Janus Henderson INVESTORS

UK EQUITY INCOME & GROWTH FUND

At a glance

Performance*
The Fund returned 3.81%, the Index returned 2.44% and the Peer Group returned 3.69%.

Contributors/detractors
Kier and Morgan Advanced Materials contributed to performance, while Johnson Service Group detracted during the quarter.

Outlook
While there is ongoing uncertainty surrounding the Middle East, the future path for interest rates and the upcoming October Budget, UK equity valuations remain relatively attractive in our view.

Portfolio management



Laura Foll, CFA



James Henderson

Investment environment

- During the third quarter, UK equity markets rose modestly. This was despite the ongoing conflict in the Middle East and the subsequent volatility in energy prices.
- In our view, this resilience is largely down to encouraging earnings reports from UK companies, as well as what we consider to be modest relative valuations.
- These valuations have also been leading to persistent takeover approaches for UK companies. For example, Rotork (a recent purchase for this portfolio) was bid for by Swiss company ABB in July.

Portfolio review

Among the best performers during the quarter was contractor Kier, which, alongside its full-year results, announced a wider strategy review including a gradual exit from its property development business to focus solely on its infrastructure and contracting work. This was received well by shareholders as it could allow a further strengthening of the balance sheet alongside additional cash returns to shareholders. Also among the best performers was specialist materials producer Morgan Advanced Materials. The company announced it had sold its stake in a listed Indian business, which could result in a strengthening of its balance sheet.

Conversely, textile rental company Johnson Service Group was among the detractors from performance. The company reported disappointing results in its hospitality business, leading to modest earnings downgrades. We added to the holding on the view that, while its organic growth has been disappointing in the short term, this remains a market-leading business making attractive margins, and the share price is now at the (very) low end of its historic trading range.

During the quarter, new purchases included Centrica and Hollywood Bowl. In the case of Centrica, we purchased the holding after a disappointing update from its trading business led to the share price falling materially. In our view, this presented an interesting entry point for a company that is gradually shifting towards more regulated assets which may, in time, allow greater earnings visibility. We purchased the position in Hollywood Bowl towards the end of the quarter. Its shares had performed poorly on the view that the hot summer in the UK may have been bad for recent trading, which could prove to be correct. Over the medium term, however, the company continues to roll out new sites in Canada, giving it the opportunity to grow earnings if executed successfully.

Marketing communication
Past performance does not predict future returns.
References made to individual securities do not constitute a recommendation to buy, sell or hold any security, investment strategy or market sector, and should not be assumed to be profitable. Janus Henderson Investors, its affiliated advisor, or its employees, may have a position in the securities mentioned. There is no guarantee that past trends will continue, or forecasts will be realised.
*For benchmark/usage and peer group, if applicable, refer to Fund details on page 3. For relevant descriptions, risks and the Fund's investment policy statement, refer to Additional fund information on page 4.

Manager outlook

Following the summer, we think the main focus for UK investors over the coming months is likely to include the Budget in late October, as well as interest rate decisions from the Bank of England (BoE), given that UK inflation remains stubbornly above the 2% target. While we think these factors, as well as the ongoing conflict in the Middle East, have the potential to create volatility, the portfolio's aggregate valuation remains modest at around 12.5x 12-month historic earnings (as at the end of September).

Performance (%)

Returns	Cumulative				Annualised			
	1 Month	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since inception (30/09/74)
I Inc (Net)	-0.80	3.81	13.62	21.72	18.11	11.28	6.50	11.88
Index	-1.88	2.44	9.83	16.84	15.46	10.97	8.12	—
Peer Group	-1.34	3.69	9.94	16.06	13.92	8.85	6.72	11.65

12 month rolling	Sep 2025-Sep 2026	Sep 2024-Sep 2025	Sep 2023-Sep 2024	Sep 2022-Sep 2023	Sep 2021-Sep 2022
I Inc (Net)	21.72	16.36	16.34	11.76	-7.34
Index	16.84	16.17	13.40	13.84	-4.00
Peer Group	16.06	10.59	15.22	13.27	-8.79

Performance is on a net of fees basis, with gross income reinvested. Source: at 30/09/26. © 2026 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) 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. **Past performance does not predict future returns.** Performance/performance target related data will display only where relevant to the share class inception date and annualised target time period. **The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested.** Source for target returns (where applicable) - Janus Henderson Investors. This is a representative share class for the fund, other share classes are available and may be more suitable for your investment needs.

Fund charges will impact the value of your investment. In particular, the ongoing charges applicable to each fund will dilute investment performance, particularly over time. For further explanation of charges please visit our Fund Charges page at www.janushenderson.com.

Note that any differences among portfolio securities currencies, share class currencies and costs to be paid or represented in currencies other than your home currency will expose you to currency risk. Costs and returns may increase or decrease as a result of currency and exchange rate fluctuations.

Investment objective

The Fund aims to provide a dividend income, with prospects for both income and capital growth over the long term (5 years or more).

For the fund's investment policy, refer to the Additional fund information on page 4.
Past performance does not predict future returns.

Fund details

Inception date	01 October 1974
Total net assets	236.28m
Asset class	Equities
Domicile	United Kingdom
Structure	OEIC
Base currency	GBP
Index	FTSE All Share Index
Peer group	IA UK Equity Income

For benchmark/usage description, refer to Additional fund information on page 4.

Additional fund information

Tax assumptions and reliefs depend upon an investor's particular circumstances and may be subject to change. Availability of share classes shown may be limited by law in certain jurisdictions. Performance records are detailed on the specific KIID, fees and charges may vary and further information can be found in the fund's prospectus and KIID which must be reviewed before investing. Please consult your local sales representative if you have any further queries. From 01 August 2017, the Henderson UK Equity Income & Growth Fund moved from the IA UK All Companies sector to the IA UK Equity Income sector. 100% of the Annual Management Charge is taken from capital. These are the views of the author at the time of publication and may differ from the views of other individuals/teams at Janus Henderson Investors. Any securities, funds, sectors or indices mentioned within this article do not constitute or form part of any offer or solicitation to buy or sell them. The information in this commentary does not qualify as an investment recommendation. Investment into the fund will acquire units/shares of the fund itself and not the underlying assets owned by the fund. Cash balances and exposures are based on settled and unsettled trades as at the reporting date.
The FTSE All Share Index is a measure of the combined performance of a large number of the companies listed on the London Stock Exchange and includes large, medium and smaller companies. It provides a useful comparison against which the Fund's performance can be assessed over time.
The Investment Association (IA) groups funds with similar geographic and/or investment remit into sectors. The Fund's ranking within the sector (as calculated by a number of data providers) can be a useful performance comparison against other funds with similar aims.

Investment policy

The Fund invests at least 80% of its assets in shares (also known as equities) of companies, in any industry, in the UK. Companies will be incorporated, headquartered, or deriving significant revenue from, the UK. The Fund will typically have a bias towards small and medium sized companies. The Fund may also invest in other assets including other shares, bonds of any quality from any issuer, Collective Investment Schemes (including those managed by Janus Henderson), cash and money market instruments. The Investment Manager may use derivatives (complex financial instruments) to reduce risk or to manage the Fund more efficiently. The Fund is actively managed with reference to the FTSE All Share Index, which is broadly representative of the companies in which it may invest, as this can provide a useful comparator for assessing the Fund's performance. The Investment Manager has discretion to choose investments for the Fund with weightings different to the index or not in the index. As an additional means of assessing the performance of the Fund, the IA UK Equity Income sector average, which is based on a peer group of broadly similar funds, may also provide a useful comparator.

Investment strategy

The Investment Manager seeks to benefit from investment opportunities created by market inefficiencies and aims to add value by investigating under-analysed areas of the market in order to identify out-of-favour, quality companies. The investment process is driven by fundamental company research and focuses on companies with above-average yield and growing dividends. The Fund follows an investment style that creates a bias towards income-generating companies. This may result in the Fund significantly underperforming or outperforming the wider market.

Fund specific risks

Shares can lose value rapidly, and typically involve higher risks than bonds or money market instruments. The value of your investment may fall as a result. Shares of small and mid-size companies can be more volatile than shares of larger companies, and at times it may be difficult to value or to sell shares at desired times and prices, increasing the risk of losses. The Fund follows an investment style that creates a bias towards income-generating companies. This may result in the Fund significantly underperforming or outperforming the wider market. High exposure to a particular country or geographical region carries a higher level of risk than a more broadly diversified portfolio. Derivatives may be used with the aim of reducing risk or managing the portfolio more efficiently. However, this introduces other risks, in particular, that a derivative counterparty may not meet its contractual obligations. When the Fund, or a share/unit class, seeks to mitigate exchange rate movements of a currency relative to the base currency (hedge), the hedging strategy itself may positively or negatively impact the value of the Fund due to differences in short-term interest rates between the currencies. Securities could become hard to value or to sell at a desired time and price, especially in extreme market conditions when asset prices may be falling, increasing the risk of investment losses. Some or all of the ongoing charges and other costs of the Fund may be taken from capital, which may erode capital or reduce potential for capital growth. Losses could be incurred if a counterparty became unwilling or unable to meet its obligations, or as a result of failure or delay in operational processes or the failure of a third party provider.

FOR MORE INFORMATION PLEASE VISIT **JANUSHENDERSON.COM**

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Source: Janus Henderson Investors, as at 30 September 2026, unless otherwise noted.

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