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Pacific Horizon Investment Tst PLC
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RNS Announcement

Pacific Horizon Investment Trust PLC

Legal Entity Identifier: VLGEI9B8R0REWKB0LN95

Results for the year to 31 July 2026

Regulated Information Classification: Additional regulated information required to be disclosed under the applicable laws and regulations.

The following is the results announcement for the year to 31 July 2026 which was approved by the Board on 21 September 2026.

Over the year the Company's net asset value total return* was 65.1% and the share price total return was 63.3% compared with a total return of 35.8% for the MSCI All Country Asia ex Japan Index (in sterling terms)†.

Chairman's statement

Performance

Over the year to 31 July 2026, the Company's net asset value ('NAV') per share total return was 65.1%, compared to the 35.8% total return of the MSCI All Country Asia ex Japan Index in sterling terms. The share price rose by 63.3% on a total return basis and the discount* ended the period at 10.5%, having been 9.5% a year earlier.

The strong absolute performance reflected significant returns from the Company's holdings in Samsung Electronics (a South Korean memory, phones and electronic components manufacturer), SK Square (a South Korean investment company focusing on semiconductors and information and communications technologies) and TSMC (a Taiwanese semiconductor manufacturer). On a relative basis, stock selection in China and South Korea was strong, with notable positive contributions from SK Square, Z.AI (a Chinese generative artificial intelligence company) and Samsung Electronics. The Managers' Review, on pages 11 to 15 of the Annual Report and Financial Statements, provides fuller comment on the drivers of returns, as well as thoughts on the investee companies and their prospects.

The table below puts the strong performance over the year in context with the Company's returns across several time periods.

Total Return Performance

To 31 July 2026	Comparative Index (%)†	NAV* %	Share Price* (%)
6 months	15.3	20.9	17.7
1 Year	35.8	65.1	63.3
3 Year	69.8	87.3	82.5
5 Year	57.2	54.3	34.1
10 Year	164.4	437.4	436.2

Performance-Related Tender

Last year, the Company announced its intention to introduce a five-year performance-related conditional tender for up to 25% of the Company's issued share capital (excluding treasury shares). The Tender Offer will be conditional on the Company's NAV total return underperforming against its reference index, currently the MSCI All Country Asia Ex Japan Index total return in sterling, over the five-year period from close of business on 31 March 2025 to close of business on 31 March 2030. Over the period 31 March 2025 to 31 July 2026, the Company's NAV and share price are up 80.2% and 81.2% respectively, compared to an increase of 53.2% for the comparative index, all stated on a total return basis.

The Discount, Share Buybacks and Issuance

The Board continued to use share buybacks actively, consistent with its stated ambition that the Company's discount be maintained in single digits, in normal market conditions, on a sustained basis. During the year, 7,802,351 shares, representing 9.1% of the period's starting issued share capital, were bought back for treasury at a cost of £73.6 million, and the Company's discount averaged 9.6%. The buybacks were undertaken at a weighted average discount of 10.0%. Since the financial year end, a further 535,913 shares have been bought back for treasury. The buyback in the year to 31 July 2026 enhanced NAV per share by 0.9%.

At the Company's Annual General Meeting ('AGM') in November, the Board will be seeking to renew the annual authority to repurchase up to 14.99% of the Company's outstanding shares on an ad hoc basis, either for cancellation or to be held in treasury. The Board believes that share buybacks at a discount are accretive to NAV per share for continuing shareholders and remain an important tool in managing the imbalance between supply and demand for the Company's shares.

The Board is also asking shareholders to renew the existing 10% non-pre-emptive issuance authority. The authority will permit the issue of new shares and the re-issue of shares held in treasury, of which there are currently will permit the issue of new shares and the re-issue of shares held in treasury, of which there are currently 14,764,798. Any such issuance will only be undertaken at a premium to NAV per share, thereby avoiding dilution for existing shareholders. Issuance at a premium enhances NAV per share, improves liquidity in the Company's shares and spreads the operating expenses of the Company across a broader asset base.

Gearing

The Company has an uncommitted revolving credit facility with The Bank of New York Mellon for up to £90 million. This facility provides for potential gearing of 10% at present. The Company had £37 million drawn at the year end (cost of drawings 1.2% plus SONIA), with net gearing* standing at 4% as at 31 July 2026, compared with 5% at 31 July 2025.

The portfolio managers continued to make use of gearing during the year, adjusting the level as their conviction and the investment opportunities available to them evolved. The Board regularly reviews the deployment of gearing and sets the parameters within which the portfolio managers are permitted to operate. At present, the agreed range of equity gearing remains minus 15% (holding net cash) to plus 15%.

Earnings and Dividend

Earnings per share this year were 1.28p, compared with 2.34p per share reported last year. No distribution is required to maintain the Company's investment trust status and, having regard to its capital growth objective, the Board is not recommending a final dividend for the year to 31 July 2026 (1.50p per share paid in 2025).

As highlighted in previous reports, investors should not invest in the Company if they require steady or growing income from their investment, as the Company invests principally in growth stocks that will typically have little or no yield.

Management Fee

The Company's annual ongoing charge* for the year was 0.75%, compared with 0.75% for the year to 31 July 2025.

The Company's tiered management fee structure has remained competitive. However, in the light of the growth in the Company's assets, the Managers have agreed to simplify the fee structure and reduce the marginal rate. With effect from 1 August 2026, the management fee is 0.65% on the first £500 million of net assets and 0.50% on net assets above £500 million. Previously, the management fee was 0.75% on the first £50 million of net assets, 0.65% on the next £200 million and 0.55% on net assets above £250 million.

Had the new fee structure been in place throughout the year to 31 July 2026, the Company's ongoing charge would have been 0.75%, in line with the actual ongoing charge of 0.75%. The Board believes the revised structure ensures that, as the Company continues to grow, shareholders benefit from the economies of scale through a lower marginal management fee.

Non-Material Change to the Investment Policy

Pacific Horizon's objective is to invest in the Asia-Pacific region (excluding Japan) and the Indian Sub-continent in order to achieve capital growth. The Company's performance is compared against the MSCI All Country Asia ex Japan Index (in sterling terms).

In recent years, the Index has become increasingly concentrated in its largest constituents. In December 2014, the ten largest constituents represented approximately 22% of the Index. By 31 July 2026, this had risen to 43%. This trend has accelerated during 2026, driven in particular by the strong performance of a small number of semiconductor companies. At 31 July 2026, TSMC, Samsung Electronics and SK Hynix together represented approximately 32.5% of the Index, with respective weights of 17.3%, 9.1% and 6.2%.

The scale and speed of this increase in concentration was not anticipated when the Company's existing investment parameters were established. Under the Company's current investment policy, the maximum permitted investment in any one company is 15% of total assets at the time of investment. With individual companies now representing an increasingly significant proportion of the comparative index, this limit could constrain the portfolio managers' ability to reflect their investment convictions and, in certain circumstances, require the Company to maintain a material underweight position in a company irrespective of the portfolio managers' assessment of its investment prospects.

Against this background, the Board has approved a non-material amendment to the Company's investment policy. With effect from 15 September 2026, the maximum permitted investment in any one company will be:

"The maximum permitted investment in one listed company is the greater of 15% of total assets, or the relevant investee company's comparative index weight plus 250 basis points, both measured at time of investment and subject at all times to a maximum of 20% of total assets."

The Board believes that this measured amendment is appropriate in the light of the changing composition of the comparative index. It does not alter the Company's investment objective or investment approach, but provides the portfolio managers with greater flexibility to express their highest-conviction investment views without the existing limit resulting in an unintended or structurally imposed underweight position as index concentration increases. The overall 20% cap continues to provide a clear limit on exposure to any single company.

The Board also believes that this additional flexibility is consistent with one of the advantages of the Company's closed-ended structure, including relative to open-ended peer funds which are subject to more restrictive limits on the size of individual holdings.

Continuation of the Company

At this year's Annual General Meeting ('AGM'), shareholders will be asked, in accordance with the Company's Articles of Association, to approve the continuation of the Company for a further five years.

In considering its recommendation to shareholders, the Board has undertaken a thorough review of the Company, including the Managers' investment approach, performance and resources, and the prospects for the markets in which the Company invests. The Board remains confident that the Managers have the experience, resources and investment discipline required to identify attractive growth companies across what is a broad and diverse investment universe. As I highlight later in the Outlook section, the Board also remains optimistic about the long term prospects for Asia Pacific ex Japan and the Indian Subcontinent.

The breadth of the investment universe, encompassing businesses of different sizes and at different stages of development, provides considerable scope for an active, long term investor to add value. The closed-ended structure of the Company is particularly well suited to this approach. It allows the portfolio managers to take a genuinely long term view and, where appropriate, to invest in smaller, less liquid and private companies without being constrained by the need to meet investor redemptions. The Board believes that this flexibility remains an important advantage in seeking to generate attractive long term returns for shareholders.

Taking these factors together, the Board believes that the Company continues to offer shareholders an attractive means of accessing the long term growth opportunities available across the region and unanimously recommends that shareholders vote in favour of the Company's continuation resolution.

If the continuation resolution is not approved, the Directors will, in accordance with the Articles, convene a further general meeting at which a resolution will be proposed to wind up the Company voluntarily and appoint a liquidator. The Company's portfolio would then be realised and the net proceeds of liquidation distributed to shareholders in proportion to their respective holdings.

Annual General Meeting

In addition to the Continuation Vote and other more regular AGM business, shareholder approval is being sought to increase the aggregate director remuneration limit to £250,000 per annum in aggregate from £200,000; this was last increased in 2020. The fees for the non-executive Directors are determined within the limit set out in the Company's Articles of Association which is currently £200,000 per annum in aggregate. Any change to this limit requires shareholder approval. The Board is seeking shareholder approval to increase the aggregate annual limit to £250,000, to enable the Board to continue to attract candidates of suitable calibre and allow for overlap of tenure, improving its capacity for succession planning.

I look forward to meeting shareholders at this year's AGM. The AGM will be on Friday 27 November 2026 at Furniture Makers' Hall, 12 Austin Friars, London, commencing at 1.00pm - please note that this is a different venue to the one used in 2025. Light refreshments will be available. If attending, please endeavour to arrive by 12.45pm to allow time to register. There will be a presentation from the portfolio managers who, along with the Directors, will answer questions from shareholders.

Outlook

The Board and portfolio managers remain optimistic about the long term prospects for Asia Pacific ex Japan and the Indian Subcontinent, notwithstanding the strong returns from a number of markets over the past year and the likelihood of continued market volatility. Valuations across much of the region remain attractive relative to developed markets, while Asian economies have demonstrated considerable resilience despite a prolonged period of US dollar strength, higher interest rates and geopolitical uncertainty. The headwinds from a strong US dollar and weak Chinese economic activity referred to in my report last year also appear to be receding.

The opportunity is also evolving. Asia is increasingly home to world-leading businesses occupying critical positions in global technology and industrial supply chains, particularly in semiconductors and the infrastructure required for artificial intelligence. China has developed considerable capabilities in areas including batteries, electric vehicles and advanced manufacturing, while policy is becoming more supportive of its domestic economy. India continues to offer attractive long term structural growth prospects, although valuations remain comparatively demanding and the portfolio managers are consequently being selective.

As I have stated in previous years, it remains important that our portfolio managers, and shareholders, can see through the occasional and perhaps inevitable bouts of volatility in returns. The combination of attractive valuations, improving macroeconomic conditions and an expanding range of world-class businesses gives the Board confidence in the long term outlook for the portfolio and the Company.

Roger Yates
Chairman

21 September 2026

* Source: LSEG/Baillie Gifford and relevant underlying index providers. See disclaimer at the end of this announcement. All figures are stated on a total return basis. Total return and discount are alternative performance measures - see Glossary of terms and Alternative Performance Measures at the end of this announcement.

† The comparative index is the MSCI All Country Asia ex Japan Index (in sterling terms).

Past performance is not a guide to future performance.

* Alternative Performance Measure - see Glossary of terms and Alternative Performance Measures at the end of this announcement.

Managers' review

Overview

In the year to 31 July 2026, the Company's net asset value ('NAV') per share total return and share price total return were 65.1% and 63.3% respectively. This compares to a total return of 35.8% for the MSCI All Country Asia ex Japan Index in sterling terms.

It was a strong but highly skewed year for Asian markets. South Korea and Taiwan were by some distance the strongest performers, driven by their semiconductor industries, which benefited from exceptional AI-related demand, while China, India and Indonesia declined.

China was the largest source of relative return, with selected AI and technology companies performing particularly strongly. South Korea was the second-largest contributor, driven by the large positions in Samsung Electronics, SK

Square and SK Hynix. The substantial underweight position in India and our materials holdings also added meaningfully. Weakness was concentrated in consumer holdings, Indian property and Vietnam.

The backdrop remained volatile. Tariff uncertainty was a recurring concern, while the conflict involving Iran, together with disruption to shipping through the Strait of Hormuz, caused sharp moves in energy prices and risk appetite. Despite this, most Asian economies remained resilient.

Portfolio activity reflected the changing opportunity set. We materially reduced the exposure to Vietnam and India, reinvesting predominantly in North Asian semiconductors, selected Chinese technology companies and materials. China remained the largest country position, while South Korea and Taiwan together accounted for almost half of the portfolio.

We remain positive. The region combines resilient economies with compelling valuations and exposure to several long-term growth opportunities. AI may prove to be one of the most significant investment themes of our lifetimes, with Asia sitting at the heart of the infrastructure required to support it. We remain overweight AI infrastructure and are prepared to look through short-term volatility while fundamentals remain strong. However, we will continue to reduce positions when valuations become unattractive, as we have done throughout the year.

Net gearing* ended the period at approximately 4%. The Company bought back 7,802,351 shares at a cost of £73.6 million, representing 9.1% of the opening issued share capital.

Philosophy

We are growth investors endeavouring to invest in the top twenty percent of the fastest-growing companies in Asia. Across the region, we have found the most persistent source of outperformance to be those companies which can grow their profits faster than the market, in hard currency terms, over the long term. This trend persists irrespective of starting valuations. Our research is singularly focused on finding those companies whose share prices can at least double, in sterling terms, on a five-year view, and we expect most of this doubling to come from earnings growth.

We are particularly interested in three specific and persistent inefficiencies.

1) Underappreciated growth duration

We believe one of the greatest investment inefficiencies is in companies with excellent long-term earnings growth where profits are volatile from one quarter to the next. The market typically shows an aversion to such companies, preferring the predictability of smooth profit generation even if the long-term growth rate turns out to be a fraction of that achieved by firms more willing to reinvest in their business and with greater ambition. This presents exciting investment opportunities but requires an approach that allows near-term volatility to be ignored. Our holding in TSMC reflects this philosophy.

2) Underappreciated growth pace

The market consistently underestimates the likelihood of rapid growth. Evidence shows that most investors cluster around a narrow range of earnings growth predictions, which can lead to significant mispricing of companies with the potential to grow very rapidly. Our process focuses on finding those companies. By looking further out and searching for low-probability but high-impact growth opportunities, we endeavour to outperform the broader market.
This approach has led us to investments in SEA Limited and Delhivery.

3) Underappreciated growth surprise

The final inefficiency lies in the interaction between top-down and bottom-up investing. As investors in Asia ex Japan and the Indian Subcontinent, we cannot ignore macroeconomics. Purely bottom up investing is a path to ruin in a universe where industrial and economic cycles can dominate returns over multi-year periods. The long-term earnings of many companies - particularly in financials, materials and industrials - are determined by exogenous macro factors. This also provides opportunity.

Our analysis shows that while it may pay to invest in companies that display consistently high profitability, the strongest returns are found in companies that transition from poor profitability to high levels - a "growth surprise". EO Technics represents this type of opportunity.

Rising profitability is often accompanied by a re-rating, providing a two-fold kicker to share price performance. Identifying the drivers behind this change has been a significant source of outperformance for Pacific Horizon. While timing inflection points perfectly is impossible, with a long investment horizon it is possible to anticipate the direction of travel.

We are agnostic as to the type of growth inefficiency we exploit and will invest wherever we find the best opportunities. This may lead to periods of concentration or to broader portfolios, but growth remains the common theme.

	Pacific Horizon	MSCI AC Asia ex Japan Index
Historical earnings growth (5 years trailing compound annual growth to 31 July 2026)	10.2%	7.2%
One year forecast earnings growth to 31 July 2027	55.3%	40.0%
Estimated p/e ratio for the year to 31 July 2027	8.7x	10.5x
Active share*	62.0%	n/a
Portfolio turnover*	41.4%	n/a

Data as at 31 July 2026, source: Baillie Gifford and MSCI (see disclaimer at the end of this announcement).

Review

Asian markets performed strongly over the year, although the headline return masked considerable divergence between countries. South Korea returned 146.6% in sterling terms and Taiwan 81.5%. At the other end of the spectrum, Indonesia fell 33.7%, while India and China declined 6.9% and 2.0% respectively.

This divergence was driven principally by the acceleration in global AI investment. Infrastructure spending rose rapidly as demand for computing capacity outstripped supply, driving repeated earnings upgrades across the semiconductor ecosystem. South Korea and Taiwan were the main beneficiaries, with their semiconductor industries controlling several critical choke points in the AI supply chain. These positions are particularly attractive because they benefit from investment across the industry without requiring us to predict which AI model or application will ultimately win.

Memory provides perhaps the clearest example. Advanced processors in AI data centres have become far more powerful than conventional memory can support, creating a bottleneck in how quickly data can be supplied to the chips. High-bandwidth memory (HBM) addresses this by moving data far faster, but only a handful of companies can manufacture it at the required scale. SK Hynix has already pre-allocated its entire HBM capacity for 2027 and expects demand to exceed supply beyond 2030.

Our exposure to memory through Samsung Electronics, SK Hynix and SK Square was particularly beneficial. These were among the portfolio's largest positions and strongest contributors to relative return, as tightening supply and exceptional AI-related demand drove earnings to record levels.

Following exceptional gains, we reduced several holdings, most notably SK Square, which was cut by more than 550bp over the year. Part of the proceeds was redeployed into AI-related areas that had yet to participate fully in the rally, including MediaTek and Silergy in Taiwan. Both subsequently performed strongly.

China provided a second avenue to broaden our AI exposure. Building a domestic AI and semiconductor industry has become a strategic imperative as restrictions on Western technology increase the need for self-sufficiency. We invested in Montage Technology, which designs memory interface chips for next-generation servers, and Cambricon Technologies, often described as China's answer to NVIDIA and a leading domestic developer of AI accelerators.

We also participated in the initial public offerings of Knowledge Atlas Technology, now known as Z.AI, and MiniMax, two of China's leading large language model companies. Restricted access to leading-edge chips has forced Chinese developers to do more with less, favouring software efficiency and open models. Their performance is increasingly comparable with leading Western peers despite lower computing requirements. Both positions were exited on valuation grounds after the shares rose several-fold from their issue prices.

Despite exceptional gains from AI-related companies over the year, returns were volatile, particularly in South Korea, where the market fell by more than 30% in sterling terms during July. We believe the scale of the move was largely technical. Leverage had built rapidly through single-stock leveraged exchange-traded funds and retail margin borrowing, while forced selling was compounded by hedge fund deleveraging as markets fell.

Fundamentals remained very strong. Hyperscalers continued to report AI demand ahead of expectations, with additional capacity committed into 2027 and beyond. Across much of the industry, the challenge remained how quickly new capacity could be brought online. We believe the investment cycle remains in expansion, although further volatility is likely after such strong gains. We remain focused on valuations and will reduce positions where share prices move ahead of fundamentals.

Away from AI-related companies, the backdrop was more challenging. The conflict involving Iran was a significant headwind, although its impact varied considerably across the region. China was relatively well insulated by substantial oil reserves and a diversified energy mix, while South Korea and Taiwan were supported by strong external positions and financial buffers. India and the energy-importing economies of ASEAN were more exposed.

Vietnam was particularly vulnerable to this more challenging backdrop, and we materially reduced exposure, roughly halving our position. We remain positive on its export manufacturing base and ambitious domestic reforms, but high leverage, tight banking liquidity and sensitivity to capital outflows increase the risks during periods of global risk aversion.

India remained our largest underweight position, with the absolute weight falling from 14.2% to 5.4% over the year as we continued to reduce exposure. The long-term outlook remains attractive, but valuations were demanding and earnings disappointments broadened. We continued to find better prospective returns elsewhere.

For long-term investors, however, the energy shock also creates opportunities. Energy security is likely to attract substantial investment, with several Asian companies well placed to benefit. In South Korea, we purchased Samsung E&A, an engineering and construction company specialising in energy infrastructure. In China, we added to CATL, the world's largest battery manufacturer, and initiated a position in Sungrow Power, a leading global solar inverter manufacturer.

Elsewhere, Materials remained the portfolio's second-largest sector overweight, with exposure concentrated in copper and gold. We added to both over the year. More than a decade of underinvestment has constrained copper supply, while demand from power grids, electric vehicles and data centres continues to rise. With new mines often taking more than ten years to develop, supply cannot respond quickly. Gold continues to benefit from geopolitical uncertainty, central-bank demand and its role as a hedge against fiscal and geopolitical risk.

Finally, the Asia ex Japan index has become increasingly concentrated, with TSMC, Samsung Electronics, Tencent Holdings, Alibaba Group and SK Hynix now accounting for 38.4% of the index. We hold each in meaningful size because we believe they are among the most attractive businesses in our universe, with scale creating durable competitive advantages. As a result, active share has fallen to 62%, from 82% three years ago. This reflects deliberate, conviction-led investment rather than benchmark alignment.

Performance

Over the year to 31 July 2026, the Company's NAV per share total return was 65.1%, compared with 35.8% for the MSCI All Country Asia ex Japan Index in sterling terms[†]. The majority of the excess return was driven by stock selection, concentrated in China and South Korea and, at the sector level, Information Technology and Materials[‡].

China was the largest country contributor, despite the market itself declining. Stock selection in Chinese technology was the key driver, led by Z.AI, whose shares rose almost eight-fold from their issue price. MiniMax also performed strongly, alongside selected semiconductor holdings including Montage Technology.

South Korea was the second-largest contributor. SK Square was the portfolio's largest individual contributor, with the shares rising 551%. The company provides economic exposure to SK Hynix and benefited from the exceptional improvement in memory pricing and earnings. Samsung Electronics also rose 255%, benefiting from the same tightening supply conditions and accelerating AI-related demand[§].

Taiwan added value with strong stock selection in AI-related hardware partly offset by our underweight position. Chroma ATE, Accton Technology and MediaTek were the key contributors, benefiting from continued investment in AI infrastructure and demand broadening beyond the initial beneficiaries.

Materials was another significant contributor, led by our copper holdings. MMG performed particularly well, supported by higher copper prices and strong operational delivery. Despite a weaker second half as the gold price cooled, our gold holdings still performed strongly, led by Chifeng Jilong Gold.

Our significant underweight position in India also added to relative returns as the market declined. This was partly offset by Embassy Developments, which fell 48% amid broader weakness in Indian real estate and a legal claim that we believe has no long-term merit. Avoiding several large index constituents, including HDFC Bank, ICICI Bank and Infosys, also added value.

Weakness was concentrated in Consumer Discretionary and Real Estate. Several of the weaker holdings were technology platforms, including SEA Limited, PDD Holdings and Meituan, where concerns centred on potential disruption from AI. We believe AI will create clear winners and losers, but companies with hard-to-replicate logistics and fintech infrastructure should be better placed. SEA Limited remains a significant holding.

At the country level, Singapore was the largest detractor, reflecting the weakness in SEA Limited. Vietnam followed, where rising global risk aversion and higher energy prices weighed heavily on the market.

In aggregate, excess returns were driven by Chinese technology, North Asian semiconductors and Materials, partly offset by weakness in consumer platforms, Real Estate and Vietnam.

Conclusion

We remain positive on the outlook for Asia. Strong earnings growth across AI infrastructure, rising investment in energy security and electrification, and attractive valuations continue to provide a broad opportunity set. We are actively recycling capital as valuations and prospective returns change, and believe the portfolio remains well positioned despite the likelihood of continued volatility.

Baillie Gifford & Co
21 September 2026

* For a definition of terms see Glossary of terms and Alternative Performance Measures at the end of this announcement.

† Source: Baillie Gifford/LSEG and relevant underlying index providers. See disclaimer at the end of this announcement. All figures are stated on a total return basis.

‡ Industrials appear as the largest contributor because SK Square is classified as an industrial company in the index. Economically, however, it is predominantly an exposure to SK Hynix, which accounts for almost all of its net asset value. We therefore view SK Square as an Information Technology exposure.

§ SK Hynix appears as a detractor in the attribution because most of our exposure was held through SK Square for much of the year. Taken together, our SK Hynix exposure contributed strongly.

Baillie Gifford - valuing private companies

We aim to hold our private company investments at 'fair value', i.e. the price that would be paid in an open-market transaction. Valuations are adjusted both during regular valuation cycles and on an ad hoc basis in response to 'trigger events'. Our valuation process ensures that private companies are valued in both a fair and timely manner.

The valuation process is overseen by a valuations group at Baillie Gifford, which takes advice from an independent third party (S&P Global). The valuations group is independent from the investment team with all voting members being from different operational areas of the firm, and the investment managers only receive final valuation notifications once they have been applied.

We revalue the private holdings on a three-month rolling cycle, with one-third of the holdings reassessed each month. During stable market conditions, and assuming all else is equal, each investment would be valued four times in a twelve month period. For investment trusts, the prices are also reviewed twice per year by the respective boards.

Beyond the regular cycle, the valuations group also monitors the portfolio for certain 'trigger events'. These may include changes in fundamentals, a takeover approach, an intention to carry out an Initial Public Offering ('IPO'), company news which is identified by the valuation team or by the portfolio managers, or meaningful changes to the valuation of comparable public companies. Any ad hoc change to the fair valuation of any holding is implemented swiftly and reflected in the next published net asset value ('NAV'). There is no delay.

The valuations group also monitors relevant market benchmarks on a weekly basis and updates valuations in a manner consistent with our external valuer's (S&P Global) most recent valuation report where appropriate.

Continued improvements in market conditions have sustained an increase in deal activity, but isolated pockets of heightened volatility remain. The data on pages 37 and 38 of the Annual Report and Financial Statements quantifies the revaluations carried out during the twelve months to 31 July 2026, however doesn't reflect the ongoing monitoring of the private investment portfolio which hasn't resulted in a change in valuation.

List of investments

as at 31 July 2026

Name	Geography	Business	2026 Value £'000	2026 % of total assets *	2025 Value £'000
TSMC	Taiwan	Semiconductor manufacturer	139,166	14.6%	68,163
Samsung Electronics	South Korea	Memory, phones and electronic components manufacturer	124,388	13.0%	39,453
SK Square	South Korea	Asset manager, investing in semiconductors and information and communications technologies	58,762	6.1%	25,599
SK Hynix	South Korea	Memory semiconductor manufacturer	40,552	4.2%	-
Tencent Holdings	China	Internet services	37,841	4.0%	46,469
ByteDance Series E-1 Preferred[U]	China	Social media	36,897	3.9%	25,300
MediaTek	Taiwan	Electronic component manufacturer	36,536	3.8%	10,856
MMG	China	Base metals mining company	24,798	2.6%	13,557
Chifeng Jilong Gold	China 'A' shares	Gold mining company	23,443	2.5%	5,034
Montage Technology	China 'A' shares	Semiconductor chip designer	22,622	2.4%	-
CATL	China 'A' shares	EV battery manufacturer	21,988	2.3%	6,219
Accton Technology Corporation	Taiwan	Server network equipment manufacturer	19,006	2.0%	13,572
Alibaba Group	China	Chinese e-commerce and cloud computing platform	10,028	1.0%	-
Alibaba Group ADR	China	Chinese e-commerce and cloud computing platform	7,978	0.8%	-
			18,006	1.8%	-
EO Technics	South Korea	Manufacturer and distributor of semiconductor laser markers	17,134	1.8%	16,590
Zijin Mining Group	China	Gold and copper mining company	16,577	1.7%	18,061
Chroma ATE	Taiwan	Manufacturer of electronic measuring instruments	15,885	1.7%	5,770
Ant International Series A Preferred[U]	China	Online financial services platform	14,862	1.5%	-
SEA ADR	Singapore	Internet gaming and ecommerce	14,758	1.5%	23,130
Kaspi.kz ADR	Kazakhstan	Banking, ecommerce and payments platform	12,460	1.3%	8,894
Silergy	Taiwan	Semiconductor manufacturer	11,927	1.2%	5,784
Ping An Insurance	China	Life insurance provider	11,331	1.2%	10,563
Midea Group A shares	China 'A' shares	Household appliance manufacturer	10,751	1.1%	9,919
Luckin Coffee ADR	China	Coffeehouse chain	10,579	1.1%	13,786
Precision Tsugami	China	Industrial machinery manufacturer	9,712	1.0%	6,053
Zijin Gold International	China	Gold mining company	9,482	1.0%	-
PDD Holdings	China	Ecommerce platform	8,464	0.9%	13,860
HDBank	Vietnam	Consumer bank	7,688	0.8%	13,113
MakeMyTrip	India	Online travel booking platform	7,364	0.8%	-
Delhivery[P]	India	Logistics and courier services provider	7,260	0.8%	15,472
Military Commercial Joint Stock Bank	Vietnam	Retail and corporate bank	6,834	0.7%	11,272
Cambricon Technologies A shares	China 'A' shares	AI semiconductor chip designer	6,799	0.7%	-
Samsung E&A	South Korea	Engineering and construction company	6,761	0.7%	-
Meituan	China	Chinese local services platform	6,342	0.7%	10,406
DiDi Global ADR	China	Ride-hailing and mobility platform	6,289	0.7%	-
ASMPT	Hong Kong	Semiconductor manufacturer	6,280	0.7%	3,600
PolicyBazaar	India	Online financial services platform	6,249	0.7%	9,484
Wasion Holdings	Hong Kong	Power management system provider	6,068	0.6%	-
Silvercorp Metals Inc	China	Silver, lead and zinc mining company	5,479	0.6%	-
Embassy Developments	India	Real estate	5,186	0.5%	12,057
Bajaj Finserv	India	Indian financial services business	4,735	0.5%	6,097

business

Name	Geography	Business	2026 Value £'000	2026 % of total assets*	2025 Value £'000
Fabrinet	Thailand	Manufacturer of optical and electro-mechanical services	4,720	0.5%	7,491
Eicher Motors	India	Manufacturer of Royal Enfield motorcycles	4,485	0.5%	4,199
MicroConnect[U]	Hong Kong	SME financing exchange	4,405	0.5%	6,143
Mobile World Investment Corporation	Vietnam	Electronic and grocery retailer	4,357	0.5%	9,712
Futu Holdings ADR	Hong Kong	Online brokerage and financial services platform	4,318	0.5%	-
Kanzhun ADR	China	Online recruitment platform	4,282	0.5%	6,377
Bank Rakyat Indonesia	Indonesia	Consumer bank	4,264	0.4%	7,009
Sungrow Power Supply A shares	China 'A' shares	Solar inverter and energy storage manufacturer	4,092	0.4%	-
Dailyhunt (VerSe Innovation) Series I Preferred[U]	India	News aggregator application	3,149	0.3%	6,689
Dailyhunt (VerSe Innovation) Series J Preferred[U]	India	News aggregator application	572	0.1%	1,003
Dailyhunt (VerSe Innovation) Series Equity[U]	India	News aggregator application	356	<0.1%	694
			4,077	0.4%	8,386
Hongfa Technology A shares	China 'A' shares	Electrical components manufacturer	4,074	0.4%	-
Zangge Mining	China 'A' shares	Copper and lithium producer	3,947	0.4%	-
CMOC Group	China 'A' shares	Diversified metals mining company	3,947	0.4%	-
Shanghai Xizhi Technology	China	Semiconductor equipment manufacturer	3,707	0.4%	-
Lemon Tree Hotels	India	Owner and operator of a chain of Indian hotels and resorts	3,555	0.4%	6,909
HDB Financial Services	India	Retail and commercial lender	3,497	0.4%	5,184
Khang Dien House Trading and Investment Joint Stock Company	Vietnam	Real estate	3,302	0.3%	4,638
PT AKR Corporindo Tbk	Indonesia	Logistics and supply chain	3,198	0.3%	3,938
InterGlobe Aviation	India	India's leading airline	3,165	0.3%	4,852
Sanhua Intelligent Controls	China	Thermal management manufacturer	3,129	0.3%	6,686
Goneo	China 'A' shares	Consumer electrics manufacturer	3,067	0.3%	3,992
Haidilao	China	Leading hotpot restaurant chain	2,763	0.3%	4,037
Hoa Phat Group	Vietnam	Steel and related products manufacturer	2,713	0.3%	5,358
Seoul Viosys	South Korea	LED semiconductor manufacturer	2,611	0.3%	-
Binh Minh Plastics Joint Stock Company	Vietnam	Plastic piping manufacturer	2,530	0.3%	5,705
FPT Corporation	Vietnam	IT service provider	1,763	0.2%	6,602
Grab	Singapore	Ride-hailing and food delivery platform	1,666	0.2%	2,969
PT Vale Indonesia	Indonesia	Nickel mining and processing company	1,641	0.2%	-
Pony.ai ADR	China	Autonomous driving technology company	1,392	0.1%	3,044
Vietnam Enterprise Investments	Vietnam	Investment fund	1,311	0.1%	3,572
Meesho	India	Indian e-commerce marketplace platform	1,269	0.1%	-
Eden Biologics[U]	Taiwan	Biopharmaceutical company	18	<0.1%	22
Total investments			**954,526**	**99.9%**	
Net liquid assets			**1,030**	**0.1%**	
Total assets			**955,556**	**100.0%**	

Details of the ten largest investments are given on pages 28 to 31 of the Annual Report and Financial Statements along with comparative valuations.

Private company

	Listed equities %	company investments † %	Net liquid assets * %	Total assets * %
31 July 2026	**93.6**	**6.3**	**0.1**	**100.0**
31 July 2025	93.7	6.1	0.2	100.0

Figures represent percentage of total assets.

* For a definition of terms see Glossary of terms and Alternative Performance Measures at the end of this announcement.

† Includes holdings in ordinary shares and preference shares.

P Denotes listed investment previously held in the portfolio as an unlisted (private company) investment.

U Denotes unlisted (private company) investment.

Distribution of total assets*

Geographical 2026

	Geographical	2026 %	2025 %
1	South Korea	26.1	13.6
2	China	24.3	30.3
3	Taiwan	23.3	16.3
4	China 'A' shares	10.9	6.1
5	India	5.4	14.2
6	Vietnam	3.2	9.1
7	Hong Kong	2.3	1.8
8	Singapore	1.7	4.2
9	Kazakhstan	1.3	1.4
10	Indonesia	0.9	1.7
11	Thailand	0.5	1.1
12	Net liquid assets	0.1	0.2

Sectoral 2026

	Sectoral	2026 %	2025 %
1	Information Technology	48.2	29.0
2	Industrials	14.3	13.5
3	Consumer Discretionary	9.7	14.4
4	Materials	9.7	6.5
5	Financials	8.6	13.2
6	Communication Services	8.3	15.8
7	Real Estate	0.8	5.6
8	Energy	0.3	1.8
9	Health Care	<0.1	<0.1
10	Net liquid assets	0.1	0.2

Principal and emerging risks

As explained on page 68 of the Annual Report and Financial Statements there is a process for identifying, evaluating and managing the risks faced by the Company on a regular basis. The Directors have carried out a robust assessment of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, regulatory compliance, solvency or liquidity. There have been no material changes to the principal risks during the year. A description of these risks and how they are being managed or mitigated is set out below.

The Board considers the heightened macroeconomic and geopolitical concerns to be factors which exacerbate existing risks, rather than being new emerging risks, within the context of an investment trust. Their impact is considered within the relevant risks.

Financial risk	**What is the risk?** The Company's assets consist mainly of listed securities (93.6% of total assets) and its principal and emerging financial risks are therefore market related and include market risk (comprising currency risk, interest rate risk, capital controls and other price risk), liquidity risk and credit risk. An explanation of	**How is it managed?** The Board has, in particular, considered the impact of heightened macroeconomic and geopolitical concerns, including trade wars, the ongoing Russia-Ukraine war, and the conflict in the Middle East. The Board also considers the commercial impact of potential changes in regulatory positions, which can affect the local markets in which the portfolio companies operate. To oversee this risk, the Board considers various metrics at each meeting, including regional and industrial sector weightings, top and bottom stock contributors	**Rating and change** High Risk	**Current assessment of risk** This risk is considered to have increased. The prospect of heightened market volatility remains from deteriorating geopolitical stability such as trade wars, the ongoing Russia-Ukraine war, and continuing hostilities in the

	risk. An explanation of those risks and how they are managed is contained in note 18 to the Financial Statements on pages 102 to 109 of the Annual Report and Financial Statements.	top and bottom stock contributors to performance, along with sales and purchases of investments. The Board reviews these risks at regular intervals with the portfolio manager, alongside examining general views on the various investment markets and sectors.		hostilities in the Middle East.
Investment strategy risk	**What is the risk?** Pursuit of an investment strategy to fulfil the Company's objective which the market perceives to be unattractive or inappropriate, or the ineffective implementation of an attractive or appropriate strategy, may lead to reduced returns for shareholders and, as a result, a decreased demand for the Company's shares. This may lead to the Company's shares trading at a widening discount to their net asset value.	**How is it managed?** To mitigate this risk, the Board regularly reviews and monitors the Company's objective and investment policy and strategy, the investment portfolio and its performance, the level of discount/premium to net asset value at which the shares trade and movements in the share register and raises any matters of concern with the Managers.	**Rating and change** Moderate Risk	**Current assessment of risk** This risk is considered to be stable.
Political and associated economic financial risk	**What is the risk?** The Board is of the view that political change in areas in which the Company invests or may invest may have financial consequences for the Company.	**How is it managed?** Political developments are closely monitored and considered by the Board, particularly regarding trade tensions between the USA and China and between the USA and India over tariffs, continuing unrest in Hong Kong, repercussions from the Russian invasion of Ukraine, and the Israel and Palestine conflict. It monitors portfolio diversification by investee companies' primary location, to mitigate against the negative impact of military action or trade barriers. The Board believes that the Company's portfolio, which predominantly comprises companies listed on the stock markets of the Asia Pacific region (excluding Japan) and the Indian Sub-continent, partially helps to mitigate such political risks.	**Rating and change** High Risk	**Current assessment of risk** This risk is seen as increased as deteriorating geopolitical stability increases the prospect of trade conflict and sanctions.
Discount risk	**What is the risk?** The discount/premium at which the Company's shares trade relative to its net asset value can change. The risk of a widening discount is that it may undermine investor confidence in the Company.	**How is it managed?** To manage this risk, the Board monitors the level of discount/premium at which the shares trade and the Company has authority to buy back its existing shares, when deemed by the Board to be in the best interests of the Company and its shareholders. During the year, £73.6 million of shares were bought back, representing 9.1% of the issued share capital at the start of the period. On 16 April 2025, the Company announced a performance-related Conditional Tender Offer and stated that it is the current Board's ambition to maintain the Company's discount in single digits, in normal market conditions, on a sustained basis.	**Rating and change** Moderate Risk	**Current assessment of risk** This risk is seen as increased. The discount started the year at 9.5%, increased to 12.3% during the year, and reduced to 10.5% at the end of the year. The increased risk reflects broader market challenges, including outflows from the UK Investment Trust market. The Board continues to monitor the discount and take action as appropriate.
Regulatory risk	**What is the risk?** Failure to comply with	**How is it managed?**	**Rating and**	**Current**

risk	Failure to comply with applicable legal and regulatory requirements such as the tax rules for investment trust companies, the UK Listing Rules and the Companies Act could lead to suspension of the Company's Stock Exchange listing, financial penalties, a qualified audit report or the Company being subject to tax on capital gains.	To mitigate this risk, Baillie Gifford's Business Risk, Internal Audit and Compliance Departments provide regular reports to the Audit Committee on Baillie Gifford's monitoring programmes. Major regulatory change could impose disproportionate compliance burdens on the Company. In such circumstances representation is made to ensure that the special circumstances of investment trusts are recognised. Shareholder documents and announcements, including the Company's published Interim and Annual Report and Financial Statements, are subject to stringent review processes and procedures are in place to ensure adherence to the UK Disclosure Guidance and Transparency Rules and the UK Market Abuse Regulation with reference to inside information.	**change** Low Risk	**assessment of risk** This risk is considered to be stable. All control procedures are working effectively. There have been no material regulatory changes that have impacted the Company during the year.
Custody and depositary risk	**What is the risk?** Safe custody of the Company's assets may be compromised through control failures by the Depositary, including breaches of cyber security.	**How is it managed?** To mitigate this risk, the Audit Committee receives six-monthly reports from the Depositary confirming safe custody of the Company's assets held by the Custodian. Cash and portfolio holdings are independently reconciled to the Custodian's records by the Managers who also agree uncertificated private portfolio holdings to confirmations from investee companies. The Custodian's assured internal controls reports are reviewed by Baillie Gifford's Business Risk Department and a summary of the key points is reported to the Audit Committee and any concerns investigated.	**Rating and change** Low Risk	**Current assessment of risk** This risk is considered to be stable. All control procedures are working effectively.
Operational risk	**What is the risk?** Failure of Baillie Gifford's systems or those of other third party service providers could lead to an inability to provide accurate reporting and monitoring or a misappropriation of assets.	**How is it managed?** To mitigate this risk, Baillie Gifford has a comprehensive business continuity plan which facilitates continued operation of the business in the event of a service disruption. The Audit Committee reviews Baillie Gifford's Report on Internal Controls and reports by other key third party providers are reviewed by Baillie Gifford on behalf of the Board and a summary of the key points is reported to the Audit Committee and any concerns investigated. The other key third party service providers have not experienced significant operational difficulties affecting their respective services to the Company.	**Rating and change** Low Risk	**Current assessment of risk** This risk is considered to be stable. All control procedures are working effectively.
Leverage risk	**What is the risk?** The Company may borrow money for investment purposes. If the investments fall in value, any borrowings will magnify the impact of this loss. If borrowing facilities are not renewed, the Company may have to sell investments to repay borrowings. The Company can also make use of derivative contracts.	How is it managed? To mitigate this risk, all borrowings require the prior approval of the Board and leverage levels are discussed by the Board and Managers at every meeting. Covenant levels are monitored regularly. The majority of the Company's investments are in quoted securities that are readily realisable. Further information on leverage can be found on page 45 of the Annual Report and Financial Statements and the Glossary of terms and Alternative Performance Measures on pages 122 and 123 of the Annual Report and Financial	**Rating and change** Low Risk	**Current assessment of risk** This risk has decreased as during the year to 31 July 2026 net gearing has decreased from 5% to 4%. The risk level is low, as current borrowings are well below the levels where loan covenants may be breached. The Company has a multi-currency

		of the Annual Report and Financial Statements.		multi-currency revolving credit facility with The Bank of New York Mellon for up to £90 million. The facility is available, subject to the Bank's discretion and unless cancelled earlier, until its review date of 31 March 2028. Initial conversations with the loan provider have taken place, and the Board does not anticipate any problems with the renewal of the facility.
Climate and governance risk	**What is the risk?** Perceived problems on environmental, social and governance ('ESG') matters in an investee company could lead to that company's shares being less attractive to investors, adversely affecting its share price, in addition to potential valuation issues arising from any direct impact of the failure to address the ESG weakness on the operations or management of the investee company (for example in the event of an industrial accident or spillage). Repeated failure by the Managers to identify ESG weaknesses in investee companies could lead to the Company's own shares being less attractive to investors, adversely affecting its own share price.	How is it managed? This is mitigated by the Managers' strong ESG stewardship and engagement policies which are available to view on the Managers' website, bailliegifford.com, and which have been reviewed and endorsed by the Company, and which have been fully integrated into the investment process. Due diligence includes assessment of the risks inherent in climate change (see page 53 of the Annual Report and Financial Statements).	**Rating and change** Moderate Risk	**Current assessment of risk** This risk is considered to be stable. The Investment Manager continues to employ strong ESG stewardship and engagement policies.
Cyber security risk	**What is the risk?** A cyber attack on Baillie Gifford's network or that of a third party service provider could impact the confidentiality, integrity or availability of data and systems. Emerging technologies, including AI and quantum computing capabilities, may introduce new and increase existing information security risks that impact operations.	**How is it managed?** To mitigate this risk, the Audit Committee reviews Reports on Internal Controls published by Baillie Gifford and other third party service providers. Cyber security due diligence is performed by Baillie Gifford on third party service providers which includes a review of crisis management and business continuity frameworks.	**Rating and change** Moderate Risk	**Current assessment of risk** This risk is considered to be stable. All control procedures are working effectively.
Emerging risk	As explained on pages 68 and 69 of the Annual Report and Financial Statements, the Board has an ongoing process for identifying, evaluating and monitoring principal and emerging risks, including risks which are not an immediate threat but could affect the Company over the longer term. The Board considers that the key emerging risks currently arise from the interconnectedness of global economies and financial markets, including geopolitical tensions, protectionism and trade disruption, cyber security threats, including those arising from developments in AI and quantum computing, public health threats, and the possibility that high levels of government borrowing contribute to elevated interest rates or increased market volatility. The Board cannot prevent many of these external events, but seeks to reduce their potential adverse impact on the Company through its oversight of the portfolio, borrowings, liquidity and key service providers. At each Board meeting, the Board reviews economic and geopolitical developments with the Investment Managers, including their potential impact on			

the Company's portfolio, gearing, liquidity and shareholder demand. The Board also challenges the Investment Managers on portfolio positioning and the resilience of investee companies.

The Audit Committee receives regular reporting on Baillie Gifford and other key service providers, including cyber security, business continuity and disaster recovery arrangements. Baillie Gifford's risk functions monitor relevant emerging risks and maintain arrangements for responding to periods of heightened market volatility or operational disruption, including periodic scenario testing and crisis response exercises. Any material issues identified are reported to the Board.

Income statement

For the year ended 31 July

	Notes	2026 Revenue £'000	2026 Capital £'000	2026 Total £'000	2025 Revenue £'000	2025 Capital £'000	2025 Total £'000
Gains on investments		-	379,426	**379,426**	-	39,801	**39,801**
Currency losses		-	(1,128)	**(1,128)**	-	(586)	**(586)**
Income	2	10,095	-	**10,095**	8,870	-	**8,870**
Gross return		**10,095**	**378,298**	**388,393**	**8,870**	**39,215**	**48,085**
Investment management fee	3	(4,923)	-	**(4,923)**	(3,573)	-	**(3,573)**
Other administrative expenses		(1,113)	-	**(1,113)**	(881)	-	**(881)**
Net return before finance costs and taxation		**4,059**	**378,298**	**382,357**	**4,416**	**39,215**	**43,631**
Finance costs of borrowings		(2,305)	-	**(2,305)**	(1,437)	-	**(1,437)**
Net return before taxation		**1,754**	**378,298**	**380,052**	**2,979**	**39,215**	**42,194**
Tax		(700)	653	**(47)**	(889)	2,246	**1,357**
Net return after taxation		**1,054**	**378,951**	**380,005**	**2,090**	**41,461**	**43,551**
Net return per ordinary share	4	**1.28p**	**459.79p**	**461.07p**	**2.34p**	**46.42p**	**48.76p**

The total column of this Statement represents the profit and loss account of the Company. The supplementary revenue and capital columns are prepared under guidance published by the Association of Investment Companies.

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

A Statement of Comprehensive Income is not required as the Company does not have any other comprehensive income and the net return after taxation is both the profit and comprehensive income for the year.

Balance sheet

As at 31 July

	Notes	2026 £'000	2026 £'000	2025 £'000	2025 £'000
Fixed assets					
Investments held at fair value through profit or loss	6		954,526		651,771
Current assets					
Debtors		2,546		802	
Cash at bank and in hand		1,485		3,820	
		4,031		4,622	
Creditors					
Amounts falling due within one year:					
Other creditors and accruals	7	(39,954)		(38,845)	
Provision for tax liability	8	(87)		-	
Total creditors due within one year		(40,041)		(38,845)	
Net current liabilities			(36,010)		(34,223)
Total assets less current liabilities			**918,516**		**617,548**
Creditors					
Amounts falling due after more than one year:					
Provision for tax liability	8		-		(4,191)
Net assets			**918,516**		**613,357**
Capital and reserves					
Share capital	9		9,208		9,208
Share premium account			254,120		254,120
Capital redemption reserve			20,367		20,367
Capital reserve			625,948		320,583
Revenue reserve			8,873		9,079
Total shareholders' funds			**918,516**		**613,357**
Net asset value per ordinary share			**1,179.91p**		**716.13p**

The Financial Statements of Pacific Horizon Investment Trust PLC (Company Registration number 02342193) on pages 88 to 109 of the Annual Report and Financial Statements were approved and authorised for issue by the Board and were signed on 21 September 2026.

Roger Yates
Chairman

Statement of changes in equity

For the year ended 31 July 2026

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 August 2025		9,208	254,120	20,367	320,583	9,079	613,357
Net return after taxation		-	-	-	378,951	1,054	380,005
Ordinary shares bought back into treasury	9	-	-	-	(73,586)	-	(73,586)
Dividends paid during the year	5	-	-	-	-	(1,260)	(1,260)
Shareholders' funds at 31 July 2026		**9,208**	**254,120**	**20,367**	**625,948**	**8,873**	**918,516**

For the year ended 31 July 2025

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 August 2024		9,208	254,120	20,367	308,888	9,387	601,970
Net return after taxation		-	-	-	41,461	2,090	43,551
Ordinary shares bought back into treasury	9	-	-	-	(29,766)	-	(29,766)
Dividends paid during the year	5	-	-	-	-	(2,398)	(2,398)
Shareholders' funds at 31 July 2025		**9,208**	**254,120**	**20,367**	**320,583**	**9,079**	**613,357**

Cash flow statement

For the year ended 31 July

	Notes	2026 £'000	2026 £'000	2025 £'000	2025 £'000
Cash flows from operating activities					
Net return before taxation		380,052		42,194	
Adjustments to reconcile company profit before tax to net cash flow from operating activities					
Net gains on investments		(379,426)		(39,801)	
Currency losses		1,128		586	
Finance costs of borrowings		2,305		1,437	
Other capital movements					
Overseas withholding tax paid		(790)		(909)	
Overseas withholding tax recovered		128		-	
Changes in debtors		(379)		8	
Change in creditors		517		87	
Cash from operations*		3,535		3,602	
Non-utilisation fee paid		(48)		(305)	
Loan interest paid		(2,199)		(987)	
Net cash inflow from operating activities			**1,288**		**2,310**
Cash flows from investing activities					
Acquisitions of investments		(387,452)		(147,280)	
Disposals of investments		462,390		141,541	
Indian capital gains tax paid on investment disposals†		(3,451)		(1,254)	
Net cash inflow/(outflow) from investing activities			**71,487**		**(6,993)**
Cash flows from financing activities					
Bank loans repaid		(47,960)		(30,780)	
Bank loans drawn down		49,220		66,560	
Ordinary shares bought back into treasury	9	(73,982)		(28,498)	
Equity dividends paid	5	(1,260)		(2,398)	
Net cash (outflow)/inflow from financing activities			**(73,982)**		**4,884**
(Decrease)/increase in cash at bank and in hand			**(1,207)**		**201**

Exchange movements	(1,128)	(586)
Cash at bank and in hand at 1 August	3,820	4,205
Cash at bank and in hand at 31 July	**1,485**	**3,820**

* Cash from operations includes dividends received of £9,767,000 (2025 - £8,781,000) and interest received of £83,000 (2025 - £112,000).

† The Indian capital gains tax paid has been reclassified from operating activities to investing activities, with the 2025 comparative figures restated accordingly. There is no overall impact on the movement in cash or on the closing balance reported at 31 July 2025.

Notes to the Financial Statements

1. Principal accounting policies

The Financial Statements for the year to 31 July 2026 have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' on the basis of the accounting policies set out on pages 92 to 94 of the Annual Report and Financial Statements which are unchanged from the prior year and have been applied consistently.

2. Income

	2026 £'000	2025 £'000
Income from investments		
Overseas dividends	10,012	8,758
Other income		
Deposit interest	83	112
Total income	**10,095**	**8,870**

3. Investment management fee

	2026 £'000	2025 £'000
Investment management fee	**4,923**	**3,573**

Details of the Investment Management Agreement are set out on page 58 of the Annual Report and Financial Statements. The annual management fee for the year to 31 July 2026 was 0.75% on the first £50 million of net assets, 0.65% on the next £200 million of net assets and 0.55% on net assets above £250 million. With effect from 1 August 2026, the management fee is 0.65% on the first £500 million of net assets and 0.50% on net assets above £500 million. Management fees are calculated and payable on a quarterly basis.

4. Net return per ordinary share

	2026 Revenue	2026 Capital	2026 Total	2025 Revenue	2025 Capital	2025 Total
Net return after taxation	**1.28p**	**459.79p**	**461.07p**	**2.34p**	**46.42p**	**48.76p**

Revenue return per ordinary share is based on the net revenue profit after taxation of £1,054,000 (2025 - net revenue profit of £2,090,000) and on 82,417,661 (2025 - 89,322,898) ordinary shares, being the weighted average number of ordinary shares in issue (excluding treasury shares) during the year.

Capital return per ordinary share is based on the net capital gain for the financial year of £378,951,000 (2025 - net gain of £41,461,000) and on 82,417,661 (2025 - 89,322,898) ordinary shares, being the weighted average number of ordinary shares in issue (excluding treasury shares) during the year.

Total return per ordinary share is based on the total gain for the financial year of £380,005,000 (2025 - total gain of £43,551,000) and on 82,417,661 (2025 - 89,322,898) ordinary shares, being the weighted average number of ordinary shares in issue (excluding treasury shares) during the year.

There are no dilutive or potentially dilutive shares in issue.

5. Ordinary dividends

	2026	2025	2026 £'000	2025 £'000
Amounts recognised as distributions in the year:				
Previous year's final dividend (paid 1 December 2025)	1.5p	2.65p	1,260	2,398

We set out below the total dividends proposed in respect of the financial year, which is the basis on which the requirements of section 1158 of the Corporation Tax Act 2010 are considered. The Company has a revenue surplus for the year to 31 July 2026 of £1,054,000 (2025 - £2,090,000). As the income retention test is satisfied on both the tax and accounts bases without a distribution, no dividend is required to maintain the Company's investment trust status. Having regard to the Company's capital growth objective, the Board has therefore not proposed a final dividend for the year.

	2026	2025	2026 £'000	2025 £'000
Amounts paid and payable in respect of the financial year:				
Proposed final dividend per ordinary share	-	1.50p	-	1,260

6. Fixed assets - investments

As at 31 July 2026	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Listed equities	894,267	-	-	894,267
Unlisted company equities	-	-	3,521	3,521

Unlisted company preference shares#	-	-	56,738	56,738
Total financial asset investments	**894,267**	**-**	**60,259**	**954,526**

As at 31 July 2025	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Listed equities	611,876	-	-	611,876
Unlisted company equities	-	-	6,903	6,903
Unlisted company preference shares#	-	-	32,992	32,992
Total financial asset investments	**611,876**	**-**	**39,895**	**651,771**

\# The investments in preference shares include liquidation preference rights that determine the repayment (or multiple thereof) of the original investment in the event of a liquidation event such as a take-over.

During the year to 31 July 2026 no investments (31 July 2025 - nil) were transferred from Level 3 to Level 1 on becoming listed.

Investments in securities are financial assets held at fair value through profit or loss. In accordance with Financial Reporting Standard 102, the tables above provide an analysis of these investments based on the fair value hierarchy described below, which reflects the reliability and significance of the information used to measure their fair value.

Fair value hierarchy

The fair value hierarchy used to analyse the fair values of financial assets is described below. The levels are determined by the lowest (that is the least reliable or least independently observable) level of input that is significant to the fair value measurement for the individual investment in its entirety as follows:

Level 1 - using unadjusted quoted prices for identical instruments in an active market;

Level 2 - using inputs, other than quoted prices included within Level 1, that are directly or indirectly observable (based on market data); and

Level 3 - using inputs that are unobservable (for which market data is unavailable).

The Company's unlisted ordinary share investments at 31 July 2026 were valued using a variety of techniques. These include using comparable company performance, comparable scenario analysis, and assessment of milestone achievement at investee companies. The determinations of fair value included assumptions that the comparable companies and scenarios chosen for the performance assessment provide a reasonable basis for the determination of fair value. In some cases the latest dealing price is considered to be the most appropriate valuation basis, but only following assessment using the techniques described above.

7. Creditors - amounts falling due within one year

	2026 £'000	2025 £'000
Loan non-utilisation fee	5	13
Loan interest	250	184
Loan principal	37,040	35,780
Investment purchases awaiting settlement	-	331
Investment management fee	1,338	918
Share buy backs payable	872	1,268
Other creditors and accruals	449	351
	39,954	**38,845**

The Company has an uncommitted multi-currency revolving credit facility of up to £90 million with The Bank of New York Mellon (BNY). The facility is available, subject to BNY's discretion and unless cancelled earlier, until its review date of 31 March 2028. At 31 July 2026, £37,040,000 was drawn under the BNY facility. At 31 July 2025, £35,780,000 was drawn under the Company's previous revolving credit facility with The Royal Bank of Scotland International Limited. The principal financial covenants require total financial debt not to exceed 30% of adjusted net asset value and net asset value not to fall below £300 million. There were no breaches of these covenants during the year.

None of the above creditors at 31 July 2026 or 31 July 2025 are financial liabilities designated at fair value through profit or loss.

8. Provision for tax liability

	2026 £'000	2025 £'000
The movement in provision for tax liability comprises:		
Opening balance	4,191	7,691
Capital gains tax charge to the capital reserve in the year	(653)	(2,246)
Capital gains tax paid in the year	(3,451)	(1,254)
Provision for tax liability	**87**	**4,191**

The tax liability provision at 31 July 2026 of £87,000 (31 July 2025 - £4,191,000) relates to a potential liability for Indian capital gains tax that may arise on the Company's Indian investments should they be sold in the future, based on the net unrealised taxable capital gain at the period end and on enacted Indian tax rates (long-term capital gains are taxed at 12.5% (2025 - 12.5%) and short term capital gains are taxed at 20% (2025 - 20%)). The amount of any future tax amounts payable may differ from this provision, depending on the value and timing of any future sales of such investments and future Indian tax rates.

9. Share capital

	2026 Number	2026 £'000	2025 Number	2025 £'000

Allotted, called up and fully paid ordinary shares of 10p each	77,846,076	7,785	85,648,427	8,565
Treasury shares of 10p each	14,228,885	1,423	6,426,534	643
	92,074,961	**9,208**	**92,074,961**	**9,208**

In the year to 31 July 2026, the Company issued no ordinary shares from treasury (2025 - no ordinary shares).

In the year to 31 July 2026, 7,802,351 ordinary shares, representing 9.1% of the issued share capital at 31 July 2025, were bought back at a total cost of £73,586,000 and are held in treasury (2025 - 5,008,324 ordinary shares, representing 5.5% of the issued share capital at 31 July 2024, were bought back at a total cost of £29,766,000 and are held in treasury). At 31 July 2026 the Company had authority to allot or sell from treasury 8,446,640 ordinary shares without application of pre-emption rights and to buy back 7,225,216 ordinary shares on an ad hoc basis. Under the provisions of the Company's Articles of Association share buybacks are funded from the capital reserve.

Between 1 August 2026 and 16 September 2026, no further shares were issued and 535,913 shares were bought back.

10. Transactions with related parties and the Managers and Secretaries

The Directors' fees for the year are detailed in the Directors' remuneration report on page 74 of the Annual Report and Financial Statements. No Director has a contract of service with the Company. During the year no Director was interested in any contract or other matter requiring disclosure under section 412 of the Companies Act 2006.

Details of the management contract are set out in the Directors' report on page 58 of the Annual Report and Financial Statements. The management fee payable to the Manager by the Company for the year, as disclosed in note 3, was £4,923,000 (2025 - £3,573,000) of which £1,338,000 (2025 - £918,000) was outstanding at the year end, as disclosed in note 7.

The Company is part of a marketing programme which includes all the investment trusts managed by the Manager. The Company's marketing contribution, recharged by the Manager, was £97,000 (2025 - £100,000).

11. The financial information set out above does not constitute the Company's statutory accounts for the year ended 31 July 2026 or 2025 but is derived from those accounts. Statutory accounts for 2025 have been delivered to the Registrar of Companies, and those for 2026 will be delivered in due course. The auditor has reported on these accounts; the reports were unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report and did not contain a statement under sections 498 (2) or 498(3) of the Companies Act 2006.

Glossary of terms and Alternative Performance Measures ('APM')

Total assets

This is the Company's definition of adjusted total assets, being the total value of all assets held less all current liabilities (other than liabilities in the form of borrowings).

Shareholders' funds and net asset value

Also described as shareholders' funds, net asset value ('NAV') is the value of all assets held less all liabilities (including borrowings). The NAV per share is calculated by dividing this amount by the number of ordinary shares (excluding treasury shares) in issue.

Net liquid assets

Net liquid assets comprise current assets less current liabilities (excluding borrowings).

Discount/premium (APM)

As stock markets and share prices vary, an investment trust's share price is rarely the same as its NAV. When the share price is lower than the NAV per share it is said to be trading at a discount. The size of the discount is calculated by subtracting the share price from the NAV per share and is usually expressed as a percentage of the NAV per share. If the share price is higher than the NAV per share, this situation is called a premium.

	2026	**2025**
Net asset value per ordinary share (a)	1,179.91p	716.13p
Share price (b)	1,056.00p	648.00p
(Discount)/premium ((b) - (a)) ÷ (a)	**(10.5%)**	**(9.5%)**

Turnover

Turnover is calculated as the minimum of purchases and sales in a month, divided by the average market value of the portfolio, summed to get rolling 12 month turnover data.

Compound annual return (APM)

The compound annual return converts the return over a period of longer than one year to a constant annual rate of return applied to the compound value at the start of each year.

Ongoing charges (APM)

The total recurring expenses (excluding the Company's cost of dealing in investments and borrowing costs) incurred by the Company as a percentage of the daily average net asset value, as detailed below:

	2026 £'000	**2025 £'000**
Investment management fee	4,923	3,573

	2026	2025
Investment management fee	4,923	3,573
Other administrative expenses	1,113	881
Total expenses (a)	**6,036**	**4,454**
Average net asset value (b)	806,048	592,680
Ongoing charges ((a) ÷ (b) expressed as a percentage)	**0.75%**	**0.75%**

China 'A' shares

'A' Shares are shares of mainland China-based companies that trade on the Shanghai Stock Exchange and the Shenzhen Stock Exchange. Since 2003, select foreign institutions have been able to purchase them through the Qualified Foreign Institutional Investor system.

Treasury shares

The Company has the authority to make market purchases of its ordinary shares for retention as Treasury Shares for future reissue, resale, transfer, or for cancellation. Treasury Shares do not receive distributions and the Company is not entitled to exercise the voting rights attaching to them.

Unlisted (private) company

An unlisted or private company means a company whose shares are not available to the general public for trading and are not listed on a stock exchange.

Active share

Active share, a measure of how actively a portfolio is managed, is the percentage of the portfolio that differs from its comparative index. It is calculated by deducting from 100 the percentage of the portfolio that overlaps with the comparative index. An active share of 100 indicates no overlap with the index and an active share of zero indicates a portfolio that tracks the index.

Total return (APM)

The total return is the return to shareholders after reinvesting the net dividend on the date that the share price goes ex-dividend. In periods where no dividend is paid, the total return equates to the capital return.

		2026 NAV	2026 Share price	2025 NAV	2025 Share price
Closing NAV per share/share price	(a)	1,179.91p	1,056.00p	716.13p	648.00p
Dividend adjustment factor*	(b)	1.0018	1.0020	1.0039	1.0046
Adjusted closing NAV per share/share price	**(c) = (a) x (b)**	**1,182.03p**	**1,058.11p**	**718.95p**	**650.98p**
Opening NAV per share/share price	(d)	716.13p	648.00p	664.01p	612.00p
Total return	**(c) ÷ (d) -1**	**65.1%**	**63.3%**	**8.3%**	**6.4%**

* The dividend adjustment factor is calculated on the assumption that the final dividend of 1.50p (31 July 2025 - 2.65p) paid by the Company during the period was reinvested into shares of the Company at the cum income NAV per share/share price, as appropriate, at the ex-dividend date.

Gearing (APM)

At its simplest, gearing is borrowing. Just like any other public company, an investment trust can borrow money to invest in additional investments for its portfolio. The effect of the borrowing on the shareholders' assets is called 'gearing'. If the Company's assets grow, the shareholders' assets grow proportionately more because the debt remains the same. But if the value of the Company's assets falls, the situation is reversed. Gearing can therefore enhance performance in rising markets but can adversely impact performance in falling markets.

Net gearing is borrowings at book less cash and brokers' balances expressed as a percentage of shareholders' funds.

	2026 £'000	2025 £'000
Borrowings (at book cost) (a)	37,040	35,780
Less: cash at bank and in hand	(1,485)	(3,820)
Less: sales for subsequent settlement	(1,402)	-
Add: purchases for subsequent settlement	-	331
Adjusted borrowings (b)	34,153	32,291
Shareholders' funds (c)	918,516	613,357
Net gearing: (b) as a percentage of (c)	**4%**	**5%**

Gross gearing is the Company's borrowings expressed as a percentage of shareholders' funds.

	2026 £'000	2025 £'000
Borrowings (at book value) (a)	37,040	35,780
Shareholders' funds (b)	918,516	613,357
Gross gearing: (a) as a percentage of (b)	4%	6%

Leverage (APM)

For the purposes of the Alternative Investment Fund Managers Regulations leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its net asset value and can be calculated on a gross and a commitment method. Under the gross method, exposure represents the sum of the Company's positions after the deduction of sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset against each other.

Pacific Horizon Investment Trust PLC (Pacific Horizon) aims to achieve capital growth through investment in the Asia-Pacific region (excluding Japan) and in the Indian subcontinent.

Pacific Horizon is managed by Baillie Gifford & Co Limited, the Edinburgh based fund management group.

Past performance is not a guide to future performance. Pacific Horizon is a public listed company and is not authorised or regulated by the Financial Conduct Authority. The value of its shares and any income from those shares can fall as well as rise and you may not get back the amount invested. Pacific Horizon invests in overseas securities, changes in the rates of exchange may also cause the value of your investment (and any income it may pay) to go down or up. Pacific Horizon invests in emerging markets where difficulties in dealing, settlement and custody could arise, resulting in a negative impact on the value of your investment. Shareholders in Pacific Horizon have the right to vote every five years, on whether to continue Pacific Horizon, or wind it up. If the shareholders decide to wind the Company up, the assets will be sold and you will receive a cash sum in relation to your shareholding. The next vote will be held at the Annual General Meeting in 2026. You can find up to date performance information about Pacific Horizon on the Pacific Horizon page of the Managers' website at pacifichorizon.co.uk.†

† Neither the contents of the Managers' website nor the contents of any website accessible from hyperlinks on the Managers' website (or any other website) is incorporated into, or forms part of, this announcement.

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21 September 2026

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