Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products. This document has been prepared with reference to the Financial Conduct Authority's Statement on forbearance in relation to investment company disclosure requirements dated 19 September 2024. It does not seek to comply with the requirements of the UK PRIIPs Regulation in all respects (in particular, with regards cost disclosures) and therefore the content may look different to key information documents for other products. This document will be supplied until a standard industry replacement to a PRIIPS KID document is in place.

Key Information Document

Allianz Global Investors

ISIN GB0005800072

Product

The Merchants Trust PLC (the "Company") – Ordinary Shares – ISIN GB0005800072.
This key information document is produced by its alternative investment fund manager **Allianz Global Investors UK Limited** (the "Manager"). The Manager is authorised and regulated by the Financial Conduct Authority.

The Manager can be contacted by calling 0800 389 4696 or by visiting www.merchantstrust.co.uk.

The Key Information Document has been approved for publication on 10.06.2026.

What is this product?

Type
The Company is a closed-ended investment company whose shares are listed on the Official List of the UK Listing Authority and traded on the Main Market of London Stock Exchange. The Company's ordinary shares are therefore available to the general public. The Company is an Alternative Investment Fund under the UK version of the Alternative Investment Fund Managers Directive.

Bid/Offer Spread
Shares of the Company are bought and sold via markets. Typically at any given time on any given day, the price you pay for a share will be higher than the price at which you could sell it.

Term
The Company does not have a fixed lifespan and there is no requirement for a periodic vote to allow the Company to continue in operation.

Objective
The Company'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. The benchmark against which performance is measured is the FTSE All-Share Index.

Gearing
The Company has the ability to gear - borrow money to invest - with the objective of enhancing future returns. The Board's policy is to maintain **gearing** (borrowing as a percentage of net assets) in the range of 10-25% (at the time of drawdown).

Intended retail investor
The Company is aimed at retail investors with a basic knowledge and/or experience of financial products. Prospective investors should be capable of bearing a financial loss, which may be equal to the entire amount invested. An investment in the Company may be suitable for investors who seek capital growth over the long term, with a minimum suggested holding period of five years.

What are the risks and what could I get in return?

Risk Indicator

← Lower risk Higher risk →

1	2	3	**4**	5	6	7



The risk indicator assumes you hold your investment in the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions will likely impact the amount you could get back from your investment.

The summary risk indicator only reflects historical share price volatility of the Company's shares. It excludes other risks inherent in the product and, therefore, does not show the full risks to the investor. A more detailed description of risk factors that apply to this product is set out in the latest Annual Report.

This product does not include any protection from future market performance so you could lose some or all of your investment.

Performance information

The value of an investment in the Company, and any income derived from it, may fluctuate and can go down as well as up depending on a number of factors. The main factors likely to affect future returns from an investment in the Company include:

- the investment decisions taken by the portfolio manager when managing the Company's portfolio, including the selection, performance and price volatility of individual stocks within the Company's portfolio which can lead to out / under performance of the benchmark;
- the performance and price volatility of stock markets more generally, which may be influenced by various macro-economic factors such as currency exchange rates, interest rates, rates of inflation, tax, legal and regulatory developments, political events and any other factors that may cause price movements, volatility or illiquidity in the market;
- the effect of gearing, which may enhance the earnings per share and potentially increase long term returns but which may amplify losses when markets fall; and
- other factors arising from events which are outside of the Company's control, such as significant geopolitical events and climate related risks.

A more detailed description of factors that may impact the Company's performance, and the how specific risks are managed by the Company and the Manager, is set out in the latest Annual Report.

The Company has delivered a share price return of 13.17% with a volatility of 14.30% over the past five years to 31 January 2026 on an annualised basis. Since 1964, the average rolling five-year return was 11.91%. Past performance is not a reliable indicator of future results.

The benchmark against which the Company's performance is measured is the FTSE All-Share Index, which the Company considers to be the most appropriate comparator in respect of the Company's asset allocation. However, the Company's portfolio is actively managed and the portfolio manager has discretion to deviate from the index. As a result, the Company's performance may diverge – both negatively and positively - from the index and the Company's share price may experience a higher volatility than the index.

What could affect returns positively

Specific factors that could affect returns positively include rising equity markets, good stock selection by the Company's portfolio manager, the effective use of gearing to amplify returns and a positive macro-economic environment.

What could affect returns negatively

Specific factors that could affect returns negatively include falling equity markets, poor stock selection by the Company's portfolio manager, the effect of gearing to reduce returns and amplify losses suffered by the Company in a falling equity market and an adverse macro-economic environment.

What could happen under severely adverse market conditions?

Under severely adverse market conditions there may be insufficient income generated by the Company's portfolio and the Company may be unable to pay a rising (or any) dividend to shareholders. However, when dividends were cut or not paid to the Company by investee companies in 2020 the portfolio yield together with contributions from revenue reserves were sufficient to support a rising dividend.

In extreme market conditions the Company's NAV and share price could fall significantly, which may result in a breach of loan covenants by the Company. However, in 2020 when there were large market fluctuations there was ample headroom for the gearing covenants.

In this scenario, the value of the Company's investments may be negatively impacted and the Company's share price may experience significant volatility. Investors may suffer a financial loss, which could equal the entire amount invested.

What happens if the Company or the Manager is unable to pay out?

As the shares are not traded directly with the Company or the Manager but are traded on the London Stock Exchange, any default by the Manager will not directly affect the value of your shares. However, a default by the Company or any of the underlying holdings could affect the value of your investment and you may suffer a financial loss, which could equal the entire amount invested.

As the shares are listed on the London Stock Exchange, any direct holding of these shares is not covered by the Financial Services Compensation Scheme or any other investor compensation schemes in relation to either the Manager or the Company.

What are the costs?

This disclosure has been prepared with reference to the Financial Conduct Authority's Statement on forbearance for investment companies dated 19 September 2024, (which provided that investment trusts are no longer required to follow the previous cost disclosure rules under the PRIIPs Regulation).

As a UK-listed investment trust, the Company incurs ongoing operating costs in respect of its ongoing management, which are not additional costs borne by shareholders of the Company. Details of the Company's ongoing operating costs (including an ongoing charges figure (OCF)) are disclosed in the latest audited Annual Report which can be found at: www.merchantstrust.co.uk. The OCF is calculated in accordance with guidance issued by the Association of Investment Companies (AIC) and is taken from the Company's Annual Report and is disclosed in the factsheet. The OCF is calculated by dividing operating expenses, i.e., the management fee and all administration expenses, excluding finance costs, by the company's average Net Asset Value (with debt at fair value) during the year.

For the avoidance of doubt, the OCF 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 Annual Report. None of these costs are payable by you to the Company or its manager. All costs incurred by the Company are disclosed in the Annual Report.

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.

Ongoing charge figure for the year 31 January 2026	0.54 %	This represents expenses incurred by the company and no additional charge is made to the investor

How long should I hold it and can I take money out early?

Recommended holding period: 5 years

The Company's ordinary shares are designed to be held over the long term and may not be suitable as short-term investments. There is no guarantee that any appreciation in the value of the Company's investments will occur and investors may not get back the full value of their investments. The value of the ordinary shares and the income derived from them (if any) may go down as well as up. Although the ordinary shares are traded on the Main Market, it is possible that there may not be a liquid market in the shares and investors may have difficulty selling them. Accordingly, investors may be unable to realise their shares at the quoted market price (or at the prevailing net asset value per share), or at all.

How can I complain?

If you have a complaint about the product or person advising you on or selling the product you will need to provide details to the person who advised you or sold you the product. As a shareholder of the Company you do not have a right to complain to the Financial Ombudsman Service (FOS) about the management of the Company. Complaints about the Company or the key information document should be directed to:

Investor Services (Investment Trusts), Allianz Global Investors UK Limited, 199 Bishopsgate, London EC2M 3TY
Telephone Number: 0800 389 4696, Email: investment-trusts@allianzgi.com

For more information please see the website https://www.merchantstrust.co.uk

Other relevant information

The document is required to be updated every twelve months to reflect the current costs and will reflect the current market practice.

Depending on how you buy these shares you may incur other costs, including broker commission, platform fees and Stamp Duty. The distributor will provide you with additional documents where necessary.

The current annual and half year reports may be obtained in hard copy without charge from the Manager and without any charge on the website www.merchantstrust.co.uk.

More information and documentation with regards to the Company is available on our website www.merchantstrust.co.uk.

The costs, performance and risk calculations included in this key information document follow the methodology prescribed by rules and regulations applicable in the UK as at the date of publication. The management fee rate for the Company has not changed in the past year.