

26 June 2024

Alliance Trust combines with Witan to form Alliance Witan in UK's largest ever investment trust merger

- **Following a comprehensive strategic review by its Board, Witan's assets are to be rolled into Alliance Trust to form Alliance Witan, with net assets of around £5bn**
- **Alliance Trust's award-winning investment strategy, which provides exclusive access to the best ideas of leading active managers globally, remains unchanged**
- **Transaction provides continuity for Witan shareholders to continue investing in a multi-manager strategy**
- **The combination of Alliance and Witan will create an even more liquid, high-profile and cost efficient one-stop shop for global equities**
- **Alliance Trust shareholders, already enjoying 13.2% per annum growth in dividends over the last five years, to benefit from further step up in the level of dividend payments**
- **Transaction is due to complete September/October when the new shares for Alliance Witan will be issued**

The boards of Alliance Trust PLC and Witan Investment Trust plc are pleased to announce that the companies have entered into heads of terms for a combination of the two companies to create Alliance Witan PLC. This follows a strategic review by the board of Witan of its investment management arrangements, triggered by the planned retirement of Andrew Bell, Witan's Chief Executive Officer.

The combination will build upon the distinctive multi-manager investment model already employed by Alliance Trust, which utilises the proven management skills and deep resources of Willis Towers Watson (WTW) to create an actively managed global equity portfolio chosen by best-in-class stock pickers. Alliance Witan will apply that methodology within an even more liquid, high-profile and cost-efficient "one stop shop" investment vehicle for global equities. With net assets of around £5 billion, significant economies of scale, eligibility for FTSE 100 inclusion, powerful and well-established brand recognition on both sides, and proven marketing expertise backed by dedicated resources and budget, Alliance Witan will aim to be the UK's leading global equity investment proposition, sitting at the core of investors' portfolios.

The combination will be undertaken through a scheme of reconstruction by Witan under s110 of the Insolvency Act 1986, which will see Witan roll into Alliance Trust in exchange for the issue of new Alliance Witan shares to the continuing Witan shareholders. Alliance Trust's investment manager, WTW, will have overall responsibility for managing the assets of the combined Alliance Witan. It will employ the same proven approach as has been successfully utilised by Alliance Trust since WTW's appointment in 2017 – selecting a diverse team of expert stock pickers, each of whom invests in a customised selection of 10-20 of their 'best ideas'.

Dean Buckley, Chairman of Alliance Trust, commented: *"The formation of Alliance Witan brings together the two leading open-architecture multi-manager investment company propositions in the UK to form a FTSE 100 equity investment vehicle with the quality, cost efficiency and profile to play a leading role in the UK investment market. Shareholders will benefit from access to the proven investment process implemented by our investment manager, Willis Towers Watson, and access to the world's leading stock pickers. This is also a significant moment for our industry in broader terms – Alliance Witan represents a key milestone in the history of the investment trust structure which has demonstrated its capabilities very effectively over many decades."*

Witan was an early adopter of the multi-manager solution and, on behalf of my Board, we congratulate Andrew Bell and his team on all that they have achieved during their tenures. Combining our two historic companies, established in 1888 and 1909 respectively, recognises the attractive opportunity to deploy the investment strategy, which has been proven to be robust through the investment cycle, at significantly greater scale."

Andrew Ross, Chairman of Witan, commented: *"Since Andrew Bell announced his intention to retire, we have been through an extensive process to identify the best candidate to take on the management of our shareholders' assets. The board assessed a number of very strong proposals, including single-manager candidates with impressive track records. However, the Board was unanimous in recommending the combination with Alliance Trust, which allows the continuation of our multi manager approach at lower fees and in a larger, more liquid vehicle. The companies share similar cultures and a mutual desire to provide a "one stop shop" for retail investors in global equities. I am delighted to announce this transaction, the largest ever investment trust combination, in Witan's 100th year as a quoted company on the London Stock Exchange. The deal will result in one of the leading investment companies listed in London and will stand our shareholders in good stead for many years to come."*

Key benefits of the combination:

- Best-in-class investment management
- Strong investment performance track record
- Attractive and progressive dividends per share
- Large scale and FTSE 100 inclusion
- Lower management fees
- Lower ongoing charges
- Significant contribution to costs from WTW
- Tangible economic upside for both sets of shareholders

View full [RNS announcement](#) and [watch the interview](#) with Dean Buckley and Andrew Ross.

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About [Alliance Trust PLC](#)

Alliance Trust aims to deliver long-term capital growth and rising income from investing in global equities at a competitive cost. We blend the top stock selections of some of the world's best active managers, as rated by Willis Towers Watson, into a single diversified portfolio designed to outperform the market while carefully managing risk and volatility. Alliance Trust is an AIC (Association of Investment Companies) Dividend Hero with 57 consecutive years of rising dividends.

About [Witan Investment Trust plc](#)

Established in 1909, Witan is one of the UK's largest investment trusts, managing £1.8bn. Witan operates a multi-manager structure and currently has 8 principal managers.