GMP

GABELLI MERCHANT PARTNERS PLC

GABELLI FUNDS

INVESTMENT OBJECTIVE

The Company's primary investment objective is to seek to generate total return, consisting of capital appreciation and current income for the long term. The Company will seek a secondary objective of the protection of capital, uncorrelated to equity and fixed income markets.

MERGER INVESTING WITH GABELLI

The Company will seek to meet its long-term investment objective by utilising the Gabelli Private Market Value (PMV) with a Catalyst™, investment methodology, maintaining a diversified portfolio of event merger arbitrage strategies to seek to create an optimal risk/reward profile for the portfolio. The company invests for the long term as owners with an emphasis on cash generating, franchise companies, selling at a significant discount to our appraisal of their Private Market Value.

"Event Driven Merger Arbitrage" is a highly specialised active investment approach designed principally to profit from the differences between PMV estimates and public market price with returns realised through the price achieved through corporate catalyst events. Catalysts are utilised to earn returns independent of the broad markets' direction. This includes corporate events such as, but not limited to, management changes, announced mergers, acquisitions, takeovers, tender offers, leveraged buyouts, restructurings, demergers and other types of reorganisations and corporate actions ("deals").

KEY PARAMETERS

Inception	19 July 2017
Total Net Assets	$74.1m
NAV per Share	$10.48
Market Price	$8.60
Premium/(Discount)	(17.9)%
Distribution Frequency	Quarterly
AIC Member Sector	Hedge Funds

ASSET TYPE

Equity	57.9%
Contract for Difference	27.0%
Cash & Cash Equivalents	15.1%

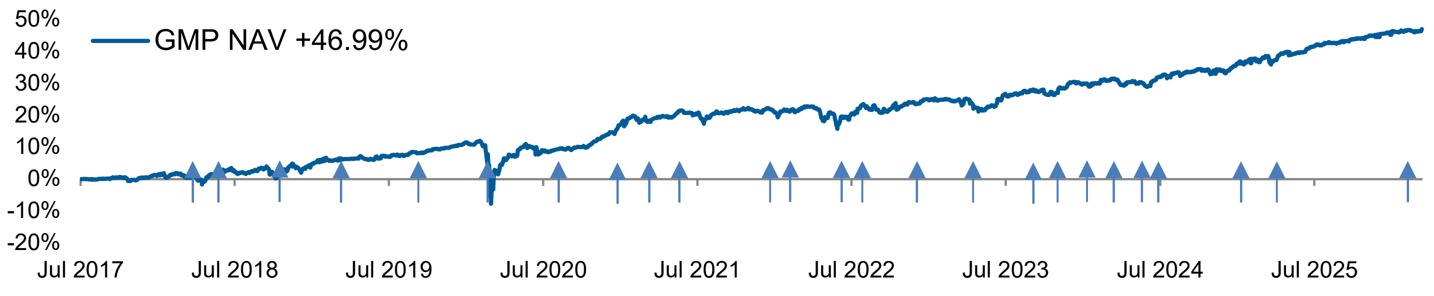
PORTFOLIO EXPOSURE

Long	103.7%
Short	14.3%
Gross	118.0%
Net	89.3%

INVESTMENT SUMMARY

Total Positions	219
Average Position	0.5%
Top 5 Positions	17.4%
Top 10 Positions	28.1%
Net Gearing	0.0%

CUMULATIVE PERFORMANCE



PERFORMANCE

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026			
In USD %	**Year**	**Year**	**Year**	**Year**	**Year**	**Year**	**Year**	**Year**	**Year**	**Q1**	**Q2**	**YTD**	**ITD[5]**
GMP NAV[3]	0.91	2.82	6.82	3.50	6.72	1.78	4.47	2.99	8.41	0.77	0.67	1.44	47.97
GMP Mkt[4]	1.87	-12.95	9.20	-9.68	29.80	2.68	-3.02	0.12	7.73	2.35	0.58	2.95	27.25
13W TBill[6]	0.86	1.87	2.28	0.67	0.05	1.46	5.02	5.25	4.18	0.85	0.93	1.79	25.48

Please visit www.gabelli.co.uk to view additional Company documents

Past performance is no guarantee of future results

SELECTED HOLDINGS

- Arcellx Inc
- Chart Industries Inc
- Clearwater Analytics Holdings
- Electronic Arts Inc
- Hologic Inc
- Masimo Corporation
- Penumbra Inc
- Sealed Air Corporation
- TXNM Energy Inc
- Warner Bros Discovery Inc

GEOGRAPHIC EXPOSURE

United States	69.0
Europe	24.8
Rest of World	6.2
Total	**100.0%**

SECTOR EXPOSURE[1] (%)

Communication Services	17.2
Consumer Discretionary	5.4
Consumer Staples	5.0
Energy	2.9
Financials	22.2
Healthcare	11.7
Industrials	18.7
Information Technology	6.6
Materials	2.5
Utilities	7.3
Total	**100.0%**

MARKET CAPITALISATION[2] (%)

Small Cap (<$2 bn)	61.3
Mid Cap ($2 bn - $10 bn)	19.1
Large Cap (>$10 bn)	19.6
Total	**100.0%**

COMPANY INFORMATION

Ticker ($/£)	GMP/ GMPP
Exchange	LSE-SFM; TISE
Domicile	United Kingdom
Dealing Currency	USD
ISIN	GB00BD8P0741
Sedol ($/£)	BD8P074 / BK9YF07
Ordinary Shares	6,927,785

MANAGEMENT

AIFM & Portfolio Manager	Gabelli Funds, LLC
Ongoing Charges	1.67%
Management Fee	0.85%
Performance Fee	20% with Hurdle & HWM
Performance Hurdle	Twice the return on 13 week US TBills, capped at 3% of average net assets

FINANCIAL CALENDAR

Year End	30 June
Next AGM (Expected)	Q4 2026

CLIENT SERVICES

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Web	gabelli.com/merchant

NOTEWORTHY ANNOUNCED DEAL (IN THE QUARTER ENDED JUNE 30, 2026)

AstroNova, Inc. (ALOT-NASDAQ) agreed to be acquired by Arcline Investment Management (Private) on June 17, 2026. AstroNova is a provider of mission-critical identification, marking, tracking, and communication solutions serving the aerospace & defense and labeling & packaging industries. Under terms of the agreement, AstroNova shareholders will receive $29.00 per share in cash. The transaction followed AstroNova's previously announced review of strategic alternatives and is expected to close in the third quarter of 2026, subject to shareholder approval, regulatory clearances, and other customary closing conditions. We initiated a position following announcement.

NOTEWORTHY COMPLETED DEAL (IN THE QUARTER ENDED JUNE 30, 2026)

Masimo Corporation (MASI-NASDAQ), a medical technology company focused on pulse oximetry and other patient monitoring solutions, primarily used in acute care settings, had agreed to be acquired by Danaher Corporation (DHR-NYSE) on February 16, 2026. Under terms of the agreement, Masimo shareholders received $180.00 per share in cash, valuing the transaction at approximately $9.9 billion. The transaction received the necessary shareholder and regulatory approvals and closed on June 10, 2026. Following completion, Masimo became a standalone operating company within Danaher's Diagnostics segment.

MANAGER COMMENTARY

The second quarter of 2026 was characterised by continued progress across our announced merger positions and a healthy level of deal completions. Although broader market volatility during the latter part of the quarter contributed to temporary mark-to-market spread widening across a few announced transactions, we viewed these periods of dislocation as opportunities to redeploy capital into attractive merger arbitrage investments with favourable prospective returns.

The global merger environment strengthened further during the quarter. Worldwide announced M&A totalled approximately US$2.85 trillion during the first half of 2026, an increase of 50% over the prior year and the strongest opening six months for deal activity on record. Activity continued to be driven by larger strategic transactions, with a record 48 deals exceeding US$10 billion, while cross-border M&A increased 63% year-on-year to its highest level since 2007. The United States accounted for 54% of global announced activity, while European deal value more than doubled to a 19-year high. Technology remained the largest sector by value, complemented by significant activity across Industrials, Energy & Power, Financials and Healthcare. Private equity sponsors also remained active, announcing a record US$602 billion of buyouts during the first half as improving financing conditions supported larger transactions.

We continue to find attractive investment opportunities across both newly announced and existing transactions. Our investment process remains focused on highly strategic, well-financed deals where we believe there is a clear path through regulatory, financing and shareholder approvals, while maintaining an emphasis on near-term catalysts capable of unlocking value. We believe the combination of a healthy global M&A environment, supportive financing markets and improving regulatory visibility continues to provide an attractive backdrop for merger arbitrage investing, and we remain optimistic about our ability to generate attractive absolute returns. Notable holdings at quarter-end included:

- Electronic Arts Inc. (EA – NASDAQ) agreed to be acquired by a consortium including the Saudi Arabia Public Investment Fund, Silver Lake and Affinity Partners. Electronic Arts develops, markets, publishes and delivers games, content and services for consoles, PCs and mobile devices worldwide. Under the terms of the agreement, Electronic Arts shareholders will receive US$210.00 per share in cash, valuing the transaction at approximately US$55.0 billion. The transaction remains subject to customary regulatory approvals and is expected to close during the second half of 2026. During the quarter, the transaction progressed through the early stages of the regulatory approval process and remains on track to close during the second half of 2026.

- Chart Industries, Inc. (GTLS – NYSE) agreed to be acquired by Baker Hughes Company. Chart designs, engineers and manufactures process technologies and equipment for gas and liquid molecules across industrial, energy and clean energy end markets worldwide. Under the terms of the agreement, Chart shareholders will receive US$210.00 per share in cash, valuing the transaction at approximately US$13.6 billion. The transaction remains subject to customary regulatory approvals and is expected to close during the third quarter of 2026. During the quarter, the transaction continued to progress through the regulatory approval process and remains expected to close during the third quarter of 2026.

DISCLOSURES

[1] Sector Exposure includes only long positions. Source: Bloomberg. All data is in USD terms.
[2] Portfolio composition is reflective of the portfolio as of the date of this report, but is not necessarily indicative of the composition of the portfolio in the future which may be significantly different than that show here. The classifications of market capitalisation, sector, and geography for the Company and indices were sourced from Factset Systems and data is believed to be reliable. For market capitalization classifications, greater than $10 billion is considered large cap, $2-10 billion is mid cap, and less than $2 billion is small cap. Market Capitalisation, sector and geographic exposures reflect that of equity investments only. Invested Capital includes all long positions (including Net Swap Positions, excludes Net Cash and US Treasuries. Short term fixed Income includes US Treasury/Money Market/Cash
[3] NAV performance is net of all fees and expenses and based on the initial NAV of $9.92 on 19 July 2017.
[4] Market performance is based on the initial offering price of $10.00 on 19 July 2017 and reflects changes in closing market values on the LSE.
[5] Inception to Date performance is from 19 July 2017.
[6] Source: treasury.gov, 13 Week Treasury Bill Coupon equivalent at the end of month divided by 12 (months), to represent it on a monthly basis.

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Gabelli Merchant Partners Plc, formerly Gabelli Merger Plus+ Trust, announced that its name changed effective from 2 April 2025, and its shares began trading under the new name on the Specialist Fund Segment (SFS) of the London Stock Exchange at that time. The trust's ticker (ISIN) and SEDOL remains unchanged.