



Pacific Assets Trust plc

Annual Report for the year ended 31 January 2026



Pacific Assets Trust



Contents

Strategic Report

- 1 Financial Highlights
- 2 Company Performance
- 4 Chair's Statement
- 6 Investment Portfolio
- 10 Portfolio Manager's Review
- 14 Sustainability and ESG
- 16 Business Review

Governance

- 28 Board of Directors
- 30 Corporate Governance
- 39 Report of the Directors
- 44 Statement of Directors' Responsibilities
- 46 Audit Committee Report
- 51 Directors' Remuneration Report
- 54 Independent Auditor's Report

Financial Statements

- 61 Income Statement
- 62 Statement of Changes in Equity
- 63 Statement of Financial Position
- 64 Notes to the Financial Statements

Further Information

- 75 Glossary of Terms and Alternative Performance Measures (unaudited)
- 77 Sustainable Finance Disclosure Regulation ("SFDR") Report (unaudited)
- 90 Shareholder Information
- 91 How to Invest
- 92 Notice of the Annual General Meeting
- 97 Explanatory Notes to the Resolutions
- 99 Company Information

Financial Highlights

0.0%

Net asset value per share total return*[^]

(2025: 9.7%)

5.1%

Share price total return*[^]

(2025: 3.7%)

28.6%

MSCI All Country Asia ex Japan Index (total return, sterling adjusted)*

(2025: 22.3%)

11.4%

Average discount of share price to net asset value per share during the year*[^]

(2025: 11.5%)

1.1%

Ongoing charges^{1^}

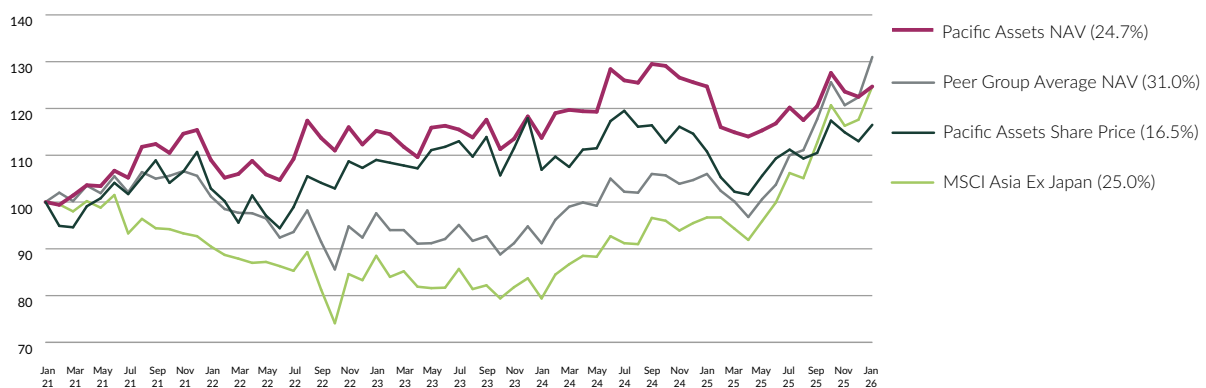
(2025: 1.1%)

¹ Source: Frostrow Capital LLP

* Source: Morningstar

[^] Alternative Performance Measure (See Glossary beginning on page 75).

Net Asset Value Per Share Total Return for the Five Years to 31 January 2026



Source: Morningstar

Rebased to 100 as at 31 January 2021

Company Performance

Performance Summary

	As at 31 January 2026	As at 31 January 2025
Shareholders' funds	£470.8m	£503.4m
Market capitalisation	£423.9m	£431.7m

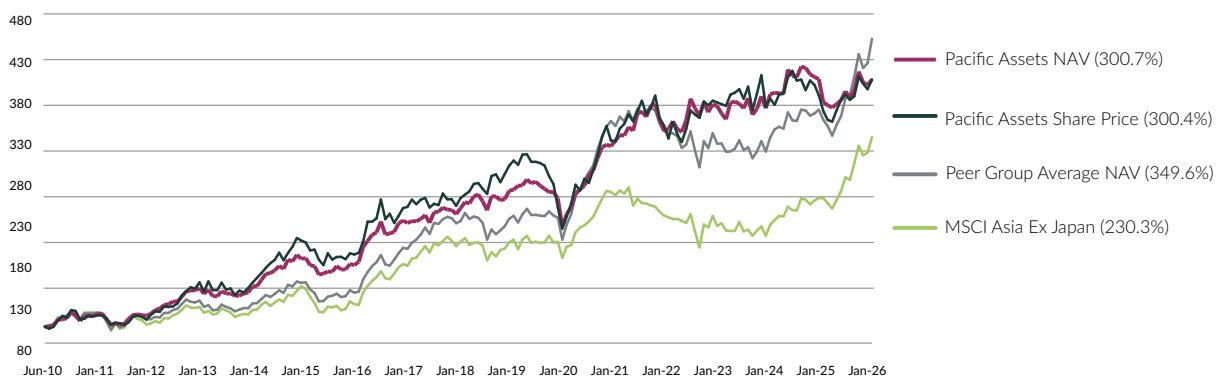
Performance	One year to 31 January 2026	One year to 31 January 2025
Net asset value per share total return ^{1, 2}	0.0%	9.7%
Share price total return ^{1, 2}	5.1%	3.7%
MSCI All Country Asia ex Japan Index (total return, sterling adjusted) ¹	28.6%	22.3%
Average discount of share price to net asset value per share ^{1, 2}	11.4%	11.5%
Ongoing charges ²	1.1%	1.1%
Revenue return per share ³	5.6p	5.4p
Dividend per share	5.7p	4.9p

¹ Source: Morningstar

² Alternative Performance Measure (see Glossary beginning on page 75).

³ See Glossary beginning on page 75.

Total Return since 30 June 2010 (the date of appointment of First Sentier Investors as the Portfolio Manager)

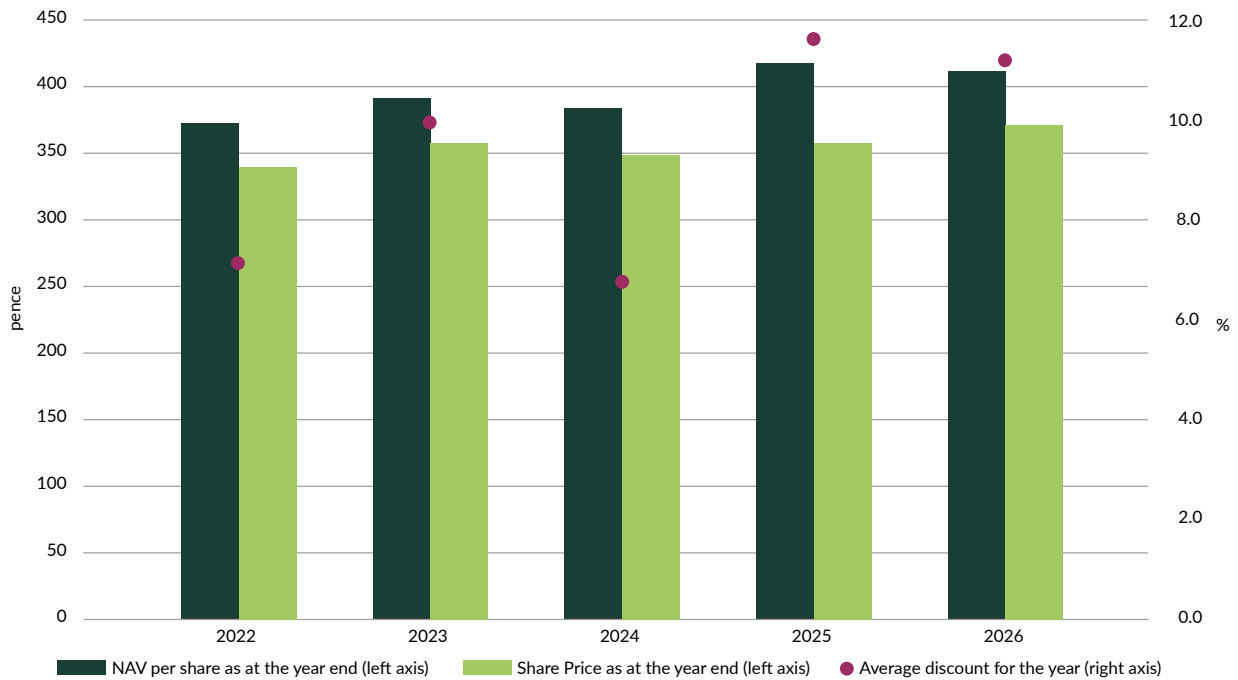


Source: Morningstar

Rebased to 100 as at 30 June 2010

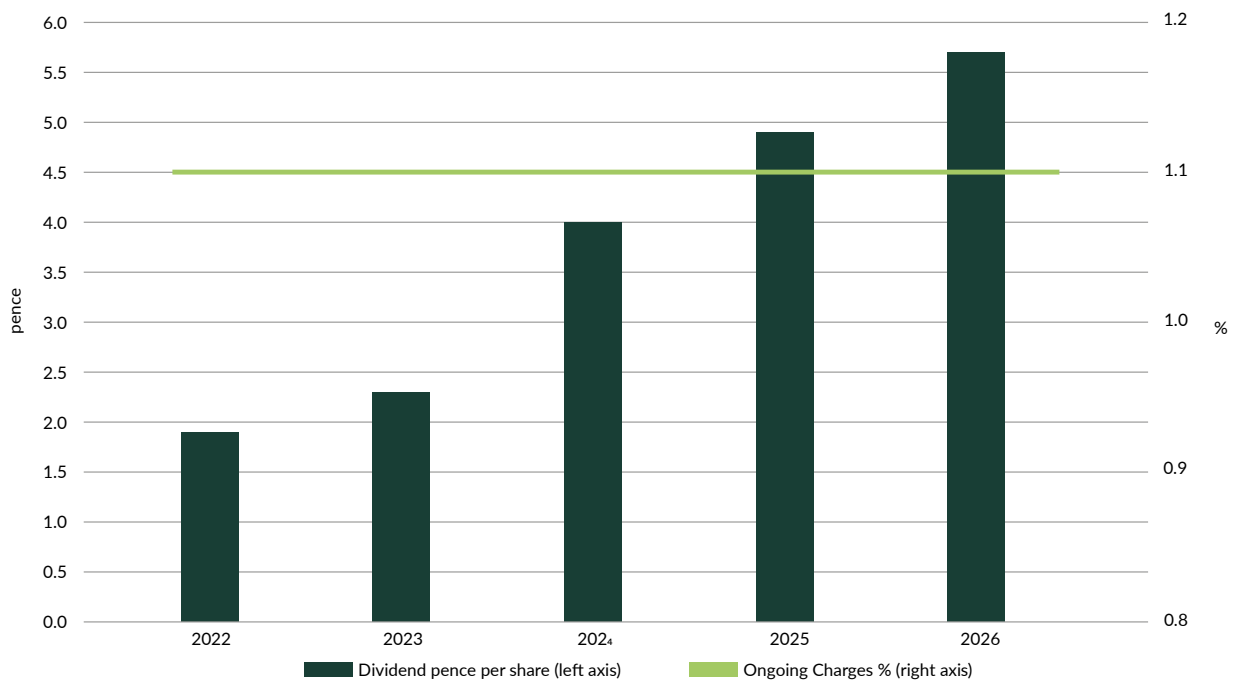
The Company's investment portfolio has been managed by First Sentier Investors (UK) IM Limited ("FSI") since 1 July 2010. Stewart Investors, a semi-autonomous investment team within FSI, managed the portfolio until 14 November 2025. On 12 November 2025, First Sentier Group announced the closure of the Stewart Investors business and the transition of their investment management responsibilities to FSSA Investment Managers, another semi-autonomous investment team within FSI.

Five Year Record - Net Asset Value Per Share, Share Price and Discount



Source: Morningstar. Data for Pacific Assets Trust plc as at 31 January.

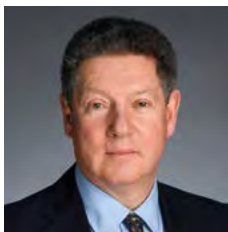
Five Year Record – Dividend and Costs



Source: Frostrow Capital LLP. Data for Pacific Assets Trust plc as at 31 January.



Chair's Statement



Introduction and Results

The Company's NAV total return for the year ended 31 January 2026 was 0.0%, significantly lagging the 28.6% rise in the MSCI AC Asia ex Japan Index

(total return, sterling adjusted). This disappointing outcome places the Company at the bottom of its peer group over most longer time periods and remains a central concern for the Board.

The past year has been a difficult one for the Company. In August, Stewart Investors announced the resignation of David Gait and two other senior portfolio managers from the investment team. In October, the Board announced three strategic initiatives benefitting the Company's shareholders which comprised a reduction in the portfolio management fee, the introduction of a performance-related tender offer for up to 25% of the Company's issued share capital and a reinforced commitment to buying back shares to help reduce the discount to net asset value ("NAV") at which the Company's shares trade.

In November, First Sentier Group informed the Board of its decision to close the Stewart Investors business, with portfolio management responsibilities transitioning to its affiliate investment team, FSSA Investment Managers ("FSSA"). Although both teams share a similar investment philosophy and approach, the Board concluded that such a material change warranted a broader reassessment of the Company's future. After consulting major shareholders, the Board launched a strategic review on 11 December 2025 to evaluate the full range of options for the Company's future, including proposals from alternative investment managers (FSSA among them) and potential combination candidates.

As the transition to FSSA occurred only in the final months of the financial year, their ability to reposition the portfolio was necessarily limited. In light of the ongoing strategic review, the Board also instructed FSSA to restrict portfolio turnover to a maximum of 20%. With only modest scope for adjustments, the Portfolio Manager has made incremental reallocations, adding selectively to Chinese and Southeast Asian holdings and reducing certain cyclical exposures in India.

Economic and market conditions across the region were uneven. China saw a modest uplift due to selective policy support, yet structural challenges in the property market, local government finances and consumer sentiment persisted. India continued to grow at one of the fastest rates globally, supported by resilient domestic demand, but equity valuations in several sectors normalised after a prolonged period of outperformance. Meanwhile, Taiwan and South Korea benefited disproportionately from a surge in demand for advanced semiconductors and AI related hardware, resulting in one of the most concentrated market rallies in recent years. In this environment where performance was dominated by a narrow group of technology led markets, quality companies across India and Southeast Asia (core areas of the portfolio) were largely overlooked despite solid fundamentals.

Despite these challenging conditions, FSSA continued to identify compelling bottom up opportunities across China, India, Indonesia, the Philippines and Taiwan. The limited adjustments undertaken during the transition emphasised companies with stronger cash generation and more durable long term growth prospects and have increased the liquidity of the portfolio.

While the investment strategy has historically demonstrated resilience in more volatile or falling markets, as seen in 2023, it has struggled during the sharply rising conditions of the past two years.

The Board recognises that the Company's longer term performance record has deteriorated relative to its peers and understands that shareholders expect meaningful improvement. The aim of the strategic review, therefore, is to identify the course of action that will best serve shareholders over the long term.

Strategic Review

As mentioned above, in December your Board initiated a strategic review of the future of the Company. The Board has considered a range of possible options including retaining the existing manager, appointing a new external, third-party manager and entering into a combination with another investment trust. The Board was pleased that the Company received interest from a large number of high-quality management groups, including FSSA, which have been evaluated by the Board with the assistance of the corporate stockbroker, Investec Bank plc. The review is nearing completion and the Board expects to make an announcement within the next few weeks.

The Board wishes to acknowledge both the professionalism of the outgoing team at Stewart Investors and the constructive engagement of FSSA during a period of considerable operational and market complexity.

Share price performance

The Company's share price total return for the year was 5.1%, benefitting from the share price discount narrowing relative to the NAV total return. The shares traded at an average discount of 11.4% (2025: 11.5%), and the Company repurchased 6.3 million shares over the year, at a cost of £22.5 million, and at an average discount of 11.8%. Buybacks were paused once the strategic review was announced, but increased interest from certain investors has provided some natural discount management since that time.

The Sales, Marketing and Communications Committee made good progress on planned marketing initiatives; however, much of the activity has been necessarily deferred pending the outcome of the strategic review.

Dividend

The Company generated a revenue return of 5.6p per share during the year (2025: 5.4p per share) and, as a result, the Board recommends to shareholders the payment of a final dividend to ensure the Company complies with the investment trust rules regarding distributable income.

Subject to shareholder approval at the AGM, a final dividend of 5.7p per share will be paid on 10 July 2026 to shareholders on the register on 12 June 2026. The associated ex-dividend date will be 11 June 2026.

The Board

Having served on the Board for just over nine years now, Robert Talbut intended to retire from the Board at the AGM in July. However, at the Board's request, Robert has agreed to remain on the Board until the outcome of the strategic review has been implemented, to ensure continuity and stability during the process. The Board is grateful for his commitment and support.

The Annual General Meeting

As noted above, the Board shortly expects to announce the conclusion of its strategic review and looks forward to discussing the outcome with shareholders over the coming weeks and months. One such opportunity will be at our annual general meeting ("AGM") to be held at 10.30am on Tuesday, 7 July 2026, at Dashwood House, 69 Old Broad St, London EC2M 1QS.

The Board strongly encourages shareholders to register their proxy voting instructions online in advance of the AGM (information on how to vote can be found on page 90). Registering your proxy voting instructions in advance will not restrict shareholders from attending and voting at the meeting in person should they wish to do so. The Board recommends that shareholders vote in favour of all the resolutions set out in the Notice of AGM, beginning on page 92, as each of the directors intends to do in respect of their own holdings.

Outlook

Overall, Asia remains well positioned over the long run, supported by favourable demographics, the continued expansion of the region's digital economy, and increasing participation in global technology and innovation supply chains. However, the near term environment is likely to be characterised by greater dispersion of returns across markets and sectors, reinforcing the importance for investors of selectivity, discipline and attention to underlying fundamentals.

FSSA provide further comment in their report beginning on page 10.

Andrew Impey
Chair
30 April 2026

Investment Portfolio

as at 31 January 2026

Company	Country	Sector	Value £'000	% Total Assets
Samsung Electronics	South Korea	Information Technology	31,512	6.7%
Oversea-Chinese Banking Corp	Singapore	Financials	17,734	3.8%
Airtac International	Taiwan	Industrials	16,156	3.4%
Taiwan Semiconductor Manufacturing	Taiwan	Information Technology	15,701	3.3%
Jardine Matheson	Hong Kong	Industrials	14,658	3.1%
Alibaba	China	Consumer Discretionary	14,479	3.1%
Hoya	Japan	Health Care	14,166	3.0%
DFI Retail	Hong Kong	Consumer Staples	13,991	3.0%
Tencent	China	Communication Services	11,486	2.4%
Kotak Mahindra Bank	India	Financials	11,474	2.4%
Top 10 Investments			161,357	34.2%
Shenzhen Inovance Technology	China	Industrials	11,410	2.4%
Techtronic Industries	Hong Kong	Industrials	11,144	2.3%
Mahindra & Mahindra	India	Consumer Discretionary	10,976	2.3%
Midea	China	Consumer Discretionary	10,421	2.2%
AIA	Hong Kong	Financials	10,282	2.2%
Ayala	Philippines	Industrials	10,270	2.2%
Voltronic Power Technology	Taiwan	Industrials	10,118	2.1%
Sheng Siong	Singapore	Consumer Staples	9,893	2.1%
Bank OCBC Nisp	Indonesia	Financials	9,328	2.0%
Trip.com	China	Consumer Discretionary	9,113	1.9%
Top 20 Investments			264,312	55.9%
Tube Investments of India	India	Consumer Discretionary	8,846	1.9%
Elgi Equipments	India	Industrials	8,704	1.8%
Philippine Seven	Philippines	Consumer Staples	8,351	1.8%
Cholamandalam Financial	India	Financials	8,184	1.7%
Dongguan Yiheda Automation	China	Industrials	7,991	1.7%
Shanthy Gears	India	Industrials	7,920	1.7%
Mani	Japan	Health Care	7,447	1.6%
Sundaram Finance	India	Financials	7,435	1.6%
SF Holding	China	Industrials	7,397	1.6%
Triveni Turbine	India	Industrials	7,255	1.5%
Top 30 Investments			343,842	72.8%

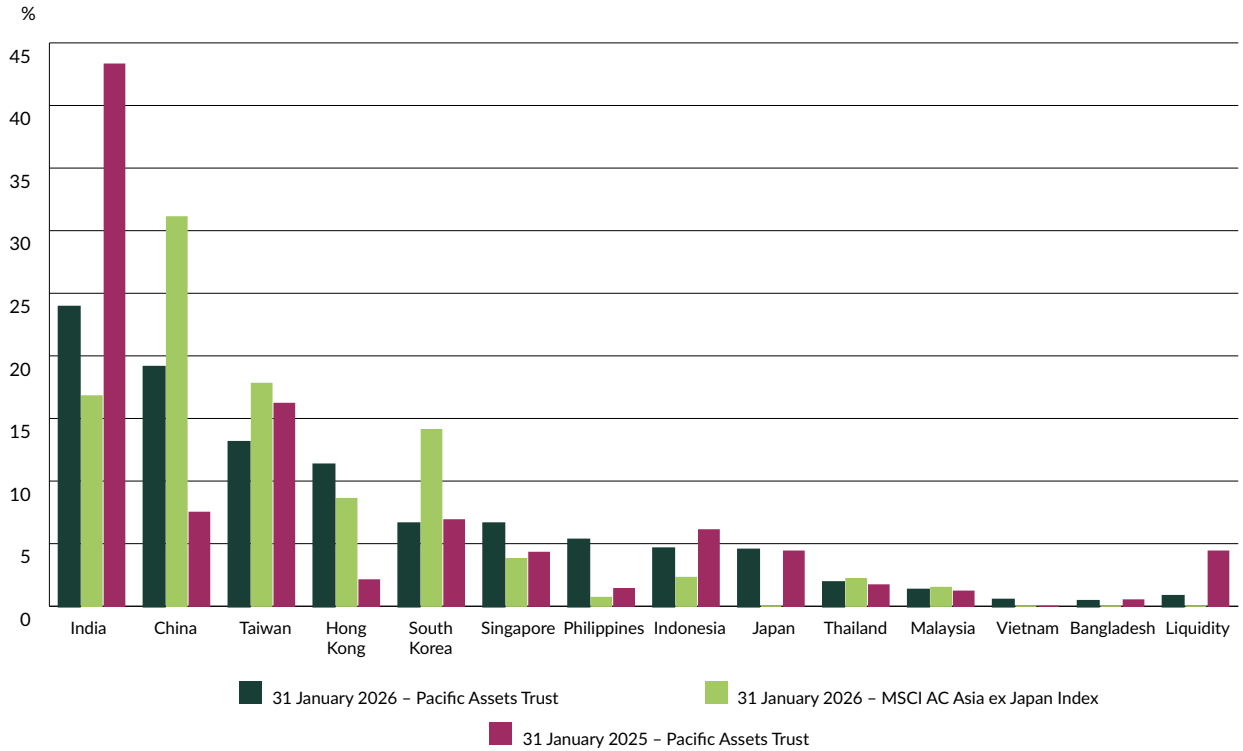
Company	Country	Sector	Value £'000	% Total Assets
HDFC Bank	India	Financials	6,425	1.4%
ViTrox Corp	Malaysia	Information Technology	6,352	1.3%
Delta Electronics	Taiwan	Information Technology	6,044	1.3%
Bajaj Auto	India	Consumer Discretionary	6,031	1.3%
Kasikornbank	Thailand	Financials	5,879	1.2%
MediaTek	Taiwan	Information Technology	5,828	1.2%
Chroma ATE	Taiwan	Information Technology	5,589	1.2%
Tech Mahindra	India	Information Technology	5,357	1.1%
Glodon	China	Information Technology	5,032	1.1%
Marico	India	Consumer Staples	4,924	1.0%
Top 40 Investments			401,303	84.9%
Shenzhen Mindray Bio-Medical Electronics	China	Health Care	4,682	1.0%
CG Power & Industrial Solutions	India	Industrials	4,605	1.0%
Centre Testing International	China	Industrials	4,578	1.0%
Aavas Financiers Ltd	India	Financials	4,366	0.9%
Bank Central Asia	Indonesia	Financials	4,270	0.9%
Info Edge India	India	Communication Services	4,151	0.9%
Selamat Sempurna	Indonesia	Consumer Discretionary	3,968	0.8%
Sea	Singapore	Consumer Discretionary	3,844	0.8%
Godrej Consumer Products	India	Consumer Staples	3,842	0.8%
Vitasoy International	Hong Kong	Consumer Staples	3,752	0.8%
Top 50 Investments			443,361	93.8%
SM Investments	Philippines	Industrials	3,648	0.8%
Humanica	Thailand	Industrials	3,141	0.7%
BDO Unibank	Philippines	Financials	2,967	0.6%
Silergy	Taiwan	Information Technology	2,780	0.6%
Bajaj Holdings & Investment	India	Financials	2,666	0.6%
Bank of the Philippine Islands	Philippines	Financials	2,450	0.5%
SF Holding	China	Industrials	2,420	0.5%
FPT	Vietnam	Information Technology	2,403	0.5%
Yifeng Pharmacy Chain	China	Consumer Staples	2,027	0.4%
Kalbe Farma	Indonesia	Health Care	2,019	0.4%
Marico Bangladesh	Bangladesh	Consumer Staples	1,900	0.4%
Tarsons Products	India	Health Care	771	0.2%
Total Investments			472,553	100.0%

Investment Portfolio continued

Portfolio Distribution

Geographical Analysis

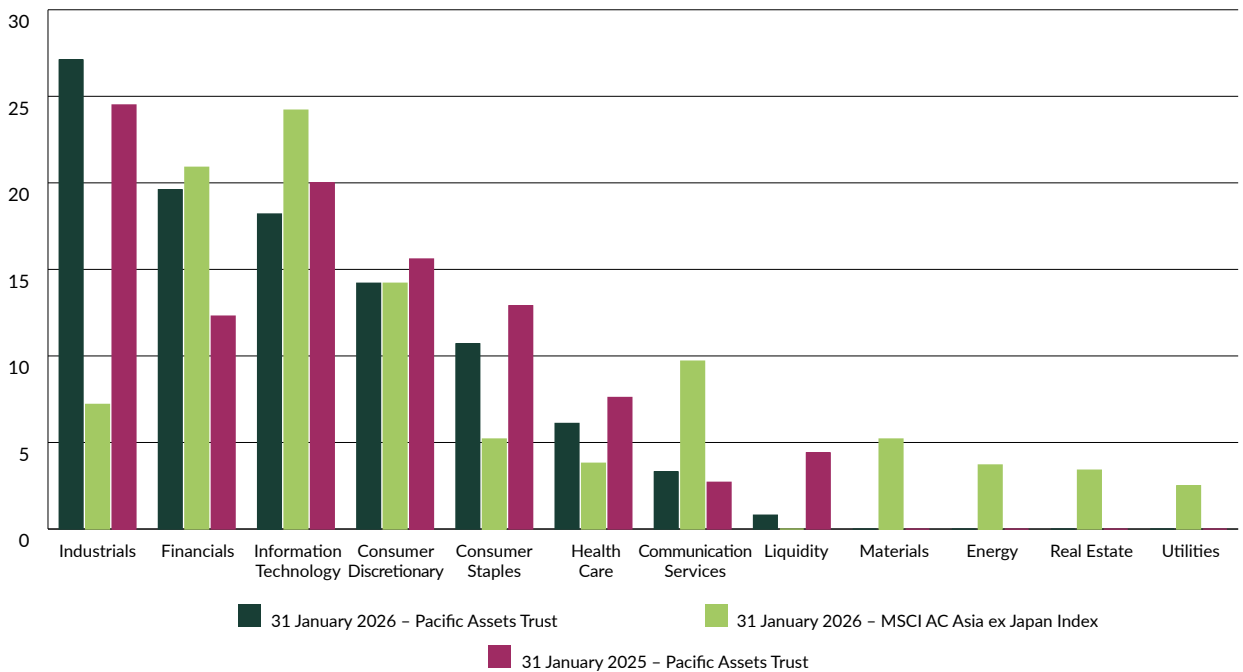
Geographic Exposure as at 31 January 2026



Source: Frostrow Capital LLP

Sector Analysis

Sector Exposure as at 31 January 2026



Source: Frostrow Capital LLP





In November 2025, First Sentier Group (“FSG”) announced a strategic transition of Stewart Investors’ (“SI”) investment management responsibilities to its affiliate investment team, FSSA Investment Managers (“FSSA”). FSSA have managed the Company’s portfolio since 14 November 2025.

Over the year to 31 January 2026, the net asset value total return of the Company was 0.0%. The MSCI AC Asia ex-Japan Index, measured on a net, total return, sterling adjusted basis (the “Index”) rallied, returning 28.6% over the same period. Part of the underperformance stems from the Company’s positioning in India, as holdings which are good quality but expensive were derated. However, we believe there are still good opportunities for active managers to add value with a disciplined, research-driven approach. Although India has been out of favour, we remain excited about the long-term investment opportunities in this market, with growth being underpinned by growing levels of urbanisation, favourable demographics, rising middle class consumption and a strong digital infrastructure push.

Another reason for the relative underperformance was the level of market concentration in a few stocks and themes – around two-thirds of the total return of the Index was driven by technology and Artificial Intelligence (“AI”)-related companies. Outside of these sectors, many high-quality businesses – particularly in Southeast Asia, India and China’s traditional sectors – have not performed despite solid earnings growth, improving governance and attractive valuations.

In particular, Korean and Taiwanese chipmakers have seen valuations expand rapidly on the future promise of AI. Taiwan Semiconductor Manufacturing (“TSMC”), Samsung Electronics, and SK Hynix – all related to the AI theme – now comprise almost a quarter of the Index’s weight. On a country level, TSMC now commands a staggering 59% of MSCI Taiwan, up from 24% at the end of 2015. Samsung Electronics and SK

Hynix together represent more than 50% of MSCI Korea, compared to just 23% a decade ago.¹ This underscores the outsized role of a handful of firms in shaping regional returns.

With everything seemingly about AI, we believe it is critical to remain disciplined in our investment approach and focused on quality. Momentum phases tend to favour companies with eye-catching narratives rather than those with solid balance sheets or dependable earnings. Yet far from weakening the case for quality investing, such episodes strengthen it.

Global research² shows that high-quality companies are consistently underpriced, as the market routinely underestimates their future returns. Low-quality companies are consistently overpriced, as over-optimistic analysts generate larger forecast errors. Crucially, the mispricing of quality is not random. The research identifies a “price of quality” that fluctuates over time. It is typically lowest during speculative booms – such as the late 1990s technology surge or the run up to the financial crisis – when investors place less emphasis on fundamental strength and more on market narratives.

When the price of quality becomes unusually compressed, subsequent returns from quality strategies tend to rise. In effect, weak periods for quality often lay the groundwork for future outperformance.

The recurring lesson from more than half a century of data is that quality investing succeeds not because markets are always rational, but because they frequently are not. Periods in which quality appears to lag – particularly when speculative assets dominate the headlines – are often the prelude to its strongest returns.

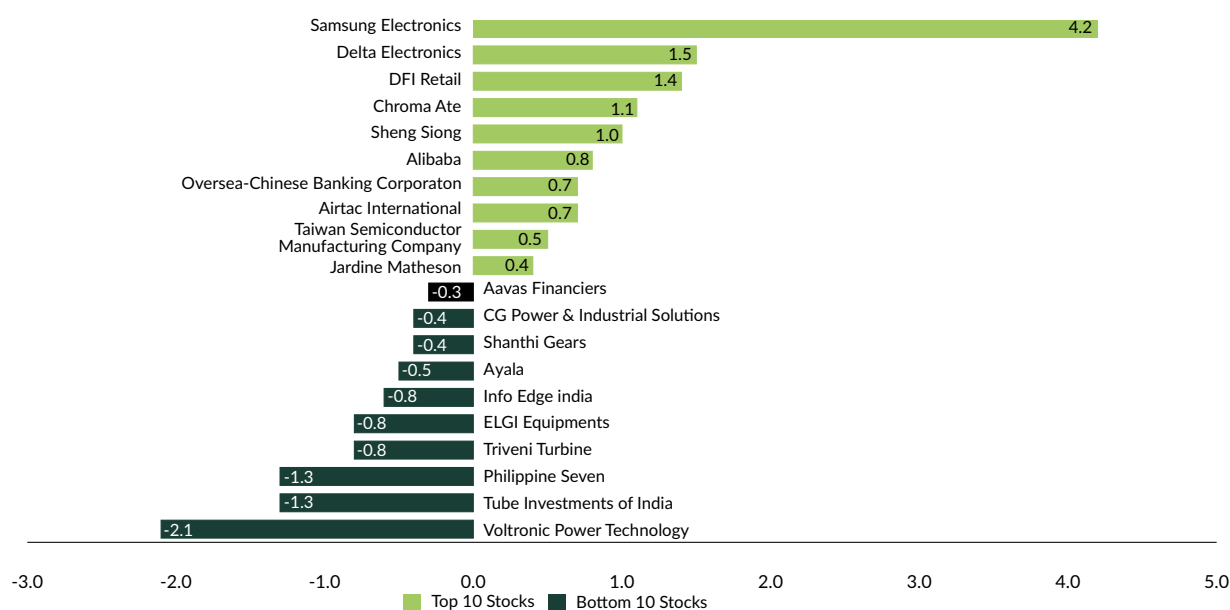
Positioning for growth opportunities across Asia

As benchmark-agnostic investors, we pay little attention to index compositions or returns. We focus

¹ Source; FactSet, as at 30 January 2026

² Clifford S. Asness, Andrea Frazzini & Lasse Heje Pedersen (2018), Quality minus junk, *Review of Accounting Studies* (2019), 24:34-112

Contribution by investment for the year ended 31 January 2026 Top 10 contributors to and detractors from absolute performance (%)



instead on generating absolute returns for our clients in the long run. Our track record, when viewed through the lens of the market environment, shows that our portfolios tend to perform better in “normal” markets (-15% to +15% 1-year rolling returns) and bear markets (more than 15% decline), than in steeply rising markets (defined as over 15% 1-year rolling returns).

Through our bottom-up research, we own dominant industry leaders that have exposure to AI like TSMC and Tencent, but we remain sceptical about many expensive and cyclical AI-related companies in Asia. Beyond technology, we have positioned the portfolio to tap into the long-term growth opportunities across Asia. One example is Bank of the Philippine Islands (“BPI”), the second largest bank in the Philippines with roughly 15% market share in loans and 13% in deposits. BPI operates with one of the leanest cost structures in the Philippine banking sector, supported by its scale, automation and relatively higher productivity per branch. It is majority-owned by Ayala Corporation, one of the Philippines’ most established and influential business groups. As a result, it has many of Ayala’s associated qualities: a strong governance framework, a measured growth strategy and operational professionalism.

Although Southeast Asia appears to be unloved by investors, we believe the opportunity here is sizeable. The Philippines is one of the most under-penetrated banking markets in Asia relative to its economic size and demographics. With a population of ~114 million and a GDP of US\$505 billion, it is among Southeast Asia’s larger economies, yet its household credit-to-GDP remains closer to frontier market levels. We believe BPI should compound earnings steadily in the years to come.

We have also been significant and constructive shareholders of various Jardine Matheson (“JM”) group companies. The Hong Kong-based group has sprawling business interests across Asia, including real estate, supermarkets, hotels and automotives. JM has been reinventing itself and we expect changes to accelerate in the coming years.

The new externally appointed CEOs at subsidiary companies DFI, Mandarin Oriental and Hongkong Land have begun to focus on the most attractive parts of their businesses, while exiting non-core ventures to improve returns on invested capital and return cash to shareholders where appropriate. Improving total shareholder return is the new mantra for the group.

More needs to be done to shift the group back towards a growth pathway, but we expect changes to accelerate in the coming years. Lincoln Pan has joined as JM’s CEO, taking over from John Witt who retired from the company. Pan joins from private equity group PAG and is the first external taipan at the group. This is significant and an indication of the changing culture at the group.

In India, there have been few opportunities on a bottom-up basis over the past couple of years, as valuations across the board were quite expensive. However, as earnings have grown, valuations have become more attractive, and we are beginning to find more ideas at the margin. For instance, we own HDFC Bank, a high-quality private bank. Over the long term, it has been gaining share at the expense of state-owned banks, but in recent times it has been derated on concerns about near-term income pressure and slower loans growth. We believe this is now behind us.

Portfolio Manager's Review continued

At Kotak Mahindra Bank, we also note signs of improvement across different areas of the business. It has grown its savings accounts; credit costs have been declining; and the cost/income ratio is showing signs of improvement due to the bank's investments into digitisation and automation. For a business that should continue to compound at a mid-teens rate, we believe the current valuation makes the risk-reward look attractive.

Contributors

The largest contributor to performance over the period was **Samsung Electronics**, a leading manufacturer of memory and semiconductor chips. In recent years, Samsung's foundry business has been a major point of investor concern, which culminated in significant losses in the first half of 2025. These losses were exacerbated by one-time charges related to US export controls to China. The company has since undertaken a strategic shift from a "capacity-first" to a "customer-first" model, which appears to be bearing fruit. The shares rose during the quarter, as Samsung continued to benefit from surging AI-related demand for its high-bandwidth memory chips as well as tightness in traditional DRAM (Dynamic Random Access Memory) demand-supply. Strong results from US chipmaker Micron reinforced expectations of a sustained memory upcycle into 2026. With the turnaround in its foundry business and a strong legacy memory business, we believe the risk-reward looks favourable.

Delta Electronics, a leading power supply company in Taiwan, was the second largest contributor to performance. AI-related demand has been "very strong", as the trend of higher power intensity continues. As the technology leader, Delta is collaborating with clients to develop new products, which provides a first-mover advantage whenever there's an upgrade. There are also discussions about high voltage direct current ("HVDC") power, which should add incremental value (though it is hard to quantify at this stage). On the other hand, due to strong demand for AI, there are bottlenecks developing in memory, grid power, chip-on-wafer-on-substrate ("CoWoS"), water and skilled technicians. A slowdown in AI growth could have a knock-on effect at Delta. We have been reducing our position size due to rich valuation and very high expectations.

The third largest contributor to performance was **DFI Retail**, a leading pan-Asian retailing group with a dominant market position across various segments, including drug stores, supermarkets, convenience stores, IKEA and Maxim's (a joint venture catering and restaurants business). After years of lacklustre performance, DFI – and the broader Jardine group – has redoubled efforts to grow the business, and to improve operational efficiencies and returns on capital while optimising capital allocation. Improving total shareholder return is the new mantra for the group, and there are now clear signs of improvement. We believe

margins could improve still further and lead to underlying profit growth.

Detractors

Voltronic Power has had a challenging year and was the largest detractor from returns. Around a third of its uninterruptible power supply ("UPS") sales goes to the US and was subject to higher tariffs after "Liberation Day", while its inverter business – which has been hit by weak demand and competition – appears to be challenged. While the UPS business should normalise sometime in the future, we assume lower growth for the inverter business. On the other hand, given the share price has halved over 2025 (from a high base), we believe the current valuation seems attractive overall.

Tube Investments of India, an engineering group which makes precision steel tubes for cars, bicycles and other industrial purposes, was the second biggest detractor due to sluggish business performance and rising competition in the electric vehicle ("EV") space. Despite its early mover advantage, Tube has struggled to maintain market share. It plans to arrest these challenges by increasing the number of dealership partners and entering new sub-segments in EV battery packs. On a positive note, the core business is stable with robust returns on capital employed, and it generates healthy free cash flow which is being invested in new businesses with high returns potential. In this endeavour, we are backing the management, particularly Vellayan Subbiah (executive chairman), who has an exceptional track record and has created tremendous value for shareholders.

The third largest detractor was **Philippine Seven**, operator of 7-11 stores, which declined after reporting weak earnings results. Same store sales growth has been weak due to the exit of the Philippine offshore gaming operators ("POGOs"), which were banned in mid-2024. However, the group continues to expand its lead in terms of store count, and its network is increasingly extending beyond Metro Manila and into harder-to-reach areas. It has also built an extensive network of more than 20 distribution centres to cater to company-owned and franchised stores across the country. At current valuations we believe the risk-reward looks compelling.

Significant transactions

Given the significant overlap in SI's and FSSA's investment philosophy and portfolios, we know all the holdings well. As part of the transition, we made a few changes to tilt the portfolio towards companies with stronger cash generation, higher returns and better long-term growth prospects. In general, we are adding to holdings in China, where we have found leading businesses like Tencent, with strong moats and attractive growth at reasonable valuations. We are reducing exposure to India, mainly in cyclical businesses like Tube Investments of India, where valuations are

expensive, and Motilal Oswal, where we have lower conviction as the growth outlook has deteriorated.

Below, we highlight a few of the key additions and disposals since the transition to FSSA.

New investments

Tencent Holdings is the largest social media network and online gaming company in China, with growing businesses in online advertising, cloud services, e-payments/e-commerce and overseas gaming. Tencent has created an ecosystem of businesses which are unrivalled and should continue growing over the medium term. It has continued to develop new functions within WeChat (such as Video Accounts and Mini Shops), which should slowly improve monetisation and enhance the quality of the franchise. At FSSA, we have been shareholders of Tencent since 2005 and have consistently found the management to be effective long-term stewards of the business. In recent times, we have been impressed by Tencent's AI strategy and its disciplined approach to technology investments, which aligns with our conservative view on AI capex spending.

Kotak Mahindra Bank ("KMB") is one of India's leading financial services companies – it has consistently improved the strength of its deposit franchise and maintained better asset quality than peers through the business cycle. While the founder, Uday Kotak, has stepped down from his managing director/CEO role due to the central bank's limits on leadership terms, he remains closely involved as a board director and should ensure that the bank's risk awareness and long-term thinking is maintained. Meanwhile, the new CEO (Ashok Vaswani) aspires to grow the business further by focusing on consumer banking and digitisation. We expect to see a growing trend of formalised financial savings, benefiting KMB's insurance, mutual funds and asset management businesses.

Bank Central Asia ("BCA") is a leading private bank in Indonesia with 11% loan market share and 17% market share in low-cost deposits (i.e. current accounts and savings accounts, or "CASA"). We like the bank's conservative culture and solid management, backed by a stable and long-term owner in the Hartono family. BCA's moat in transaction banking has created a large pool of low-cost deposits for the bank which is hard to replicate. BCA then lends sensibly to good borrowers and earns a healthy return on equity ("ROE"), averaging over 20% over the past 10 years. It has the lowest credit loss ratio and lowest leverage amongst Indonesian banks. In addition, BCA was early to invest in digitisation in Indonesia, which has since accelerated its customer acquisition. BCA remains very profitable, and we believe it has the ability to compound book value at high rates without taking on too much risk. Low credit penetration and household debt in Indonesia should provide a favourable backdrop for continued growth.

Disposals

Naver, the South Korean technology platform, was sold on strength to consolidate the portfolio into higher conviction ideas. While the shares have bounced due to excitement around Korea and AI, we believe the business faces structural headwinds in terms of slowing e-commerce growth, and we have been concerned about their lack of financial discipline in the past.

Motilal Oswal Financial Services is a non-bank financial company ("NBFC") in India. We sold out of a lower conviction holding to raise cash for better ideas elsewhere.

Milkyway Intelligent Supply Chain is a chemical materials logistics company in China. We sold out of the position on concerns about leverage and poor cash generation.

Looking forward

We are optimistic on the outlook for the Asia Pacific region, with several signs pointing to a sustained period of Asian equity outperformance. With a rising share of global GDP growth, Asia should continue to benefit from the shift towards higher value services-led growth, digital transformation and the ongoing financialisation across the region. Valuations look attractive in comparison to developed markets like the US, while low ownership of Asian equities in global portfolios provides a good backdrop for absolute returns as global liquidity flows eastwards.

As markets broaden out their focus from their narrow focus on AI, we believe quality businesses owned in the portfolio should do well. The Company's holdings are characterised by strong competitive advantages, and they have historically managed to preserve margins and profitability through the cycles. We are confident that their strong fundamentals will translate into attractive shareholder returns in the long run. Current portfolio valuations, at 17x forward price-to-earnings, remain attractive – as they have been over the last couple of years, while the free cash flow yield of 5.3% is at a historic high as companies are returning more cash to shareholders. Looking forward, we expect earnings to compound at a low-to-mid teens rate with circa 20% average returns on equity, which looks attractive and reasonable to us.

FSSA Investment Managers
Portfolio Manager
30 April 2026



Sustainability and ESG

The Company's Environmental, Social & Governance Policy

The Board believes that consideration of environmental, social and governance issues within the Company's operations is of importance to shareholders and other stakeholders, not least because long-term returns are much more likely to be generated by companies that have embedded corporate governance strengths, and which respect the environment and the society in which they operate. The Board believes that this investment approach is readily applicable in the markets in Asia in which the Company invests.

The Company delegates the management of the portfolio to First Sentier Investors (UK) IM Limited. During the year, the Company's portfolio was managed by the Stewart Investors investment team until 14 November 2025 when the decision was made by First Sentier to transfer their responsibilities to FSSA Investment Managers. FSSA have a similar approach to integrating sustainability into portfolio construction and investee company engagement. Accordingly, FSSA have continued to manage the Company's portfolio with the sustainable investment objective of achieving capital appreciation by investing in companies which both contribute to, and benefit from, sustainable development, achieving positive social and environmental sustainable outcomes.

FSSA's approach is described in the following section. As part of this focus on sustainability, the Board expects sustainability and ESG concerns to be a key topic of engagement with investee companies. The Company expects to maintain, through its Portfolio Manager, a continuous constructive dialogue with the owners and the managers of the companies where it owns shares. Such a relationship is enhanced by the long-term nature of the investment inherent in the Portfolio Manager's investment approach.

In the same way as the Board expects the Portfolio Manager to challenge investee companies on their sustainability and ESG credentials, the Board will also assess the Company's principal service providers. The Board asks for assurances that a service provider has taken the necessary steps to mitigate any material negative environmental impact their operations might have, to ensure that their internal governance is compliant with expected high standards, and that they strive to avoid negative social impacts resulting from their activities.

Similarly, the Board itself strives to uphold the highest ESG standards. The Board's operations mainly consist of governance-related matters, where it is important to the Directors to be at the forefront of best practice.

A corporate governance report for the year, beginning on page 30, forms part of this Annual Report. A description of how the Directors have taken the interests of key stakeholders into account in their decision-making is included on pages 24 and 25.

As best practice, regulation and disclosure are constantly evolving in this area both for the Company and for the companies in which it invests, the Board regularly discusses sustainability, including ESG policy and practice, with the Portfolio Manager, encouraging where possible further enhancements in both the policy and in reporting to shareholders.

On behalf of the Board

Andrew Impey
Chair
30 April 2026

FSSA Investment Manager's approach to sustainability

As long-term investors, the notion of sustainability is fundamental to our company research. In our view, sustainability analysis is simply the consideration of investment issues beyond the immediate term. We have been consistent in this view since the team's establishment in 1988. We consider it to be prudent risk management and a fundamental part of our obligations to clients. Understanding and evaluating a company's approach to sustainability is therefore part of our risk-mitigation approach.

A key part of our approach is seeking founders and management teams with high governance standards and whose interests are well aligned with minority shareholders. We focus on the stewardship of the businesses we own as we believe that good managers should ensure that sustainability issues are addressed in an appropriate manner. In the long run, we believe companies will increasingly need to account for societal and environmental costs, delivering on all fronts consistently and sustainably – or eventually cede share to those that do. As such, our sustainability analysis – incorporating both the challenges and the opportunities, and management's response to them – has a significant impact on our views of a company's quality.

In our research, we analyse how a company operated in the past and what its plans are today. The next step is to better understand and shape its evolution. Through active engagement with the companies we own, we are able to raise legitimate concerns and encourage them to address the issues at hand. In our experience, the companies that make the best long-term investments are those that are led by management teams with integrity, have sustainable business models and generate durable returns on capital.

We believe it is everyone's responsibility to think about sustainability issues as part of his or her investment decision-making. Just as we would not outsource the financial analysis to a team of accountants, or the franchise assessment to external business consultants, we see no reason to separate the sustainability elements from our fundamental research process. These factors are intertwined in our quality assessment, which in turn is core to our investment philosophy.

Ultimately, we recognise that our investment activities can have an impact on society and the environment, and

good governance is the foundation on which great companies are built. That said, we realise it is an incredibly complex subject and there is no single approach or path to prescribe to investors or companies – rather, it is the direction of travel that is more important.

UK Sustainability Disclosure Requirements

The Company does not have a sustainable investment label under the UK Sustainability Disclosure Requirements as it does not have a specific and measurable non-financial sustainability objective, nor related key performance indicators which apply to all companies in the form currently required for such a label. FSSA believes that companies can contribute to sustainable development in different ways and these contributions can be assessed by reference to measures and methods which are suitable for each company. A consumer facing disclosure which summarises the key sustainability characteristics of the Company can be found on the Company's website.

EU Sustainable Finance Disclosure Regulation

The Board has been advised that the Company's existing disclosures are sufficient for maintaining the Company's classification under Article 9 of the EU Sustainable Finance Disclosure Regulation ("SFDR"). FSSA's report on how the Company has met its sustainable investment objective, in accordance with the requirements of the SFDR, is appended to this Annual Report and begins on page 77.

FSSA Investment Managers
Portfolio Manager
30 April 2026

Business Review

The Strategic Report, set out on pages 1 to 26, contains a review of the Company's business model and strategy, an analysis of its performance during the financial year and its future developments as well as details of the principal risks and challenges it faces. Its purpose is to inform shareholders and help them to assess how the Directors have performed their duty to promote the success of the Company.

The Strategic Report contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report. Such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

Business Model

The Company is an externally managed investment trust and its shares are admitted to the closed-ended investment funds category of the FCA's Official List and to trading on the main market of the London Stock Exchange.

The purpose of the Company is to achieve long-term growth in its shareholders' capital by providing a vehicle for investors to gain exposure to a portfolio of companies in the Asia Pacific Region, through a single investment.

As an externally managed investment trust, all of the Company's day-to-day management and administrative functions are outsourced to service providers. As a result, the Company has no executive directors, employees or internal operations.

The Company is an Alternative Investment Fund ("AIF") pursuant to the Alternative Investment Fund Managers Regime and the EU AIFM Directive. The Company employs Frostrow Capital LLP ("Frostrow") as its Alternative Investment Fund Manager ("AIFM") and they provide corporate management, risk management, company secretarial and administrative services. The Company employs First Sentier Investors (UK) IM Limited ("FSI") as its Portfolio Manager (see page 40 for further information).

The Board remains responsible for all aspects of the Company's affairs, including setting the parameters for monitoring the investment strategy and the review of investment performance and policy. It also has responsibility for all strategic policy issues, including share issuance and buybacks, share price and discount/premium monitoring, corporate governance matters, dividends and gearing.

Further information on the Board's role and the topics it discusses with the Portfolio Manager is provided in the Corporate Governance report beginning on page 30.

Investment Objective and Policy

The Company aims to achieve long-term capital growth through investment in selected companies in the Asia Pacific region and the Indian sub-continent, excluding Japan (the "Asia Pacific Region"). Up to a maximum of 20% of the Company's total assets (at the time of investment) may be invested in companies incorporated and/or listed outside the Asia Pacific Region (as defined above); at least 25% of their economic activities (at the time of investment) are within the Asia Pacific Region with this proportion being expected to grow significantly over the long term.

The Company invests in companies which the Portfolio Manager believes will be able to generate long-term growth for shareholders.

The Company invests principally in listed equities although it is able to invest in other securities, including preference shares, debt instruments, convertible securities and warrants. In addition, the Company may invest in open and closed-ended investment funds and companies.

The Company is only able to invest in unlisted securities with the Board's prior approval. It is the current intention that such investments are limited to those which are expected to be listed on a stock exchange or which cease to be listed and the Company decides to continue to hold or is required to do so.

Risk is diversified by investing in different countries, sectors and stocks within the Asia Pacific Region. No more than 45% of the Company's total assets (at the time of investment) may be invested in any single jurisdiction. If the proportion of the Company's total assets invested in a single jurisdiction exceeds 49% at any time, the AIFM and the Portfolio Manager will, as soon as reasonably practicable, seek to re-balance the Company's portfolio below this threshold.

No single investment may exceed 7.5% of the Company's total assets at the time of investment. This limit is reviewed from time to time by the Board and may be revised as appropriate.

No more than 10% of the Company's total assets may be invested in other listed closed-ended investment companies unless such investment companies themselves have published investment policies to invest no more than 15% of their total assets in other closed-ended investment companies, in which case the limit is 15%.

When deemed appropriate, the Company may borrow for investment purposes up to the equivalent of 10% of the net asset value of the Company at the time of drawdown of such borrowing.

The use of derivatives is permitted with prior Board approval and within agreed limits. However, the Portfolio Manager is unlikely to use derivatives as they do not form part of their investment strategy.

Performance Measurement

The Board measures the Portfolio Manager's performance against the MSCI All Country Asia ex Japan Index (total return, sterling adjusted) and its AIC sector peer group.

Dividend Policy

It is the Company's policy to pursue capital growth for shareholders with income being a secondary consideration. This reflects that the Portfolio Manager is frequently drawn to companies whose future growth profile is more important than the generation of dividend income for shareholders.

The Company complies with the United Kingdom's investment trust rules which require investment trusts to retain no more than 15% of their distributable income each year. The Company's dividend policy is that the Company will pay a dividend as a minimum to maintain investment trust status.

The Board

At the date of this report, the Board of the Company comprises Andrew Impey (Chair), Nandita Sahgal (Chair of the Audit Committee), June Ang (Chair of the Engagement and Remuneration Committee), Robert Talbut, (the Senior Independent Director) and Edward Troughton (the Chair of the Sales, Marketing and Communications Committee). All of these Directors are non-executive, independent Directors. They all served throughout the year.

Further information on the Directors can be found on pages 28 and 29 and information on the Board's diversity can be found in the Corporate Governance Report on pages 37 and 38.

Key Performance Indicators ("KPIs")

The Board of Directors reviews performance against the following KPIs. As explained in the Half Year Report, the Board decided to retire the Company's UK inflation-linked performance objective and instead use a market-based comparator to measure the Portfolio Manager's performance. The first KPI has been updated to reflect this. The remaining KPIs are unchanged from the prior year.

- > NAV total return against the MSCI All Country Asia ex Japan Index (the "Index")*^
- > NAV per share total return against the peer group*^
- > Average discount/premium of share price to NAV per share over the year^
- > Ongoing charges ratio^

* Calculated on an annual basis and measured over three to five years.

^ Alternative Performance Measure (see Glossary beginning on page 75).

NAV per share total return – Index

The Directors regard the Company's net asset value total return as being the overall measure of value generated by the Portfolio Manager over the long term. Total return reflects both the net asset value growth of the Company and the dividends paid to shareholders.

During the year under review, the NAV per share total return was 0.0% underperforming the Index by 28.6% (2025: NAV per share total return of 9.7%, underperforming the Index by 12.6%). Over the past three years, the annualised NAV per share total return was 2.7%, underperforming the Index by 9.4%. Over five years, the annualised NAV per share total return was 4.5%, in line with the Index.

Business Review continued

A full description of performance during the year under review is contained in the Portfolio Manager's Review beginning on page 10.

NAV total return – peer group

The Board also monitors the Company's performance against its peer group of the three other investment trusts in the AIC Asia Pacific sector and an exchange traded fund which tracks the MSCI AC Asia ex Japan Index.

Over the one, three and five years ended 31 January 2026, the Company ranked 5th, 5th and 4th, respectively, in its peer group.

Average discount/premium of share price to NAV per share

The Board believes that the principal drivers of an investment trust's share price discount or premium over the long term are investment performance and a proactive marketing strategy. However, there can be volatility in the discount or premium during the year. Therefore, the Board takes powers each year to buy back and issue shares with a view to limiting the volatility of the share price discount or premium, in normal market conditions.

During the year under review no new shares were issued by the Company. The Company repurchased 6,325,879 shares during the year, at a total cost of £22.5 million, and at an average discount of 11.8%. The Board keeps the level of the discount under close review. Please refer to the Chair's Statement for further information.

Average discount of share price to NAV per share*^ during the year ended

31 January 2026	31 January 2025
11.4%	11.5%
Peer group average discount 9.0%	Peer group average discount 10.8%

* Source: Morningstar.

^ Alternative Performance Measure (see Glossary beginning on page 75).

Ongoing charges ratio

Ongoing charges represent the costs that the Company can reasonably expect to pay from one year to the next, under normal circumstances. The Board continues to be conscious of expenses and seeks to maintain a sensible balance between high quality service and costs.

The Board therefore considers the ongoing charges ratio to be a KPI and reviews the figure both in absolute terms and in relation to the Company's peers.

Ongoing charges ratio^

31 January 2026	31 January 2025
1.1%	1.1%
Peer group average 0.9%	Peer group average 0.9%

^ Alternative Performance Measure (see Glossary beginning on page 75).

During the year the Board agreed with the Portfolio Manager a new portfolio management fee which will have the effect of lowering the ongoing charges ratio to 1.0% in the first full year. The Board believes that the Company's relatively low turnover, and the absence of any costs associated with gearing, will mean that the Company's overall running costs – should these costs be factored into the calculation – are not necessarily as high as some other investment vehicles. It should also be noted that the Company does not have a performance fee. Performance fees are not included in the peer group average ongoing charges ratio.

Risk Management

The Board is responsible for managing the risks faced by the Company. Through delegation to the Audit Committee, the Board has established procedures to manage risk, to review the Company's internal control framework and to establish the level and nature of the principal risks the Company is prepared to accept in order to achieve its long-term strategic objective. The Board, meeting as the Audit Committee, has carried out a robust assessment of the principal and emerging risks facing the Company with the assistance of the AIFM. A process has been established to identify and assess risks, their likelihood and the possible severity of their impact.

These principal risks are set out on the following pages with a high-level summary of their management through mitigation and arrows to indicate any change in assessment during the year. The risks faced by the Company have been categorised under three headings as follows:

- > Investment and financial risks
- > Strategic risks
- > Operational risks




Strategic Review Risk

The Board launched a strategic review towards the end of the year following changes to the Company's portfolio management arrangements during the year. The Board considers that this process has heightened the Company's overall risk environment, introducing uncertainty regarding the Company's future structure, investment approach and management arrangements. This uncertainty may influence market sentiment and contribute to volatility in the share price and discount. The review has also necessitated a pause in the Company's marketing activities, and the Portfolio Manager has been asked to limit portfolio turnover while the process is ongoing. The eventual outcome of the review may not align with the preferences of all shareholders. The Board continues to monitor these risks and will maintain open communication with stakeholders throughout the process.



Business Review continued

A summary of these risks and their mitigation is set out below:

Principal Risks and Uncertainties	Mitigation	Change in risk assessment over the last financial year
Investment and Financial Risks		
Market and Foreign Exchange Risk 		
<p>The Company's portfolio is exposed to fluctuations in market prices (from both individual security prices and foreign exchange rates) in the regions and sectors in which it invests. Emerging markets in the Asia Pacific region, in which the portfolio companies operate, are expected to be more volatile than developed markets.</p>	<p>To an extent, this risk is accepted as being inherent to the Company's activities. However, the Board has set limits in the investment policy which ensure that the portfolio is diversified, reducing the risks associated with individual stocks and markets. Compliance with the investment objective and policy limits is monitored daily by Frostrow and the Portfolio Manager and reported to the Board monthly. The Portfolio Manager reports at each Board meeting on the performance of the Company's portfolio, including the impact of wider market trends and events.</p> <p>As part of its review of the viability of the Company, the Board also considers the sensitivity of the Company to changes in market prices and foreign exchange rates (see note 14 beginning on page 70), how the portfolio would perform during a market crisis, and the ability of the Company to liquidate its portfolio if the need arose. Further details are included in the Going Concern and Viability Statements on page 23.</p>	
Investment Performance 		
<p>Investment performance may not achieve the Company's investment objective. The Portfolio Manager's investment strategy and approach is expected to lead to performance that will deviate from that of both market indices and other investment companies investing in the Asia Pacific Region.</p>	<p>To manage this risk, the Board:</p> <ul style="list-style-type: none"> > reviews and challenges reports from the Portfolio Manager, which cover portfolio composition, asset allocation, concentration and performance at each Board meeting; > reviews investment performance over the long term against the Company's performance objective and peer group; > monitors the Portfolio Manager's performance against set KPIs; and > formally reviews the Portfolio Manager's appointment, including their performance, service levels and contractual arrangements, each year. <p>The Board increased the investment performance risk rating during the year in light of the Company's short and medium term performance. In December 2025, the Board initiated a full strategic review, as described in the Chair's Statement beginning on page 4.</p>	
Strategic Risks		
Geopolitical Risk 		
<p>Geopolitical events may have an adverse impact on the Company's performance by causing exchange rate volatility, changes in tax or regulatory environments, a reduced investment universe and/or a fall in market prices.</p>	<p>The Board regularly discusses global geopolitical issues and general economic conditions and developments.</p> <p>Political changes in recent years, particularly in the US and Asia Pacific region and more recently in the Middle East, as well as Ukraine and Eastern Europe, have increased uncertainty and volatility in financial markets. The Board discusses such developments and how they may impact decision making with the Portfolio Manager. In light of recent events in Iran, the Board considers that this risk has increased.</p>	






No change






Increased






Decreased


Principal Risks and Uncertainties	Mitigation	Change in risk assessment over the last financial year
Climate Change Risk 		
<p>The Board is cognisant of risks arising from climate change and the impact climate change events could have on portfolio companies and their operations, as well as on service providers to the Company.</p>	<p>The Board regularly reviews global environmental, geopolitical and economic developments with the Portfolio Manager and the implications of these risks and events on portfolio construction and the Company's operations. Given the Portfolio Manager's focus on sustainability as set out on page 15, the Board considers the portfolio to be relatively well positioned in this regard.</p>	
Black Swan Risk 		
<p>A significant unpredictable event (e.g. a pandemic/war/closure of a major shipping route) could lead to increased market volatility, and in a worst-case scenario, major global trade and supply chain breakdown resulting in significant volatility/declines in market prices. The Company's service providers and their operational systems may also be affected.</p>	<p>The Board monitors emerging risks and the robustness of the Portfolio Manager and other service providers' business continuity plans.</p> <p>The Portfolio Manager's investment approach includes a focus on sustainability and stewardship, which emphasises quality investments with strong balance sheets, a proven track record in previous crises, and the protection of shareholders' funds, leaving them relatively well positioned to deal with unforeseen events.</p> <p>All of the Company's service providers are required to have business continuity / disaster recovery policies and test them at least annually. Service providers provide updates on contingency plans for coping with major disruption to their operations.</p>	
Key Persons Risk 		
<p>There is a risk that the team responsible for managing the Company's portfolio may leave their employment or may be prevented from undertaking their duties.</p>	<p>The Board manages this risk by:</p> <ul style="list-style-type: none"> > receiving regular reports from the Portfolio Manager, including any significant changes in the make-up of the portfolio management team; > meeting the wider team supporting the designated lead manager, at both Board meetings and at the Portfolio Manager's offices; and > delegating to the Engagement & Remuneration Committee responsibility to perform an annual review of the service received from the Portfolio Manager, including, <i>inter alia</i>, the team supporting the lead manager and their succession planning. <p>In light of the changes made by First Sentier Group to the Company's portfolio management arrangements during the year, the Board recognised that this risk had increased materially.</p>	

 No change  Increased  Decreased

Business Review continued

Principal Risks and Uncertainties	Mitigation	Change in risk assessment over the last financial year
Share Price Risk 		
<p>The Company is exposed to the risk, particularly if the investment strategy and approach are unsuccessful, that the Company underperforms its peer group, fails to achieve its Performance Objective and becomes unattractive to shareholders, resulting in a widening of the share price discount to the NAV per share.</p>	<p>In managing this risk the Board:</p> <ul style="list-style-type: none"> > reviews the Company's investment objective and policy, and the Portfolio Manager's investment approach, in relation to investment performance, market and economic conditions and the performance of the Company's peers; > regularly discusses the Company's future development and strategy; > undertakes a regular review of the level of the share price discount/premium to the NAV per share and considers ways in which share price performance may be enhanced, including the effectiveness of marketing, share issuance and share buybacks, where appropriate; and > reviews an analysis of the shareholder register at each Board meeting and is kept informed of shareholder sentiment. <p>In view of the Company's performance, the changes to the portfolio management team, and ongoing developments in the investment trust sector, the Board considered that this risk had increased during the year. As a result, the Board launched a strategic review as described in the Chair's Statement beginning on page 4.</p>	
Operational Risk 		
<p>As an externally managed investment trust, the Company is reliant on the systems of its service providers for dealing, trade processing, administration, financial and other functions. If such systems were to fail or be disrupted (including, for example, as a result of cyber-crime or a pandemic) this could lead to a failure to comply with applicable laws, regulations and governance requirements and/or to a financial loss.</p> <p>Credit risk arising from the use of counterparties forms part of this risk. If a counterparty were to fail, the Company could be adversely affected through either delay in settlement or loss of assets.</p>	<p>To manage these risks the Board:</p> <ul style="list-style-type: none"> > periodically visits all key service providers to gain a better understanding of their control environment, and the processes in place to mitigate any disruptive events; > receives a monthly report from Frostrow, which includes, <i>inter alia</i>, confirmation of compliance with applicable laws and regulations; > reviews internal control reports and key policies of its service providers, including disaster recover procedures and business continuity plans; > maintains a risk matrix with details of the risks to which the Company is exposed, the approach to managing those risks, the key controls relied upon and the frequency of the controls operation; > receives updates on pending changes to the regulatory and legal environment and progress towards the Company's compliance with such changes; > has considered the increased risk of cyber-attacks and received reports and assurance from the Company's service providers regarding the information security controls in place; > has reviewed the arrangements (including sub-custodial arrangements) and services provided by the Custodian to ensure that the security of the Company's custodial assets is maintained; and > reviews the Portfolio Manager's approved list of counterparties, the process for monitoring and adding to the approved counterparty list, and the Company's use of those counterparties. <p>Under the terms of the contract with J.P. Morgan Chase Bank, the Company's investments are required to be segregated from J.P. Morgan Chase Bank's own assets.</p> <p>Further information on credit risk and other financial risks can be found in note 14 beginning on page 70.</p> <p>The Board considered that the risk of operational disruption had increased during the year as a result of the strategic review initiated by the Board.</p>	

 No change

 Increased

 Decreased

Emerging Risks

Emerging risks are discussed as part of the risk review process. The Board has identified the following emerging risk:

As well as offering investment opportunities, the development and exploitation of technological breakthroughs, such as artificial intelligence, may challenge and damage the addressable market, revenue and operations of portfolio companies to the extent that they no longer offer the promise of returns consistent with the Company's investment objective.

Going Concern

As set out in more detail in the Chairman's Statement on pages 4 and 5, the Board is in the process of completing a strategic review of the Company's future. The possible outcomes of the strategic review represent a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. Notwithstanding this material uncertainty, the Board has concluded that it remains appropriate to prepare the financial statements on a going concern basis. In reaching this conclusion, the Board has come to the view that, as the Board has not yet reached a decision and the Company is considered solvent in all other regards, going concern remains the most appropriate basis for preparation of the financial statements.

The Board has also considered the Company's portfolio, investment activity, cash balances and revenue forecasts, and a detailed assessment of the Company's ability to meet its liabilities as they fall due, including stress tests which modelled the effects of substantial falls in portfolio valuations and liquidity constraints on the Company's NAV, cash flows and expenses. Further details of the stress tests and scenarios considered can be found in the Audit Committee Report beginning on page 46 and Notes 1 and 14 to the financial statements. Based on the information available to the Directors at the date of this report, the Directors are satisfied that the Company has adequate financial resources to continue in operation for at least the next 12 months from the date of signing this report.

Viability Statement

Notwithstanding the material uncertainty posed by the strategic review, the Directors have carefully assessed the Company's financial position and prospects as well as the principal risks facing the Company and expect that, if the Company is to continue in its current form, it would be able to continue in operation and meet its liabilities as they fall due over the next three financial years. The Board chose a three year horizon to align with the performance-related tender offer introduced during the year.

To make this assessment and in reaching this conclusion, the Audit Committee considered the Company's financial position and its ability to liquidate its portfolio and meet its liabilities as they fall due and notes the following:

- > The portfolio is comprised of investments traded on major international stock exchanges. Based on historic analysis, it is estimated that approximately 90% of the current portfolio could be liquidated within two weeks (based on current market volumes with 20% participation);
- > The Audit Committee has considered the viability of the Company under various scenarios, including periods of acute stock market and economic volatility. In view of the results of these stress tests, the Board has concluded that it would expect to be able to ensure the financial stability of the Company through the benefits of having a diversified portfolio of listed and realisable assets. Further details of the stress tests can be found in Note 1 to the financial statements;
- > With a forecast ongoing charges ratio of 1.0%, the expenses of the Company are predictable and modest in comparison with the assets and there are no capital commitments currently foreseen which would alter that position;
- > The Board has noted that the Company has consistently retained levels of cash that are significantly higher than its annual operating expenses;
- > The Company has no employees, only non-executive Directors. Consequently it does not have redundancy or other employment related liabilities or responsibilities; and
- > The closed ended nature of the Company means that, unlike open ended funds, it does not need to realise investments when shareholders wish to sell their shares.

Business Review continued

Stakeholder Interests and Board Decision-Making (Section 172 of the Companies Act 2006)

The following disclosure, which is required by the Companies Act 2006 and the AIC Code of Corporate Governance, describes how the Directors have had regard to the views of the Company's stakeholders in their decision-making.

Stakeholder Group	How the Board has engaged with the Company's Stakeholders
Investors	<p>The Board's key mechanisms of engagement with investors include:</p> <ul style="list-style-type: none"> > The Annual General Meeting > The Company's website which hosts reports, articles and insights, and monthly fact sheets > One-to-one investor meetings > Group meetings with professional investors > The Annual and Half yearly Reports <p>Members of the Board, together with the Company's broker, completed a shareholder consultation before initiating a strategic review. The Board has continued to engage with shareholders throughout the process.</p>
Portfolio Manager	<p>The Board met regularly with the Portfolio Manager throughout the year, both formally at quarterly Board meetings and informally, as required. The Board engaged with the portfolio management team, discussing the Company's overall performance and strategy, as well as developments in individual portfolio companies and wider macroeconomic developments.</p> <p>The Board engaged extensively with the Portfolio Manager following the announcement of certain changes within their group and as part of the strategic review (please refer to the Chair's Statement for further details).</p>
Other Service Providers	<p>The Board met regularly with Frostrow (the AIFM), representatives of which attend every quarterly Board meeting to provide updates on risk management, accounting, administration, corporate governance and regulatory matters.</p> <p>The Board, meeting as the Engagement and Remuneration Committee, reviewed the performance of all the Company's service providers, receiving feedback from Frostrow in their capacity as AIFM and Company Secretary. Frostrow is responsible for the day-to-day operational management of the Company and meets and interacts with the other service providers including the Depositary, the Custodian and the Registrar, on behalf of the Board, on a daily basis. This can be through email, one-to-one meetings and/or regular written reporting.</p> <p>The Audit Committee met with BDO LLP to review the audit plan for the year, agree their remuneration, review the outcome of the annual audit and to assess the quality and effectiveness of the audit process. Please refer to the Audit Committee Report beginning on page 46 for further information.</p>
Strategic Review Candidates	<p>The Board has expended a significant amount of time engaging with and assessing other managers and investment companies that submitted a proposal as part of the strategic review launched by the Board during the year. Written proposals were assessed in the first stage of the process, and more detailed proposals and presentations of the shortlisted candidates were assessed in the second stage.</p>

As an externally managed investment trust, the Company has no employees, customers, operations or premises. Therefore, the Company's key stakeholders (other than its shareholders) are considered to be its service providers, including the Portfolio Manager. The need to foster good business relationships with service providers and maintain a reputation for high standards of business conduct are central to the Directors' decision-making as the Board of an externally managed investment trust.

Key Areas of Engagement	Main decisions and actions taken
<ul style="list-style-type: none"> > Ongoing dialogue with shareholders concerning the strategy of the Company, performance and the portfolio. > Share price performance. > The strategic review 	<p>The Board and the Portfolio Manager provided updates on performance via RNS, the Company's website and the usual financial reports and monthly fact sheets.</p> <p>The Board continued to monitor share price movements closely, both in absolute terms and in relation to the Company's peer group. The Board continued the Company's share buyback programme, which aims to limit the discount of the Company's share price to the NAV per share, leading to the repurchase of 6,325,879 shares during the year.</p> <p>Following the shareholder consultation, the Board initiated a strategic review. It is expected that the outcome of the strategic review will be announced in the weeks following the publication of this report.</p>
<ul style="list-style-type: none"> > Portfolio composition, performance, outlook and business updates. > The promotion and marketing strategy of the Company. > The terms and conditions of the Portfolio Management Agreement. 	<p>As a result of various changes made by First Sentier Group during the year, the Board initiated a strategic review. Further information is provided in the Chair's Statement on page 4.</p> <p>The Sales, Marketing and Communications Committee continued to work with the Portfolio Manager on improving the marketing strategy of the Company.</p> <p>The Portfolio Management Agreement was amended to reflect the new fee structure agreed by the Board during the year and to agree that protective notice be put in place at the outset of the strategic review.</p>
<ul style="list-style-type: none"> > The quality of service provision and the terms and conditions under which service providers are engaged. > The assessment of the effectiveness of the audit and the Auditor's reappointment. > The terms and conditions under which the Auditor is engaged. 	<p>The Board agreed that Frostrow and the Company's other service providers continued to perform well. The Board agreed with Frostrow that protective notice be put in place at the outside of the strategic review.</p> <p>The Board approved the Audit Committee's recommendation to propose to shareholders that BDO LLP be re-appointed as the Company's auditor for a further year. Please refer to the Audit Committee Report beginning on page 46 and the Notice of AGM beginning on page 92 for further information.</p>
<ul style="list-style-type: none"> > Proposals for the future of the Company. 	<p>After a thorough review of the proposals received in the first stage of the strategic review, the Board agreed a shortlist of candidates to invite to present a more detailed proposal. It is expected that the outcome will be announced in the weeks following the publication of this report.</p>

Business Review continued

Social, Human Rights and Environmental Matters

As an externally managed investment trust, the Company does not have any employees or maintain any premises, nor does it undertake any manufacturing or other physical operations itself. All its operational functions are outsourced to third party service providers. Therefore the Company has no material, direct impact on the environment or any particular community and, as a result, the Company itself has no environmental, human rights, social or community policies.

The Portfolio Manager engages with the Company's underlying investee companies in relation to their corporate governance practices and the development of their policies on social, community and environmental matters. First Sentier Investors is a Tier 1 signatory to the UN Principles of Responsible Investment, an investor signatory of Climate Action 100+ and an investor member of the Institutional Investors Group on Climate Change.

Integrity and Business Ethics

The Board is committed to carrying out the Company's business in an honest and fair manner with a zero-tolerance approach to bribery, tax evasion and corruption. As such, policies and procedures are in place to prevent this and can be found on the Company's website. In carrying out the Company's activities, the Board aims to conduct itself responsibly, ethically and fairly, including in relation to social and human rights issues.

Taskforce for Climate-Related Financial Disclosures ("TCFD")

The Company notes the TCFD recommendations on climate-related financial disclosures. The Company is an investment trust and, as such, it is exempt from the Listing Rules requirement to report against the TCFD framework.

FSSA Investment Manager's climate change statement is available on their website¹.

Performance and Future Developments

A review of the Company's performance over the year and the outlook for the Company can be found in the Chair's Statement beginning on page 4 and in the Portfolio Manager's Review beginning on page 10.

By order of the Board

Frostrow Capital LLP
Company Secretary
30 April 2026

¹ <https://www.fssaim.com/uk/en/private/sustainability/climate-change.html>

Governance

In this section

- 28 Board of Directors
- 30 Corporate Governance
- 39 Report of the Directors
- 44 Statement of Directors' Responsibilities
- 46 Audit Committee Report
- 51 Directors' Remuneration Report
- 54 Independent Auditor's Report

Board of Directors



Andrew Impey
Independent Non-Executive Chair

Joined the Board in 2022

Andrew is Chair of the Nominations Committee

Shareholding in the Company: 20,000

Skills and Experience

Andrew has over 35 years' experience in institutional investment management and wealth management. He has been lead manager on a broad range of funds including a sovereign wealth mandate, unit trusts and several investment trusts. He was previously a consultant at Rathbones Investment Management, a partner of Albion Capital Group, joint managing director at OLIM Limited and Chief Investment Officer at Singer & Friedlander.

Andrew's wide investment experience allows him to engage knowledgeably with the Portfolio Manager. He also brings current knowledge of the industry and in corporate governance and strategy.

He is a charity trustee and on a number of investment committees including the HMS Victory Preservation Company.

Other Appointments

Andrew is the non-executive chair of BlackRock Greater Europe Investment Trust plc.

Standing for re-election

Yes



Robert Talbut
Independent Non-Executive Director

Joined the Board in 2016

Robert is the Senior Independent Director

Shareholding in the Company: 9,611

Skills and Experience

Robert was formerly a director and Chief Investment Officer at Royal London Asset Management Limited.

His ongoing knowledge of the asset management industry and the strategic challenges it faces is useful in many board debates. His understanding of today's corporate governance best practice and the matters that a Board must confront, helps to ensure that the Company is run in accordance with best practice.

Given his wide-ranging board and sector experience Robert is well positioned to bring alternative perspectives on issues that may arise.

Other Appointments

Robert is a non-executive director of JP Morgan American Investment Trust plc and The Baillie Gifford Japan Trust PLC.

Standing for re-election

Yes



Edward Troughton
Independent Non-Executive Director

Joined the Board in 2019

Edward is Chair of the Sales, Marketing and Communications Committee

Shareholding in the Company: 18,357

Skills and Experience

Edward has been in the investment industry for over 35 years, starting his career with Barings Asset Management as an Asian equity portfolio manager. He spent the rest of his career after that in business development and marketing. He managed NatWest Investment Management's office in Hong Kong for five years. For seven years, he was with BlackRock where at one stage, as Managing Director, he ran their Asian regional office out of Hong Kong. Latterly he was Managing Director at Alliance Trust Investments and a Partner at Oldfield Partners where he was Head of Global Client Relations and Business Development, and a member of the Management Committee.

Edward's experience in the investment sector and first-hand knowledge of living and working in Asia enables the Board to engage authoritatively with the Portfolio Manager on their investment strategy. His knowledge of business development and marketing within the UK wealth sector is also extremely useful as the Board looks to widen the Company's overall appeal and shareholder base.

Other Appointments

None.

Standing for re-election

Yes



Nandita Sahgal FCA
Independent Non-Executive Director

Joined the Board in 2024

Nandita is Chair of the Audit Committee

Shareholding in the Company: 1,426

Skills and Experience

Nandita is the Senior Independent Director and Chair of the Audit Committee at the UK India Business Council. Previously, she was a Managing Director, Infrastructure Asset Management at ThomasLloyd Group Ltd. She has over 25 years' emerging markets experience working in asset management, equity capital markets and M&A at ThomasLloyd Group, Insinger de Beaufort and Seymour Pierce.

Prior to joining ThomasLloyd, Nandita was Chief Executive Officer at IL&FS Global Financial Services (UK) Ltd., the UK subsidiary of the investment banking arm of IL&FS. She holds a Bachelors in Economics and Business from The University of Edinburgh, is a Fellow of the Institute of Chartered Accountants in England and Wales and a Member of the Chartered Institute for Securities and Investment.

Other Appointments

Nandita is a non-executive director of Murray Income Trust Plc.

Standing for re-election

Yes



June Ang
Independent Non-Executive Director

Joined the Board in 2024

June is Chair of the Engagement & Remuneration Committee

Shareholding in the Company: 10,000

Skills and Experience

June was the Managing Director, and later a non-executive director, of PEAL Capital Partners. Previously she was Head of Investor Relations at Crake Asset Management LLP. Ms Ang has over 30 years of experience in financial markets and has a deep knowledge of emerging markets, particularly Asia. She spent two decades in Asian Equities and headed up the Asian Equity sales desk at HSBC for 12 years. As a Managing Director, she was directly accountable for financial performance, and responsible for strong risk management, regulatory and governance oversight and an in-depth understanding of asset management. She has held senior roles at Goldman Sachs, Citigroup and UBS, serving UK, European and Middle Eastern clients. Ms Ang has also worked in hedge funds and private equity and so has insight and expertise that spans public and private markets.

Other Appointments

None.

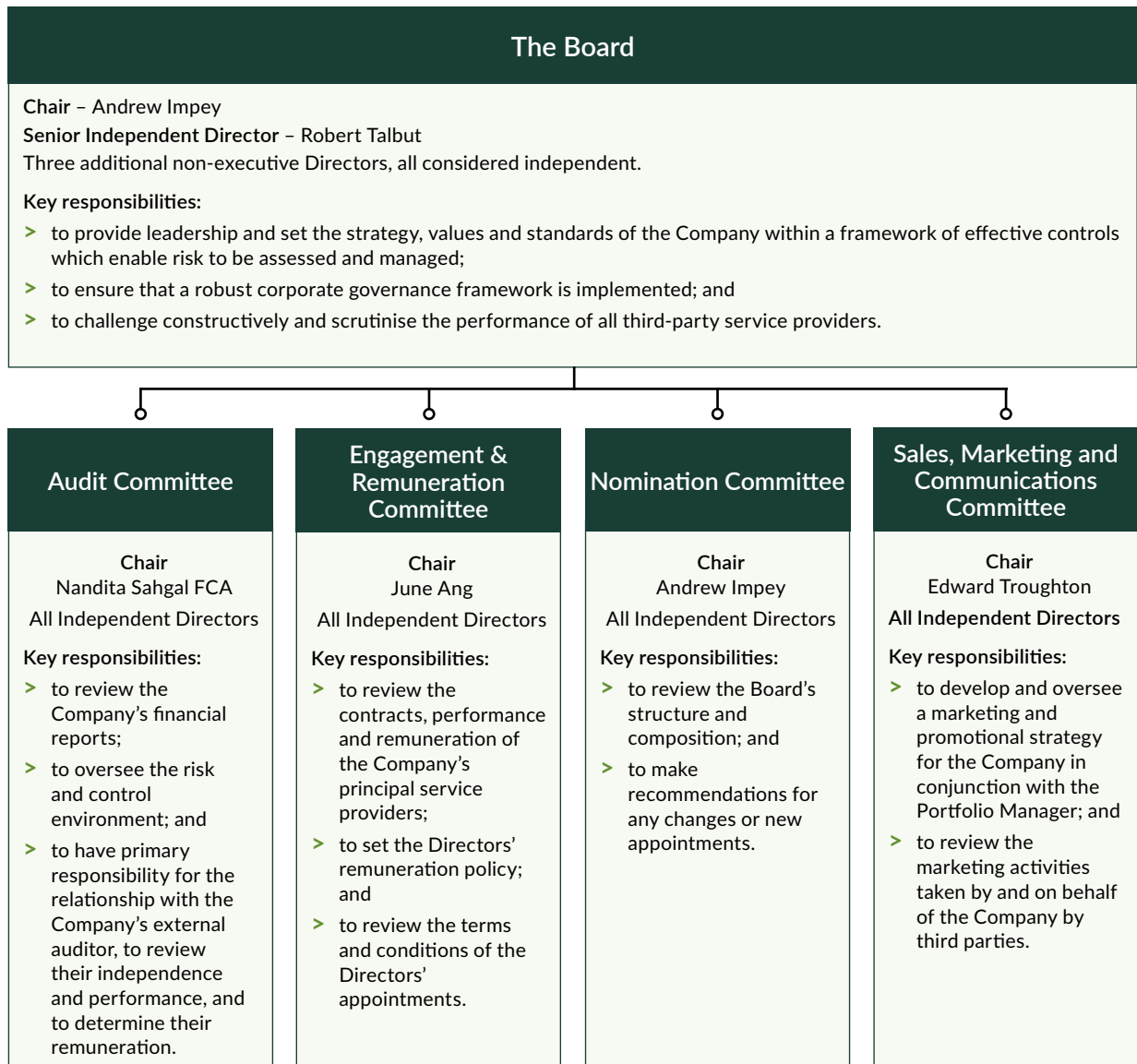
Standing for election

Yes

Corporate Governance

The Board and Committees

Responsibility for effective governance lies with the Board whose role is to promote the long-term success of the Company. The governance framework of the Company reflects the fact that as an externally managed investment company it has no employees and outsources portfolio management to First Sentier Investors and risk management, corporate management, company secretarial and administrative services to Frostrow Capital LLP. The Board generates value for shareholders through its oversight of the service providers and management of the costs associated with running the Company.



Copies of the full terms of reference, which clearly define the responsibilities of each Committee, can be obtained from the Company Secretary and will be available for inspection on the day of the Annual General Meeting. They can also be found on the Company's website at www.pacific-assets.com.

Internal Controls Structure

The Board has a responsibility for establishing and assessing internal controls to ensure the Company operates effectively, efficiently and within the risk appetites set by the Board. As the Company relies on third-party service providers for all of its operations, it obtains regular reports from these counterparties on the nature and effectiveness of controls within these organisations.

The Company's principal service providers are the Portfolio Manager, FSI, the AIFM, Company Secretary and administrator, Frostrow Capital, the custodian and depositary, JP Morgan and the registrar, Equiniti Group. The Board receives regular reporting on compliance with the control environment and assesses the effectiveness of the internal controls through review of the assurance reports from each of these organisations.

In addition, the Company retains a number of secondary providers who report regularly to the Board. These include the Company's legal advisers and the corporate stockbroker.

The Engagement and Remuneration Committee formally evaluates the performance and service delivery of all third-party service providers at least annually and the Audit Committee evaluates the performance of the Company's external auditor annually, following the completion of the annual audit process.

Principal third-party service providers

The Directors

- receive regular reporting at meetings;
- review the assurance report produced by each organisation;
- receive additional reporting on the control environment from each of the principal third party service providers; and
- formally evaluate their performance on an annual basis.

Secondary third-party service providers

The Directors

- receive regular reporting on their activities at meetings; and
- formally evaluate their performance on an annual basis.

Board of Directors
Entirely independent and non-executive

Sub-committees:

- Audit Committee
- Engagement & Remuneration Committee
- Nomination Committee
- Sales, Marketing and Communications Committee

Frostrow Capital LLP
(AIFM, Company Secretary, Fund Administrator)

Reporting

- Balance sheet
- Liquidity and gearing
- Income forecasts
- Portfolio valuation
- Portfolio transactions
- Letter of representation to the Board (annually)
- Investment limits and restrictions (monthly)
- Compliance with investment policy and guidelines (monthly)
- Compliance report (semi-annually)
- ISAE 3402 Internal Controls Report (annually)

First Sentier Investors (UK) IM Limited
(Portfolio Management)

Reporting

- Portfolio performance update at each meeting
- Compliance Report (semi-annually)
- ISAE 3402 Internal Controls Report (annually)
- Presentations on subjects of interest e.g. Risk Management, Investment Compliance (as required)

JP Morgan
(Depositary and Custodian)

Reporting

- Depositary's Report (semi-annually)
- SOC 1 Internal Controls Report (annually)
- Presentations on subjects of interest e.g. cyber security (as required)

Equiniti Group
(Registrar)

Reporting

- AAF 01/20 Internal Controls Report (annually)
- Presentations on subjects of interest e.g. cyber security (as required)

Dickson Minto LLP
(Legal Adviser)

Investec Bank PLC
(Corporate Broker)

Corporate Governance continued

Corporate Governance Statement

The Board has considered the principles and recommendations of the AIC Code of Corporate Governance published in August 2024 (the "AIC Code"). The AIC Code addresses all the principles set out in the UK Corporate Governance Code (the "UK Code"), as well as setting out additional provisions on issues that are of specific relevance to the Company. The Board notes that Provision 29 of the UK Code and Provision 34 of the AIC Code, which deal with Board monitoring of internal controls, are effective for accounting periods beginning on or after 1 January 2026.

The Board considers that reporting against the principles and provisions of the AIC Code (which has been endorsed by the Financial Reporting Council) will provide better information to shareholders. By reporting against the AIC Code, the Company meets its obligations under the UK Code (and associated disclosure requirements under paragraph 6.6.6 of the UK Listing Rules) and as such does not need to report further on issues contained in the UK Code which are irrelevant to the Company as an externally managed investment company, including the provisions relating to the role of the chief executive, executive directors' remuneration and the internal audit function.

The AIC Code is available on the AIC's website www.theaic.co.uk and the UK Code can be viewed on the Financial Reporting Council website www.frc.org.uk. The AIC Code includes an explanation of how the AIC Code adapts the principles and provisions set out in the UK Code to make them relevant for investment companies.

The Company has complied with the principles and provisions of the AIC Code.

This Corporate Governance report on pages 30 to 38 forms part of the Report of the Directors on pages 39 to 43.

Risk Management and Internal Controls

The Board is ultimately responsible for the Company's risk management and internal control systems and for reviewing their effectiveness. Operational responsibility for this review is delegated to the Audit Committee. A description of the principal risks facing the Company and an explanation of how they are managed is provided in the Strategic Report on pages 19 to 22. The Directors have a robust process for identifying, evaluating and managing the risks faced by the Company, including emerging risks, which are recorded in a risk schedule.

The Audit Committee's process involves reviewing the risk schedule at each of its three meetings during the year. One of the Audit Committee meetings is a

dedicated meeting to evaluate the Company's principal and other risks, identify emerging risks, and discuss the Board's approach to monitoring and managing them. The Audit Committee, on behalf of the Board, assesses the likelihood of occurrence and possible impact of each risk. The Committee then reviews the mitigating controls in place and assesses whether they provide sufficient mitigation.

The Company's internal controls are designed to manage, mitigate and/or monitor financial, investment, reporting, compliance and governance risks. As such, the controls aim to ensure that, *inter alia*:

- > There is an effective governance and oversight system in place;
- > The Portfolio Manager complies with the Company's investment policy;
- > The assets of the Company are safeguarded and accurately valued;
- > The Company's financial information is complete, accurate and clearly communicated to shareholders; and,
- > The Company complies with all legal and regulatory requirements.

Material controls are the mechanisms and procedures whose systematic failure would lead to an unacceptable risk to the Company's performance, reporting, objectives and/or reputation.

The Board operates certain internal controls such as the review of the Company's financial reports, risk identification, and the oversight of service providers. However, as an externally managed investment trust, the Company is reliant on the operational systems of its service providers and this is reflected in the Company's internal controls structure, which is summarised on page 31.

Internal control systems are designed to manage, rather than eliminate, the risk of failure to achieve the Company's strategic objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Audit Committee monitored the Company's risk management and internal control framework throughout the year through the review of reports from the principal service providers, as set out on page 31. In particular, the Committee reviewed any exceptions identified in the internal controls reports and evaluated whether they were material for the Company. Further information was obtained from service providers where necessary. After the Company's year end, the principal

service providers each provided a letter confirming that there had been no material changes to their internal controls between the date of their internal controls report and the Company's year end.

To supplement this annual review, the Audit Committee periodically carries out due diligence visits to the offices of the Company's principal service providers. During the year, and having visited the offices of JP Morgan and First Sentier during the previous year, members of the Committee visited the offices of Equiniti, the Company's registrar, in Worthing, where the agenda covered cyber and data security and Equiniti's internal controls.

The Statement of Directors' Responsibilities on pages 44 and 45 describes the Directors' responsibility for preparing this report.

The Audit Committee Report, beginning on page 46, explains the work undertaken to allow the Directors to make this statement and to apply the going concern basis of accounting. It also sets out the main roles and responsibilities and the work of the Audit Committee throughout the year.

The Board's assessment of the Company's longer-term viability is set out in the Strategic Report on page 23.

Board Leadership and Purpose

Purpose and Strategy

The purpose and strategy of the Company are described in the Strategic Report on page 16.

Strategic issues and all material operational matters are considered at Board meetings.

Board Culture

The Board aims to capture differences of opinion, unique vantage points and areas of expertise. The Chair encourages open debate to foster a supportive and co-operative approach. Strategic decisions are discussed openly and constructively. The Board aims to be open and transparent with shareholders and other stakeholders, and for the Company to conduct itself responsibly, ethically and fairly in its relationships with service providers.

Shareholder Relations

Representatives of the Portfolio Manager and Investec Bank plc, the Company's corporate stockbroker, met regularly with institutional shareholders and private client asset managers to discuss investment strategy, any issues or concerns and, if applicable, corporate governance matters. Reports on investor sentiment and the feedback from investor meetings were discussed with the Directors at the following Sales, Marketing and Communications Committee and Board meetings.

In addition, members of the Board (in particular the Chair and the Senior Independent Director) met with shareholders to discuss the future of the Company as part of the Strategic Review.

Shareholder Communications

The Directors welcome the views of all shareholders and place considerable importance on communications with them. Shareholders wishing to communicate with the Chair, or any other member of the Board, may do so by writing to the Company Secretary at the offices of Frostrow Capital LLP (25 Southampton Buildings, London WC2A 1AL). Shareholders are encouraged to attend the AGM, where they will be given the opportunity to question the Board. Further details of this year's AGM are provided in the Chair's Statement beginning on page 4 and in the Notice of AGM beginning on page 92.

Significant Holdings and Voting Rights

Details of the shareholders with substantial interests in the Company's shares, the Directors' authorities to issue and repurchase the Company's shares, and the voting rights of the shares are set out in the Report of the Directors on pages 39 to 43.

Conflicts of Interest

Company directors have a statutory obligation to avoid a situation in which they (and connected persons) have, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company. In line with the Companies Act 2006, the Board has the power to authorise any potential conflicts of interest that may arise and impose such limits or conditions as it thinks fit. A register of interests and potential conflicts is maintained and is reviewed at every Board meeting. No conflicts of interest arose during the year under review.

Division of Responsibilities

Responsibilities of the Chair and the Senior Independent Director ("SID")

The Chair's primary role is to provide leadership to the Board, assuming responsibility for its overall effectiveness in directing the Company. The Chair is responsible for:

- taking the chair at general meetings and Board meetings, conducting meetings effectively and ensuring all Directors are involved in discussions and decision-making;
- setting the agenda for Board meetings and ensuring the Directors receive accurate, timely and clear information for decision-making;
- taking a leading role in determining the Board's composition and structure;

Corporate Governance continued

- overseeing the induction of new directors and the development of the Board as a whole;
- leading the annual board evaluation process and assessing the contribution of individual Directors;
- supporting and also challenging the Portfolio Manager (and other suppliers) where necessary;
- ensuring effective communications with shareholders and, where appropriate, stakeholders; and
- engaging with shareholders to ensure that the Board has a clear understanding of shareholder views.

The SID serves as a sounding board for the Chair and acts as an intermediary for the other Directors and the shareholders. The SID is responsible for:

- working closely with the Chair and providing support;
- leading the annual assessment of the performance of the Chair;
- holding meetings with the other non-executive Directors without the Chair being present, on such occasions as necessary;
- carrying out succession planning for the Chair's role;
- working with the Chair, other Directors and shareholders to resolve major issues; and
- being available to shareholders and other Directors to address any concerns or issues they feel have not been adequately dealt with through the usual channels of communication (i.e. through the Chair or the Portfolio Manager).

Director Independence

The Board comprises five non-executive Directors, all of whom are independent of the Portfolio Manager. Each Director, including the Chair, was independent on appointment. All Directors standing for re-election at the forthcoming AGM continue to be independent when assessed against the criteria set out in Provision 13 of the AIC Code, with the exception of Mr Talbut, who has served on the Board for more than nine years.

The Board has asked Mr Talbut to remain in his role as SID until the conclusion of the strategic review. While taking full account of the guidance in the AIC Code regarding length of tenure, the Board considers that Mr Talbut continues to demonstrate independence of character and judgement, which has been evident throughout the strategic review process. Accordingly, the Board considers that all Directors, including Mr Talbut, are independent and that there are no relationships or circumstances that are likely to impair, or could reasonably be perceived to impair, their judgement.

Directors' Other Commitments

Directors wishing to accept a new appointment obtain approval from the Chair before doing so and the Chair obtains approval from the SID. In addition, the Board reviews Directors' other board positions and time commitments at every Board meeting to ensure that Directors' have sufficient time to commit to their role. Following the annual Board evaluation, the Board considers that all Directors have sufficient time to discharge their duties.

Board Meetings

The Board held four quarterly meetings and five *ad hoc* meetings during the year. The primary focus at quarterly Board meetings was the review of investment performance and associated matters, including asset allocation, marketing/investor relations, peer group information and industry issues. The Board reviewed key investment and financial data, revenue and expense projections, analyses of asset allocation, transactions, customised performance metrics and performance comparisons, share price and net asset value performance. The focus of the *ad hoc* meetings was the closure of the Stewart Investors business, due diligence of the FSSA Investment Managers team and the subsequent strategic review. The Directors also attended a number of informal Board calls throughout the strategic review process.

The Board is responsible for setting the Company's corporate strategy and reviewed the continued appropriateness of the Company's investment objective, investment strategy and investment restrictions at each quarterly meeting.

Matters Reserved for Decision by the Board

The Board has adopted a schedule of matters reserved for its decision. This includes, *inter alia*, the following:

- Decisions relating to the strategic objectives and overall management of the Company, including the appointment or removal of the Portfolio Manager and other service providers, establishing the investment objectives, strategy and performance comparators, the permitted types or categories of investments, the proportion of assets that may be invested in them, and the markets in which transactions may be undertaken.
- Requirements under the Companies Act 2006, including approval of the half yearly and annual financial statements, recommendation of the final dividend (if any), declaration of any interim dividends, the appointment or removal of the Company Secretary, and determining the policy on share issuance and buybacks.

- > Matters relating to certain Stock Exchange requirements and announcements, the Company's internal controls, and the Company's corporate governance structure, policies and procedures.
- > Matters relating to the Board and Board committees, including the terms of reference and membership of the committees, and the appointment of directors (including the Chair and the SID).

Day-to-day portfolio management is delegated to First Sentier Investors and operational management is delegated to Frostrow.

The Board takes responsibility for the content of communications regarding major corporate issues, even if First Sentier or Frostrow acts as spokesman. The Board was kept informed of relevant promotional material that was issued by First Sentier Investors.

Board Committees

The Board has established four sub committees, as set out on page 30.

The Audit Committee Report begins on page 46.

The work of the Engagement and Remuneration Committee is described in the Directors' Remuneration Report beginning on page 51 and in the Report of the Directors on pages 41 and 42.

The work of the Nomination Committee is described in the 'Composition, Succession and Evaluation' section of this Corporate Governance report.

The Sales, Marketing and Communications Committee worked with the Portfolio Manager throughout the year to develop and enhance the Company's marketing strategy. The Committee reviewed First Sentier Investors' marketing activities, including feedback from investor meetings, and continued working with the Portfolio Manager to improve the Company's website, branding, social media and public relations strategies. The Committee also reviewed the appointment of Kepler Partners LLP who provide research and PR services to the Company.

The Committee chairs welcome the views of shareholders on any of the matters within their respective remits. Shareholders can contact the Committee chairs through the Company Secretary whose details are provided on page 99.

Relationship with the Portfolio Manager

Representatives from the Portfolio Manager were in attendance at each Board meeting to provide updates and address questions on specific matters.

Relationship with Other Service Providers

Representatives from Frostrow were in attendance at each Board meeting to address questions on the

Company's operations, administration and governance requirements. The Engagement and Remuneration Committee monitored and evaluated all of the Company's other service providers, including Frostrow, and also the Depositary, the Custodian, the Registrar and the Broker. The Committee concluded that all the service providers were performing well but was unable to make a recommendation to the Board regarding their continuing appointment due to the ongoing strategic review.

Stewardship and the Exercise of Voting Powers

The Board and the Portfolio Manager support the UK Stewardship Code, which sets out the principles of effective stewardship by institutional asset owners and asset managers. First Sentier Investors is a Tier 1 signatory to the UK Stewardship Code. First Sentier Investors produce an annual Responsible Investment and Stewardship Report which is published on their website www.firstsentierinvestors.com/UK/en/private/responsible-investment/responsible-investment-resource-centre.html.

The Board has delegated authority to the Portfolio Manager to engage with companies held in the portfolio and to vote the shares owned by the Company.

FSSA Investment Managers have a strong commitment to effective stewardship and their approach, including their consideration of environmental, social and governance issues, is set out on their website www.fssaim.com.

Independent Professional Advice

The Board has formalised arrangements under which the Directors, in the furtherance of their duties, may seek independent professional advice at the Company's expense. No such advice was sought during the year.

Company Secretary

The Directors have access to the advice and services of a specialist investment trust company secretary, Frostrow Capital LLP, which is responsible for advising the Board on all governance matters. The Company Secretary ensures governance procedures are followed and that the Company complies with applicable statutory and regulatory requirements.

Composition, Succession and Evaluation

Board Evaluation

During the year an internal review of the Board, its committees and individual Directors (including each Director's independence and their other commitments) was carried out by the Board, in the form of electronic performance evaluation questionnaires. The overall process and individual performance assessments were led by the Chair. The review of the Chair's performance was led by the Senior Independent Director.

Corporate Governance continued

The review concluded that the Board worked in a collegiate, efficient and effective manner, and there were no material weaknesses or concerns identified.

The Board's composition, diversity and succession plans were reviewed. The anticipated retirement of Robert Talbut and the recruitment process to identify his successor were postponed pending the outcome of the strategic review.

All Directors submit themselves for election and annual re-election thereafter by shareholders (unless they intend to retire from the Board). The particular contribution of each individual Director is summarised on pages 28 and 29. Following the evaluation process, the Board recommends that shareholders vote in favour of the Directors' re-election at the forthcoming AGM.

The Board pays close attention to the capacity of individual Directors to carry out their work on behalf of the Company. In recommending individual Directors to shareholders for re-election, the Board considered the Directors' other board positions and time commitments, with each Director disclosing the expected time commitment for each appointment. The Board is satisfied that all of the Directors have the capacity to be fully engaged with the Company's business, as evidenced by the Directors' attendance at both quarterly and ad hoc meetings during the year.

The number of scheduled Board and Committee meetings held during the year and the number of meetings attended by each Director is set out below:

	Board (4)	Audit Committee (3)	Engagement & Remuneration Committee (1)	Nomination Committee (2)	Sales, Marketing & Communications Committee (4)
Number of meetings					
June Ang	4	3	1	2	4
Andrew Impey	4	3	1	2	4
Sian Hansen*	2	1	0	1	2
Nandita Sahgal	4	3	1	2	4
Robert Talbut	4	3	1	2	4
Edward Troughton	4	3	1	2	4

*Retired from the Board on 1 July 2025

Other ad hoc meetings of the Board and Committees were held in connection with the strategic review and other specific events as and when necessary.

Succession Planning

The Nomination Committee considered the structure of the Board, noting that Robert Talbut had served more than nine years and recognising the need for progressive refreshment; however, given the uncertainty arising from the ongoing strategic review, the Committee recommended that it would not be appropriate to appoint a new director at this time. At the Board's request, Mr Talbut has agreed to remain on the Board until the conclusion of the strategic review to ensure continuity and stability during the process.

The Board has an approved succession planning policy to ensure that (i) there is a formal, rigorous and transparent procedure for the appointment of new directors; and (ii) the Board is comprised of members who collectively display the necessary balance of professional skills, experience, length of service and industry knowledge. The policy is reviewed annually and at such other times as circumstances may require.

Policy on the Tenure of the Chair and other Non-Executive Directors

The tenure of each independent, non-executive director, including the Chair, is not ordinarily expected to exceed nine years. It should be noted that, in practice, the date of departure from the Board may be the date of the AGM following this anniversary. However, the Board has agreed that the tenure of the Chair may be extended provided such an extension is conducive to the Board's overall orderly succession. The Board believes that this more flexible approach to the tenure of the Chair is appropriate in the context of the regulatory rules that apply to investment companies, which ensure that the chair remains independent after appointment, while being consistent with the need for regular refreshment and diversity.

The Board acknowledges that the continued appointment of the Senior Independent Director beyond nine years does not accord with this policy; however, it considers the ongoing strategic review to be an exceptional circumstance that justifies this temporary departure in order to preserve consistent oversight and governance until the process concludes.

Appointments to the Board

The Nomination Committee considers annually the skills possessed by the Directors and identifies any skill shortages to be filled by new directors. The rules governing the appointment and replacement of directors are set out in the Company's Articles of Association and the aforementioned succession planning policy. Where the Board appoints a new director during the year, that director will stand for election by shareholders at the next AGM. The minimum number of directors is two and the maximum is seven. When considering new appointments, the Board endeavours to ensure that it has the capabilities required to be effective and oversee the Company's strategic priorities. This will include an appropriate range, balance and diversity of skills, experience and knowledge. The Company is committed to ensuring that any vacancies arising are filled by the best qualified candidates.

Board Diversity

The Board supports the principle of boardroom diversity, of which gender and ethnicity are two important aspects.

The Company's policy is that the Board and its committees should be comprised of directors with a diverse range of skills, knowledge and experience and that appointments to the Board should be made on merit, against objective criteria, including diversity in its broadest sense. The objective of the policy is to ensure there is a broad range of approaches, backgrounds, skills, knowledge and experience represented on the Board. To this end, achieving a diversity of perspectives and backgrounds on the Board is a key consideration in any director search process. The Board encourages any recruitment agencies it engages to find a diverse range of candidates that meet the criteria agreed for each appointment and, from the shortlist, aims to ensure that a diverse range of candidates is brought forward for interview.

The UK Listing Rules require companies to report against the following diversity targets:

- At least 40% of individuals on the board are women;
- At least one of the senior board positions is held by a woman; and
- At least one individual on the board is from a minority ethnic background.

In accordance with the UK Listing Rules, the Board has provided the following information in relation to its diversity as at the year end.

	Number of Board Members	Percentage of the Board	Number of Senior Positions on the Board*
Men	3	60%	Not applicable *
Women	2	40%	- see note
Not specified/prefer not to say [^]	-	-	

[^] Directors were also given the opportunity to indicate if there was an 'other category' they wished to specify.

	Number of Board Members	Percentage of the Board	Number of Senior Positions on the Board*
White British or other White (including minority-white groups)	3	60%	
Mixed/Multiple Ethnic Groups	-	-	
Asian/Asian British	1	20%	Not applicable *
Black/African/Caribbean/Black British	-	-	- see note
Other ethnic group	1	20%	
Not specified/prefer not to say	-	-	

* The Listing Rules define 'senior board positions' as the roles of Chair, SID, CEO and CFO. This column is inapplicable as the Company is externally managed and does not have executive management functions, specifically it does not have a CEO or CFO. The Chair of the Board and the SID are currently both men. However, the Company considers that chairing the permanent sub-committees of the Board are senior roles in an investment company context. Of the four permanent sub-committees of the Board, two are chaired by women: the Audit Committee and the Engagement and Remuneration Committee.

Corporate Governance continued

The information above was obtained by asking the Directors to complete a multiple choice form with the options in the tables set out above. The form asked the Directors to indicate how they should be categorised for the purposes of these disclosures.

As an externally managed investment company, the Company does not have the positions of CEO or CFO and therefore, as permitted by the Listing Rules, it has not reported against the second target as it is not applicable. As shown in the tables, the Company had met both the first and third targets at the year end.

Remuneration

The Directors' Remuneration Report beginning on page 51 sets out the levels of remuneration for each Director and explains how Directors' remuneration is determined.

Frostrow Capital LLP
Company Secretary
30 April 2026

Report of the Directors

The Directors present this Annual Report on the affairs of the Company together with the audited financial statements and the Independent Auditor's Report for the year ended 31 January 2026.

Business and Status of the Company

The Company is registered as a public limited company in Scotland (Registered Number SC091052) and is an investment company within the terms of Section 833 of the Companies Act 2006 (the "Act"). Its shares are admitted to the closed-ended investment funds category of the FCA's Official List and to trading on the main market of the London Stock Exchange, which is a regulated market as defined in Section 1173 of the Act.

The Company has been accepted as an investment trust under Section 1158 of the Corporation Taxes Act 2010 and Part 2 Chapter 1 of Statutory Instrument 2011/2999. This approval relates to accounting periods commencing on or after 1 February 2012. The Directors are of the opinion that the Company has conducted its affairs so as to be able to retain such approval.

The Company is a member of the Association of Investment Companies.

Alternative Performance Measures

The financial statements (on pages 61 to 73) set out the required statutory reporting measures of the Company's financial performance. In addition, the Board assesses the Company's performance against a range of criteria which are viewed as particularly relevant for investment trusts. These measures are summarised on page 1 and explained in greater detail in the Strategic Report, under the heading 'Key Performance Indicators' on pages 17 and 18. The Directors believe that these measures enhance the comparability of information between reporting periods and aid investors in understanding the Company's performance.

As explained in the Half Year Report, the Company's UK inflation-linked performance objective was retired during the year and replaced with a market-based comparator, otherwise the measures used for the year under review have remained consistent with the prior year.

Definitions of the terms used and the basis of their calculation are set out in the Glossary beginning on page 75.

Annual General Meeting

THE FOLLOWING INFORMATION TO BE DISCUSSED AT THE FORTHCOMING ANNUAL GENERAL MEETING IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the action you should take, you should seek advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (as amended). If you have sold or transferred all of your ordinary shares in the Company, you should pass this document, together with any other accompanying documents, including the form of proxy, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

Resolutions relating to the following items of business will be proposed at the Annual General Meeting to be held on 7 July 2026.

Resolution 12 Authority to allot shares

Resolution 13 Authority to disapply pre-emption rights

Resolution 14 Authority to buy back shares

Resolution 15 Authority to hold General Meetings (other than the AGM) on at least 14 clear days' notice

The full text of the resolutions can be found in the Notice of Annual General Meeting on pages 92 and 93. Explanatory notes regarding the resolutions can be found on pages 97 to 98.

Report of the Directors continued

Results and Dividend

The results attributable to shareholders for the year are shown on page 61. Details of the Company's dividend record can be found on page 3 and the dividend policy is outlined in the Strategic Report on page 17.

A final dividend of 5.7p per ordinary share has been proposed and, subject to shareholder approval, will be paid on 10 July 2026 to shareholders on the register on 12 June 2026. The associated ex-dividend date is 11 June 2026.

Capital Structure

As at 31 January 2026, there were 114,262,507 ordinary shares of 12.5p each ("shares") in issue (2025: 120,588,386). All shares rank equally for dividends and distributions. Each shareholder is entitled to one vote on a show of hands and, on a poll, to one vote for every share held. Details of the substantial shareholders in the Company are listed on page 42.

At the start of the year under review, the Directors had shareholder authority to issue up to 12,095,838 shares on a non-pre-emptive basis and to buy back up to 17,761,662 shares in the market. At the Company's annual general meeting held on Monday, 1 July 2025, these authorities expired and new authorities to allot up to 11,840,838 shares (representing 10% of the Company's issued share capital) on a non-pre-emptive basis and to buy back up to 17,749,417 shares (representing 14.99% of the Company's issued share capital) were granted.

During the year, no new shares were issued (2025: nil). 6,325,879 shares were repurchased and then cancelled during the year (2025: 370,000) and there are no shares held in Treasury.

The powers to issue or buy back the Company's shares require the relevant resolution to be passed by shareholders. Proposals for the renewal of the Board's authorities to issue and buy back shares are detailed in the Notice of AGM beginning on page 92.

There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no restrictions on voting rights; no agreements between holders of securities regarding their transfer known to the Company; and no agreements which the Company is party to that might affect its control following a successful takeover bid.

Financial Instruments

The Company's financial instruments comprise its investment portfolio, cash balances, debtors and creditors which arise directly from its operations such as sales and purchases awaiting settlement, and accrued income. The financial risk management objectives and policies arising from its financial instruments and the exposure of the Company to risk are disclosed in note 14 to the financial statements, beginning on page 70.

Principal Service Providers

Portfolio Manager

The Company's investment portfolio has been managed by First Sentier Investors (UK) IM Limited ("FSI") since 1 July 2010. Stewart Investors, a semi-autonomous investment team within FSI, managed the portfolio until 14 November 2025. On 12 November 2025, First Sentier Group announced the closure of the Stewart Investors business and the transition of their investment management responsibilities to FSSA Investment Managers, another semi-autonomous investment team within FSI. FSI are engaged under the terms of a Portfolio Management Agreement (the "PMA") effective from 24 March 2025 and amended by side letter on 11 December 2025, which replaced two previous agreements.

Under the terms of the PMA, FSI provide, *inter alia*, the following services:

- > seeking out and evaluating investment opportunities;
- > recommending the manner by which cash should be invested, divested, retained or realised;
- > advising on how rights conferred by the investments should be exercised;
- > analysing the performance of investments made;
- > advising the Company in relation to trends, market movements and other matters which may affect the investment objective and policy of the Company; and
- > marketing and investor relations services.

During the year, the Board agreed a reduction in the portfolio management fee, from a flat 0.85% per annum of NAV to a fee based on the lower of the Company's market capitalisation and NAV, set at 0.75% per annum on the first £500 million and 0.65% per annum thereafter. The PMA is terminable on six months' notice. Protective notice was put in place on 11 December 2025, at the outset of the strategic review.

Alternative Investment Fund Manager

Frostrow Capital LLP acts as the AIFM. It is an independent provider of services to the investment companies sector.

The Board resolved to appoint Frostrow Capital LLP as the Company's AIFM with effect from 30 April 2021 on the terms and subject to the conditions of the alternative investment fund management agreement between the Company and Frostrow (the "AIFM Agreement"). The AIFM Agreement assigns to Frostrow overall responsibility to manage the Company, subject to the supervision, review and control of the Board, and ensures that the relationship between the Company and Frostrow is compliant with the requirements of the AIFMD. Frostrow, under the terms of the AIFM Agreement provides, *inter alia*, the following services:

- > risk management services;
- > administrative and secretarial services;
- > advice and guidance in respect of corporate governance requirements;
- > maintenance of the Company's accounting records;
- > preparation and dispatch of the annual and half yearly reports; and
- > ensuring compliance with applicable tax, legal and regulatory requirements.

Under the AIFM Agreement, Frostrow receives a fixed fee of £75,000 per annum plus 0.11% per annum of net assets up to £250 million, plus 0.075% per annum of net assets in excess of £250 million.

The AIFM Agreement is terminable on six months' notice given by either party. Protective notice was put in place on 19 December 2026, at the outset of the strategic review.

Further details of the fees payable to FSI and Frostrow Capital LLP during the year are set out in note 3 to the financial statements on page 65.

Depositary and Custodian

The Board resolved to appoint J.P. Morgan Europe Limited (the "Depositary") as the Company's depositary in accordance with the AIFMD on the terms and subject to the conditions of the depositary agreement between the Company, Frostrow and the Depositary (the "Depositary Agreement"), with effect from 30 April 2021.

The Depositary provides the following services, *inter alia*, under its agreement with the Company:

- > safekeeping and custody of the Company's custodial investments and cash;
- > processing of transactions; and
- > foreign exchange services.

The Depositary must take reasonable care to ensure that the Company is managed in accordance with the Financial Conduct Authority's Investment Funds Sourcebook, the AIFMD and the Company's Articles of Association.

Under the terms of the Depositary Agreement, the Depositary is entitled to receive an annual fee of the higher of £30,000 or 0.015% of the net assets of the Company up to £150 million, 0.0125% of the net assets in excess of £150 million and up to £300 million, 0.01% of the net assets in excess of £300 million and up to £500 million and 0.005% of the net assets in excess of £500 million.

The Depositary has delegated the custody and safekeeping of the Company's assets to JPMorgan Chase Bank N.A., London branch under a Global Custody Agreement. Custody fees are charged according to the jurisdiction in which the holdings are based. Variable transaction fees are also chargeable.

The notice period on the Depositary Agreement is 90 days if terminated by the Company and 120 days if terminated by the Depositary.

Portfolio Manager and AIFM Evaluation and Re-Appointment

The review of the performance of FSI as the Portfolio Manager and Frostrow Capital LLP as AIFM, Company Secretary and Administrator is a continuous process carried out by the Board and the Engagement and Remuneration Committee (the "ERC"), with a formal evaluation being undertaken each year. As part of this process, the Board monitors the services provided by the Portfolio Manager and the AIFM and receives regular reports and views from them. The Board also receives comprehensive performance measurement reports to enable it to review both relative and absolute performance.

During the year, the Board agreed with FSI (trading, at the time, as Stewart Investors) a reduction in the portfolio management fee, as set out above. The Board also introduced a three-year performance-related tender offer for up to 25% of the Company's issued share capital.

Report of the Directors continued

Following First Sentier Group's decision to close the Stewart Investors business and the Directors' subsequent shareholder consultation, the Board launched a strategic review on 11 December 2025, inviting proposals for the future of the Company from investment managers and other investment companies with similar mandates.

As a result, the ERC's formal review of the Portfolio Manager's and the AIFM's continuing appointments was superseded by the strategic review, and the ERC was not able to make a recommendation to the Board at its meeting in January 2026. Please refer to the Chair's Statement beginning on page 4 for further details of the strategic review.

Directors

Directors' and Officers' Liability Insurance Cover

Directors' and officers' liability insurance cover was maintained by the Board during the year ended 31 January 2026 and to the date of this report. It is intended that this cover will continue for as long as necessary.

Directors' Indemnities

As at the date of this report, a deed of indemnity has been entered into by the Company and each of its Directors under which the Company has agreed to indemnify each Director, to the extent permitted by law, in respect of certain liabilities as a result of carrying out his or her role as a Director of the Company.

Each Director is indemnified against the costs of defending any criminal or civil proceedings or any claim by the Company or a regulator as they are incurred provided that where the defence is unsuccessful the Director must repay those defence costs to the Company. The indemnities are qualifying third party indemnity provisions for the purposes of the Companies Act 2006.

A copy of each deed of indemnity is available for inspection at Frostrow's offices during normal business hours and will be available for inspection at the AGM.

Articles of Association

Amendment of the Company's Articles of Association requires a special resolution to be passed by shareholders.

The Directors have not proposed any changes to the Articles of Association this year.

Substantial Interests in Share Capital

As at 31 January 2026 the Company had been notified of the following substantial interests in the Company's voting rights:

	Number of shares held	% held
City of London	16,074,568	14.1
Rathbones	12,374,668	10.2
Evelyn	11,175,181	9.8

These disclosures reflect those shareholders that have notified the Company of a substantial interest in its shares when they have crossed certain thresholds and may not reflect their current holdings. The table does not reflect the full range of investors in the Company. The shareholder register is principally comprised of private wealth managers and retail investors who own their shares through a variety of online platforms. A profile of the Company's ownership is shown on page 90.

After the year end, on 9 February 2026, City of London notified the Company that they held 17,165,568 shares (15.0%) in the Company, on 18 February 2026, they notified the Company that their holding had increased to 18,375,568 shares (16.1%), on 20 March 2026 they notified the Company that their holding had increased to 19,472,422 shares (17.0%), and on 20 April 2026 they notified the Company that their holding had increased to 20,621,258 shares (18.0%). On 16 February 2026, RBC Europe notified the Company that they held 5,538,674 shares (4.8%) in the Company. On 10 April 2026, 1607 Capital Partners notified the Company that they held 5,641,217 shares (4.9%) in the Company and on 22 April 2026 they notified the Company that they held 5,749,214 (5.0%) shares in the Company. At the date of this report, there had been no other substantial interests or changes to substantial interests notified to the Company.

Beneficial Owners of Shares – Information Rights

The beneficial owners of shares who have been nominated by the registered holder of those shares to receive information rights under Section 146 of the Companies Act 2006 are required to direct all communications to the registered holder of their shares rather than to the Company's registrar, Equiniti, or to the Company directly.

Modern Slavery Act 2015

The Company does not provide goods or services in the normal course of business, and as a financial investment vehicle, does not have customers. Therefore, the Directors do not consider that the Company is required to make a statement under the Modern Slavery Act 2015 in relation to slavery or human trafficking. The Company's suppliers are typically professional advisers and the Company's supply chains are considered to be low risk in this regard.

Anti-Bribery and Corruption Policy

The Board has adopted a zero tolerance approach to instances of bribery and corruption. Accordingly, it expressly prohibits any Director or associated persons when acting on behalf of the Company, from accepting, soliciting, paying, offering or promising to pay or authorise any payment, public or private, in the United Kingdom or abroad to secure any improper benefit for themselves or for the Company.

The Board applies the same standards to its service providers in their activities for the Company.

A copy of the Company's Anti Bribery and Corruption Policy can be found on its website at www.pacific-assets.com. The policy is reviewed annually by the Audit Committee.

Prevention of the Facilitation of Tax Evasion

In response to the implementation of the Criminal Finances Act 2017, the Board adopted a zero-tolerance approach to the criminal facilitation of tax evasion. A copy of the Company's policy on preventing the facilitation of tax evasion can be found on the Company's website www.pacific-assets.com. The policy is reviewed annually by the Audit Committee.

Global Greenhouse Gas Emissions

The Company is an investment trust, with no employees or premises, nor has it any financial or operational control of the assets it owns. It has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Reports and Directors' Reports) Regulations 2013 or the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, including those within the Company's underlying investment portfolio. The Company consumed less than 40,000 kWh of energy during the year and therefore is exempt from the disclosures required under the Streamlined Energy and Carbon Reporting criteria.

Political Donations

The Company has not made and does not intend to make any political donations.

Corporate Governance

The Corporate Governance report, which includes the Company's corporate governance policies and forms part of the Report of the Directors, is set out on pages 39 to 43.

Common Reporting Standard ("CRS")

CRS is a global standard for the automatic exchange of information commissioned by the Organisation for Economic Cooperation and Development and incorporated into UK law by the International Tax Compliance Regulations 2015. CRS requires the Company to provide certain additional details to HMRC in relation to certain shareholders. The reporting obligation began in 2016 and is an annual requirement. The Registrar, Equiniti, has been engaged to collate such information and file the reports with HMRC on behalf of the Company.

UK Sanctions

The Board has made due diligence enquiries of the service providers that process the Company's shareholder data, to ensure the Company's compliance with the UK sanctions regime. The relevant service providers have confirmed that they check the Company's shareholder data against the UK sanctions list on a daily basis. At the date of this report, no sanctioned individuals had been identified on the Company's shareholder register. The Board notes that stockbrokers and execution-only platforms also carry out their own due diligence.

By order of the Board

Frostrow Capital LLP
Company Secretary
30 April 2026

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- > select suitable accounting policies and then apply them consistently;
- > make judgements and accounting estimates that are reasonable and prudent;
- > state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- > prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- > prepare a directors' report, a strategic report and a directors' remuneration report which comply with the requirements of the Companies Act 2006.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies

Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for ensuring that the Annual Report and financial statements, taken as a whole, are fair, balanced, and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement which comply with that law and those regulations.

The Directors are responsible for ensuring the Annual Report and the financial statements are made available on the Company's website, which is maintained by the Portfolio Manager. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Disclosure of Information to the Auditor

The Directors who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he/she might reasonably be expected to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Responsibility Statement of the Directors in respect of the Annual Financial Report

We confirm that to the best of our knowledge:

- > the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and the return of the Company for the year ended 31 January 2026; and
- > the Annual Report includes a fair review of the development and performance of the business and the financial position of the Company, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the Board

Andrew Impey
Chair
30 April 2026

Audit Committee Report



Introduction from the Chair

As Chair of the Audit Committee, I am pleased to present my second Audit Committee Report, for the year ended 31 January 2026, to shareholders.

Composition

The Committee comprises all of the Company's independent non-executive Directors. As a result, the Committee comprises the whole Board. The Committee believes it is appropriate for the Chair of the Board to be a member of the Audit Committee on account of his relevant sector experience.

The experience of the Committee members can be assessed from the Directors' biographies set out on pages 28 and 29 but we consider that we have recent and relevant financial experience and that the Committee as a whole has competence relevant to the investment trust sector.

Role and Responsibilities

A comprehensive description of the Committee's role, its duties and responsibilities, can be found in its terms of reference, which are available on the Company's website www.pacific-assets.com.

Significant Matters Considered by the Audit Committee During the Year

Significant Reporting Matter	How the matter was addressed
Valuation of Investments	The Audit Committee received assurances, in the form of representations from Frostrow and the review of control reports, that the valuation of assets had been carried out in accordance with the adopted accounting policies set out in note 8 on page 69.
Existence and Ownership of Investments	The Committee received assurance that all investment holdings and cash/deposit balances had been agreed by Frostrow to an independent confirmation from the Custodian or relevant bank, throughout the year. The Committee reviewed the internal controls reports of Frostrow, First Sentier Group and JP Morgan.

Significant Reporting Matter	How the matter was addressed
Annual Report and Financial Statements	<p>The Board asked the Audit Committee to confirm that, in its opinion, the Annual Report taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's financial position, performance, business model and strategy. In doing so, the Committee considered:</p> <ul style="list-style-type: none"> > the comprehensive control framework around the production of the Annual Report, including the process in place to verify the factual content; > the detailed levels of review that were undertaken in the production process, by Frostrow and by the Committee; and > the internal control environment as operated by First Sentier (the Portfolio Manager), Frostrow (the AIFM), JP Morgan (the Custodian and Depository) and other service providers.

Other Reporting Matters

Audit Regulation

The Committee has not had to consider any new audit regulations in the past year. It has, however, taken note of reporting guidance and thematic reviews published by the FRC and determined how to apply any relevant best practice to the Company's reporting. The Committee also reviews the outcomes of the FRC's annual Audit Quality Reviews and discusses the findings with our Auditor.

Material Controls

With effect for accounting periods beginning on or after 1 January 2026, listed investment companies will need to comply with the updated provision 34 of the AIC Code of Corporate Governance, which deals with Board monitoring of controls. The provision mirrors updates made to the UK Corporate Governance Code.

During the year, the Committee took steps to ensure the Board would be able to address the new requirements by revisiting the Company's risk landscape and internal controls environment and reflecting on its appropriateness, applicability and relevance.

Recognition of Revenue from Investments

Frostrow confirmed to the Committee, as in previous years, that all dividends received had been accounted for correctly. It was noted that there was an appropriate segregation of duties between Frostrow and JP Morgan.

Accounting Policies

The Committee ensured that the accounting policies set out in the notes to the financial statements were applied consistently throughout the year. In light of there being no unusual transactions during the year or other possible reasons, there were no changes to these policies.

Going Concern

The Audit Committee, at the request of the Board, considered the ability of the Company to adopt the going concern basis for the preparation of the financial statements. Having reviewed the Company's financial position and notwithstanding the material uncertainty posed by the strategic review, the Committee is satisfied that it is appropriate for the Board to prepare the financial statements for the year ended 31 January 2026 on a going concern basis for the reasons set out on page 23.

The Committee's review of the Company's financial position included consideration of the cash position; the diversification of the portfolio; and an analysis of portfolio liquidity, which estimated liquidation of c.90% of the portfolio within two weeks (based on current market volumes with 20% participation). Stress testing was also conducted as described below. Further information is provided on page 64.

Viability Statement

The Committee considered, again on behalf of the Board, the longer-term viability of the Company in connection with the Board's statement in the Strategic Report (see page 23). The Committee reviewed the Company's financial position (including its cash flows and liquidity position), the principal risks and uncertainties and the results of stress tests.

Audit Committee Report continued

The stress tests modelled the impact of one or more of the principal risks occurring. The tests assumed substantial falls in the Company's NAV and reductions in the liquidity of the portfolio and then modelled the effect this would have on the Company's expenses and the Company's ability to meet its liabilities as they fell due. Further details of the stress tests and the scenarios considered are provided in note 1 to the financial statements. Based on the results of these tests the Committee concluded that, assuming the Company continues in its current form, it was reasonable for the Board to expect that the Company would be able to continue in operation and meet its liabilities as they fall due over the next three financial years.

Internal Controls and Risk Management

The Committee reviewed and monitored the Company's risk management and internal control framework throughout the year, as described on pages 32 and 33.

The Committee concluded that there were no significant control weaknesses or other issues that were required to be brought to the attention of the Board; there were no changes to the Company's risk management processes during the year and no significant failings or weaknesses in the internal controls framework were identified.

Accordingly, the Committee is satisfied that appropriate systems have been in place for the year under review.

Half Year Report

The Committee reviewed the Half Year Report including the unaudited financial statements, to ensure that the accounting policies were consistent with those applied in the annual financial statements and that the report met the requirements of the FCA's Disclosure Guidance and Transparency Rules.

Depositary

During the year, the Committee reviewed reports from the Depositary on their regulatory oversight and due diligence duties. Nothing material was brought to the attention of the Committee; no breaches or pricing errors were reported during the year.

Investment Trust Status

The Committee sought and received confirmation from Frostrow that the Company continues to comply with Section 1158 of the Corporation Tax Act 2010, so that its status as an investment trust is maintained.

Withholding Tax

The Committee monitored the reclamation of withholding tax, receiving updates from Frostrow on the process and the appointment of specialist local agents. In the year under review, Grant Thornton LLP provided services to the Company as tax agents in Taiwan, Ernst & Young in India and S.F. Ahmed & Co. in Bangladesh.

Taxation

As an investment trust, the Company is generally not subject to UK tax on capital gains. However Indian capital gains tax arises on the sale of Indian securities (see note 5 to the financial statements on page 66 for further information). The Committee has been monitoring the provision for Indian capital gains tax arising on the unrealised gains on Indian securities, which has reduced to £5,423,000 as at 31 January 2026 (2025: £13,645,000), receiving regular updates on the position. A local tax specialist (Ernst & Young LLP) has been appointed to ensure that tax returns and any tax due are calculated accurately and in line with the relevant legislation.

Internal Audit

The Committee considered whether there was a need for the Company to have an internal audit function. As the Company delegates its day-to-day operations to third parties and has no employees, the Committee concluded that there was no such need.

Other Activities During the Year

In addition to carrying out its principal duties, the Committee also reviewed:

- > the Committee's terms of reference;
- > the Company's policy on the engagement of the external auditor for non-audit services;
- > the Company's policy on former employees of the Company's Auditor, Portfolio Manager or AIFM joining the Board;
- > compliance reports submitted by Frostrow and First Sentier;
- > First Sentier's list of approved brokers, commission rates and the amount of commission paid by the Company throughout the year;
- > the Company's anti-bribery and corruption policy;
- > the Company's commitment to the prevention of the criminal facilitation of tax evasion; and
- > the Company's audit tender guidelines.

External Auditor

Appointment and Tenure

BDO LLP (“BDO”) was the Auditor for the financial year and this was their sixth audit of the Company.

Jamie Smith was the audit partner for the financial year under review and this was his first audit of the Company, the previous audit partner having completed his fifth and final audit last year, in accordance with audit regulations.

As a public company listed on the London Stock Exchange, the Company is subject to mandatory audit firm rotation requirements, which would require an audit tender to take place no later than 2030. The Committee assesses annually whether an earlier audit tender would be in shareholders’ interests, taking into account audit quality, auditor independence and value for money. The Committee has concluded that an earlier tender is not warranted at this time; we are satisfied that the auditor’s independence, objectivity and effectiveness have been maintained and that the continuity provided by the incumbent auditor and its strong understanding of the Company’s operations support an effective and efficient audit process.

The Audit

The Committee reviewed BDO’s audit plan on 25 September 2025. The review considered, *inter alia*, the scope of the audit, the level of materiality, the audit risks identified by BDO, the Auditor’s approach to testing the portfolio, and pertinent regulatory developments. No modifications were required to the audit approach. The Committee met with BDO on 18 March 2026 to discuss the progress of the audit and the draft Annual Report. The Committee then met BDO on 22 April 2026 to review formally the outcome of the audit.

The Auditor was provided with an opportunity to meet with the Committee without the AIFM or the Portfolio Manager being present. No concerns were raised by the Auditor or the Audit Committee in relation to the service provided by the AIFM, the Portfolio Manager, or any other third-party service provider. There were no material or significant adverse matters brought to the Audit Committee’s attention in respect of the 2026 audit, which should be brought to shareholders’ attention.

Remuneration

The Committee approved a fee of £50,400 for the audit of the year ended 31 January 2026 (2025: £48,000). This represents an increase of 5.0% compared with the previous year’s fee.

Independence and Effectiveness

The Committee evaluated the independence of the Auditor and the effectiveness of the external audit. In order to fulfil this responsibility, the Committee reviewed:

- > the senior audit personnel in the audit plan, in order to ensure that there were sufficient, suitably experienced staff with knowledge of the investment trust sector working on the audit;
- > the steps the Auditor takes to ensure its independence and objectivity;
- > the statement by the Auditor that they remain independent within the meaning of the relevant regulations and their professional standards;
- > the audit quality review results published by the FRC and BDO’s response to the findings;
- > the extent of any non-audit services provided by the Auditor (there were none during the year under review);
- > the Company’s policy on former employees of the Auditor (and other service providers) joining the Board;
- > the Auditor’s fulfilment of the agreed audit plan, including their ability to communicate with management and to resolve any issues promptly and satisfactorily;
- > the presentation of the audit findings including, in particular, the Auditor’s commentary on the Company’s system of internal controls and the audit partner’s response to questions from the Committee; and
- > feedback from BDO and Frostrow as the AIFM and Company Secretary on their working relationship.

The Committee is satisfied with the Auditor’s independence and the effectiveness of the audit. The Committee recommended to the Board, and the Board subsequently resolved, that it be recommended to shareholders that BDO be reappointed as the Company’s external auditor for another year. BDO’s re-appointment is subject to shareholder approval at the next AGM to be held in July and details can be found in the Notice of AGM beginning on page 92.

Audit Committee Report continued**Non-Audit Services**

BDO LLP did not carry out any non-audit work during the year. Pursuant to the Company's non-audit services policy, the Committee is required to approve the engagement of the Auditor for any non-audit work.

A copy of the Company's non-audit services policy can be found on the Company's website at www.pacific-assets.com.

Effectiveness of the Committee

The Committee's performance over the past year was reviewed as part of the annual Board evaluation. The evaluation considered the composition of the Committee and the efficacy of Committee meetings, as well as assessing the Committee's role in monitoring and overseeing the Company's financial reporting and accounting, risk management and internal controls, compliance with corporate governance regulations and the assessment of the external audit.

I am pleased to confirm that the evaluation result was positive and no matters of concern or requirements for change were identified.

Nandita Sahgal FCA

Chair of the Audit Committee

30 April 2026

Directors' Remuneration Report



Statement from the Chair

As Chair of the Engagement and Remuneration Committee, I am pleased to present the Directors' Remuneration Report to shareholders. The Directors' Remuneration Report is subject to an annual advisory vote and therefore an ordinary resolution for the approval of this report will be put to shareholders at the Company's forthcoming Annual General Meeting.

The law requires the Auditor to audit certain disclosures in this report. Where disclosures have been audited, they are indicated as such and the audit opinion is included in the Auditor's report to shareholders on pages 54 to 59.

The Engagement & Remuneration Committee considers the framework for the remuneration of the Directors. It reviews the ongoing appropriateness of the Company's remuneration policy and the individual remuneration of Directors by reference to the activities of the Company and in comparison with other companies of a similar structure and size. This is in line with the AIC Code.

The simple fee structure reflects the non-executive nature of the Board, which itself reflects the Company's business model as an externally managed investment trust. Accordingly, statutory requirements relating to executive directors' and employees' pay do not apply.

The Engagement and Remuneration Committee met once during the year and, in light of the ongoing strategic review, agreed that there should be no change to Directors' annual fees for the year ending 31 January 2027. The fees for the current year and the annual percentage change in directors' fee rates over the past five years are shown in the table below.

Annual Percentage Change in Directors' Remuneration

Board Role	2027 Fee Level (per annum) (projected)	2026 Fee Level (per annum)	2025 Fee Level (per annum)	2024 Fee Level (per annum)	2023 Fee Level (per annum)
Chair	£48,000	£48,000	£46,500	£44,000	£42,000
	-	+3.2%	+5.7%	+4.8%	+3.7%
Audit Chair	£41,200	£41,200	£40,000	£37,000	£35,000
	-	+3.0%	+8.1%	+5.7%	+4.5%
Senior Independent Director ¹	£36,000	£36,000	£35,000	N/A	N/A
	-	+2.9%	-	-	-
Director	£34,500	£34,500	£33,500	£31,500	£30,000
	-	+3.0%	+6.3%	+5.0%	+3.4%

¹An additional fee was awarded to the Senior Independent Director with effect from 1 February 2024.

Directors' Remuneration Report continued

Directors' Remuneration for the Year (audited)

The Directors who served in the year received the following remuneration:

	Date of Appointment to the Board	Fixed Fees 2026 £	Taxable Expenses 2026 £	Total Remuneration 2026 £	Fixed Fees 2025 £	Taxable Expenses 2025 £	Total Remuneration 2025 £
June Ang	26 September 2024	34,500	-	34,500	11,553	-	11,553
Sian Hansen*	3 August 2015	14,508	-	14,508	33,500	-	33,500
Andrew Impey	1 August 2022	48,000	-	48,000	46,500	-	46,500
Nandita Sahgal	1 January 2024	41,200	-	41,200	37,323	-	37,323
Robert Talbut	23 September 2016	36,000	305	36,305	35,000	100	35,100
Edward Troughton	18 December 2019	34,500	569	35,069	33,500	-	33,500
		208,708	874	209,582	215,118	100	215,218

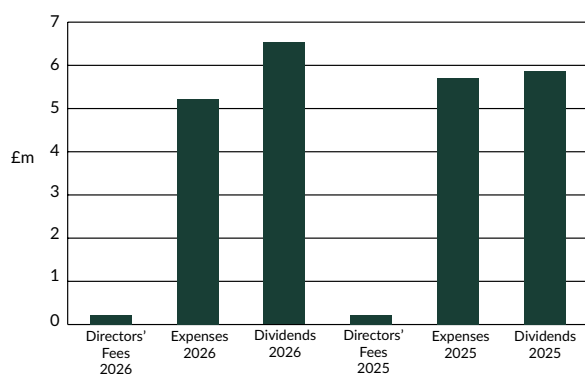
*Retired from the Board on 1 July 2025

Loss of Office

Directors do not have service contracts with the Company but are engaged under letters of appointment. These specifically exclude any entitlement to compensation upon leaving office for whatever reason.

Relative Cost of Directors' Remuneration

The bar chart below shows the comparative cost of Directors' fees compared with the level of dividend distribution and Company expenses for the years ended 31 January 2025 and 2026.



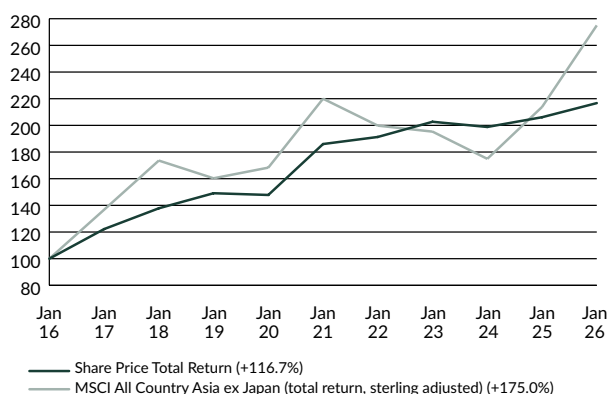
Directors' Interests in Shares (audited)

The Directors' interests in the share capital of the Company at the year end are shown in the table below:

		Number of shares held 31 January 2026	31 January 2025
June Ang	Beneficial	10,000	-
Andrew Impey	Beneficial	20,000	17,000
Nandita Sahgal	Beneficial	1,426	1,426
Robert Talbut	Beneficial	9,611	9,611
Edward Troughton	Beneficial	18,357	18,357

There were no changes in the Directors' interests from the year end to the date of this report. The Directors are not required to own shares in the Company.

Total Shareholder Return for the Ten Years to 31 January 2026



Source: Morningstar
Rebased to 100 as at 31 January 2016

In accordance with statutory reporting requirements, the Directors' Remuneration Report is required to compare the Company's share price total return with that of a market index. The Board has identified the MSCI All Country Asia ex Japan Index measured on a total return, sterling adjusted basis as a suitable comparator for the Company's performance.

Approval

A resolution to approve the Directors' Remuneration Report for the year ended 31 January 2025 was put to shareholders at the AGM held on 1 July 2025. Of the proxy votes cast, 50,198,131 (99.6%) were in favour and 192,225 (0.4%) were against. 35,213 votes were withheld.

A resolution to approve the Directors' Remuneration Policy was last put to shareholders at the AGM held on 3 July 2023. Of the proxy votes cast, 40,599,004 (99.8%) were in favour and 66,555 (0.2%) were against. 18,010 votes were withheld.

Directors' Remuneration Policy

The Remuneration Policy provides that fees payable to the Directors should reflect the time spent by the Board on the Company's affairs and the responsibilities borne by the Directors. Remuneration should be sufficient to enable candidates of a high calibre to be recruited. Directors are remunerated in the form of fees payable monthly in arrears, paid to the Director personally. There are no long-term incentive schemes, bonuses, share option schemes or pension arrangements and the fees are not specifically related to the Directors' performance, either individually or collectively. The Company does not have any employees.

None of the Directors has a service contract. The terms of their appointment provide that Directors shall be subject to election at the first AGM after their appointment and to annual re-election thereafter. The terms also provide that a Director may be removed without notice and that compensation will not be due on leaving office.

The Directors' Remuneration Policy is subject to a binding shareholder vote every three years. It was last approved at the AGM held in 2023 and it is therefore recommended to shareholders at the AGM in July. There were no changes to the Remuneration Policy during the year and no changes are proposed for the year ending 31 January 2027. If the Directors propose to vary the Remuneration Policy, shareholder approval for the new policy will be sought at a general meeting. The Committee and the Board review the Remuneration Policy annually to ensure that it remains appropriate.

Limit on Directors' Remuneration

The remuneration for the non-executive Directors is determined within the limits set out in the Company's Articles of Association. The present limit is £300,000 in aggregate per annum.

June Ang

Chair of the Engagement & Remuneration Committee
30 April 2026

Independent Auditor's Report

to the Members of Pacific Assets Trust plc

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- > give a true and fair view of the state of the Company's affairs as at 31 January 2026 and of its loss for the year then ended;
- > have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- > have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Pacific Assets Trust plc (the 'Company') for the year ended 31 January 2026 which comprise the Income Statement, the Statement of Changes in Equity, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by the FRC's Ethical

Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

Material uncertainty related to going concern

We draw attention to Note 1(a) to the financial statements, which indicates that the Board has initiated a strategic review of the future of the Company and that the outcome and the subsequent impact on the future of the Company are unknown at the date of these financial statements. As stated in Note 1(a), these events or conditions, along with others as set forth in Note 1(a), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not include any adjustments that would be necessary if the Company were unable to continue as a going concern. Our opinion is not modified in respect of this matter.

Given the material uncertainty noted above and our assessment, we considered going concern to be a key audit matter.

Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting and in response to the key audit matter included:

- > Obtaining an understanding of the Directors' method of assessing going concern in light of economic and market conditions, by assessing and challenging the information used by the Directors in completing their assessment;
- > Evaluating the sensitivity analysis applied by the Directors in their going concern assessment including the impact of a significant reduction in the fair value of investments;
- > Assessing the appropriateness of the Directors' assumptions and judgements made in their base case and stress tested scenarios by agreeing key inputs to supporting evidence, assessing the reasonableness of assumptions against historical trends and evaluating the level of available cash and liquid assets under both base and stress case scenarios relative to forecasted outflows;
- > Challenging the Directors' assumptions and judgements made in their forecasts by performing an independent analysis of the liquidity of the portfolio;

- > Obtaining and reviewing the Directors' assumptions around shareholder approval and rationale for concluding going concern remains appropriate;
- > Inspecting board and committee meeting minutes and papers relating to the strategic review and confirming the status of completion; and
- > Assessing the completeness and accuracy of disclosures in the financial statements relating to going concern to assess whether they are consistent with the Company's circumstances.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

		2026	2025
Key audit matters	Valuation and ownership of quoted investments	✓	✓
	Going concern	✓	
Materiality	<i>Company financial statements as a whole</i> £4.71m (2025: £5.04m) based on 1% (2025: 1%) of net assets		

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, the applicable financial reporting framework and the system of internal control. We identified and assessed the risks of material misstatement of the financial statements. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risk of material misstatement to the financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the risk of material misstatement to an acceptable level, to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the material uncertainty related to going concern section of our report, we have determined the matter described below to be the key audit matter to be communicated in our report.

Independent Auditor's Report continued

Key audit matter	How the scope of our audit addressed the key audit matter
<p>Valuation and ownership of quoted investments (Note 8 to the financial statements)</p> <p>The investment portfolio at the year-end comprised quoted equity investments held at fair value through profit or loss.</p> <p>We considered the valuation and ownership of investments to be a significant audit area as investments represent the most significant balance in the financial statements and underpins the principal activity of the Company.</p> <p>While we do not consider the valuation of quoted investments to involve a significant degree of estimation or judgement, there is a risk that the prices used for the quoted investments held by the Company may not reflect their fair value at the year end.</p> <p>Additionally, in relation to ownership and recording, there is a risk of error in the recording of quoted investment holdings which could result in the incorrect recognition of investments by the Company.</p> <p>For these reasons, and due to the materiality of the balance in the context of the financial statements as a whole, we consider this to be a Key Audit Matter.</p>	<p>We responded to this matter by testing the valuation and ownership of 100% of the quoted investments by performing the following procedures:</p> <ul style="list-style-type: none"> > Checked that the year-end bid price has been used by agreeing to externally quoted prices; > Recalculated the valuation by multiplying the number of shares held (as per the statement independently obtained from the custodian), by the price per share; > Assessed whether there were any contra indicators, such as liquidity considerations, that could suggest the bid price was not the most appropriate measure of fair value by considering the realisation period for individual holdings; and > Obtained direct confirmation of the number of equity shares held from the custodian. <p>Key observations: Based on our procedures performed, we did not identify any matters to suggest that the valuation or ownership of the quoted equity investments were not appropriate.</p>

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Company financial statements	
	2026 £m	2025 £m
Materiality	4.71	5.04
Basis for determining materiality	1% of net assets	
Rationale for the benchmark applied	As an investment trust, the net asset value is the key measure of performance for users of the financial statements.	
Performance materiality	3.53	3.78
Basis for determining performance materiality	75% of materiality	
Rationale for the percentage applied for performance materiality	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.	

Reporting threshold

We agreed with the Audit Committee that we would report to them individual audit differences in excess of £235,000 (2025: £250,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Corporate governance statement

The UK Listing Rules sourcebook requires us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit.

Going concern and longer-term viability

- > The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 23; and
- > The Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 23; and
- > The Directors' statement on whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities set out on page 23.

Other Code provisions

- > Directors' statement on fair, balanced and understandable set out on page 47;
- > Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 19;
- > The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 32 and 33; and
- > The section describing the work of the audit committee set out on pages 46 to 50.

Independent Auditor's Report continued

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit:

- > the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- > the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.

Directors' remuneration

In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- > adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- > the financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- > certain disclosures of Directors' remuneration specified by law are not made; or
- > we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either

intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

However, the primary responsibility for the prevention and detection of fraud rests with both Those Charged with Governance of the Company and management.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- > Our understanding of the Company and the industry in which it operates;
- > Discussion with the Investment Manager, Administrator and Those Charged with Governance; and
- > Obtaining an understanding of the Company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the Companies Act 2006, the FCA's UK Listing and Disclosure Guidance and Transparency Rules, the principles of the AIC Code of Corporate Governance, industry practice represented by the AIC SORP, the applicable accounting framework, and qualification as an Investment Trust under UK tax legislation as any non-compliance of this would lead to the Company losing various deductions and exemptions from corporation tax.

Our procedures in respect of the above included:

- > Agreement of the financial statement disclosures to underlying supporting documentation;
- > Enquiries of the Investment Manager, Administrator and Those Charged with Governance relating to the

existence of any non-compliance with laws and regulations;

- > Reviewing minutes of meetings of Those Charged with Governance throughout the period for instances of non-compliance with laws and regulations; and
- > Reviewing the calculation in relation to Investment Trust compliance to check that the Company was meeting its requirements to retain their Investment Trust status.

Fraud

We assessed the susceptibility of the financial statements to material misstatement including fraud.

Our risk assessment procedures included:

- > Enquiry with the Investment Manager, Administrator and Those Charged with Governance regarding any known or suspected instances of fraud;
- > Obtaining an understanding of the Company's policies and procedures relating to:
 - > Detecting and responding to the risks of fraud; and
 - > Internal controls established to mitigate risks related to fraud.
- > Review of minutes of meetings of Those Charged with Governance for any known or suspected instances of fraud; and
- > Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.

Based on our risk assessment, we considered the area most susceptible to fraud to be management override of controls.

Our procedures in respect of the above included:

- > Performed a review of estimates and judgements applied by the Directors in the financial statements to assess their appropriateness and the existence of any systematic bias;
- > Considered the opportunity and incentive to manipulate accounting entries and assessed the appropriateness of any post-closing adjustments made in the period end financial reporting process;
- > Reviewed for significant transactions outside the normal course of business; and
- > Performed a review of unadjusted audit differences, if any, for indications of bias or deliberate misstatement.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

We were appointed by the Board of Directors on 17 November 2020 to audit the financial statements for the year ended 31 January 2021. Our total uninterrupted period of engagement is six years, covering the years ended 31 January 2021 to 31 January 2026.

Our audit opinion is consistent with the additional report to the Audit Committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In due course, as required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.15R - 4.1.18R, these financial statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R - DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R - DTR 4.1.18R.

Jamie Smith (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor
London, UK
30 April 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Financial Statements

In this section

- 61 Income Statement
- 62 Statement of Changes in Equity
- 63 Statement of Financial Position
- 64 Notes to the Financial Statements

Income Statement

for the year ended 31 January 2026

	Notes	Year ended 31 January 2026			Year ended 31 January 2025		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(Losses)/gains on investments	8	-	(9,914)	(9,914)	-	49,989	49,989
Exchange differences		-	(685)	(685)	-	(414)	(414)
Income	2	9,912	-	9,912	9,687	-	9,687
Portfolio management and AIFM fees	3	(1,068)	(3,204)	(4,272)	(1,211)	(3,634)	(4,845)
Other expenses	4	(1,194)	-	(1,194)	(863)	-	(863)
Return/(loss) before taxation		7,650	(13,803)	(6,153)	7,613	45,941	53,554
Taxation	5	(1,074)	2,863	1,789	(1,049)	(7,684)	(8,733)
Return/(loss) after taxation		6,576	(10,940)	(4,364)	6,564	38,257	44,821
Return/(loss) per share (p)	7	5.6	(9.3)	(3.7)	5.4	31.7	37.1

The Total column of this statement represents the Company's Income Statement. The Revenue and Capital columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

All revenue and capital items in the Income Statement derive from continuing operations.

The Company had no recognised gains or losses other than those shown above and therefore no separate Statement of Other Comprehensive Income has been presented.

The accompanying notes on pages 64 to 73 are an integral part of these statements.

Statement of Changes in Equity

for the year ended 31 January 2026

	Note	Ordinary share capital £'000	Share premium £'000	Capital redemption reserve £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
At 31 January 2024		15,120	8,811	1,648	14,572	415,270	9,398	464,819
Return after taxation		-	-	-	-	38,257	6,564	44,821
Repurchase of own shares for cancellation		(46)	-	46	-	(1,361)	-	(1,361)
Ordinary dividends paid	6	-	-	-	-	-	(4,838)	(4,838)
At 31 January 2025		15,074	8,811	1,694	14,572	452,166	11,124	503,441
(Loss)/Return after taxation		-	-	-	-	(10,940)	6,576	(4,364)
Repurchase of own shares for cancellation		(791)	-	791	-	(22,498)	-	(22,498)
Ordinary dividends paid	6	-	-	-	-	-	(5,805)	(5,805)
At 31 January 2026		14,283	8,811	2,485	14,572	418,728	11,895	470,774

The accompanying notes on pages 64 to 73 are an integral part of these statements.

Statement of Financial Position

as at 31 January 2026

	Notes	2026		2025	
		£'000	£'000	£'000	£'000
Fixed assets					
Investments	8		472,553		510,203
Current assets					
Debtors	9	261		1,252	
Cash		4,838		8,028	
		5,099		9,280	
Creditors (amounts falling due within one year)	10	(1,455)		(2,397)	
Net current assets			3,644		6,883
Total assets less current liabilities			476,197		517,086
Creditors (amounts falling due after one year)					
Provision for liabilities	11		(5,423)		(13,645)
Net assets			470,774		503,441
Capital and reserves					
Called up share capital	12		14,283		15,074
Share premium account			8,811		8,811
Capital redemption reserve	15		2,485		1,694
Special reserve	15		14,572		14,572
Capital reserve	15		418,728		452,166
Revenue reserve	15		11,895		11,124
Equity shareholders' funds			470,774		503,441
Net asset value per Ordinary Share (p)	13		412.0p		417.5p

The financial statements on pages 61 to 73 were approved and authorised for issue by the Board of Directors on 30 April 2026 and signed on its behalf by:

Andrew Impey
Chair

The accompanying notes on pages 64 to 73 are an integral part of these statements.

Pacific Assets Trust Public Limited Company – Company Registration Number: SC091052 (Registered in Scotland)

Notes to the Financial Statements

1. Accounting Policies

A summary of the principal accounting policies adopted is set out below or as appropriate within the relevant note to the financial statements.

(a) Basis of Accounting

These financial statements have been prepared under UK Company Law, FRS 102 'The Financial Reporting Standard applicable in the UK and Ireland', and in accordance with guidelines set out in the Statement of Recommended Practice ("SORP"), published in July 2022, for Investment Trust Companies and Venture Capital Trusts issued by the Association of Investment Companies, the historical cost convention, as modified by the valuation of investments at fair value through profit or loss.

The Company has taken advantage of the exemption from preparing a Cash Flow Statement under FRS 102, as it is an investment fund whose investments are substantially highly liquid, carried at fair (market) value and provides a statement of changes in equity.

The Board is of the opinion that the Company is engaged in a single segment of business, namely investing in accordance with the Investment Objective, and consequently no segmental analysis is provided.

Going concern

The Directors are required to make an assessment of the Company's ability to continue as a going concern and have concluded that the Company has adequate resources to continue in operational existence for at least 12 months from the date these financial statements were approved.

In making this assessment, the Directors have considered a wide variety of emerging and current risks to the Company, as well as the mitigation strategies that are in place. The Board has also reviewed stress-testing and scenario analyses prepared by the AIFM. The stress tests and scenario analyses considered the effect of various downturns, based on historic bear markets, on the asset value and expenses of the Company. The tests modelled the impact of decreases of up to and over 80% on the value of the investment portfolio and decreases in current market liquidity of up to 80%.

These tests are carried out as an arithmetic exercise, which can apply equally to any set of circumstances in which asset value and income are significantly impaired. It was concluded that even in an extreme downside scenario, the Company would be able to continue to meet its liabilities as they fell due. Whilst the economic future is uncertain, the opinion of the Directors is that there is no foreseeable downside scenario that would threaten the Company's ability to continue to meet its liabilities as they fall due.

Based on the information available to the Directors at the time of this report, including the results of the stress tests and scenario analyses, and having taken account of the liquidity of the investment portfolio, the Company's cash flow and borrowing position (the Company is not currently geared), the Directors are satisfied that the Company has adequate financial resources to continue in operation for at least 12 months from the date of signing these financial statements and that, accordingly, it is appropriate to adopt the going concern basis.

The Board is in the process of carrying out a strategic review of the Company's future. The possible outcomes of the strategic review represent a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. Notwithstanding this material uncertainty, the Board has concluded that it remains appropriate to continue to prepare the financial statements on a going concern basis. In reaching this conclusion, the Board has come to the view that, as the Board has not yet reached a decision and the Company is considered solvent in all other regards, going concern remains the most appropriate basis for preparation of the financial statements. The financial statements do not include any adjustments that would be necessary if the Company were unable to continue as a going concern.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements involves judgement in determining the functional currency; however, there are no significant judgements or key sources of estimation uncertainty requiring disclosure under FRS 102.

The Company's investments are made in foreign currencies, however the Board considers the Company's functional currency to be sterling. In arriving at this conclusion, the Board considered that the shares of the Company are listed on the London Stock Exchange, it is incorporated in the United Kingdom and pays dividends and expenses in sterling.

Presentation of the Income Statement

In order to reflect better the activities of an investment trust company and in accordance with the SORP, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement. The net revenue return is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 1158 of the Corporation Tax Act 2010.

(b) Foreign Currencies

Transactions denominated in foreign currencies are translated into sterling at the exchange rates on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the Statement of Financial Position. Profits or losses on the translation of foreign currency balances, whether realised or unrealised, are taken to the capital or revenue column of the Income Statement, depending on whether the gain or loss is of a capital or revenue nature.

All values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

(c) Cash

Cash is defined as cash at bank and cash equivalents that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

2. Income

	2026 £'000	2025 £'000
Overseas dividends	9,763	9,469
Interest income	149	218
	9,912	9,687

Dividends receivable are recognised on the ex-dividend date. Where no ex-dividend date is quoted, dividends are recognised when the Company's right to receive payment is established. Overseas dividends are gross of withholding tax.

Where the Company has elected to receive its dividends in the form of additional shares rather than cash the amount of cash foregone is recognised in the revenue column with any excess above this recognised in the capital column.

3. Portfolio Management and AIFM Fees

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Portfolio management fee	939	2,818	3,757	1,075	3,227	4,302
AIFM fee	129	386	515	136	407	543
	1,068	3,204	4,272	1,211	3,634	4,845

Notes to the Financial Statements continued

Frostrow's AIFM fee is for risk management, corporate management, company secretarial and administrative services. Further information regarding FSI's and Frostrow's fees can be found on pages 40 and 41.

All expenses and interest are accounted for on an accruals basis. Expenses and interest are charged to the Income Statement as revenue items except where incurred in connection with the maintenance or enhancement of the value of the Company's assets and taking account of the expected long-term returns, when they are split as follows:

- > Portfolio Management and AIFM fees payable have been allocated 25% to revenue and 75% to capital.
- > Transaction costs incurred on the purchase and sale of investments are taken to the Income Statement as a capital item, within gains on investments held at fair value through profit or loss.

4. Other Expenses

	2026 £'000	2025 £'000
Directors' fees	209	215
Employers NIC on directors' remuneration	16	16
Auditor's remuneration for annual audit	51	48
Depository fees	59	70
Custody fees	172	195
Registrar fees	42	28
Broker fees	263	45
Listing fees	26	25
Legal and professional fees	57	26
Other expenses	299	195
Total expenses	1,194	863

For accounting policy, see note 3 on the prior page.

5. Taxation

(a) Analysis of (Credit)/Charge in the Year

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Overseas taxation	1,211	-	1,211	1,224	-	1,224
Indian capital gains tax (credit)/charge	(137)	(2,863)	(3,000)	(175)	7,684	7,509
	1,074	(2,863)	(1,789)	1,049	7,684	8,733

Overseas tax arose as a result of irrecoverable withholding tax on overseas dividends.

As an investment trust, the Company is generally not subject to UK tax on capital gains. However, Indian capital gains tax arises on capital gains on the sale of Indian securities at a rate of 20% on short-term capital gains (defined as those where the security was held for less than a year) and 12.5% on long-term capital gains. £7,949,000 of the provision for Indian capital gains (see note 11) was reversed (2025: £2,439,000 increase) due to the fall in unrealised long-term capital gains on securities still held. This reversal was offset by £4,949,000 (2025: £5,070,000) relating to capital gains tax paid on disposals during the year.

(b) Reconciliation of Tax (Credit)/Charge

The UK corporation tax rate was 25.0% for the year (2025: 25.0%). The tax assessed for the year is lower than the corporation tax rate. The differences are explained below.

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Total return/(loss) on ordinary activities before tax	7,650	(13,803)	(6,153)	7,613	45,941	53,554
Corporation tax charged/(credited) at 25.0% (2025: 25.0%)	1,913	(3,451)	(1,538)	1,903	11,486	13,389
Effects of:						
Losses/(gains) on investment not subject to UK corporation tax	-	2,821	2,821	-	(12,291)	(12,291)
Non-taxable exchange differences	-	(171)	(171)	-	(103)	(103)
Unutilised management expenses	528	801	1,329	464	908	1,372
Income not subject to corporation tax	(2,441)	-	(2,441)	(2,367)	-	(2,367)
Indian capital gains tax (credit)/charge (see note 5a)	(137)	(2,863)	(3,000)	(175)	7,684	7,509
Overseas taxation	1,211	-	1,211	1,224	-	1,224
Tax charge/(credit) for the year	1,074	(2,863)	(1,789)	1,049	7,684	8,733

As at 31 January 2026 the Company had unutilised management expenses and other reliefs for taxation purposes of £73,780,000 (2025: £68,461,000). It is not anticipated that these will be utilised in the foreseeable future and as such no related deferred tax asset has been recognised.

The tax effect of different items of income/gain and expenditure/loss is allocated between capital and revenue as set out in this note. The standard rate of corporation tax is applied to taxable net revenue. Any adjustment resulting from relief for overseas tax is allocated to the revenue reserve.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date where transactions or events that result in an obligation to pay more, or right to pay less, tax in future have occurred at the Statement of Financial Position date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the accounts which are capable of reversal in one or more subsequent periods. Deferred tax is measured without discounting and based on enacted tax rates. Due to the Company's status as an investment trust, and the intention to meet the conditions required to obtain approval under Section 1158 of the Corporation Tax Act 2010, the Company has not provided for deferred UK tax on any capital gains and losses arising on the revaluation or disposal of investments.

Deferred tax has been provided for on capital gains arising on Indian securities as noted in 5(a) above.

Notes to the Financial Statements continued

6. Dividends

Amounts recognised as distributable to shareholders for the year ended 31 January 2026, were as follows:

	2026	2025
	£'000	£'000
Final dividend paid for the year ended 31 January 2025 of 4.9p per share	5,805	-
Final dividend paid for the year ended 31 January 2024 of 4.0p per share	-	4,838

In respect of the year ended 31 January 2026, a final dividend of 5.7p per share has been proposed. Details of the ex-dividend and payment dates are provided on page 5.

The Board's current policy is to pay dividends only out of revenue reserves. Therefore the amount available for distribution as at 31 January 2026 is £11,895,000 (2025: £11,124,000).

The dividends payable in respect of both the current and the previous financial year, which meet the requirements of Section 1158 CTA 2010, are set out below:

	2026	2025
	£'000	£'000
Revenue available for distribution by way of dividend for the year	6,576	6,564
Final dividend of 5.7p per share (2025: final dividend of 4.9p)	(6,513)	(5,805)
Transfer to revenue reserves	63	759

Dividends paid by the Company on its shares are recognised in the financial statements in the year in which they are paid and are shown in the Statement of Changes in Equity.

7. Return per Share

The return per share is as follows:

	2026			2025		
	Revenue pence	Capital pence	Total pence	Revenue pence	Capital pence	Total pence
Basic	5.6	(9.3)	(3.7)	5.4	31.7	37.1

The total return per share is based on the total loss attributable to shareholders of £4,364,000 (2025: return of £44,821,000).

The revenue return per share is based on the net revenue return attributable to shareholders of £6,576,000 (2025: £6,564,000).

The capital return per share is based on the net capital loss attributable to shareholders of £10,940,000 (2025: return of £38,257,000).

The total return, revenue return and the capital return per share are based on the weighted average number of shares in issue during the year of 117,285,517 (2025: 120,899,602).

The calculations of the returns per Ordinary Share have been carried out in accordance with IAS 33 Earnings per Share.

8. Investments

	2026	2025
	£'000	£'000
Investments		
Opening cost	372,632	352,944
Opening investment holding gains	137,571	117,165
Opening Valuation	510,203	470,109
Purchases at cost	180,175	123,228
Disposal proceeds	(207,911)	(133,123)
(Losses)/gains on investments	(9,914)	49,989
Valuation at end of year	472,553	510,203
Cost at 31 January	394,742	372,632
Investment holding gains at 31 January	77,811	137,571
Valuation at 31 January	472,553	510,203

The Company received £207,911,000 (2025: £133,123,000) from investments sold in the year. The book cost of these investments when they were purchased was £158,065,000 (2025: £103,540,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

During the year the Company incurred transaction costs on purchases of £234,000 (2025: £155,000) and transaction costs on sales of £464,000 (2025: £263,000).

Valuation of Investments

Investments are measured initially and at subsequent reporting dates at fair value. Purchases and sales are recognised on the trade date when a contract exists whose terms require delivery within the time frame established by the market concerned. For quoted securities fair value is either bid price or last traded price, depending on the convention of the exchange on which the investment is listed. Changes in fair value and gains or losses on disposal are included in the Income Statement as a capital item.

In addition, for financial reporting purposes, fair value measurements are categorised into a fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 – Quoted prices in active markets.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data), either directly or indirectly.

Level 3 – Inputs are unobservable (i.e. for which market data is unavailable).

All investments are in equity shares and have been classified as Level 1 (2025: All Level 1).

9. Debtors

	2026	2025
	£'000	£'000
Amounts due from brokers	-	1,008
Accrued income	162	179
Other debtors	99	65
	261	1,252

Notes to the Financial Statements continued

10. Creditors: Amounts Falling Due Within One Year

	2026	2025
	£'000	£'000
Amounts due to brokers	-	781
Portfolio management fee	877	1,081
AIFM fee	129	135
Other creditors	449	400
	1,455	2,397

11. Provisions for Liabilities

	2026	2025
	£'000	£'000
Deferred taxation on unrealised capital gains on Indian securities	5,423	13,645

See note 5 for further details and accounting policy.

12. Share Capital

	2026	2025
	£'000	£'000
Allotted and fully paid:		
114,262,507 Ordinary shares of 12.5p each (2025: 120,588,386)	14,283	15,074

During the current and prior year, no Ordinary shares were issued. 6,325,879 (2025: 370,000) Ordinary shares were bought back for cancellation.

The capital of the Company is managed in accordance with its investment policy which is detailed in the Strategic Report on pages 16 and 17.

The Company does not have any externally imposed capital requirements.

13. Net Asset Value Per Share

The net asset value per share of 412.0p (2025: 417.5p) is calculated on net assets of £470,774,000 (2025: £503,441,000) divided by 114,262,507 (2025: 120,588,386) shares, being the number of shares in issue at the year end.

14. Financial Instruments

The Company's financial instruments comprise its investment portfolio, cash balances, and debtors and creditors that arise directly from its operations. As an investment trust, the Company holds an investment portfolio of financial assets in pursuit of its investment objective.

Fixed asset investments (see note 8 on page 69) are valued at fair value in accordance with the Company's accounting policies. The fair value of all other financial assets and liabilities is represented by their carrying value in the Statement of Financial Position shown on page 63.

The main risks that the Company faces arising from its financial instruments are:

- (i) market risk, including:
 - other price risk, being the risk that the value of investments will fluctuate as a result of changes in market prices;
 - interest rate risk, being the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates;
 - foreign currency risk, being the risk that the value of financial assets and liabilities will fluctuate because of movements in currency rates;

- (ii) credit risk, being the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company; and
- (iii) liquidity risk, being the risk that the Company will not be able to meet its liabilities when they fall due. This may arise should the Company not be able to liquidate its investments. Under normal market trading volumes, the majority of the investment portfolio could be realised within a week.

Other price risk

The management of other price risk is part of the portfolio management process and is typical of equity investment. The investment portfolio is managed with an awareness of the effects of adverse price movements through detailed and continuing analysis with an objective of maximising overall returns to shareholders. Although derivatives are not currently employed, they may be used from time to time, with prior Board approval, to hedge specific market risk or gain exposure to a specific market.

If the investment portfolio valuation rose or fell by 10% at 31 January, the impact on the net asset value would have been £47.3 million (2025: £51.0 million). The calculations are based on the investment portfolio valuation as at the respective Statement of Financial Position dates and are not necessarily representative of the year as a whole.

Interest rate risk

Floating rate

When the Company retains cash balances the majority of the cash is held in overnight call accounts. The benchmark rate which determines the interest payments received on cash balances is the bank base rate for the relevant currency for each deposit.

Foreign currency risk

The Company invests in overseas securities and holds foreign currency cash balances which give rise to currency risks. Foreign currency risks are managed alongside other market risks as part of the management of the investment portfolio. It is currently not the Company's policy to hedge this risk on a continuing basis but it can do so from time to time.

Foreign currency exposure:

	2026				2025			
	Investments £'000	Cash £'000	Debtors £'000	Creditors/ Provisions £'000	Investments £'000	Cash £'000	Debtors £'000	Creditors/ Provisions £'000
Indian rupee	113,932	5	63	-	208,458	437	1,061	(13,942)
Hong Kong dollar	62,677	22	-	-	17,927	-	-	-
New Taiwanese dollar	62,215	39	6	-	80,473	-	-	-
Chinese renminbi	53,538	-	-	-	53,787	-	-	-
US dollar	32,493	5	-	-	6,508	434	-	-
Korean won	31,512	-	94	-	27,060	-	74	-
Singapore dollar	27,626	10	-	-	27,286	485	-	-
Philippine peso	25,223	-	-	-	20,251	-	-	(484)
Indonesian rupiah	22,049	-	-	-	27,224	-	15	-
Japanese yen	21,612	-	-	-	23,279	-	29	-
Thai baht	9,020	-	-	-	9,672	-	-	-
Malaysian ringgit	6,352	-	-	-	5,585	-	-	-
Vietnamese dong	2,404	-	-	-	-	-	-	-
Bangladesh taka	1,900	-	-	-	2,693	-	-	-
Euro	-	8	-	-	-	8	-	-
Total	472,553	89	163	-	510,203	1,364	1,179	(14,426)

At 31 January 2026 the Company had £4,749,000 of sterling cash balances (2025: £7,096,000).

During the year sterling weakened 9.8% (2025: weakened by 1.1%) against all of the currencies in the investment portfolio (weighted for exposure at 31 January). If the value of sterling had strengthened against each of the currencies in the portfolio by 20%, the impact on the net asset value would have been negative £43.0 million (2025: negative £46.4 million). If the value of sterling had weakened against each of the currencies in the investment

Notes to the Financial Statements continued

portfolio by 20%, the impact on the net asset value would have been positive £52.5 million (2025: positive £56.7 million). The calculations are based on the investment portfolio valuation and cash balances as at the year end and are not necessarily representative of the year as a whole.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. The Portfolio Manager has in place a monitoring procedure in respect of counterparty risk which is reviewed on an ongoing basis. The carrying amounts of financial assets best represents the maximum credit risk exposure at the Statement of Financial Position date, and the main exposure to credit risk is via the Custodian which is responsible for the safeguarding of the Company's investments and cash balances.

At the reporting date, the Company's financial assets exposed to credit risk amounted to the following:

	2026	2025
	£'000	£'000
Cash	4,838	8,028
Debtors	261	1,252
	5,099	9,280

All the assets of the Company which are traded on a recognised exchange are held by J.P. Morgan Chase Bank, the Custodian. Bankruptcy or insolvency of the Custodian may cause the Company's rights with respect to securities held by the Custodian to be delayed or limited. The Board monitors the Company's risk as described in the Strategic Report on pages 1 to 26.

The credit risk on cash is controlled through the use of counterparties or banks with high credit ratings (rated AA or higher), assigned by international credit rating agencies. Cash is currently held at JP Morgan Chase Bank. Bankruptcy or insolvency of such financial institutions may cause the Company's ability to access cash placed on deposit to be delayed, limited or lost.

Liquidity risk

The Company's liquidity risk is managed on an ongoing basis by the Portfolio Manager. Substantially all of the Company's portfolio would be realisable within two weeks under normal market conditions. There may be circumstances where market liquidity is lower than normal. Stress tests have been performed to understand how long the portfolio would take to realise in such situations. The Board is comfortable that in such a situation the Company would be able to meet its liabilities as they fall due.

Capital management policies and procedures

The Company's capital management objectives are to ensure that it will be able to continue as a going concern and to maximise the return to its equity shareholders.

The Company's policy on gearing and leverage is set out on page 16. The Company had no gearing or leverage during the current or prior year.

The capital structure of the Company consists of the equity share capital, retained earnings and other reserves as shown in the Statement of Financial Position on page 63.

The Board, with the assistance of the AIFM and the Portfolio Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. This includes a review of:

- > the need to buy back equity shares, either for cancellation or to hold in treasury, in light of any share price discount to net asset value per share in accordance with the Company's share buy back policy;
- > the need for new issues of equity shares, including issues from treasury; and
- > the extent to which revenue in excess of that which is required to be distributed should be retained.

The Company's objectives, policies and processes for managing capital are unchanged from the prior year.

15. Reserves

Capital redemption reserve

This reserve arises when ordinary shares are redeemed by the Company and subsequently cancelled, at which point the amount equal to the par value of the ordinary share capital is transferred from the ordinary share capital to the Capital Redemption Reserve.

Special reserve

The Special Reserve arose following court approval in February 1999 to transfer £24.2 million from the share premium account.

Capital reserve

The following are accounted for in this reserve: gains and losses on the disposal of investments; changes in the fair value of investments; and expenses and finance costs, together with the related taxation effect, charged to capital in accordance with note 5 on page 66.

Revenue reserve

The Revenue Reserve reflects all income and expenses that are recognised in the revenue column of the Income Statement.

Distributable reserves

The Revenue, Special and Capital Reserves are distributable. It is the Board's current policy to pay dividends only from the revenue reserve.

16. Related Party Transactions and Transactions with the Managers

The following are considered to be related parties:

- > Frostrow Capital LLP (under the Listing Rules only)
- > First Sentier Investors (UK) IM Limited (under the Listing Rules only)
- > The Directors of the Company.

Details of the relationship between the Company and Frostrow Capital LLP, the Company's AIFM, are disclosed on page 41. During the year ended 31 January 2026, Frostrow earned £515,000 (2024: £543,000) in respect of company management fees, of which £129,000 (2025: 135,000) was outstanding at the year end.

The Company employs First Sentier Investors (UK) IM Limited as its Portfolio Manager. Details of this arrangement are disclosed on page 40. During the year ended 31 January 2026, First Sentier earned £3,757,000 (2025: £4,302,000) in respect of portfolio management fees, of which £877,000 (2025: £1,081,000) was outstanding at the year end.

All material related party transactions have been disclosed in notes 3 and 4 on pages 65 and 66. Details of the remuneration and the shareholdings of all Directors can be found on page 52.

Further Information

In this section

- 75 Glossary of Terms and Alternative Performance Measures (unaudited)
- 77 Sustainable Finance Disclosure Regulation ("SFDR") Report (unaudited)
- 90 Shareholder Information
- 91 How to Invest
- 92 Notice of the Annual General Meeting
- 97 Explanatory Notes to the Resolutions
- 99 Company Information

Glossary of Terms and Alternative Performance Measures (unaudited)

Absolute Performance

Absolute performance is the percentage (%) rise or fall in the share price of the investment over the stated period. Relative performance, on the other hand, is the difference between the absolute return and the performance of the market (or other similar investments), which is gauged by a benchmark, or index such as the MSCI AC Asia ex Japan Index.

AIFMR

The Alternative Investment Fund Managers Regulations (the 'Regulations') provide a regulatory framework for fund managers that manage alternative investment funds (including investment trusts).

Where an entity falls within the scope of the Regulations, it must appoint a single Alternative Investment Fund Manager ('AIFM'). The core functions of an AIFM are portfolio and risk management. An AIFM can delegate one but not both of these functions. The entity must also appoint an independent depositary whose duties include the following: safeguarding and verification of the ownership of assets; monitoring cashflows; and ensuring that appropriate valuations are applied to the entity's assets.

Average Discount

The average share price for the period divided by the average net asset value for the period minus 1.

	2026	2025
	pence	pence
Average share price for the year	352.0	369.1
Average net asset value for the year	397.3	417.3
Average Discount	11.4%	11.5%

Bottom-Up Approach

An investment approach that focuses on the analysis of individual stocks rather than the significance of macroeconomic factors.

Discount or Premium

A description of the difference between the share price and the net asset value per share. The size of the discount or premium is calculated by subtracting the

share price from the net asset value per share and is usually expressed as a percentage (%) of the net asset value per share. If the share price is higher than the net asset value per share the result is a premium. If the share price is lower than the net asset value per share, the shares are trading at a discount.

Gearing

The term used to describe the process of borrowing money for investment purposes. The expectation is that the returns on the investments purchased will exceed the finance costs associated with those borrowings.

There are several methods of calculating gearing and the following has been selected:

Total assets less current liabilities (before deducting any prior charges) minus cash/cash equivalents divided by shareholders' funds, expressed as a percentage.

Net Asset Value ("NAV")

The value of the Company's assets, principally investments made in other companies and cash being held, minus any liabilities. The NAV is also described as "shareholders' funds" per share. The NAV is often expressed in pence per share after being divided by the number of shares which have been issued. The NAV per share is unlikely to be the same as the share price which is the price at which the Company's shares can be bought or sold by an investor. The share price is determined by the relationship between the demand for and supply of the shares.

NAV Per Share Total Return

The total return on an investment over a specified period assuming dividends paid to shareholders were reinvested at net asset value per share at the time the shares were quoted ex-dividend. This is a way of measuring investment management performance of investment trusts which is not affected by movements in discounts or premiums.

Glossary of Terms and Alternative Performance Measures (unaudited) continued

	31 January 2026	31 January 2025
NAV Total Return	p	p
Opening NAV	417.5	384.3
(Decrease)/increase in NAV	(0.6)	37.2
Dividend paid	(4.9)	(4.0)
Closing NAV	412.0	417.5
(Decrease)/increase in NAV	(0.1)%	9.7%
Impact of reinvested dividends	0.1%	0.0%
NAV Total Return	0.0%	9.7%

Ongoing Charges

Ongoing charges are calculated by taking the Company's annualised operating expenses as a proportion of the average daily net asset value of the Company over the year. The costs of buying and selling investments are excluded, as are interest costs, taxation, cost of buying back or issuing ordinary shares and other non-recurring costs.

	31 January 2026	31 January 2025
	£'000	£'000
Operating expenses ¹	5,466	5,708
Less: Non-recurring expenses	(240)	-
Total recurring expenses	5,226	5,708
Average net assets during the year	466,068	504,629
Ongoing charges	1.1%	1.1%

¹ See notes 3 and 4 on pages 65 and 66.

Portfolio Turnover

Portfolio turnover is a measure of how quickly securities in a fund are either bought or sold by the fund's managers, over a given period of time. The rate of turnover is important for potential investors to consider, as funds that have a high rate will also have higher fees to reflect the turnover costs.

It is calculated as the average of the purchases and sales for the year divided by the average net assets for the year.

Revenue Return per Share

The revenue return per share is calculated by taking the revenue return on ordinary activities after taxation and dividing it by the weighted average number of shares in issue during the year (see note 7 on page 68 for further information).

Share Price Total Return

The total return on an investment over a specified period assuming dividends paid to shareholders were reinvested in the Company's shares at the share price at the time the shares were quoted ex-dividend.

	31 January 2026	31 January 2025
Share Price Total Return	p	p
Opening share price	358.0	349.0
Increase in share price	17.9	13.0
Dividend paid	(4.9)	(4.0)
Closing share price	371.0	358.0
Increase in share price	5.0%	3.7%
Impact of reinvested dividends	0.1%	0.0%
Share Price Total Return	5.1%	3.7%

Volatility

A measure of the range of possible returns for a given security or market index.

Sustainable Finance Disclosure Regulation (“SFDR”) Report (unaudited)

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Pacific Assets Trust plc

Legal entity identifier:
2138008U8QPGAESFYA48

Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> Yes	<input type="radio"/> <input type="radio"/> No
<input checked="" type="checkbox"/> It made sustainable investments with an environmental objective: 54% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___ % of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective
<input type="checkbox"/> It made sustainable investments with a social objective: 100%	<input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

Notes: The percentages are defined and measured on the basis that each sustainable investment must contribute to a social objective and may also contribute to an environmental objective. The percentages will therefore not add to 100.

To what extent was the sustainable investment objective of this financial product met?

The Company’s investment objective is to achieve long-term capital growth through investment in selected companies in the Asia Pacific region and the Indian sub-continent, but excluding Japan, Australia and New Zealand (the “Asia Pacific Region”). Because the Portfolio Manager adopts a sustainable investment strategy in selecting the investments that make up the Company’s portfolio, the Company only invests in companies which both contribute to, and benefit from, sustainable development, achieving positive social and environmental outcomes. All investee companies contribute to improving human development, while many also contribute to positive environmental outcomes. The contribution to sustainable development is assessed under two frameworks, social and environmental.



Positive social outcomes

The Portfolio Manager assesses positive social outcomes by reference to the below human development pillars. These human development pillars were developed by reference to, amongst other things, the UN Human Development Index.

- **Health and well-being** – improved access to and affordability of nutrition, health care, hygiene, water and sanitation,
- **Physical infrastructure** – improved access to and affordability of energy and housing,
- **Economic welfare** – safe employment offering a living wage and opportunities for advancement, access to finance and improved standards of living,
- **Opportunity and empowerment** – improved access to and affordability of education and information technology.

As of 31 December 2025, the Company held **61** companies. **All companies (100%)** were contributing to at least one **human development pillar** and, in total, were making **136 contributions** to the pillars.

Further information about how the Portfolio Manager uses the human development pillars is available on the Pacific Assets Trust website –

<https://www.pacific-assets.com/portfolio-documents/portfolio-explorer>

Positive environmental outcomes

The Portfolio Manager assesses positive environmental outcomes by reference to the climate solutions developed by Project Drawdown, a non-profit organisation that has mapped, measured and modelled over 90 different solutions that it believes will contribute to reaching 'drawdown', – i.e. the future point in time when levels of greenhouse gases in the atmosphere stop climbing and start to steadily decline.

As of 31 December 2025, the Company held **61** companies. **33 companies (54%)** were contributing to **climate change solutions**. These companies were contributing to **33** different solutions and, in total, were making **95 contributions** to the solutions.

Assessment

In assessing whether a company "contributes to and benefits from" sustainable development, the Portfolio Manager will consider whether:

1. there is either a direct or enabling link between the activities of the company and the achievement of a positive social or environmental outcome;
2. the company can benefit from any contribution to positive social or environmental outcomes through revenue or growth drivers inherent in the company's business model, strategic initiatives that are backed by research and development or capital expenditure, or from the company's strong culture and sense of stewardship e.g. for equity and diversity; and
3. the company recognises potential negative social or environmental outcomes associated with its product or services and works towards minimising such outcomes, e.g. a company that sells affordable nutritious food products in plastic packaging but is investigating alternative packaging options.

Notes:

Any reference to **Project Drawdown** is to describe the publicly available materials utilised by the Portfolio Manager in formulating its sustainability analysis. It is not intended to be, and should not be, read as constituting or implying that Project Drawdown has reviewed or otherwise endorsed the Portfolio Manager's sustainability assessment framework.

A **direct link** would arise where the goods an entity produces or the services it provides are the primary means through which the positive social or environmental outcome can be achieved (e.g. solar panel manufacturers or installers).

An **enabling link** would arise if the goods a company produces or services it provides enable other companies to contribute towards the achievement of the positive social or environmental outcome (e.g. manufacturers of critical components that are used as inputs in the manufacture of solar panels).

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

How did the sustainability indicators perform?

The Portfolio Manager's Portfolio Explorer tool provides the contribution that each company makes to climate solutions, human development and the Sustainable Development Goals, as well as the investment rationale, key risks and areas for improvement.

The performance of the sustainability indicators is noted in the above section

Notes: Direct Contribution - directly attributable to products, services or practices provided by that company. Enabling/Supporting Contribution - supported or made possible by products or technologies provided by that company.

...and compared to previous periods?

Changes in the sustainability outcomes for the Company year-on-year are related to bottom-up changes in the portfolio and/or changes in the sustainability profile of individual investee companies.

As of 31 December 2024, the Company held 69 companies.

All companies (100%) were contributing to at least one human development pillar and, in total, were making 193 contributions to the pillars

46 companies (67%) were contributing to climate change solutions. These companies were contributing to 41 different solutions and, in total, were making 148 contributions to the solutions

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

The Company only invests in companies which both contribute to, and benefit from, sustainable development, achieving positive social and environmental outcomes. All investee companies contribute to improving human development, and may also contribute to positive environmental outcomes.

The Company's exposure to harmful or controversial products, services or practices is monitored on at least a quarterly basis. For harmful products and services which are revenue-generating, the Portfolio Manager applies a 5% revenue threshold (controversial weapons and tobacco production are 0%). In other areas where harmful or controversial activities are not attributable to revenue (for example, employee or supply chain issues) the Portfolio Manager uses internal analysis and research from external providers to monitor and assess companies.

Where any material exposure to these harmful activities is found, the Portfolio Manager will:

- review the company research and investment case, noting the response where they believe it is adequate,
- engage with the company where they require further information or wish to encourage improved practices and an appropriate resolution of the issues,
- exit the Company's position in the company where engagement has been unsuccessful, or where part of a pattern of behaviour raises concerns regarding the quality and integrity of the company's management. If an investment is held in a company that has material exposure to harmful products and services, this will be disclosed on the Company's website, and the reasons for the exception and for maintaining the holding explained. Exceptions may occur if a company is winding down a legacy commercial activity (in which case the company will be engaged and encouraged to cease the commercial activity concerned), or where the company is not increasing capital expenditure or if a company is only indirectly exposed to a harmful industry or activity, for example, a company making safety products for a wide range of industries may also have customers in the fossil fuel or defence industries.

The Portfolio Manager's position on harmful and controversial products and services and investment exclusions is available on the Company's website:

<https://www.pacific-assets.com/portfolio-documents/material-exposure-disclosures>

How were the indicators for adverse impacts on sustainability factors taken into account?

Adverse impact indicators relevant to each Company investee company are taken into account through the Portfolio Manager's bottom-up research, company engagement, adherence to their position statement on harmful and controversial products and services, Group-wide exclusion policies and third-party research providers.

The Portfolio Manager meets and liaises with companies on an on-going basis and is continuously assessing their sustainability credentials and quality. Where the Portfolio Manager has identified changes to a company's quality or sustainability positioning through either meetings, ongoing monitoring and reviewing their annual reports, the Portfolio Manager will re-evaluate the investment case.

In addition, the Company portfolio is assessed on an ongoing basis by external service providers including controversy monitoring, product involvement, carbon footprints and other impact measures, and breaches of social norms.

The Principal Adverse Impacts (as prescribed under the SFDR) are incorporated into the Portfolio Manager's company analysis, team discussion and engagement programme. Every investment in the portfolio must do no significant harm, based on the adverse impact indicator assessment. It is possible that an investor does no significant harm but still have some adverse sustainability impacts. In those cases, the Portfolio Manager shall engage with the company either directly or as part of collaborations with other investment institutions.

Depending on the nature of the issue and the response by the company, the Portfolio Manager's actions can range from:

- reviewing the company research and investment case, noting the response where they believe it is adequate,
- engaging with the company where they require further information or wish to encourage improved practices and an appropriate resolution of the issues,
- where engagement has been unsuccessful or where the harmful activities are part of a pattern of behaviour that raises concerns regarding the quality and integrity of the company's management, the Portfolio Manager will not invest or will exit the Company's position in the company in an orderly manner, having regard to the best interest of shareholders.

The Portfolio Manager includes product level data on Principal Adverse Impact (PAI) indicators in the question below.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Company's sustainable investments are aligned with these Guidelines and Principles.

The Portfolio Manager continually monitors the companies owned to understand any changes to the strategies. The Company's portfolio is assessed quarterly by an external service provider for compliance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, UN global norms and exposure to high-risk sectors. The Portfolio Manager also receives regular updates from a controversy monitoring service. Where issues are raised by these services, the Portfolio Manager will review and consider as part of the investment analysis and depending on the detail may engage with the company in question, and if necessary will divest to ensure the portfolio continues to meet the principles which sit at the heart of the investment philosophy.

During the reporting period the below holdings of the Company flagged against the Portfolio Manager's policy.

ESAB India

Activity exposure >5% revenue: Supporting Oil & Gas

Reason for exception/holding: The company provides welding and cutting equipment and systems for a variety of industries including shipbuilding and wind energy.

The company's parent released its inaugural sustainability report in 2023, coinciding with its first year as an independent corporation, and does not yet directly report revenue by market segment. The external research provider estimates that revenues from products and services supporting oil and gas accounted for 7.5% of ESAB India's overall revenue in FY2023. The Portfolio Manager met with the parent company and based on their analysis of the company's product portfolio within the wider industry believe the exposure to products and services supporting oil and gas within the India business will be lower than the external estimate. They also believe exposure to oil and gas will continue to fall in the coming years as the economy transitions further away from fossil fuels, and the company continues to focus on growing sales in renewable energy.

Jardine Matheson Holdings

UN Global Compact Principle 1 (Watchlist): Businesses should support and respect the protection of internationally proclaimed human rights.

Reason for exception/holding: Jardine Matheson operates a portfolio of businesses that support employment, infrastructure, transport, food and healthcare across Indonesia, Hong Kong, China and Southeast Asia. It invests in Astra (c.58% of 2024 group revenue) which has over 300 subsidiaries.

Concerns have been raised by our external research provider regarding one of Astra's subsidiaries, Astra Agro Lestari (AAL). AAL is an Indonesian palm oil company which contributes c.7% to Astra's revenue (2024). AAL has faced accusations of land grabbing and human rights abuses due to ongoing land conflicts in Indonesia. In response, AAL has provided detailed clarifications, expressing its commitment to complying with regulations and collaborating with local communities to prevent conflicts. The company has also sought engagement with environmental groups, facilitated by independent third parties.

Jardine Matheson Holdings (continued)

An independent assessment conducted by EcoNusantara over eight months involved direct engagement with affected communities. The findings, published in November 2023, found no evidence supporting many of the land grabbing and criminalisation claims against AAL.

Despite the unsubstantiated allegations, AAL has collaborated with EcoNusantara to develop a three-year action plan based on their recommendations. The plan emphasises inclusive engagement and measurable outcomes, incorporating input from key stakeholders and academic experts.

Under new management, Jardine Matheson acknowledges past shortcomings in managing community relationships. The group has taken steps to improve land use, conservation, community support, climate impact mitigation, and circularity. To support improvements in its long-term sustainability strategy, the company has applied to join the Roundtable on Sustainable Palm Oil (RSPO), a globally recognised certification standard for sustainable palm oil production. Additionally, AAL is certified under the Indonesian Sustainable Palm Oil (ISPO) scheme, a mandatory national certification system established in 2011 to enhance agricultural and sustainability standards in the Indonesian palm oil industry.

The Portfolio Manager has had and continue to have conversations with the company on this topic.

Tata Consultancy Services (TCS)

UN Global Compact Principle 2 (Breach): Businesses should make sure that they are not complicit in human rights abuses.

Reason for exception/holding: TCS has no direct involvement in nuclear weapons or energy, however the external research provider considers the company to be involved because its parent company, Tata Sons, owns greater than 50% of TCS.

Tata Sons involvement is due to its ownership of Tata Advanced Systems which acquired Tata Power's Strategic Engineering Division. This division provides control systems for the Indian Navy's nuclear missile submarines.

As India has not signed the Treaty on the Non-Proliferation of Nuclear Weapons, the external data provider considers Tata Sons and by extension TCS to be in support of the nuclear weapons programme of India. The Portfolio Manager disagrees with this assessment and does not see anything in the activities or conduct of the company to question its sustainability positioning or the investment case.

Tencent

UN Global Compact Principle 2 (Breach): Businesses should make sure that they are not complicit in human rights abuses

Reason for exception/holding: Tencent is a leading Chinese internet and technology company best known for its super-app, WeChat. Initially designed as an instant messaging platform, WeChat now provides an essential tool allowing more than a billion users to centralise their digital lives by combining access to social media with online payments, music streaming, gaming, shopping, news, and travel booking.

Our external research provider has raised concerns regarding Tencent's involvement in censorship and surveillance, which it believes infringes the rights of its users to privacy and freedom of expression.

Tencent's privacy policies make it clear that it abides by all of the relevant privacy and security laws that apply in the various territories in which it operates. In mainland China, where the issue is most acute, it has developed a country-specific approach to privacy. This includes allowing its users to express preferences over use of their data, ensuring that data is only held for as long as necessary before being deleted and imposing tight restrictions on third-party access. Like other companies, Tencent asks for its users consent before collecting their personal data.

When Tencent does receive an official request for user data, its policies demand that it verifies the government's requirements and ensures that the request is valid before complying. In the past, these requests have typically related to gambling syndicates and prostitution rings.

It is undeniable that the limitations imposed on free speech in China differ significantly from the norms in Western democracies. For example, where posts or content are critical of the Chinese authorities, they will tend to be removed. Yet while this is different from the practices of internet companies in other parts of the world in degree, we would argue that it is not different in kind. It is impossible to operate a digital business in almost any part in the world today without receiving official requests for data. And, when those requests are made, companies have little choice but to comply with local laws, no matter if they are based in Shenzhen or in San Francisco.

The Portfolio Manager would dispute the notion that Tencent does not have adequate management systems or disclosures in place. Its website goes into some detail on these topics, partly due to the controversy that has surrounded them in the past.

Triveni Turbines

Activity exposure >5% revenue: Supporting Nuclear Power

Reason for exception/holding: The company designs and manufactures steam turbines, with a focus on renewable, efficient industrial heat and power solutions.

Revenues derived from products and services supporting nuclear power accounted for an estimated 5% of the company's overall revenue in FY2023, according to the external research provider.

Triveni Turbines (continued)

Nuclear power exposure for supporting products and services was added by the external research provider in early 2024 and the Portfolio Manager contacted the company directly to check the 5% revenue estimate provided. Given their nuclear power exposure is related to servicing old steam turbines within the industry, the company estimates around 1% of revenue to be a more accurate reflection of their exposure.



How did this financial product consider principal adverse impacts on sustainability factors?

In addition to the detail described above, the Portfolio Manager has set a materiality threshold of 5% of revenue for direct involvement in companies materially involved in the exploration, production or generation of fossil fuel energy and a threshold of 0% for controversial weapons. Portfolio companies are checked against the thresholds each quarter by an external third-party research platform.

The below table sets out the PAI indicators for the Company.

Indicators	Metrics	2025	2024	2023	2022
Exposure	(EURm)	559	631	576	533
1. GHG Emissions	Scope 1 (tCO ₂ eq)	5,964	2,740	3,640	3,302
	Scope 2 (tCO ₂ eq)	5,991	18,184	13,753	14,848
	Scope 3 (tCO ₂ eq)	289,348	248,290	289,038	437,464
	Total Emissions Scope 1+2 (tCO ₂ eq)	11,955	20,925	17,393	18,150
	Total Emissions Scope 1+2+3 (tCO ₂ eq)	301,304	269,214	306,432	455,614
2. Carbon Footprint	Total Emissions Scope 1+2 (tCO ₂ eq/EURm)	22	33	30	34
	Total Emissions Scope 1+2+3 (tCO ₂ eq/EURm)	551	427	532	854
3. GHG Intensity of Investee Companies	Scope 1+2 (tCO ₂ eq/EURm)	50	66	72	75
	Scope 1+2+3 (tCO ₂ eq/EURm)	1,651	1,759	1,899	2,413
4. Exposure to companies active in the fossil fuel sector	(% involvement)	1%	1%	0%	0%
5. Share of Non-Renewable Energy Consumption and Production	Non-Renewable Energy Consumption (%)	84%	83%	85%	84%
	Non-Renewable Energy Production (%)	4	7%	30%	35%
6. Energy consumption intensity per high impact sector	Agriculture, Forestry & Fishing (GWh/EURm)	no data	no data	no data	no data
	Construction (GWh/EURm)	no data	no data	no data	no data
	Electricity, Gas, Steam & Air Conditioning Supply (GWh/EURm)	no data	no data	no data	no data
	Manufacturing (GWh/EURm)	0.22	0.16	0.12	0.12
	Mining & Quarrying (GWh/EURm)	no data	no data	no data	no data
	Real Estate Activities (GWh/EURm)	no data	no data	no data	no data
	Transportation & Storage (GWh/EURm)	insufficient data	insufficient data	no data	no data
	Water Supply, Sewerage, Waste Remediation (GWh/EURm)	no data	no data	no data	no data
	Trade & Repair of Automobiles (GWh/EURm)	insufficient data	insufficient data	insufficient data	insufficient data
7. Activities Negatively Affecting Biodiversity Areas	(% involvement)	1%	0%	0%	0%
8. Emissions to Water	(t/EURm)	no data	no data	no data	insufficient data
9. Hazardous waste ratio	(t/EURm)	25	107	63	37
10. Violations of UNGC and OECD Guidelines for Multi-national Enterprises	Watch (% involvement)	1%	0%	1%	0%
	Breach (% involvement)	1%	1%	2%	2%
11. Lack of Processes & Compliance Mechanisms to Monitor Compliance with UNGC and OECD guidelines	(% involvement)	67%	66%	68%	81%

Sustainable Finance Disclosure Regulation (“SFDR”) Report continued

Indicators	Metrics	2025	2024	2023	2022
12. Unadjusted Gender Pay Gap	% of Male Gross Hourly Rate	No data	insufficient data	no data	insufficient data
13. Board Gender Diversity	% of Female Board Members	23%	21%	21%	19%
14. Exposure to Controversial Weapons	(% involvement)	0%	0%	0%	0%
Voluntary indicators	Metrics	2025	2024	2023	2022
Water Usage and Recycling	% Water Withdrawal	82%	48%	58%	n/a
Number of Identified Cases of Severe Human Rights Issues & Incidents	Weighted number of incidents	0.1	0.1	0.1	n/a

Notes: PAI data is sourced from third-party ESG data providers. Limitations to the data provided from third parties will stem from their coverage and methodologies and from limited disclosures by issuer companies. Where data is not available, third-party providers may use estimation models or proxy indicators. Methodologies used by data providers may include an element of subjectivity. Whilst data is collected on an ongoing basis, in this rapidly evolving environment, data can become outdated within a short time period. Data for certain metrics may be based on limited data across the portfolio companies.



The list includes the investments constituting the greatest proportion of investments of the financial product as at 31 December 2025

What were the top investments of this financial product?

Largest investments	Sector	% assets	Country
Samsung Electronics Co., Ltd.	Information Technology	5.08	South Korea
Mahindra & Mahindra Ltd.	Consumer Discretionary	4.08	India
OCB Corporation Limited	Financials	3.52	Singapore
Jardine Matheson Holdings	Industrials	2.96	Hong Kong
Taiwan Semiconductor Manufacturing Co., Ltd.	Information Technology	2.95	Taiwan
DFI Retail Group Holdings Ltd	Consumer Staples	2.9	Hong Kong
Cholamandalam Financial	Financials	2.9	India
Airtac International Group	Industrials	2.9	Taiwan
Hoya Corporation	Health Care	2.85	Japan
Alibaba Group Holding Limited	Consumer Discretionary	2.75	China
Voltronic Power Tech Corp.	Industrials	2.65	Taiwan
Shenzhen Inovance Tech Co	Industrials	2.49	China
Tube Investments of India Ltd	Consumer Discretionary	2.48	India
Trip.com Group Ltd.	Consumer Discretionary	2.27	China
Midea Group Co. Ltd. Class A	Consumer Discretionary	2.26	China



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

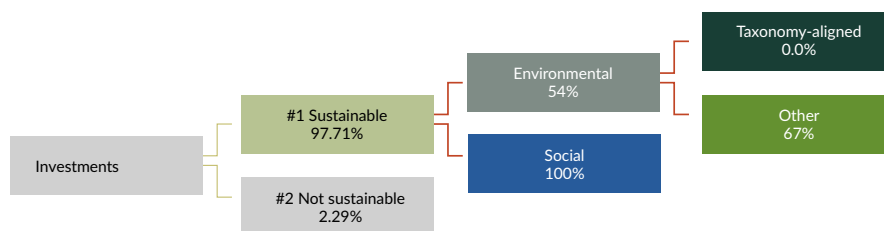
What was the asset allocation?

The Company invested at least 90% of its Net Asset Value in companies that are positioned to contribute to, and benefit from, sustainable development. Sustainable development is based on the Portfolio Manager’s own philosophy explained in the Investor Disclosure Document.

To comply, with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or lower-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

Notes: The percentages are defined and measured on the basis that each sustainable investment must contribute to a social objective and may also contribute to an environmental objective. The percentages will therefore not add to 100.

In which economic sectors were the investments made?

The average holdings (excluding cash) over the reporting period in Global Industry Classification Standard (GICs) sectors:

Sector	% assets
Communication Services	2.95
Consumer Discretionary	16.72
Consumer Staples	10.97
Financials	19.62
Health Care	5.94
Industrials	27.25
Information Technology	14.26
Cash and cash equivalents	2.29

The Portfolio Manager checks investee companies (via a third-party research platform and on a quarterly basis) for any revenues derived from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels. They disclose any companies above their material threshold (5% of revenues) on their website.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?



Did the financial product investment in fossil gas and/or nuclear energy related activities

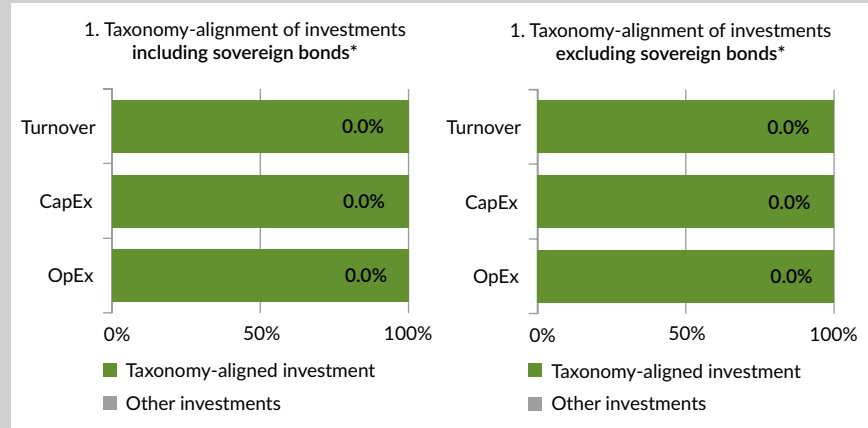
- Yes
- In fossil gas In nuclear energy
- No

1 Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory notes in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



% figures represent taxonomy-aligned investments

*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of investments made in transitional and enabling activities?

The reported share of investments made in transitional and enabling activities for the Company is **0%**.

How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

The percentage of investments aligned with the EU Taxonomy for the previous reference period was **0%**.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The Company does not actively target EU Taxonomy-aligned assets.

As of 31 December 2025, the Company held 61 companies. Based on reported turnover data, there was no alignment with the EU taxonomy from any of these companies.

What was the share of socially sustainable investments?

All companies in the Company were aligned to socially sustainable investments as defined by the Portfolio Manager’s human development pillars.

What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

The “#2 Not sustainable” assets are cash and near-cash assets held pending investment, to meet liquidity requirements, or assets held in order to allow efficient operational exit of positions. Cash is held by the depositary.



What actions have been taken to attain the sustainable investment objective during the reference period?

No company is perfect and engagement and voting are key responsibilities for the Portfolio Manager as long-term shareholders. They believe that engagement is a means to mitigate business risks, protect against potential headwinds and improve sustainability outcomes. Engagement is fully integrated into the responsibilities of the Portfolio Manager as it contributes invaluable insights into their understanding of each company.

Proxy voting is an extension of the Portfolio Manager's engagement activities. It is not outsourced to an external provider or separate proxy voting/engagement team. The Portfolio Manager considers each proxy vote individually and on its own merits in the context of their knowledge about that particular company. A breakdown of voting activity for the Company is detailed below.

Voting activity: 1 January 2025 to 31 December 2025

Number of companies that held voting meetings	72
Number of meetings to vote at	98
Total proposals to vote on	705
Number of votes against management proposals	17
Number of votes abstained from voting	0
Number of shareholder proposals to vote on	0
Number of shareholder proposals voted against	0
Number of shareholder proposals abstained from voting	0



How did this financial product perform compared to the reference sustainable benchmark?

A sustainable benchmark has not been designated to compare the performance for the Company.

How did the reference benchmark differ from a broad market index?

Not applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?

Not applicable.

How did this financial product perform compared with the reference benchmark?

Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

Shareholder Information

Financial Calendar

31 January	Financial Year End
April/May	Final Results Announced
July	Annual General Meeting
July	Dividend Payable
31 July	Half Year End
September	Half Year Results Announced

Annual General Meeting

The Annual General Meeting of Pacific Assets Trust plc will be held at Dashwood House, 69 Old Broad St, London EC2M 1QS on Tuesday, 7 July 2026 at 10.30am. Please refer to the Chair's Statement beginning on page 4 for details of this year's arrangements.

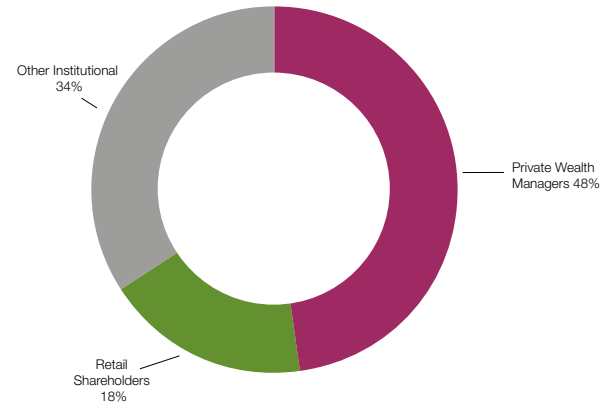
How to Vote

If you hold your shares directly you will have received a paper proxy form or voting instruction card. For this year's Annual General Meeting you should ensure that this is returned to the Registrar, Equiniti, before 10.30am on 3 July 2026. Alternatively, you can vote online at www.shareview.co.uk. Shareholders will require their Shareholder Reference Number, which can be found on the personalised proxy form or voting instruction card, to access this service. Before a proxy can be appointed, shareholders will be asked to agree to the terms and conditions for electronic proxy appointment. The use of the electronic proxy appointment service offered through Equiniti Limited, the Company's registrar, is entirely voluntary.

If you hold your shares via an investment platform or a nominee, you should contact them to inquire about arrangements to vote.

Profile of the Company's Ownership

% of shares held at 31 January 2026



Source: Richard Davies Investor Relations

Change of Address

Communications with shareholders are mailed to the address held on the share register. In the event of a change of address or other amendment this should be notified to the Registrar, Equiniti Limited, under the signature of the registered holder.

Daily Net Asset Value

The daily net asset value of the Company's shares can be obtained on the Company's website at www.pacific-assets.com and is published daily via the London Stock Exchange.

Dividend

A final dividend is paid annually following approval at the Annual General Meeting. Shareholders who wish to have dividends paid directly into a bank account, rather than by cheque posted to their registered address, can complete a mandate form for the purpose. Mandates may be obtained from the Registrar, Equiniti Limited, on request.

Share Prices

The Company's shares are listed on the London Stock Exchange under 'Investment Companies'. The price is given daily in the Financial Times and other newspapers.

How to Invest

Retail Investors advised by IFAs

The Company currently conducts its affairs so that its shares can be recommended by Independent Financial Advisers (“IFAs”) in the UK to ordinary retail investors in accordance with the Financial Conduct Authority (“FCA”) rules in relation to non-mainstream investment products and intends to continue to do so. The shares are excluded from the FCA’s restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

Equiniti – Share Dealing Service

An internet and telephone dealing service is available through the Company’s registrar, Equiniti. This provides a simple way for UK shareholders of Pacific Assets Trust plc to buy or sell the Company’s shares. For full details and terms and conditions simply log onto www.shareview.co.uk/dealing or call 03456 037037 between 8.00am and 4.30pm Monday to Friday. This service is only available to shareholders of Pacific Assets Trust plc who hold shares in their own name, with a UK registered address and who are aged 18 and over.

Shareview Dealing is provided by Equiniti Financial Services Limited which has issued and approved the preceding paragraph. Equiniti Financial Services Limited, Highdown House, Yeoman Way, Worthing, West Sussex BN99 3HH is registered in England and Wales with number 6208699. Equiniti Financial Services Limited is authorised and regulated by the Financial Conduct Authority.

Investment Platforms

The Company’s shares are traded openly on the London Stock Exchange and can be purchased through a stock broker or other financial intermediary. The shares are available through savings plans (including Investment Dealing Accounts, ISAs, Junior ISAs and SIPPs) which facilitate both regular monthly investments and lump sum investments in the Company’s shares. There are a number of investment platforms that offer these facilities. The following is a list of some of them, which is not comprehensive and does not constitute any form of recommendation:

AJ Bell Youinvest	www.youinvest.co.uk/
Barclays Stockbrokers	www.smartinvestor.barclays.co.uk/
Bestinvest	www.bestinvest.co.uk/
Charles Stanley Direct	www.charles-stanley-direct.co.uk/
Halifax Share Dealing	www.halifaxsharedealing-online.co.uk
Hargreaves Lansdown	www.hl.co.uk/
HSBC	www.hsbc.co.uk/investments/products-and-services/invest-direct/
iDealing	www.idealing.com/
Interactive Investor	www.ii.co.uk/
IWEB	www.iweb-sharedealing.co.uk/
Saxo Capital Markets	www.home.saxo
Tillit	www.tillitinvest.com/
WealthClub	www.wealthclub.co.uk

Risk warnings

Past performance is no guarantee of future performance. The value of your investment and any income from it may go down as well as up and you may not get back the amount invested. This is because the share price is determined by the changing conditions in the relevant stock markets in which the Company invests and by the supply and demand for the Company’s shares. As the shares in an investment trust are traded on a stock market, the share price will fluctuate in accordance with the supply and demand and may not reflect the underlying net asset value of the shares; where the share price is less than the underlying value of the assets, the difference is known as the ‘discount’. For these reasons investors may not get back the original amount invested. Although the Company’s shares are denominated in sterling, it may invest in stocks and shares which are denominated in currencies other than sterling and to the extent they do so, they may be affected by movements in exchange rates. As a result the value of your investment may rise or fall with movements in exchange rates. Investors should note that tax rates and reliefs may change at any time in the future. The value of ISA tax advantages will depend on personal circumstances. The favourable tax treatments of ISAs may not be maintained.

The Company’s investor disclosure document can be found on the website: <https://www.pacific-assets.com/content/dam/pacific-assets/trust-information/PAC-Investor-Disclosure-Document.pdf>

Notice of the Annual General Meeting

Notice is hereby given that the Annual General Meeting of Pacific Assets Trust Public Limited Company (the "Company") will be held at Dashwood House, 69 Old Broad St, London EC2M 1QS on Tuesday, 7 July 2026 at 10.30am for the following purposes:

Ordinary Resolutions

To consider and, if thought fit, pass the following as Ordinary Resolutions:

1. That the Report of the Directors and the financial statements for the year ended 31 January 2026 together with the Report of the Auditor thereon be received.
2. That the Directors' Remuneration Report for the year ended 31 January 2026 be received and approved.
3. That the Directors' Remuneration Policy set out on page 53 of the Annual Report for the year ended 31 January 2026 be received, adopted and approved.
4. That a final dividend for the year ended 31 January 2026 of 5.7p per share be declared.
5. That Ms J L Y Ang be re-elected as a Director.
6. That Mr A M Impey be re-elected as a Director.
7. That Ms N Sahgal be re-elected as a Director.
8. That Mr R E Talbut be re-elected as a Director.
9. That Mr E T A Troughton be re-elected as a Director.
10. That BDO LLP be re-appointed as Auditor to hold office from the conclusion of the meeting to the conclusion of the next Annual General Meeting at which accounts are laid.
11. That the Audit Committee be authorised to determine the Auditor's remuneration.

Authority to Allot Shares

12. That, in substitution for all existing authorities (but without prejudice to the exercise of any such authority prior to the passing of this resolution), the Board of Directors of the Company (the "Board") be and it is hereby generally and unconditionally authorised pursuant to and in accordance with

section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £1,428,281 (or if changed, the number representing 10% of the issued share capital of the Company (excluding any shares held in treasury) immediately prior to the passing of this resolution) on such terms as the Board may determine provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2027 or on the date which is 15 months after the date of passing this resolution, whichever is the earlier, unless previously revoked, varied or renewed by the Company in general meeting and provided that the Company may before such expiry make an offer or enter into an agreement which would or might require shares to be allotted, or rights to subscribe for or to convert securities into shares to be granted, after such expiry and the Board may allot shares or grant such rights in pursuance of such an offer or agreement as if the authority conferred by this resolution had not expired.

Special Resolutions

To consider and, if thought fit, pass the following as Special Resolutions.

Disapplication of Pre-emption Rights

13. That, in substitution for all existing powers (but without prejudice to the exercise of any such power prior to the passing of this resolution) and subject to the passing of resolution 12 proposed at the Annual General Meeting of the Company convened for 7 July 2026 ("Resolution 12"), the Board be and it is hereby generally empowered pursuant to sections 570 and 573 of the Companies Act 2006 (the "Act") to allot, or make offers or agreements to allot, equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred on them by such Resolution 12, and/or by way of a sale of treasury shares for cash, as if section 561(1) of the

Act did not apply to any such allotment or sale, provided that this power shall be limited to: the allotment of equity securities and the sale of treasury shares up to an aggregate nominal amount of £1,428,281 (or if changed, the number representing 10% of the issued share capital of the Company (excluding any shares held in treasury) immediately prior to the passing of this resolution) and shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2027 or on the date which is 15 months after the date of passing this resolution, whichever is the earlier, unless previously revoked, varied or renewed by the Company in general meeting and provided that the Company may before such expiry make an offer or enter into an agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry and the Board may allot equity securities or sell treasury shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Authority to Repurchase Shares

14. That, in substitution for all existing authorities (but without prejudice to the exercise of any such authority prior to the passing of this resolution), the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 (the "Act") to make one or more market purchases (within the meaning of section 693(4) of the Act) of its ordinary shares of 12.5 pence each in the capital of the Company ("Ordinary Shares") either for cancellation or for retention as treasury shares for future reissue, resale, transfer or cancellation on such terms and in such manner as the board of directors may determine provided that:

- (i) the maximum aggregate number of Ordinary Shares which may be purchased is 17,127,949 or, if lower, the number representing 14.99% of the issued share capital of the Company (excluding Ordinary Shares held in treasury) immediately prior to the passing of this resolution;
- (ii) the minimum price which may be paid for an Ordinary Share is 12.5 pence (exclusive of associated expenses);
- (iii) the maximum price which may be paid for an Ordinary Share (exclusive of associated expenses) shall not be more than the higher of:
 - (a) an amount equal to 105% of the average of the middle market quotations for an Ordinary

Share as derived from the London Stock Exchange Daily Official List for the five dealing days immediately preceding the day on which the Ordinary Share is purchased; and (b) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange for an Ordinary Share at the time the purchase is carried out; and

- (iv) this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2027 or on the date which is 15 months after the date of passing this resolution, whichever is the earlier, unless previously revoked, varied or renewed by the Company in general meeting and provided that the Company may, before such expiry, enter into a contract to purchase Ordinary Shares under such authority which will or may be completed or executed wholly or partly after such expiry and may make a purchase of Ordinary Shares pursuant to any such contract.

General Meetings

15. That any General Meeting of the Company (other than the Annual General Meeting of the Company) may be called by not less than 14 clear days' notice in accordance with the provisions of the Articles of Association of the Company provided that the authority shall expire on the conclusion of the next Annual General Meeting of the Company to be held in 2027.

By order of the Board

Registered office
Level 3
6 St Andrew Square
Edinburgh
EH2 2BD

Frostrow Capital LLP
Company Secretary
30 April 2026

Notice of the Annual General Meeting continued

Notes

1. If you wish to attend the Annual General Meeting in person, you should arrive at the venue for the Annual General Meeting in good time to allow your attendance to be registered. It is advisable to have some form of identification with you as you may be asked to provide evidence of your identity to the Company's registrar, Equiniti Limited (the "Registrar"), prior to being admitted to the Annual General Meeting.
2. Members are entitled to appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the Annual General Meeting. A proxy need not be a member of the Company but must attend the Annual General Meeting to represent a member. To be validly appointed a proxy must be appointed using the procedures set out in these notes and in the notes to the accompanying proxy form.

If members wish their proxy to speak on their behalf at the meeting, members will need to appoint their own choice of proxy (not the chair of the Annual General Meeting) and give their instructions directly to them.

Members can only appoint more than one proxy where each proxy is appointed to exercise rights attached to different shares. Members cannot appoint more than one proxy to exercise the rights attached to the same share(s). If a member wishes to appoint more than one proxy, they should contact the Registrar on +44 (0)371 384 2466. Lines are open between 8.30 am and 5.30 pm, Monday to Friday (excluding public holidays in England and Wales).

A member may instruct their proxy to abstain from voting on any resolution to be considered at the meeting by marking the abstain option when appointing their proxy. It should be noted that an abstention is not a vote in law and will not be counted in the calculation of the proportion of votes "for" or "against" the resolution.

The appointment of a proxy will not prevent a member from attending the Annual General Meeting and voting in person if he or she wishes.

A person who is not a member of the Company but who has been nominated by a member to enjoy information rights does not have a right to appoint any proxies under the procedures set out in these notes and should read note 9 overleaf.

3. A proxy form or voting instruction card for use in connection with the Annual General Meeting has been sent to shareholders on the shareholder register at the date of this notice. To be valid any proxy form or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, must be received by post or (during normal business hours only) by hand by the Registrar at Equiniti Limited, Highdown House, Yeoman Way, Worthing, West Sussex BN99 3HH no later than 48 hours (excluding non-working days) before the time of the Annual General Meeting or any adjournment of that meeting.

If you do not have a proxy form and believe that you should have one, or you require additional proxy forms, please contact the Registrar on +44 (0)371 384 2466. Other service providers' costs may vary. Lines are open between 8.30 am and 5.30 pm, Monday to Friday (excluding public holidays in England and Wales).

Alternatively, you can register your proxy appointment and voting instructions by going to Equiniti's Shareview website, www.shareview.co.uk, and logging in to your Shareview Portfolio. To register for a Shareview Portfolio, go to www.shareview.co.uk and enter the requested information.

4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and by logging on to the following website: www.euroclear.com. CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must in order to be valid, be transmitted so as to be received by the Registrar (ID RA19) no later than 48 hours (excluding non-working days) before the time of the Annual General Meeting or any adjournment of that meeting. For this purpose, the time of receipt will be taken to be

the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed (a) voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

5. If you are an institutional investor you may be able to appoint a proxy electronically via the Proximity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proximity, please go to www.proximity.io. Your proxy must be lodged by 10.30am on 3 July 2026 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proximity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.
6. In the case of joint holders, where more than one of the joint holders purports to appoint one or more proxies, only the purported appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).
7. Any corporation which is a member can appoint one or more corporate representatives. Members can only appoint more than one corporate representative where each corporate representative is appointed to exercise rights attached to different shares. Members cannot appoint more than one corporate representative to exercise the rights attached to the same share(s).
8. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of determining the votes they may cast), members must be registered in the Company's register of members at 6.30 p.m. on 3 July 2026 (or, if the Annual General Meeting is adjourned, at 6.30 p.m. on the day two working days prior to the adjourned meeting). Changes to the register of members after the relevant deadline will be disregarded in determining the rights of any person to attend and vote at the Annual General Meeting.
9. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the member by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.
10. Information regarding the Annual General Meeting, including information required by section 311A of the 2006 Act, and a copy of this notice of Annual General Meeting, is available from www.pacific-assets.com
11. Members should note that it is possible that, pursuant to requests made by members of the Company under, and meeting the threshold requirements in, section 527 of the Act, the Company may be required to publish on a website a statement setting out any matter relating to: (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (b) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a

Notice of the Annual General Meeting continued

statement on a website under section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.

12. As at 29 April 2026 (being the latest practicable date prior to the publication of this notice) the Company's issued share capital consisted of 114,262,507 ordinary shares carrying one vote each (and no shares were held in Treasury). Accordingly, the total voting rights in the Company at 29 April 2026 were 114,262,507 votes.
13. Any person holding 3% or more of the total voting rights of the Company who appoints a person other than the chair of the Annual General Meeting as her/she proxy will need to ensure that both he/she, and his/her proxy, comply with their respective disclosure obligations under the UK Disclosure Guidance and Transparency Rules.
14. Under section 319A of the Act, the Company must cause to be answered any question relating to the business being dealt with at the Annual General Meeting put by a member attending the meeting unless answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, or the answer has already been given on a website in the form of an answer to a question, or it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Members who have any queries about the Annual General Meeting should contact Frostrow Capital LLP, the Company Secretary, at 25 Southampton Buildings, London WC2A 1AL or info@frostrow.com.

Members may not use any electronic address provided in this notice or in any related documents (including the accompanying proxy form) to communicate with the Company for any purpose other than those expressly stated.
15. The following documents will be available for inspection at the offices of Frostrow Capital LLP, 25 Southampton Buildings, London WC2A 1AL during normal business hours on any weekday (Saturdays, Sundays and English public holidays excepted) from the date of this notice and at the venue of the Annual General Meeting from 9.45 a.m. on the day of the Annual General Meeting until the conclusion of the Annual General Meeting:
 - 15.1 copies of the Directors' letters of appointment; and
 - 15.2 copies of the Directors' deeds of indemnity.
16. Under section 338 and section 338A of the Act, members meeting the threshold requirements in those sections have the right to require the Company (i) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or (ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise), (b) it is defamatory of any person, or (c) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authenticated by the person or persons making it, must be received by the Company not later than 25 May 2026, being the date six clear weeks before the meeting, and (in the case of a matter to be included on the business only) must be accompanied by a statement setting out the grounds for the request.
17. In accordance with the Articles, the Company may impose restrictions on shareholders wishing to attend the AGM. Such restrictions may include limiting the number of shareholders permitted to attend the AGM in person. Other restrictions may be imposed as the chair of the meeting may specify in order to ensure the safety of those attending the AGM.

Explanatory Notes to the Resolutions

Resolution 1 – To receive the Report of the Directors and the Financial Statements

The Report of the Directors and the financial statements for the year ended 31 January 2026 will be presented to the AGM. These accounts accompany this Notice of Meeting and shareholders will be given an opportunity to ask questions at the meeting.

Resolution 2 and 3 – Remuneration Report and Policy

It is mandatory for all listed companies to put their report on Directors' remuneration to an advisory shareholder vote every year and their remuneration policy to a binding shareholder vote every three years. As shareholders last approved the Remuneration Policy in 2023, it is proposed to shareholders for approval at this AGM.

The Directors' Remuneration Report is set out in full on pages 51 to 53.

Resolution 4 – Declaration of a Final Dividend for the year ended 31 January 2026

Resolution 4 seeks shareholder approval for the declaration of a final dividend of 5.7p per share for the year ended 31 January 2026.

Resolutions 5 to 9 – Election and Re-election of Directors

Resolutions 5 to 9 deal with the re-election of each Director. Biographies of each of the Directors and details of their specific contribution to the Board can be found on pages 28 and 29.

The Board has confirmed, following a performance review, that the Directors standing for re-election continue to perform effectively.

Resolutions 10 and 11 – Re-appointment of Auditor and the determination of its remuneration

Resolutions 10 and 11 relate to the re-appointment of BDO LLP as the Company's independent Auditor to hold office until the next AGM and also authorise the Audit Committee to set their remuneration.

Resolutions 12 and 13 – Issue of Shares

Resolution 12 in the Notice of Annual General Meeting will renew the authority to allot share capital up to an aggregate nominal amount of £1,428,281 (equivalent to 11,426,250 shares or 10% of the Company's existing

issued share capital on 29 April 2026, being the nearest practicable date prior to the signing of this Report or, if changed, the number representing 10% of the issued share capital of the Company immediately prior to the passing of this resolution). Such authority will expire on the date of the next AGM or after a period of 15 months from the date of the passing of the resolution, whichever is earlier. This means that the authority will have to be renewed at the next AGM.

When shares are to be allotted for cash, Section 561 of the Companies Act 2006 provides that existing shareholders have pre-emption rights and that the new shares must be offered first to such shareholders in proportion to their existing holding of shares. However, shareholders can, by special resolution, authorise the Directors to allot shares otherwise than by a pro rata issue to existing shareholders. Resolution 13 will, if passed, give the Directors power to allot for cash equity securities up to 10% of the Company's existing share capital on 28 April 2026, or, if changed, the number representing 10% of the issued share capital of the Company immediately prior to the passing of this resolution as if Section 551 of the Act does not apply. This is the same nominal amount of share capital which the Directors are seeking the authority to allot pursuant to Resolution 12. This authority will also expire on the date of the next AGM or after a period of 15 months, whichever is earlier. This authority will not be used in connection with a rights issue by the Company.

The Directors intend to use the authority given by Resolutions 12 and 13 to allot shares and disapply pre-emption rights only in circumstances where this will be clearly beneficial to shareholders as a whole. The issue proceeds would be available for investment in line with the Company's investment policy. No issue of shares will be made which would effectively alter the control of the Company without the prior approval of shareholders in general meeting.

Shares will only be issued at a premium to the Company's cum income net asset value per share at the time of issue.

Explanatory Notes to the Resolutions continued

Resolution 14 – Repurchase of Shares

The Directors wish to renew the authority given by shareholders at the previous AGM. The principal aim of a share buy back facility is to enhance shareholder value by acquiring shares at a discount to net asset value, as and when the Directors consider this to be appropriate. The purchase of shares, when they are trading at a discount to the net asset value per share, should result in an increase in the net asset value per share for the remaining shareholders. This authority, if conferred, will only be exercised if to do so would result in an increase in the net asset value per share for the remaining shareholders and if it is in the best interests of shareholders generally. Any purchase of shares will be made within guidelines established from time to time by the Board. It is proposed to seek shareholder authority to renew this facility for another year at the AGM.

Under the current Listing Rules, the maximum price that may be paid on the exercise of this authority must not exceed the higher of (i) 105% of the average of the middle market quotations for the shares over the five business days immediately preceding the date of purchase and (ii) the higher of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out. The minimum price which may be paid is 12.5p per share. Shares which are purchased under this authority may be cancelled or held in treasury.

Special Resolution 14 in the Notice of AGM will renew the authority to purchase in the market a maximum of 14.99% of shares in issue on 29 April 2026, being the nearest practicable date prior to the signing of this Report (amounting to 17,127,949 shares or, if less, the number representing 14.99% of the issued share capital of the Company immediately prior to the passing of this resolution). Such authority will expire on the date of the next Annual General Meeting or after a period of 15 months from the date of passing of the resolution, whichever is earlier. This means that the authority will have to be renewed at the next AGM or earlier if the authority has been exhausted.

Resolution 15 – General Meetings

Special Resolution 15 seeks shareholder approval for the Company to hold General Meetings (other than the AGM) on at least 14 clear days' notice. The Company will only use this shorter notice period where it is merited by the purpose of the meeting.

Recommendation

The Board considers that the resolutions detailed above are in the best interests of shareholders as a whole. Accordingly, the Board unanimously recommends to shareholders that they vote in favour of the above resolutions to be proposed at the forthcoming AGM as the Directors intend to do in respect of their own beneficial holdings totalling 59,394 shares.

How to Vote

Please submit your votes by proxy using one of the following methods:

- > Electronically using: www.shareview.co.uk;
- > Submitting a paper proxy form;
- > CREST members may use the CREST electronic proxy appointment service;
- > Institutional investors may also be able to appoint a proxy electronically via the Proximity Platform www.proximity.io; or
- > If you hold your shares through a nominee or investment platform, please contact them to enquire about voting arrangements.

Company Information

Directors

J L Y Ang¹

A M Impey (Chair)²

N Sahgal FCA³

R E Talbut⁴

E T A Troughton⁵

¹ Chair of the Engagement & Remuneration Committee

² Chair of the Nominations Committee

³ Chair of the Audit Committee

⁴ Senior Independent Director

⁵ Chair of the Sales, Marketing and Communications Committee

Registered Office

Level 3

6 St Andrew Square

Edinburgh EH2 2BD

Website: www.pacific-assets.com

Company Registration Number

SC091052 (Registered in Scotland)

The Company was incorporated in Scotland on 21 December 1984.

Portfolio Manager

First Sentier Investors (UK) IM Limited
(trading as FSSA Investment Managers)

Finsbury Circus House,

15 Finsbury Circus,

London EC2M 7EB

Telephone: 0131 473 2200

Website: www.fssaim.com

Authorised and regulated by the Financial Conduct Authority.

Alternative Investment Fund Manager

Frostrow Capital LLP

25 Southampton Buildings

London WC2A 1AL

Telephone: 0203 008 4910

Email: info@frostrow.com

Website: www.frostrow.com

Authorised and regulated by the Financial Conduct Authority.

Custodian

J.P. Morgan Chase Bank

25 Bank Street, Canary Wharf

London, E14 5JP

United Kingdom

Depository

JP Morgan Europe Limited

25 Bank Street

Canary Wharf

London E14 5JP

Independent Auditor

BDO LLP

55 Baker Street

London W1U 7EU

United Kingdom

Company Information continued

Registrar

Equiniti Limited
 Highdown House
 Yeoman Way
 Worthing
 West Sussex
 BN99 3HH
 Shareholder Helpline: +44 (0)371 384 2466*
 Broker Helpline: 0906 559 6025*

For deaf and speech impaired customers, we welcome calls via Relay UK. Please see www.relayuk.bt.com for more information.

* Lines open 8.30 a.m. to 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales).

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrar quoting your shareholder reference number. Registered shareholders can obtain further details of their holdings on the internet by visiting www.shareview.co.uk

Broker

Investec Bank plc
 30 Gresham Street
 London EC2V 7QP

Solicitors

Dickson Minto LLP
 Level 3
 6 St Andrew Square
 Edinburgh EH2 2BD

Identification Codes

Shares:	SEDOL:	0667438
	ISIN:	GB0006674385
	Bloomberg:	PAC LN
	EPIC:	PAC

Global Intermediary Identification Number ("GIIN")

MAEPFZ.99999.SL.826

Legal Entity Identifier ("LEI")

2138008U8QPGAESFYA48

Be ScamSmart**Investment scams are designed to look like genuine investments****Spot the warning signs**

Have you been:

- contacted out of the blue
- promised tempting returns and told the investment is safe
- called repeatedly, or
- told the offer is only available for a limited time?

If so, you might have been contacted by fraudsters.

Avoid investment fraud**1 Reject cold calls**

If you've received unsolicited contact about an investment opportunity, chances are it's a high risk investment or a scam. You should treat the call with extreme caution. The safest thing to do is to hang up.

2 Check the FCA Warning List

The FCA Warning List is a list of firms and individuals we know are operating without our authorisation.

3 Get impartial advice

Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

Report a Scam

If you suspect that you have been approached by fraudsters please tell the FCA using the reporting form at www.fca.org.uk/consumers/report-scam-unauthorised-firm. You can also call the FCA Consumer Helpline on **0800 111 6768**

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at www.actionfraud.police.uk

Find out more at www.fca.org.uk/scamsmart

Remember: if it sounds too good to be true, it probably is!



Designed and
printed by:

perivan

perivan.com

This report is printed on Revive 100% White Silk a totally recycled paper produced using 100% recycled waste at a mill that has been awarded the ISO 14001 certificate for environmental management. The pulp is bleached using a totally chlorine free (“TCF”) process. This report has been produced using vegetable based inks.



MSCI Disclaimer

The MSCI information (relating to the Index) may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an “as is” basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the “MSCI Parties”) expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation lost profits) or any other damages. (www.msci.com).

Morningstar Disclaimer

Morningstar 2026. All rights reserved. The information, sourced from Morningstar, contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied, adapted or distributed; (3) is not warranted to be accurate, complete or timely; and (4) does not constitute advice of any kind, whether investment, tax, legal or otherwise. User is solely responsible for ensuring that it complies with all laws, regulations and restrictions applicable to it. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information, except where such damages or losses cannot be limited or excluded by law in your jurisdiction. Past performance is no guarantee of future results.

Contact details

Pacific Assets Trust plc

25 Southampton Buildings
London
WC2A 1AL

www.pacific-assets.com