.

£'000	% ¹
5,142	2.0
5,647	1.8

Hayward

2

Industrials

Hayward is a major US manufacturer of residential pool equipment (pumps, filters, heaters, cleaners) founded in 1925 as a valve manufacturer. Based in Charlotte, North Carolina, the company is a market leader in pool and outdoor living technology.

£'000	% ¹
4,715	1.9
4,722	1.5

MACOM Technology Solutions

3

Technology

MACOM Technology Solutions Holdings, Inc. designs and manufactures analogue semiconductor solutions. Its products are used in telecommunications infrastructure, data centre/optical networks, industrial applications, and aerospace/defence.

£'000	% ¹
4,445	1.8
4,848	1.5

Novanta³

4

Technology

Novanta Inc. is a leading global supplier of precision photonics, vision, and motion control components for medical and advanced industrial OEMs (original equipment manufacturers). Based in Bedford, MA, the company specialises in technologies like laser scanning, optical data collection, and precision motors for robotic automation.

£'000	% ¹
4,141	1.6
4,278	1.3

RBC Bearings

5

Basic Materials

RBC Bearings Inc is a leading international manufacturer of highly engineered precision bearings and components for industrial, aerospace, and defence markets. Founded in 1919 and headquartered in Oxford, Connecticut, the company operates 56 facilities worldwide (31 manufacturing), producing plain, roller, ball, and mounted bearings.

£'000	% ¹
4,111	1.6
4,584	1.4

Casella Waste Systems

6

Utilities

Casella Waste Systems is a waste management company headquartered in Rutland, Vermont, providing solid waste collection, transfer, disposal, and recycling services primarily in the Northeastern U.S.

£'000	% ¹
4,029	1.6
4,927	1.6

Ten Largest Investments

Element Solutions²

7

Basic Materials

Element Solutions Inc is a specialty chemicals production corporation which manufactures and supplies specialty chemicals for a broad range of solutions, including mobile phones, consumer electronics, communication infrastructure, automobile, industrial surface finishing, consumer packaging and offshore oil production and drilling.

£'000	% ¹
3,840	1.5
2,820	0.9

Evercore²

8

Financials

Evercore Inc. is a global independent investment banking advisory firm which offers wealth management, institutional asset management and private equity investing services.

£'000	% ¹
3,803	1.5
3,699	1.2

Bright Horizons Family Solutions

9

Consumer Discretionary

Bright Horizons Family Solutions Inc. is a leading US-based provider of employer-sponsored childcare, early education, and work/life solutions, founded in 1986. The company operates over 600 daycare centres and went private via Bain Capital in 2008, later returning to public trading on the NYSE.

£'000	% ¹
3,715	1.5
4,782	1.5

Ryman Hospitality Properties²

10

Real Estate

Ryman Hospitality Properties, Inc. is a lodging REIT specialising in large, group-oriented destination resorts and convention centres.

£'000	% ¹
3,646	1.5
4,381	1.4

Total

Value of Ten Largest Investments	£41,587,000
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% of Portfolio ¹	16.5%
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At 31st December 2025	£'000 – portfolio value
At 31st December 2024	% – of total portfolio value

All companies shown are listed in the USA.

¹ Based on total investments of £252.7m (2024: £316.5m).

² Not included in the ten largest investments at 31st December 2024.

At 31st December 2024, the value of the ten largest investments amounted to £50.5 million representing 16.0% of total investments.

Portfolio Information

Sector analysis

At 31st December

Sector	2025		2024	
	Portfolio % ¹	Benchmark %	Portfolio % ¹	Benchmark %
Industrials	26.5	18.1	28.3	19.4
Financials	23.2	17.2	19.1	17.8
Consumer Discretionary	10.4	10.9	12.1	11.7
Technology	9.8	12.3	10.4	11.7
Health Care	9.2	18.7	9.2	16.3
Basic Materials	6.0	4.0	5.4	3.8
Real Estate	4.9	5.9	5.1	6.4
Energy	3.6	5.3	4.0	5.5
Consumer Staples	3.3	1.7	3.5	2.6
Utilities	2.5	3.4	2.9	3.0
Telecommunications	0.6	2.5	—	1.8
Total	100.0	100.0	100.0	100.0

¹ Based on total investments of £252.7m (2024: £316.5m).

List of investments

List of investments

At 31st December 2025

Company	Valuation £'000	% of the total portfolio
Industrials		
MSA Safety	5,142	2.0
Hayward	4,715	1.9
WillScot	3,633	1.4
Core & Main	3,563	1.4
Eagle Materials	3,378	1.3
Badger Meter	2,810	1.1
Paylocity	3,253	1.3
Modine Manufacturing	3,189	1.3
Landstar System	3,027	1.2
Simpson Manufacturing	2,962	1.2
Applied Industrial Technologies	2,958	1.2
Verra Mobility	2,857	1.1
Saia	2,768	1.1
Lincoln Electric	2,579	1.0
First Advantage	2,384	0.9
Hillman Solutions	2,327	0.9
Aptar	2,018	0.8
Janus International	1,884	0.7
Douglas Dynamics	1,809	0.7
AAON	1,792	0.7
Loar	1,678	0.7
Fortune Brands Innovations	1,437	0.6
Alliance Laundry	1,421	0.6
Bel Fuse	1,182	0.5
Middleby	1,166	0.5
Andersen	1,107	0.4
	67,039	26.5
Financials		
Evercore	3,803	1.5
Wintrust Financial	3,575	1.4
MarketAxess	3,554	1.4
StepStone	3,298	1.3
Cullen/Frost Bankers	3,118	1.2
Kinsale Capital	2,949	1.2
Commerce Bancshares	2,860	1.1
P10	2,782	1.1
City	2,671	1.1
RLI	2,524	1.0
Clearwater Analytics	2,523	1.0
First Interstate BancSystem	2,291	0.9

Company	Valuation £'000	% of the total portfolio
Financials (continued)		
WSFS Financial	2,268	0.9
BankUnited	2,252	0.9
First Financial Bancorp	2,249	0.9
Morningstar	2,017	0.8
ServisFirst Bancshares	2,006	0.8
First Hawaiian	1,928	0.8
Baldwin Insurance	1,909	0.8
Moelis	1,906	0.7
Miami International	1,752	0.7
Accelerant	1,501	0.6
Neptune Insurance	1,462	0.6
Wealthfront	1,368	0.5
	58,566	23.2
Consumer Discretionary		
Bright Horizons Family Solutions	3,715	1.5
Planet Fitness	3,448	1.4
Wyndham Hotels & Resorts	3,076	1.2
Pool	2,748	1.1
Driven Brands	2,651	1.0
Acushnet	1,846	0.7
Monarch Casino & Resort	1,818	0.7
Vail Resorts	1,794	0.7
Shake Shack	1,722	0.7
Gentex	1,692	0.7
Five Below	1,668	0.7
	26,178	10.4
Technology		
MACOM Technology Solutions	4,445	1.8
Novanta	4,141	1.6
Fabrinet	2,937	1.2
Power Integrations	2,313	0.9
Allegro MicroSystems	2,216	0.9
Qualys	2,009	0.8
CCC Intelligent Solutions	2,004	0.8
Blackbaud	1,732	0.7
SPS Commerce	1,547	0.6
nCino	1,326	0.5
	24,670	9.8

List of investments

Company	Valuation £'000	% of the total portfolio	Company	Valuation £'000	% of the total portfolio
Health Care			Utilities		
Envista	3,531	1.4	Casella Waste Systems	4,029	1.6
Encompass Health	3,429	1.4	Portland General Electric	2,394	0.9
Chemed	3,358	1.3		6,423	2.5
HealthEquity	3,036	1.2	Telecommunications		
ICU Medical	2,825	1.1	Digi International	1,450	0.6
Concentra	2,620	1.0		1,450	0.6
Doximity	1,549	0.6	Total investments		
Warby Parker	1,489	0.6		252,670	100.0
Molina Healthcare	1,393	0.6			
	23,230	9.2			
Basic Materials					
RBC Bearings	4,111	1.6			
Element Solutions	3,840	1.5			
Balchem	3,003	1.2			
Quaker Chemical	2,321	0.9			
Perimeter Solutions	1,832	0.8			
	15,107	6.0			
Real Estate					
Ryman Hospitality Properties	3,646	1.5			
Cushman & Wakefield	3,370	1.3			
Colliers International	3,329	1.3			
EastGroup Properties	2,106	0.8			
	12,451	4.9			
Energy					
Cactus	2,996	1.2			
SM Energy	2,253	0.9			
DT Midstream	2,050	0.8			
Flowco	1,817	0.7			
	9,116	3.6			
Consumer Staples					
Utz Brands	2,669	1.0			
Primo Brands	2,247	0.9			
Freshpet	1,958	0.8			
Chefs' Warehouse	1,566	0.6			
	8,440	3.3			

Ten Year Record

At 31st December	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Shareholders' funds (£m)	103.8	153.8	166.7	158.8	198.3	236.8	301.8	273.1	279.7	293.8	230.2
Net asset value per ordinary share (p)	184.3	276.7	294.2	274.8	343.0	394.9	462.1	421.7	438.6	484.6	428.5
Share price (p) ²	183.9	282.0	303.8	266.0	352.0	403.0	467.0	391.0	404.0	476.0	400.0
(Discount)/Premium (%) ^{6,A}	(0.2)	1.9	3.3	(3.2)	2.6	2.1	1.1	(7.3)	(7.9)	(1.8)	(6.7)
Gearing (%) ^A	9.8	4.1	5.2	5.8	5.0	6.1	6.7	6.8	1.5	7.7	9.7
Exchange rate (£1=\$) ²	1.47	1.24	1.35	1.27	1.32	1.37	1.35	1.20	1.27	1.25	1.35
Ordinary shares in issue (million) ¹	56.3	55.6	56.7	57.8	57.8	60.0	65.3	64.7	63.8	60.6	53.7
Year ended 31st December											
Gross return (£'000)	1,728	2,317	2,552	2,693	3,023	2,962	3,266	3,336	4,365	4,045	3,736
Revenue return per ordinary share (p)	1.66	2.51	2.79	2.75	2.76	3.00	2.87	2.72	3.98	3.74	3.39
Dividend per ordinary share (p)	nil	nil	2.5	2.5	2.5	2.5	2.5	2.5	3.0	3.1	3.2 ⁵
Ongoing charges ratio (%) ^A	1.69	1.47	1.33	1.36	1.23	1.07	0.99	0.95	0.93	0.92	1.00
Annual total returns to 31st December											
Return to shareholders (%) ²	+6.8	+53.4	+7.7	-11.6	+33.4	+15.5	+16.5	-15.7	+4.0	+18.7	-15.3
Return on net assets (%) ^{3,A}	+4.0	+50.1	+6.3	-5.8	+25.8	+16.0	+17.7	-8.2	+4.6	+11.3	-10.9
Benchmark return (%) ⁴	+0.9	+44.4	+4.5	-5.7	+20.4	+16.0	+15.7	-10.6	+10.1	+13.3	+4.8
Cumulative total returns rebased to 100 at 31st December 2015											
Return to shareholders (%) ^{2,A}	100.0	153.4	165.2	146.0	194.8	224.9	262.1	220.8	229.6	272.7	231.1
Return on net assets ^{3,A}	100.0	150.1	159.6	150.4	189.3	219.6	258.5	237.2	248.2	276.2	246.0
Benchmark return ^{4,A}	100.0	144.4	150.9	142.3	171.4	198.9	230.1	205.7	226.4	256.5	268.9

¹ Excludes any shares held in Treasury.

² Source: Morningstar/J.P. Morgan.

³ Source: Morningstar/J.P. Morgan, using cum income net asset value per ordinary share.

⁴ Source: Russell Investments. The Company's benchmark is the Russell 2000 Index total return with net dividends reinvested, expressed in sterling terms.

⁵ Dividend in relation to 2025 payable on 10th July 2026, subject to approval by shareholders at the 2026 Annual General Meeting. See note 10 on page 77 for details.

⁶ Share price (discount)/premium to net asset value per ordinary share.

^A Alternative Performance Measure (APM).

A glossary of terms and APMs is provided on pages 96 to 98.



Worker climbing staircase on storage tank.

Business Review

Business Model and Investment Objective

JPMorgan US Smaller Companies Investment Trust plc (the Company) is an investment trust and has a premium listing on the London Stock Exchange (Ticker: JUSC). As an externally-managed investment company, all of the Company's day-to-day management and administrative functions are outsourced to service providers. As a result, the Company has no executive directors, employees or internal operations.

The Company's objective is to achieve capital growth from investing in US smaller companies. It aims to outperform the Russell 2000 Index total return, with net dividends reinvested, expressed in sterling terms. In seeking to achieve its objectives, the Company employs JPMorgan Funds Limited (JPMF or the Manager) as its Alternative Investment Fund Manager (AIFM) which, in turn, delegates portfolio management to JPMorgan Asset Management (UK) Limited (JPMAM), to actively manage the Company's assets. The Investment Management team is based in New York. The Board is responsible for all aspects of the Company's affairs, including the setting of parameters for, and the monitoring of, the investment strategy as well as the review of investment performance and policy. It also has responsibility for all strategic issues, the dividend policy, the share issuance and buy-back policy, gearing, share price and discount/premium monitoring and corporate governance matters. The Board has determined an investment policy and related guidelines and limits, as described below, within which the Investment Manager must operate.

Status of the Company

The Company is subject to UK legislation and regulations including UK company law, UK Financial Reporting Standards, the UK Listing, Prospectus, Disclosure Guidance and Transparency Rules, the Alternative Investment Fund Managers Directive (AIFMD), the Market Abuse Regulations, taxation law and the Company's Articles of Association.

The Company is an investment company within the meaning of Section 833 of the Companies Act 2006 and has been approved by HM Revenue & Customs as an investment trust (for the purposes of Sections 1158 and 1159 of the Corporation Tax Act 2010). As a result the Company is not liable for taxation on capital gains on investments within the portfolio. The Directors have no reason to believe that approval will not continue to be retained. The Company is not a close company for taxation purposes.

A review of the Company's activities and prospects is given in the Chair's Statement on pages 8 to 11, and in the Investment Manager's Report on pages 12 to 15.

The Company's Purpose, Value and Culture

The purpose of the Company is to provide a cost effective, financially sustainable investment vehicle for investors who seek long-term capital growth from a portfolio of US smaller companies, which outperforms its benchmark index over the longer term, taking account of wider considerations, including environmental, social and governance issues. To achieve this, the Board is responsible for employing and overseeing an investment management company that has appropriate investment expertise, resources and controls in place to meet the Company's investment objective. To ensure that it is aligned with the Company's purpose, values and strategy, the Board comprises Directors from a range of backgrounds who have a breadth of relevant experience and contribute in an open boardroom culture that both supports and challenges the Manager and other third party suppliers. For more information, please refer to page 41.

Strategy of the Company

The dynamic nature of the US small cap market makes small caps both exciting and challenging. As an asset class, small caps tend to be less researched, less liquid and prone to more volatility than large-cap stocks. The same characteristics that make managing small caps so challenging provide a unique opportunity. The extensive resources JPMAM dedicates to the process and JPMAM's commitment to buy-side research underlie its belief that stock selection is the most important component in small-cap investing.

The Company is managed by JPMorgan's US small cap investment team. The investment team consists of five dedicated small cap specialists based in New York.

The team employs a bottom-up, stock picking approach to portfolio management. The investment philosophy is based on the belief that long-term investments in companies with leading competitive positions, run by a highly motivated and talented management team, and which can sustain growth over a period of many years, will lead to stock market outperformance. Alongside this, the team believes that a disciplined valuation process is necessary to enhance long-term returns.

Investment Policies and Risk Management

In order to achieve its investment objective, the Company invests in a well-diversified portfolio of listed US equities and employs a manager with a strong focus on research and company visits in order to identify the most attractive stocks in the US smaller companies universe.

The Board has sought to manage the Company's risk by imposing various investment restrictions and guidelines.

Business Review

These restrictions and guidelines may be varied at any time by the Board at its discretion.

Investment Restrictions and Guidelines

The Board seeks to manage the Company's risk by imposing various investment limits and restrictions:

- No individual investment in the portfolio will be greater than 15% of the Company's gross assets at the time of investment.
- The Company will invest no more than 10% of the Company's gross assets in JPMorgan liquidity funds.
- The Company will invest no more than 10% (subject to Directors' approval) of the Company's gross assets at the time of investment in unquoted investments.
- The Company will not normally invest in derivative instruments, although it can undertake derivative actions to hedge against risk exposure of existing holdings in the portfolio subject to Board approval.
- The Company will use liquidity and borrowings to remain invested within a maximum gearing limit of 15% (+2.5% if as a result of market movement).
- The Company will not invest more than 15% of its gross assets in other UK listed investment companies (including investment trusts).
- The Company will not invest more than 10% of its gross assets in companies that themselves may invest more than 15% of their gross assets in UK listed investment companies.

Monitoring of Compliance

Compliance with the Board's investment restrictions and guidelines is monitored by the Manager and is reported to the Board on a monthly basis.

Performance

In the year to 31st December 2025, the Company's total return to shareholders was -15.3% and the total return on net assets was -10.9%. This compares with the total return on the Company's benchmark of +4.8%. As at 31st December 2025, the value of the Company's investment portfolio was £252.7 million. The Investment Manager's Report on pages 12 to 15 includes a review of developments during the year as well as information on investment activity within the Company's portfolio.

Total Return, Revenue and Dividends

Gross loss for the year amounted to £30,573,000 (2024: return of £32,592,000). Net loss after deducting the management fee, administrative expenses, finance costs and taxation, amounted to £35,008,000 (2024: net return of £28,221,000).

The Directors recommend a final dividend of 3.2 pence (2024: 3.1 pence) per share payable on 10th July 2026 to shareholders on the register at the close of business on 12th June 2026. No other dividends were paid in respect of the year. The revenue reserve after the payment of the dividend will amount to £2,355,000.

Key Performance Indicators (KPIs)

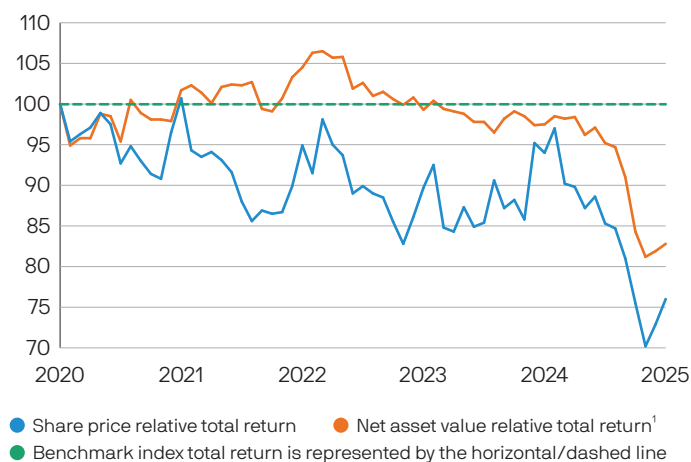
The Board uses a number of financial KPIs to monitor and assess the performance of the Company. The principal KPIs are:

● Performance against the benchmark index

This is the most important KPI by which performance is judged. Information on the Company's performance is given in the Chair's Statement and the Investment Manager's Report.

Performance Relative to Benchmark Index

Figures have been rebased to 100 at 31st December 2020

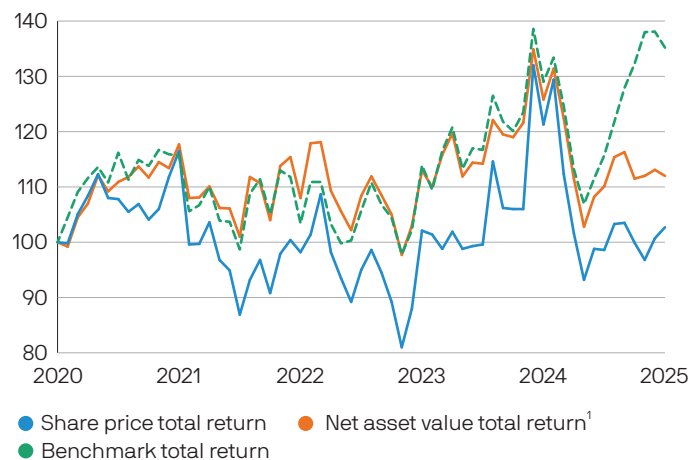


Source: Morningstar/Russell.

¹ Using cum-income net asset value per ordinary share.

Five Year Performance

Figures have been rebased to 100 as at 31st December 2020



Source: Morningstar/Russel.

¹ Using cum-income net asset value per share.

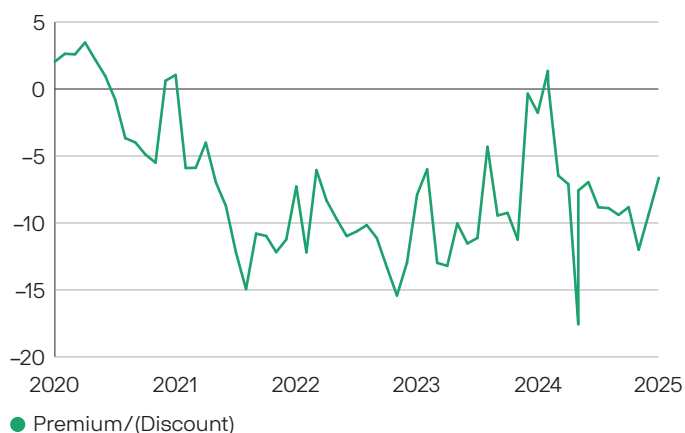
● Performance against the Company's peers

The principal objective is to achieve capital growth and outperformance relative to the benchmark. The Board also monitors the performance relative to a broad range of competitor funds via reporting included in the papers for the regular Board meetings held during the year.

● Performance attribution

The purpose of performance attribution analysis is to assess how the Company achieved its performance relative to its benchmark, i.e. to understand the impact on the Company's relative performance of the various components such as sector selection and stock selection. The details of the attribution analysis for the year ended 31st December 2025 are given in the Investment Manager's Report on page 14.

Premium/(Discount) Performance



Source: Morningstar.

● Share price premium/(discount) to net asset value (NAV) per share

The Board operates a share issuance and share repurchase programme which seeks to address imbalances in supply of, and demand for, the Company's shares within the market. This aims to manage discount volatility and the level of the discount, both in absolute terms, and relative to its peers in the sector. In the year to 31st December 2025, the shares traded between a premium of 1.4% and a discount of -17.6% and an average discount of -7.3% (based on daily data). Further details of the Company's share capital can be found below.

● Ongoing charges

The ongoing charges represent the Company's management fee and all other operating expenses excluding finance costs, expressed as a percentage of the average of the daily net assets during the year. The ongoing charges for the year ended 31st December 2025 are 1.00% (2024: 0.92%). Further details can be found on page 97. The Board reviews the ongoing charges of the Company regularly and on an annual basis compares them against other companies with similar investment objectives and policies.

Share Capital

The Directors have, on behalf of the Company, the authority to issue new ordinary shares for cash on a non pre-emptive basis and to repurchase shares in the market for cancellation or to be held in Treasury. The Directors will only issue new shares, or re-issue shares held in Treasury, at a sufficient premium to net asset value such that it is accretive for existing shareholders. Similarly the Directors will only repurchase the Company's shares at a discount sufficient to ensure value enhancement for ongoing shareholders.

During the year, the Company did not repurchase any shares for cancellation (2024: 99,990). The Company repurchased a total of 6,886,958 (2024: 3,047,895) ordinary shares into Treasury, at an average price of 387.9p and a total cost of £26.7 million, representing 11.4% of the issued share capital (excluding shares held in Treasury) as at 31st December 2024. However, no ordinary shares were reissued from Treasury (2024: nil), and no new shares were issued during the year (2024: nil). Further details, including the nominal value, the total proceeds received and the total consideration paid, for these transactions can be found in notes 14 and 15 on pages 79 to 80.

Since the year end and as at 15th April 2026, the last practicable date before the publication of this document, the Company has repurchased a further 1,607,113 shares into Treasury. The Company has not issued any shares from Treasury or new ordinary shares under its ordinary share block listing facility.

Business Review

Resolutions to renew the authorities to issue new shares on a non pre-emptive basis and to repurchase shares for cancellation or to be held in Treasury will be put to shareholders for approval at the Annual General Meeting.

The full text of these Resolutions is set out in the Notice of Meeting on pages 92 and 93.

Future Prospects

The Board continues to focus on maximising total returns over the longer-term. The outlook for the Company is discussed in both the Chair's Statement and the Investment Manager's Report (see pages 11 and 15 respectively).

Principal and Emerging Risks

The Directors confirm that they have carried out a robust assessment of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity.

With the assistance of the Manager, the Audit Committee maintains a risk matrix which identifies the principal risks to which the Company is exposed and methods of mitigating against them as far as practicable. The risks identified and the broad categories in which they fall, and the ways in which they are managed or mitigated, are summarised below.

The AIC Code of Corporate Governance requires the Audit Committee to put in place procedures to identify emerging risks. At each meeting, the Board reviews all potential risks and considers emerging risks which it defines as potential trends, sudden events or changing risks which are characterised by a high degree of uncertainty in terms of occurrence probability and possible effects on the Company. As the impact of emerging risks is understood, these risks may be entered on the Company's risk matrix and mitigating actions considered as necessary.

In assessing the risks and how they can be mitigated, the Board has given particular attention to those risks that might threaten the viability of the Company.

These principal and emerging risks are listed below. It should be noted that the emergence of, or a change in, a risk can have an impact on another risk:

Principal risk	Description	Mitigating activities	Change in risk status during the year
Demand driven factors			
Lack of demand for shares	Demand for the Company's shares may fall due to: <ul style="list-style-type: none"> ● Reduced interest in investment in the US market. ● Competing products and technologies (e.g. ETFs). ● Poor performance. ● Real or spurious adverse publicity about the Company or the Manager. ● Reduced UK equity market depth. 	<ul style="list-style-type: none"> ● The Manager's sales team works with the Company's broker to engage existing and potential shareholders throughout the year, especially in times of volatile markets and periods of under-performance (also see Underperformance section below). ● The Manager and broker provide sales activity updates to the Board and are available to discuss issues throughout the year. ● The Manager's marketing activity is tailored to reach retail shareholders, who make up a significant part of the shareholder base. 	↑
Hostile shareholder action	<ul style="list-style-type: none"> ● Activist, arbitrage or hostile shareholder activity could increase volatility and distract from normal business. 	<ul style="list-style-type: none"> ● The share register is monitored and significant transactions are reviewed. ● The Manager regularly discusses developments with the Company's broker and reports these to the Board. ● The Board seeks broker feedback on major shareholder movements and market sentiment. ● Board and Chair actively encourage communication with shareholders. 	↔

Change Key

↑ Heightened ↔ Stable ↓ Reduced

Principal and Emerging Risks

Principal risk	Description	Mitigating activities	Change in risk status during the year
Demand driven factors (continued)			
Shareholder communication challenges	<p>Increasing structural barriers within the investment trust community/sector to:</p> <ul style="list-style-type: none"> ● Direct and regular communication with shareholders. ● Engagement around shareholder meetings and important votes. 	<ul style="list-style-type: none"> ● The Manager runs an investor communication programme, including meetings and presentations for major institutional investors and wider communications via different channels. ● The Board meets major institutional shareholders, responds to questions raised at AGMs and during the year, and oversees shareholder communications. ● Retail shareholders are contacted through formal notifications (including signposting interim and annual reports) and encouraged to register for Company updates. ● The Board monitors the Manager's sales, marketing and PR activity and challenges the Manager where appropriate. 	↔
Supply driven factors			
Under-performance	<p>Underperformance of the benchmark and/or peers may be caused by:</p> <ul style="list-style-type: none"> ● Market cyclicity, leading to sustained underperformance of style-biased investment strategies. ● Inappropriate investment decisions (e.g. poor asset allocation and gearing). 	<ul style="list-style-type: none"> ● A broadly diversified portfolio is managed within Board-approved investment guidelines and restrictions. ● The Manager monitors investments and provides the Board with timely reporting (including performance, attribution, liquidity and risk analysis). ● The Board regularly reviews results and the investment process, and challenges the Portfolio Managers at Board meetings. ● Additional oversight is provided through periodic reviews by the Manager's senior investment leadership, and the Board holds a dedicated annual strategy session. 	↑
Outsourcing	<p>Disruptions (including cyber incidents) at key service providers could:</p> <ul style="list-style-type: none"> ● Disrupt accounting, reporting, dealing, payments, or record-keeping. ● Increase the risk of loss or misappropriation of assets. 	<ul style="list-style-type: none"> ● The Board oversees the services provided by the Manager and key providers and reviews the related risk management and internal controls framework. ● The Manager has dedicated cyber security resources to identify and address threats. ● The Manager maintains and tests business continuity and disaster recovery arrangements (including alternative sites and remote working). ● Cyber controls, business continuity testing, and mitigation plans are reported to the Board, including planning for loss of office access. 	↔

Change Key

↑ Heightened ↔ Stable ↓ Reduced

Principal and Emerging Risks

Principal risk	Description	Mitigating activities	Change in risk status during the year
Supply driven factors (continued)			
Cyber Crime	<p>Cyber attacks on the Manager, its affiliates and its systems could:</p> <ul style="list-style-type: none"> ● Disrupt operations or compromise information. ● Result in denial of service and/or ransomware. 	<ul style="list-style-type: none"> ● The Manager runs a cyber security management programme with a dedicated annual budget and has a third-party oversight team which sets governance expectations and enforces policies and standards for outsourced providers. ● The Company benefits directly and/or indirectly from all elements of JPMorgan's Cyber Security programme. ● Controls are regularly tested, with updates reported through the quarterly risk process to relevant Board/Audit committee forums. ● Key technology and physical security controls are independently audited on a regular cycle against recognised standards. ● The Company and Manager obtain assurance from major service providers that appropriate cyber security and resilience practices are in place. 	↔
Investment Team changes	<p>An unexpected change of Portfolio Manager(s) or loss of the Investment Team could:</p> <ul style="list-style-type: none"> ● Disrupt the investment process. ● Impact investment performance. ● Damage the Company's reputation. 	<ul style="list-style-type: none"> ● The Board seeks and obtains periodic assurance that the Manager has effective succession planning and a team-based approach to reduce reliance on individuals. ● The Board engages with the Manager's senior leadership to monitor this risk and the related actions. 	↔
Market environment			
Market and Economic	<p>Market factors (e.g. geopolitical events, interest rate and inflation concerns) and change in regulation may:</p> <ul style="list-style-type: none"> ● Impact economic growth. ● Change investors' risk appetites. ● Reduce the value of the Company's investments. ● Affect performance. 	<ul style="list-style-type: none"> ● Risk is partly managed through diversification and ongoing review of investment strategy and portfolio construction with the Manager. ● The Board oversees asset allocation, stock selection and gearing within agreed guidelines and monitors how the investment process is being implemented. ● The Board can draw on the Manager's market strategists and, where needed, external experts. ● If appropriate, and with shareholder approval where required, the Board can change the investment policy and objectives to reflect market conditions. 	↑

Change Key

↑ Heightened ↔ Stable ↓ Reduced

Principal and Emerging Risks

Emerging risk	Description	Mitigating activities	Change in risk status during the year
Emerging Risk			
Artificial Intelligence (AI)	<p>AI has become a powerful tool that will impact a huge range of areas. It could:</p> <ul style="list-style-type: none"> ● Be a significant driver for new business. ● Be a disrupter to current business models and processes. ● Lead to emerging uncertainty in corporate valuations. ● Lead to an increased potential risk from cyber related crime. 	<ul style="list-style-type: none"> ● The Manager's investment process integrates financially material considerations of the impact of AI when taking investment decisions. ● The Board works with the Manager to monitor the developments concerning AI and its potential impact on the portfolio, our service providers and the wider market. 	↑

Change Key

↑ Heightened ↔ Stable ↓ Reduced

Long-Term Viability

The Company is an investment trust with an objective of achieving capital growth from investing in US smaller companies. The Company enjoys the benefit of the closed-ended structure and is therefore better able to withstand market movements since it is not subject to forced liquidation of investments due to sudden or large redemptions by shareholders.

The Board notes by way of context that the Company has invested through many difficult economic and market cycles since its incorporation in 1955. The Board is cognisant of the unusually high levels of political, economic and market uncertainty at the current time and its potential impact on the prospects of many of the Company's portfolio holdings. This includes the continuing war between Ukraine and Russia and more recently the conflict in the Middle East, the political tensions between the US and China and the implications of developments in US tariff policies on global trade. Notwithstanding these crises, given the factors stated below, the Board expects the Company to continue for the foreseeable future and has conducted its assessment for a period of five years.

In conducting its assessment of the long-term viability of the Company, the Board has taken account of the Company's current financial position, its debt level and debt covenants, the liquidity of its holdings as well as the principal and emerging risks that it faces (see page 31 to 34), the investment capabilities of the Manager, the Manager's historical longer term investment performance and the current outlook for the US economy and its equity markets.

The Board has further considered the mitigation measures which key service providers, including the Manager, have in place to maintain operational resilience.

In addition to the above, the Company has carried out stress testing of a number of scenarios where the Company might be put under significant stress due to market volatility. This

included modelling the impact of substantial market falls and testing portfolio liquidity under stress. The results demonstrated the impact on the Company's NAV, its expenses, its debt levels and the covenants attached to that debt as well as the Company's ability to meet its liabilities. In even the most stressed scenario, the Company was shown to have sufficient cash, or to be able to liquidate a sufficient portion of its listed holdings, in order to meet its liabilities as they fall due. See notes 13 and 14 on pages 78 and 79.

The Directors consider five years to be an appropriate time horizon to assess the Company's viability. In determining this time horizon the Directors had regard to their view that, given the Company's objective of achieving capital growth, shareholders should consider the Company as a long-term investment proposition. This is consistent with advice provided by independent financial advisers and wealth managers, that investors should consider investing in equities for a minimum of five years. The Directors also take account of the inherent uncertainties of equity markets and the existence of a continuation vote every five years.

The next continuation vote for the Company will be in 2030. The Directors confirm that, assuming a successful continuation vote at the 2030 Annual General Meeting, as has been the case with previous continuation votes for the Company, they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next five years until 31st December 2030. This reasonable expectation is subject to there being no significant adverse change to the regulatory or taxation environment for investment trusts; and subject to there being no sustained adverse investment performance by the current or any successive Portfolio Managers, that may result in the Company not being able to maintain a supportive shareholder base.

Duty to Promote the Success of the Company

Duty to promote the success of the Company – Section 172 statement

Section 172 of the Companies Act 2006 requires that a Director must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members (i.e. shareholders) as a whole and in doing so, have regard (amongst other matters) to the likely consequences of any decision in the long term; the need to foster the Company's business relationships with suppliers, customers and others; the impact of the Company's operations on the community and the environment; the desirability of the Company maintaining a reputation for high standards of business conduct; and the need to act fairly as between members of the Company.

The Board is responsible for all decisions relating to the Company's investment objective and policies, gearing, discount management, corporate governance and strategy, and for monitoring the performance of the Company's third party service providers, including the Manager. The Board's philosophy is that the Company should foster a culture where all the Company's stakeholders are treated fairly and with respect and the Board recognises the importance of acting fairly between them, which is front of mind in its key decision making. As an externally-managed investment company with no employees, the Board considers that the Company's key stakeholders are its shareholders and potential investors, its Manager, its investee companies, and its other key third party service providers (corporate broker, registrar, auditor, custodian and depositary), debt providers and wider society. The Board believes the best interests of the Company are aligned with those of these key stakeholders, as all parties wish to see, and ultimately benefit from, the Company achieving its investment objective, whilst carrying on business in compliance with the highest possible regulatory, legal, ethical and commercial standards.

As the Company acts through its service providers, its culture is represented by the values and behaviour of the Board and third parties to which it delegates. The Board aims to fulfill the Company's investment objective by encouraging a culture of constructive challenge with all key suppliers and openness with all stakeholders. The Board is responsible for embedding the Company's culture in the Company's operations. The Board recognises the Company's responsibilities with respect

to corporate and social responsibility and engages with its service providers to safeguard the Company's interests.

As part of this ongoing monitoring, the Directors receive regular reporting from service providers on matters such as their anti-bribery and corruption policies; Modern Slavery Act 2015 statements; diversity policies; and greenhouse gas and energy usage reporting. The Management Engagement Committee reviews the Company's service providers at least annually.

The Company's Business Model

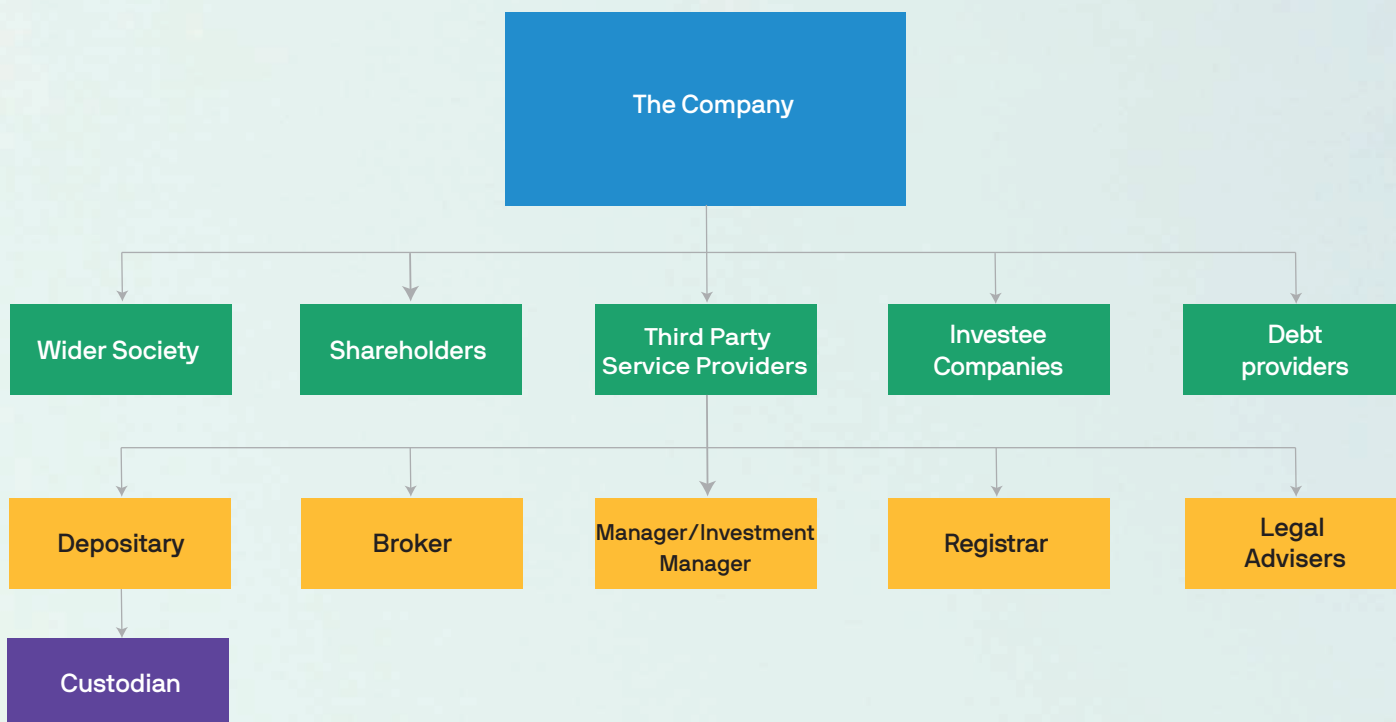
The Board is appointed by the Company's shareholders, who also approve the Company's investment objective. The Board appoints the Manager to deliver the investment objective using its investment process. The Board oversees the Company's affairs by:

1. Ensuring the Manager complies with the Investment Restrictions and Guidelines (see page 28).
2. Reviewing the Manager's performance against the benchmark index and Key Performance Indicators (see page 28).
3. Using gearing where the expected benefits outweigh the costs and risks. This includes approving the method of adding gearing to the portfolio.
4. Monitoring the share price premium or discount and the use of share issuances and buybacks (see page 28).
5. Setting the dividend policy and level of revenue reserves.
6. Monitoring the principal and emerging risks (see page 31).
7. Appointing and monitoring other third party service providers, including the depositary, registrar, broker and auditor.
8. Reviewing the Ongoing Charges (see page 29).
9. Ensuring compliance with governance codes and regulatory requirements (see page 45).
10. Overseeing the marketing and investor relations activities carried out by the Manager.
11. Making disclosures relating to the Company's employees and Board diversity are included in the Directors' Report on pages 46 and 51.

Duty to Promote the Success of the Company

Stakeholders

The Board has identified the following as its key stakeholders and third party service providers of the Company:



The Board believes the best interests of the Company are aligned with those of its key stakeholders as all parties wish to see, and ultimately benefit from, the Company achieving its investment objectives while carrying on business in compliance with the highest possible regulatory, legal, ethical and commercial standards.

The table below sets out details of the Company's engagement with its key stakeholders:

Shareholders

Continued shareholder engagement is critical to the continued existence of the Company and the successful delivery of its long-term strategy. The Board is focused on fostering and maintaining good working relationships with shareholders and understanding the views of shareholders in order to incorporate them into the Board's strategic thinking and objectives. Shareholders are encouraged to attend the Company's Annual General Meeting. Shareholders can contact Directors via the Company Secretary. In addition, the Chair and Directors make themselves available as and when required to address shareholders' queries and offer meetings to larger shareholders. Engagement with shareholders has also improved with the increased use of regular webcasts, the establishment of a Company page on LinkedIn, and the opportunity for shareholders to sign up for electronic news updates. The Board remains committed to enhancing communication and engagement with shareholders, including through Company updates, the Company's website, and other relevant channels.

Manager

The principal supplier is the Manager, in particular the investment management team, which is responsible for managing the Company's assets in order to achieve its stated investment objective. The Board maintains a good working relationship with the Manager, who also provides administrative support and promotes the Company through its investment trust sales and marketing teams. The Board monitors the Company's investment performance at each Board Meeting in relation to its objective and also to its investment policy and strategy. The Board also maintains strong lines of communication with the Manager via its dedicated company secretary and client director whose interactions extend well beyond the formal business addressed at each Board and Committee meeting. This enables the Board to remain regularly informed of the views of the Manager and the Company's shareholders (and vice versa).

Duty to Promote the Success of the Company

Investee companies

The Board is committed to responsible investing and actively monitors the activities of investee companies through its delegation to the Manager. In order to achieve this, the Manager has discretionary powers to exercise voting rights on behalf of the Company on all resolutions proposed by the investee companies. In respect of the year under review, the Manager engaged with many of its investee companies and voted at all of the annual general meetings and extraordinary meetings held during the year by the Company's portfolio companies (full details can be found on page 19). The Board monitors investments made and divested and questions the Manager's rationale for exposures taken and voting decisions made.

Other key service providers

The Board ensures that it promotes the success of the Company by engaging specialist third party suppliers, with appropriate capability, performance records, resources and controls in place to deliver the services that the Company requires for support in meeting relevant obligations and safeguarding the Company's assets. For this reason, the Board considers the Company's custodian, depositary, registrar and broker to be stakeholders. The Board maintains regular contact with its key external service providers, either directly, or via its dedicated company secretary or client director, and receives regular reporting from these providers at Board and Committee meetings. The Management Engagement Committee meets annually to review and appraise its key service providers.

Wider society and the Environment

Whilst strong long-term investment performance is essential for an investment trust, the Board recognises that to provide an investment vehicle that is sustainable over the long term, both it and the Manager must have regard to ethical and environmental issues that impact society. Hence environmental, social and governance (ESG) considerations are integrated into the Manager's investment process and will continue to evolve. Further details of the Manager's integrated approach to ESG can be found on pages 18 to 19.

The Manager is a signatory to the UK Stewardship Code. This reflects the Manager's commitment to stewardship responsibilities and to drive positive corporate change and industry developments to benefit not only the Company but also the environment and wider society over the long term.

Key Decisions and Actions

The Directors confirm that they have considered their duty under Section 172 when making decisions during the financial year under review. Key decisions and actions during the year which have required the Directors to have regard to applicable section 172 factors include:

Dividends Payable to Shareholders

Although the Company's objective is to deliver capital growth, the level of dividends paid are a key consideration for the Board, given the ongoing demand for income. In the Company's financial year ended 31st December 2025, the Company's revenue return per share for the year, after deduction of expenses and tax, decreased from the prior year by 9.4%. The Board has declared a final dividend of 3.2 pence per share, which is an increase on the 3.1 pence per share paid in respect to the year to 31st December 2024, and is fully covered by the revenue return in the year.

Share buybacks

The Board pursues an active buyback policy, opportunistically purchasing shares at a discount to NAV such that the NAV per share for existing shareholders is enhanced. In addition to the primary benefit of the NAV enhancement provided to existing shareholders, the buyback policy has the effect of reducing discount volatility and improving liquidity in the Company's shares.

During the year 6,886,958 shares were purchased into Treasury, at a cost of £26.7 million, representing 11.4% of the Company's issued share capital (excluding shares held in Treasury) at the beginning of 2025, and at an average discount to NAV of 9.3%.

Change in Management Fee and Re-appointment of Manager

During the year, the Directors reviewed the competitiveness of the management fee and the Company's operating costs. As mentioned in the Chair's statement, this review resulted in a reduction of management fee for the Company. More details can be found on page 42.

The Directors also held the Manager to account for investment performance, encouraged the Manager to enhance its sales and marketing efforts, and further integrate ESG into the Manager's investment process. A review of the Manager and its services was undertaken during the year by the Management Engagement Committee. Post the review process, the Board re-appointed the Manager.

Duty to Promote the Success of the Company

Succession Planning

As mentioned in the Chair's Statement, Shefaly Yogendra will retire from the Board at the conclusion of the 2026 AGM. During the year, Cindy Rampersaud was appointed as a Non-Executive Director to the Board.

As announced to the market on 26th March 2026, Christopher Metcalfe stepped down from the Board with effect from 1st April 2026. The Board has commenced a recruitment process to ensure that it continues to have an appropriate balance of experience, skills and diversity.

Raising the Profile of the Company

The Board is focused on enhancing the sales and marketing efforts of the Company. The Board engaged a third party to refine the Company's key attributes and attractions, alongside the development of a marketing plan to raise awareness of the Company amongst existing and potential shareholders. The same third party now supports the Manager to make compelling content to aid the promotion of the Company. The Board continues to encourage the Manager to enhance its sales, marketing and PR efforts, having initiated a series of promotional activities over 2025 to raise awareness of the Company.

It is important that the Company remains front of mind with both institutional and retail investors. The Board employs Kepler to provide research notes for the Company twice a year. In addition, the Portfolio Managers also use webcasts and speak at video conferences, organised by brokers and external companies. During the year, the Company's website was also improved.

Borrowings and Gearing

The Board, in discussion with the Portfolio Managers, regularly reviews the Company's debt position. This process includes identifying the need for finance, the type and source of financing, and the historic and expected impact of the use of gearing on the Company's NAV performance. This leads to pricing and term discussions including covenants with the selected debt provider. The Company, through its Manager, maintains the relationship and continued engagement with the debt provider which includes regular debt compliance reporting.

At the beginning of the year, the Company had fully drawn down its US\$30 million revolving credit facility with Scotiabank. The Board renewed the loan facility in March 2025 with a new provider, Bank of America. This new facility is for US\$35 million, with a US\$5 million accordion option. As at 31st December 2025, the Company had drawn down US\$35 million (£26 million) and closed the year with gearing of 9.7% (2024: 7.7%).

Miscellaneous

In addition, the Directors have kept under review the competitiveness of the management fee and the Company's other operating costs; undertaken a robust review of the principal and emerging risks faced by the Company; continued to encourage the Manager to enhance its sales and marketing efforts; discussed, confirmed and monitored the Company's dividend; engaged directly with major institutional and wealth manager shareholders; and discussed and monitored gearing levels and the Portfolio Managers' requirements for cash.

Furthermore, the Board has been in frequent contact with the Manager, receiving regular updates on the operating effectiveness of the Manager and key service providers and on areas such as portfolio performance and activity, portfolio liquidity and the discount to NAV at which the Company's shares trade.

By order of the Board

Priyanka Vijay Anand, for and on behalf of JPMorgan Funds Limited
Company Secretary

16th April 2026



Image representing MSA, a company specialising in safety gear

Board of Directors

Dominic Neary (Chair of the Board, Management Engagement and Nomination Committees)

A Director since 2019.

Last re-appointed to the Board: 2025.

Dominic managed US and global equity portfolios over his investment career, and has been involved with investment trusts throughout. He was previously a director of the Value and Indexed Property Income Trust plc, the manager of The Scottish American Investment Company PLC and an investment manager at Baillie Gifford & Co., Edinburgh and other investment institutions.

Connections with Manager: None.

Shareholding in the Company: 14,000.

Shared directorships with other Directors: None.

Mandy Donald (Chair of the Audit Committee)

A Director since 2022.

Last re-appointed to the Board: 2025.

Mandy is an experienced non-executive director and audit committee chair in a portfolio of roles. She is currently a non-executive director and audit & risk committee chair of Liontrust Asset Management plc, a non-executive director of Gowling WLG LLP and a non-executive director and audit committee chair of Punter Southall Group. She is also a non-executive director and audit committee chair of Begbies Traynor Group plc.

She qualified as a Chartered Accountant at Ernst & Young LLP and has extensive experience in strategy, governance, finance, audit and risk management.

Connections with Manager: None.

Shareholding in the Company: 1,250.

Shared directorships with other Directors: None.

Christopher Metcalfe (Senior Independent Director)

A Director since 2019. Retired with effect from 1st April 2026.

Last re-appointed to the Board: 2025.

Christopher has extensive US equity fund management and investment trust experience. He also has a deep understanding of UK investors having worked for a decade each at three of the largest fund management institutions in London; namely in senior positions managing investment funds at Newton Investment Management, Schroder Investment Management and Henderson Administration Group plc. He was previously a director of Aberdeen Smaller Companies Income Trust plc. He is currently a director of CT UK Capital and Income Investment Trust and Herald Investment Trust.

Connections with Manager: None.

Shareholding in the Company: 6,000.

Shared directorships with other Directors: None.

Shefaly Yogendra (Chair of the Remuneration Committee)

A Director since 2016.

Last re-appointed to the Board: 2025.

Shefaly is a risk and decision-making specialist and has spent her career working with technology investors and startups. She earlier worked in Ditto AI and HCL Technologies, and was a founder and a director of Livyora, a fine jewellery venture. She was previously a Trustee of BeyondMe, an executive director of Ditto AI and an Independent Governor of London Metropolitan University. More recently, she was also a director of Witan Investment Trust plc and Witan Investment Services Limited. She is currently a director of Temple Bar Investment Trust plc.

Connections with Manager: None.

Shareholding in the Company: 1,500.

Shared directorships with other Directors: None.

Cindy Rampersaud

A Director since 2025.

Last re-appointed to the Board: N/A.

Cindy is an experienced Non-Executive Director and Chair of Audit & Risk in FTSE listed, PE backed and government organisations. She is a Non-Executive Director at Sage Homes, a private-equity affordable housing business where she chairs the Acquisitions Oversight Committee; Deputy Chair and Chair of Audit & Risk at the UK Health Security Agency.

Connections with Manager: None.

Shareholding in the Company: 2,690.

Shared directorships with other Directors: None.

Directors' Report

The Directors present their report and the audited Financial Statements for the year ended 31st December 2025.

Directors

The Directors of the Company who held office at the date of this report are detailed on page 41. Christopher Metcalfe retired from the Board on 1st April 2026.

Details of Directors' beneficial shareholdings may be found in the Directors' Remuneration Report on page 58. No changes have been reported to the Directors' shareholdings since the year end.

In accordance with corporate governance best practice, all Directors will retire at the forthcoming Annual General Meeting (AGM) and, being eligible, will offer themselves for appointment/reappointment by shareholders. The Board seeks to balance the need for refreshment of its members with the value derived from their experience and continuity. The Nomination Committee, having considered their qualifications, performance and contribution to the Board and Committees, confirms that each Director continues to be effective and demonstrates commitment to the role, and the Board recommends to shareholders that those standing be appointed/reappointed. Directors' supporting statements can be found on page 46.

Director Indemnification and Insurance

As permitted by the Company's Articles of Association, the Directors have the benefit of a deed of indemnity which is a qualifying third party indemnity, as defined by Section 234 of the Companies Act 2006. The indemnities were in place during the year and as at the date of this report.

During the year an insurance policy has been maintained by the Company which indemnifies the Directors of the Company against certain liabilities arising in the conduct of their duties. There is no cover against fraudulent or dishonest actions.

Management of the Company

The Manager and Company Secretary is JPMF, a company authorised and regulated by the FCA. JPMF is a wholly-owned subsidiary of JPMorgan Chase Bank which, through other subsidiaries, also provides marketing, banking and dealing services to the Company. Custodian services are provided by a JPMorgan Chase Bank subsidiary, via a contract with the Company's depositary.

The Manager is employed under a contract which can be terminated on six months' notice, without penalty. If the Company wishes to terminate the contract on shorter notice, the balance of remuneration is payable by way of compensation.

The Management Engagement Committee conducts a formal review of the Manager on an annual basis. The review includes consideration of the investment strategy and the process of the Manager, performance against the benchmark and a relevant peer group over the long term and the support the Company receives from the Manager. As part of this process, the Board visits the New York office each year.

As a result of the review process, the Board confirms that it is satisfied that the continuing appointment of the Manager is in the interest of shareholders as a whole.

The Alternative Investment Fund Managers Directive (AIFMD)

JPMF is the Company's alternative investment fund manager (AIFM). It is approved as an AIFM by the FCA. For the purposes of the AIFMD the Company is an alternative investment fund (AIF).

JPMF has delegated responsibility for the day to day management of the Company's portfolio to JPMAM. The Company has appointed Bank of New York Mellon (International) Limited (BNY) as its depositary. BNY has appointed JPMorgan Chase Bank, N.A. as the Company's custodian. BNY is responsible for the oversight of the custody of the Company's assets and for monitoring its cash flows.

The AIFMD requires certain information to be made available to investors in AIFs before they invest and requires that material changes to this information be disclosed in the annual report of each AIF. An Investor Disclosure Document, which sets out information on the Company's investment strategy and policies, leverage, risk, liquidity, administration, management, fees, conflicts of interest and other shareholder information is available on the Company's website at www.jpmsmallercompanies.co.uk. There have been no material changes (other than those reflected in these Financial Statements) to this information requiring disclosure. Any information requiring immediate disclosure pursuant to the AIFMD will be disclosed to the London Stock Exchange through a primary information provider.

As an authorised AIFM, JPMF will make the requisite disclosures on remuneration levels and policies to the FCA at the appropriate time.

The Company's leverage and JPMF's remuneration disclosures are set out on page 89.

Management Fee

Until 31st December 2025, the management fee was 0.7% per annum on all gross assets (excluding any holding in the JPMorgan Liquidity Fund).

With effect from 1st January 2026, the revised management fee is as follows:

Net Assets	Fee Level
Up to and including £300 million	0.70%
Over £300 million	0.60%

Disclosure of information to Auditor

In the case of each of the persons who are Directors of the Company at the time when this report was approved:

- (a) so far as each of the Directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's Auditor is unaware; and

Directors' Report

- (b) each of the Directors has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

The above confirmation is given and should be interpreted in accordance with the provisions of Section 418(2) of the Companies Act 2006.

Independent Auditor

BDO LLP was appointed as Auditor of the Company with effect from 19th August 2020. BDO LLP has expressed its willingness to continue in office as Auditor to the Company and the Board has proposed a resolution in the Notice of the Company's Annual General Meeting to be held on 15th June 2026 proposing the reappointment of BDO LLP, to hold office until the conclusion of the next Annual General Meeting at which accounts are laid before the Company and authorising the Directors to determine their remuneration. Further details may be found in the Audit Committee Report on page 52.

Companies Act 2006 Requirements

The following disclosures are made in accordance with Companies Act 2006:

Capital Structure

The Company's capital structure is summarised on the inside front cover of this report. Details of share repurchases have been disclosed in the Strategic Report on page 29.

Voting Rights in the Company's shares

Details of the voting rights in the Company's shares as at the date of this report are given in note 17 to the Notice of Annual General Meeting on page 95.

Dividends

Details of the Company's dividend payments are given on page 77.

Financial Instruments

Details of the Company's financial instruments are given in note 21 of the Financial Statements.

Notifiable Interests in the Company's Voting Rights

At the financial year end, the Board has been advised that the following shareholders owned 3% or more of the issued share capital of the Company as at 31st December 2025:

Shareholders	Number of voting rights	% ¹
Rathbones Group PLC	3,752,996	6.98

¹ Based on the number of shares in issue on the date of the shareholders' latest notifications to the Company.

This information is derived from the Company's internal records based on the TR1 disclosures provided to the Company, as well as disclosures received pursuant to the Disclosure, Guidance and Transparency Rules. No changes have been notified since the year end to the date of this report.

Articles of Association

The rules concerning the appointment and replacement of Directors, amendment of the Articles of Association and powers to issue or repurchase the Company's shares are contained in the Articles of Association of the Company and the Companies Act 2006.

There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; no agreements which the Company is party to that affect its control following a takeover bid; and no agreements between the Company and its Directors concerning compensation for loss of office.

UK Listing Rule 6.6.4R

UK Listing Rule 6.6.4R requires the Company to include certain information in a single identifiable section of the Annual Report and Financial Statements or a cross reference table indicating where the information is set out. The Directors confirm that there are no disclosures to be made in this regard.

Annual General Meeting

The notice covering the Annual General Meeting of the Company to be held on Monday, 15th June 2026 is given on pages 92 to 93.

Resolutions relating to the following items of special business will be proposed at the forthcoming Annual General Meeting (AGM):

- (i) **Authority to allot new shares and to disapply statutory pre-emption rights (resolutions 10 and 11)**

The Directors will seek authority at the Annual General Meeting to issue up to 5,212,829 new ordinary shares for cash up to an aggregate nominal amount of £130,320, such amount being equivalent to 10% of the present issued share capital (excluding Treasury shares, if any) or, if different, the number of ordinary shares which is equal to 10% of the Company's issued share capital, (excluding treasury shares), at the date of the passing of the resolution. This authority will expire at the Annual General Meeting in 2027 or the date occurring 18 months from the date on which this resolution is passed, whichever is the earlier, unless renewed, revoked or varied by the Company at a general meeting prior to such time.

It is advantageous for the Company to be able to issue new shares (or to sell Treasury shares) to investors when the

Directors' Report

Directors consider that it is in the best interests of shareholders to do so. As such, issues are only made at a price of a sufficient margin above the net asset value, such that they increase the assets underlying each share and spread the Company's administrative expenses, other than the management fee which is charged on the value of the Company's assets, over a greater number of shares. The issue proceeds are available for investment in line with the Company's investment policies.

(ii) Authority to allot further new ordinary shares and to disapply statutory pre-emption rights (resolutions 12 and 13)

In addition to any authorities granted by resolutions 10 and 11 above, the Directors will seek renewal of the authority at the AGM to issue new ordinary shares for cash on a non pre-emptive basis up to an aggregate nominal amount of £130,320, such amount being equivalent to 10% of the present issued ordinary share capital (excluding Treasury shares) as at the last practicable date before the publication of the Notice of Meeting or, if different, the number of ordinary shares which is equal to 10% of the Company's issued share capital (excluding Treasury shares) as at the date of the passing of the resolution. This authority will expire at the conclusion of the Company's AGM in 2027 or the date occurring 18 months from the date on which this resolution is passed, whichever is the earlier, unless renewed, revoked or varied by the Company at a general meeting prior to such time.

The full text of the resolutions 10 to 13 is set out in the Notice of Annual General Meeting on pages 92 to 93. If each of resolutions 10 to 13 are passed, the Company will have the ability to issue, on a non pre-emptive basis, up to 20% of its issued share capital (excluding shares held in Treasury) as at the date of the passing of the resolutions.

(iii) Authority to repurchase the Company's shares (resolution 14)

At the Annual General Meeting held on 17th June 2025, shareholders gave authority to the Company to purchase up to 14.99% of its then issued share capital. This authority will expire at the conclusion of the Company's AGM in 2026 or the date occurring 18 months from the date on which this resolution is passed, whichever is the earlier, unless renewed, revoked or varied by the Company at a general meeting prior to such time, and could be renewed by shareholders at any time at a General Meeting of the Company. The Board remains committed to a strong and disciplined discount management policy, but also recognises the need to balance short-term share buybacks for cancellation or holding in treasury with long-term liquidity implications. The Company will only buy back shares at a price of sufficient margin under the NAV such that it enhances NAV per share for remaining shareholders. It will seek shareholder approval to renew the authority at the forthcoming Annual General Meeting.

The full text of the resolution (to be proposed as a special resolution) to renew the share repurchase authority is set out as Resolution number 14 in the Notice of Meeting.

(iv) Authority to hold general meetings (resolution 15)

Proposed as a special resolution, the Directors seek shareholder approval to call a general meeting, other than an Annual General Meeting, on no less than 14 clear days' notice. The Company will only use the shorter notice period where it is merited by the purpose of the meeting.

Recommendation

The Board considers that resolutions 1 to 15 are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that you vote in favour of the resolutions as they intend to do in respect of their own beneficial holdings which amount in aggregate to shares representing approximately 0.04% of share capital of the existing issued share capital of the Company.

By order of the Board

Priyanka Vijay Anand, for and on behalf of
JPMorgan Funds Limited,
Company Secretary

16th April 2026

Corporate Governance Statement

Corporate Governance Statement

Compliance

During the year, the Company was subject to UK legislation and regulations including UK company law, UK Financial Reporting Standards, the UK Listing, Prospectus, Disclosure Guidance and Transparency Rules, the Market Abuse Regulation, taxation law and the Company's own Articles of Association. The Company's underlying investments are also subject to some US and other worldwide regulations. The Company is an investment company within the meaning of Section 833 of the Companies Act 2006 and has been approved by HM Revenue & Customs as an investment trust (for the purposes of Sections 1158 and 1159 of the Corporation Tax Act 2010). As a result the Company is not liable for taxation on capital gains. The Directors have no reason to believe that approval will not continue to be retained. The Company is not a close company for taxation purposes.

By virtue of the Company's listing on the London Stock Exchange, the Board is required to report on how the principles of the 2024 UK Corporate Governance Code (the UK Code) have been applied. The 2024 AIC Code of Corporate Governance (the AIC Code) addresses the principles and provisions of the UK Code as well as additional provisions of specific relevance to investment companies, and has been endorsed by the Financial Reporting Council.

This enables investment company boards to report against the AIC Code and still meet their obligations under the UK Code and associated disclosure requirements under paragraph 6.6.6R (5) of the UK Listing Rules. The Board has chosen to report under the AIC Code, as it considers reporting against the AIC Code provides more relevant information to the Company's shareholders about its governance arrangements. The Board has fully adopted the recommendations of the 2024 AIC Code with the exception of provision 34, which applies to financial years beginning on or after 1st January 2026.

Copies of the UK Code and the AIC Code may be found on the respective organisation's websites: www.frc.org.uk and www.theaic.co.uk.

Role of the Board

A management agreement between the Company and JPMF sets out the matters over which the Manager has authority. This includes management of the Company's assets and the provision of accounting, company secretarial, administrative services and some marketing services. All other matters are reserved for the approval of the Board. A formal schedule of matters reserved to the Board for decision has been approved. This includes determination and monitoring of the Company's investment objectives and policy and its future strategic direction, gearing policy, management of the capital structure, appointment and removal of third party service providers, review of key investment and financial data and the Company's corporate governance and risk control arrangements.

At each Board meeting, Directors' interests are considered. These are reviewed carefully, taking into account the circumstances surrounding them, and, if considered appropriate, are approved. It was resolved that there were no actual or indirect interests of a Director which conflicted with the interests of the Company which arose during the year.

The Board has procedures in place to deal with potential conflicts of interest and, following the introduction of The Bribery Act 2010, has adopted appropriate procedures designed to prevent bribery. It confirms that the procedures have operated effectively during the year under review.

The Board meets at least quarterly during the year and additional meetings are arranged as necessary. Full and timely information is provided to the Board to enable it to function effectively and to allow Directors to discharge their responsibilities.

There is an agreed procedure for Directors to take independent professional advice if necessary and at the Company's expense. This is in addition to the access that every Director has to the advice and services of the Company Secretary, JPMF, which is responsible for ensuring that the Board complies with applicable rules, regulations and Board procedures.

Board Composition and Chair

At the financial year-end, the Board consisted of five non-executive Directors, chaired by Dominic Neary, all of whom are regarded by the Board as independent of the Company's Manager, including the Chair. Given the size of the Board, during the year all Directors were members of the Nomination, Remuneration, Management Engagement Committees. All Directors, except the Board Chair who attended by invitation, were members of the Audit Committee. Since the retirement of Christopher Metcalfe, Dominic Neary, the Board Chair, has also been appointed as a member of the Audit Committee. This is permitted under the AIC Code as he was deemed to be independent on appointment.

The Directors have a breadth of investment, business and financial skills and experience relevant to the Company's business. The Board is well diversified in terms of gender, ethnicity and experience. Brief biographical details of each Director are set out on page 41.

There have been no changes to the Chair's significant commitments during the year under review.

In order to provide a balance of skills, experience, length of service and ages, it is the Board's policy to introduce new Directors to provide an orderly succession over time.

A review of Board composition and balance is included as part of the annual performance evaluation of the Board.

Senior Independent Director

For the financial year ended 31st December 2025, Christopher Metcalfe, as the Senior Independent Director of the Company, led the performance evaluation of the Chair. Following

Corporate Governance Statement

Christopher's retirement, Mandy Donald has assumed the role of Senior Independent Director of the Company and is available to shareholders if they have any concerns that cannot be resolved through discussions with the Chair.

Board Diversity and Inclusion

When recruiting a new Director, the Board's policy is to appoint individuals on merit. Diversity is important in bringing an appropriate range of skills and experience to the Board and an assessment is made of the qualities and skills of the existing Board before appointing new Directors. Having recently completed a review of the skills and experience of Directors, the Board believes that it is equipped with the necessary attributes required for the sound stewardship of

the Company and that their knowledge sets allow for lively and engaging debates.

Full details of the skills and experience of the Directors can be found on page 41. At 31st December 2025, there were two male Directors and three female Directors on the Board, which was also in compliance with the Parker Review recommendations on diversity in the UK boardroom. Please refer to page 48 for more information on the workings of the Nomination Committee.

UK Listing Rule 6.6.6 (9) requires listed companies to include a statement in their annual reports and accounts in respect of certain targets on board diversity, or if those new targets have not been met, to disclose the reasons for this. The table below shows the gender and ethnicity of our Board against these diversity targets in accordance with UK Listing Rule 6.6.6 (10).

The table below shows the information as at 31st December 2025:

Gender	Number of Board Members	Percentage of Board	Number of senior positions on the Board (CEO, CFO, SID and Chair) ²	Number in executive management	Percentage of executive management
Men	2	40	2	n/a	n/a
Women	3	60	1	n/a	n/a
Not specified/prefer not to say	n/a	n/a	n/a	n/a	n/a
Ethnicity¹					
White British (or any other white background)	3	60	3	n/a	n/a
Asian or Asian British	2	40	0	n/a	n/a

¹ Categorisation of ethnicity is stated in accordance with the Office of National Statistics classification.

² The roles of Chair of the Board of Directors, Audit Committee Chair and Senior Independent Director are classified as senior positions. The role of Audit Committee Chair is not currently defined as a senior position under the UK Listing Rules. However the Board believes that, for an investment trust company, it should be regarded as such, as it is broadly equivalent to the Chief Financial Officer of a trading company. Dominic Neary in the role of the Chair and Christopher Metcalfe in the role of Senior Independent Director. Mandy Donald in the role of the Chair of the Audit Committee.

The information in the above table was provided by individual Directors in response to a request from the Company. The Company is pleased to report that it meets FCA's target on all the three categories below:

- at least 40% of the board should be women.
- at least one senior board position should be held by a woman.
- at least one member of the board should be from an ethnic minority background, excluding white ethnic groups (using ONS categories).

Reappointment of Directors

The Directors of the Company and their brief biographical details are set out on page 41. The skills and experience that each Director brings to the Board, and why their contributions are important to the long-term success of the Company, are summarised below.

Resolution 5 is for the reappointment of Mandy Donald. She joined the Board in January 2022 and has served as a Director for four years. Mandy is a Chartered Accountant and has extensive experience in audit and risk management. She chairs the Audit Committee and is also the Senior Independent Director.

For details of current directorships, please refer to page 41 of the Report.

Resolution 6 concerns the reappointment of Dominic Neary. He joined the Board in January 2019 and has served for seven years as a Director. Dominic managed US and global equity portfolios, and was involved with investment trusts, throughout his 20-year investment management career, and has served as a non-executive on the boards of investment trusts since 2017.

For details of current directorships, please refer to page 41 of the Report.

Corporate Governance Statement

Resolution 7 concerns the appointment of Cindy Rampersaud. She joined the Board in November 2025. Cindy is a senior leader with over 25 years of executive and 15 years of board experience across a range of sectors including the publishing, health & life sciences, housing and entertainment media sectors.

For details of current directorships, please refer to page 41 of the Report.

The Board confirms that each of the Directors standing for appointment/reappointment at the forthcoming AGM continue to contribute effectively and recommends that shareholders vote in favour.

Tenure

Directors are initially appointed until the following Annual General Meeting when, under the Company's Articles of Association, it is required that they be reappointed by shareholders. Subject to the performance evaluation carried out each year, the Board will agree whether it is appropriate for Directors to seek annual reappointment. The Board has adopted corporate governance best practice and has a succession plan in place. All Directors must stand for annual reappointment.

The Board believes in regular refreshment of the Board and its Committees and in the benefits of having a diverse range of experience, skills, length of service and backgrounds (see our diversity policy on page 46).

The Board is also of the view that length of service will not necessarily compromise the independence or contribution of directors of an investment trust company or, indeed, its chair. Continuity and experience can add significantly to the strength of the Board especially in times of market turbulence. The Board has noted the inference of provisions in the UK Corporate Governance Code that non-executive directors who have served for more than nine years should be presumed not to be independent. However, the AIC does not believe that this presumption is necessarily appropriate for investment companies and therefore does not recommend that long-serving directors be prevented from forming part of an investment trust board. However, in normal circumstances the Chair and Directors are expected to serve for a nine-year term, but this may be adjusted for reasons of flexibility and continuity.

The table below details the Directors as at 31st December 2025, and who are eligible for appointment/re-appointment, as at the forthcoming Annual General Meeting and projected forward to 2029.

Director	Appointment Date	2026 AGM	2027 AGM	2028 AGM	2029 AGM
Dominic Neary	1st January 2019				
Mandy Donald	4th January 2022				
Christopher Metcalfe ¹	1st January 2019		N/A	N/A	N/A
Shefaly Yogendra ²	1st November 2016		N/A	N/A	N/A
Cindy Rampersaud	1st November 2025				

Key – tenure

● 1-6 years ● 7-8 years ● 9+ years

¹ Christopher Metcalfe stepped down from the Board with effect from 1st April 2026.

² Planned retirement at the 2026 AGM.

The Annual General Meeting of the Company is held in June each year.

A list of potential conflicts of interest for each Director is maintained by the Company. These are considered carefully, taking into account the circumstances surrounding them, and, if considered appropriate, are approved.

Induction and Training

On appointment, the Manager and Company Secretary provide all Directors with induction training. Thereafter, regular briefings are provided on changes in law and regulatory requirements that affect the Company and the Directors. Directors are encouraged to attend industry and other seminars covering issues and developments relevant to investment trust companies. Regular reviews of the Directors' training needs are carried out by the Nomination Committee by means of the evaluation process described below.

Meetings and Committees

The Board delegates certain responsibilities and functions to committees. Details of membership of committees are shown with the Directors' profiles on page 41. All Directors are members of the Committees.

The table below details the number of meetings attended by each Director out of those available to be attended. During the financial year there were six Board meetings, including a private meeting of the Directors to evaluate the Manager, three Audit Committee meetings, one Nomination Committee meeting, one Remuneration Committee meeting and one Management Engagement Committee meeting.

Corporate Governance Statement

Director	Management				
	Board	Audit Committee	Nomination Committee	Remuneration Committee	Engagement Committee
D Neary ¹	6	3	1	1	1
M Donald	6	3	1	1	1
C Metcalfe	6	3	1	1	1
S Yogendra	6	3	1	1	1
C Rampersaud ²	1	1	—	—	—

¹ During the year, Dominic Neary, Board Chair, was not a member of the Audit Committee but was invited to attend meetings. Since Christopher Metcalfe's retirement from the Board with effect from 1st April 2026, the Board Chair has been appointed as a member of the Audit Committee.

² Appointed to the Board on 1st November 2025.

As well as the formal meetings detailed above, the Board meets and communicates frequently to deal with day to day matters as they arise. During the year, the Directors also travelled to the United States to have meetings with the investment management team and other senior members of the J.P. Morgan Asset Management, Inc management team based in New York.

Board Committees

The Nomination, Remuneration, Management Engagement, and Audit Committees have written terms of reference which define clearly their respective responsibilities, copies of which are available on the Company's website and for inspection on request at the Company's registered office and at the Annual General Meeting.

Nomination Committee

The Nomination Committee, chaired by Dominic Neary, meets at least annually to ensure that the Board has an appropriate balance of skills and experience to carry out its fiduciary duties and to select and propose suitable candidates for appointment when necessary. The appointment process takes account of the benefits of diversity, including gender and ethnicity.

The Board remains committed to appointing the most appropriate candidate while seeking to ensure that it does not unwittingly exclude any group.

During the year, the Board engaged an independent executive search firm to assist with the recruitment process for Cindy Rampersaud. The firm has no connections with the Company.

The Committee conducts an annual performance evaluation of the Board, its committees and individual Directors to ensure that all Directors have devoted sufficient time and contributed adequately to the work of the Board and its Committees. The evaluation of the Board considers the balance of experience, skills, independence, corporate knowledge, its diversity and how the Board works together as a group.

Questionnaires, drawn up by the Board, are completed by each Director. The responses are collated and then discussed by the Committee. The evaluation of individual Directors is led by the Chair. The Senior Independent Director leads the evaluation of the Chair's performance. Having completed the annual performance review process, the Committee confirms that it believes that the Board has an appropriate balance of skills and experience, that all Directors should be considered as Independent in accordance with the provisions of the AIC Code and that all Directors have the time available to discharge their duties effectively.

Remuneration Committee

The Remuneration Committee, chaired by Shefaly Yogendra, reviews Directors' fees and makes recommendations to the Board, as and when appropriate, in relation to remuneration policy and implementation. This takes into account the level of fees paid to the directors of the Company's peers and within the investment trust industry generally, to ensure that high-quality people are attracted and retained. Following Shefaly's retirement at the forthcoming AGM, Cindy Rampersaud will take over as the Chair of the Remuneration Committee.

Management Engagement Committee

The Management Engagement Committee, chaired by Dominic Neary, consists of all of the Directors and meets annually to review the performance of the Manager and the third party service providers of the Company. The Committee conducts a formal evaluation of the Manager on an annual basis. The evaluation includes consideration of the investment strategy and process of the Investment Manager, the investment performance versus the benchmark, and the quality of support that the Company receives from JPMF. The Committee also reviews the Company's agreements with other major service providers. As a result of the evaluation process, the Board confirms that it is satisfied that the continuing appointment of the Manager is in the interests of shareholders as a whole.

Audit Committee

The report of the Audit Committee, which is chaired by Mandy Donald, is set out on pages 52 to 54.

Going Concern

The Directors' statement on going concern is detailed on page 53.

Relations with Shareholders

The Board regularly monitors the shareholder profile of the Company. It aims to provide shareholders with a full understanding of the Company's activities and performance and reports formally to shareholders two times a year by way of the Annual Report and Financial Statements, and Half Year Report. This is supplemented by the daily publication, through

Corporate Governance Statement

the London Stock Exchange, of the net asset value of the Company's shares and the Company's level of gearing and the monthly publication of a Company factsheet. Shareholders can also register to receive regular electronic updates about the Company.

All shareholders have the opportunity, and are encouraged, to attend the Company's Annual General Meeting, at which the Directors and representatives of the Manager are available in person to meet with shareholders and to answer their questions. In addition, a presentation is given by the Portfolio Managers, who review the Company's performance.

During the year the Company's broker and the Manager held regular discussions with larger shareholders. The Directors are made fully aware of their views. In addition, on a regular basis the Board invites the Company's brokers, who are independent of the manager, to present to the Directors and also asks them to canvass shareholder views when appropriate. Through them, the Board not only receives an independent and well-informed report on shareholder views, but also is able to offer shareholders meetings with the Chair or the Directors as and when required to address any queries. The Directors may be contacted through the Company Secretary whose details are shown on page 102, via the Company's website, or via email to JUSC.Chair@jpmorgan.com. All communications from shareholders that are intended for the Board are forwarded in full directly to the Chair for his response.

The Company's Annual Report and Financial Statements is published in time to give shareholders at least 20 working days' notice of the AGM. Shareholders wishing to raise questions in advance of the meeting are encouraged to submit questions via the Company's website or write to the Company Secretary at the address shown on page 102. A formal process is in place for all letters to the Chair or other Directors to be forwarded immediately. As part of this process, any feedback from shareholders is also communicated to the Board.

Details of the proxy voting position on each resolution will be published on the Company website shortly after the AGM.

Risk Management and Internal Control

The AIC Code requires the Directors, at least annually, to review the effectiveness of the Company's system of risk management and internal control and to report to shareholders on that review. This encompasses a review of all controls, which the Board has identified as including business, financial, operational, compliance and risk management.

The Directors are responsible for the Company's system of risk management and internal control which is designed to safeguard the Company's assets, maintain proper accounting records and ensure that financial information used within the business, or published, is reliable. However, such a system can only be designed to manage rather than eliminate the risk of failure to achieve business objectives and

therefore can only provide reasonable, but not absolute, assurance against fraud, material misstatement or loss.

Since investment management, custody of assets and all administrative services are provided to the Company by the Manager and its associates, the Company's system of risk management and internal control mainly comprises monitoring the services provided by the Manager and its associates, including the operating controls established by them, to ensure they meet the Company's business objectives.

There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company (see Principal and Emerging Risks on pages 31 to 34). This process has been in place for the year under review and up to the date of the approval of the Annual Report and Financial Statements and it accords with the Financial Reporting Council's guidance.

Given the foregoing, and in common with most investment trust companies, the Company does not have an internal audit function. The Manager's internal audit department conducts regular and rigorous reviews of the various functions within its asset management business. Any significant findings that are relevant to the Company and/or the Manager's investment trust business are reported to the Board.

The key elements designed to provide effective internal control are as follows:

- **Financial Reporting**

Regular and comprehensive review by the Board of key investment and financial data, including management accounts, revenue projections, analysis of transactions and performance comparisons.

- **Management and Depositary Agreements**

Appointment of a manager and depositary regulated by the FCA, whose responsibilities are clearly defined in a written agreement.

- **Management Systems**

The Manager's system of risk management and internal control includes organisational agreements which clearly define the lines of responsibility, delegated authority, control procedures and systems. These are monitored by JPMAM's Compliance department which regularly monitors compliance with FCA rules and reports to the Board.

- **Investment Strategy**

Authorisation and monitoring of the Company's investment strategy and exposure limits by the Board.

The Board, either directly or through the Audit Committee, keeps under review the effectiveness of the Company's system of risk management and internal control by monitoring the operation of the key operating controls of the Manager and its associates as follows:

Corporate Governance Statement

- the Board, through the Management Engagement Committee and Audit Committee, reviews the terms of the management agreement and receives regular reports from JPMorgan's compliance department;
- the Board reviews a report, which is also independently reviewed, on the internal controls and the operations of its custodian, JPMorgan Chase Bank;
- the Board reviews every six months a report from the Company's Depository, Bank of New York Mellon (International) Limited, which summarises the activities performed by the Depository during the reporting period; and
- the Board reviews every six months an independent report on the internal controls and the operations of JPMF's investment trust department.

The Board has appointed BNYM as Depository, with responsibilities for safe keeping of custodial assets and oversight of the records and cash flows.

Through the procedures set out above, the Board confirms that it has reviewed the effectiveness of the Company's system of risk management and internal control for the year ended 31st December 2025 and to the date of approval of this Annual Report and Financial Statements.

During the course of its review of the system of risk management and internal control, the Board has not identified nor been advised of any failings or weaknesses which it has determined to be significant. Therefore, a confirmation in respect of necessary actions has not been considered appropriate.

Corporate Governance and Voting Policy

The Company delegates responsibility for voting to JPMAM through the Manager. The following is a summary of JPMAM's policy statements on corporate governance and voting, which has been reviewed and noted by the Board.

Corporate Governance

We believe that there is a strong positive correlation between high governance standards and superior shareholder returns. Governance is about ensuring the quality of the decision-making process, which can determine the success and failure of the company. Effective corporate governance features transparency, accountability, oversight and respect for shareholders. We evaluate governance starting with a company's board composition, structure and performance, looking for independence, relevant skillsets and board dynamics. Importantly, it is the mandate of a company's board to oversee whether the corporate strategy is aligned with the purpose and value of the company. The board oversees management's execution against the company's

capital, liquidity, strategic and financial operating plans in achieving its set objectives. Capital allocation issues are judged in terms of alignment with long-term strategy and value creation at the applicable company. Boards are also responsible for overseeing the management of financially material environmental and social matters, which could affect the longevity of the company.

Proxy Voting

We vote shares held in our clients' portfolios in a prudent and diligent manner, based on our reasonable judgement of what will best serve the long-term interests of our clients. To help ensure that proxies are voted in the best interests of clients, J.P. Morgan Asset Management has adopted detailed, regional, proxy voting guidelines that incorporate comprehensive guidelines for voting proxies on specific types of issues, and these are publicly available on our websites. We aim to keep abstentions to a minimum. In certain instances, however, it may be in a client's best interests to intentionally refrain from voting.

Stewardship/Engagement

Engaging investee companies in dialogue and encouraging sound environmental, social and governance (ESG) practices is an important component of how we deliver our investment stewardship strategy. Our engagement is based on our in-depth investment research on companies, alongside our assessment of macroeconomic drivers, sector-specific factors and financially material ESG themes. This research insight enables us to act proactively and encourage investee companies to acknowledge issues and improve practices before risks are realised and opportunities are missed. This is how we seek to drive impact in our investment stewardship activity and advocate for sound practices at our investee companies. We believe this will ultimately preserve and enhance asset value.

Our engagement model is built on an investor-led, expert-driven approach and leverages the knowledge of more than 1,000 investment professionals around the world, working in close collaboration with investment stewardship specialists. Our engagement process benefits from the longstanding relationships our investment teams have with local investee companies, through regular interactions with board directors and chairs, senior executives, and CEOs. We believe this collaborative, well-resourced approach enables us to recognise significant risks early and identify new opportunities, supporting our goal of generating attractive risk-adjusted returns. Combining our ESG research capability with the experience and skill of our investment teams and the expertise of our investment stewardship specialists gives us a deep understanding of the risks and opportunities facing different sectors, industries, and geographies. By integrating

Corporate Governance Statement

this expertise into a global common platform, we seek to maintain a consistently high standard of engagement, considering the myriad of nuances a responsible investor needs to embrace.

We have identified six Investment Stewardship Priorities that we believe can be broadly applied in our engagement efforts and will remain relevant through market cycles. These priorities address the ESG issues that pose the most significant long-term material financial risks to our investments, while also presenting the greatest opportunities. Engaging on these topics is therefore important to delivering value to our clients:

- *governance;*
- *strategy alignment with the long term;*
- *human capital management;*
- *stakeholder engagement;*
- *climate change; and*
- *natural capital and ecosystems.*

Within each priority area, we have identified related sub-themes that we are seeking to address over a shorter timeframe (18-24 months). These subthemes will evolve, over time, as we engage with investee companies to understand issues and promote best practices. This combination of priorities and evolving themes provides a structured and targeted framework for engagement for our investors and Investment Stewardship team globally.

JPMAM's Voting Policy and Corporate Governance Guidelines are available on request from the Company Secretary or can be downloaded from JPMAM's website:

<https://am.jpmorgan.com/content/dam/jpm-am-aem/global/en/sustainable-investing/investment-stewardship-report.pdf>

The Modern Slavery Act 2015 (the MSA)

The MSA requires companies to prepare a slavery and human trafficking statement for each financial year of the organisation.

As the Company has no employees and does not supply goods and services, the MSA does not apply directly to it. The MSA requirements more appropriately relate to JPMF and

JPMAM. JPMorgan's statement on the MSA can be found on the following website:

<https://www.jpmorganchase.com/about/human-rights>

Greenhouse Gas Emissions

The Company itself has no premises, consumes no electricity, gas or diesel fuel and consequently does not have a measurable carbon footprint. As a low energy user under HMRC guidelines it is not required to disclose energy and carbon information. The Company considers itself to be a low energy user under the SECR regulations and has no energy and carbon information to disclose. The Board notes the policy statements from the Investment Manager in respect of Social, Community and Environmental and Human Rights issues and Greenhouse Gas Emissions and that it is a signatory to the Carbon Disclosure Project. It further notes that JPMorgan Chase is a signatory to the Equator Principles on managing social and environmental risk in project finance.

The Board's policy is to offset the carbon emissions from any air travel it undertakes on Company business. The Manager arranges such travel for the Board, and has been offsetting 100% of air travel emissions from flights booked through its travel agency since 2008.

Criminal Corporate Offence

The Company maintains zero tolerance towards tax evasion. Shares in the Company are purchased through intermediaries or brokers, therefore no funds flow directly into the Company.

By order of the Board

Priyanka Vijay Anand, for and on behalf of
JPMorgan Funds Limited,
Company Secretary

16th April 2026

Audit Committee Report

The Audit Committee, chaired by Mandy Donald, comprises all of the Directors (except for Dominic Neary who attended by invitation until 1st April 2026) and meets at least three times annually. In addition, the Audit Committee meets the Auditor at least annually, without any other party present, for a private discussion. The members of the Committee consider that they have the requisite skills and experience to fulfil the responsibilities of the Committee and are satisfied that at least one member (Mandy Donald) of the Audit Committee has recent and relevant financial experience and that the Committee as a whole has competency relevant to the sector in which the Company operates. The constitution and performance of the Audit Committee are reviewed on a regular basis.

Since the retirement of Christopher Metcalfe, Dominic Neary, the Board Chair, has been appointed as a member of the Audit Committee. This is permitted under the AIC Code as he was deemed to be independent on appointment.

Role and Responsibility

The Committee reviews the actions and judgements of the Manager in relation to the Half Year Report and Annual Report & Financial Statements and the Company's compliance with the AIC Code. It examines the effectiveness of the Company's internal control systems, receives information from the Manager's compliance department and also reviews the scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external Auditor.

It is also responsible for reporting any significant financial reporting issues to the Board and for providing review and challenge of key areas of judgement, including any assumptions used, in support of the Going Concern and Viability Statements.

The Audit Committee has reviewed the independence and objectivity of the Auditor and is satisfied that the Auditor is independent. The Audit Committee also has the primary responsibility for making recommendations to the Board on the re-appointment and the removal of the external Auditor.

Financial Statements and Significant Accounting Matters

During its review of the Company's Financial Statements for the year ended 31st December 2025, the Audit Committee considered the following significant matters, including those communicated by the Auditor during their reporting.

The Board was made fully aware of any significant financial reporting matters and judgements made in connection with the preparation of the Financial Statements.

Significant Matters	How the matter was addressed
Valuation existence and ownership of investments	The valuation of investments is undertaken in accordance with the Financial Statements policies, disclosed in note 1 to the Financial Statements on page 72. Discussions have been held with the Manager about the valuation process, existence of the investments and the systems in place for the valuation of the Company's portfolio. The Company has appointed Bank of New York Mellon (International) Limited (BNY) as its depository. BNY has appointed JPMorgan Chase Bank, N.A., as the Company's custodian. BNY remains responsible for the oversight of the custody of the Company's assets.
Recognition and completeness of investment income	The recognition and completeness of investment income is undertaken in accordance with accounting policy note 1(d) to the Financial Statements on page 73. The Board reviews the Manager's controls regarding the recognition of income and regularly reviews the Manager's report on the treatment of special dividends and agrees their accounting treatment.
Going Concern/ Long-Term Viability	<p>The Committee has reviewed the appropriateness of the adoption of the Going Concern basis in preparing the accounts. The Committee recommended that the adoption of the Going Concern basis is appropriate (see Going Concern statement below).</p> <p>The Committee also assessed the Long-Term Viability of the Company as detailed on page 35 and recommended to the Board its expectation that the Company would remain in operation for the five year period of the assessment.</p>
Compliance with Sections 1158 and 1159	Approval for the Company as an investment trust under Sections 1158 and 1159 has been obtained and ongoing compliance with the eligibility criteria is monitored on a regular basis.
Calculation of management fee	The management fee is calculated in accordance with the Investment Management Agreement. The Board reviews the controls reports, expense schedules and the management fees payable to the Manager.

Audit Committee Report

Going Concern

In accordance with The Financial Reporting Council's guidance on going concern and liquidity risk, the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern. The Directors believe that having considered the Company's investment objective (see page 27), risk management policies (see pages 27 and 28), capital management policies and procedures (see page 29), 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 to 30th April 2027, being at least 12 months from the date of approval of these Financial Statements. The Board has, in particular, considered the impact of market volatility from the ongoing conflicts between Ukraine and Russia and in the Middle East as well as continued uncertainty regarding US domestic and foreign policy, and does not believe the Company's going concern status is affected.

The Board is made fully aware of any significant financial reporting issues and judgements made in connection with the preparation of the Financial Statements. Given the current volatile market conditions, the covenants associated with the Company's gearing facility are reviewed on a regular basis. All covenants were complied with during the year. The most relevant of these covenants require:

The Company's assets, all of which are investments in quoted securities which are readily realisable, exceed its liabilities under all stress test scenarios reviewed by the Board, in addition to analyses of the impact of market, structural, financial and operating factors. The Company's key third party suppliers, including its Manager, are not experiencing any operational difficulties which could adversely affect their services to the Company.

Accordingly, the Annual Report and Financial Statements has been prepared on the going concern basis as it is the Directors' opinion, having assessed the principal risks and other matters, that the Company will continue in operational existence to 30th April 2027, being at least 12 months from the approval of the 2025 Annual Report and Financial Statements. The Company's longer-term viability is considered in the Viability Statement on page 35.

Risk Management and Internal Control

The Committee examines the effectiveness of the Company's internal control systems, receives information from the Manager and also reviews the scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external auditor. In the Directors' opinion the Auditor is independent. A risk matrix has been developed which covers all emerging and principal risks the Company faces, the likelihood of their occurrence, their potential

impact, how they are monitored, and what mitigating controls are in place. The Board has delegated to the Committee the responsibility for the review and maintenance of the risk matrix and the risks are monitored on a regular basis.

Auditor Appointment and Tenure

The Committee reviews the scope and results of the external audit, its effectiveness and cost, the balance of audit and non-audit services, and the independence and objectivity of the Auditor. In the Directors' opinion the Auditor is independent. The Committee also has primary responsibility for making recommendations to the Board on the reappointment and removal of the Auditor.

The Audit Committee reviews and approves any non-audit services provided by the independent Auditors and assesses the impact of any non-audit work on the ability of the Auditors to remain independent. No such work was undertaken during the year.

Representatives of the Company's Auditor attend the Audit Committee meeting at which the draft Annual Report and Financial Statements are considered and they also attend the half-year audit committee meeting to present their audit plan for the current financial year's audit.

As part of its review of the continuing appointment of the Auditor, the Audit Committee considered the length of tenure of the audit firm, its fee, its independence from JPMF and the Manager and any matters raised during the audit.

In addition, the Audit Committee considered and discussed with BDO the results of the FRC Audit Quality Review (AQR) team's inspection of BDO's audit work. The Committee shares BDO's disappointment at its AQR results for 2025. BDO has presented plans for improvement to the Audit Committee who, whilst satisfied with the quality of BDO's audit work in respect of the Company, will continue to monitor their work closely.

Regulations currently in force require the Company to conduct an Auditor tender at least every ten years and to rotate Auditor at least every 20 years. BDO LLP was appointed in 2020 and completed its first audit of the Company in respect of its year ended 31st December 2020. As a public company, listed on the London Stock Exchange, the Company is subject to mandatory auditor rotation requirements. Based on these requirements, another tender process will be conducted no later than for the year ending 31st December 2030. As part of its review of the continuing appointment of the Auditor, the Committee considered the length of tenure of the audit firm, its fee, its independence from both JPMF and the Investment Manager, the most recent audit quality inspection report from the FRC, the experience of the audit partner and staff, the fulfillment of the agreed audit plan, and any matters raised during the audit. In accordance with professional and regulatory standards, the audit partner responsible for the audit is rotated at least every five years in

Audit Committee Report

order to protect independence and objectivity and to provide fresh challenge to the business. The year ended 31st December 2025 is the first year for which Gary Fensom has served as the senior statutory auditor.

The Company is in compliance with the provisions of 'The Statutory Audit Services for Large Companies Market Investigation' (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 as issued by the Competition & Markets Authority.

The Committee confirms that the Company is in compliance with the requirements of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014. This order relates to the frequency and governance of tenders for the appointment of the auditor and the setting of the policy on the provision of non-audit services.

Committee Evaluation

The activities of the Committee were considered as part of the externally facilitated Board evaluation process. The evaluation found that the Committee functioned well, with the appropriate balance of membership, skills and challenge.

Fair, Balanced and Understandable

Having taken all available information into consideration and having discussed the content of the Annual Report and Financial Statements with the AIFM, the Investment Manager, the Company Secretary and other third party service providers, the Committee has concluded that the Annual Report and Financial Statements for the year ended 31st December 2025, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy, and has reported on these findings to the Board. The Board's conclusions in this respect are set out in the Statement of Directors' Responsibilities on page 60.

Mandy Donald

Chair of the Audit Committee

16th April 2026



Image representing Casella, a waste services company

Directors' Remuneration Report

The Board presents the Directors' Remuneration Report for the year ended 31st December 2025, which has been prepared in accordance with the requirements of Section 421 of the Companies Act 2006 as amended.

The law requires the Company's auditor to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in their report on page 62.

Directors' Remuneration Policy

The law requires that the Directors' Remuneration Policy Report is subject to a triennial binding vote. However, the Board has resolved that for good governance purposes, the policy will be put to shareholders every year. Accordingly, a resolution to approve this policy will be put to shareholders at the forthcoming Annual General Meeting. The policy subject to the vote, is set out in full below and is currently in force.

The Board's policy for this and subsequent years is that Directors' fees should properly reflect the time spent by the Directors on the Company's business and should be at a level to ensure that candidates of a high calibre are recruited to the Board. The Chair of the Board, the Chair of the Audit Committee and the Senior Independent Director are paid higher fees than other Directors, reflecting the greater time commitment involved in fulfilling those roles.

The Remuneration Committee, comprising all Directors, reviews Directors' fees on a regular basis and makes recommendations to the Board as and when appropriate. Reviews are based on information provided by the Manager, and include research carried out by third parties on the level of fees paid to the directors of the Company's peers and within the investment trust industry generally. The involvement of remuneration consultants has not been deemed necessary as part of this review.

All of the Directors are non-executive. There are no performance-related elements to their fees and the Company does not operate any type of incentive, share scheme, award or pension scheme and therefore no Directors receive bonus payments or pension contributions from the Company or hold options to acquire shares in the Company. Directors are not granted exit payments and are not provided with compensation for loss of office. No other payments are paid to Directors, other than the reimbursement of reasonable out-of-pocket expenses incurred in attending the Company's business.

During the year under review, Directors' fees were paid at the following rates: £45,000 per annum for the Chair; £38,000 per annum for the Chair of the Audit Committee; £34,000 per annum for the Senior Independent Director; and £32,000 per annum for each of the other Directors. In January 2026, the Board agreed with the recommendation of the Remuneration Committee that, commencing 1st January 2026, the Directors' fees be increased to the following rates: £46,500 per annum for the Chair; £39,500 per annum for the Audit Committee Chair; £35,000 per annum for the Senior Independent

Director; and £33,000 per annum for each of the other Directors.

Fees for any new Director appointed will be made on the above basis. The Company's existing Articles of Association stipulate that aggregate Directors' fees must not exceed £250,000 per annum. Any increase in this the maximum aggregate amount requires both Board and shareholder approval. The total amount of Directors' fees paid in the year under review was £154,304.

The Company has no Chief Executive Officer and no employees and therefore there was no consultation with employees, and there is no employee comparative data to provide, in relation to the setting of the remuneration policy for Directors.

During the year, the Board did not seek shareholder views on the Company's remuneration policy. However, the policy is subject to shareholder approval at the AGM. The Remuneration Committee considers any comments received from shareholders on the remuneration policy on an ongoing basis and will take account of these views if appropriate. It has not received any views from shareholders in respect of the levels of Directors' remuneration during the financial year.

The Directors do not have service contracts with the Company. The terms and conditions of Directors' appointments are set out in formal letters of appointment which are available for review at the Company's Annual General Meeting and the Company's registered office. Details of the Board's policy on tenure are set out on page 47.

Directors' Remuneration Policy Implementation

The Directors' Remuneration Policy Implementation Report, which includes details of the Directors' remuneration policy and its implementation, is subject to an annual advisory vote and therefore an ordinary resolution to approve this report will be put to shareholders at the forthcoming Annual General Meeting. There have been no changes to the policy compared with the year ended 31st December 2024 and no changes are proposed for the year ending 31st December 2026.

Voting at the Annual General Meeting

At the Annual General Meeting held on 17th June 2025, of votes cast in respect of the Remuneration Policy and Remuneration Report, 98.8% were in favour (or granted discretion to the Chairman who voted in favour) and less than 1.1% voted against. Less than 0.01% abstained from voting on the resolutions. Details of the implementation of the Company's remuneration policy are given above.

Details of voting on both the Remuneration Policy and the Directors' Remuneration Policy Implementation Report from the 2026 Annual General Meeting will be given in the Annual Report for the year ending 31st December 2026.

No advice from remuneration consultants was received during the year under review.

Directors' Remuneration Report

Single total figure of remuneration

The single total figure of remuneration, including reimbursed reasonable expenses, for the Board as a whole for the year ended 31st December 2025 was £159,420 (2024: £154,471). The single total figure of remuneration for each Director is detailed below together with the prior year comparative.

There are no performance targets in place for the Directors of the Company and there are no benefits for any of the Directors which will vest in the future. There are no benefits (other than those detailed below), pension, bonus, long-term incentive plans, exit payments or arrangements in place on which to report.

Single Total Figure Table (Audited)¹

Directors' Name	2025			2024		
	Fees £	Taxable expenses ² £	Total £	Fees £	Taxable expenses ² £	Total £
Dominic Neary ⁴	45,000	5,116	50,116	39,120	946	40,066
David Ross ³	—	—	—	13,349	1,806	15,155
Mandy Donald	38,000	—	38,000	36,250	—	36,250
Christopher Metcalfe	34,000	—	34,000	32,500	—	32,500
Shefaly Yogendra	32,000	—	32,000	30,500	—	30,500
Cindy Rampersaud ⁵	5,304	—	5,304	—	—	—
Total	154,304	5,116	159,420	151,719	2,752	154,471

¹ Other subject headings for the single figure table as prescribed by regulation are not included because there is nothing to disclose in relation thereto.

² Taxable travel and subsistence expenses incurred in attending Board and Committee meetings.

³ Retired on 22nd April 2024.

⁴ Appointed as Chair on 22nd April 2024.

⁵ Appointed on 1st November 2025.

Annual Percentage Change in Directors' Remuneration

The following table sets out the annual percentage change in Directors' fees, excluding taxable expenses, for the year to 31st December 2025:

Directors' name	% change for the year to 31st December				
	2025	2024	2023	2022	2021
Dominic Neary ³	15.0	34.9	5.5	5.8	—
David Ross ¹	n/a	n/a	n/a	6.5	4.1
Mandy Donald	4.8	5.1	6.2	n/a	n/a
Christopher Metcalfe ²	4.6	4.8	6.9	9.7	—
Shefaly Yogendra	4.9	5.2	5.5	5.8	—
Cindy Rampersaud ⁴	n/a	n/a	n/a	n/a	n/a

¹ Retired on 22nd April 2024.

² Assumed role of Senior Independent Director on 25th April 2022. This role pays a higher fee.

³ Assumed role of Chair on 22nd April 2024. This role has a higher fee.

⁴ Appointed on 1st November 2025.

A table showing the total remuneration for the Chair over the five years ended 31st December 2025 is below:

Remuneration for the Chair over the five years ended 31st December 2025

Year ended 31st December	Fees
2025	£45,000
2024	£43,000
2023	£41,000
2022	£38,500
2021	£37,000

Directors' Remuneration Report

Directors' Shareholdings (Audited)

There are no requirements pursuant to the Company's Articles of Association for the Directors to own shares in the Company. The beneficial shareholdings of the Directors who held office at the year end are detailed below.

Director	31st December 2025	31st December 2024
Christopher Metcalfe	6,000	6,000
Cindy Rampersaud ¹	2,690	n/a
Dominic Neary	14,000	11,750
Mandy Donald	1,250	nil
Shefaly Yogendra	1,500	1,000
Total	25,440	18,750

¹ Appointed on 1st November 2025.

As at the last practicable date before the publication of this document, there have been no further changes to the Directors' shareholdings since the year end.

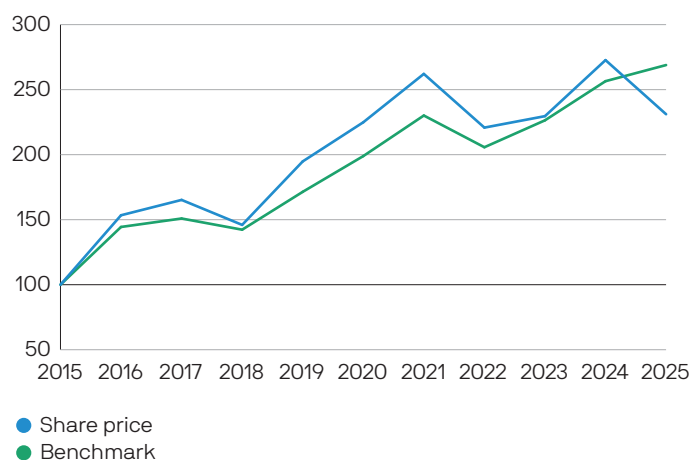
The Directors have no other share interests or share options in the Company and no share schemes are available.

Company Performance

A comparison of the Company's performance over the last ten years is set out on the graph below.

In accordance with the Companies Act 2006, a graph showing the Company's share price total return compared with its benchmark, the Russell 2000 Index total return with dividends reinvested, in sterling terms, over the last ten years is shown below. The Board believes this Index is the most representative comparator for the Company.

Ten Year Share Price and Benchmark Total Return Performance to 31st December 2025



Source: Morningstar.

Relative importance of spend on pay

The table below sets out, in respect of the financial year ended 31st December 2025 and the preceding financial year, the total remuneration paid to Directors and distributions to shareholders and the percentage change between the two periods. This is provided to enable shareholders to assess the relative importance of expenditure on Directors' remuneration. It compares the remuneration against the shareholder distributions of dividends and share buybacks.

Expenditure by the Company on remuneration and distributions to shareholders

	Year ended 31st December		% change
	2025	2024	
Remuneration paid to all Directors	£159,420	£154,471	+3.2%
Distribution to shareholders			
— by way of dividend	£1,830,000	£1,890,000	-3.2%
— by way of share repurchases	£26,717,000	£12,242,000	+118.2%

Dividend per share to shareholders increased, but total dividends paid decreased due to a smaller number of shares in issue. This was due to buyback of shares during the year.

For and on behalf of the Board

Shefaly Yogendra

Chair of the Remuneration Committee

16th April 2026

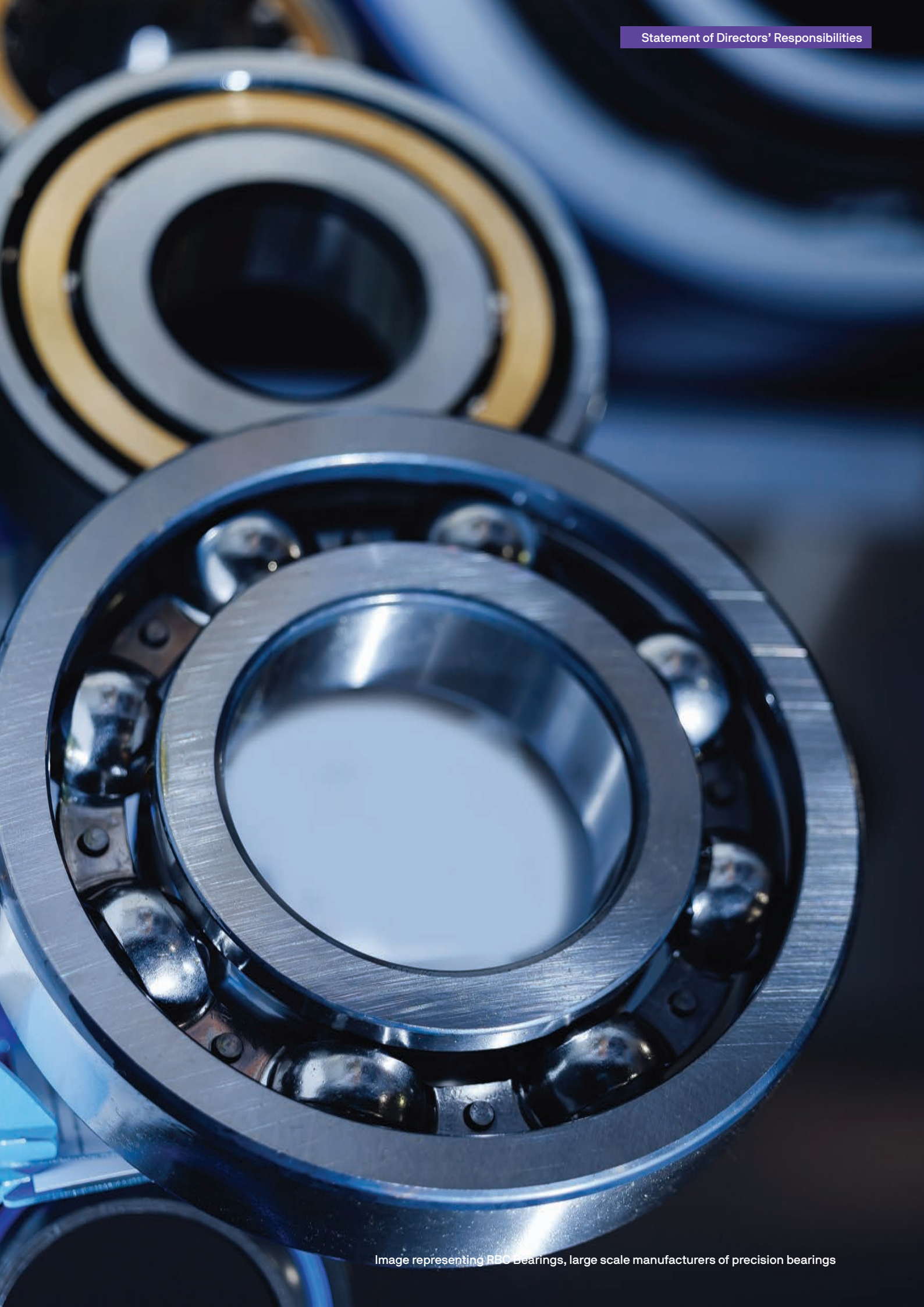


Image representing RBC Bearings, large scale manufacturers of precision bearings

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare the Annual Report and Financial Statements for each financial year. Under that law, the Directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and applicable law). Under company law the Directors must not approve the Financial Statements unless they are satisfied that taken as a whole, the Annual Report and Financial Statements are fair, balanced and understandable, provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy, and that they give a true and fair view of the state of affairs of the Company and of the net return or loss of the Company for that period. 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on a 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.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Financial Statements are published on the www.jpmsmallercompanies.co.uk website, which is maintained by the Manager. The maintenance and integrity of

the website maintained by the Manager is, so far as it relates to the Company, the responsibility of the Manager. The work carried out by the Auditors does not involve consideration of the maintenance and integrity of this website and, accordingly, the Auditor accepts no responsibility for any changes that have occurred to the accounts since they were initially presented to the website. The accounts are prepared in accordance with UK legislation, which may differ from legislation in other jurisdictions.

Under applicable law and regulations the Directors are also responsible for preparing a Directors' Report and Directors' Remuneration Report that comply with that law and those regulations.

Each of the Directors, whose names and functions are listed on page 41 confirm that, to the best of their knowledge:

- the Financial Statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), give a true and fair view of the assets, liabilities, financial position and return or loss of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal and emerging risks and uncertainties that it faces.

The Board confirms that it is satisfied that the Annual Report and Financial Statements taken as a whole are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

The Board also confirms that it is satisfied that the Strategic Report and Directors' Report include a fair review of the development and performance of the business, and the Company, together with a description of the principal risks and uncertainties that it faces.

For and on behalf of the Board

Dominic Neary

Chair

16th April 2026



ONE WAY

DUMBO
west elm

View from Washington Street to Manhattan Bridge

Independent Auditor's Report

Independent Auditor's Report to the members of JPMorgan US Smaller Companies Investment Trust plc

Opinion

In our opinion the Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 31st December 2025 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements of JPMorgan US Smaller Companies Investment Trust plc (the Company) for the year ended 31st December 2025 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

Overview

		2025	2024
Key audit matters	Valuation and ownership of quoted investments	✓	✓
Materiality	Company Financial Statements as a whole £2.3m (2024: £2.9m) based on 1% (2024: 1%) of net assets		

Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the appropriateness of the Directors' method of assessing going concern in light of economic and market conditions by reviewing the information used by the Directors in completing their assessment;
- Evaluating the sensitivity analysis applied by the Directors in their going concern assessment including the impact of a significant reduction in the fair value of investments;
- Assessing the appropriateness of the Directors' assumptions and judgements made in their base case and stress tested forecasts including consideration of the available cash and liquid assets relative to forecast expenditure and other commitments;
- Challenging the Directors' assumptions and judgements made in their forecasts by performing an independent analysis of the liquidity of the portfolio; and
- Reviewing the disclosures in the Financial Statements relating to going concern to assess whether they are consistent with the Company's circumstances.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least 12 months from when the Financial Statements are authorised for issue. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the Financial Statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the Financial Statements.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, the applicable financial reporting framework and the system of internal control. We identified and assessed the risks of material misstatement of the Financial Statements. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risk of material misstatement to the Financial Statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the risk of material misstatement to an acceptable level, to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. This matter was addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter		How the scope of our audit addressed the key audit matter
<p>Valuation and ownership of quoted investments</p> <p>(Note 1(b) and 11 to the Financial Statements)</p>	<p>The investment portfolio at the year-end comprised quoted equity investments held at fair value through profit or loss.</p> <p>We considered the valuation and ownership of investments to be a significant audit area as the investments represent the most significant balance in the Financial Statements and underpin the principal activity of the Company.</p> <p>While we do not consider the valuation of quoted investments to involve a significant degree of estimation or judgement, however there is a risk that the prices used for the quoted investments held by the Company may not reflect their fair value at the year end.</p> <p>Additionally, in relation to ownership and recording, there is a risk of error in the recording of quoted investment holdings which could result in the incorrect recognition of investments by the Company.</p> <p>For these reasons, and due to the materiality of the balance in the context of the Financial Statements as a whole, we consider this to be a Key Audit Matter.</p>	<p>We responded to this matter by testing the valuation and ownership of 100% of the quoted investments by performing the following procedures:</p> <ul style="list-style-type: none"> ● Checked that the year-end bid price has been used by agreeing to externally quoted prices; ● Recalculated the valuation by multiplying the number of shares held (as per the statement independently obtained from the custodian), by the price per share; ● Assessed whether there were any contra indicators, such as liquidity considerations, that could suggest the bid price was not the most appropriate measure of fair value by considering the realisation period for individual holdings; and ● Obtained direct confirmation of the number of equity shares held from the custodian. <p>Key observations:</p> <p>Based on our procedures performed, we did not identify any matters to suggest that the valuation or ownership of the quoted equity investments were not appropriate.</p>

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the Financial Statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the Financial Statements as a whole.

Independent Auditor's Report

Based on our professional judgement, we determined materiality for the Financial Statements as a whole and performance materiality as follows:

Company Financial Statements		
	2025 £m	2024 £m
Materiality	2.3	2.9
Basis for determining materiality	1 % of Net assets	
Rationale for the benchmark applied	As an investment trust, the net asset value is the key measure of performance for users of the Financial Statements.	
Performance materiality	1.7	2.0
Basis for determining performance materiality	75% of materiality	
Rationale for the percentage applied for performance materiality	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.	

Reporting threshold

We agreed with the Audit Committee that we would report to them individual audit differences in excess of £115,100 (2024: £145,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the Financial Statements and our Auditor's Report thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify

such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Corporate governance statement

The UK Listing Rules sourcebook requires us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the Financial Statements or our knowledge obtained during the audit.

Going concern and longer-term viability

- The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 53;
- The Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 35; and
- The Directors' statement on whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities set out on page 53.

Other Code provisions

- Directors' statement on fair, balanced and understandable set out on page 60;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 31;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems set out on page 49; and
- The section describing the work of the Audit Committee set out on page 52.

Independent Auditor's Report

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by

the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

Directors' remuneration

In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

However, the primary responsibility for the prevention and detection of fraud rests with both Those Charged with Governance of the Company and management.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
 - Discussion with the Investment Manager and Those Charged with Governance; and
 - Obtaining an understanding of the Company's policies and procedures regarding compliance with laws and regulations,
- we considered the significant laws and regulations to be the Companies Act 2006, the FCA's UK Listing and Disclosure Guidance and Transparency Rules, the principles of the AIC Code of Corporate Governance, industry practice represented by the AIC SORP, the applicable accounting framework, and qualification as an investment trust under UK tax legislation as any non-compliance of this would lead to the Company losing various deductions and exemptions from corporation tax.

Independent Auditor's Report

Our procedures in respect of the above included:

- Agreement of the Financial Statement disclosures to underlying supporting documentation;
- Enquiries of the Investment Manager, Administrator and Those Charged with Governance relating to the existence of any non-compliance with laws and regulations;
- Reviewing minutes of meetings of Those Charged with Governance throughout the period for instances of non-compliance with laws and regulations; and
- Reviewing the calculation in relation to investment trust compliance to check that the Company was meeting its requirements to retain their investment trust status.

Fraud

We assessed the susceptibility of the Financial Statements to material misstatement including fraud.

Our risk assessment procedures included:

- Enquiry with the Investment Manager, Administrator and Those Charged with Governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of Those Charged with Governance for any known or suspected instances of fraud; and
- Discussion amongst the engagement team as to how and where fraud might occur in the Financial Statements.

Based on our risk assessment, we considered the area most susceptible to fraud to be management override of controls.

Our procedures in respect of the above included:

- In addressing the risk of management override of controls, we:
 - Performed a review of estimates and judgements applied by the Directors in the Financial Statements to assess their appropriateness and the existence of any systematic bias;
 - Considered the opportunity and incentive to manipulate accounting entries and assessed the appropriateness of any post-closing adjustments made in the period end financial reporting process;
 - Reviewed for significant transactions outside the normal course of business; and
 - Performed a review of unadjusted audit differences, if any, for indications of bias or deliberate misstatement.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the Financial Statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the Financial Statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Other matters which we are required to address

We were appointed by the Board of Directors on 19th August 2020 to audit the Financial Statements for the year ended 31st December 2020. Our total uninterrupted period of engagement is six years, covering the years ended 31st December 2020 to 31st December 2025.

Our audit opinion is consistent with the additional report to the Audit Committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In due course, as required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.15R – 4.1.18R, these Financial Statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This Auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

Gary Fensom

(Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor
London, UK

16th April 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



Image representing Element Solutions, a specialty chemicals company

Statement of Comprehensive Income

	Notes	Year ended 31st December 2025			Year ended 31st December 2024		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net (losses)/gains on investments held at fair value through profit or loss	3	—	(35,610)	(35,610)	—	28,833	28,833
Net foreign currency gains/(losses)		—	1,301	1,301	—	(383)	(383)
Income from investments	4	3,422	—	3,422	3,466	97	3,563
Interest receivable	4	314	—	314	579	—	579
Gross return/(loss)		3,736	(34,309)	(30,573)	4,045	28,547	32,592
Management fee	5	(387)	(1,548)	(1,935)	(407)	(1,626)	(2,033)
Other administrative expenses	6	(610)	—	(610)	(572)	—	(572)
Net return/(loss) before finance costs and taxation		2,739	(35,857)	(33,118)	3,066	26,921	29,987
Finance costs	7	(279)	(1,117)	(1,396)	(256)	(1,021)	(1,277)
Net return/(loss) before taxation		2,460	(36,974)	(34,514)	2,810	25,900	28,710
Taxation	8	(494)	—	(494)	(489)	—	(489)
Net return/(loss) after taxation		1,966	(36,974)	(35,008)	2,321	25,900	28,221
Return/(loss) per ordinary share	9	3.39p	(63.77)p	(60.38)p	3.74p	41.72p	45.46p

A dividend of 3.2p (2024: 3.1p) per ordinary share in respect of the financial year ended 31st December 2025, amounting to £1,720,000 (2024: £1,879,000), is recommended for approval by shareholders. Further information on dividends is given in note 10 on page 79.

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

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

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

The notes on pages 72 to 86 form an integral part of these Financial Statements.

Statement of Changes in Equity

For the year ended 31st December

	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserves ¹ £'000	Revenue reserve ¹ £'000	Total £'000
At 31st December 2023	1,638	45,758	1,851	226,987	3,491	279,725
Repurchase of ordinary shares into Treasury	—	—	—	(12,242)	—	(12,242)
Repurchase and cancellation of forfeited shares ^{2,3}	(3)	—	3	(42)	—	(42)
Net return	—	—	—	25,900	2,321	28,221
Dividends paid in the year (note 10)	—	—	—	—	(1,890)	(1,890)
Forfeiture of unclaimed dividends (note 10) ²	—	—	—	—	17	17
At 31st December 2024	1,635	45,758	1,854	240,603	3,939	293,789
Repurchase of ordinary shares into Treasury	—	—	—	(26,717)	—	(26,717)
Net (loss)/return after taxation	—	—	—	(36,974)	1,966	(35,008)
Dividends paid in the year (note 10)	—	—	—	—	(1,830)	(1,830)
At 31st December 2025	1,635	45,758	1,854	176,912	4,075	230,234

¹ These reserves form the distributable reserves of the Company and may be used to fund distributions to shareholders. Further details can be found in note 15 on page 79.

² During 2024, the Company undertook an Asset Reunification Program to reunite inactive shareholders with their shares and unclaimed dividends. In accordance with the Company's Articles of Association, the Company exercised its right to forfeit the shares belonging to untraced shareholders for a period of 12 years or more. These shares were bought back by the Company and cancelled. The proceeds, net of costs, were returned to the Company. In addition, any unclaimed dividends older than 12 years from the date of payment of such dividend were forfeited and returned to the Company.

³ The Company repurchased and subsequently cancelled forfeited shares at a total cost of £400,000. The amount due on these forfeited shares was £358,000, leading to a net cost of £42,000.

The notes on pages 72 to 86 form an integral part of Financial Statements.

Statement of Financial Position

	Notes	At 31st December 2025 £'000	At 31st December 2024 £'000
Fixed assets			
Investments held at fair value through profit or loss	11	252,670	316,510
Current assets	12		
Debtors		235	265
Current asset investments		1,168	1,265
Cash at bank		2,545	10
		3,948	1,540
Current liabilities			
Creditors: amounts falling due within one year	13	(26,384)	(24,261)
Net current liabilities		(22,436)	(22,721)
Total assets less current liabilities		230,234	293,789
Net assets		230,234	293,789
Capital and reserves			
Called up share capital	14	1,635	1,635
Share premium account	15	45,758	45,758
Capital redemption reserve	15	1,854	1,854
Capital reserves	15	176,912	240,603
Revenue reserve	15	4,075	3,939
Total shareholders' funds		230,234	293,789
Net asset value per ordinary share	16	428.5p	484.6p

The Financial Statements on pages 68 to 71 were approved and authorised for issue by the Directors on 16th April 2026 and were signed on their behalf by:

Dominic Neary
Chair

The notes on pages 72 to 86 form an integral part of these Financial Statements.

Company registration number: 552775.

Statement of Cash Flows

	Notes	Year ended 31st December 2025 £'000	Year ended 31st December 2024 £'000
Cash flows from operating activities			
Net (loss)/return before finance costs and taxation		(33,118)	29,987
Adjustment for:			
Net losses/(gains) on investments held at fair value through profit or loss	3	35,610	(28,833)
Net foreign currency (gains)/losses		(1,301)	383
Dividend income	4	(3,422)	(3,563)
Interest income	4	(314)	(579)
Realised (losses)/gains on foreign exchange transactions		(76)	44
Realised foreign currency exchange losses on JPMorgan USD Liquidity Fund		(410)	(464)
(Increase)/decrease in other debtors		(7)	1
(Decrease)/increase in accrued expenses		(49)	62
Net cash outflow from operations before dividends, interest and taxation		(3,087)	(2,962)
Dividends received		2,946	3,009
Interest received		314	657
Overseas withholding tax recovered		19	29
Net cash inflow from operating activities		192	733
Purchases of investments		(90,096)	(120,370)
Sales of investments		118,326	116,679
Net cash inflow/(outflow) from investing activities		28,230	(3,691)
Dividends paid	10	(1,830)	(1,890)
Refund from forfeiture of unclaimed dividends	10	—	17
Net cost of repurchasing and cancelling forfeited shares ¹		—	(42)
Repurchase of ordinary shares into Treasury		(26,616)	(12,242)
Repayment of bank loan ²		(23,228)	(7,850)
Draw down of bank loan ²		27,099	7,888
Loan interest paid		(1,392)	(1,305)
Net cash outflow from financing activities		(25,967)	(15,424)
Increase/(decrease) in cash and cash equivalents		2,455	(18,382)
Cash and cash equivalents at start of year		1,275	19,237
Foreign currency exchange movements		(17)	420
Cash and cash equivalents at end of year		3,713	1,275
Cash and cash equivalents consist of:			
Cash at bank		2,545	10
Current asset investment in JPMorgan USD Liquidity Fund		1,168	1,265
Total		3,713	1,275

¹ The Company repurchased and subsequently cancelled forfeited shares at a total cost of £400,000. The amount due on these forfeited shares was £358,000, leading to a net cash outflow of £42,000.

² Repayment and draw down of the bank loans are settled on a net basis.

The notes on pages 72 to 86 form an integral part of these Financial Statements.

Notes to the Financial Statements

For the year ended 31st December 2025

1. Accounting policies

(a) General information and basis of accounting

The Financial Statements are prepared under the historical cost convention, modified to include fixed asset investments at fair value, and in accordance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice (UK GAAP), including 'the Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the SORP) issued by the Association of Investment Companies in July 2022.

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

The Directors believe that having considered the Company's investment objective (see page 27), risk management policies (see pages 27 and 28), capital management policies and procedures (see page 29), 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 to 30th April 2027, being at least 12 months from the date of approval of these Financial Statements. The Board has, in particular, considered the impact of market volatility from the ongoing conflicts between Ukraine and Russia and in the Middle East as well as continued uncertainty regarding US domestic and foreign policy, and does not believe the Company's going concern status is affected. For these reasons, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing the Company's Financial Statements. They have not identified any material uncertainties to the Company's ability to continue as a going concern.

The policies applied in these Financial Statements are consistent with those applied in the preceding year.

(b) Valuation of investments

The Company has adopted Sections 11 and 12 of FRS 102 in respect of financial instruments.

The Company's business is investing in financial assets with a view to profiting from their total return in the form of income and capital growth. The portfolio of financial assets is managed and its performance evaluated on a fair value basis, in accordance with a documented investment strategy and information is provided internally on that basis to the Company's Board of Directors.

Upon initial recognition the investments are treated by the Company as 'held at fair value through profit or loss'. They are included initially at fair value which is taken to be their cost, excluding expenses incidental to purchase which are written off to capital at the time of acquisition. Subsequently the investments are valued at fair value, which are quoted bid prices for investments traded in active markets. For investments which are not traded in active markets, unlisted and restricted investments, the Board takes into account the latest traded prices, other observable market data and asset values based on the latest management accounts.

(c) Accounting for share capital and reserves

Called up share capital

Share capital is classified as equity and is the nominal value of the ordinary shares in issue and is not distributable.

Share premium account

Amounts received in excess of the nominal value of issued ordinary shares are held in share premium. For ordinary shares that have been reissued from Treasury, the excess amount of the sales proceeds over the purchase price of those ordinary shares, will be transferred to the share premium account. The share premium account is not distributable.

Capital redemption reserve

Nominal value of ordinary shares repurchased and cancelled (or where shares held in Treasury are subsequently cancelled) by the Company are transferred from called up share capital to the capital redemption reserve. This reserve is not distributable.

Capital reserve – realised gains and losses

Gains and losses on sales of investments, including the related foreign currency exchange gains and losses, realised gains and losses on loans, management fee and finance costs allocated to capital and any other capital charges, are included in the Statement of Comprehensive Income and accounted for in capital reserves within 'Realised gains and losses'. This reserve is available for distribution by way of share repurchases and dividends.

Capital reserve – investment and other holding gains and losses

Increases and decreases in the valuation of investments held at the year end, including the related foreign currency exchange gains and losses, unrealised gains and losses on foreign currency loans, are included in the Statement of

Notes to the Financial Statements

Comprehensive Income and accounted for in capital reserves within 'Investment and other holding gains and losses'. This reserve may be available for distributions in accordance with the Company's Articles of Association and with ICAEW Technical Release 02/17BL on Guidance on Realised and Distributable Profits under the Companies Act 2006, to the extent they represent realised profits. This reserve is not currently utilised for distributions by the Company.

Revenue reserve

Net revenue return after taxation for the year is accounted for in the revenue reserve. This reserve is distributable by way of dividends to shareholders.

(d) Income

Dividends receivable from equity shares are included in revenue on an ex-dividend basis except where, in the opinion of the Board, the dividend is capital in nature, in which case it is included in capital.

Overseas dividends are included gross of any withholding tax.

Special dividends are looked at individually to ascertain the reason behind the payment. This will determine whether they are treated as revenue or capital.

Where the Company has elected to receive scrip dividends in the form of additional shares rather than in cash, the amount of the cash dividend foregone is recognised in revenue. Any excess in the value of the shares received over the amount of the cash dividend is recognised in capital.

Deposit interest receivable is taken to revenue on an accruals basis.

(e) Expenses

All expenses are accounted for on an accruals basis. Expenses are allocated wholly to the revenue with the following exceptions:

- the management fee is allocated 20% to revenue and 80% to capital, in line with the Board's expected long-term split of revenue and capital return from the Company's investment portfolio.
- expenses incidental to the purchase and sale of an investment are charged to capital. These expenses are commonly referred to as transaction costs and comprise brokerage commission and stamp duty. Details of transaction costs are given in note 11 on page 78.

(f) Finance costs

Finance costs are accounted for on an accruals basis using the effective interest method.

Finance costs are allocated 20% to revenue and 80% to capital, in line with the Board's expected long-term split of revenue and capital return from the Company's investment portfolio.

(g) Financial instruments

Cash at bank comprises cash held with the custodian and demand deposits, which are short term.

Current asset investments include highly liquid short term investments that are subject to an insignificant risk of change in value. The Company invests in the JPMorgan USD Liquidity Fund, a money market fund, which is considered a current asset investment. This investment features a low volatility net asset value, is held for short term cash management purposes as an alternative to cash, and can be readily converted into a known amount of cash.

Bank loans are classified as financial liabilities at amortised cost. They are initially measured at proceeds net of direct issue costs and subsequently measured at amortised cost. Interest payable on bank loans is accounted for on an accruals basis in the Statement of Comprehensive Income. The amortisation of direct issue costs are accounted for on an accruals basis in the Statement of Comprehensive Income using the effective interest method.

(h) Taxation

Approved investment trusts are exempt from tax on capital gains made within the company.

Current tax is provided at the amounts expected to be paid or recovered.

Deferred tax is provided on all timing differences that have originated but not reversed by the balance sheet date. Deferred tax liabilities are recognised for all taxable timing differences but deferred tax assets are only recognised to the extent that it is more likely than not that taxable profits will be available against which those timing differences can be utilised.

Tax relief is allocated to expenses charged to capital on the 'marginal basis'. On this basis, if taxable income is capable of being entirely offset by revenue expenses, then no tax relief is transferred to the capital column.

Notes to the Financial Statements

1. Accounting policies (continued)

(h) Taxation (continued)

Deferred tax is measured at the tax rate which is expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates that have been enacted or substantively enacted at the balance sheet date and is measured on an undiscounted basis.

Tax relief is allocated to expenses charged to capital on the 'marginal basis'. On this basis, if taxable income is capable of being entirely offset by revenue expenses, then no tax relief is transferred to the capital column.

Deferred tax is measured at the tax rate which is expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates that have been enacted or substantively enacted at the balance sheet date and is measured on an undiscounted basis.

Withholding tax is recognised as a revenue expense, if it is not recoverable.

(i) Value Added Tax (VAT)

Expenses are disclosed inclusive of the related irrecoverable VAT. Recoverable VAT is calculated using the partial exemption method based on the proportion of zero rated supplies to total supplies.

(j) Functional currency

The Company is required to identify its functional currency, being the currency of the primary economic environment in which the Company operates.

The Company's investments are made in US Dollars, however the Board considers the Company's functional currency to be Sterling. In arriving at this conclusion, the Board considered that the shares of the Company are listed on the London Stock Exchange, it is regulated in the United Kingdom, principally having its shareholder base in the United Kingdom and also pays expenses and dividends to shareholders in Sterling.

Transactions denominated in foreign currencies are converted at actual exchange rates at the date of the transaction.

Monetary assets and liabilities and equity investments held at fair value denominated in foreign currencies at the year end are translated at the rates of exchange prevailing at the year end.

Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in revenue or capital, depending on whether the gain or loss is of a revenue or capital nature.

(k) Dividends payable

Dividends are included in the Financial Statements in the year in which they are approved by shareholders.

(l) Repurchase of ordinary shares into Treasury

The cost of repurchasing ordinary shares into Treasury, including the related stamp duty and transaction costs, is charged to capital reserves and recognised in the Statement of Changes in Equity. Share repurchases are accounted for on a trade date basis. If Treasury shares are later cancelled, the nominal value of those shares is transferred from called up share capital to the capital redemption reserve.

(m) Issue of ordinary shares

If shares held in Treasury are reissued, the proceeds from the sale will be recognised as a realised capital profit up to the original purchase price of those shares and allocated to capital reserves. Any amount received in excess of the purchase price will be credited to the share premium account.

When the Company issues new shares, the nominal value is recorded in share capital, while any amount received above the nominal value is credited to share premium.

2. Significant accounting judgements, estimates and assumptions

The preparation of the Company's Financial Statements on occasion requires the Directors to make judgements, estimates and assumptions that affect the reported amounts in the primary Financial Statements and the accompanying disclosures. These assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the current and future periods, depending on circumstance.

Except for the functional and presentation currency as noted in note 1(j) above, the Directors do not believe that any other significant accounting judgements have been applied to this set of Financial Statements. The Directors do not consider there to be significant accounting estimates applied to this set of Financial Statements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the Financial Statements

3. Net (losses)/gains on investments held at fair value through profit or loss

	2025 £'000	2024 £'000
Net realised gains on sale of investments	6,471	25,255
Net change in unrealised (losses)/gains on investments	(42,069)	3,588
Other capital charges	(12)	(10)
Net (losses)/gains on investments held at fair value through profit or loss	(35,610)	28,833

4. Income

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Income from investments						
Overseas dividends	3,262	—	3,262	3,313	—	3,313
Special dividends	160	—	160	153	97	250
	3,422	—	3,422	3,466	97	3,563
Interest receivable and similar income						
Deposit interest	1	—	1	1	—	1
Interest from JPMorgan USD Liquidity Fund	313	—	313	578	—	578
	314	—	314	579	—	579
Total income	3,736	—	3,736	4,045	97	4,142

5. Management fee

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Management fee	387	1,548	1,935	407	1,626	2,033

For the year ended 31st December 2025, the management fee was calculated at 0.70% per annum on gross assets (excluding any holding in the JPM Liquidity Fund) (2024: same).

The management fee is allocated 20% to revenue and 80% to capital, in line with the Board's expected long-term split of revenue and capital return from the Company's investment portfolio.

Details of the management fee are given in the Directors' Report on page 42.

6. Other administrative expenses

	2025 £'000	2024 £'000
Administration expenses	382	335
Directors' fees ¹	154	152
Depositary fees	19	28
Auditor's remuneration for audit services ²	55	57
	610	572

¹ Full disclosure is given in the Directors' Remuneration Report on page 57. Excludes taxable directors expenses which are included within administration expenses.

² The year ended 31st December 2024 fee includes £3,000 additional costs in respect of the 2023 audit and out of pocket expenses.

Notes to the Financial Statements

7. Finance costs

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Bank loans and overdraft interest ¹	279	1,117	1,396	256	1,021	1,277

¹ Includes loan arrangement fees of £36,000 (2024: £90,000).

The finance costs are allocated 20% to revenue and 80% to capital, in line with the Board's expected long-term split of revenue and capital return from the Company's investment portfolio.

8. Taxation

(a) Analysis of tax charge for the year

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Overseas withholding tax	494	—	494	489	—	489
Total tax charge for the year	494	—	494	489	—	489

(b) Factors affecting the total tax charge for the year

The tax charge for the year is lower (2024: lower) than the Company's applicable rate of corporation tax of 25% (2024: 25%).

The factors affecting the total tax charge for the year are as follows:

	2025			2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net return/(loss) before taxation	2,460	(36,974)	(34,514)	2,810	25,900	28,710
Net return/(loss) before taxation multiplied by the standard rate of corporation tax of 25% (2024: 25%)	615	(9,244)	(8,629)	703	6,475	7,178
Effects of:						
Non taxable overseas dividends	(759)	—	(759)	(740)	(24)	(764)
Non taxable capital losses/(gains)	—	8,578	8,578	—	(7,113)	(7,113)
Unrelieved expenses	159	666	825	55	662	717
Overseas withholding tax	494	—	494	489	—	489
Double taxation relief expensed	(15)	—	(15)	(18)	—	(18)
Total tax charge for the year	494	—	494	489	—	489

(c) Deferred taxation

The Company has an unrecognised deferred tax asset of £11,759,000 (2024: £10,929,000) in respect of cumulative excess management expenses and loan relationships totalling £47,034,000 (2024: £43,735,000), based on a prospective corporation tax rate of 25.0% (2024: 25.0%) as enacted by the Finance Act 2021. The deferred tax asset has arisen due to the cumulative excess of deductible total expenses over taxable income. The Directors believe that there will be no taxable profits in the future against which the deferred tax asset would be utilised and therefore no asset has been recognised in the Financial Statements.

Due to the Company's status as an investment trust company and the intention to continue meeting the conditions required to maintain such status in the foreseeable future, the Company has not provided for deferred tax on any capital gains or losses arising on the revaluation or disposal of investments.

Notes to the Financial Statements

9. (Loss)/return per ordinary share

	2025 £'000	2024 £'000
Revenue return	1,966	2,321
Capital (loss)/return	(36,974)	25,900
Total (loss)/return	(35,008)	28,221
Weighted average number of ordinary shares, excluding Treasury shares, in issue during the year	57,978,084	62,082,503
Revenue return per ordinary share	3.39p	3.74p
Capital (loss)/return per ordinary share	(63.77)p	41.72p
Total (loss)/return per ordinary share	(60.38)p	45.46p

10. Dividends

(a) Dividends paid and declared

	2025		2024	
	Pence	£'000	Pence	£'000
Dividend paid				
Final dividend in respect of prior year	3.1	1,830	3.0	1,890
Total dividends paid in the year	3.1	1,830	3.0	1,890
Forfeiture of unclaimed dividends over 12 years	—	—	—	(17)
Net dividends	3.1	1,830	3.0	1,873

All dividends paid and declared in the year have been funded from the revenue available for distribution.

The final dividend proposed in respect of the year ended 31st December 2024 amounted to £1,879,000. However, the amount paid amounted to £1,830,000 due to shares repurchased after the balance sheet date but prior to the record date.

(b) Dividends for the purposes of Section 1158 of the Corporation Tax Act 2010 (Section 1158)

The requirements of Section 1158 are considered on the basis of dividends declared in respect of the financial year, shown below.

The revenue available for distribution by way of dividend for the year is £1,966,000 (2024: £2,321,000).

	2025		2024	
	Pence	£'000	Pence	£'000
Final dividend	3.2	1,720	3.1	1,879
Total dividend for Section 1158 purposes	3.2	1,720	3.1	1,879

In accordance with the accounting policy of the Company, the final dividend declared in respect of the year ended 31st December 2025, will be reflected in the Financial Statements for the year ending 31st December 2026.

Notes to the Financial Statements

11. Investment held at fair value through profit or loss

	2025 £'000	2024 £'000
Opening book cost	263,472	234,536
Opening investment holding gains	53,038	49,450
Opening valuation	316,510	283,986
Movements in the year:		
Purchases at cost	90,096	120,370
Sales proceeds	(118,338)	(116,689)
(Losses)/gains on investments	(35,598)	28,843
Closing valuation	252,670	316,510
Closing book cost	241,701	263,472
Closing investment holding gains	10,969	53,038
Total investments held at fair value through profit or loss	252,670	316,510

The Company received £118,338,000 (2024: £116,689,000) from investments sold in the year. The book cost of these investments when they were purchased was £111,867,000 (2024: £91,434,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

Transaction costs on purchases during the year amounted to £38,000 (2024: £39,000) and on sales during the year amounted to £39,000 (2024: £34,000). These costs comprise mainly brokerage commission and are included in the purchases at cost and sales proceeds respectively.

12. Current assets

	2025 £'000	2024 £'000
Debtors		
Dividends and interest receivable	186	223
Other debtors	49	42
	235	265

The Directors consider that the carrying amount of debtors approximates to their fair value.

Current asset investments and cash at bank

Current asset investments comprise of investments in the JPMorgan USD Liquidity Fund, a money market fund. Cash at bank comprise bank balances and demand deposits which are short term.

13. Current liabilities

	2025 £'000	2024 £'000
Creditors: amounts falling due within one year		
Bank loan	26,021	23,954
Bank loan interest and fees payable	56	52
Other creditors and accruals	206	255
Repurchases of the Company's own shares awaiting settlement	101	—
	26,384	24,261

The Directors consider that the carrying amount of creditors falling due within one year approximates to their fair value.

On 14th March 2025 the Company entered into a loan facility with a new loan provider, Bank of America.

Under the terms of this current agreement, the Company may draw down up to US\$35 million loan facility, with a US\$5 million accordion option, at an interest rate of compounded SOFR (Secured Overnight Financing Rate) plus a margin of 1.00% (Dollar denominated loans).

Notes to the Financial Statements

The new facility is a 360 day evergreen facility

Commitment fees are also payable on the facility. The facility is subject to the following covenants and restrictions:

- The Company's adjusted asset coverage must not fall below 4:1;
- The Company's net asset value must not be less than £140 million; and
- The Company's maximum borrowing limit cannot be exceeded at any time.

These covenants and restrictions are customary for a credit facility of this nature. All of the covenants and restrictions have been met during the year and continue to be met.

As at 31st December 2025, the Company had drawn down the sterling equivalent of US\$35.0 million (2024: US\$30.0 million) on the facility.

14. Called up share capital

	2025		2024	
	Number of shares	£'000	Number of shares	£'000
Authorised ordinary shares allotted and fully paid:				
Opening balance of ordinary shares of 2.5p each excluding shares held in Treasury	60,622,264	1,516	63,770,149	1,595
Repurchase of ordinary shares into Treasury	(6,886,958)	(173)	(3,047,895)	(76)
Repurchase of ordinary shares for cancellation	—	—	(99,990)	(3)
Closing balance of ordinary shares of 2.5p each excluding shares held in Treasury	53,735,306	1,343	60,622,264	1,516
Shares held in Treasury	11,670,969	292	4,784,011	119
Closing balance of ordinary shares of 2.5p each including shares held in Treasury	65,406,275	1,635	65,406,275	1,635

During the year, the Company repurchased 6,886,958 ordinary shares (2024: 3,047,895) into Treasury for a total consideration of £26,717,000 (2024: £12,242,000). No ordinary shares were issued during the year (2024: nil).

Further details of transactions in the Company's shares are given in the Strategic Report on page 29.

15. Capital and reserves

2025	Capital reserves ¹						
	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Realised gains and losses £'000	Investment and other holding gains and losses £'000	Revenue reserve ¹ £'000	Total £'000
Opening balance	1,635	45,758	1,854	190,907	49,696	3,939	293,789
Foreign exchange losses on cash at bank and current asset investments	—	—	—	(503)	—	—	(503)
Realised gains on sale of investments	—	—	—	6,471	—	—	6,471
Net change in unrealised gains and losses on investments	—	—	—	—	(42,069)	—	(42,069)
Repurchase of ordinary shares into Treasury	—	—	—	(26,717)	—	—	(26,717)
Realised foreign exchange losses on repayment of loans	—	—	—	(2,130)	—	—	(2,130)
Unrealised foreign exchange gains on loans	—	—	—	—	3,934	—	3,934
Management fee and finance costs charged to capital	—	—	—	(2,665)	—	—	(2,665)
Other capital charges	—	—	—	(12)	—	—	(12)
Retained revenue for the year	—	—	—	—	—	1,966	1,966
Dividends paid in the year	—	—	—	—	—	(1,830)	(1,830)
Closing balance	1,635	45,758	1,854	165,351	11,561	4,075	230,234

Notes to the Financial Statements

15. Capital and reserves (continued)

2024	Capital reserves ¹						Total £'000
	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Realised gains and losses £'000	Investment and other holding gains and losses £'000	Revenue reserve ¹ £'000	
Opening balance	1,638	45,758	1,851	181,740	45,247	3,491	279,725
Realised gains on sale of investments	—	—	—	25,255	—	—	25,255
Net change in unrealised gains and losses on investments	—	—	—	—	3,588	—	3,588
Repurchase of shares into Treasury	—	—	—	(12,242)	—	—	(12,242)
Repurchase of shares for cancellation	(3)	—	3	(400)	—	—	(400)
Capital special dividend received	—	—	—	97	—	—	97
Realised currency losses on repayment of loans	—	—	—	(1,244)	—	—	(1,244)
Unrealised currency gains on loans	—	—	—	—	861	—	861
Management fee and finance costs charged to capital	—	—	—	(2,647)	—	—	(2,647)
Other capital charges	—	—	—	(10)	—	—	(10)
Proceeds from share forfeiture ²	—	—	—	358	—	—	358
Retained revenue for the year	—	—	—	—	—	2,321	2,321
Dividends paid in the year	—	—	—	—	—	(1,890)	(1,890)
Forfeiture of unclaimed dividends ²	—	—	—	—	—	17	17
Closing balance	1,635	45,758	1,854	190,907	49,696	3,939	293,789

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

² During the prior period, the Company undertook an Asset Reunification Programme to reunite inactive shareholders with their shares and unclaimed dividends. In accordance with the Company's Articles of Association, the Company exercised its right to forfeit the shares belonging to untraced shareholders for a period of 12 years or more. These shares were sold in the open market and the net proceeds returned to the Company. In addition, any unclaimed dividends older than 12 years from the date of payment of such dividend were forfeited and returned to the Company.

16. Net asset value per ordinary share

	2025	2024
Net assets (£'000)	230,234	293,789
Number of ordinary shares in issue	53,735,306	60,622,264
Net asset value per ordinary share	428.5p	484.6p

17. Contingent liabilities and capital commitments

At the balance sheet date there were no contingent liabilities or capital commitments (2024: nil).

18a. Transactions with the Manager

Details of the management contract are set out in the Directors' Report on page 42. The management fee payable to the Manager for the year was £1,935,000 (2024: £2,033,000) of which £nil (2024: £2,000) was outstanding at the year end.

Included in administration expenses in note 6 on page 75 are safe custody fees amounting to £2,000 (2024: £3,000) payable to JPMorgan Chase Bank N.A. of which £nil (2024: £nil) was outstanding at the year end.

Other capital charges (handling charges) on dealing transactions amounting to £12,000 (2024: £10,000) were payable to JPMorgan Chase Bank N.A. during the year of which £2,000 (2024: £2,000) was outstanding at the year end.

The Company also invests in the JPMorgan US Dollar Liquidity Fund, which is managed by JPMorgan Asset Management (Europe) S.à.r.l. At the year end this was valued at £1,168,000 (2024: £1,265,000). Income amounting to £313,000 (2024: £578,000) was receivable during the year of which £nil (2024: £nil) was outstanding at the year end. The JPMorgan USD Liquidity Fund does not charge a fee and the Company does not invest in any other investment fund managed or advised by JPMorgan.

At the year end, total cash of £2,545,000 (2024: £10,000) was held with JPMorgan Chase Bank N.A. A net amount of interest of £1,000 (2024: £1,000) was receivable by the Company during the year from JPMorgan Chase Bank, N.A. of which £nil (2024: £nil) was outstanding at the year end.

Notes to the Financial Statements

18b. Transactions with related parties

Full details of Directors' remuneration and shareholdings can be found on pages 57 and 58 and in note 6 on page 75.

19. Disclosures regarding financial instruments measured at fair value

The Company's financial instruments within the scope of FRS 102 that are held at fair value comprise its investment portfolio and derivative financial instruments.

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

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e.: developed using market data) for the asset or liability, either directly or indirectly

Level 3: Inputs are unobservable (i.e.: for which market data is unavailable) for the asset or liability

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.

Details of the valuation techniques used by the Company are given in note 1(b) on page 72.

The following table sets out the fair value measurements using the FRS 102 hierarchy at 31st December:

	2025		2024 ²	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	252,670	—	316,510	—
Level 2 ¹	1,168	—	1,265	—
Total	253,838	—	317,775	—

¹ Consists of the current asset investment in the JPMorgan USD Liquidity Fund.

² The figures for 2024 have been restated to include the current asset investment in the JPMorgan USD Liquidity Fund as Level 2.

There were no transfers between Level 1, 2 or 3 during the year (2024: none).

20. Financial instruments' exposure to risk and risk management policies

As an investment trust, the Company invests in equities and other securities for the long term so as to secure its investment objective stated on the 'Key Features' page. In pursuing this objective, the Company is exposed to a variety of financial risks that could result in a reduction in the Company's net assets or a reduction in the profits available for dividends.

These financial risks include market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk. The Directors' policy for managing these risks is set out below.

The objectives, policies and processes for managing the risks and the methods used to measure the risks that are set out below, have not changed from those applying in the comparative year.

The Company's classes of financial instruments are as follows:

- investments in US equity shares, which are held in accordance with the Company's investment objective;
- cash held within a liquidity fund;
- short term debtors, creditors and cash arising directly from its operations; and
- bank loans and overdrafts, the purpose of which is to finance the Company's operations.

(a) Market risk

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – currency risk, interest rate risk and other price risk. Information to enable an evaluation of the nature and extent of these three elements of market risk is given in parts (i) and (iii) of this note, together with sensitivity analysis where appropriate. The Board reviews and agrees policies for managing these risks and these policies have remained unchanged from those applying in the comparative year. The Manager assesses the exposure to market risk when making each investment decision and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis.

Notes to the Financial Statements

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

(a) Market risk (continued)

(i) Currency risk

The majority of the Company's assets and income are denominated in currencies other than sterling which is the Company's functional currency and the currency in which it reports. As a result, movements in exchange rates will affect the sterling value of those items.

Management of currency risk

The Manager monitors the Company's exposure to foreign currencies on a daily basis and reports to the Board, which meets on at least six occasions each year. The Manager measures the risk to the Company of the foreign currency exposure by considering the effect on the Company's net asset value and income of a movement in the rates of exchange to which the Company's assets, liabilities, income and expenses are exposed. Foreign currency borrowing may be used to limit the Company's exposure to anticipated changes in exchange rates which might otherwise adversely affect the value of the portfolio of investments. This borrowing is limited to currencies and amounts commensurate with the asset exposure to those currencies. Income denominated in foreign currencies is converted to sterling on receipt. The Company may use short term forward currency contracts to manage working capital requirements. No such contracts were used during the year.

Foreign currency exposure

The fair value of the Company's monetary items that have foreign currency exposure at 31st December are shown below. Where the Company's equity investments (which are not monetary items) are priced in a foreign currency, they have been included separately in the analysis so as to show the overall level of exposure.

	2025 £'000	2024 £'000
Current assets: Debtors, current asset investments and cash at bank	3,899	1,497
Current liabilities (including short term bank loans)	(26,077)	(24,006)
Foreign currency exposure on net monetary items	(22,178)	(22,509)
Investments held at fair value through profit or loss	252,670	316,510
Total net foreign currency exposure	230,492	294,001

The above year end amounts are broadly representative of the exposure to foreign currency risk during the current and comparative year.

Foreign currency sensitivity

The following table illustrates the sensitivity of net return after taxation for the year and net assets with regard to the Company's financial assets and financial liabilities and exchange rates. The sensitivity analysis is based on the Company's financial instruments held at each balance sheet date and the income receivable in foreign currency and assumes a 10% (2024: 10%) appreciation or depreciation in sterling against the US Dollar which is considered to be a reasonable illustration based on the volatility of exchange rates during the year.

	2025		2024	
	If sterling strengthens by 10% £'000	If sterling weakens by 10% £'000	If sterling strengthens by 10% £'000	If sterling weakens by 10% £'000
Statement of Comprehensive Income				
Revenue return after taxation	(374)	374	(405)	405
Capital (loss)/return after taxation	(23,049)	23,049	(29,400)	29,400
Total (loss)/return after taxation	(23,423)	23,423	(29,805)	29,805
Net assets	(23,423)	23,423	(29,805)	29,805

In the opinion of the Directors, the above sensitivity analysis is broadly representative of the whole year.

Notes to the Financial Statements

(ii) Interest rate risk

Interest rate movements may affect the level of income receivable on cash deposits, the liquidity fund and the interest payable on the Company's variable rate cash borrowings. The Company has no exposure to fair value interest rate risk as it has no fixed interest investments and borrowings.

Management of interest rate risk

The Company does not normally hold significant cash balances. The Company may finance part of its activities through borrowings at levels approved and monitored by the Board. The Board's policy is to limit gearing within the range of 5% net cash to 15% geared ($\pm 2.5\%$).

Derivatives are not used to hedge against the exposure to interest rate risk.

Interest rate exposure

The exposure of financial assets and liabilities to floating interest rates, giving cash flow interest rate risk when rates are reset, is shown below.

	2025 £'000	2024 £'000
Exposure to floating interest rates:		
Cash at bank	2,545	10
Current asset investment in JPMorgan USD Liquidity Fund	1,168	1,265
Bank loan	(26,021)	(23,954)
Total exposure	(22,308)	(22,679)

Interest receivable on cash balances, or paid on overdrafts, is at a margin below or above compounded SOFR (Secured Overnight Financing Rate) in respect of Dollar denominated loans (2024: same). The target interest earned on the JPMorgan USD Liquidity Fund is the 7 day US\$ London Interbank Bid Rate. Details of the bank loan are given in note 13 on page 78.

Interest rate sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to a 1.0% (2024: 1.0%) increase or decrease in interest rates in regards to the Company's monetary financial assets and financial liabilities. This level of change is considered to be a reasonable illustration based on observation of current market conditions and the increase in interest rates over the past year. The sensitivity analysis is based on the Company's monetary financial instruments held at the balance sheet date with all other variables held constant.

	2025		2024	
	1.0% increase in rate £'000	1.0% decrease in rate £'000	1.0% increase in rate £'000	1.0% decrease in rate £'000
Statement of Comprehensive Income				
Revenue return after taxation	(15)	15	(35)	35
Capital (loss)/return after taxation	(208)	208	(192)	192
Total (loss)/return after taxation for the year	(223)	223	(227)	227
Net assets	(223)	223	(227)	227

In the opinion of the Directors, this sensitivity analysis may not be representative of the Company's future exposure to interest rate changes due to fluctuations in the level of cash balances, cash held in the liquidity fund and amounts drawn down on the Company's loan facilities.

Notes to the Financial Statements

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

(a) Market risk (continued)

(iii) Other price risk

Other price risk includes changes in market prices, other than those arising from interest rate risk or currency risk, which may affect the value of equity investments.

Management of other price risk

The Board considers on a regular basis the asset allocation of the portfolio and the risk associated with particular industry sectors. The investment management team has responsibility for monitoring the portfolio, which is selected in accordance with the Company's investment objectives and seeks to ensure that individual stocks meet an acceptable risk/reward profile.

Other price risk exposure

The Company's total exposure to changes in market prices at 31st December comprises its holdings in equity investments as follows:

	2025 £'000	2024 £'000
Investments held at fair value through profit or loss	252,670	316,510

The above data is broadly representative of the exposure to other price risk during the current and comparative year.

Concentration of exposure to other price risk

A list of the Company's investments is given on page 23. This shows that all of the investments are listed in the USA. Accordingly there is a concentration of exposure to that country. However it should be noted that an investment may not be entirely exposed to the economic conditions in the USA.

Other price risk sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to an increase or decrease of 20% (2024: 20%) in the market values. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the Company's equities, adjusting for changes in the management fee but with all other variables held constant.

	2025		2024	
	20% increase in fair value £'000	20% decrease in fair value £'000	20% increase in fair value £'000	20% decrease in fair value £'000
Statement of Comprehensive Income				
Revenue return after taxation	(71)	71	(89)	89
Capital (loss)/return after taxation	50,251	(50,251)	62,948	(62,948)
Total (loss)/return after taxation for the year	50,180	(50,180)	62,859	(62,859)
Net assets	50,180	(50,180)	62,859	(62,859)

(b) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management of the risk

Liquidity risk is not significant as the Company's assets comprise mainly readily realisable securities, which can be sold to meet funding requirements if necessary. Short term flexibility is achieved through the use of overdraft and bank loan facilities.

The Board's policy is for the Company to remain fully invested in normal market conditions and that short term borrowings be used to manage short term liabilities and working capital and to gear the Company as appropriate.

Notes to the Financial Statements

Liquidity risk exposure

Contractual maturities of the financial liabilities based on the earliest date on which payment can be required are as follows:

	2025			2024		
	Three months or less £'000	More than three months but less than one year £'000	Total £'000	Three months or less £'000	More than three months but less than one year £'000	Total £'000
Creditors:						
Other creditors and accruals	206	—	206	255	—	255
Repurchases of Company's own shares awaiting settlement	101	—	101	—	—	—
Bank loan, including interest	26,334	—	26,334	24,278	—	24,278
	26,641	—	26,641	24,533	—	24,533

The liabilities shown above represent future contractual payments and therefore differ from the amounts shown in the Statement of Financial Position.

(c) Credit risk

Credit risk is the risk that the failure of the counterparty to a transaction to discharge its obligations under that transaction could result in loss to the Company.

Management of credit risk**Portfolio dealing**

The Company invests in markets that operate Delivery Versus Payment (DVP) settlement. The process of DVP mitigates the risk of losing the principal of a trade during the settlement process. The Manager continuously monitors dealing activity to ensure best execution, a process that involves measuring various indicators including the quality of trade settlement and incidence of failed trades. Counterparty lists are maintained and adjusted accordingly.

Cash at bank

Counterparties are subject to regular credit analysis by the Manager and deposits can only be placed with counterparties that have been approved by JPMAM's Counterparty Risk Group. The Board regularly reviews the counterparties used by the Manager.

Exposure to JPMorgan Chase

JPMorgan Chase Bank, N.A. is the custodian of the Company's assets. The Company's assets are segregated from JPMorgan Chase's own trading assets. Therefore these assets are designed to be protected from creditors in the event that JPMorgan Chase were to cease trading.

The Depository, Bank of New York Mellon (International) Limited, is responsible for the safekeeping of all custodial assets of the Company and for verifying and maintaining a record of all other assets of the Company. However, no absolute guarantee can be given on the protection of all the assets of the Company.

Credit risk exposure

The amounts shown in the Statement of Financial Position under debtors and cash and cash equivalents represent the maximum exposure to credit risk at the current and comparative year ends.

(d) Fair values of financial assets and financial liabilities

All financial assets and liabilities are either included in the Statement of Financial Position at fair value or the carrying amount in the Statement of Financial Position is a reasonable approximation of fair value.

Notes to the Financial Statements

21. Capital management policies and procedures

The Company's debt and capital structure comprises the following:

	2025 £'000	2024 £'000
Debt:		
Bank loan	26,021	23,954
Equity:		
Equity share capital	1,635	1,635
Share premium account and other reserves	228,599	292,154
	230,234	293,789
Total debt and equity	256,255	317,743

The Company's capital management objectives are to ensure that it will continue as a going concern and to maximise the income and capital return to its equity shareholders through an appropriate level of gearing.

The Board's policy is to utilise liquidity and borrowings to remain invested within a maximum gearing limit of 15% geared ($\pm 2.5\%$ if as a result of market investment).

	2025 £'000	2024 £'000
Investments held at fair value through profit or loss	252,670	316,510
Net assets	230,234	293,789
Gearing	9.7%	7.7%

The Board, with the assistance of the Investment Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

- the planned level of gearing, which takes into account the Investment Manager's views on the market;
- the need to buy back equity shares, either for cancellation or to hold in Treasury, which takes into account the share price discount or premium; and
- the opportunity for issues of new shares, including issues from Treasury.

Notes to the Financial Statements

22. Analysis of changes in net debt

	As at 31st December 2024 £'000	Cash flows £'000	Foreign exchange movements £'000	Other non-cash charges £'000	As at 31st December 2025 £'000
Cash at bank and current asset investments					
Cash at bank	10	2,531	4	—	2,545
Current asset investments ¹	1,265	(76)	(21)	—	1,168
	1,275	2,455	(17)	—	3,713
Borrowings					
Debt due within one year – ScotiaBank	(23,954)	23,228	726	—	—
Debt due within one year – Bank of America	—	(27,099)	1,078	—	(26,021)
Net debt	(22,679)	(1,416)	1,787	—	(22,308)

¹ Entirely invested in JPMorgan USD Liquidity Fund, a AAA rated money market fund which seeks to achieve a return in line with prevailing money market rates whilst aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity.

23. Subsequent events

The Directors have evaluated the period since the year end and have not identified any subsequent events other than those described.



Regulatory Disclosures (Unaudited)

Alternative Investment Fund Managers Directive Disclosures (Unaudited)

Leverage

For the purposes of the Alternative Investment Fund Managers Directive (AIFMD), leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its net asset value and is calculated on a gross and a commitment method, in accordance with AIFMD. Under the gross method, exposure represents the sum of the Company's positions without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated after certain hedging and netting positions are offset against each other.

The Company is required to state its maximum and actual leverage levels, calculated as prescribed by the AIFMD (see Glossary of Terms and Alternative Performance Measures on pages 96 to 98), as at 31st December 2025, which gives the following figures:

	Gross Method	Commitment Method
Leverage Exposure		
Maximum limit	200%	200%
Actual	111.3%	111.3%

AIFMD Remuneration Disclosures

JPMorgan Funds Limited (the Management Company) is the authorised manager of JPMorgan US Smaller Companies Investment Trust plc (the Company) and is part of the J.P. Morgan Chase & Co. group of companies. In this section, the terms 'J.P. Morgan' or 'Firm' refer to that group, and each of the entities in that group globally, unless otherwise specified.

This section of the annual report has been prepared in accordance with the Alternative Investment Fund Managers Directive (the AIFMD), the European Commission Delegated Regulation supplementing the AIFMD, and the 'Guidelines on sound remuneration policies' issued by the European Securities and Markets Authority under the AIFMD. The information in this section is in respect of the most recent complete remuneration period (Performance Year) as at the reporting date.

This section has also been prepared in accordance with the relevant provisions of the Financial Conduct Authority Handbook (FUND 3.3.5).

Remuneration Policy

A summary of the Remuneration Policy applying to the Management Company (the Remuneration Policy) can be found at <https://am.jpmorgan.com/content/dam/jpm-am-aem/emea/regional/en/policies/remuneration-policy/jpmam-emea-remuneration-policy.pdf> (the Remuneration Policy Statement). This Remuneration Policy Statement includes details of how remuneration and benefits are calculated, including the financial and non-financial criteria used to evaluate performance, the responsibilities and composition of the Firm's Compensation and Management Development Committee, and the measures adopted to avoid or manage conflicts of interest. A copy of this policy can be requested free of charge from the Management Company.

The Remuneration Policy applies to all employees of the Management Company, including individuals whose professional activities may have a material impact on the risk profile of the Management Company or the Alternative Investment Funds it manages (AIFMD Identified Staff). The AIFMD Identified Staff include members of the Board of the Management Company (the Board), senior management, the heads of relevant Control Functions, and holders of other key functions. Individuals are notified of their identification and the implications of this status on at least an annual basis.

The Board reviews and adopts the Remuneration Policy on an annual basis, and oversees its implementation, including the classification of AIFMD Identified Staff. The Board last reviewed and adopted the Remuneration Policy that applied for the 2025 Performance Year in June 2025 with no material changes and was satisfied with its implementation.

Quantitative Disclosures

The table overleaf provides an overview of the aggregate total remuneration paid to staff of the Management Company in respect of the 2025 Performance Year and the number of beneficiaries. These figures include the remuneration of all staff of JP Morgan Asset Management (UK) Ltd (the relevant employing entity) and the number of beneficiaries, both apportioned to the Management Company on an AUM weighted basis.

Regulatory Disclosures (Unaudited)

Due to the Firm's structure, the information needed to provide a further breakdown of remuneration attributable to the Company is not readily available and would not be relevant or reliable. However, for context, the Management Company manages 24 Alternative Investment Funds (with 4 sub-funds) and 2 UCITS (with 42 sub-funds) as at 31st December 2025, with a combined AUM as at that date of £26,122 million and £21,624 million respectively.

	Fixed remuneration	Variable remuneration	Total remuneration	Number of beneficiaries
All staff (\$'000s)	22,376	17,212	39,588	127

The aggregate 2025 total remuneration paid to AIFMD Identified Staff was US\$145.7 million of which US\$8.6 million relates to Senior Management and US\$137.1 million relates to other Identified Staff¹.

¹ For 2025, the identified staff disclosures includes employees of the companies to which portfolio management has been formally delegated in line with the latest ESMA guidance.

Securities Financing Transactions Regulation Disclosure (Unaudited)

The Company does not engage in Securities Financing Transactions (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-selling back transactions or sell-buy back transactions and margin lending transactions) or Total Return Swaps. Accordingly, disclosures required by Article 13 of the Regulation are not applicable for the year ended 31st December 2025.



Downtown St Louis, Missouri

Notice of Annual General Meeting

Important information:

This document is important and requires your immediate attention. If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, it is recommended that you seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other appropriate independent professional adviser duly authorised pursuant to the Financial Services and Markets Act 2000 (as amended) if you are in the United Kingdom or, if not, from another appropriately authorised independent adviser. If you have sold or otherwise transferred all of your shares in the Company, please forward this document at once to the purchaser or transferee or to the stockbroker, banker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. This document should not, however, be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you have sold or transferred only part of your holding of shares, you should retain this document.

Notice is hereby given that the Annual General Meeting of JPMorgan US Smaller Companies Investment Trust plc will be held at 60 Victoria Embankment, London EC4Y 0JP on Monday, 15th June 2026 at 2.30 p.m. for the following purposes:

1. To receive the Directors' Report and Financial Statements and the Auditor's Report for the year ended 31st December 2025.
2. To approve the Directors' Remuneration Policy.
3. To approve the Directors' Remuneration Report for the year ended 31st December 2025.
4. To approve a final dividend of 3.2 pence per share.
5. To reappoint Mandy Donald as a Director of the Company.
6. To reappoint Dominic Neary as a Director of the Company.
7. To appoint Cindy Rampersaud as a Director of the Company.
8. To reappoint BDO LLP as Auditor to the Company.
9. To authorise the Directors to determine the Auditor's remuneration.

Special Business

To consider the following resolutions:

Authority to allot new ordinary shares – Ordinary Resolution

10. THAT the Directors of the Company be and they are hereby generally and unconditionally authorised, (in substitution of any authorities previously granted to the Directors), pursuant to and in accordance with Section 551 of the Act to exercise all the powers for the Company to allot shares in the Company and to grant rights to subscribe for, or convert any security into, shares in the Company ('Rights') up to an aggregate nominal amount of £130,320 (representing approximately 10% of the Company's issued ordinary share capital (excluding shares held in Treasury) or, if different, the number of ordinary shares which is equal to 10% of the Company's issued share capital (excluding Treasury shares) as at the date of the passing of the resolution, provided that this authority shall expire at the Annual General Meeting of the Company to be held in 2027, or the date occurring 18 months from the date on which this resolution is passed, whichever is the earlier, unless renewed, revoked or varied by the Company at a general meeting prior to such time, save that the Company may before such expiry make offers or agreement which would or might require shares to be

allotted on Rights to be granted after such expiry and so that the Directors of the Company may allot shares and grant Rights in pursuance of such offers or agreements as if the authority conferred hereby had not expired.

Authority to disapply pre-emption rights on allotment of new ordinary shares – Special Resolution

11. THAT, subject to the passing of Resolution 10 set out above, the Directors of the Company be and they are hereby empowered pursuant to Sections 570 and 573 of the Companies Act 2006 (the 'Act') to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 11 or by way of a sale of Treasury shares as if Section 561(1) of the Act did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities and the sale of Treasury shares for cash up to an aggregate nominal amount of £130,320 (representing approximately 10% of the issued ordinary share capital (excluding shares held in Treasury) of the Company as at the date of this notice at a price of not less than the net asset value per share and shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2027, or the date occurring 18 months from the date on which this Resolution is passed, whichever is the earlier, unless renewed at a general meeting prior to such time, save that the Company may before such expiry make offers, agreements or arrangements which would or might require equity securities to be allotted after such expiry and so that the Directors of the Company may allot equity securities in pursuance of such offers, agreements or arrangements as if the power conferred hereby had not expired.

Authority to allot further new ordinary shares – Ordinary Resolution

12. THAT, in addition to any authority granted by Resolution 10 above, the Directors of the Company be and they are hereby generally and unconditionally authorised, pursuant to and in accordance with Section 551 of the Companies Act 2006 (the 'Act') to exercise all the powers of the Company to allot ordinary shares in the Company and to grant rights to subscribe for, or to convert any security into, ordinary shares in the Company ('Rights') up

Notice of Annual General Meeting

to an aggregate nominal amount of £130,320 (representing approximately 10% of the Company's issued ordinary share capital (excluding shares held in Treasury) or, if different, the number of ordinary shares which is equal to 10% of the Company's issued share capital (excluding Treasury shares) as at the date of the passing of the resolution, provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company to be held in 2027, or the date occurring 18 months from the date on which this resolution is passed, whichever is the earlier, unless renewed, revoked or varied by the Company at a general meeting prior to such time, save that the Company may before such expiry make offers or agreements which would or might require ordinary shares to be allotted or Rights to be granted after such expiry and so that the Directors of the Company may allot ordinary shares and grant Rights in pursuance of such offers or agreements as if the authority conferred hereby had not expired.

Authority to disapply pre-emption rights on allotment of further relevant securities – Special Resolution

13. THAT, subject to the passing of Resolution 12 set out above, and in addition to any authority granted by Resolution 11 above, the Directors of the Company be and they are hereby empowered pursuant to Sections 570 and 573 of the Companies Act 2006 (the 'Act') to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 13 or by way of a sale of Treasury shares as if Section 561(1) of the Act did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities and the sale of Treasury shares for cash up to an aggregate nominal amount of £130,320 (representing approximately 10% of the issued ordinary share capital (excluding shares held in Treasury) of the Company as at 15th April 2026, this being the latest practicable date prior to the publication of this notice) at a price of not less than the net asset value per share and shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2027, or the date occurring 18 months from the date on which this Resolution is passed, whichever is the earlier, unless renewed at a general meeting prior to such time, save that the Company may before such expiry make offers, agreements or arrangements which would or might require equity securities to be allotted after such expiry and so that the Directors of the Company may allot equity securities in pursuance of such offers, agreements or arrangements as if the power conferred hereby had not expired.

Authority to repurchase the Company's shares – Special Resolution

14. THAT the Company be generally and subject as hereinafter appears unconditionally authorised in accordance with Section 701 of the Companies Act 2006 (the 'Act') to make market purchases (within the meaning of Section 693 of the Act) of its issued ordinary shares on such terms and in

such manner as the Directors may from time to time determine.

PROVIDED ALWAYS THAT

- (i) the maximum number of ordinary shares hereby authorised to be purchased shall be 7,814,016 or, if less, that number of ordinary shares which is equal to 14.99% of the Company's issued share capital (less shares held in Treasury, if any) as at the date of the passing of this resolution;
- (ii) the minimum price which may be paid for an ordinary share shall be 2.5p;
- (iii) the maximum price which may be paid for an ordinary share shall be an amount equal to: (a) 105% of the average of the middle market quotations for an ordinary share taken from and calculated by reference to the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the ordinary share is purchased; or (b) the price of the last independent trade; or (c) the highest current independent bid;
- (iv) any purchase of ordinary shares will be made in the market for cash at prices below the prevailing net asset value per ordinary share (as determined by the Directors), at a sufficient discount to ensure shareholder value accretion;
- (v) the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company to be held in 2027 or the date occurring 18 months from the date on which this Resolution is passed, whichever is the earlier, or at any other general meeting prior to such time; and
- (vi) the Company may make a contract to purchase ordinary shares under the authority hereby conferred prior to the expiry of such authority and may make a purchase of ordinary shares pursuant to any such contract notwithstanding such expiry.

Authority to hold general meetings – Special Resolution

15. THAT, a general meeting, other than an Annual General Meeting, may be called on not less than 14 clear days' notice.

By order of the Board

Priyanka Vijay Anand, for and on behalf of
JPMorgan Funds Limited, Company Secretary

16th April 2026

Notice of Annual General Meeting

Notes

These notes should be read in conjunction with the notes on the reverse of the proxy form.

1. If law or Government guidance so requires at the time of the Meeting, the Chair of the Meeting will limit, in his sole discretion, the number of individuals in attendance at the Meeting. In addition, the Company may still impose entry restrictions on certain persons wishing to attend the AGM in order to secure the orderly and proper conduct of the Meeting.
2. A member entitled to attend and vote at the Meeting may appoint another person(s) (who need not be a member of the Company) to exercise all or any of his rights to attend, speak and vote at the Meeting. A member can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Your proxy could be the Chair, another Director of the Company or another person who has agreed to attend to represent you. Details of how to appoint the Chair or another person(s) as your proxy or proxies using the proxy form are set out in the notes to the proxy form. If a voting box on the proxy form is left blank, the proxy or proxies will exercise his/their discretion both as to how to vote and whether he/they abstain(s) from voting. Your proxy must attend the Meeting for your vote to count. Appointing a proxy or proxies does not preclude you from attending the Meeting and voting in person. However, please note that in the current circumstances, your vote may not be counted where a proxy other than the Chair of the Meeting is appointed as additional third parties may not be permitted entry to the meeting.
4. Any instrument appointing a proxy, to be valid, must be lodged in accordance with the instructions given on the proxy form no later than 2.30 p.m. two business days prior to the Meeting (i.e. excluding weekends and bank holidays).
5. You may change your proxy instructions by returning a new proxy appointment. The deadline for receipt of proxy appointments also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same Meeting, the one which is last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the other or others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.
6. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), members must be entered on the Company's register of members as at 6.30 p.m. two business days prior to the Meeting (the 'specified time'). If the Meeting is adjourned to a time not more than 48 hours after the specified time applicable to the original Meeting, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned Meeting. If, however, the Meeting is adjourned for a longer period then, to be so entitled, members must be entered on the Company's register of members as at 6.30 p.m. two business days prior to the adjourned Meeting or, if the Company gives notice of the adjourned Meeting, at the time specified in that notice. Changes to entries on the register after this time shall be disregarded in determining the rights of persons to attend or vote at the Meeting or adjourned Meeting.
7. Entry to the Meeting will be restricted to shareholders and their proxy or proxies, with guests admitted only by prior arrangement.
8. A corporation, which is a shareholder, may appoint an individual(s) to act as its representative(s) and to vote in person at the Meeting (see instructions given on the proxy form). In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is therefore no longer necessary to nominate a designated corporate representative. Representatives should bring to the Meeting evidence of their appointment, including any authority under which it is signed.
9. Members that satisfy the thresholds in Section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to: (a) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the AGM; or (b) any circumstances connected with Auditors of the Company ceasing to hold office since the previous AGM, which the members propose to raise at the Meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's Auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required to publish on its website pursuant to this right.
10. Pursuant to Section 319A of the Companies Act 2006, the Company must cause to be answered at the AGM any question relating to the business being dealt with at the AGM which is put by a member attending the Meeting except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the Meeting or if it would involve the disclosure of confidential information.

Notice of Annual General Meeting

11. Under Sections 338 and 338A of the 2006 Act, members meeting the threshold requirements in those sections have the right to require the Company: (i) to give, to members of the Company entitled to receive notice of the Meeting, notice of a resolution which those members intend to move (and which may properly be moved) at the Meeting; and/or (ii) to include in the business to be dealt with at the Meeting any matter (other than a proposed resolution) which may properly be included in the business at the Meeting. A resolution may properly be moved, or a matter properly included in the business unless: (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); (b) it is defamatory of any person; or (c) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business must be accompanied by a statement setting out the grounds for the request, must be authenticated by the person(s) making it and must be received by the Company not later than the date that is six clear weeks before the Meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.
12. A copy of this notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under Section 146 of the Companies Act 2006 (a 'Nominated Person'). The rights to appoint a proxy can not be exercised by a Nominated Person: they can only be exercised by the member. However, a Nominated Person may have a right under an agreement between him and the member by whom he was nominated to be appointed as a proxy for the Meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
13. In accordance with Section 311A of the Companies Act 2006, the contents of this notice of meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the AGM, the total voting rights members are entitled to exercise at the AGM and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website www.jpnullsmallercompanies.co.uk.
14. The register of interests of the Directors and connected persons in the share capital of the Company and the Directors' letters of appointment are available for inspection at the Company's registered office during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted). It will also be available for inspection at the Annual General Meeting. No Director has any contract of service with the Company.
15. You may not use any electronic address provided in this Notice of Meeting to communicate with the Company for any purposes other than those expressly stated.
16. As an alternative to completing a hard copy Form of Proxy, you can appoint a proxy or proxies electronically by visiting www.investorcentre.co.uk/eproxy. You will need the Control Number, Shareholder Reference Number and PIN which are set out on your proxy form or the electronic broadcast you received from Computershare.
17. As at 15th April 2026 (being the latest business day prior to the publication of this Report and Accounts), the Company's issued share capital consists of 65,406,275 ordinary shares (of which 13,278,082 are held in Treasury), carrying one vote each. Therefore, the total voting rights in the Company are 52,128,193.
18. Personal data provided by shareholders at or in relation to the Meeting will be processed in line with the Manager's privacy policy which is available via the following link <https://www.jpmorgan.com/privacy>.
19. In the case of joint holders, where more than one of the joint holders purports to appoint one or more proxies, only the purported appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).

Electronic appointment – CREST Members and Proximity

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. See further instructions on the proxy form.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's Registrar (CREST ID is 3RA50) by the latest time(s) for receipt of proxy appointments specified in the notice of the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's agent is liable to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

If you are an institutional investor you may be able to appoint a proxy electronically via the Proximity platform. For further information regarding Proximity, please go to www.proximity.io. Before you can appoint a proxy via this process you will need to have agreed to Proximity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

Glossary of Terms and Alternative Performance Measures (Unaudited)

Alternative Performance Measure (APM)

Alternative Performance Measures (APMs) are numerical measures of current, historical or future financial performance, financial position or cash flow that are not GAAP measures. APMs are intended to supplement the information in the Financial Statements, providing useful industry-specific information that can assist shareholders to better understand the performance of the Company.

Where a measure is labelled as an APM, a definition and reconciliation to a GAAP measure is set out below:

Return to Shareholders (APM)

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

Total return calculation	Page	Year ended 31st December 2025	Year ended 31st December 2024	
Opening share price (p)	7	476.0	404.0	(a)
Closing share price (p)	7	400.0	476.0	(b)
Total dividend adjustment factor ¹		1.008289	1.007853	(c)
Adjusted closing share price (p) (d = b x c)		403.3	479.7	(d)
Total return to Shareholders (e = (d/a) – 1)		-15.3%	+18.7%	(e)

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

Return on Net Assets (APM)

Total return on net asset value (NAV) per share, on a bid value to bid value basis, assuming that all dividends paid out by the Company were reinvested, without transaction costs, into the shares of the Company at the NAV per share at the time the shares were quoted ex-dividend.

Total return calculation	Page	Year ended 31st December 2025	Year ended 31st December 2024	
Opening cum-income NAV per share (p)	7	484.6	438.6	(a)
Closing cum-income NAV per share (p)	7	428.5	484.6	(b)
Total dividend adjustment factor ¹		1.007416	1.006979	(c)
Adjusted closing cum-income NAV per share (p) (d = b x c)		431.7	488.0	(d)
Total return on net assets (e = (d/a) – 1)		-10.9%	+11.3%	(e)

¹ The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at the cum-income NAV at the ex-dividend date.

In accordance with industry practice, dividends payable which have been declared but which are unpaid at the balance sheet date are deducted from the NAV per share when calculating the total return on net assets.

Benchmark return

Total return on the benchmark, on a closing-market value to closing-market value basis, assuming that all dividends received were reinvested, without transaction costs, in the shares of the underlying companies at the time the shares were quoted ex-dividend.

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

Glossary of Terms and Alternative Performance Measures (Unaudited)

Net asset return relative to benchmark return (APM)

This is the difference in the return on net assets compared to the benchmark return over the respective periods.

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 (excluding effect of futures)	Page	Year ended 31st December 2025	Year ended 31st December 2024	
Investments held at fair value through profit or loss	70	252,670	316,510	(a)
Net assets	70	230,234	293,789	(b)
Gearing (c = (a/b) - 1)		9.7%	7.7%	(c)

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.

Ongoing charges calculation	Page	Year ended 31st December 2026	Year ended 31st December 2025	
Management fee	68	1,935	2,033	
Other administrative expenses	68	610	572	
Total management fee and other administrative expenses		2,545	2,605	(a)
Average daily cum-income net assets		254,040	283,072	(b)
Ongoing charges (c = a/b)		1.00%	0.92%	(c)

Share Price (Discount)/Premium to Net Asset Value (NAV) per Ordinary Share (APM)

If the share price of an investment trust is lower than the NAV per share, the ordinary shares are said to be trading at a discount. The discount is shown as a percentage of the NAV per ordinary share. The opposite of a discount is a premium. It is more common for an investment trust's shares to trade at a discount than at a premium (page 7).

	Page	Year ended 31st December 2025	Year ended 31st December 2024	
Share price (p)	7	400.0	476.0	(a)
Net asset value per ordinary share (p)	7	428.5	484.6	(b)
Discount to net asset value (c = (a - b) / b)		(6.7)%	(1.8)%	(c)

Where daily average premium or discount is referenced in this report, it has been calculated as the average of the daily premium or discount in respect of the reporting period.

Performance attribution

Analysis of how the Company achieved its recorded performance relative to its benchmark.

Performance Attribution Definitions:

Asset allocation

Measures the impact of allocating assets differently from those in the benchmark, via the portfolio's weighting in different countries, sectors or asset types.

Stock selection

Measures the effect of investing in securities to a greater or lesser extent than their weighting in the benchmark, or of investing in securities which are not included in the benchmark.

Glossary of Terms and Alternative Performance Measures (Unaudited)

Management fee/Other expenses

The payment of fees and expenses reduces the level of total assets, and therefore has a negative effect on relative performance.

Share Buyback

Measures the enhancement to net asset value per share of buying back the Company's shares for cancellation at a price which is less than the Company's net asset value per share.

Active Share

This measures the percentage of a portfolio that differs from a benchmark index. A higher active share indicates that the portfolio is more actively managed and deviates more from the index. It is calculated by summing the absolute differences between the portfolio and benchmark weights for each security, then dividing by two.

Task Force on Climate-related Financial Disclosures

The Company, as a closed ended investment fund, is currently exempt from complying with the Task Force on Climate-related Financial Disclosures (TCFD). However, in accordance with the requirements of the TCFD, in June 2025, the Investment Manager published its UK TCFD Report for the Company in respect of the year ended 31st December 2024.

The report discloses estimates of the portfolio's climate-related risks and opportunities according to the FCA Environmental, Social and Governance Sourcebook and the TCFD Recommendations. The report is available on the Company's website under the ESG documents section.

Investing in the Company

You can invest in the Company and other J.P. Morgan managed investment trusts through the following:

1. A third party provider

Third party providers include:

AJ Bell Investcentre	Halifax Share Dealing
Barclays Smart investor	Hargreaves Lansdown
Charles Stanley Direct	Interactive investor
Fidelity Personal Investing	

Please note this list is not exhaustive and the availability of individual trusts may vary depending on the provider. These websites are third party sites and J.P. Morgan Asset Management does not endorse or recommend any. Please observe each site'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 www.theaic.co.uk/invest-engage 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

3. Voting on Company Business and Attending the Annual General Meeting

The Board encourages all of its shareholders to exercise their rights by voting at annual general meetings and attending if able to do so. If you hold your shares on the Company's main register, please refer to the notes to the Annual General Meeting on page 94 and your form of proxy. If your shares are held through a platform, platform providers often provide shareholders with the ability to receive company documentation, to vote their shares and to attend annual general meetings, at no cost. Please refer to your investment platform for more details, or visit the Association of Investment Companies' website at www.theaic.co.uk/how-to-attend-an-AGM for information on which platforms support these services and how to utilise them.

Share Fraud Warning

Investment and pension scams are often sophisticated and difficult to spot



Be a **ScamSmart** Investor

Be a ScamSmart investor and spot the warning signs

Fraudsters will often:

- contact you out of the blue
- apply pressure to invest quickly
- downplay the risks to your money
- promise tempting returns that sound too good to be true
- say that they're only making the offer available to you or even ask you to not tell anyone else about it



How to avoid investment and pension scams

- 1 Reject unexpected offers**
 Scammers usually cold call, but contact can also come by email, post, word of mouth or at a seminar. If you've been offered an investment out of the blue, chances are it's a high risk investment or a scam.
- 2 Check the FCA Warning List**
 Use the FCA Warning List to check the risks of a potential investment – you can also search to see if the firm is known to be operating without our authorisation.
- 3 Get impartial advice**
 Get impartial advice before investing – don't use an adviser from the firm that contacted you.

If you're suspicious, report it

You can report the firm or scam to us by contacting our **Consumer Helpline** on **0800 111 6768** or using our reporting form using the link below.

If you've lost money in a scam, contact Action Fraud on 0300 123 2040 or www.actionfraud.police.uk



Be ScamSmart and visit
www.fca.org.uk/scamsmart

Information About the Company

Financial Conduct Authority (FCA) Regulation of ‘non-mainstream pooled investments’, MiFID II ‘complex investments’

The Company currently conducts its affairs so that the shares issued by the Company can be recommended by independent financial advisers to ordinary retail investors in accordance with the FCA’s rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The shares are excluded from the FCA’s restrictions which apply to non-mainstream investment products because they are shares in an investment trust. The Company’s ordinary shares are not considered to be ‘complex instruments’ under the FCA’s ‘Appropriateness’ rules and guidance in the COB sourcebook.

Consumer Duty Value Assessment

The Manager conducted an annual value assessment on the Company in line with FCA rules set out in the Consumer Duty regulation. The assessment focuses on the nature of the product, including benefits received and its quality, limitations that are part of the product, expected total costs to clients and target market considerations. Within this, the assessment considers quality of services, performance of the Company (against both benchmark and peers), total fees (including management fees and entry and exit fees as applicable to the Company), and also considers whether all consumers, including vulnerable consumers, are able to receive fair value from the product. The Manager has concluded that the Company is providing value based on the above assessment.

Task Force on Climate-related Financial Disclosures

The Company, as a closed ended investment fund, is currently exempt from complying with the Task Force on Climate-related Financial Disclosures (TCFD). However, in accordance with the requirements of the TCFD, in June 2025, the Investment Manager published its UK TCFD Report for the Company in respect of the year ended 31st December 2024.

The report discloses estimates of the portfolio’s climate-related risks and opportunities according to the FCA Environmental, Social and Governance Sourcebook and the TCFD Recommendations. The report is available on the Company’s website under the ESG documents section.

Information About the Company

History

JPMorgan US Smaller Companies Investment Trust plc was incorporated in 1955 as Atomic Securities Trust Limited. It was dormant until 1962 when it changed its name to Fledgeling Investments Limited and began operations as an unquoted investment company.

The trust was wholly owned by a number of Fleming investment trusts and invested in listed and unlisted companies in the UK and US which for reasons of small size, illiquidity or risk, were unsuitable for direct investment. In 1982, with assets of £9.2 million, it obtained a listing on the London Stock Exchange and gained investment trust status. At that time it changed its name to The Fleming Fledgeling Investment Trust plc and gradually broadened its investment scope into Europe and the Asian markets. In April 1998, the Company changed its name to The Fleming US Discovery Investment Trust plc and then again to JPMorgan Fleming US Discovery Investment Trust plc in May 2002. The Company adopted its present name in April 2010.

Continuation Vote

At the Annual General Meeting of the Company held in June 2025, a resolution of the shareholders approved the continuation of the Company until the Annual General Meeting to be held in 2030.

Company Numbers

Company registration number: 552775
 London Stock Exchange number: JUSC LN
 ISIN: GB00BJL5F346
 Bloomberg code: JUSC LN
 LEI: 549300MDD7SOXDMBN667
 Reuters: JUSC.L

Market Information

The Company's unaudited net asset value (NAV) per share is published daily 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.jpumusmallercompanies.co.uk

Website

www.jpumusmallercompanies.co.uk

Share Transactions

The Company's shares may be dealt in directly through a stockbroker or professional adviser acting on an investor's behalf.

Manager and Company Secretary

JPMorgan Funds Limited

Company's Registered Office

60 Victoria Embankment
 London EC4Y 0JP
 Telephone: 0800 20 40 20 or +44 1268 44 44 70
 email: jpmam.investment.trusts@jpmorgan.com

For Company Secretarial and administrative matters, please contact Priyanka Vijay Anand

Depository

The Bank of New York Mellon (International) Limited
 160 Queen Victoria Street
 London EC4V 4LA

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

Custodian

JPMorgan Chase Bank, N.A.
 25 Bank Street
 Canary Wharf
 London E14 5JP

Registrar

Computershare Investor Services PLC
 The Pavilions
 Bridgwater Rd
 Bristol
 BS99 6ZZ
 United Kingdom
 Telephone + 44 (0) 370 707 1423

Lines open 8.30 a.m. to 5.30 p.m. Monday to Friday
 Shareholders can manage their shareholding online by visiting the Investor Centre at www.investorcentre.co.uk. Shareholders just require their Shareholder Reference Number, which can be found on any communications previously received from Computershare.

Independent Auditors

BDO LLP
 Statutory Auditor
 55 Baker Street
 London W1U 7EU

Company Broker

Deutsche Numis
 45 Gresham Street
 London EC2V 7BF



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