

THE DIVERSE INCOME TRUST PLC

HALF-YEARLY FINANCIAL REPORT

The Directors present the Half-Yearly Financial Report of the Company for the period to 30 November 2025.

RESULTS FOR THE HALF YEAR TO 30 NOVEMBER 2025

Summary of Trust Financial Results over the half year to 30 November 2025

	30 November Â 2025	30 November 2024	31 May 2025	Change
Revenue return per ordinary share ¹	2.83p	2.63p	4.87p	7.6%
Ordinary dividends per ordinary share	2.15p	2.05p	4.50p	4.9%
NAV per ordinary share ¹	113.21p	100.25p	106.69p	6.1%
Ordinary share price	104.50p	91.80p	103.00p	1.5%
Discount to NAV ¹	(7.7%)	(8.4%)	(3.5%)	Â

¹ For an in-depth assessment of performance please refer to the Chair's Statement on pages 2 and 3 and the Manager's Report on pages 6 to 7.

Revenue return per ordinary share, NAV per ordinary share and Discount to NAV defined in the Glossary.

Ordinary shares in issue as at 30 November 2025: 163,570,773 (31 May 2025: 236,393,165).

CHAIR'S STATEMENT

The Company's portfolio is tilted towards opportunities amongst smaller companies, which presented a headwind during this reporting period. Since the period end, strong absolute and relative performance has resumed, with a NAV total return of +10% to 4th February also ahead of the 7.5% rise in the Deutsche Numis All Share Index.

This report covers the half year to November 2025, a period of sustained enthusiasm (verging on exuberance) for Artificial Intelligence, both its immediate impact on capital investment levels and its anticipated impact on productivity in the wider global economy. As valuations have inflated for the (principally US- based) technology leaders, investors have begun to diversify into other sectors and geographies.

Short-term interest rates have been on a generally declining trend which has helped to support investor confidence during a period where, outside the US, economic growth has been lacklustre and buffeted by uncertainty over President Trump's tariff policies.

Half-year returns

The Company's NAV total return was +8.5% over the half year, which compares with a 12.5% total return from the Deutsche Numis All Share Index. The UK market's returns were led by larger capitalisation stocks, with the smaller company and alternative market sub-components delivering returns of +7.4% and +1.4% respectively. The Company's portfolio is tilted towards opportunities amongst smaller companies, which presented a headwind during this reporting period. Since the period end, strong absolute performance has resumed, with a NAV total return of +10% to 4th February, ahead of the 7.5% rise in the Deutsche Numis All Share Index.

The Company's Revenue Earnings per Share amounted to 2.83p to the end of November, a rise of 7.6% over the comparable figure of 2.63p last year. The Board has already declared a first interim dividend of 1.05p per share for the current year which, together with the second interim dividend of 1.10p declared with these results means that shareholder dividends for the period amount to 2.15p, vs 2.05p last year. It is anticipated that, in combination, the four dividends for the current year will represent an increase over those paid in the previous year.

Returns since the Trust was first listed in April 2011

Over the longer-term, since its inception in 2011, the Company has delivered a NAV total return of +295.5%, well ahead of the +170.2% total return on the Deutsche Numis All Share Index. Expressed at an annual rate, the Company's NAV total return has compounded at +9.9% p.a., nearly 3% p.a. ahead of the +7.0% p.a. return from the wider UK market.

Share Issuance and Redemptions

The Company's discount widened, from 3.5% at the end of May to 8.0% at the end of November. Although a discount to NAV has persisted since 2019, since launch in 2011 the trust has on average traded close to its NAV, at an average discount of 1.8%, significantly narrower than other equity income trusts.

Since its initial launch, the Company has raised Â£159.8m of additional capital, but it has now returned Â£223.8m to redeeming shareholders. This includes the Â£79.2m capital redemption paid in November.

Since 2012, the Company has offered shareholders an annual option to redeem up to 100% of their shares at either the prevailing net asset value at the redemption point, or (if a redemption pool is created) the realised value of the assets attributable to the redeeming shares). During the first decade of its life, redemptions were minimal but the past three years have seen significant redemptions, most recently (in 2025) amounting to 30.8% of the outstanding shares in 2025.

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led them to back a series of successful companies. Martin qualified as a Chartered Accountant with Arthur Anderson and had senior roles and extensive experience at Merrill Lynch and Collins Stewart.

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Market trends over the past decade

During the past decade, globalisation has driven exceptional growth in the US technology majors, and in doing so has reshaped investor behaviour.

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Globalisation has enhanced the growth of the large US technology majors known as the Magnificent Seven or "Mag7". Over the past decade, this group has collectively delivered a total return of 27 times in sterling terms, compared to around 3 times from mainstream global stock market indices.

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Investors have significantly increased their exposure to the Mag7, withdrawing capital from most other listed stocks worldwide.

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These persistent outflows have had an impact on valuations, depressing share prices and amplifying underperformance.

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Many mature companies, predominantly large caps generating surplus cashflow, have mitigated the impact of persistent capital withdrawals through share repurchases.

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Less mature, smaller companies that are building future market positions lack the surplus cashflow to buy back their shares, with the result that persistent institutional selling has significantly depressed their share prices.

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As a result, US technology valuations now appear very demanding, whereas many UK quoted smallcaps are currently trading at historically modest valuations.

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Recent market trends

As political attitudes move from globalisation to nationalism, we anticipate that asset market gyrations will become more volatile.

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Prior to the start of the period under review, in April, global stock markets suffered a sharp drawdown.

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This was followed by a strong recovery in the Mag7, which rose 31.7% in sterling terms over the ensuing six months to 30 November, outpacing most other comparatives.

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However, rising nationalist uncertainty has prompted many investors to begin to diversify away from the risk of excessive market concentration by allocating to equity income strategies.

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As a result, over the first 11 months of 2025, the Deutsche Numis Large Cap Index rose by 23.2%, compared to a sterling return from the Mag7 of 17.3% over the same period.

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We find it instructive that during previous periods of political and economic instability, the equity income bias of the UK stock market has led it to outperform the US indices, a pattern which we expect to re-emerge.

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Changes to the portfolio

Over the half year we undertook some significant changes to the portfolio to reflect evolving market conditions.

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Strong returns in gold mining stocks led us to take profits in Pan African Resources and Thor Exploration, while the Greatland Gold holding was sold in full.

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The portfolio has retained a large weighting to mining, however, with the purchase of additional copper mining holdings such as ACG Metals.

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Profits were taken on several of the Trust's Financials Sector holdings. We sold out of investment manager Aberdeen Group, Conduit Holdings (reinsurance), FRP Advisory (financial advisory services), Phoenix (life assurance) and XPS Pensions, together with residual positions in H&T (Pawnbrokers) and Just Group (pensions and annuities) after they agreed premium takeovers.

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It is unusual for the Trust to invest outside the UK, but during the period we introduced two new European listed stocks. Norwegian oil & gas company BlueNord and French energy conglomerate Engie were selected because, in our view, their valuations are even more out of line with their fundamentals than their UK equivalents.

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Finally, property companies Land Securities and Primary Healthcare Properties, and water and waste services supplier Pennon are sizeable new holdings that we have bought for the portfolio.

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Changes to portfolio industry sector weightings

The Financials sector weighting has been the largest portfolio weighting for many years, as it includes several subsectors with prospects that in our view are not closely correlated with one another.

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Nonetheless, we reduced its weighting from 42.0% to 30.6% over the half year. This was principally the result of profit taking on a number of holdings that had outperformed, with their valuations rising towards fair value in our view.

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The reduction in the Financials sector weighting was reallocated primarily to the Materials, Real Estate, Energy, and Utilities sectors, each of which increased by between 2.5% and 3.5%.

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The Trust's portfolio is now more diversified than previously, which reflects our view that a world dominated by nationalist politics is more uncertain.

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The Trust's returns

As noted above, the substantial outperformance of Mag7 stocks over the last 10 years has resulted in quoted smallcaps share prices

becoming unusually depressed due to the withdrawal of global capital.

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Many smallcap holdings in the Trust's portfolio have underperformed mainstream stocks for some years, including over the period under review, but their weak returns are not generally related to disappointing trading, and many have continued to demonstrate future confidence by regularly increasing their dividends.

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Given the multicap nature of the Trust's strategy, at 8.5% its NAV total return reflects a mix of the Deutsche Numis All Share Index total return of 12.6% and the Deutsche Numis Smaller Companies Plus AIM Index return of 6.5%.

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This return was similar to the Peer Group, the UK Equity Income sector, which returned 8.0% over the six-month period. The Peer Group by contrast principally invests in large cap stocks.

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In isolation, the Trust's returns over the six months to November may raise questions as to whether the strategy has continued to add value. When the half year outcome is set in the context of the longer-term trends however, we believe the position is clearer.

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While the dividends paid by the UK stock market as a whole fell during Covid and are only just returning to 2016 levels, the Trust's revenue per share has grown progressively since the Covid setback and is now well above its previous 2019 peak, meaning that its ordinary dividends have increased every year since issue.

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Furthermore, since the half year end, the Trust's NAV has continued to appreciate significantly and now exceeds its previous 2021 peak.

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Both factors provide strong evidence that the strategy has continued to be successful, despite the abnormal UK-quoted smallcap share price weakness since 2021 caused by heavy OEIC redemptions. As a result, the Trust remains one of the best performing UK equity income trusts since its launch in April 2011, producing a NAV total return of 295.5% which compares favourably with a 235.3% return from the Peer Group.

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What were the principal contributors and detractors to the Trust's performance during the 2025 financial year?

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Largest 5 contributors to performance	%
Pan African Resources	2.97
Secure Trust Bank	1.01
Galliford Try Holdings	0.92
Hunting	0.58
Concurrent Technologies	0.57

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Largest 5 detractors from performance	%
Paypoint	(0.65)
Kenmare Resources	(0.56)
B&M European Value Retail	(0.41)
ME Group International	(0.34)
Bioventix	(0.29)

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Source: Premier Miton

Outlook

One of the features of the exceptional returns generated by the Mag7 is that many global investors are currently tolerating large stock specific and industry sector correlation risks.

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As other parts of the global markets start to outperform, we believe these risks will come to be seen as unacceptable.

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In the meantime, equity income stocks, including many in the UK, are starting to outperform the Mag7.

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When UK OEIC redemption flows ease, we anticipate that UK equity income share prices will outperform international comparatives by much larger margins.

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As nationalism prevails, economic setbacks may create acquisition opportunities for cashflow-rich companies, as seen with HSBC's purchase of SVB UK, which appeared to add Â£billions to its market capitalisation.

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In addition, the increasing dominance of passive investing strategies enhances the potential for adding value through stock selection in our view.

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In our view, UK smallcaps and the broader market are poised for a prolonged period of outperformance. If we are able to add value through stock selection as we have done in the past, then that will further enhance the Trust's returns. In combination we believe the prospects for the Trust's strategy are the best they have been for decades.

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Gervais Williams and Martin Turner

12 February 2026

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PORTFOLIO INFORMATION

as at 30 November 2025

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RankÄ	Company	Sector & main activity	Valuation Ä£000	% of net assets	Yield %Ä
1	Galliford Try	Industrials	6,006	3.3	3.0
2	Concurrent Technologies**	Technology	5,457	2.9	0.5
3	CVC Markets	Financials	5,042	2.7	4.8
4	TPICAP	Financials	4,856	2.6	2.0
5	Yu Group**	Utilities	4,376	2.4	1.5
6	PayPoint	Industrials	4,348	2.3	5.8
7	New River REIT	Real Estate	3,842	2.1	4.8
8	AVIVA	Financials	3,765	2.0	2.0
9	Rio Tinto	Basic Materials	3,566	1.9	2.0
10	AOG Metals	Basic Materials	3,460	1.9	-
Top 10 investments			44,718	24.1	Ä
11	Ithaca Energy	Energy	3,138	1.7	12.1
12	TruFin**	Financials	3,132	1.7	-
13	Plus500	Financials	3,131	1.7	2.3
14	Pan African Resources	Basic Materials	3,063	1.7	1.8
15	Sabre Insurance	Financials	3,055	1.6	5.3
16	Diversified Energy	Energy	3,053	1.6	1.8
17	BT	Telecommunications	3,040	1.6	3.2
18	Hunting	Energy	3,039	1.6	1.3
19	Primary Health Properties	Real Estate	2,925	1.6	-
20	Bluenord ASA	Energy	2,902	1.6	-
Top 20 investments			75,196	40.5	Ä
21	AO World	Consumer Discretionary	2,902	1.6	-
22	Atalaya Mining	Basic Materials	2,892	1.6	0.8
23	Zotefoams	Basic Materials	2,835	1.5	1.2
24	M&G	Financials	2,809	1.5	2.5
25	MAN	Financials	2,706	1.5	2.0
26	Personal Group**	Financials	2,700	1.5	5.0
27	Legal & General	Financials	2,687	1.5	2.5
28	Sainsbury (J)	Consumer Staples	2,657	1.4	4.3
29	National Grid	Utilities	2,508	1.4	1.4
30	Tesco	Consumer Staples	2,485	1.3	1.1
Top 30 investments			102,377	55.3	Ä
31	Victorian Plumbing**	Consumer Discretionary	2,468	1.3	1.0
32	Secure Trust Bank	Financials	2,465	1.3	1.2
33	Engie	Utilities	2,332	1.3	-
34	Pennon	Utilities	2,311	1.2	-
35	ME Group international	Consumer Discretionary	2,271	1.2	2.4
36	Norcros	Industrials	2,232	1.2	3.6
37	Kenmare Resources	Basic Materials	2,193	1.2	2.8
38	Vodafone	Telecommunications	2,040	1.1	4.2
39	Greencoat UK Wind	Financials	2,036	1.1	5.8
40	Energear	Energy	1,993	1.1	4.7
Top 40 investments			124,718	67.3	Ä
Balance held in 62 equity investments			Ä 56,044	30.3	Ä
Total investment portfolio			180,762	97.6	Ä
Other net current assets			Ä 4,424	2.4	Ä
Net assets			185,186	100.0	Ä

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* Based on historical yields and therefore not representative of future yields. Includes special dividends where applicable. Yield is calculated based on the total dividend rate earned for the period 1 June to 30 November 2025, expressed as a percentage of the security's base price as at 30 November 2025.

** AIM/AQUIS listed.

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Portfolio as at 30 November 2025

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Portfolio exposure by sector (%) - Ä£180.8 million

Financials	30.6
Basic Materials	13.2
Energy	11.0
Industrials	10.4
Consumer Discretionary	8.1
Utilities	6.9
Real Estate	5.3
Consumer Staples	5.1
Technology	5.1
Telecommunications	3.0
Health Care	1.3
Ä	Ä
Ä	100.0

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Actual income by sector (%) - Ä£5.8 million

Financials	40.4
Industrials	13.5
Energy	12.6
Technology	7.6
Real Estate	5.2
Basic Materials	5.2
Consumer Staples	4.5
Consumer Discretionary	4.1
Telecommunications	3.8
Utilities	1.8
Health Care	1.3

