

Launch Date	12 May 1999
Gross Assets	£33.3m
Bank Debt	£Nil
Core Dividend Yield	8.8%**
Yield Including Special	8.8%***

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Company is to provide Ordinary shareholders with a high income and opportunity for capital growth.

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, on AIM or AQSE 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

Tariffs were once again top of the economic news agenda in July as negotiations continued ahead of President Trump's 7th August deadline. The EU appears to have chosen stability and certainty rather than holding a hard line in its negotiations. While the 15% tariffs it has agreed to are lower than the 30% tariff originally threatened, it remains higher than the 10% negotiated by the UK. In theory this will place UK companies at a competitive advantage to their EU counterparts, although how the tariffs will be implemented in practice remains to be seen. US/China negotiations remain ongoing, however a further 90 day pause on the sweeping tariffs previously announced on Chinese exports to the US has been well received by the market.

On the domestic front, near term uncertainty is continuing to impact both business and consumer confidence. The June inflation number came in above expectations however the impact of the government's NIC and minimum wage changes last year, which kicked in from April, are starting to be seen in a softening labour market. Weighing up these competing forces the Bank of England decided to make a fifth cut to interest rates at the beginning of August, in-line with expectations, however the speed of further cuts from here will depend on how quickly inflation can be brought in-line with target. Corporate and consumer balance sheets remain particularly strong, but an improvement in confidence is required to allow decision makers to invest with conviction. It is possible we will have to wait until the October budget before any level of certainty can be delivered, however as we have seen in the past, when sentiment turns more favourable, the impact on share prices can be swift.

At the stock level we added one new holding to the portfolio in the month. Bytes Technology is a fast-growing UK and Ireland provider of software and services. The recent profit warning provided an attractive entry point into a business model which delivers high revenue visibility, good margins and strong cash flow. The current challenging market conditions could be seen in updates from our two largest detractors in the month. FDM Group reported a weakening macro environment in Q2 stemming from tariff uncertainty, which combined with a large contract ramping up more slowly than expected has resulted in a reduction in FY expectations. STV Group reported a slowdown in commissioning for their non-scripted productions, which was disappointing as it came very shortly after a strong update from ITV Group. On a more positive note, Coral Products released a positive trading update, with profits expected to be materially above prior expectations. MP Evans continued its recent run of strong updates and One Health Group shares were strong on the back of good full year results at the end of June, their first set as an AIM listed company.

ORDINARY SHARES

Share Price (price per share)	147.50p
NAV (Price per share)	148.41p*
Premium / (Discount to NAV)	(0.61%)
Share Capital	22,450,000

*includes unaudited revenue reserve to 31/07/2025

**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

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.

ANNUAL RETURNS % GBP

31/07/2025

	2025*	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Share Price	-1.65	12.00	-14.28	-9.35	35.61	-16.50	33.39	-32.16	27.59	13.81	29.36
Share Price											
Morningstar Investment Trust UK Equity Income	13.95	10.47	-1.96	0.08	20.55	-7.84	22.53	-10.39	13.42	7.43	5.96
NAV											
Ordinary Shares	1.85	8.68	-18.19	-19.29	39.52	-15.97	25.31	-24.50	24.37	4.96	24.79
NAV											
Morningstar Investment Trust UK Equity Income	12.00	11.73	-0.50	3.92	23.17	-7.78	25.75	-5.81	11.15	8.39	8.60

Source: Chelverton Asset Management Limited and Morningstar
Past performance is not a guide to future results

* Year to Date

DIVIDEND HISTORY

	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
	P	P	P	P	P	P	P	P	P	P
First interim	3.25	3.15	2.943	2.75	2.50	2.40	2.19	2.02	1.85	1.70
Second interim	3.25	3.15	2.943	2.75	2.50	2.40	2.19	2.02	1.85	1.70
Third interim	3.25	3.15	2.943	2.75	2.50	2.40	2.19	2.02	1.85	1.70
Fourth interim	3.25	3.15	2.943	2.75	2.50	2.40	2.40	2.40	2.40	2.40
Subtotal	13.00	12.60	11.77	11.00	10.00	9.60	8.97	8.46	7.95	7.50
% increase	3.20	7.10	7.00	7.00	4.17	7.02	6.00	6.42	6.00	5.30
Special dividend	N/A	N/A	N/A	N/A	0.272	N/A	2.50	0.66	1.86	1.60
TOTAL	13.00	12.60	11.77	11.00	10.272	9.60	11.47	9.12	9.81	9.10

DIRECTORS

HOWARD MILES
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 2.73%*

Charge to Capital Management Fee and
Bank Interest
(75% to Capital:
25% to Revenue)

**For the year ended 30/04/24, calculated in accordance with AIC guidelines. Please see annual report for more details*

TOP TWENTY HOLDINGS

Holding	Sector	% of Portfolio
Chesnara	Insurance	3.65
Hargreaves Services	Energy	3.34
Smiths News	Consumer Discretionary Distribution & Retail	2.76
MTI Wireless Edge	Technology Hardware & Equipment	2.59
MP Evans	Food, Beverage & Tobacco	2.41
Duke Royalty	Financial Services	2.40
Personal Group	Insurance	2.22
Wynnstay	Food, Beverage & Tobacco	2.18
Polar Capital	Financial Services	2.16
Coral Products	Materials	2.15
Arbutnot Banking	Banks	2.12
ZigUp	Transportation	2.03
Stelrad	Consumer Durables & Apparel	2.03
Wickes	Consumer Discretionary Distribution & Retail	2.01
Ramsdens Holdings	Financial Services	1.94
One Health	Health Care Equipment & Services	1.88
Orchard Funding Group	Financial Services	1.87
Epwin Group	Capital Goods	1.86
TP ICAP	Financial Services	1.86
Kier Group	Capital Goods	1.80
Total		45.29%
Income from Top 10 Holdings		27%

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

PRICE INFORMATION

Reuters	SDV.L
SEDOL	0661582
Market Makers	Canaccord Numis Shore Capital Winterflood

SECTOR BREAKDOWN %

Sector %	% of Portfolio
Financial Services	21.1
Consumer Discretionary	11.0
Insurance	10.6
Capital Goods	9.9
Energy	6.5
Materials	5.5
Media & Entertainment	5.5
Commercial & Professional	4.8
Food, Beverage & Tobacco	4.6
Technology Hardware &	3.9
Consumer Services	3.2
Equity Real Estate Investment	2.7
Banks	2.1
Transportation	2.0
Consumer Durables & Apparel	2.0
Health Care Equipment &	1.9
Software & Services	1.6
Real Estate Management &	1.0
Automobiles & Components	0.0
Consumer Staples Distribution &	0.0

MARKET CAP BREAKDOWN

	% of portfolio	No of stocks
Above £1bn	14.58	10
£500m-£1bn	23.19	14
£250m-£500m	7.76	5
£100m-£250m	33.09	20
Below £100m	21.38	17
Total	100.00	66

CONTACT US

E: info@chelvertonam.com

A: Chelverton Asset Management Limited
Basildon House
7 Moorgate

W: www.chelvertonukdividendtrustplc.com

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

This document is provided for information purposes only and should not be interpreted as investment advice. If you have any doubts as to the suitability of an investment, please consult your financial adviser. The information contained in this document has been obtained from sources that Chelverton Asset Management Limited ("CAM") considers to be reliable. However, CAM cannot guarantee the accuracy or completeness of the information provided, and therefore no investment decision should be based solely on this data. Past performance is not a guide to future performance. This document is issued by CAM, authorised and regulated by the Financial Conduct Authority. This document does not represent a recommendation by CAM to purchase shares in this Fund. This is a marketing communication and is intended for Professional Investors and Eligible Counterparties only. We recommend private investors seek the services of a Financial Adviser.

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

