The Merchants Trust PLC

As focused on dividends as you are

Allianz Global Investors

Aim

The Trust's objective is to provide an above average level of income, income growth and long-term growth of capital through a policy of investing mainly in higher yielding large UK companies.

History

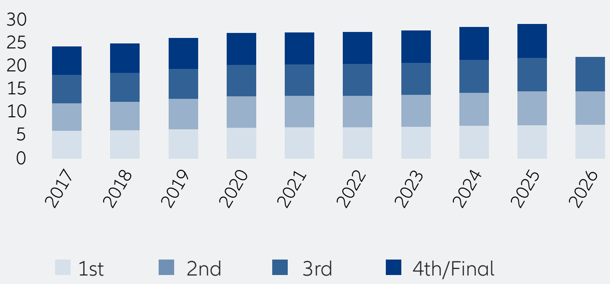
The Merchants Trust PLC was incorporated in February 1889, making it the oldest of the investment trusts in the Allianz Global Investors stable. Initially it invested in the fixed interest securities of railway companies in the USA, Canada and South America, but now concentrates primarily on major UK companies with an above average rate of dividend yield.

Trust Benefits

Merchants has for many years focused on a simple proposition to deliver a high and rising income together with capital growth for its shareholders. Simon Gergel has been managing the trust for over 15 years, investing in a diversified portfolio of large, well-established and well-known UK companies. Although past performance is no guide to the future, Merchants has paid increasingly higher dividends to its shareholders year on year for the last 43 years.

Ten Year Dividend History†

Dividend Record in Pence per Share
To Year End 31 January



Last Four Dividend Payments per Share

Record Date	Pay Date	Dividend	Type
06.02.2026	19.03.2026	7.40p	3rd Interim
10.10.2025	20.11.2025	7.30p	2nd Interim
11.07.2025	22.08.2025	7.30p	1st Interim
22.04.2025	29.05.2025	7.30p	Final

Past performance is not a reliable indicator of future results.
†Chart for indicative purposes only. Details of past dividends can be found on the website: https://www.merchantstrust.co.uk/en-gb/performance-and-updates/dividends

Key Information

Launch Date	16 February 1889
AIC Sector	UK Equity Income
Benchmark	FTSE All-Share
Annual Management Fee	0.35%
Performance Fee	No
Ongoing Charge[1]	0.52%
Year End	31 January
Annual Report	Annual published in April, Half-yearly published in September
AGM	May
NAV Frequency	Daily
Dividends	March, May, August, November
Price Information	Financial Times, The Daily Telegraph, www.merchantstrust.co.uk
Company Secretary	Nira Mistry | Kirsten Salt
Investment Manager	Simon Gergel, CIO, UK Equities
Codes	RIC: MRCH.L SEDOL: 0580007

1. The Ongoing Charge does not represent an additional cost that shareholders of the Company must pay. The Company's share price already reflects the market's assessment of its value taking into consideration publicly disclosed information, including operating expenses and other costs which are disclosed in the Accounts. The investment platform or stockbroker used, or the company/person selling you or advising you about this product may charge you other costs. If so, they will provide you with the relevant information about these costs. Source: AIC, as at the Trust's Financial Year End (31.01.2025). Ongoing Charges (previously Total Expense Ratios) are published annually to show operational expenses, which include the annual management fee, incurred in the running of the company but excluding financing costs.

This is a marketing communication. Please refer to the Key Information Document (KID) before making any final investment decisions.

Citywire Investment Trust Awards 2023 Winner · Investment Company of the Year Awards 2022 Highly Commended UK Income The Merchants Trust · RSMR Investment Trust · aic Dividend Hero · aic Shareholder Communication Awards 2022 Winner

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Total Assets £1,081.8m **Shares in Issue** 147,632,870 (Ordinary 25p) **Market Cap** £927.1m

Share Price	NAV per Share	Premium/-Discount	Dividend Yield	Gearing
628.0p	663.5p	-5.3%	4.7%	12.2%

All data source LSEG Datastream and Allianz Global Investors as at 31.01.26 unless otherwise stated.

Fund Manager's Review

2026 has started much like 2025 ended, with President Trump's unpredictable policy actions impacting sentiment and causing gyrations in financial markets. The US captured Venezuelan President Maduro, as part of a strategy to change Venezuela's domestic policies and to exert influence over the exploitation of the country's vast energy reserves. President Trump also threatened to take over Greenland, before reaching an agreement on defence installations there, whilst threatening Canada with 100% tariffs if it makes a trade deal with China. Many Western leaders, including Sir Keir Starmer, pushed back firmly on the Greenland threats. Mark Carney, the Canadian Prime Minister, talked in Davos about the world being "in the midst of a rupture not a transition" [in global integration].

This all put pressure on the US dollar, which fell heavily, and supported a booming gold price, which rallied by over 10% in January alone. Despite the ongoing geopolitical uncertainty, equities made further progress, with the UK stock market up 3%, outperforming the major US indices, even ignoring the weakness in the dollar. There was a notable rotation in the US, with medium sized companies outperforming the top 500, or the technology rich Nasdaq index. But in the UK, the outperformance of mid-caps was modest.

The best performing UK sectors were precious metals and mining, supported by gold, silver and copper all rallying sharply. Aerospace & defence and banks also showed further strength, building on last year's gains. The weakest sectors included software, which has suffered from fears over artificial intelligence (AI) disruption, as well as finance services and industrial services, where the largest companies were impacted by similar fears.

> "As we passed the end of Merchant's financial year, the directors raised the third interim dividend, leaving the company on track for a 44th consecutive year of dividend growth

Merchants' performance was ahead of the benchmark, boosted by double digit returns at the resources stocks, Atalaya Mining and Harbour Energy, and fund manager Man Group. Performance also benefitted from not owning AstraZeneca and Relx, which both underperformed. On the other hand, there was some impact from not owning HSBC, Glencore and BAE Systems which outperformed, and Marshalls was weak in a subdued environment for the building industry. Merchants' Net Asset Value (NAV) total return was 4.39% compared to 3.08% from the benchmark, FTSE All-Share index.

Simon Gergel, Portfolio Manager

The Merchants Trust PLC is managed by Simon Gergel who is Chief Investment Officer, UK Equities at AllianzGI and has 32 years investment experience. Simon joined AllianzGI in April 2006 from HSBC Halbis Partners where he managed over £900m in high income funds as well as core institutional and life UK equity portfolios. Prior to joining HSBC, Simon worked for 14 years at Phillips & Drew Fund Management / UBS Asset Management.

Portfolio activity mainly involved profit taking in strong performers and rotating money into situations where we saw more upside. This included reducing Serco, Atalaya Mining, IG, GSK, Rio Tinto and Barclays, while adding to Michelin, Unilever, Legal & General, Tate & Lyle, DCC, Hikma and Grafton.

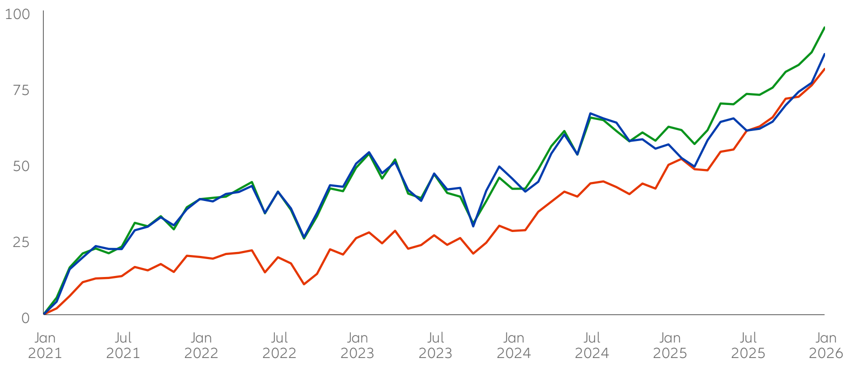
As we passed the end of Merchant's financial year, the directors raised the third interim dividend, leaving the company on track for a 44th consecutive year of dividend growth. Although it has been a very strong year for returns, we still remain excited about the future potential from the portfolio. The stock market remains highly polarised. Whilst sectors like defence and banks have performed well, many of the more cyclical and domestic sectors, like housebuilding and real estate, have been poor performers, leaving valuations of stocks well below our assessment of their intrinsic value. The portfolio is heavily weighted towards medium sized companies where, on average, we see the best potential upside.

Simon Gergel
18 February 2026

This is no recommendation or solicitation to buy or sell any particular security. Any security mentioned above will not necessarily be comprised in the portfolio by the time this document is disclosed or at any other subsequent date.

Performance Track Record

Five Year Performance (%)



Share Price NAV (debt at fair value)
Benchmark: FTSE All-Share Index

Risk & Features

Investment trusts are quoted companies listed on the London Stock Exchange. Their share prices are determined by factors including the balance of supply and demand in the market.

Merchants seeks to enhance returns for its shareholders through gearing which can boost the Trust's returns when investments perform well, though losses can be magnified when investments lose value. You should be aware that this Trust may be subject to sudden and large falls in value and you could suffer substantial capital loss.

Derivatives may be used to manage the Trust efficiently.

Cumulative Returns (%)

	3M	6M	1Y	3Y	5Y
Share Price	10.0	15.7	19.1	24.1	85.7
NAV (debt at fair value)	8.1	12.6	20.2	31.1	94.3
Benchmark	5.7	12.7	21.1	44.5	80.8

Discrete 12 Month Returns to 31 January (%)

	2026	2025	2024	2023	2022
Share Price	19.1	7.8	-3.3	8.4	38.0
NAV (debt at fair value)	20.2	14.4	-4.7	7.5	37.9
Benchmark	21.1	17.1	1.9	5.2	18.9

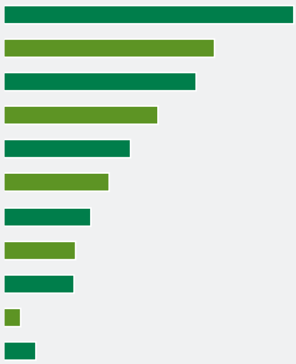
Source: LSEG Datastream, percentage growth, total return (refer to the Alternative Performance Measures section of the Annual Report for full details of performance measures) to 31.01.26. DataStream shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon.

Past performance does not predict future returns. Investing involves risk. The value of an investment and the income from it may fall as well as rise and investors might not get back the full amount invested. This investment trust charges 65% of its annual management fee to the capital account and 35% to revenue. This could lead to a higher level of income but capital growth will be constrained as a result.

Portfolio Breakdown

Sector Breakdown (%)

Financials	21.4
Industrials	15.5
Consumer Discretionary	14.2
Consumer Staples	11.4
Energy	9.3
Real Estate	7.7
Health Care	6.4
Materials	5.3
Utilities	5.2
Information Technology	1.2
Cash	2.4



Top Ten Holdings (%)

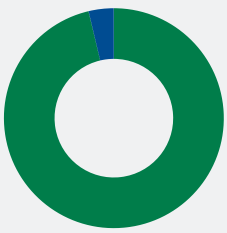
Lloyds Banking Group	5.9
GSK	4.3
Rio Tinto	3.6
British American Tobacco	3.5
Shell	3.4
Barclays	2.8
DCC	2.8
Legal & General	2.8
BP	2.7
National Grid	2.7

Total number of holdings** 53

**Excludes derivatives

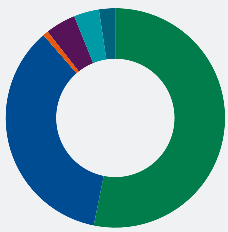
Geographic Breakdown* (%)

UK	96.3
Europe ex UK	3.7



Market Cap Breakdown (%)

FTSE 100	53.2
FTSE 250	35.4
FTSE AIM	0.8
Small Cap	4.5
Other	3.7
Cash	2.4



This is for guidance only and not indicative of future allocation. Totals may not sum to 100.0% due to rounding.
This is no recommendation or solicitation to buy or sell any particular security.
*Excludes Cash

Board of Directors

Colin Clark (Chairman)
Mal Patel (Chairman of the Audit Committee)
Lisa Edgar
Neil Galloway
Karen McKellar (Senior Independent Director)

Glossary

Share Price is the price of a single ordinary share, as determined by the stock market. The share price above is the mid-market price at market close.

Net Asset Value (NAV) per Share is calculated as available shareholders' funds divided by the number of shares in issue, with shareholders' funds taken to be the net value of all the company's assets after deducting liabilities.

The month-end NAV figure above is based on the fair/market value cum income of the company's long-term debt and preference shares (known as debt at market value). This allows for the valuation of long-term debt and preference shares at fair value or current market price, rather than at final repayment value (known as debt at par).

Premium/Discount. Since investment company shares are traded on a stock market, the share price that you get may be higher or lower than the NAV. The difference is known as a premium or discount.

Dividend Yield is calculated using the latest full year dividend divided by the current share price.

Gearing is a measure of a company's financial leverage and shows the extent to which its operations are funded by lenders versus shareholders.

How to invest

You can buy shares in the Trust through:

- A third party provider - see 'How to Invest' on our website, where you will find links to a range of these platforms, many of which allow you to hold the shares within an ISA, Junior ISA, SIPP and/or savings scheme.
- A stockbroker.
- A financial adviser.

Contact us

If you have any queries regarding our investment trusts our Investor Services team can be contacted on:

0800 389 4696

www.merchantstrust.co.uk

E-mail: investment-trusts@allianzgi.com

You will find much more information about The Merchants Trust on our website.

Please note that we can only offer information and are unable to provide investment advice. You should contact your financial adviser before making any investment decision.

Past performance does not predict future returns. Investing involves risk. The value of an investment and the income from it may fall as well as rise and investors may not get back the full amount invested. The statements contained herein may include statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. We assume no obligation to update any forward-looking statement. The views and opinions expressed herein, which are subject to change without notice, are those of the issuer and/or its affiliated companies at the time of publication. The data used is derived from various sources, and assumed to be correct and reliable, but it has not been independently verified; its accuracy or completeness is not guaranteed and no liability is assumed for any direct or consequential losses arising from its use, unless caused by gross negligence or wilful misconduct. The conditions of any underlying offer or contract that may have been or will be made or concluded shall prevail. For further information contact the issuer at the address indicated below.

All data source LSEG Datastream and Allianz Global Investors as at 31.01.26 unless otherwise stated.

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