

Launch Date	12 May 1999
Gross Assets	£52.8m
Net Assets	£34.1m*
Bank Debt	£Nil
Core Dividend Yield	8.0%**
Yield including Special	8.0%***

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Company is to provide Ordinary shareholders with a high income and opportunity for capital growth, having provided a capital return sufficient to repay the full final capital entitlement of the Zero Dividend Preference shares issued by the wholly owned subsidiary company SDV ZDP 2025 PLC.

The Company's investment policy is that:

- The Company will invest in equities in order to achieve its investment objectives, which are to provide both income and capital growth, predominantly through investment in mid and smaller capitalised UK companies admitted to the Official List of the UK Listing Authority and traded on the London Stock Exchange Main Market, traded on AIM or traded on other qualifying UK marketplaces.
- The Company will not invest in preference shares, loan stock or notes, convertible securities or fixed interest securities or any similar securities convertible into shares; nor will it invest in the securities of other investment trusts or in unquoted companies. The Company may retain investments in companies which cease to be listed after the initial investment was made, so long as the total is non-material in the context of the overall portfolio; however, the Company may not increase its exposure to such investments.

MONTHLY MANAGER COMMENTARY

The run up to the UK election dominated news flow in June and without any fresh commentary from the Bank of England on the direction of interest rates the UK market lacked impetus to make further headway. The new government's sizeable majority should presage political stability and initial indications from the new administration suggest a pragmatic, moderately business friendly approach – no doubt recognising that engaging with the private sector will be necessary to fund their growth ambitions. We wait to see if they make good on their manifesto commitment to increase investment from domestic pension funds into UK markets which would be positive. In the meantime, despite the terrible summer weather dampening retail sales, we anticipate better news from the Bank of England on interest rates will allow the UK market to make further progress in the second half of the year.

At the portfolio level the fund gave up some of its positive performance delivered in April and May. Positive contributors on the month included Coral Products, which released a positive trading update and reinstatement of the dividend and Paypoint which released strong Final Results and initiated a share buyback program alongside a 3% increase in the dividend. Severfield also released positive Final Results which were well received by the market, which was particularly pleasing as the shares had already bounced in response to the trading update in April. On the downside, Liontrust was weak, reversing some gains from prior months and MTI Wireless Edge was weak despite a solid Q1 trading update at the end of May. We exited our positions in Tyman and T Clarke in response to recommended takeovers and Hilton Food Group after a period of strong share price performance. We added one new holding in the period, equipment hire company Speedy Hire.

	ZERO DIVIDEND PREFERENCE SHARES	ORDINARY SHARES
Share Price (price per share)	122.00p	162.00p
NAV (Price per share)	128.94p	158.13p*
Premium / (Discount to NAV)	(5.38%)	2.45%
Share Capital	14,500,000 [^]	21,545,000

* includes unaudited revenue reserve to 30/06/2024

** calculation includes last four dividends divided by the NAV per share

*** calculation includes last four dividends and special dividend divided by the NAV per share

[^] redeemed at 133.18p – 30/04/2025

ANNUAL RETURNS % GBP

30/06/2024

	2024*	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Share Price													
Ordinary Shares	11.11	-14.28	-9.35	35.61	-16.50	33.39	-32.16	27.59	13.81	29.36	-4.26	79.11	19.72

Share Price													
Morningstar	4.87	-1.96	0.08	20.55	-7.84	22.53	-10.39	13.42	7.43	5.96	3.31	35.82	19.75
Investment Trust													
UK Equity Income													

NAV													
Morningstar	7.86	-18.19	-19.29	39.52	-15.97	25.31	-24.50	24.37	4.96	24.79	4.82	56.76	36.46
Investment Trust													
UK Equity Income													

NAV													
Morningstar	7.32	-0.50	3.92	23.17	-7.78	25.75	-5.81	11.15	8.39	8.60	3.66	30.61	17.30
Investment Trust													
UK Equity Income													

Source: Chelverton Asset Management Limited and Morningstar

* Year to Date

Past performance is not a guide to future results

DIVIDEND HISTORY

	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
	P	P	P	P	P	P	P	P	P	P	P
First interim	3.150	2.943	2.750	2.500	2.400	2.190	2.020	1.850	1.700	1.575	1.475
Second interim	3.150	2.943	2.750	2.500	2.400	2.190	2.020	1.850	1.700	1.575	1.475
Third interim	3.150	2.943	2.750	2.500	2.400	2.190	2.020	1.850	1.700	1.575	1.475
Fourth interim	3.150	2.943	2.750	2.500	2.400	2.400	2.400	2.400	2.400	2.400	2.400
Subtotal	12.600	11.770	11.000	10.000	9.600	8.970	8.460	7.950	7.500	7.125	6.825
% increase	7.100	7.000	10.000	4.170	7.020	6.000	6.400	6.000	5.300	4.400	3.400
Special dividend	N/A	N/A	N/A	0.272	N/A	2.500	0.660	1.860	1.600	0.300	2.750
TOTAL	12.600	11.770	11.000	10.272	9.600	11.470	9.120	9.810	9.100	7.425	9.575

FUND MANAGERS



DAVID HORNER

David qualified as a chartered accountant in 1984 with Deloitte before joining 3i Corporate Finance Limited in 1986. In 1993 he joined Strand Partners Limited, and was appointed a director in 1994, where he carried out a range of corporate finance assignments identifying, structuring and managing investments in quoted and unquoted companies. In 1997 he left to set up Chelverton Asset Management Limited and, in 1999, he launched the Chelverton UK Dividend Trust, which he still co-manages. He has also co-managed the Chelverton UK Equity Income Fund since launch. In 2013 he resigned his membership of the Institute of Chartered Accountants in England and Wales, as his career is now fully involved in fund management. He is Chairman of CEPS plc and Managing Director of Macaulay Capital plc.



OLIVER KNOTT

Oliver joined Chelverton Asset Management in January 2020. He has extensive experience in UK small and mid cap equities having joined Brewin Dolphin as a generalist salesman after graduating from the University of Essex with a 1st class honours degree in Politics, Philosophy and Economics. Prior to joining Chelverton, he worked as an equity analyst for N+1 Singer, in their highly respected technology research franchise. Oliver is a CFA Charterholder.

DIRECTORS

HOWARD MYLES
Non-Executive Chairman

ANDREW WATKINS
Non-Executive Director

DENISE HADGILL
Non-Executive Director

CALENDAR

Year End	30 April
AGM	September
Dividends (Declared)	March, June, September, December

Management Fee	1%
Ongoing Fee	2.03%*
Charge to Capital	Management Fee and Bank Interest (75% to Capital: 25% to Revenue)

* As at 30/04/22, calculated in accordance with AIC guidelines. Please see annual report for more details

PRICE INFORMATION

	ZDP	ORDS
Reuters	SDVP.L	SDV.L
SEDOL	BZ7MQD8	0661582
Market Makers	Canaccord Numis Shore Capital Winterflood	

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Risk Factors

The value of investments and the income from them may go down as well as up and you may not get back your original investment. Investment trusts can borrow money to make additional investments on top of shareholders funds (gearing). If the value of these investments fall in value, gearing will magnify the negative impact on performance. Particular share classes may also be structurally geared by other share classes that have earlier entitlement to the Company's assets up to a predetermined limit. If an investment trust incorporates a large amount of gearing the value of its shares may be subject to sudden and large falls in value and you could get back nothing at all. Some split capital shares have higher risk characteristics than conventional equities which can result in capital erosion. An investor could lose all of their capital. Smaller companies are riskier and less liquid than larger companies which means their share price may be more volatile. Some of the annual management fee is currently charged to the capital of the Fund. Whilst this increases the yield, it will restrict the potential for capital growth. The level of yield may be subject to fluctuation and is not guaranteed. Net Asset Value ("NAV") performance is not the same as share price performance and investors may not realise returns the same as NAV performance.

Risk Rating of Shares Zero Dividend Preference Shares - Medium Ordinary shares - High

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CHELVERTON UK DIVIDEND TRUST PLC IS REGISTERED IN ENGLAND. COMPANY NUMBER: 3749536

TOP TWENTY HOLDINGS

Holding	Sector	% of Portfolio
RTC Group	Commercial & Professional Services	2.77%
Smiths News	Consumer Discretionary Distribution & Retail	2.69%
Ultimate Products	Consumer Discretionary Distribution & Retail	2.50%
Chesnara	Insurance	2.36%
Hargreaves Services	Energy	2.29%
Bakkavor Group	Food, Beverage & Tobacco	2.18%
ME Group International	Consumer Services	2.13%
The Property Franchise Group	Real Estate Management & Development	2.09%
STV	Media & Entertainment	2.04%
MP Evans	Food, Beverage & Tobacco	2.04%
ZigUp	Transportation	2.02%
Somero	Capital Goods	1.92%
Polar Capital	Financial Services	1.89%
Coral Products	Materials	1.88%
OSB	Financial Services	1.85%
Arbuthnot Banking	Banks	1.82%
Severfield	Capital Goods	1.82%
Alumasc	Capital Goods	1.79%
Duke Royalty	Financial Services	1.75%
MoneySuperMarket	Media & Entertainment	1.70%
Total		41.52%
Income from Top 10 Holdings		23.00%

Source: Chelverton Asset Management Limited, Sector and Industry information per GICS

SECTOR BREAKDOWN %

Sector %	% of Portfolio
Financial Services	17.4%
Consumer Discretionary Distribution & Retail	12.3%
Capital Goods	11.6%
Insurance	7.7%
Commercial & Professional Services	6.2%
Materials	5.6%
Media & Entertainment	5.3%
Energy	4.9%
Food, Beverage & Tobacco	4.6%
Real Estate Management & Development	4.2%
Technology Hardware & Equipment	4.1%
Consumer Durables & Apparel	3.3%
Banks	2.9%
Consumer Services	2.8%
Transportation	2.0%
Automobiles & Components	1.4%
Health Care Equipment & Services	1.3%
Software & Services	1.0%
Consumer Staples Distribution & Retail	1.0%
Equity Real Estate Investment Trusts (REITs)	0.4%

MARKET CAP BREAKDOWN

	% of portfolio	No of stocks
Above £1bn	10.83%	8
£500m - £1bn	14.40%	9
£250m - £500m	17.10%	11
£100m - £250m	34.58%	25
Below £100m	23.09%	25
Cash and Income	0.00%	0
Total	100.00%	78

