

Launch Date	12 May 1999
Gross Assets	£32.3m
Bank Debt	£Nil
Core Dividend Yield	7.5%**
Yield Including Special	7.5%***

### 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

Macro forecasts continue to be dominated by events in the Gulf, and the outlook remains 'fluid' to say the least. At the time of writing, expectations for domestic interest rates have moved from three increases to one this year. Obviously, the inflationary nature of recent oil price increases will weigh heavily on the Bank of England MPC, but it is interesting to note this month's decision to leave rates unchanged.

The continual shift in the direction of interest rate moves has a corresponding short-term effect on investor sentiment and therefore on share price movements within our small and mid-cap investment universe. When the UK market was more 'risk on' in the first two months of the year and consensus was for two rate cuts this year, 92% of our company reports were 'in line' or upgrades and we saw corresponding share price increases over the following week in 60% of cases. Conversely in the month after the outbreak of hostilities in Iran when markets turned 'risk off' 92% of reports were once again in line or better than market expectations but there were share price falls in 55% of the cases over the next week. We remain confident in the medium-term strength, resilience and relatively attractive valuation of our portfolio. As we have noted, day to day share price moves are sensitive to sentiment swings but it is worth remembering that these can turn positive very quickly.

At the portfolio level, we started a position in Wilmington Plc, the global provider of compliance data and training for regulated industries. Positive contributors to performance included Mony Group, which was hit by AI disintermediation concerns in January and has been recovering since; Polar Capital who reported positive net inflows and encouraging fund performance and MTI Wireless Edge, who also reported positive trading news. Diversified Energy's share price peaked at the end of March on geopolitical tensions and higher gas prices, at which point we took the opportunity to trim our holding. Since then, the share price has given up some of its gains. Taylor Wimpey and Premier Miton also suffered, as Taylor Wimpey's outlook worsened due to Gulf related inflationary pressures, and Premier Miton suffered from a pullback in investor risk appetite.

### ORDINARY SHARES

Share Price (price per share)	136.250p
NAV (Price per share)	144.08p*
Premium / (Discount to NAV)	(5.43%)
Share Capital	22,450,000

\*includes unaudited revenue reserve to 30/04/2026

\*\*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

30/04/2026

	2026*	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Share Price</b>											
Ordinary Shares	-1.70	-2.00	12.00	-14.28	-9.35	35.61	-16.50	33.39	-32.16	27.59	13.81
<b>Share Price</b>											
Morningstar Investment Trust UK Equity Income	2.50	22.20	10.47	-1.96	0.08	20.55	-7.84	22.53	-10.39	13.42	7.43
<b>NAV</b>											
Ordinary Shares	2.90	1.10	8.68	-18.19	-19.29	39.52	-15.97	25.31	-24.50	24.37	4.96
<b>NAV</b>											
Morningstar Investment Trust UK Equity Income	3.70	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	2.50	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
<b>Subtotal</b>	<b>7.50</b>	<b>13.00</b>	<b>12.60</b>	<b>11.77</b>	<b>11.00</b>	<b>10.00</b>	<b>9.60</b>	<b>8.97</b>	<b>8.46</b>	<b>7.95</b>
% 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
<b>TOTAL</b>	<b>7.50</b>	<b>13.00</b>	<b>12.60</b>	<b>11.77</b>	<b>11.00</b>	<b>10.272</b>	<b>9.60</b>	<b>11.47</b>	<b>9.12</b>	<b>9.81</b>

### DIRECTORS

**HOWARD MYLES**  
Non-Executive Chairman

**ANDREW WATKINS**  
Non-Executive Director

**DENISE HADGILL**  
Non-Executive Director

### CALENDAR

<b>Year End</b>	30 April
<b>AGM</b>	September
<b>Dividends (Declared)</b>	March, June, September, December

<b>Management Fee</b>	1%
<b>Ongoing Fee</b>	2.79%*
<b>Charge to Capital</b>	Management Fee (75% to Capital: 25% to Revenue)

\*For the year ended 30/04/25, calculated in accordance with AIC guidelines.  
Please see annual report for more details

### PRICE INFORMATION

<b>Reuters</b>	SDV.L
<b>SEDOL</b>	0661582
<b>Market Makers</b>	Cavendish Investec Peel Hunt Shore Cap Singers Winterflood

### CONTACT US

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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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### TOP TWENTY HOLDINGS

Holding	Sector	% of Portfolio
Chesnara	Insurance	3.68
Hargreaves Services	Energy	3.55
Polar Capital	Financial Services	3.24
Smiths News	Consumer Discretionary Distribution & Retail	3.21
MTI Wireless Edge	Technology Hardware & Equipment	3.12
ZigUp	Transportation	2.54
Serica	Energy	2.51
MP Evans	Food, Beverage & Tobacco	2.28
MONY Group	Media & Entertainment	2.25
Duke Royalty	Financial Services	2.22
Personal Group	Insurance	2.19
Wynnstay	Food, Beverage & Tobacco	2.15
ME Group International	Consumer Services	2.08
Sabre Insurance	Insurance	2.04
Hollywood Bowl	Consumer Services	2.02
Man Group	Financial Services	2.02
TP ICAP	Financial Services	2.00
Arbuthnot Banking	Banks	2.00
Hansard Global	Insurance	1.84
Conduit	Insurance	1.75
<b>Total</b>		<b>48.69%</b>
<b>Income from Top 10 Holdings</b>		<b>29%</b>

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

### SECTOR BREAKDOWN %

Sector %	% of Portfolio
Financial Services	20.2
Insurance	11.5
Consumer Discretionary Distribution & Retail	10.0
Energy	8.2
Capital Goods	6.7
Food, Beverage & Tobacco	5.9
Media & Entertainment	5.7
Materials	5.2
Commercial & Professional Services	4.9
Technology Hardware & Equipment	4.2
Consumer Services	4.1
Health Care Equipment & Services	2.9
Consumer Durables & Apparel	2.6
Transportation	2.5
Equity Real Estate Investment Trusts (REITs)	2.4
Banks	2.0
Software & Services	0.7
Real Estate Management & Development	0.2
Automobiles & Components	0.0
Consumer Staples Distribution & Retail	0.0

### MARKET CAP BREAKDOWN

% of portfolio	No of stocks
Above £1bn	11
£500m-£1bn	11
£250m-£500m	7
£100m-£250m	16
Below £100m	23
<b>Total</b>	<b>68</b>

