

Premium Dividend Portfolio

Quarterly Report: Q1 2026



Investment Objective

MVAM's Premium Dividend Portfolio (PDP) invests in 25 companies in the UK and Europe. The portfolio is designed to give you a steady and growing stream of income. The companies we invest in demonstrate an ability to pay a consistent, growing dividend throughout the business cycle. We employ 'layers of confidence' with a specific focus on the balance sheet, prudent accounting principles, and the quality of the income streams, to ensure consistency and repeatability over the long-term.

Quarterly Commentary

The first quarter of 2026 was largely driven by a sharp rise in commodity prices, particularly oil. This intensified towards the end of the period as geopolitical tensions between Iran and the US increased, pushing the crude oil price to more than \$100 a barrel, up from \$44.8 at the end of 2025.

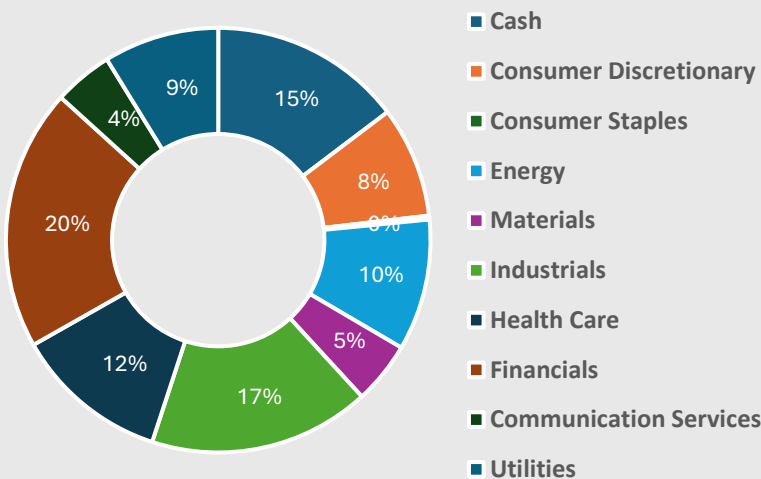
The rise in oil prices increased inflation expectations, which in turn reduced expectations for interest rate cuts and weighed on the outlook for economic growth. Financial markets rallied in January and February on the back of strong corporate results, but these gains reversed in March, leaving European equity markets with a negative return for the quarter. UK equity markets proved more resilient, rising 2.4%, supported by their higher exposure to Energy and Materials companies.

The PDP returned -5.5% over the quarter, compared with a benchmark return of -6.21%. Persimmon fell 21% as the housebuilding sector came under pressure from concerns over higher raw material costs and the outlook for the housing market. While we recognise these concerns, the company's latest results demonstrated its strong position within the sector. Piaggio declined 12% as, although results showed signs of recovery, the pace of improvement was slower than expected. Our discussions with management suggest that the recovery remains on track. NatWest Group also fell 12% despite reporting strong earnings, following its acquisition of a financial advice business, where investors questioned the price paid. However, management highlighted the opportunity to integrate this acquisition across its existing customer base of more than 20 million, with execution now the key factor.

On a more positive note, our energy holdings in Shell PLC and TotalEnergies SE rose by 31% and 46% respectively, as geopolitical tensions in the Middle East drove the sector higher. Our holding in NOS SA, the Portuguese telecoms operator, rose 35% as competition eased. This was further supported by growing recognition across many countries of the importance of communications infrastructure, particularly as cybersecurity threats increase. We expect governments to remain supportive of the sector and continue to hold an overweight position.

In the current geopolitical environment, we continue to favour companies with strong balance sheets and clear, progressive dividend policies.

Sector Weights: January - March 2026



Top 5 Holdings

Shell	4.59%
GSK	4.46%
TotalEnergies	4.42%
Engie	4.36%
Acerinox	4.26%

WARNING: The value of your investments and income from them may go down as well as up.

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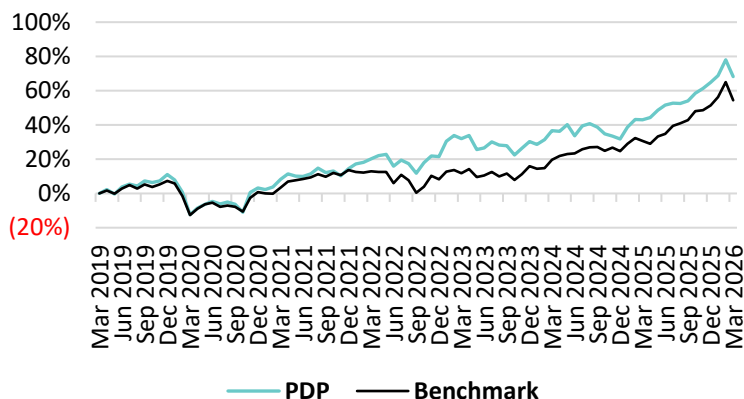


Performance

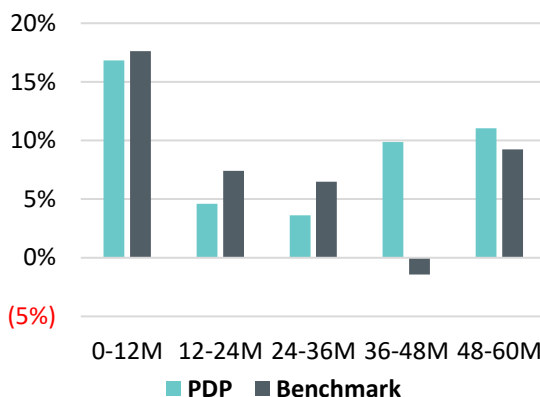
Cumulative Performance							
	1M	3M	6M	1 Year	3 Year	5 Year	Since Inception (28/03/2019)
PDP	-5.50%	2.08%	8.52%	16.83%	26.64%	54.48%	67.10%
Benchmark	-6.21%	1.49%	7.35%	17.61%	35.40%	49.54%	54.90%

Discrete Performance					
	0-12M	12-24M	24-36M	36-48M	48-60M
PDP	16.83%	4.60%	3.63%	9.86%	11.04%
Benchmark	17.61%	7.43%	6.47%	-1.44%	9.23%

Cumulative Return



Discrete Return



Performance is a composite made from grouping together each individual client PDP. All client portfolios hold identical stocks, but weightings will differ depending on the start date. On the start date, each client has their own individual portfolio, which will begin with an approximate 4% weighting in each of the 25 MVAM PDP stocks. Occasionally, the portfolios may hold some cash when we are between investments. Our benchmark is the Moderate benchmark, 80% Vanguard FTSE UK All Share Index Unit Trust, 20% Vanguard UK Government Bond Index. Performance figures are net of all fees.

WARNING: Past Performance is not a guide to future performance.

Benefits

- Experienced, successful team
- Consistent, repeatable strategy
- No leverage and no derivatives

Risks

- Focussed portfolio
- Money invested in equities
- No hedging of currency

Fees

- No entry or exit fees
- Fees of 1.25%
- Dealing fees of 0.4%

About MVAM

Mole Valley Asset Management offers innovative and bespoke investment services to retail clients and intermediaries. We have a highly experienced team, investing client savings directly into the markets, aided by proprietary screening and original research. We always remember that it's your money.



Craig Harper
Managing Director



Duncan Sanford
Director & CIO



Aidan McCormack
Assistant Portfolio Manager

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