

| | |
|-------------------------|-------------|
| Launch Date | 12 May 1999 |
| Gross Assets | £33.0m |
| Bank Debt | £Nil |
| Core Dividend Yield | 7.8%** |
| Yield Including Special | 7.8%*** |

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

2026 started with heightened volatility in global markets as Trump threatened NATO countries with further tariffs after they opposed his demands to take control of Greenland. Thankfully the UK SMID market recovered as he retracted these threats. Oil prices also rose sharply on Middle East concerns while gold and silver swung dramatically, both feeding through to UK stocks and mining/energy shares.

At portfolio level, we started one new position in the period in NWF Group, a specialist agricultural and distribution business delivering feed, food and fuel across the UK. We sold out of our positions in Bytes Technology Group and British Land Plc on dividend grounds. Hargreaves Services and Sancus Lending Group performed well following positive trading updates, and Serica Energy's share price rose, benefitting from the oil price surge and a more positive trading update. In terms of detractors, Dunelm Group suffered on the back of a disappointing trading update, and a secondary placing in ME Group impacted share price performance.

As we enter a new calendar year the 'raw material' i.e. liquidity is in place for a meaningful upward re-rating of our investible universe if companies start to spend on capital investment projects and domestic consumers start to spend rather than save. Falling interest rates should help in this respect and may prove to be the catalyst that we have been waiting for to bring investors back into UK small and mid-caps. Indeed, following the cut in December, we've already seen lending demand start to recover in Buy-To-Let and SME lending. UK manufacturing also improved in January as export orders rose. Hopefully these are signs of a modestly improving macro outlook which would be useful in reducing some of the headwinds we have experienced in the portfolio over the last year or so.

| | ORDINARY SHARES |
|----------------------------------|--------------------|
| Share Price (price per share) | 136.00p |
| NAV (Price per share) | 146.83p* |
| Premium / (Discount to NAV) | (7.38%) |
| Share Capital | 22,450,000 |

*includes unaudited revenue reserve to 31/12/2025

**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

31/01/2026

| | 2026* | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|-------|-------|-------|--------|--------|-------|--------|-------|--------|-------|-------|
| Share Price | -4.20 | -2.00 | 12.00 | -14.28 | -9.35 | 35.61 | -16.50 | 33.39 | -32.16 | 27.59 | 13.81 |
| Share Price | | | | | | | | | | | |
| Morningstar Investment Trust UK Equity Income | 2.30 | 22.20 | 10.47 | -1.96 | 0.08 | 20.55 | -7.84 | 22.53 | -10.39 | 13.42 | 7.43 |
| NAV | | | | | | | | | | | |
| Ordinary Shares | 3.00 | 1.10 | 8.68 | -18.19 | -19.29 | 39.52 | -15.97 | 25.31 | -24.50 | 24.37 | 4.96 |
| NAV | | | | | | | | | | | |
| Morningstar Investment Trust UK Equity Income | 3.10 | 19.70 | 11.73 | -0.50 | 3.92 | 23.17 | -7.78 | 25.75 | -5.81 | 11.15 | 8.39 |

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

*Year to Date

DIVIDEND HISTORY

| | 2025-26 | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 | 2017-18 | 2016-17 |
|------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | P | P | P | P | P | P | P | P | P | P |
| First interim | 2.50 | 3.25 | 3.15 | 2.943 | 2.75 | 2.50 | 2.40 | 2.19 | 2.02 | 1.85 |
| Second interim | 2.50 | 3.25 | 3.15 | 2.943 | 2.75 | 2.50 | 2.40 | 2.19 | 2.02 | 1.85 |
| Third interim | | 3.25 | 3.15 | 2.943 | 2.75 | 2.50 | 2.40 | 2.19 | 2.02 | 1.85 |
| Fourth interim | | 3.25 | 3.15 | 2.943 | 2.75 | 2.50 | 2.40 | 2.40 | 2.40 | 2.40 |
| Subtotal | 5.00 | 13.00 | 12.60 | 11.77 | 11.00 | 10.00 | 9.60 | 8.97 | 8.46 | 7.95 |
| % change | | 3.20 | 7.10 | 7.00 | 7.00 | 4.17 | 7.02 | 6.00 | 6.42 | 6.00 |
| Special dividend | | N/A | N/A | N/A | N/A | 0.272 | N/A | 2.50 | 0.66 | 1.86 |
| TOTAL | 5.00 | 13.00 | 12.60 | 11.77 | 11.00 | 10.272 | 9.60 | 11.47 | 9.12 | 9.81 |

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 2.73%*

Charge to Capital Management Fee
(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 | 3.56 |
| Hargreaves Services | Energy | 3.50 |
| Smiths News | Consumer Discretionary Distribution & Retail | 3.15 |
| MTI Wireless Edge | Technology Hardware & Equipment | 2.79 |
| Polar Capital | Financial Services | 2.72 |
| Wynnstay | Food, Beverage & Tobacco | 2.39 |
| ZigUp | Transportation | 2.34 |
| Serica | Energy | 2.31 |
| Duke Royalty | Financial Services | 2.23 |
| Personal Group | Insurance | 2.02 |
| Man Group | Financial Services | 2.01 |
| Hollywood Bowl | Consumer Services | 1.99 |
| Arbuthnot Banking | Banks | 1.97 |
| MP Evans | Food, Beverage & Tobacco | 1.80 |
| Conduit | Insurance | 1.76 |
| Primary Health | Equity Real Estate Investment Trusts (REITs) | 1.75 |
| Hansard Global | Insurance | 1.72 |
| MoneySuperMarket | Media & Entertainment | 1.72 |
| Stelrad | Consumer Durables & Apparel | 1.71 |
| ME Group International | Consumer Services | 1.70 |
| Total | | 45.13% |
| Income from Top 10 Holdings | | 29% |

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 | 20.35 |
| Insurance | 10.76 |
| Consumer Discretionary Distribution & Retail | 10.44 |
| Capital Goods | 8.30 |
| Energy | 7.13 |
| Media & Entertainment | 5.76 |
| Food, Beverage & Tobacco | 5.27 |
| Materials | 5.10 |
| Commercial & Professional Services | 5.05 |
| Consumer Services | 3.68 |
| Technology Hardware & Equipment | 3.66 |
| Consumer Durables & Apparel | 3.01 |
| Health Care Equipment & Services | 2.82 |
| Equity Real Estate Investment Trusts (REITs) | 2.69 |
| Transportation | 2.34 |
| Banks | 1.97 |
| Software & Services | 0.99 |
| Real Estate Management & Development | 0.66 |
| Automobiles & Components | 0.00 |
| Consumer Staples Distribution & Retail | 0.00 |

MARKET CAP BREAKDOWN

| | % of portfolio | No of stocks |
|-------------|----------------|--------------|
| Above £1bn | 14.50 | 10 |
| £500m-£1bn | 24.16 | 13 |
| £250m-£500m | 9.52 | 7 |
| £100m-£250m | 29.07 | 18 |
| Below £100m | 22.74 | 20 |
| Total | 100.00 | 68 |

CONTACT US

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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

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