November 2025

Shires income

UK investor Webinar

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Shires income

Differentiated income investing

Source: Credit Suisse Global Investment Returns Yearbook, 2024, Bloomberg, MoneySupermarket.com, Aberdeen. Illustrative yield data as at March 2025. Bond yield used as UK Government 10-year Gilt Yield. Equity yield is FTSE All-share consensus 1 year forward dividend yield. Cash yield represents a typical 2 year fixed interest rate available. For illustrative purposes only. No assumptions regarding future performance should be made.

Past performance does not predict future returns

Meeting a need: Delivering premium income for the long term

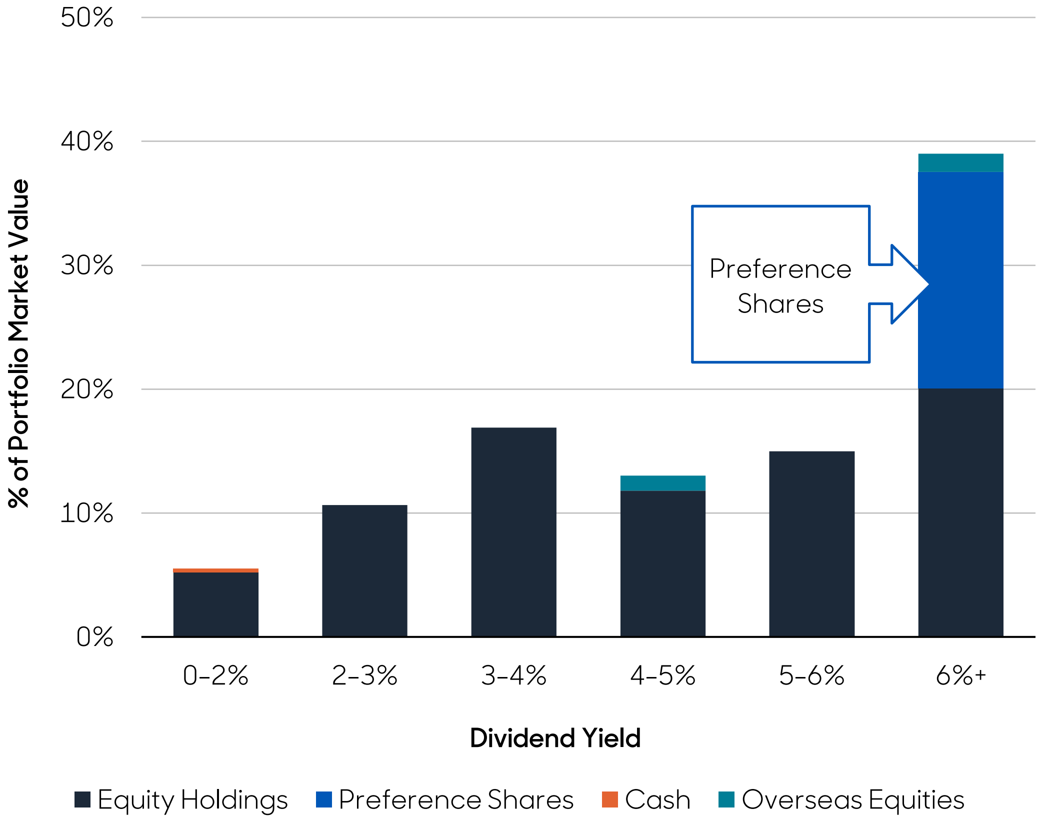
- The trust invests primarily in UK listed equity securities, with a focus on quality and income, but is differentiated from standard UK income funds in a number of ways:
  - Invests in higher yielding preference shares to provide stable income
  - Holds select overseas equities for diversification
  - Follows a genuine multi-cap investing approach with significant exposure to small and mid-cap sectors

The aim is to provide a premium yield, from an appropriately diversified portfolio, with an emphasis on total return and the management of risk

UK Asset Class	Current Yield	Long Run Real Return	Income Growth Potential?	Inflation Hedge?	Reinvestment Risk?	Capital Risk?
Cash	4.2%	+0.9%	✗	✗	✗	✓
Bonds	4.6%	+1.4%	✗	?	✗	?
Equities	3.5%	+5.3%	✓	✓	✓	✗
Shires Income	5.8%	n.a.	✓	✓	✓	✗

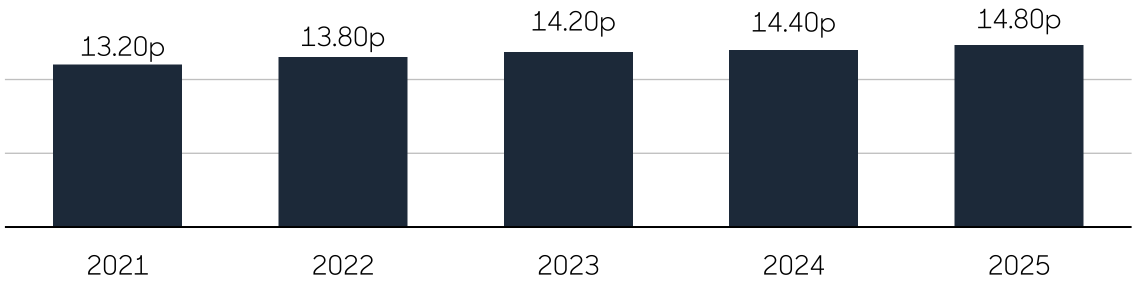
Dividend growth and premium to benchmark maintained

Unique portfolio structure, making use of high yield, defensive, preference shares and fixed income positions, enables high yield without taking on excessive risk



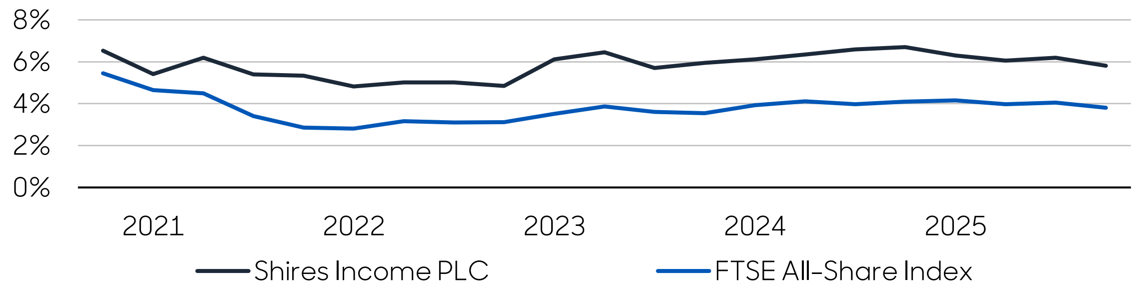
Dividends Per Share

Five years to 31 March 2025



Dividend Yield

Five years to 31 March 2025



Source: Bloomberg, Aberdeen, September 2025.

Past performance does not predict future returns.

Performance

Shires delivered strong absolute NAV returns and share price outperformance in the financial year

Source: Aberdeen, Morningstar, 30 September 2025.

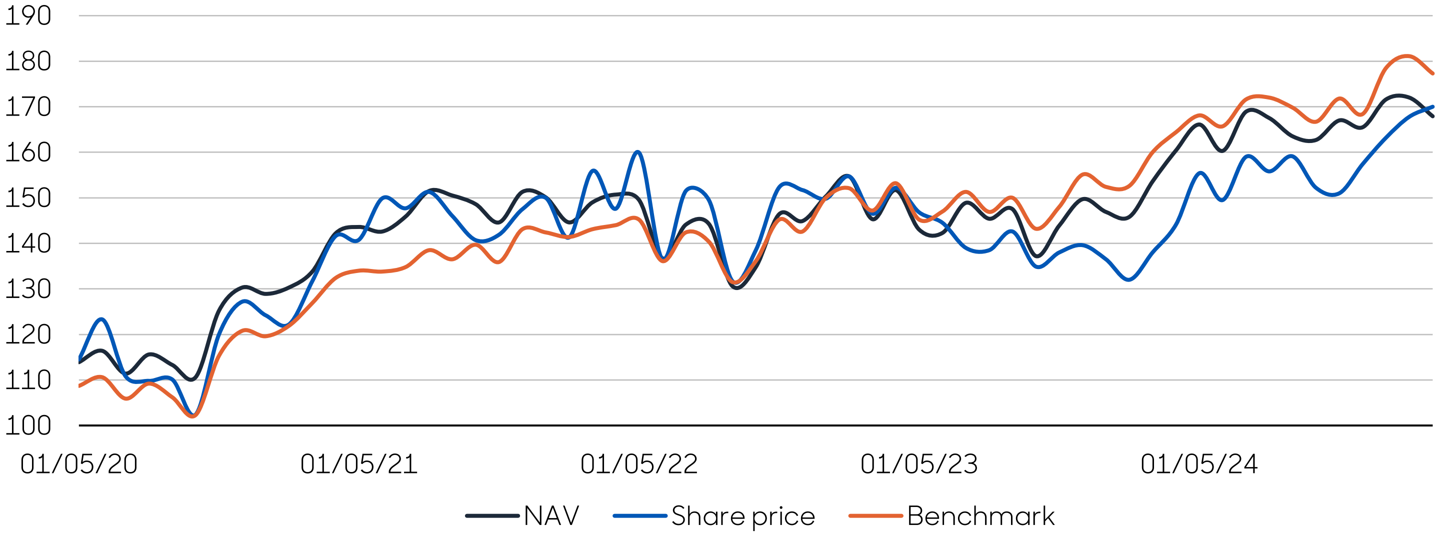
Past performance does not predict future returns.

Performance Update: 12 Months to 30 September 2025

	6 Months %	1 year % return	3 year % return	5 year % return
Share price	12.7	20.4	45.3	73.5
Net asset value	14.9	17.6	45.7	69.7
FTSE All-Share index	11.6	16.2	50.0	84.1

Total return of NAV and ordinary share price vs FTSE all-share index

Five years to 31 March 2025. Figures are total return and have been rebased to 100 at 31 March 2020



Source: Morningstar & Aberdeen, 31 March 2025.

Market update

Market Update

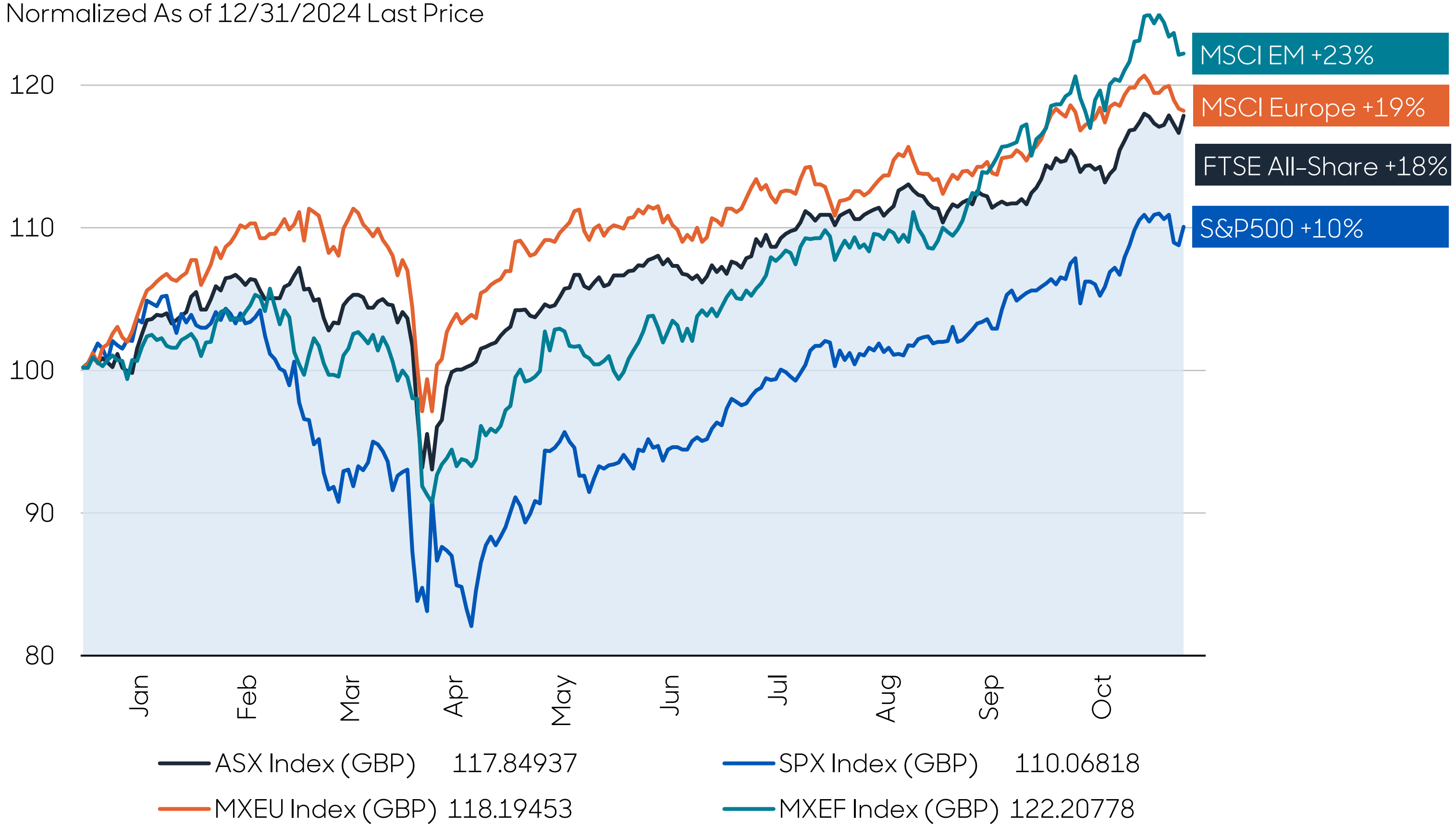
Strong absolute returns in 2025 YTD

Source: Aberdeen, Bloomberg, November 2025. For illustrative purposes only. No assumptions regarding future performance should be made. Exposures are subject to change.

Markets have surprised positively in 2025

All markets have performed well in 2025 YTD, rebounding strongly after "Liberation Day" in April. Despite continued US strength, we have seen other markets leading

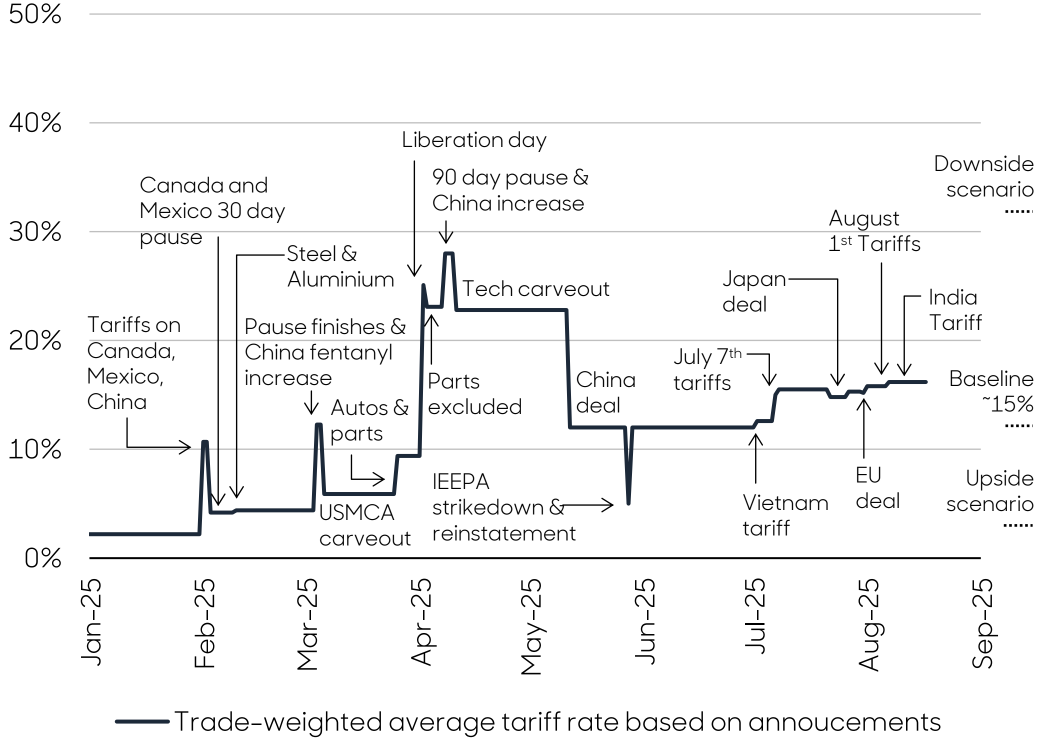
2025 Index returns in GBP:



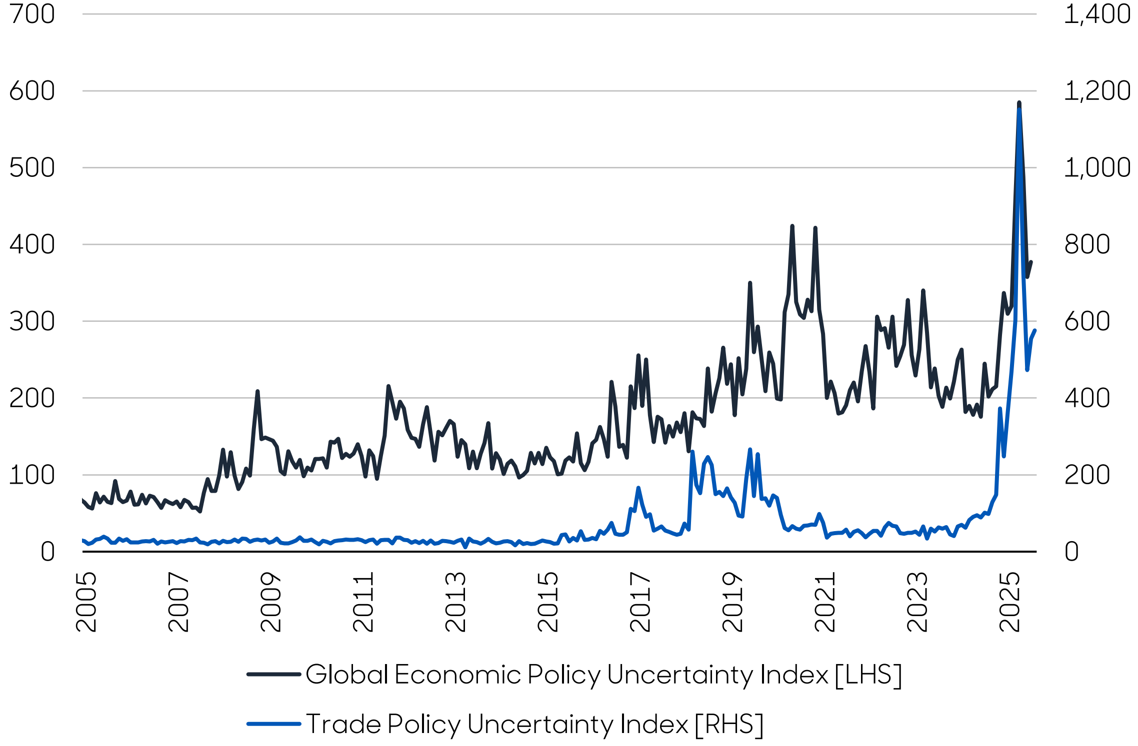
Global trade uncertainty is diminishing, with important caveats

The broad structure of the new tariff regime has become clearer, with the average rate likely to settle around 15%. But the IEEPA ruling, or secondary tariffs for geopolitical purposes, could still change things

The US weighted average tariff rate is likely to settle around 15%, with higher rates for many Asian economies



Uncertainty has fallen, which should make it easier for firms and markets to "move on", albeit to higher tariffs than previously

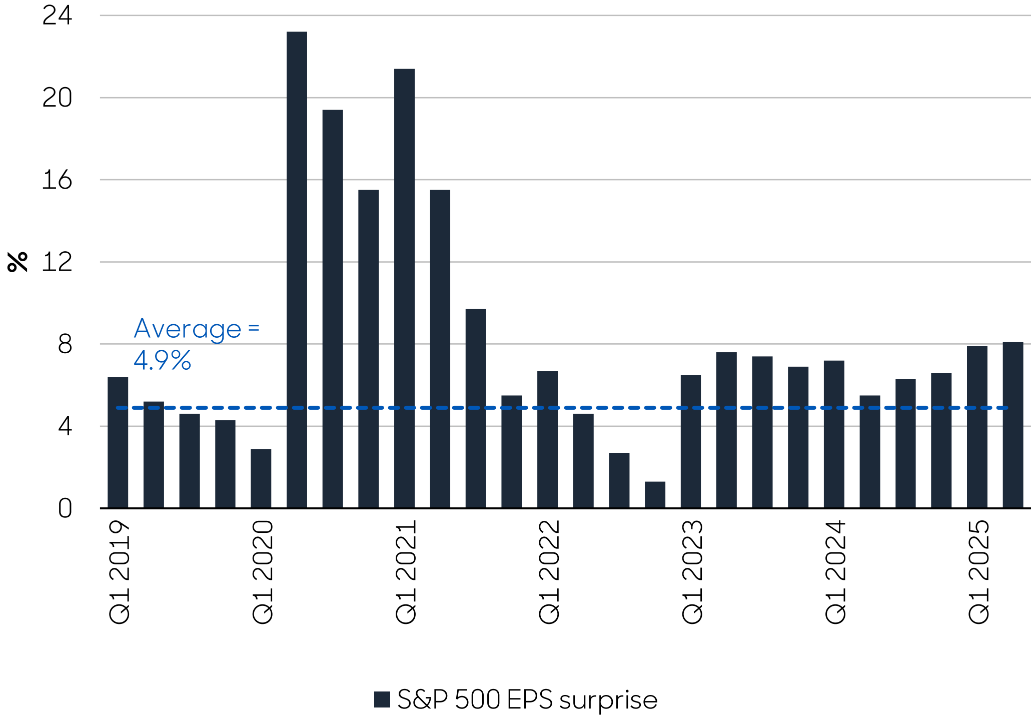


Source: (LHS chart) Aberdeen, White House, September 2025. (RHS chart) Aberdeen, Haver, September 2025.

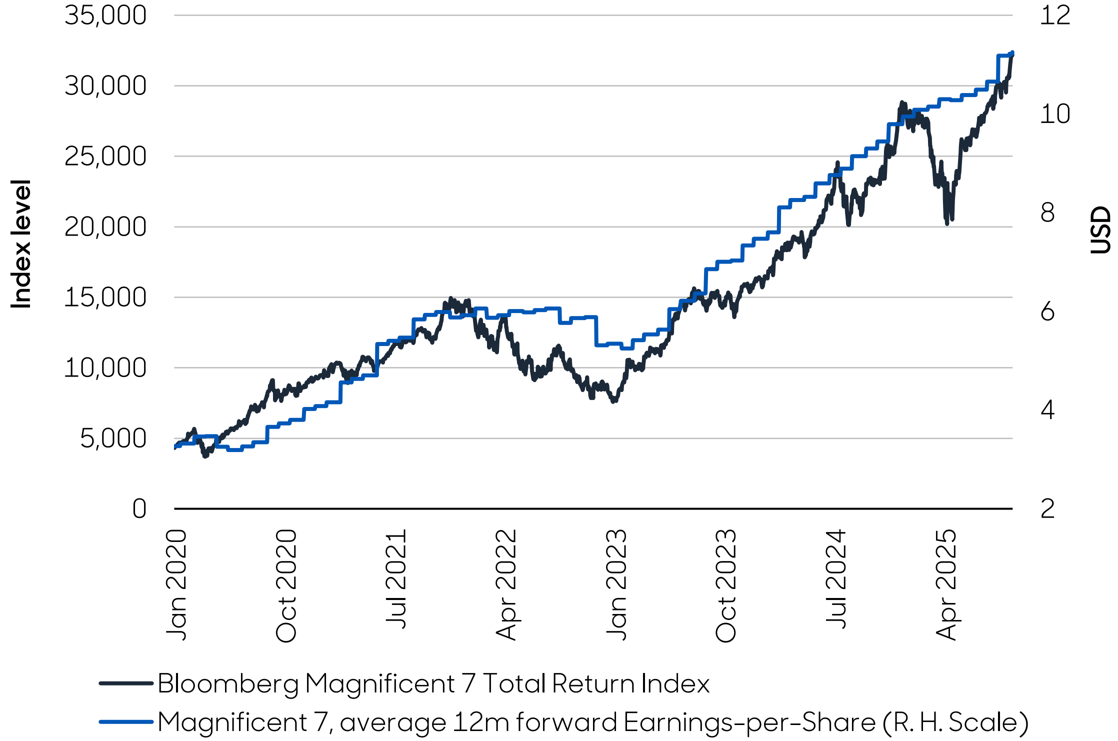
Is it a bubble? Market performance justified by earnings so far

Earnings growth remains positive, and should continue absent a recession. But low conviction given the risks and possible complacency

Despite tariff warnings, corporates continue to deliver strongly on earnings



While valuations are high, returns have so far been justified by earnings growth



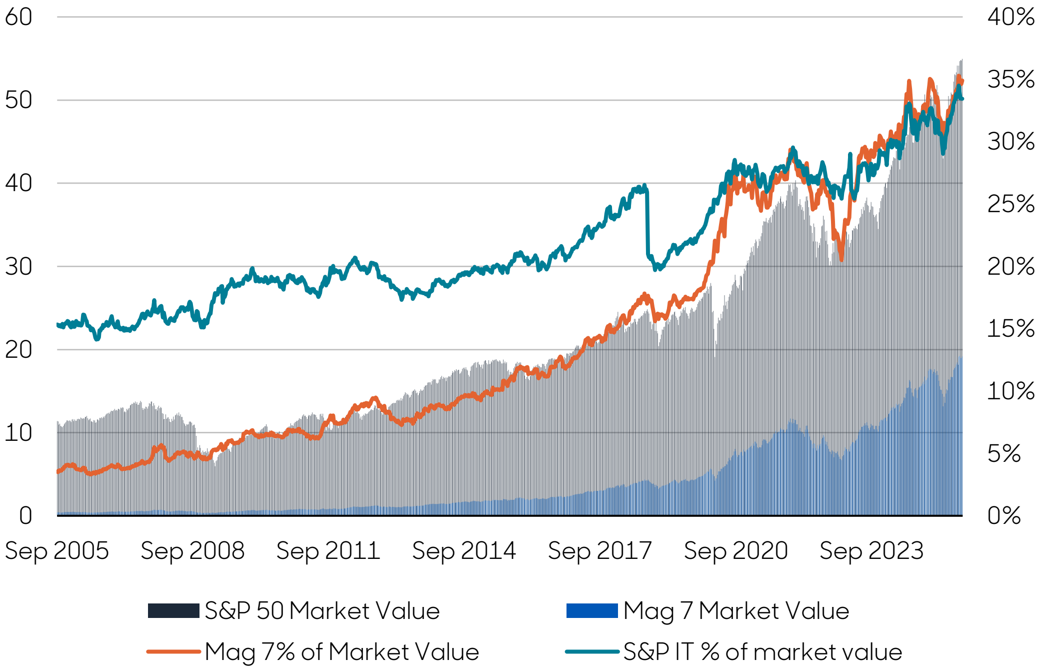
Source: (LHS chart) UBS, Aberdeen, September 2025. (RHS chart) Aberdeen, LSEG Datastream, September 2025.

US market performance remains very narrow

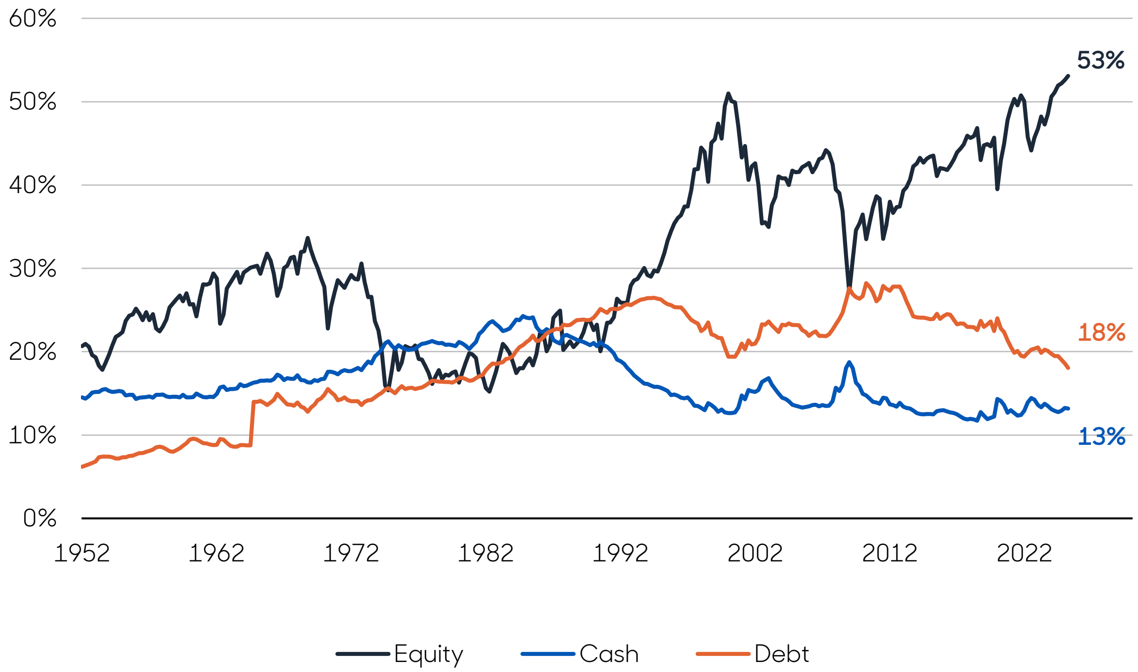
Outperformance has been driven by a few stocks, leaving the index looking expensive. This premium has so far been justified by strong earnings, but this needs to continue for high capex to not look like misallocation and to justify positioning

The US is increasingly tied to the magnificent 7 stocks

S&P 500 v IT sector v Mag 7 (TrnUSD)



Aggregate financial asset allocation across households, mutual funds, pension funds and foreign investors

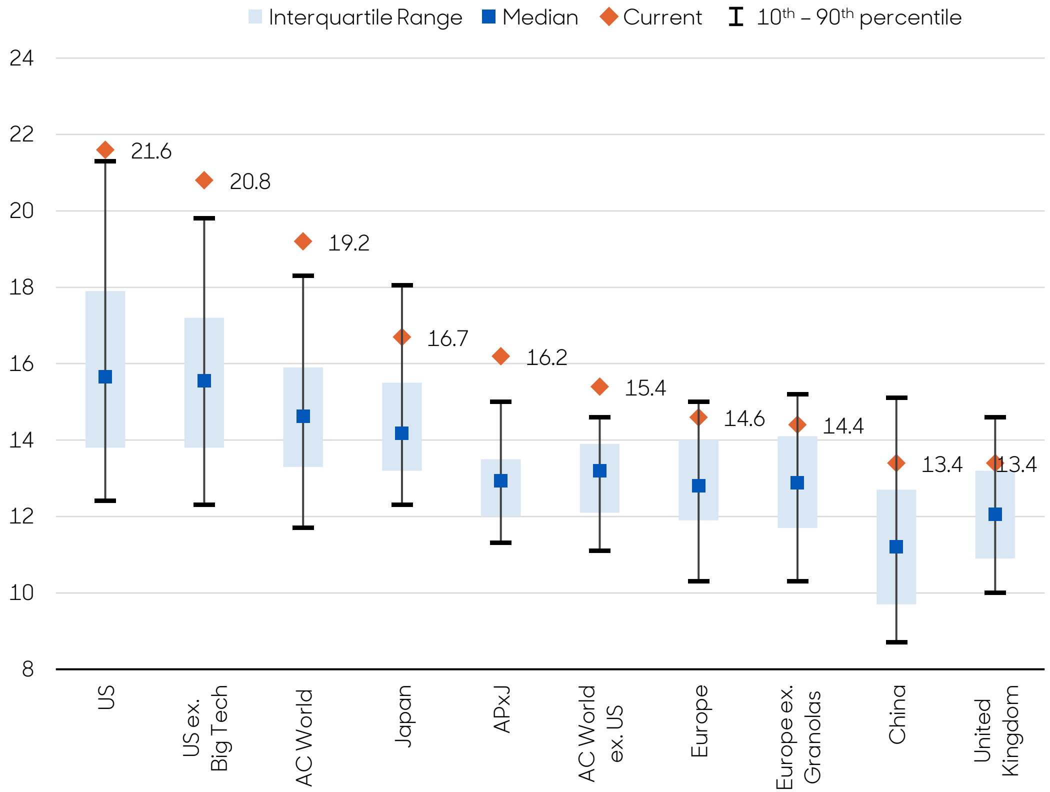


Source: (LHS chart) Aberdeen, LSEG Datastream, September 2025. (RHS chart) Goldman Sachs, FactSet, October 2025.

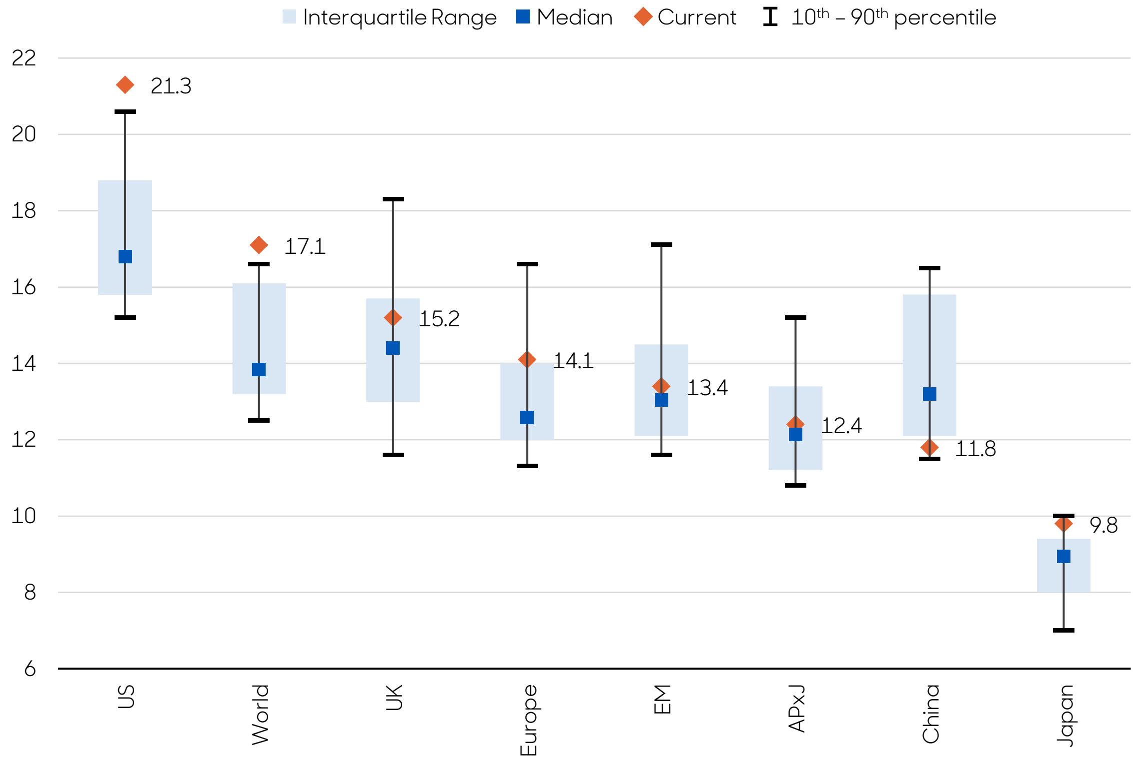
UK market has re-rated YTD, but still offers excellent value

Although UK equities now look more expensive compared to their own history, they remain at a substantial discount to other regions, while offering superior return on equity to all regions ex-US

12M Forward P/E multiples by Region



12M Forward Return on Equity by Region

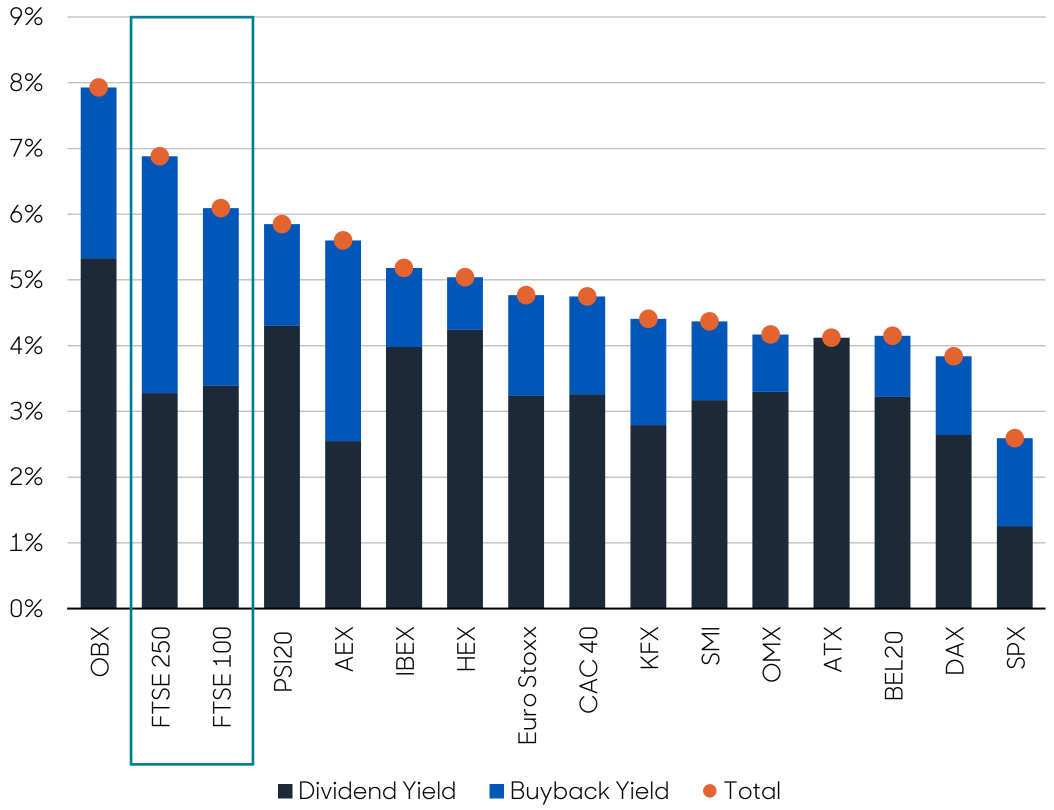


Source: FactSet, Goldman Sachs, October 2025. Range refers to period since 2003.

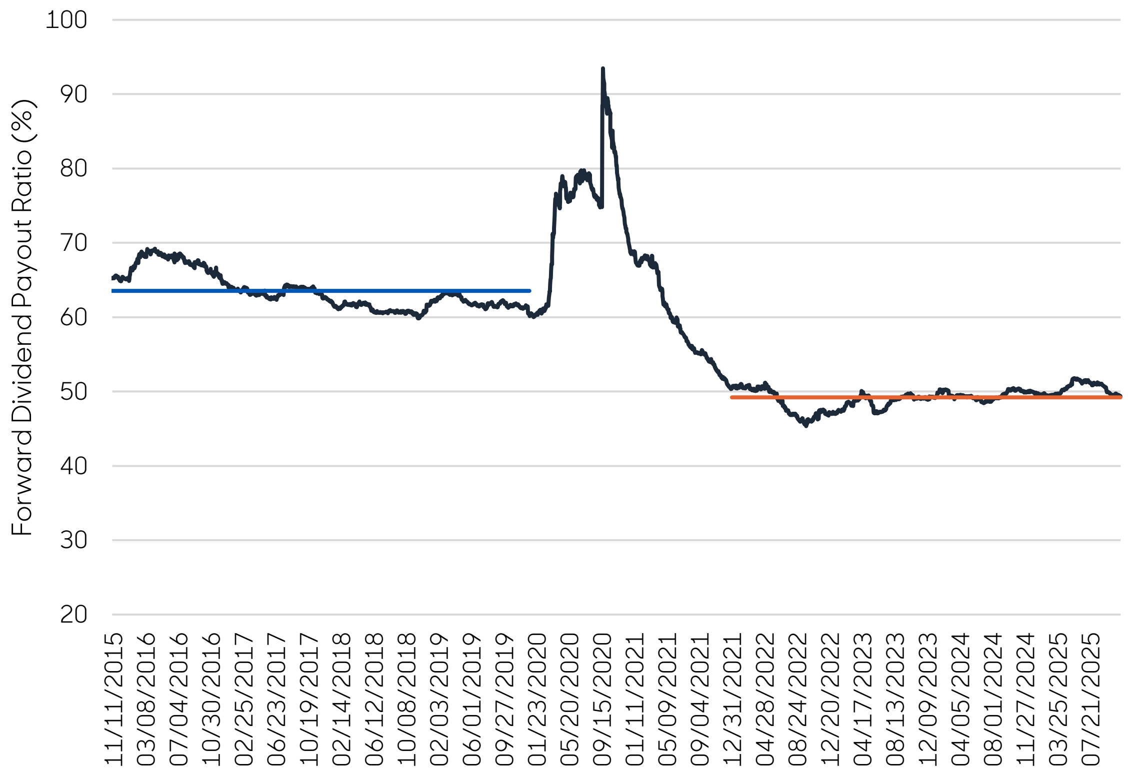
UK market remains the best place to invest for equity income

Although UK companies have increasingly allocated to buybacks, the total distribution yield remains compelling and the rebased payout ratio post-Covid offers increase safety for income

Total Yield by Country



FTSE All-Share 12M Forward Dividend Payout Ratio



Source: Barclays, Bloomberg, Aberdeen, October 2025. For illustrative purposes only. No assumptions regarding future performance should be made.

aberdeen Investments

Portfolio update

Portfolio positioning targets high yield opportunities

Shires actively targets high yields and dividend growth. Current positioning is long value and small / mid cap exposure.

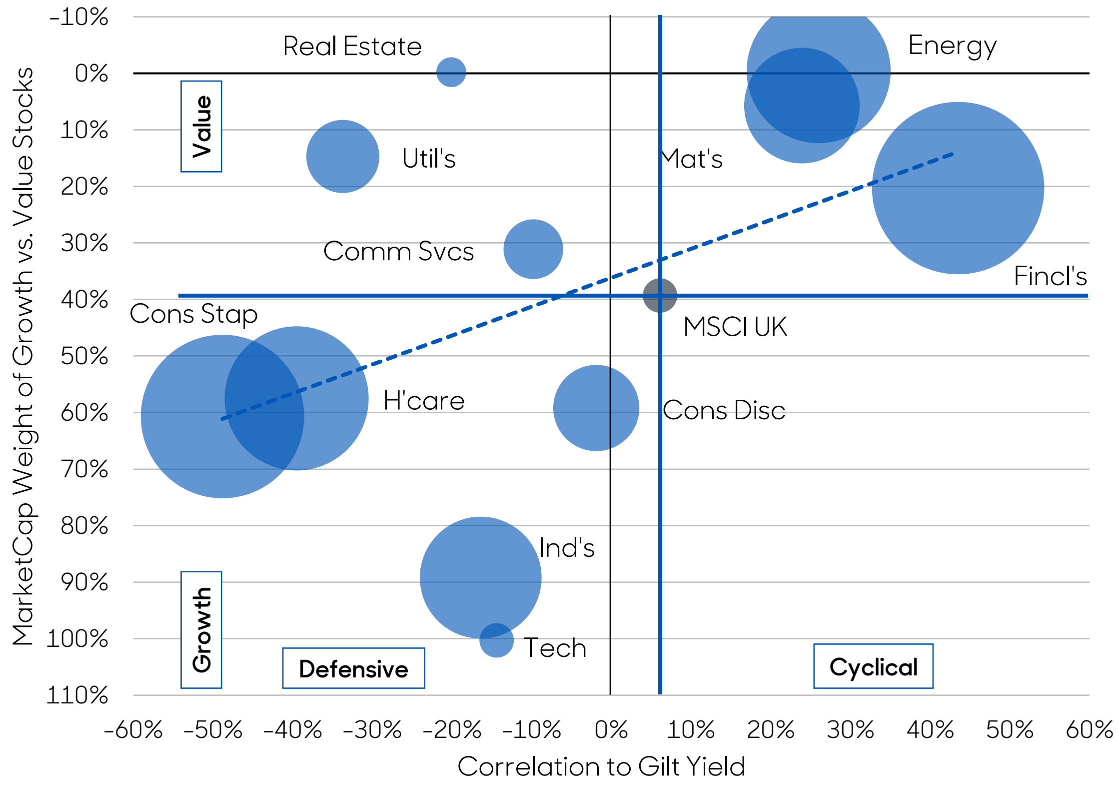
Source: Aberdeen, StyleAnalytics, 30 September 2025.

Value has room to run, and UK is well positioned

After a long period of growth outperformance in a low interest rate world, we see the opportunity for style performance to be more neutral. The UK market is weighted to defensive value sectors.

Globally, value as a style has room to continue a return to favor

UK has a high exposure to both cyclical and defensive value

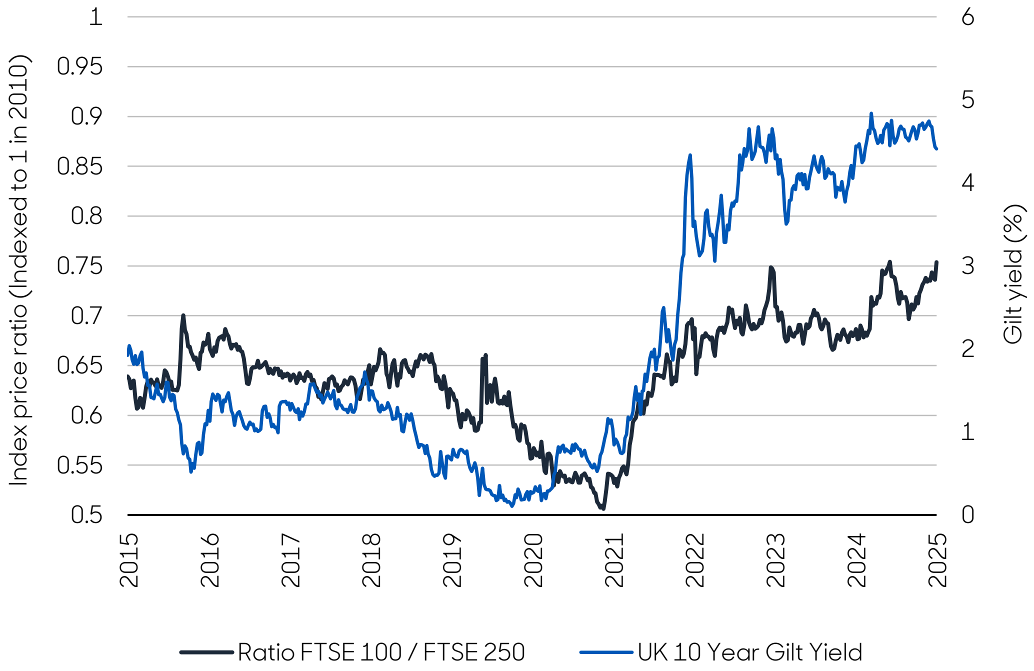


Source: Barclays, Goldman Sachs, October 2025.

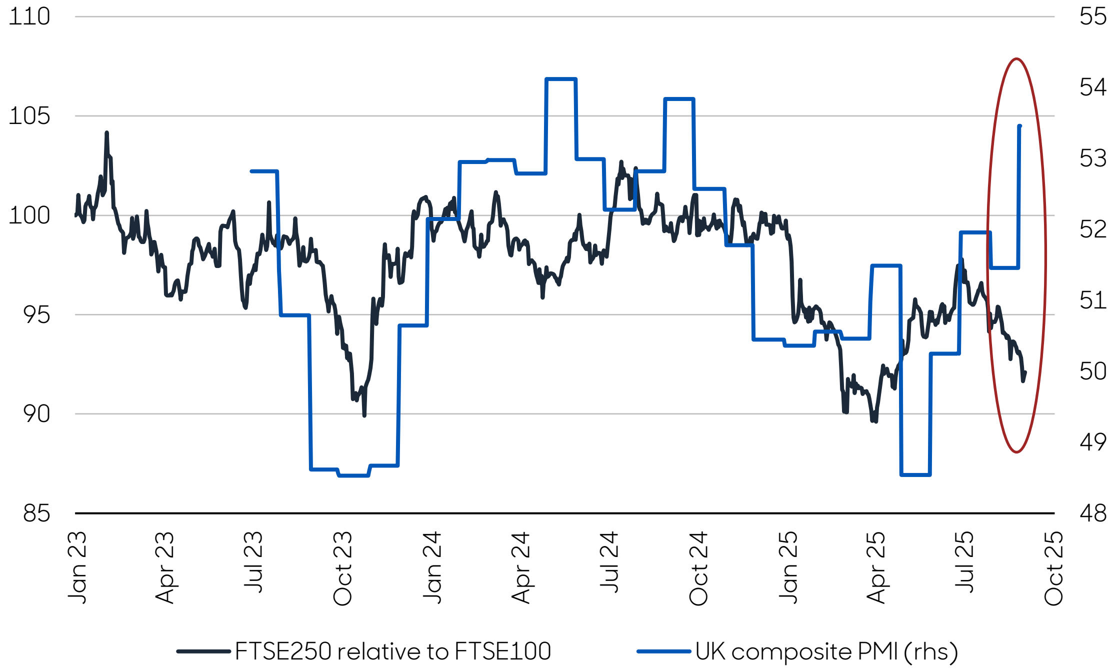
We are positive on UK mid-caps

UK large cap names have outperformed strongly in recent years as bond yields have risen. Falling rates combined with robust economic indicators and attractive valuation favour mid-cap exposure

UK large-cap has outperformed as rates have risen



UK small caps have lagged, but unlike the past 2 episodes, October '23 and April '25, when this was shadowed by PMI weakness, this time around PMIs have been improving

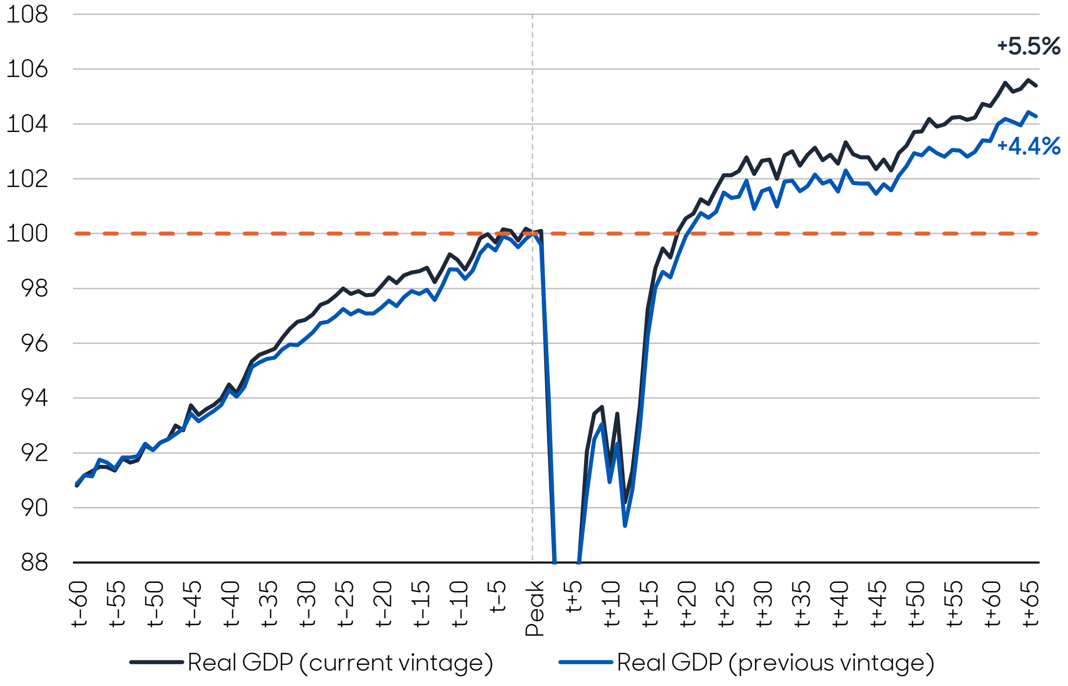


Source: Bloomberg, Aberdeen, J.P. Morgan, October 2025. For illustrative purposes only. No assumptions regarding future performance should be made.

Market remains overly concerned about UK domestics

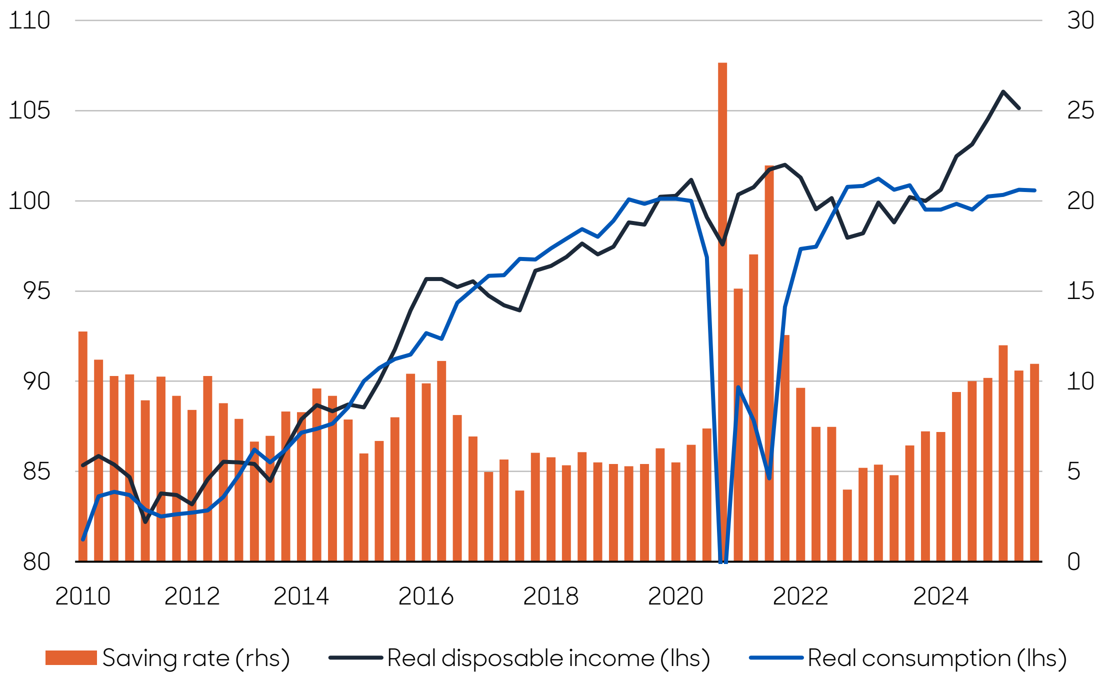
Underperformance of mid-caps is linked to negativity on UK domestic exposure. Fundamental data is better than priced in and we hope the budget can remove an overhang

Revisions to UK GDP data have been positive and growth has held up



Real GDP indexed at 100 at the pre-COVID peak,
Monthly data. Source: ONS, Peel Hunt

Uncertain economic outlook has led to a higher savings rate – but underlying consumer health has been robust



Real income and consumption, indexed at 2019 = 100.
Savings rate in %. Quarterly data. Source: ONS

Source: Peel Hunt, October 2025.

Performance

Best Performing Positions – HY 2025

Source: Aberdeen, Bloomberg, 30 September 2025. Exposures are subject to change. For illustrative purposes only. No assumptions regarding future performance should be made.
Companies selected for illustrative purposes only to demonstrate investment management style and not as an indication of performance or investment recommendation.

Best performers: Performance has been led by sectors with improving quality and low starting valuations.

Company	Portfolio Weight (%)	6 Month Return (%)	Commentary
Kier Group	2.2%	79%	Company has continued to deliver improved margin and grown backlog, with greater visibility on workload. Cash delivery has been strong and balance sheet has delevered
Close Brothers	0.6%	78%	Outcome of the FCA review into motor finance was less severe than feared, allowing shares to partially recover losses
Serica Energy	1.2%	56%	Despite operational issues, clever deals have unlocked value in the North Sea and shares have bounced from a very low valuation a year ago
Balfour Beatty	2.4%	52%	Visibility on high margin work from UK power investment, combined with margin improvement and continued buyback program has pushed shares higher this year
Morgan Sindall	3.1%	38%	Continues to deliver earnings upgrade, driven by Fit Out business, although increased pace of investment into partnership housing helps to strengthen longer term investment case
OSB Group	1.1%	35%	Shares have bounced as results have reassured and capital position has strengthened, despite concerns around their core buy-to-let market in the UK
Barclays	2.0%	33%	Combination of higher bond yields and hedge unwind have moved UK net interest income upwards, while CIB has demonstrated revenue growth and better cost control. Buyback program helpful
Aviva	1.9%	32%	The company has continued to deliver on a clear strategy of improving returns and the market has gained more confidence on the merits of the Direct Line transaction
Dunelm Group	0.0%	31%	Purchased opportunistically when negativity on UK retailers was high in the Spring, meaning a quality retailer was trading at a discounted price. Results proved reassuring, allowing for a quick return
M&G Plc	2.3%	31%	Growth in AuM combined with resilient cash delivery and signing of longer-term partnerships have led to a re-rating, although high yield remains very attractive

Performance

Worst Performers – HY 2025

Source: Aberdeen, Bloomberg, 30 September 2025. Exposures are subject to change. For illustrative purposes only. No assumptions regarding future performance should be made.
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Detractors: The greatest detractors have been where we have been too early in cyclical / consumer sectors

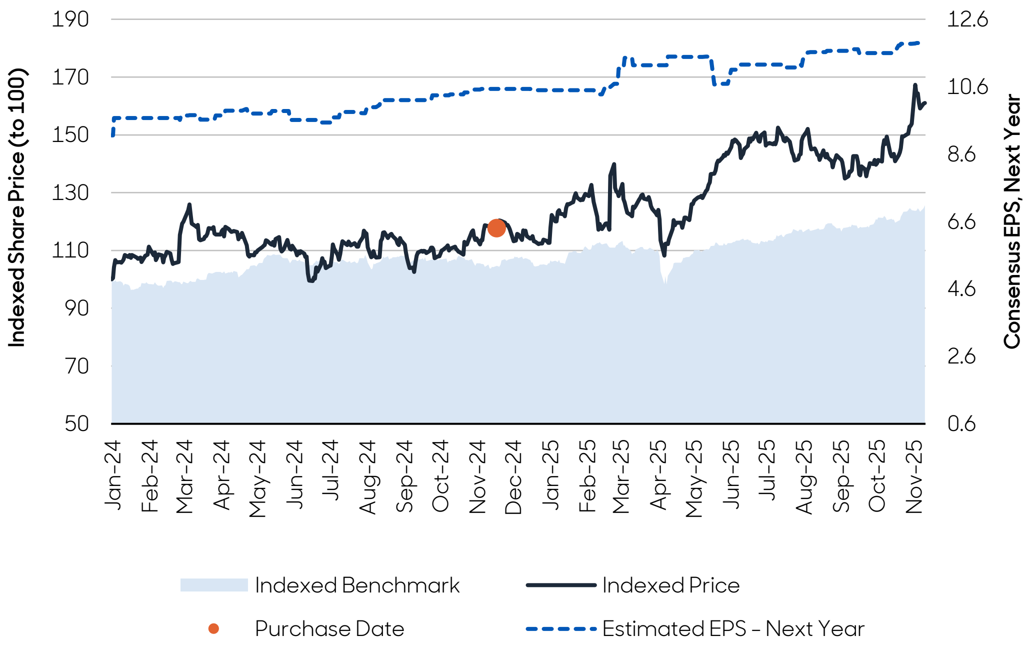
Company	Portfolio Weight (%)	12 Month Return (%)	Commentary
Wood Group	0.0%	-100%	Shares marked down to zero in fund performance following suspension. They have traded up on relisting after period end and could return a gain for the fund if proposed acquisition goes ahead in early 2026
Pets At Home	0.9%	-22%	Another UK retailer which has been under pressure due to weak like for like sales. We see the vets business as undervalued and recent management change is a positive in improving underlying performance
Greggs	1.0%	-12%	Recently bought back after a 50% fall since sale in mid-2024. Purchase has been slightly early, but we expect business to demonstrate resilience and deliver FCF inflection post investment period in 2026/27
Victrex	1.2%	-11%	Recent purchase. We see the company as close to a cyclical low, with potential inflection in demand from healthcare and energy markets, although we may need to be patient
Midwich	0.9%	-10%	Another recent purchase where we see end markets close to cyclical floor. Founder led business selling AV equipment can rebound as we approach a post-Covid replacement cycle
Hollywood Bowl	0.9%	-5%	Shares have been weak due to concern around UK consumer. In our view it remains a strong operator with growth potential from Canada and high cash return
Taylor Wimpey	1.7%	-5%	UK housebuilders have also suffered with weak domestic sentiment and continued high mortgage rates. The hope is that lower rates and removal of budget overhang allows for a recovery
ME Group	1.1%	-2%	ME continues to deliver growth as laundry roll out proceeds, but confusion over strategy has led the shares to pull back in recent months. Business remains very cash generative
Energean	1.9%	0%	Flat share price has lagged the market this year, but company continues to deliver a high stable yield. Awaiting next development progress for more capital upside
AstraZeneca	2.9%	0%	US healthcare policy has clouded progress from the R&D pipeline. Some clarity on drug pricing has allowed a rebound in valuation after period end

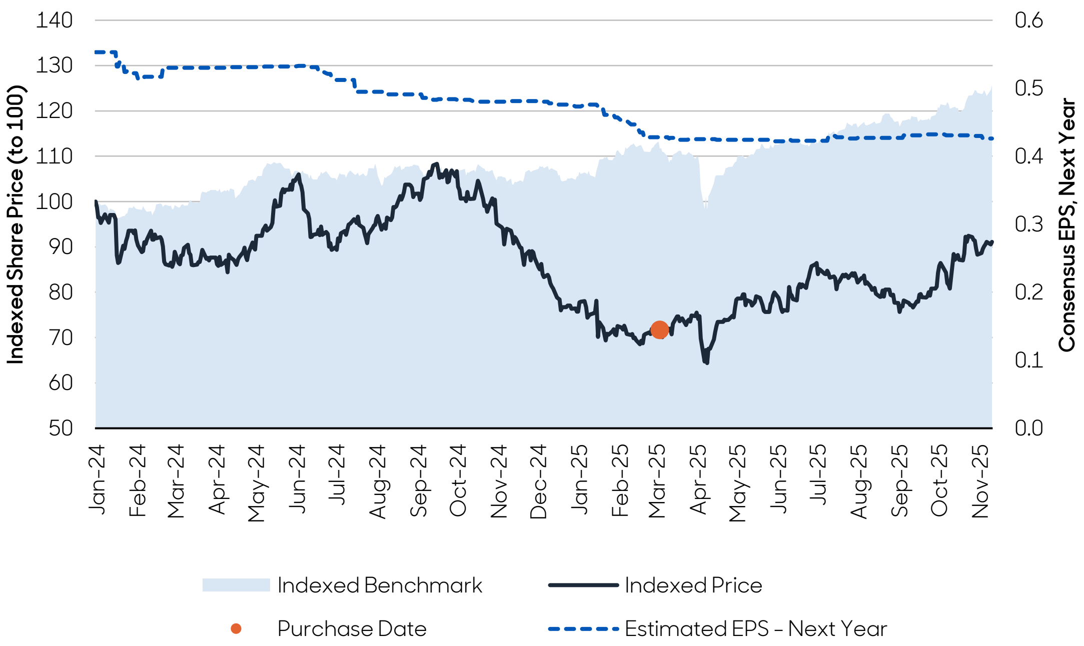
New Holdings – Under-appreciated quality

There is a constant balancing act between owning quality companies and ensuring we do not overpay and that they deliver a high yield. This means we are particularly on the look out for under appreciated quality.

The energy sector is undervalued but comes with generally low quality and cyclicality. French company **GTT** supplies storage technology for natural gas tankers, a growing market. It dominates this niche and has delivered consistent upgrades, high returns and pays a 6% yield – exactly what we are looking for.

The rate cycle has made life difficult for UK listed REITs in recent years but has created opportunity for patient investors. **SafeStore** is a strong business now trading at a discount to its net asset value. We don't think that will persist and we are paid to wait. Recent deals in the sector, such as Assura, another holding, are a positive sign.





Source: Bloomberg, Aberdeen, November 2025. For illustrative purposes only. No assumptions regarding future performance should be made.
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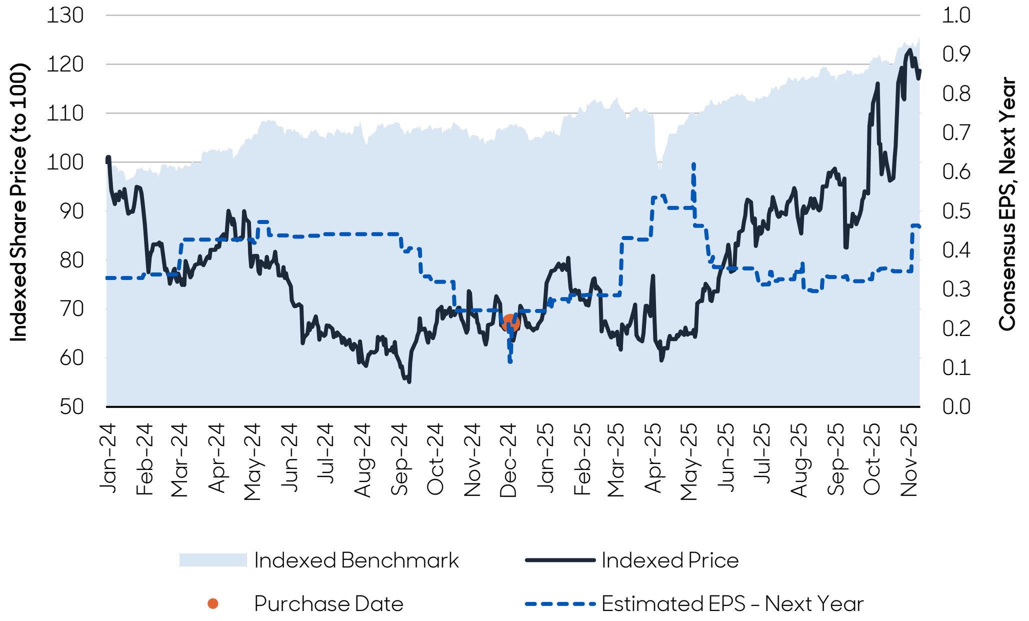
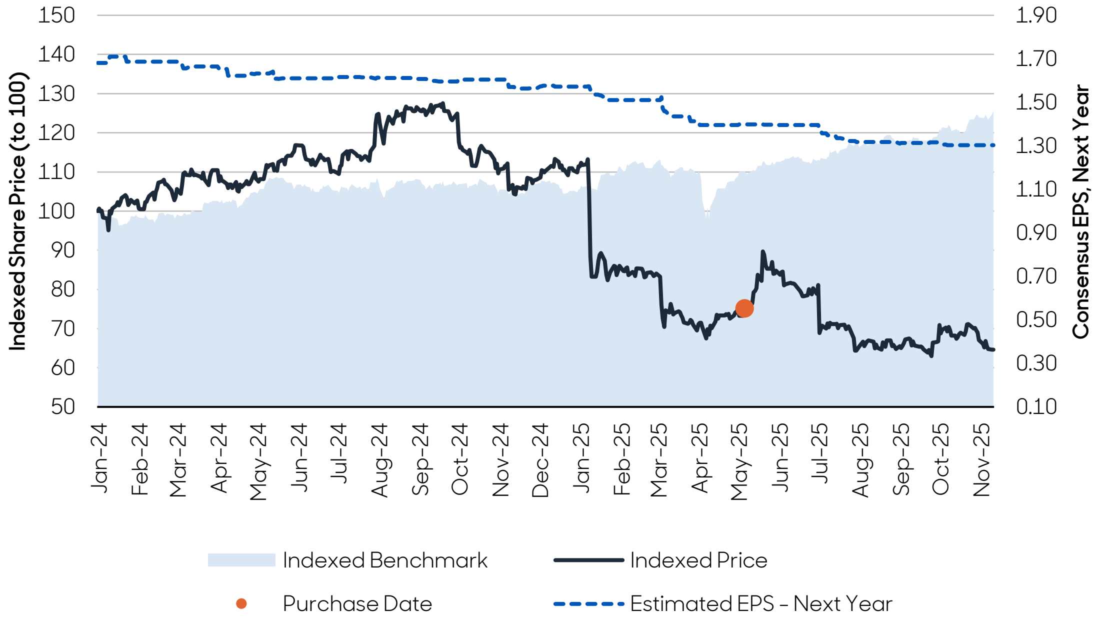
New Holdings – Cyclical opportunities

One of the advantages of a closed-end structure is we can genuinely buy and hold businesses and invest with patience. This is particularly useful in owning cyclical names, ensuring we are not forced seller at the wrong point.

UK North Sea E&P companies have been a particularly difficult sub-sector in recent years, with punitive UK fiscal policy crushing profitability. But everything has a price, and clever operators have been able to protect their tax position and still deliver cash. **Serica Energy** has done this particularly well and seen a share price response from an overly discounted level.



Concerns remain around the UK consumer. **Greggs** has suffered from weak like for likes in 2025, after a long period of growth. We sold in mid-2024, but bought back this year. Continued roll-out plan and FCF inflection within our investment time frame as spending on manufacturing and distribution comes to an end is not priced by the market and we think valuation is too short term.



Source: Bloomberg, Aberdeen, November 2025. For illustrative purposes only. No assumptions regarding future performance should be made.
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Thank you!

Outlook for income to become increasingly important as equity market returns broaden out

UK appears well placed to benefit, with high yields, low valuations and resilient economy

Shires offers diversified exposure to high income while retaining potential for capital growth

Appendices

Top 10 holdings

Shires Income PLC

Absolute Holding (%)	
Ecclesiastical Insurance Office	4.8
Nationwide Building Society	4.5
Santander UK	3.6
Shell	3.1
Morgan Sindall	3.1
AstraZeneca	2.9
HSBC	2.8
Chesnara	2.8
Standard Chartered	2.6
Balfour Beatty	2.4

Relative Holdings (%)	
Ecclesiastical Insurance Office	4.8
Santander UK	3.6
Morgan Sindall	3.0
Chesnara	2.8
Standard Chartered	2.6
Diversified Energy	2.3
Balfour Beatty	2.3
Sirius Real Estate	2.1
Kier	2.1
M&G	2.0

Source: Aberdeen, 30 September 2025. Costs may increase or decrease as a result of currency and exchange rate fluctuations. This may impact what you might get back.

Shires income PLC attribution

1 year to 30 September 2025

Top stock contributors	Average relative position (%)	Contribution (%)
Diageo	-1.9	+0.9
London Stock Exchange Group	-2.2	+0.9
Unilever	-4.5	+0.7
Kier	1.7	+0.5
Balfour Beatty	1.8	+0.4
Assura	0.8	+0.4
Relx	-2.9	+0.4
M&G	1.9	+0.3
Intesa Sanpaolo	1.2	+0.3
Haleon	-1.3	+0.3

Bottom stock contributors	Average relative position (%)	Contribution (%)
Rolls-Royce	-2.6	-1.8
HSBC	-3.1	-1.1
John Wood	0.4	-1.1
Bae Systems	-1.9	-0.7
British American Tobacco	-2.6	-0.7
Inchcape	1.7	-0.4
Nationwide Building Society	4.1	-0.4
Rs Group	0.7	-0.4
Conduit	0.9	-0.4
SSE	1.4	-0.3

Top sector level contributors	Average relative position (%)	Contribution (%)
Consumer Staples	-9.7	+1.6
Health Care	-6.2	+0.7
Real Estate	2.5	+0.5
Basic Materials	-1.5	+0.4
Technology	-0.6	+0.2

Bottom sector level contributors	Average relative position (%)	Contribution (%)
Energy	3.4	-0.7
Financials	5.4	-0.6
Utilities	4.2	-0.5
Industrials	-1.8	-0.3
Consumer Discretionary	-1.9	-0.3

Source: Aberdeen, 30 September 2025. Costs may increase or decrease as a result of currency and exchange rate fluctuations. This may impact what you might get back.

Past performance does not predict future returns

Important information

Shires Income Trust

Investment objectives

The Company's investment objective is to provide shareholders with a high level of income, together with the potential for growth of both income and capital from a diversified portfolio substantially invested in UK equities but also in preference shares, convertibles and other fixed income securities.

Investment risks

- The value of investments and the income from them can fall and investors may get back less than the amount invested
- Past performance is not a guide to future results
- Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years
- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the Company's assets will result in a magnified movement in the NAV
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares
- The Company may charge expenses to capital which may erode the capital value of the investment
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen
- Certain trusts may seek to invest in higher yielding securities such as bonds, which are subject to credit risk, market price risk and interest rate risk. Unlike income from a single bond, the level of income from an investment trust is not fixed and may fluctuate
- With funds investing in bonds there is a risk that interest rate fluctuations could affect the capital value of investments. Where long term interest rates rise, the capital value of shares is likely to fall, and vice versa. In addition to the interest rate risk, bond investments are also exposed to credit risk reflecting the ability of the borrower (i.e. bond issuer) to meet its obligations (i.e. pay the interest on a bond and return the capital on the redemption date). The risk of this happening is usually higher with bonds classified as 'sub-investment grade'. These may produce a higher level of income but at a higher risk than investments in 'investment grade' bonds. In turn, this may have an adverse impact on funds that invest in such bonds
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends

1 year to 30/09	2025	2024	2023	2022	2021
Share Price	20.4	11.5	8.2	(10.3)	33.1
NAV*	17.6	10.5	12.1	(11.9)	32.2
FTSE All-Share	16.2	13.4	13.8	(4.0)	27.9

Source: Aberdeen, Morningstar, 30 September 2025. Total return; NAV to NAV, net income reinvested, GBP. Share price total return is on a mid-to-mid basis. Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value. **Past performance does not predict future returns.**

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