

The Diverse Income Trust plc

Objective

The Company's investment objective is to provide shareholders with an attractive and growing level of dividends coupled with capital growth over the long term.

Awards and ratings



Ratings are not a recommendation. Please see page 4 for further information.

Key facts

Net assets	£238.8m
Shares in issue	236,393,165
Share price	91.60p
NAV	101.01p
Premium/(Discount)	(9.32)%
No. of holdings	121
Domicile	United Kingdom
Launch date	28 Apr 2011
Reporting dates	Final - 31 May Interim - 30 Nov
ISA eligible	Yes

AIC sector
UK Equity Income sector

Performance comparators
UK Equity Income sector
Deutsche Numis All-Share Index
Deutsche Numis Smaller Companies + AIM (ex ICs)

Trust managers



Gervais Williams
Joined Premier Miton
Mar 2011
Manager since
Apr 2011



Martin Turner
Joined Premier Miton
May 2011
Manager since
May 2011

Directors

Andrew Bell (Chairman),
Charles Crole,
Caroline Kemsley-Pein,
Michelle McGrade,
Calum Thomson

Fund codes

ISIN	GB00B65TLW28
SEDOL	B65TLW2
Bloomberg	DIVI LN

Manager commentary

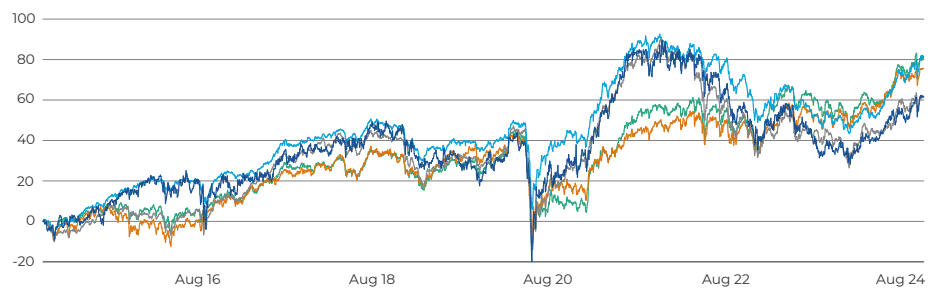
August is traditionally considered quiet, because many staff are on holiday and trading within stock markets is often somewhat lower than usual.

This year however, even towards the end of July, global economic data had been more mixed than expected. This led to investors being somewhat anxious at the start of August, so when some unexpectedly weak employment data was published in the US, company share prices suddenly became very volatile. Numerous investors feared that the Japanese currency had become too weak, however with many seeking to buy Japanese Yen, the currency has staged a remarkably rapid recovery. Whilst there were all sorts of other gyrations in many other global stock markets at the time, in general most of these abrupt movements have been largely corrected subsequently.

Within the UK stock market, the mainstream and small company indices, such as the FTSE 100 Index and the FTSE Small Cap Index, dropped significantly in early August, followed by a subsequent recovery into the end of the month. When stock markets are volatile, it is usual for UK listed companies that pay an income (equity income stocks) to be more resilient. Hence, whilst the NAV of the Diverse Income Trust did decline early in August, generally the results from the trust's holdings have continued as expected. Furthermore, on a company specific level, Intercede announced some major contract wins, I3 Energy agreed to a takeover at a 49% premium to I3 Energy's closing price on the same date (16.08.24), and Plus 500 has been trading ahead of expectations. Over the month as a whole, the Trust's NAV has risen.

Gervais Williams & Martin Turner
31.08.2024

Performance over 10 years (%)



Cumulative performance (%)	1m	3m	1y	3y	5y	10y
Share price	0.44	3.71	19.54	-11.22	30.33	64.24
NAV	1.27	3.29	20.75	-4.76	35.38	84.24
UK Equity Income sector	-1.28	2.55	16.94	15.22	44.90	80.44
Deutsche Numis All-Share Index	0.08	1.84	16.65	18.93	34.82	76.87
Deutsche Numis Smaller Companies + AIM (ex ICs)	-1.22	1.31	14.63	-14.12	26.42	61.58

	2019	2020	2021	2022	2023	YTD
Share price	6.94	8.60	19.49	-16.82	-5.68	14.42
NAV	12.51	7.57	15.78	-13.39	-2.56	16.60
UK Equity Income sector	22.53	-7.84	18.67	0.08	3.91	10.70
Deutsche Numis All-Share Index	18.83	-7.88	17.07	-2.54	7.82	10.61
Deutsche Numis Smaller Companies + AIM (ex ICs)	22.16	4.93	20.03	-21.93	3.21	9.01

	30.08.19 28.08.20	28.08.20 31.08.21	31.08.21 31.08.22	31.08.22 31.08.23	31.08.23 30.08.24
Share price	3.76	41.48	-16.45	-11.11	19.54
NAV	6.79	33.12	-13.69	-8.62	20.75
UK Equity Income sector	-12.40	43.56	-6.88	5.81	16.94
Deutsche Numis All-Share Index	-11.16	27.61	-2.46	4.53	16.65
Deutsche Numis Smaller Companies + AIM (ex ICs)	-0.25	47.57	-22.63	-3.17	14.63

Source of performance data: Morningstar, as at 31.08.2024, net income reinvested, bid to bid basis, Index on a total return basis. ©2024 Morningstar. All Rights Reserved. The information contained herein; is proprietary to Morningstar and/or its content providers; may not be copied or redistributed; and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

The performance information presented on this page relates to the past. Past performance is not a reliable indicator of future returns.

Investing involves risk. The value of an investment can go down as well as up which means that you could get back less than you originally invested when you come to sell your investment. The value of your investment might not keep up with any rise in the cost of living. More information about the risks of investment is provided later in this document.

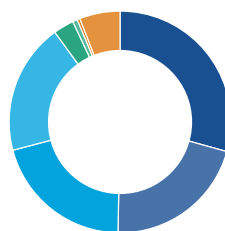


Portfolio breakdown

Top 20 holdings (%)

CMC Markets	3.3
XPS Pensions Group	3.1
TP ICAP Group	2.8
Pan African Resources	2.6
Galliford Try Holdings	2.6
Paypoint	2.5
Plus500	2.0
Kenmare Resources	1.9
Savannah Energy	1.8
BT Group	1.8
Aviva	1.7
Phoenix Group Holdings	1.7
Sainsbury (J)	1.7
Concurrent Technologies	1.7
Tesco	1.6
Sabre Insurance Group	1.5
Man Group	1.5
Legal & General Group	1.5
Just Group	1.4
Intercede Group	1.4

Index weighting (%)



■ FTSE AIM	29.3
■ FTSE 100	21.0
■ FTSE Small Cap	20.6
■ FTSE 250	19.1
■ UK-listed non-indexed shares	3.0
■ FTSE Fledgling	0.7
■ Other	0.4
■ Cash	5.9

Income

Historic yield 4.66%

The historic yield reflects the distributions declared over the past twelve months as a percentage of the trust price as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions.

The yield is not guaranteed and will fluctuate.

Revenue reserve 4.53p per share*
as at 31.05.2023

*Before final dividend declared for the year

Expected payment dates Feb, May, Aug, Nov

Income distribution (pence per share)

Total income distributions in each of the trust's last 6 financial years.

	1st Interim	2nd Interim	3rd Interim	Final	Total
2024	1.00p	1.00p	1.05p	-	3.05p
2023	0.95p	0.95p	0.95p	1.20p	4.05p
2022	0.90p	0.90p	0.90p	1.20p	3.90p
2021	0.85p	0.90p	0.90p	1.10p	3.75p
2020	0.85p	0.90p	0.90p	1.05p	3.70p
2019	0.80p	0.85p	0.90p	1.26p	3.81p

Charges

Ongoing charges figure (OCF) 1.14%
as at 31.05.2024

The ongoing charges figure (OCF) is not the same as the ongoing costs figure set out in the Company's Key Information Document. The key differences are that gearing costs and portfolio transaction costs are not included in the OCF. In addition costs are calculated on slightly different bases. The OCF figure set out above mirrors that in the Report and Accounts and is based on costs incurred in the year which are likely to recur in the foreseeable future. The ongoing costs figures in the Key Information Document provide investors with the impact costs have had on returns averaged over the five year recommended holding period.

Management fee on market capitalisation

Fund management fees are tiered and calculated based on the share price, so may vary in each year. With effect from 1 June 2024, the Manager receives a management fee of 0.80% per annum on the average market capitalisation of the trust up to £450m and 0.70% per annum on the average market capitalisation above £450m.

**General risks**

Investing involves risk. The value of an investment can go down as well as up which means that you could get back less than you originally invested when you come to sell your investment. The value of your investment might not keep up with any rise in the cost of living.

Typically, there is less risk of losing money over the long-term (which we define as over 5 years) from an investment that is considered low risk, although potential returns may also be lower. Investments considered higher risk typically offer greater opportunities for better

long-term returns, though the risk of losing money is also likely to be higher. Premier Miton is unable to provide investment, tax or financial planning advice. We recommend that you discuss any investment decisions with a financial adviser.

Other risks

Some of the main specific risks of investing in this trust are summarised here.

Derivatives

Derivatives may be used within funds for different reasons, usually to reduce risk, which can be called "hedging". This can limit gains in certain circumstances as well. Derivatives can also be used to generate income or to increase the risk being taken, which can have positive or negative outcomes. The derivatives used can be options or futures which are types of contracts that are dealt on an exchange or negotiated with a third party. More complex derivatives may also be used. Derivatives can also introduce leverage to a fund, which is similar to borrowing money to invest.

Equities

Equities (company shares) can experience high levels of price fluctuation. Smaller company shares can be riskier than the largest companies, companies in less developed countries (emerging markets) can be riskier than those in developed countries and funds focused on a particular country or region can be riskier than funds that are more geographically diverse. These risks can result in bigger movements in the value of the fund. Equities can be affected by changes in central bank interest rates and by inflation.

Other investment risks

Funds may have holdings in investments such as commodities (raw materials), infrastructure and property as well as other areas such as specialist lending and renewable energy. These investments will be indirect, which means accessing these

assets by investing in companies, other funds or similar investment vehicles. These investments can also increase risk and experience sharp price movements. Funds focused on specific sectors or industries, such as property or infrastructure, may carry a higher level of risk and can experience bigger movements in value. Certain investments can be impacted by decisions made by third parties, such as governments or regulators.

Other risks

There are many other factors that can influence the value of a fund. These include currency movements, changes in the law, regulations or tax, operational systems or third-party failures, or financial market conditions that make it difficult to buy or sell investments for the fund.



Ratings, awards and other information

The methodology and calculations used by the third parties providing the ratings/awards are not verified by Premier Miton Investors and we are unable to accept

responsibility for their accuracy, nor should they be relied upon for making an investment decision.

Glossary

Annual management charge (AMC)

The yearly fee paid to Premier Miton for managing a trust, expressed as a percentage of your investment. The AMC does not typically change from year to year.

Assets

Different groups of investments such as company shares, bonds, commodities or property.

Bonds (or fixed income)

Types of investments that allow investors to loan money to governments and companies, usually in return for a regular fixed level of interest until the bond's maturity date, plus the return of the original value of the bond at the maturity date. The price of bonds will vary and the investment terms of bonds will also vary.

Capital

Describes financial assets, particularly cash, or other assets, such as shares, owned by a person or organisation.

Capital growth

The increase in the value of an asset or investment over time, measured by its current value compared to its purchase cost.

Collective Investment Schemes

A generic term for investment funds with more than one investor, such as unit trusts, Open Ended Investment Schemes (OEICs) and investment trusts.

Discount

The shares of investment trusts can have a price below the value of their net assets, this difference is known as the discount. The shares can also be at a premium to their net assets.

Dividends

The portion of its capital that a company chooses to return to its shareholders. For a

trust, this is the payment of trust's income to its shareholders.

Equities

Another name for shares (or stock) in a company.

FTSE 100 Put Option

A type of derivative contract in which the underlying value is based on the level of the FTSE 100 index which tracks the performance of the top 100 largest companies by market value listed on the London Stock Exchange. Such contracts can be used to protect the value of an underlying investment or group of investments against a fall in the value of those 100 largest companies and can be thought of as an insurance policy.

Gearing

The level of a company's debt in relation to its capital. A company with significant debt compared to its capital is considered to be highly geared.

Individual Savings Account (ISA)

A type of tax-free scheme, set up by the government, designed to help people make the most of their savings and investments. All income and gains from an ISA investment are exempt from UK Income Tax and Capital Gains Tax. HM Revenue and Customs sets the maximum amounts that you are allowed to invest into an ISA each tax year.

Micro-Cap

A company with a market capitalisation (the total value of all a company's shares) of below £250 million.

Multi-Cap

A type of equity fund or investment trust that invests in companies across all market capitalisations (the market capitalisation is the total value of all a company's shares).

Net Asset Value (NAV)

The total of a company's assets minus its liabilities. The net asset value per share is the total of a company's assets minus its liabilities divided by the number of shares in issue.

Ongoing Charges Figure (OCF)

As recommended by the Association of Investment Companies in its guidance, ongoing charges are the Company's annualised revenue and capital expenses (excluding finance costs and certain non-recurring items) expressed as a percentage of the average monthly net assets of the Company during the year. Please note this figure is different to what is stated in the PRIIPS KID.

Revenue reserve

An investment trust has to pay a minimum of 85% of the income it receives each financial year to shareholders, usually via a dividend. Up to 15% can be retained in a revenue reserve account to be paid in the future.

Share price yield

The dividend per share divided by the stock's or fund's price per share and expressed as a percentage. The historic yield is the dividend income distributed during the past year and expressed as a percentage of the share price on a particular day.

Total return

A way of showing how an investment has performed, and is made-up of the capital appreciation or depreciation and includes any income generated by the investment. Measured over a set period, it is expressed as a percentage of the value of the investment at the start of that period.

Corporate contacts

Investment Manager

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Contact us

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A free, English language copy of the trust's full prospectus, the Key Information Document and Pre-investment Disclosure Document are available on the Premier Miton website, or you can request copies by calling us on 01483 306090.

For your protection, calls may be monitored and recorded for training and quality assurance purposes.

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