Schroder Asian Total Return Investment Company plc (ATR)

An award-winning approach to investing in Asia

Information for Pacific Assets Trust plc shareholders.

August 2026

Marketing material.

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Contents

Background

A new chapter for your Asian equity investment

On 11 June 2026, the Boards of **Schroder Asian Total Return Investment Company plc** (ATR) and **Pacific Assets Trust plc** (PAC) announced that they had agreed plans to **combine the two companies**. If approved, PAC shareholders will have the opportunity to continue their Asian equity investment journey through ATR – an award-winning, differentiated Asian equity strategy managed by Schroders' highly experienced Asian equities team. This document has been prepared to introduce PAC shareholders to ATR: its strategy, its people, its track record and the benefits it offers to shareholders.

What ATR offers you

A proven Asian equity strategy...

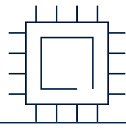
Outperformance of 13.2% p.a. vs. reference index (MSCI AC AsiaPacific ex Japan) 9.6% p.a. over 10 years[1].

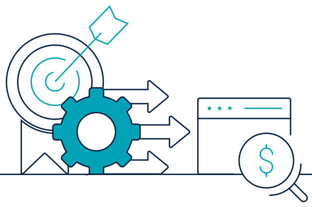
...With a differentiated approach...

Bottom-up stock selection, combined with a disciplined top-down hedging overlay, using derivatives, for capital preservation.

...Harnessing deep Asian equities expertise...

Portfolio Managers Robin Parbrook and Lee King Fuei have over 50 years of combined experience, supported by 47 analysts across six Asian offices[2].



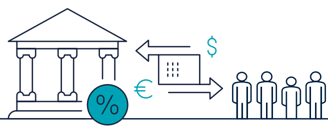


...Offering robust discount control...

ATR has traded at an average discount to NAV (net asset value) per share of just 2.4% over the past 10 years, versus 9.4% for its peer group[3].

...Providing meaningful scale...

The proposed combination will create an enlarged company with a pro forma NAV (net asset value) of over £1bn, enhancing liquidity and relevance.



...And lower ongoing charges.

Post-combination ongoing charge expected to fall to 0.66% which would be the lowest in its sector (AIC Asia Pacific sector as at 31 July 2026[4]).

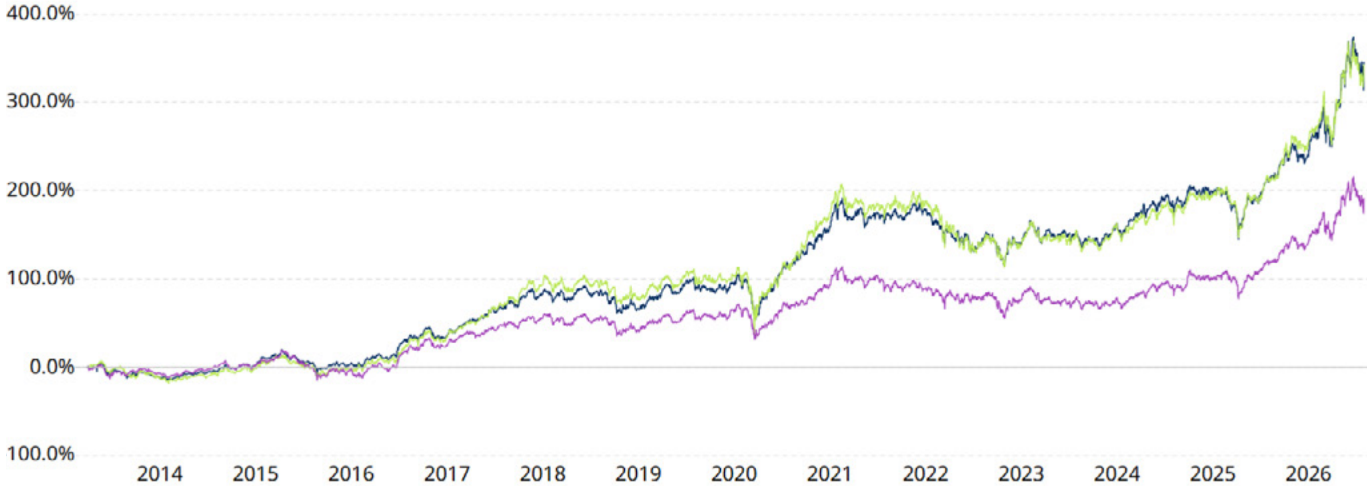
Past performance is not a guide to future performance. The value of investments and the income you receive from them may go down as well as up.
Sources: [1]Morningstar to 31 July 2026 (Net, GBP). [2]Schroders, 31 July 2026. [3]Morningstar to 31 July 2026 – Sector is AIC Asia Pacific. Average of peer group discounts. [4]Schroders, Association of Investment Companies at 31 July 2026.

Performance track record

NAV (Net Asset Value) per share, ordinary share price and reference index total returns (%GBP)

For periods to 31 July 2026	3 months	6 months	YTD	1 year	3 years	5 years	10 years	Since inception (31 March 2013)
	%	%	%	%	% p.a.	% p.a.	% p.a.	% p.a.
ATR NAV cum income	13.9	21.9	30.1	41.8	20.6	10.8	13.2	11.7
ATR Share Price	10.2	20.0	25.6	40.7	20.6	10.0	13.6	11.8
Reference index (MSCI AC Asia Pacific ex JP NR)	6.9	14.3	21.0	32.3	17.6	9.0	9.6	8.3

Cumulative performance since inception (31 March 2013)



Schroder Asian Total Return Inv Co
Net asset value: Mar 13–Jul 26
345.7%

Schroder Asian Total Return Inv Co
Share price: Mar 13–Jul 26
343.0%

MSCI AC Asia Pacific ex JP NR
Reference index: Mar 13–Jul 26
191.0%

Source: Schroders, Morningstar. Net of fees. NAVs are expressed cum income. The reference index referred to above is the MSCI AC Asia Pacific ex Japan Index (GBP) since March 2013, chain-linked to the original index. New strategy started from March 2013.

Past Performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Exchange rate changes may cause the value of investments to fall as well as rise. Performance data does not take into account any commissions and costs, if any, charged when units or shares of any fund, as applicable, are issued and redeemed.

Logos are the property of their respective entities. The AIC ISA Millionaire status highlights investment trusts that would have made investors more than £1 million if they had invested the full annual ISA allowance in the same trust each year.

ATR's investment philosophy

We take a different approach to investing in Asia

1 – We ignore the index

We don't build portfolios around benchmark weightings or invest simply because a company is large or widely owned. Instead, we focus on finding businesses that can create lasting shareholder value and deliver attractive long-term returns. What matters to us is the quality of the underlying businesses and their ability to generate consistent returns for shareholders.

2 – We focus on absolute returns, not benchmark bets

Our aim is straightforward: to grow capital over the long term while seeking to avoid meaningful losses. We invest in companies where we see compelling upside to our assessment of fair value, rather than making active bets relative to a benchmark. We believe a disciplined focus on business quality, valuation and shareholder value creation offers the best path to delivering attractive returns through the market cycle.

3 – We actively manage market risk

Asian equity markets can be volatile. Alongside bottom-up stock selection, we use a disciplined risk-management process to assess market conditions and identify potential downside risks. When we believe risks are elevated, we can use derivatives to hedge the portfolio, helping to reduce volatility and preserve capital.

4 – We use gearing alongside hedging

We have a broad toolkit at our disposal. When attractive opportunities emerge, we can use gearing selectively to enhance returns. At the same time, our hedging framework can help reduce market risk when conditions warrant. Together, these tools give us greater flexibility to navigate different market environments and pursue better risk-adjusted returns over time.

5 – We believe Asia remains a compelling place to invest

Asia is home to some of the world's most dynamic economies and innovative companies. From technology leaders in Taiwan and Korea, to structural growth opportunities in India and selected ASEAN markets, alongside high-quality businesses in Australia, Singapore and Greater China, the region offers a diverse set of opportunities for active investors. We believe this breadth creates fertile ground for long-term stock pickers.

ATR's investment philosophy continued

We view Asian equities as primarily 4 distinct investment clusters with different drivers...

China/HK

- Structurally challenged due to China's investment driven growth model which leads to overcapacity and poor returns on invested capital
- Some good companies trading at attractive valuations

Korea/Taiwan

- Principally technology-heavy (semi-conductors) stock markets
- Attractive companies with strong IP – cyclical but with growth
- Does value up in Korea lead to a further rerating? We think it is now priced in

India/ASEAN

- Genuine emerging markets
- Strong GDP growth but more volatile politics and regulation
- Positive long-term structural outlook in India, but question marks in ASEAN. Valuations in India expensive

Australia/Singapore

- Well-regulated stock markets in countries with strong secular attractions and good capitalist underpinnings
- Lower growth but lots of strong dividend yields and attractive total returns

Source: Schroders, 31 July 2026.
For illustrative purposes only and does not constitute to any recommendations to buy or sell the above-mentioned security/sector/country.

ATR's investment process

Step 1 – Rigorous stock research

Everything starts with fundamental research. Our analysts screen a broad universe of Asian companies before focusing their attention on the businesses they believe have the highest potential to create long-term shareholder value. We look for companies with strong business models, capable management teams and the ability to generate sustainable returns over time.

A key part of our research is understanding whether a business can earn returns above its cost of capital and continue doing so as it grows. To do this, investments are regularly reviewed on our Shareholder Return Classification (SRC) framework, which helps us evaluate the quality and sustainability of the business model over the long term.

Our analysts build detailed financial models, estimate fair value and meet regularly with management teams, competitors and industry experts across the region. More than 2,200 company meetings each year help us develop the conviction needed to invest with confidence.

The result is a focused list of our highest-conviction investment ideas, backed by proprietary research and a disciplined valuation framework.

Step 2 – Building the portfolio

The Portfolio Managers combine the team's research, fair value assessments and company insights to construct a portfolio of our best ideas. Position sizes are determined by a range of factors, including the attractiveness of the opportunity, the potential upside to fair value and our level of conviction in the investment case.

Importantly, we do not build the portfolio with reference to benchmark weights. Every stock must justify its inclusion based on its own merits and long-term return potential. This helps us maintain a strong focus on stock selection as the primary driver of returns.

The outcome is a diversified portfolio of high-conviction companies drawn from across the breadth of Asia's opportunity set.

Step 3 – Applying a top-down overlay

Alongside stock selection, we take a step back each month to assess the broader market environment. Using a combination of proprietary valuation models, quantitative risk indicators and the Portfolio Managers' experience, we evaluate whether market risks are becoming elevated.

Some of the key factors we consider include:
- Macroeconomic conditions and the economic outlook
- Inflation and interest rate trends
- Political and geopolitical developments
- Equity market valuations
- Investor sentiment and market positioning

When we believe downside risks outweigh potential rewards, we can use derivatives to hedge parts of the portfolio. This allows us to reduce unwanted market exposure while maintaining our highest-conviction stock positions. We may also adjust the overall level of market exposure using gearing and hedging tools as opportunities and risks evolve.

By combining bottom-up stock picking with a disciplined top-down overlay, we aim to participate in rising markets while seeking to preserve capital during more challenging periods.

The result is a diversified portfolio of typically 40–70 high-conviction Asian companies, supported by a disciplined risk-management framework designed to help navigate the ups and downs of Asian equity markets.

Schroders – leveraging our expertise in Asian equity investing

Investment team

Robin Parbrook
Portfolio Manager, Hong Kong

Lee King Fuei
Portfolio Manager, Singapore

Robin is Co-head of Asia Equity Alternative Investments and has 35 years' experience, all of which have been spent at Schroders. Robin started his career at Schroders in 1990 as a graduate trainee before moving to Hong Kong in 1992 as an analyst and Asian Fund Manager.

King Fuei is Co-head of Asia Equity Alternative Investments and has 26 years' experience, all of which have been spent at Schroders. King Fuei started his career at Schroders in 1999.

Depth of coverage across Asia

The co-portfolio managers for ATR are supported by a comprehensive and highly experienced investment resource.

The Asia Pacific ex Japan Equities team includes, as at 31 July 2026, 47 research analysts located across six countries, averaging 15 years' investment experience and with an average tenure of eight years at Schroders. In addition, the team is able to draw on the expertise of local research teams in our Taiwan office, providing valuable macroeconomic and industry insights that may influence the portfolio. The roles of portfolio manager and analyst are clearly defined and differentiated, yet they collaborate closely within a flat team structure. Our analysts are experienced investment professionals and dedicated career analysts focused exclusively on generating investment ideas through stock research and the development of valuation models, as well as grading the stocks within their coverage. This allows portfolio managers to concentrate on selecting the most suitable research recommendations for constructing risk-efficient portfolios.

During the portfolio construction process, analysts must effectively defend the merits of their preferred stocks and proposed active positions. Whilst the fund does not have an ESG or sustainable objective, reviewing corporate governance and the sustainability of business models (including environmental impact and use of best business practices) are a core part of the research process.

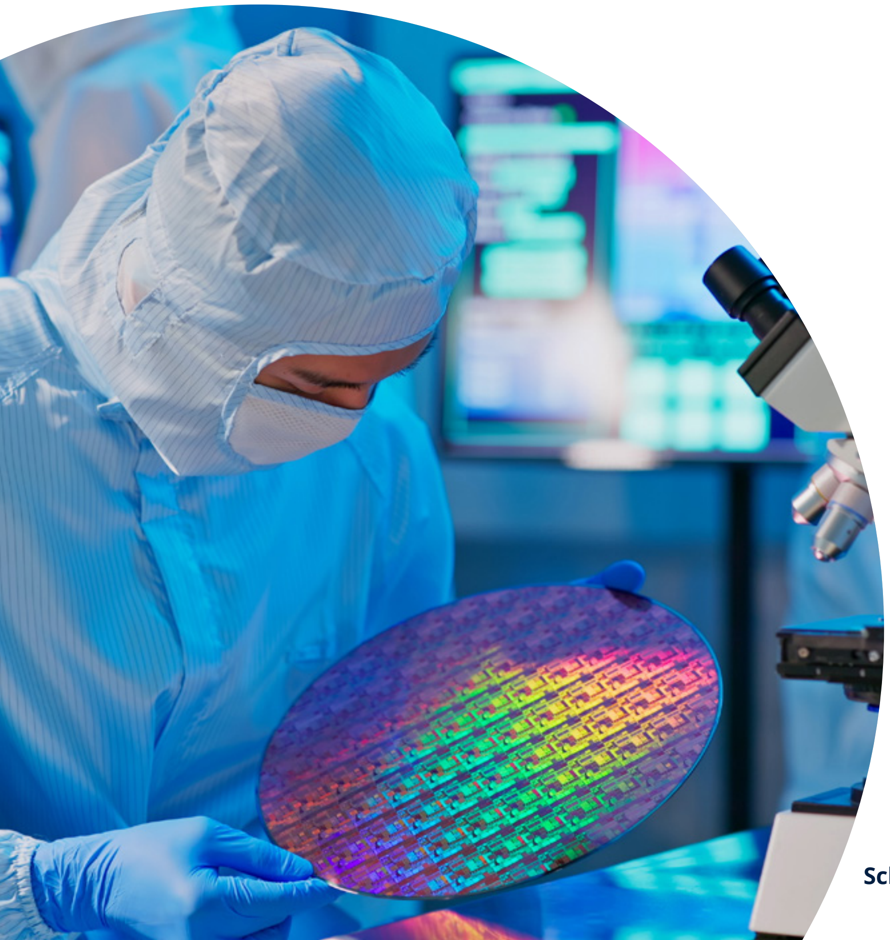
Why invest in Asian equities today?

For many investors, Asia is simply viewed as a source of economic growth. We believe that understates the opportunity. Economic growth does not necessarily equal strong stock market returns. Asia is home to many of the world's most important companies, leading technology innovators, dominant consumer franchises and high-quality income-generating businesses. It is also a region where structural growth, attractive long-term fundamentals and market inefficiencies continue to create compelling opportunities for active investors.

One of the strongest reasons to invest in Asia is its central role in several of the world's most important long-term trends. Nowhere is this more evident than in artificial intelligence (AI). While AI is often associated with large US technology companies, many of the critical 'picks and shovels' enabling the AI revolution are listed in Asia. Companies in Taiwan and Korea dominate global semiconductor manufacturing, memory chips, advanced packaging and testing technologies. The portfolio managers believe that whilst Asian technology stocks have performed strongly they are supported longer term by a robust AI investment cycle, given the rapidly growing demand for computing power as AI capabilities expand and adoption broadens across industries.

Beyond technology, Asia offers exposure to a wide range of structural growth drivers. Rising incomes, urbanisation, digitalisation, healthcare spending and the expansion of the middle class continue to support long-term growth across sectors including financial services, insurance, healthcare, consumer brands and industrial automation.

Importantly, Asia is not a single investment story but a diverse region offering multiple sources of return. Korea and Taiwan provide exposure to global technology leaders. China and Hong Kong offer access to high-quality companies that, in many cases, trade at attractive valuations following several challenging years. Singapore and Australia are home to businesses with strong governance, resilient cash flows and attractive dividend yields. India remains one of the region's most compelling long-term growth markets, supported by favourable demographics, rising incomes, increasing economic formalisation and ongoing reforms, although the portfolio managers remain selective given elevated valuations in parts of the market.



The portfolio managers also see attractive opportunities in Asia beyond the strongly performing Asian technology sector. While AI remains an important area of investment, they have recently reduced exposure and allocated capital to defensive, cash-generative businesses across Hong Kong, China, Singapore and Australia. Many of these companies combine attractive valuations with strong balance sheets and dividend yields that compare favourably with those available in developed markets.

Income is an important component of the Asian investment opportunity. According to the portfolio managers' analysis, dividends have accounted for almost two-thirds of total equity returns in Asia over the past four decades. Markets such as Singapore and Australia have well-established dividend cultures, providing investors with an additional source of return alongside capital appreciation.

Through ATR, investors can access these themes via a flexible portfolio designed to participate in rising markets while actively managing risk through changing market conditions.

> **In summary, we believe Asia offers an environment in which active stock selection can add value. The broad investment universe, varying levels of market efficiency and wide variation in company quality may enable disciplined fundamental investors to identify mispriced opportunities and deliver value for clients.**

Risk considerations: Schroder Asian Total Return Investment Company plc

Concentration risk: The Company may be concentrated in a limited number of geographical regions, industry sectors, markets and/or individual positions. This may result in large changes in the value of the company, both up or down.

Counterparty risk: ATR may have contractual agreements with counterparties. If a counterparty is unable to fulfil their obligations, the sum that they owe to the Company may be lost in part or in whole.

Currency risk: If the Company's investments are denominated in currencies different to the currency of the Company's shares, the Company may lose value as a result of movements in foreign exchange rates, otherwise known as currency rates.

Derivatives risk: Derivatives, which are financial instruments deriving their value from an underlying asset, may be used to manage the portfolio efficiently. A derivative may not perform as expected, may create losses greater than the cost of the derivative and may result in losses to the Company.

Emerging markets and frontier risk: Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty, operational and liquidity risk than developed markets.

Gearing risk: The Company may borrow money to make further investments, this is known as gearing. Gearing will increase returns if the value of the investments purchased increase by more than the cost of borrowing, or reduce returns if they fail to do so. In falling markets, the whole of the value in such investments could be lost, which would result in losses to the Company.

Liquidity risk: The price of shares in the Company is determined by market supply and demand, and this may be different to the net asset value of the Company. In difficult market conditions, investors may not be able to find a buyer for their shares or may not get back the amount that they originally invested. Certain investments of the Company, in particular the unquoted investments, may be less liquid and more difficult to value. In difficult market conditions, the Company may not be able to sell an investment for full value or at all and this could affect performance of the Company.

Market risk: The value of investments can go up and down and an investor may not get back the amount initially invested.

Operational risk: Operational processes, including those related to the safekeeping of assets, may fail. This may result in losses to the Company.

Performance risk: Investment objectives express an intended result but there is no guarantee that such a result will be achieved. Depending on market conditions and the macro economic environment, investment objectives may become more difficult to achieve.

Private Market risk: Valuation of private asset investments is performed less frequently than listed securities and may be performed less frequently than the valuation of the Company itself. In addition, in times of stress it may be difficult to find appropriate prices for these investments and they may be valued on the basis of proxies or estimates. These factors mean that there may be significant changes in the net asset value of the Company which may also affect the price of shares in the Company.

Share Price risk: The price of shares in the Company is determined by market supply and demand, and this may be different to the net asset value of the Company. This means the price may be volatile, meaning the price may go up and down to a greater extent in response to changes in demand.

Smaller Companies risk: Smaller companies generally carry greater liquidity risk than larger companies, meaning they are harder to buy and sell, and they may also fluctuate in value to a greater extent.

Discrete yearly perfomance (%)	Jun 21–Jun 22	Jun 22–Jun 23	Jun 23–Jun 24	Jun 24–Jun 25	Jun 25–Jun 26
Share Price	-18.0	3.8	15.9	3.1	54.9
Net Asset Value	-15.1	6.8	17.1	0.2	56.6
Reference Index	-12.8	-3.7	13.7	6.9	45.3

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Important information

Schroder Asian Total Return Investment Company plc

Company investment objective

The Company seeks to provide a high rate of total return through investment in equities and equity related securities of companies trading in the Asia Pacific region (excluding Japan). The Company seeks to offer a degree of capital preservation through tactical use of derivative instruments.

Company investment policy

The Company invests principally in a diversified portfolio of 40–70 companies operating primarily in Asia, including Australasia but excluding Japan. It is intended that the Company will have a bias to investing in small and mid-cap companies.

Investments may be made in companies listed on the stock markets of countries located in the region and/or listed elsewhere but controlled from within the region and/or with a material exposure to the region. The Company will focus on investing in companies with sound balance sheets, professional management and capital allocation policies that are aligned with the interests of minority shareholders.

The use of derivatives to protect the capital value of the portfolio or for efficient portfolio management is fundamental to the strategy of the Company's Portfolio Managers. Such derivatives may include listed futures, call options, long puts, OTC instruments and instruments to hedge currency exposure with Board approval. The Board will monitor the effectiveness of the underlying process and the use of derivatives. In order to obtain further exposure to equity indices or individual stocks, the Company may enter into CFDs where the underlying investments are not delivered and settlement is made in cash. In extreme circumstances, and subject to Board approval, the majority, or even all, of the Company's assets could be held in cash or near cash instruments, with appropriate diversification of cash held on deposit.

The Company may use gearing to enhance performance but net gearing will not exceed 30% of NAV.

The Company does not tie its portfolio construction to the constituents of any benchmark; instead, the size of stock positions is set on an absolute basis reflecting where the best potential risk adjusted returns are to be found.

For more information on the Company and to subscribe for email updates, please visit www.schroders.com/ATR

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For more information on ATR, and to help you understand the ATR, its strategy, portfolio and for a full explanation of its overall risk profile and key terms used in this communication, please refer to ATR's Key Information Document (KID), its Pre-Investment Disclosure Document prepared for the purposes of the UK AIFM Regulations and ATR's the latest annual and half-yearly reports. These documents along with other information on ATR are available on its website, www.schroders.co.uk/satric. PAC shareholders should also refer to the circular published by PAC in relation to the proposed combination of the assets of the Company with ATR, which is available on the PAC website, www.pacific-assets.com/transition-documents.

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