

Annual Report and
Financial Statements

31 July 2026

Pacific Horizon Investment Trust PLC

Managed by

Baillie Gifford™

Investor Disclosure Document

The UK Alternative Investment Fund Managers Regulations require certain information to be made available to investors prior to their making an investment in the Company. The Company's Investor Disclosure Document is available for viewing at [**pacifichorizon.co.uk**](http://pacifichorizon.co.uk).

Notes

None of the views expressed in this document should be construed as advice to buy or sell a particular investment.

Investment trusts are UK public listed companies and as such comply with the requirements of the Financial Conduct Authority. They are not authorised or regulated by the Financial Conduct Authority.

Pacific Horizon Investment Trust PLC currently conducts its affairs, and intends to continue to conduct its affairs, so that the Company's ordinary shares can qualify to be considered as a mainstream investment product and can be recommended by Independent Financial Advisers to ordinary retail investors in accordance with the rules of the Financial Conduct Authority in relation to non-mainstream investment products.

This document is important and requires your immediate attention.

If you reside in the United Kingdom and you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other Independent Financial Adviser authorised under the Financial Services and Markets Act 2000 immediately. If you are outside the United Kingdom, you should consult an appropriately authorised financial adviser.

If you have sold or otherwise transferred all of your ordinary shares in Pacific Horizon Investment Trust PLC, please forward this document, together with any accompanying documents, but not your personalised Form of Proxy, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was or is being effected for delivery to the purchaser or transferee.

Baillie Gifford™

Contents

Introduction

Financial highlights	02
An introduction to Pacific Horizon Investment Trust PLC	03

Strategic report

Chairman's statement	06
Managers' review	11
Environmental, social and governance engagement	17
Engagement	18
Baillie Gifford stewardship principles	21
Baillie Gifford proxy voting	22
One year summary	23
Five year summary	24
Ten year record	26
Review of investments	28
Portfolio executive summary	32
Baillie Gifford – valuing private companies	36
List of investments	39
Business review	43

Governance report

Directors and management	55
Directors' report	58
Corporate governance report	64
Audit Committee report	71
Directors' remuneration report	74
Statement of Directors' responsibilities	78

Financial report

Independent auditor's report	81
Income statement	88
Balance sheet	89
Statement of changes in equity	90
Cash flow statement	91
Notes to the Financial Statements	92

Shareholder information

Notice of Annual General Meeting	111
Further shareholder information	116
Communicating with shareholders	118
Sustainable Finance Disclosure Regulation	120
Third party data provider disclaimer	121
Glossary of terms and Alternative Performance Measures	122
Company information	125

Financial highlights

Year to 31 July 2026

Total returns

Share price*

63.3%

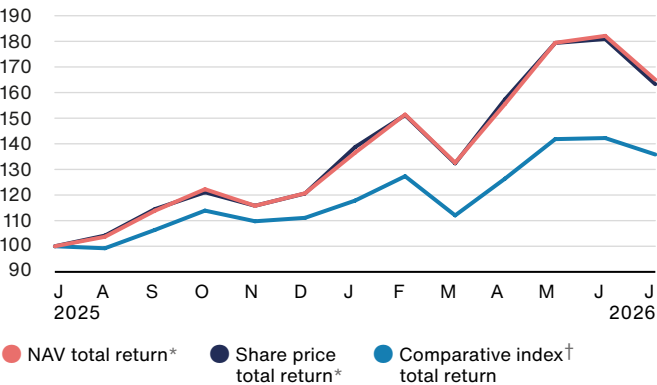
NAV*

65.1%

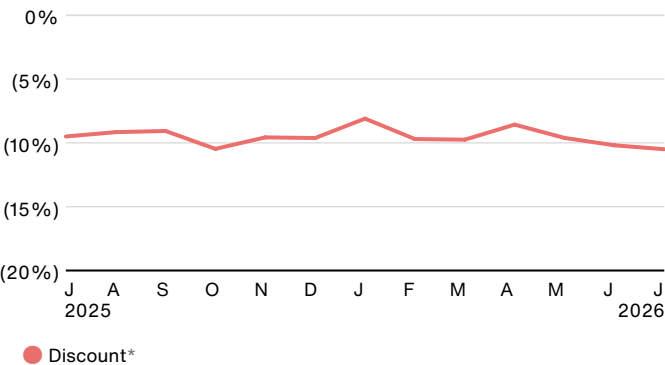
Comparative index†

35.8%

One year total return* performance (figures rebased to 100 at 31 July 2025)



Discount* (figures plotted on a monthly basis)



Source: LSEG/Baillie Gifford and relevant underlying index providers. See disclaimer on page 121. All figures are stated on a total return basis.

* Alternative Performance Measure – see Glossary of terms and Alternative Performance Measures on pages 122 and 123.

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

Past performance is not a guide to future performance.

An introduction to Pacific Horizon Investment Trust PLC

Growth: embracing growth, disruption and innovation.

Pacific Horizon's objective is to invest in the Asia-Pacific region (excluding Japan) and in the Indian Sub-continent in order to achieve capital growth.

Our philosophy

Long-term

This matters. Stock prices are wildly unpredictable in the short-term. Ultimately, however, prices do reflect the earnings capability of a company. So when we find a company that has the potential to grow its profits significantly over time, we must invest with the patience that allows a good decision to prove its worth.

Growth

We have found the most persistent source of alpha to be those companies that can grow their profits faster than the market, in hard currency terms, over the long term. This trend persists irrespective of starting valuation.

Active

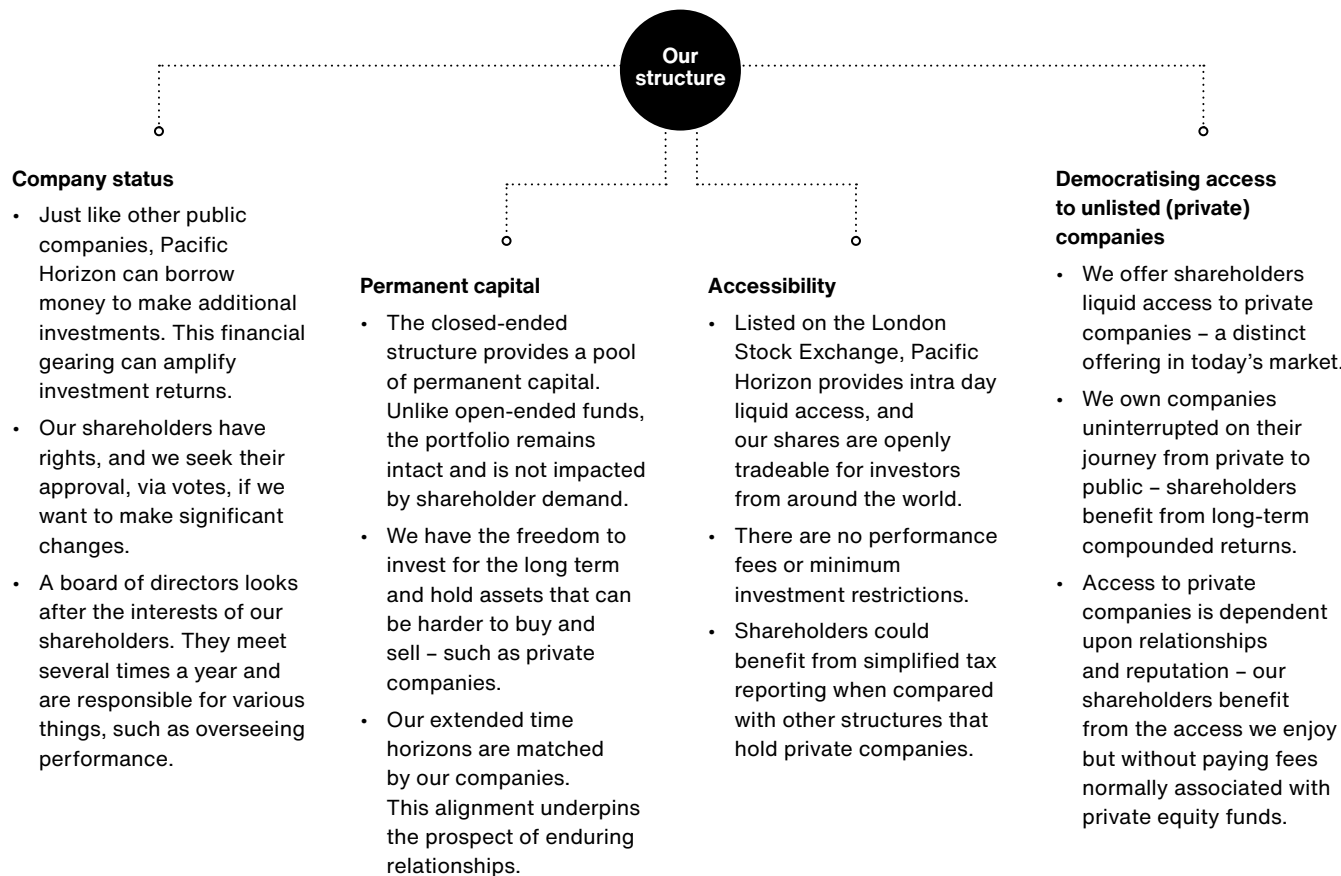
We would observe three particular features which emphasise the need for active management in the Asia-Pacific region (excluding Japan). Firstly, roughly a quarter of the index still consists of State Owned Enterprises, whose interests are not always aligned with minority shareholders. Secondly, some Asian countries grow sporadically, so there will be times when we want to take advantage of the tailwind provided by economic cycles in certain countries and times when we want to limit our exposure. Lastly, positive returns in the asset class are driven by a very small number of companies that do exceptionally well. Being highly selective is imperative.

Our structure

Pacific Horizon is an investment trust but how does this structure benefit our shareholders?

Underpinning everything is a genuine commitment to low costs. We believe our duty to shareholders is to limit fees. Put simply, lower charges directly translate into shareholders keeping more of the returns generated from their investment. Our

scale and commitment to low costs enables us to offer genuine value for money. Although there are benefits to the investment trust structure, there are also risks involved. Please see [pacifichorizon.co.uk](https://www.pacifichorizon.co.uk) for the specific risks associated with investing in the Company.



Strategic report

This strategic report, which includes pages 6 to 53 and incorporates the Chairman's statement, has been prepared in accordance with the Companies Act 2006.

Chairman's statement



Roger Yates
Chairman
Appointed 2024

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, 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

* Source: LSEG/Baillie Gifford and relevant underlying index providers. See disclaimer on page 121. 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 on pages 122 and 123.

† The comparative index is the MSCI All Country Asia ex Japan Index (in sterling terms).
Past performance is not a guide to future performance.

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 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%.

* Alternative Performance Measure – see Glossary of terms and Alternative Performance Measures on pages 122 and 123.

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.

* Alternative Performance Measure – see Glossary of terms and Alternative Performance Measures on pages 122 and 123.

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

Managers' review



Roderick Snell

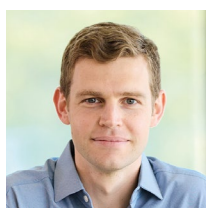
Portfolio manager

Appointed 2013

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.



Ben Durrant

Deputy portfolio manager

Appointed 2023

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.

Source: Baillie Gifford/LSEG and relevant underlying index providers. See disclaimer on page 121.

For a definition of terms see Glossary of terms and Alternative Performance Measures on pages 122 and 123.

Past performance is not a guide to future performance.

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 on page 121).

* For a definition of terms see Glossary of terms and Alternative Performance Measures on pages 122 and 123.

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.

* Source: Baillie Gifford/LSEG and relevant underlying index providers. See disclaimer on page 121. 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.

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



Environmental, social and governance engagement

Our long-term, active approach to investment is based on identifying and holding high-quality growth businesses that enjoy sustainable competitive advantages in their marketplace.

To identify these kinds of businesses, we often look beyond current financial performance, undertaking proprietary research to build up our in-depth knowledge of an individual company and form a view of its long-term prospects. Material environmental, social and governance ('ESG') matters which affect the financial condition or operating performance of a company, can positively or negatively influence long-term investment returns. Such issues are considered throughout the investment process through research, engagement and voting.

Our approach is guided by our ESG principles:

- Investment process founded on long-term ownership of growing businesses: we want to help these companies fulfil their potential and encourage them to ignore the short-term pressures of the market.
- Sustainability is central to our analytical task: businesses engaging in practises that are harmful to society may be capable of generating attractive returns in the short term but are unlikely to do so over the periods we seek to invest.

- We do not believe 'one size fits all': ESG practises need to be assessed on a case-by-case basis, not reliant on formulaic and backward-looking screens.
- Not seeking 'perfect' companies: we prefer to consider the likely direction of change in otherwise promising investments and engage accordingly.

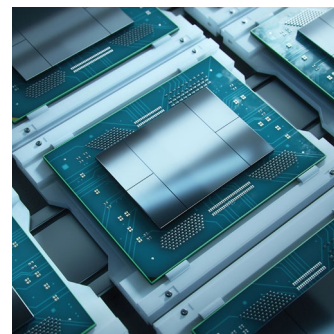
Company engagement is key to our process. We encourage steps to maximise opportunities and minimise risks where we believe it is material to the success of the company. Engagement priorities are set through a combination of a subjective assessment of the materiality of an issue and our ability to influence, as well as use of more qualitative inputs to provide direction. We vote wherever possible and will vote against management if we believe that its actions are not in the interests of shareholders.

We are supported by a dedicated emerging markets ESG analyst and a further 40 analysts who are part of Baillie Gifford's wider ESG resource.

By engaging with companies, we seek to build constructive relationships with them, to better inform our investment activities and, where necessary, effect change within our holdings, ultimately with the goal of achieving better returns for our shareholders. The three following examples demonstrate our stewardship approach through constructive, ongoing engagement.

Engagement

SK Hynix



Key topics

- Governance fit for purpose
- Sustainable business practices

Overview and objectives

We spoke with SK hynix's investor relations team to discuss progress in corporate governance and capital-markets strategy, and to receive an update on the company's approach to energy and other resource-related objectives.

Discussion

SK hynix confirmed that no final decision had been taken on a potential US American Depositary Receipt listing. The company recognises the potential benefits of broadening its investor base, but is assessing these against the additional costs and the potential for shareholder dilution. We encouraged the company to continue considering the proposal.

In relation to the SK hynix board, the company described the introduction of a fully independent nomination committee and a more systematic approach to assessing potential directors. While SK hynix is strengthening the board to support the needs of an increasingly global business, we also raised the potential benefits of further international experience among its directors.

We discussed the operational and strategic importance of energy, water and manufacturing capacity. Although SK hynix has achieved its renewable-energy objectives in China, the company reiterated that structural challenges remain in sourcing renewable energy in South Korea.

Management was clear that longer-term progress on decarbonisation is heavily dependent on government policy. The location of future production capacity and the associated implications for retaining skilled employees will also need to be considered.

The discussion also covered strategic resilience. The company highlighted the benefits that closer customer collaboration and longer-term contractual arrangements can provide.

Separately, we met with the incoming chief executive of SK Square, who was expected to join the SK hynix board subject to the relevant shareholder and board approvals. SK Square owns approximately 20 per cent of SK hynix and maintains direct representation on its board.

Outcome

The discussions with SK hynix and SK Square allowed us to understand their current thinking on a possible ADR listing and to communicate our own views.

The engagement also provided evidence of progress over time in governance and customer relationships, together with a clearer understanding of the importance of energy and water availability to the company's long-term growth.



Zijin Gold International

Key topics

- Sustainable business practices
- Governance fit for purpose

Overview and objectives

Following our participation in the initial public offering of Zijin Gold International, we engaged with the company and representatives of Zijin Mining Group to understand how governance, management oversight and sustainability standards are applied across the group's international operations.

Our earlier three-year engagement with Zijin Mining Group on governance, social and environmental matters in higher-risk locations had contributed to our assessment of the newly listed business.

Discussion

Zijin's operations extend across China, Africa, the Americas and Europe, with exposure to gold, copper, zinc, lithium, silver and other metals.

We recently concluded a focused three-year engagement with Zijin Mining Group on its approach to governance and to social and environmental matters in higher-risk locations. We were encouraged by the progress made, and our research across the group contributed to our confidence in participating in the Zijin Gold International IPO.

The discussion highlighted Zijin's structured approach to acquisitions. This includes retaining experienced local managers while deploying selected personnel seconded from the group's headquarters.

This approach is supported by deliberate community-engagement mechanisms and continued work on safety and human-rights due diligence. Community relations are managed through a two-way engagement model, with local general managers undertaking detailed communication with affected communities.

Zijin provided examples from recent gold acquisitions in Central Asia and Africa. Before completing an acquisition, the company undertakes its own governance and sustainability due diligence, including engagement with relevant stakeholders, and identifies any subsequent remedial actions required.

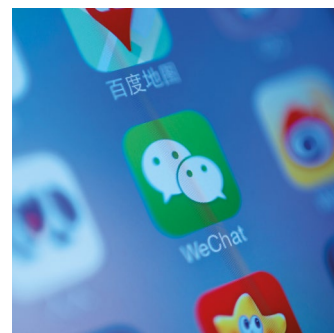
The company continues to make progress with its safety-enhancement programme and shared its approach to developing a stronger safety culture throughout the organisation. It also provided an update on its engagement with third-party data providers and joint-venture partners.

Outcome

The meeting provided valuable insight into Zijin's management practices and its commitment to integrating appropriate governance and social and environmental responsibility into its operations.

The consistent application of these practices will be important to maintaining the company's social licence to operate and supporting sustainable growth across a geographically diverse portfolio.

Tencent Holdings



© AP/REX/Shutterstock

Key topics

- Governance fit for purpose
- Sustainable business practices

Overview and objectives

The objective of the engagement was to understand Tencent's next steps in relation to the environmental performance of its data centres, board independence and the governance of artificial intelligence.

Discussion

Tencent's growing reliance on data centres to support cloud computing, gaming and artificial-intelligence services means that their energy, carbon and water impacts are directly relevant to the investment case through operating costs, capital-expenditure requirements, regulatory risk and the scalability of future growth.

Tencent's ESG Coordination Office initiated the meeting to provide an update on developments over the previous year. In relation to greener data centres, management highlighted continued improvements in power usage effectiveness and a higher proportion of renewable electricity across both directly owned and leased facilities.

The company also reported a reduction in carbon emissions despite an increase in AI-related energy consumption. Tencent is introducing a new project intended to improve the water usage effectiveness of its data centres.

We discussed board succession, with particular emphasis on the recruitment of independent directors. The company considered the implications of its inclusion on the US 1260H list* and acknowledged that this development was likely to constrain further its ability to attract suitable candidates in an already challenging geopolitical environment.

On artificial intelligence and data governance, Tencent has included responsible AI in its materiality assessment, its assessment of the issues most important to the company and its stakeholders, for the first time. The company's AI technology committee now conducts monthly reviews of AI products, considering both budget oversight and safety.

Outcome

The engagement indicated that Tencent continues to make progress in reducing the carbon intensity of its data-centre operations, with water-use efficiency identified as the next important environmental priority.

We also gained a clearer understanding of the geopolitical constraints affecting board composition and of the company's developing AI governance framework. We will continue to monitor progress in each of these areas.

* The US 1260H List is an official directory published by the U.S. Department of Defense identifying 'Chinese military companies' that operate directly or indirectly in the United States.

Baillie Gifford

stewardship principles

Baillie Gifford's overarching ethos is that we are 'Actual' investors. That means we seek to invest for the long term. Our role as an engaged investor is core to our mission to be effective stewards for our clients.

Where possible we consider all asset classes within the framework of our stewardship activities, however, the principles are tilted to corporate securities recognising that this represents the majority of our assets under management.

As an active manager, we invest in companies at different stages of their evolution, across many industries and geographies, and focus on their unique circumstances and opportunities. Our approach favours a small number of simple principles rather than overly prescriptive policies. This helps shape our interactions with holdings and ensures our investment teams have the freedom and retain the responsibility to act in clients' best interests.

We seek to apply the most appropriate ownership tools to each holding in delivering our objectives.

Long-term value creation

We believe that companies that are run for the long-term are more likely to be better investments over our clients' time horizons. We encourage our holdings to be ambitious, focusing on long-term value creation and capital deployment for growth. We know events will not always run according to plan. In these instances we expect management to act deliberately and to provide appropriate transparency. We think helping management to resist short-term demands from shareholders often protects returns. We regard it as our responsibility to encourage holdings away from destructive financial engineering towards activities that create genuine value over the long-run. Our value will often be in supporting management when others don't.

Alignment in vision and practice

Alignment is at the heart of our stewardship approach. We seek the fair and equitable treatment of all shareholders alongside the interests of management. While assessing alignment with management often comes down to intangible factors and an understanding built over time, we look for clear evidence of alignment in everything from capital allocation decisions in moments of stress to the details of executive remuneration plans and committed share ownership. We expect companies to deepen alignment with us, rather than weaken it, where the opportunity presents itself.

Governance fit for purpose

Corporate governance is a combination of structures and behaviours; a careful balance between systems, processes and people. Good governance is the essential foundation for long-term company success. We firmly believe that there is no single governance model that delivers the best long-term outcomes. We therefore strive to push back against one-dimensional global governance principles in favour of a deep understanding of each company we invest in. We look, very simply, for structures, people and processes which we think can maximise the likelihood of long-term success. We expect to trust the boards and management teams of the companies we select, but demand accountability if that trust is broken.

Sustainable business practices

A company's ability to grow and generate value for our clients relies on a network of interdependencies between the company and the economy, society and environment in which it operates. We expect holdings to consider how their actions impact and rely on these relationships. We believe long-term success depends on maintaining a social licence to operate and look for holdings to work within the spirit and not just the letter of the laws and regulations that govern them. Material factors should be addressed at the board level as appropriate.

Baillie Gifford proxy voting

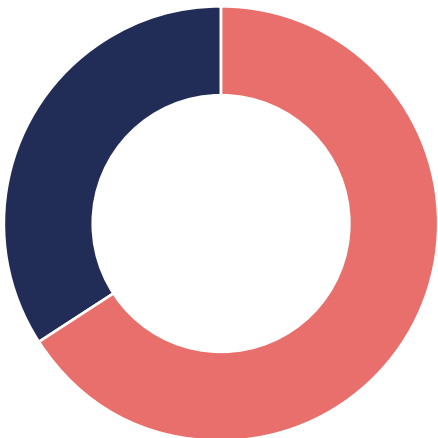
We believe that ‘active ownership’ of our clients’ holdings is as important as selecting the right investments in the first instance. These guidelines are aligned with our stewardship principles and describe our approach to proxy voting and company engagement, the key levers of active ownership, often described as ‘stewardship’.

While these guidelines are intended to provide an insight into how we approach voting on our clients’ behalf, it is important to note that we assess every company individually. In voting, we will always evaluate proposals on a case-by-case basis, based on what we believe to be in the best long-term interests of our clients, rather than rigidly applying a policy.

A broad cross section of our investment staff are involved in our ongoing work on stewardship. In the same way that our investment approach is based around empowered and independent teams, our voting and engagement is led by the individual investment teams. In keeping with our decentralised and autonomous culture, our investment teams will, on occasion, elect to vote differently on the same general meeting resolutions. Where this happens, we report accordingly in the proxy voting disclosure on our website. We also have clear processes in place to identify, prevent and manage potential proxy voting related conflicts of interest to ensure that in all cases the firm acts in the clients’ best interest. Baillie Gifford’s firm-wide conflict of interest disclosure is available on our website.

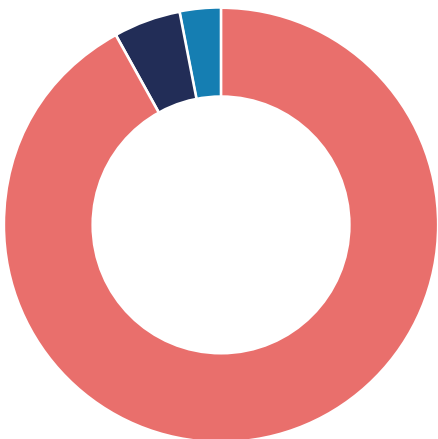
Prior to taking any voting action, we usually address specific ESG concerns by engaging directly with the company, using voting as an escalation mechanism if we have not seen sufficient progress. Voting activity and the reasons for any resolutions voted against in the period is disclosed on the Company’s page of the Managers’ website and can be viewed at pacifichorizon.co.uk.

Company meeting record



Number of meetings voted with management	67
Number of meetings with at least one against, withhold or abstain	34
Meeting not voted	–

Voting distribution



Number of votes for	92%
Number of votes against	5%
Number of votes abstain	3%
No Vote	–

One year summary

The following information illustrates how Pacific Horizon has performed over the year to 31 July 2026.

	31 July 2026	31 July 2025	% change	
Shareholders' funds*	£918.5m	£613.4m		
Net asset value per ordinary share*	1,179.91p	716.13p	64.8%	
Share price	1,056.00p	648.00p	63.0%	
MSCI All Country Asia ex Japan Index (in sterling terms)†			33.2%	
Dividend proposed per ordinary share in respect of the financial year	Nil	1.50p		
Revenue earnings per ordinary share	1.28p	2.34p		
Ongoing charges#‡	0.75%	0.75%		
Discount#‡	(10.5%)	(9.5%)		
Active share*	62%	73%		
Year to 31 July	2026	2025		
Total return				
Net asset value per ordinary share#‡	65.1%	8.3%		
Share price#‡	63.3%	6.4%		
MSCI All Country Asia ex Japan Index (in sterling terms)†	35.8%	17.1%		
Year to 31 July	2026	2026	2025	2025
Year's high and low	High	Low	High	Low
Net asset value per ordinary share*	1,381.78p	702.96p	719.77p	579.44p
Share price	1,252.00p	638.00p	650.00p	507.00p
Discount#‡	(5.5%)	(12.3%)	(7.7%)	(15.9%)
Year to 31 July	2026	2025		
Net return per ordinary share				
Revenue	1.28p	2.34p		
Capital	459.79p	46.42p		
Total	461.07p	48.76p		

Source: Baillie Gifford/LSEG and relevant underlying index providers. See disclaimer on page 121.

* For a definition of terms see Glossary of terms and Alternative Performance Measures on pages 122 and 123.

† The MSCI All Country Asia ex Japan Index (in sterling terms) is the principal index against which performance is measured.

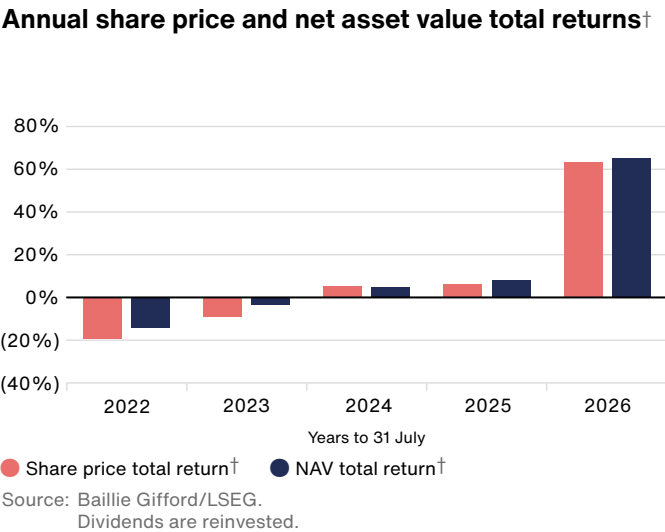
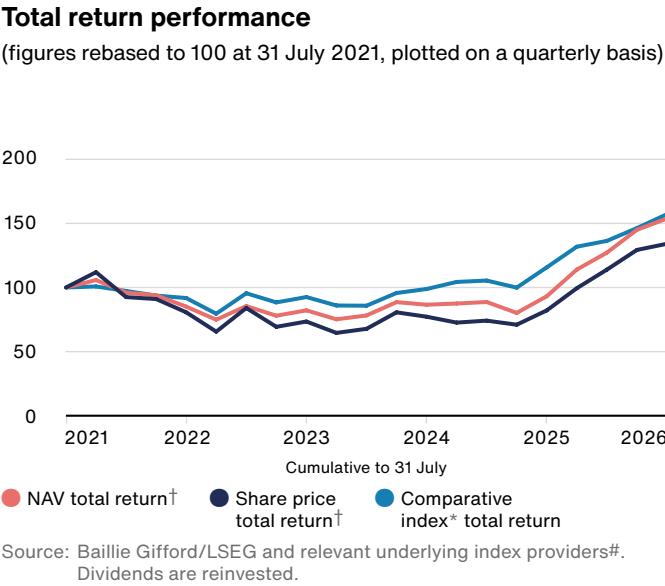
Alternative Performance Measure – see Glossary of terms and Alternative Performance Measures on pages 122 and 123.

‡ Key Performance Indicator.

Past performance is not a guide to future performance.

Five year summary

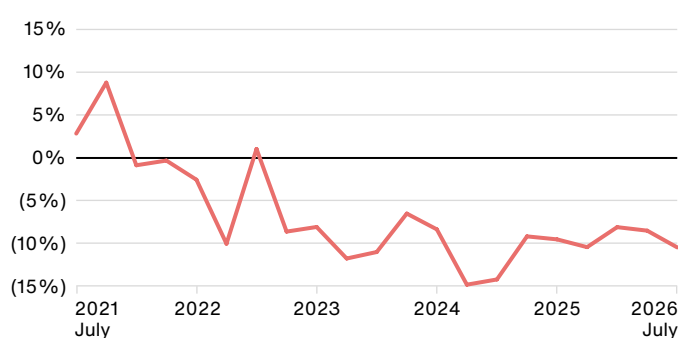
The following charts indicate how Pacific Horizon has been managed and how it has performed relative to its comparative index* and the relationship between share price and net asset value over the five year period to 31 July 2026



* The MSCI All Country Asia ex Japan Index (in sterling terms) is the principal index against which performance is measured.
† Alternative Performance Measure – see Glossary of terms and Alternative Performance Measures on pages 122 and 123.
See disclaimer on page 121.
Past performance is not a guide to future performance.

Premium/(discount) to net asset value[†]

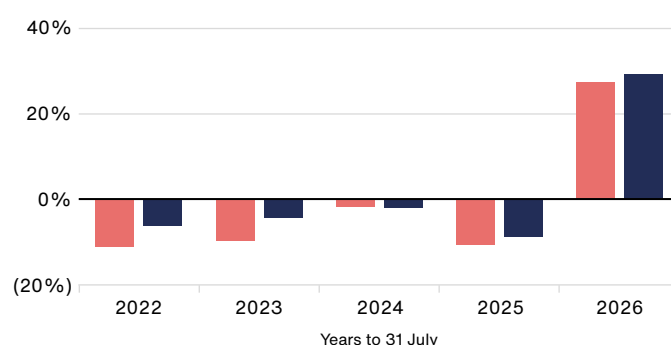
(figures plotted on a quarterly basis)

● Pacific Horizon premium/(discount)[†]

Source: Baillie Gifford/LSEG#.

Relative annual share price and net asset value total returns[†]

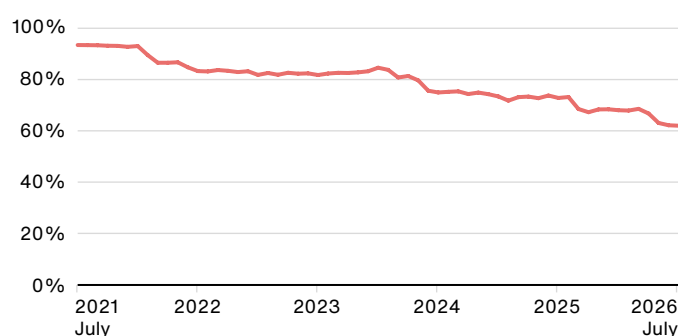
(compared to the MSCI All Country Asia ex Japan Index (in sterling terms)* total returns)

● Relative share price total return[†] ● Relative NAV total return[†]

Source: Baillie Gifford/LSEG and relevant underlying index providers#. Dividends are reinvested.

Active share[‡]

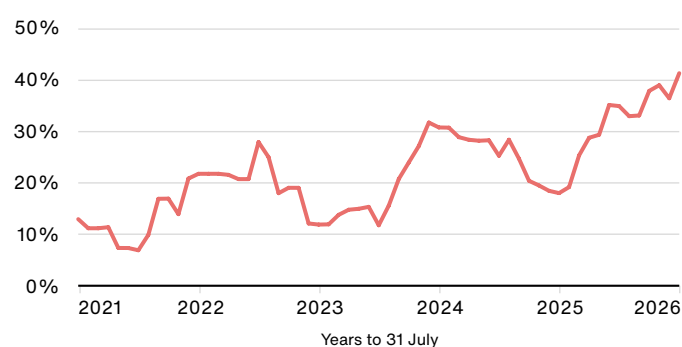
(compared to the MSCI All Country Asia ex Japan Index (in sterling terms)*, plotted on a monthly basis)

● Active share[‡]

Source: Baillie Gifford and relevant underlying index providers#.

Turnover[‡]

(rolling 12 months turnover, plotted on a monthly basis)

● Turnover[‡]

Source: Baillie Gifford.

* The MSCI All Country Asia ex Japan Index (in sterling terms) is the principal index against which performance is measured.

† Alternative Performance Measure – see Glossary of terms and Alternative Performance Measures on pages 122 and 123.

See disclaimer on page 121.

‡ For a definition of terms see Glossary of terms and Alternative Performance Measures on pages 122 and 123.

Past performance is not a guide to future performance.

Ten year record

Capital

At 31 July	Total assets * £'000	Borrowings £'000	Shareholders' funds * £'000	Net asset value per share * p	Share price p	(Discount)/premium * %
2016	132,702	5,000	127,702	223.58	201.00	(10.1)
2017	182,523	14,773	167,750	309.15	286.00	(7.5)
2018	225,063	20,183	204,880	351.26	363.00	3.3
2019	223,755	20,405	203,350	344.50	320.00	(7.1)
2020	329,044	24,641	304,403	481.92	504.00	4.6
2021	748,014	60,783	687,231	777.15	802.00	3.2
2022	610,550	–	610,550	664.65	647.00	(2.7)
2023	580,355	–	580,355	637.18	586.00	(8.0)
2024	601,970	–	601,970	664.01	612.00	(7.8)
2025	653,328	35,780	613,357	716.13	648.00	(9.5)
2026	955,556	37,040	918,516	1,179.91	1,056.00	(10.5)

Revenue

Gearing ratios

Year to 31 July	Gross revenue £'000	Available for ordinary shareholders £'000	Revenue earnings per ordinary share p	Dividend paid and proposed per ordinary share (net) p	Ongoing charges * %	Gearing * %	Gross gearing * %
2016	1,331	(182)	(0.30)	0.35	1.13	3	4
2017	1,559	(211)	(0.38)	–	1.07	7	9
2018	2,032	(328)	(0.60)	–	1.02	8	10
2019	2,473	8	0.01	–	0.99	8	10
2020	3,128	564	0.95	0.25	0.92	4	8
2021	3,561	(402)	(0.51)	–	0.78	4	9
2022	11,067	3,830	4.21	3.00	0.74	(1)	–
2023	9,580	4,166	4.56	3.25	0.72	(2)	–
2024	8,987	3,464	3.82	2.65	0.74	(1)	–
2025	8,870	2,090	2.34	1.50	0.75	5	6
2026	10,095	1,054	1.28	–	0.75	4	4

* For a definition of terms see Glossary of terms and Alternative Performance Measures on pages 122 and 123. (Discount)/premium, ongoing charges, gearing and gross gearing are Alternative Performance Measures.

Past performance is not a guide to future performance.

Cumulative performance (taking 2016 as 100)

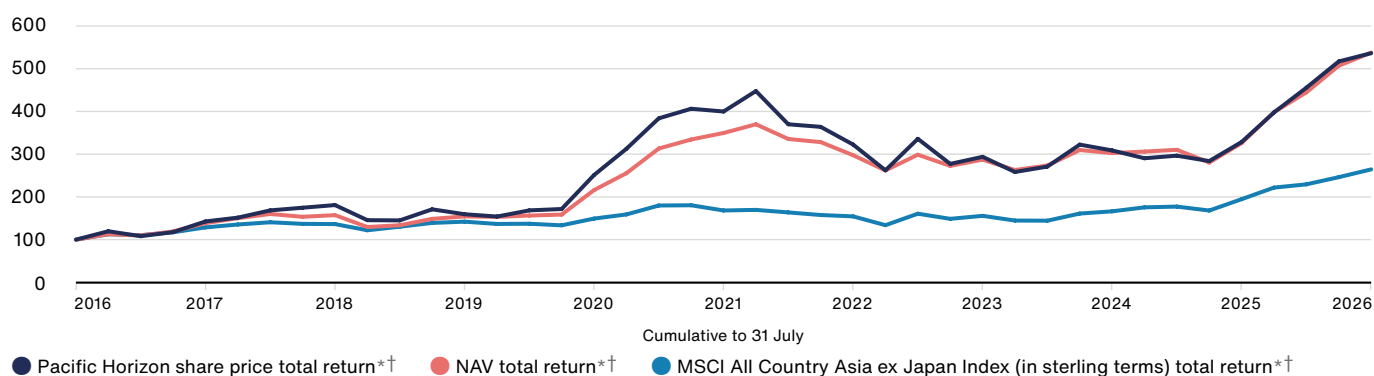
At 31 July	Net asset value per share *	Net asset value total return *†	Share price	Share price total return *†	Comparative index †#	Comparative index total return †#	Retail price index †
2016	100	100	100	100	100	100	100
2017	138	138	142	143	125	129	102
2018	157	157	181	181	130	136	106
2019	154	154	159	159	131	142	109
2020	216	216	251	251	135	149	112
2021	348	350	399	400	149	168	114
2022	297	298	322	323	133	154	118
2023	285	287	292	294	131	156	133
2024	297	303	304	309	136	166	145
2025	320	326	322	328	155	195	150
2026	528	538	525	536	207	264	157

Compound annual returns* (%)

5 year	8.7	9.0	5.7	6.0	6.8	9.5	6.7
10 year	18.1	18.3	18.0	18.3	7.5	10.2	4.6

Total return performance*

(figures rebased to 100 at 31 July 2016, plotted on a quarterly basis)



* For a definition of terms see Glossary of terms and Alternative Performance Measures on pages 122 and 123. Compound annual return is an Alternative Performance Measure.

† Source: LSEG and relevant underlying index providers. See disclaimer on page 121.

The MSCI All Country Asia ex Japan Index (in sterling terms) is the principal index against which performance is measured.

Past performance is not a guide to future performance.

Review of investments

A review of the Company's ten largest investments as at 31 July 2026.



© Taiwan Semiconductor Manufacturing Co., Ltd.



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TSMC

TSMC is the world's most advanced semiconductor foundry, with unmatched scale and technological leadership. It's indispensable to its customers – it partners with all major chip designers to secure enduring high returns and multi-decade growth. With exceptional cash generation and human capital, it reinvests ambitiously, extending its lead in semiconductor process technology and reinforcing its central role in the digital economy.

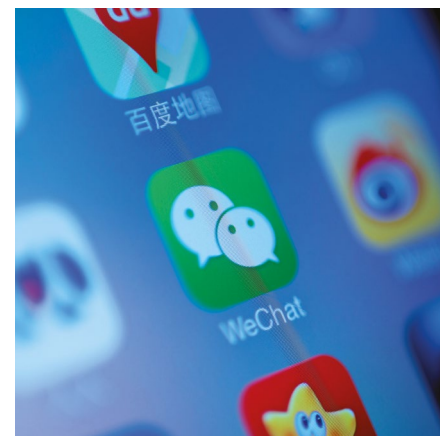
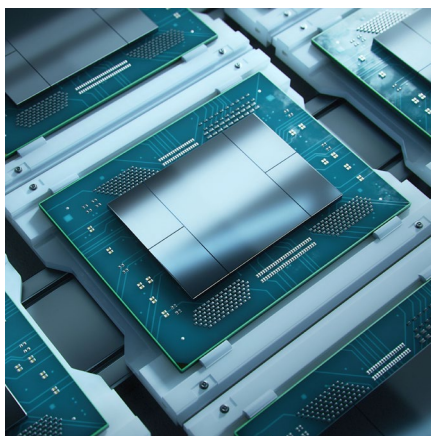
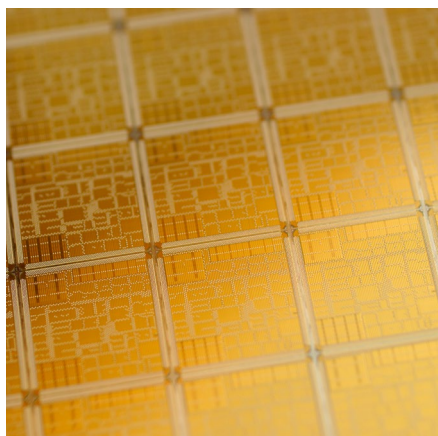
Geography	Taiwan
Valuation at 31 July 2026	£139,166,000
% of total assets* at 31 July 2026	14.6%
Valuation at 31 July 2025	£68,163,000
% of total assets* at 31 July 2025	10.4%
Net purchases/(sales) in year to 31 July 2026	£1,413,000

Samsung Electronics

Samsung is a global leader in memory chips and smartphones. Its scale, vertical integration and relentless innovation underpin durable competitive advantages. The company generates substantial cash flows and is investing heavily in next-generation technologies, such as advanced memory, positioning it as a key enabler of digital infrastructure and consumer electronics globally.

Geography	South Korea
Valuation at 31 July 2026	£124,388,000
% of total assets* at 31 July 2026	13.0%
Valuation at 31 July 2025	£39,453,000
% of total assets* at 31 July 2025	6.0%
Net purchases/(sales) in year to 31 July 2026	(£12,155,000)

* For a definition of terms see Glossary of terms and Alternative Performance Measures on pages 122 and 123.



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SK Square

SK Square is a holding company for SK Hynix, the world's leading supplier of high-bandwidth memory chips vital for AI datacentres. Chronic undersupply supports strong long-term growth, while SK Square itself trades at a steep discount to its stake's value. This combination of structural demand growth and valuation dislocation offers attractive upside potential.

Geography	South Korea
Valuation at 31 July 2026	£58,762,000
% of total assets* at 31 July 2026	6.1%
Valuation at 31 July 2025	£25,599,000
% of total assets* at 31 July 2025	3.9%
Net purchases/(sales) in year to 31 July 2026	(£56,830,000)

SK Hynix

SK hynix is a global leader in memory semiconductors, producing DRAM, NAND flash and high-bandwidth memory. Its technological leadership in HBM gives it a critical role in the infrastructure supporting artificial intelligence, where greater computing intensity is increasing demand for faster and more efficient memory. Continued investment in advanced products and manufacturing capacity should reinforce its competitive position and support attractive long-term growth.

Geography	South Korea
Valuation at 31 July 2026	£40,552,000
% of total assets* at 31 July 2026	4.2%
Valuation at 31 July 2025	–
% of total assets* at 31 July 2025	–
Net purchases/(sales) in year to 31 July 2026	£32,944,000

Tencent Holdings

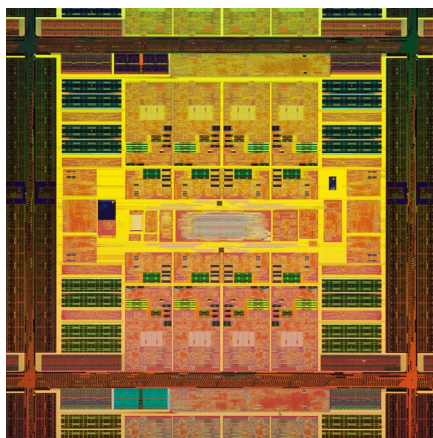
Tencent is China's largest online entertainment platform. It operates WeChat, China's super-app, and is the country's leading gaming publisher. Its unrivalled consumer internet reach and AI capability, coupled with a strong record in capital allocation, provides an exceptional platform for long-term growth. Positioned at the heart of China's digital economy, Tencent can capture opportunities in advertising and cloud services, as well as overseas gaming.

Geography	China
Valuation at 31 July 2026	£37,841,000
% of total assets* at 31 July 2026	4.0%
Valuation at 31 July 2025	£46,469,000
% of total assets* at 31 July 2025	7.1%
Net purchases/(sales) in year to 31 July 2026	(£1,883,000)

* For a definition of terms see Glossary of terms and Alternative Performance Measures on pages 122 and 123.



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ByteDance Series E-1 Preferred

ByteDance, owner of Douyin and TikTok, is redefining global media through short-form video. Its unmatched machine-learning capabilities drive personalised engagement and innovation across demographics and formats. With proven ability to launch category-defining products and monetise attention, ByteDance has the potential to become a generation-defining media platform. It is also one of the Company's private investments.

Geography	China
Valuation at 31 July 2026	£36,897,000
% of total assets* at 31 July 2026	3.9%
Valuation at 31 July 2025	£25,300,000
% of total assets* at 31 July 2025	3.9%
Net purchases/(sales) in year to 31 July 2026	Nil

MediaTek

MediaTek is a leading fabless semiconductor designer whose chips power smartphones, connected devices and home entertainment products. Its broad product portfolio and high-volume business model allow it to bring advanced technology to mass-market applications. As artificial intelligence moves from data centres into everyday devices, MediaTek's strengths in connectivity, energy efficiency and system-on-chip design should support continued growth across smartphones, automotive and edge computing.

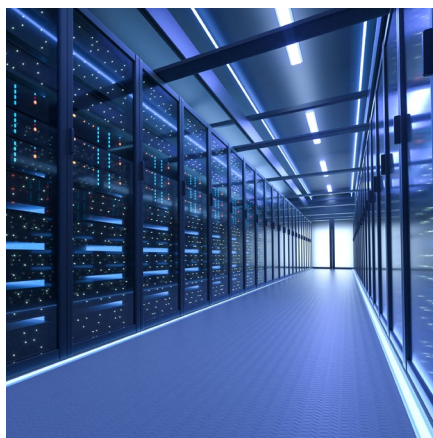
Geography	Taiwan
Valuation at 31 July 2026	£36,536,000
% of total assets* at 31 July 2026	3.8%
Valuation at 31 July 2025	£10,856,000
% of total assets* at 31 July 2025	1.7%
Net purchases/(sales) in year to 31 July 2026	£5,985,000

MMG

MMG is a global mining company producing copper, zinc and other base metals from operations across Australia, Africa and Peru. Its principal attraction is copper, where long lead times for new mines and rising demand from electrification, power grids and data centres create a supportive long-term backdrop. MMG's established asset base, operating capability and growth pipeline provide the potential for higher production and cash generation as structural supply constraints become more apparent.

Geography	China
Valuation at 31 July 2026	£24,798,000
% of total assets* at 31 July 2026	2.6%
Valuation at 31 July 2025	£13,557,000
% of total assets* at 31 July 2025	2.1%
Net purchases/(sales) in year to 31 July 2026	(£1,808,000)

* For a definition of terms see Glossary of terms and Alternative Performance Measures on pages 122 and 123.



Chifeng Jilong Gold

Chifeng Jilong Gold is a rapidly growing international gold producer with operations in China, Southeast Asia and West Africa. The company combines established production with a focus on exploration, operational improvement and disciplined expansion. Gold benefits from persistent central-bank demand and geopolitical uncertainty, while Chifeng's growing overseas asset base provides scope to increase production and improve efficiency. This combination offers attractive exposure to both a supportive gold market and company-specific growth.

Geography	China 'A' shares
Valuation at 31 July 2026	£23,443,000
% of total assets* at 31 July 2026	2.5%
Valuation at 31 July 2025	£5,034,000
% of total assets* at 31 July 2025	0.8%
Net purchases/(sales) in year to 31 July 2026	£10,225,000

Montage Technology

Montage Technology is a leading fabless semiconductor designer focused on interconnect chips for cloud computing and artificial intelligence infrastructure. Its products help move data efficiently between processors, memory and other components in servers, where rising computing intensity is increasing the importance of high-speed interconnects. The company's expertise in memory interfaces and emerging technologies, together with its role in developing industry standards, should support durable growth as data-centre architectures become more complex.

Geography	China 'A' shares
Valuation at 31 July 2026	£22,622,000
% of total assets* at 31 July 2026	2.4%
Valuation at 31 July 2025	-
% of total assets* at 31 July 2025	-
Net purchases/(sales) in year to 31 July 2026	£11,979,000

* For a definition of terms see Glossary of terms and Alternative Performance Measures on pages 122 and 123.

Portfolio executive summary

Performance

	1 year %	3 years %	5 years %	10 years %
Share price	63.3	82.5	34.1	436.2
NAV	65.1	87.3	54.3	437.4
Comparative index*	35.8	69.8	57.2	164.4

All figures are stated on a total return[†] basis for the period to 31 July 2026.

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

[†] Alternative Performance Measure – see Glossary of terms and Alternative Performance Measures on pages 122 and 123.

Source: Baillie Gifford/LSEG and relevant underlying index providers. See disclaimer on page 121.

Key contributors and detractors to performance – year to 31 July 2026

Contributors	Absolute performance % *	Detractors	Absolute performance % *
Samsung Electronics	254.6	SEA Ltd	(33.2)
SK Square	551.0	Embassy Developments	(47.6)
TSMC	92.2	DiDi Global	(43.5)
Knowledge Atlas Technology	795.4	VerSe (Dailyhunt) Innovation	(51.4)
MMG	112.3	Meituan	(25.3)

* Absolute performance (in sterling terms) has been calculated on a total return basis over the period 1 August 2025 to 31 July 2026. For the definition of total return see Glossary of terms and Alternative Performance Measures on pages 122 and 123.

Source: Revolution.

New buys

- Alibaba Group
 - Alibaba Group ADR
 - Ant International Series A Preferred ①
 - Cambricon Technologies A shares
 - CMOC Group
 - DiDi Global ADR
 - Futu Holdings ADR
 - Hongfa Technology A shares
 - MakeMyTrip
 - Meesho
- Montage Technology
- Samsung E&A
- Seoul Viosys
- Shanghai Xizhi Technology
- Silvercorp Metals Inc
- SK Hynix
- Sungrow Power Supply A shares
- PT Vale Indonesia
- Wasion Holdings
- Zangge Mining
- Zijin Gold International

Additions

- CATL
 - Chifeng Jilong Gold
 - Kaspi.kz ADR
 - Khang Dien House Trading and Investment Joint Stock Company
- MediaTek
- Ping An Insurance
- Silergy
- TSMC

Complete sales

- AirTAC International Group
- Chime Biologics ①
- Coupang
- Hyundai Motor India
- Jadestone Energy
- JD.com
- KE Holdings
- KE Holdings ADR
- Lufax Holding
- Phoenix Mills
- Prestige Estate Projects
- Reliance Industries
- SG Micro A Shares
- Techtronic Industries
- Zhejiang Supor Co A Shares

Reductions

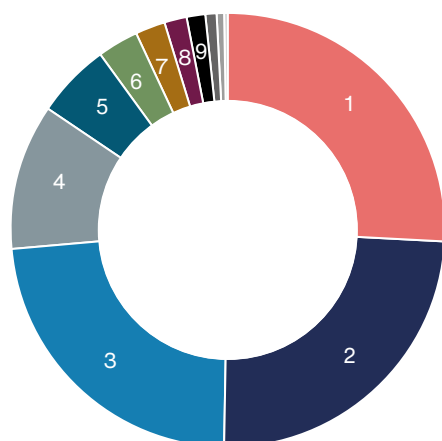
- Accton Technology Corporation
- PT AKR Corporindo Tbk
- ASMPT
- Bajaj Finserv
- Bank Rakyat Indonesia
- Binh Minh Plastics Joint Stock Company
- Chroma ATE
- Delhivery ②
- Eicher Motors
- Embassy Developments
- EO Technics
- Fabrinet
- FPT Corporation
- Goneo
- Grab
- Haidilao
- HDB Financial Services
- HDBank
- Hoa Phat Group
- InterGlobe Aviation
- Kanzhun ADR
- Lemon Tree Hotels
- Luckin Coffee ADR
- Meituan
- Midea Group A shares
- Military Commercial Joint Stock Bank
- MMG
- Mobile World Investment Corporation
- PDD Holdings
- PolicyBazaar
- Pony.ai ADR
- Precision Tsugami
- Samsung Electronics
- Sanhua Intelligent Controls
- SEA ADR
- SK Square
- Tencent Holdings
- Vietnam Enterprise Investments
- Zijin Mining Group

② Denotes listed investment previously held in the portfolio as an unlisted (private company) investment.

① Denotes unlisted (private company) investment.

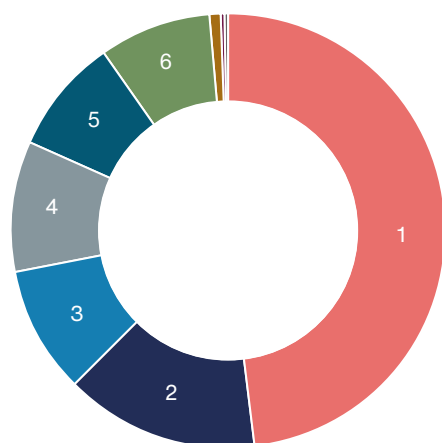
Distribution of total assets* and size splits

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

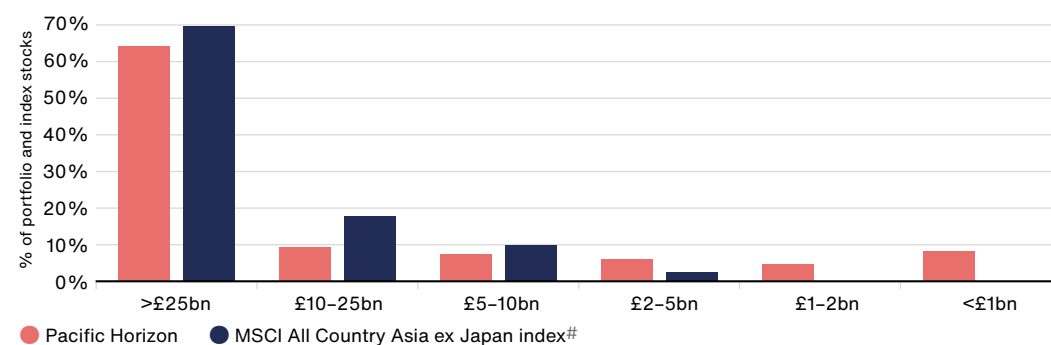
Sectoral 2026



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

Size splits (market capitalisation of investments)

As at 31 July 2026



Source: Baillie Gifford/LSEG and relevant underlying index providers.
See disclaimer on page 121.

* For a definition of terms see Glossary of terms and Alternative Performance Measures on pages 122 and 123.

The MSCI All Country Asia ex Japan Index (in sterling terms) is the principal index against which performance is measured.



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 below 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.

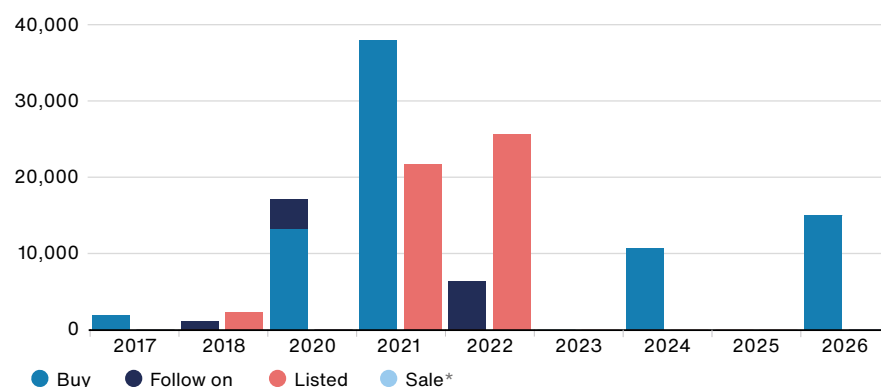
Private companies summary

Historical snapshot

Since our first investment in private companies in 2007, Pacific Horizon Investment Trust has deployed £91,180,000 of capital in this area.

Transaction value

Showing all transactions in the year to 31 July (£'000).



* 2026 sale proceeds of £78,000 relate to Chime Biologics.

04

private companies listed since initial purchase

05

private companies currently held

Portfolio activity – year to 31 July 2026

£14,952,000 of new capital was deployed in private companies during the year, comprising a new investment in Ant International. No private companies were listed or taken over during the year. The holding in Chime Biologics was sold during the year.

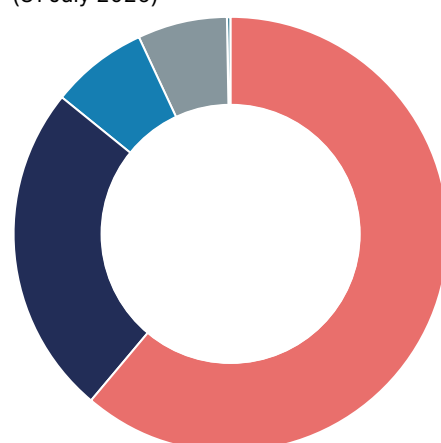
Concentration

At 31 July 2026 we held 5 private companies which equated to 6.3% of total assets.



All figures stated as percentage of total assets, as at 31 July 2026.

Private exposure (31 July 2026)



ByteDance	3.9% (£36,897,000)
Ant International	1.5% (£14,862,000)
MicroConnect	0.5% (£4,405,000)
VerSe (Dailyhunt) Innovation	0.4% (£4,077,000)
Eden Biologics	<0.1% (£18,000)

Size

Our private company exposure tends to be weighted to the upper end of the maturity curve, typically focussed on late stage private companies at point of investment who are scaling up and becoming profitable.

Cap	Total equity value (USD)	Total asset %	Number of holdings
Micro	<\$300m	<0.1	1
Small	\$300m–\$2bn	0.9	2
Medium	\$2bn–\$10bn	–	–
Large	>\$10bn	5.4	2
		6.3	5

As at 31 July 2026.

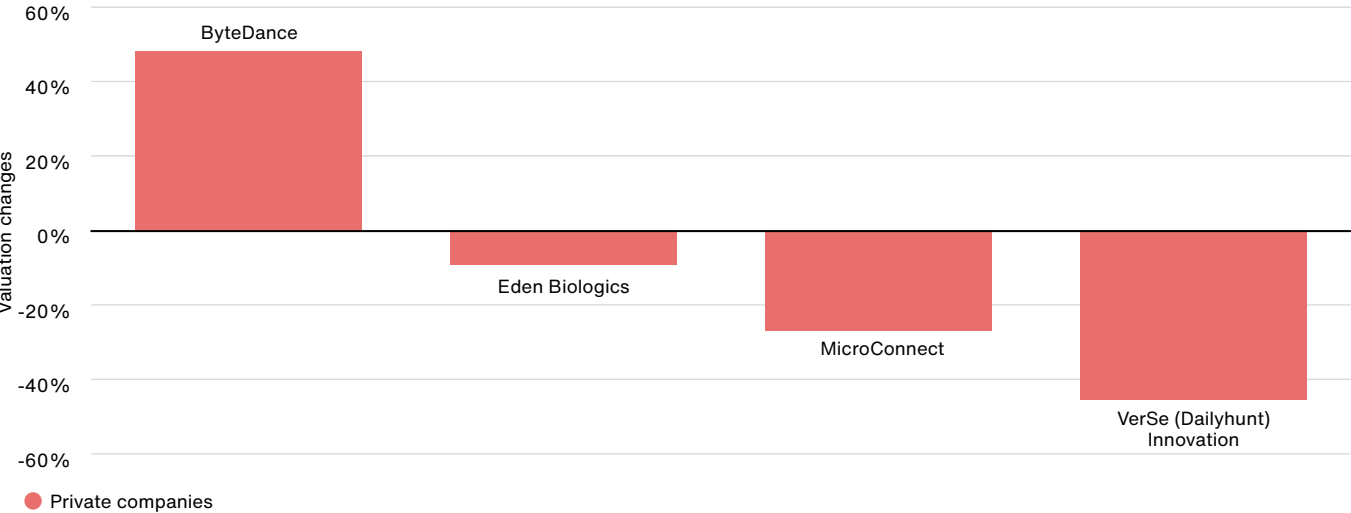
Overview

	2026 £'000	2025 £'000
Opening balance 1 August 2025	39,895	42,763
Purchases at cost	14,952*	–
Disposal proceeds received	(78)†	–
Change in listing	–	–
Change in fair value	5,490	(2,868)
Closing balance 31 July 2026	60,259	39,895

* Relates to the acquisition of Ant International Series A Preferred.

† Relates to the disposal of Chime Biologics.

Valuation movements – year to 31 July 2026



Source: Baillie Gifford. Pacific Horizon private company valuation changes, year to 31 July 2026.
Ant International was purchased during the year to 31 July 2026 and therefore not included.

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 ①	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 ①	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

* See Glossary of terms and Alternative Performance Measures on pages 122 and 123.

① Denotes listed investment previously held in the portfolio as an unlisted (private company) investment.

② Denotes unlisted (private company) investment.

Name	Geography	Business	2026 Value £'000	2026 % of total assets *	2025 Value £'000
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 [Ⓢ]	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
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 [Ⓢ]	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

* See Glossary of terms and Alternative Performance Measures on pages 122 and 123.

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

[Ⓢ] Denotes unlisted (private company) investment.

Name	Geography	Business	2026 Value £'000	2026 % of total assets *	2025 Value £'000
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 ①	India	News aggregator application	3,149	0.3%	6,689
Dailyhunt (VerSe Innovation) Series J Preferred ①	India	News aggregator application	572	0.1%	1,003
Dailyhunt (VerSe Innovation) Series Equity ①	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%	–

* See Glossary of terms and Alternative Performance Measures on pages 122 and 123.

① Denotes listed investment previously held in the portfolio as an unlisted (private company) investment.

② Denotes unlisted (private company) investment.

Name	Geography	Business	2026 Value £'000	2026 % of total assets *	2025 Value £'000
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 ⑩	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 along with comparative valuations.

	Listed equities %	Private 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 on pages 122 and 123.

† Includes holdings in ordinary shares and preference shares.

⑨ Denotes listed investment previously held in the portfolio as an unlisted (private company) investment.

⑩ Denotes unlisted (private company) investment.

Business review

Business model

Business and status

The Company is an investment company within the meaning of section 833 of the Companies Act 2006 and carries on business as an investment trust. Investment trusts are UK public listed companies and their shares are traded on the London Stock Exchange. They invest in a portfolio of assets in order to spread risk. The Company has a fixed share capital although, subject to shareholder approval, sought annually, it may purchase its own shares or issue shares. The price of the Company's shares is determined, like other listed shares, by supply and demand. The Company has been approved as an investment trust by HM Revenue & Customs subject to the Company continuing to meet the eligibility conditions. The Directors are of the opinion that the Company has continued to conduct its affairs so as to enable it to comply with the ongoing requirements of section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011.

The Company is an Alternative Investment Fund ('AIF') for the purposes of the UK Alternative Investment Fund Managers Regulations.

Purpose

The Company's purpose is to conduct business as an investment trust, investing its assets in accordance with its investment objective, in order to achieve capital growth for shareholders.

Change to Investment Policy

As explained in the Chairman's Statement on page 6, the Board has approved a non-material amendment to the Company's Investment Policy in response to the increasing concentration of the Company's comparative index, the MSCI All Country Asia ex Japan Index.

Previously, the maximum permitted investment in any one company was 15% of total assets at the time of investment. With individual companies now representing an increasingly significant proportion of the comparative index, the Board considered that this fixed limit could constrain the portfolio managers' ability to reflect their investment convictions and, in certain circumstances, result in an unintended or structurally imposed underweight position.

With effect from 15 September 2026, the limit has therefore been amended to permit investment in any one listed company up to the greater of 15% of total assets or the relevant investee company's comparative index weight plus 250 basis points, both measured at the time of investment and subject at all times to a maximum of 20% of total assets.

The Board considers this to be a measured, non-material amendment which does not alter the Company's investment objective or investment approach. The revised Investment Policy is set out below, with the amended wording underlined.

Investment objective

The Company's objective is to invest in the Asia-Pacific region (excluding Japan) and in the Indian Sub-continent in order to achieve capital growth. The Company is prepared to move freely between the markets of the region as opportunities for growth vary. The portfolio will normally consist principally of quoted securities.

Investment policy

Pacific Horizon aims to achieve capital growth principally through investment in companies listed on the stock markets of the Asia-Pacific region (excluding Japan) and the Indian Sub-continent. The Company may also invest in companies based in the region and in investment funds specialising in the region or particular countries or sectors within it even if they are listed elsewhere. 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 portfolio contains companies which the portfolio managers have identified as offering the potential for long-term capital appreciation, irrespective of whether they comprise part of any index. The portfolio is actively managed and will normally consist principally of quoted equity securities although unlisted companies, fixed interest holdings or other non-equity investments may be held. The maximum exposure to unlisted investments is 15% of total assets at the time of initial investment. The Company is also permitted to invest in other pooled vehicles (general, country and sector specific) that invest in the markets of the region.

In constructing the equity portfolio a spread of risk is created through diversification and the portfolio will typically consist of between 40 and 120 companies. Although sector concentration and the thematic characteristics of the portfolio are carefully monitored, no maximum limits to stock or sector weights have been set by the Board except as imposed from time to time by banking covenants on borrowings.

The Company may use derivatives which will be principally, but not exclusively, for the purpose of reducing, transferring or eliminating investment risk in its investments. These typically take the form of

index futures, index options and currency forward transactions.

The Company has a maximum approved equity gearing level of 50% of shareholders’ funds but, in the absence of exceptional market conditions, equity gearing is typically less than 25% of shareholders’ funds. Borrowings are invested in securities when it is considered that investment opportunities merit the Company taking a geared position. The Company is also permitted to be less than fully invested. Cash and equity gearing levels, and the extent of gearing, are discussed by the Board and Managers at every Board meeting.

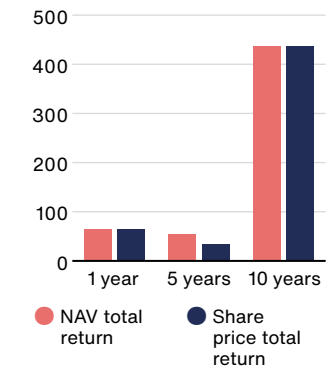
Performance

Key performance indicator

The Board uses key performance indicators (KPIs) to measure the progress and performance of the Company over time when discharging its duties as set out on page 50. These KPIs are established industry measures.

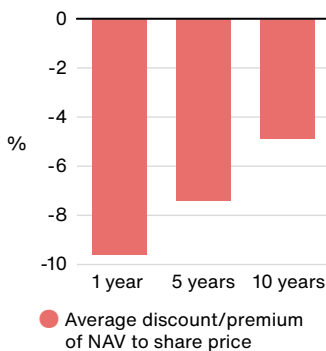
Share price and net asset value total returns (APM)

The total return is the return to shareholders after reinvesting the net dividend on the date that the share price goes ex-dividend.



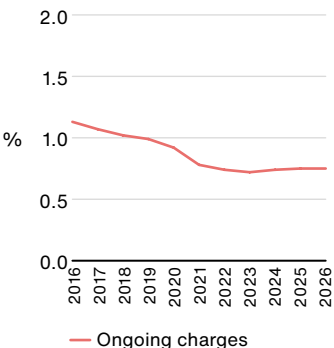
Share price discount/premium (APM)

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. If the share price is higher than the NAV per share, this situation is called a premium.



Ongoing charges (APM)

Ongoing charges are 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.



The Board also has regard to the total return of the Company’s principal comparative index (MSCI All Country Asia ex Japan Index (in sterling terms)) and considers the performance of comparable companies. Across these measures, the Board looks for relative outperformance over the long

term, while remaining mindful that the nature of the investment policy and the growth characteristics of the portfolio investments may entail periods of underperformance over the short and medium term. The Board is satisfied with the Company’s progress and performance.

Culture

As an externally managed investment company with no employees, Pacific Horizon's culture is expressed through its Board and its third party service providers, in particular its Managers, in their interactions with shareholders and other stakeholders. The Board's assessment of its own interactions is described in its Section 172 Statement on pages 50 to 52, and the Baillie Gifford Statement on Stewardship, which describes the Managers' culture of constructive engagement, is set out on page 21.

During the year, the Company replaced its previous £60 million revolving credit facility with The Royal Bank of Scotland International Limited with a new £90 million uncommitted multi-currency revolving credit facility with The Bank of New York Mellon (BNY). The BNY facility is available, subject to the Bank's discretion and unless cancelled earlier, until its review date of 31 March 2028. At 31 July 2026, £37.0 million was drawn under the BNY facility. At 31 July 2025, £35.8 million had been drawn under the previous RBSI facility. 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.

Viability statement

Notwithstanding that the continuation of the Company is subject to approval of shareholders every five years, with the next vote at the Annual General Meeting in 2026, the Directors have, in accordance with provision 31 of the UK Corporate Governance Code, published by the Financial Reporting Council, assessed the prospects of the Company over a three year period. The Directors continue to believe this period to be appropriate as it is reflective of the Company's investment approach. In the absence of any adverse change to the regulatory environment and the favourable tax treatment afforded to UK investment trusts, such a period is one over which they do not expect there to be any significant change to the current principal risks and to the adequacy of the mitigating controls in place. The Directors do not envisage any change in the Company's strategy or objectives nor do they foresee any events that would prevent the Company from continuing in existence over that period.

In making this assessment regarding viability, the Directors have taken into account the Company's current position and have conducted a robust

assessment of the Company's principal and emerging risks and uncertainties (as detailed on pages 46 to 49), in particular the impact of market risk where a significant fall in the Asia-Pacific (excluding Japan) and the Indian Sub-continent equity markets would adversely impact the value of the investment portfolio. The Directors have also considered the Company's investment objective and policy, the level of demand for the Company's shares, the nature of its assets, its liabilities and its projected income and expenditure. The Directors also considered the performance-related conditional tender and noted that, from 31 March 2025 to 31 July 2026, the Company's NAV and share price increased by 80.2% and 81.2% respectively, compared with an increase of 53.2% in the comparative index, all stated on a total return basis. The vast majority of the Company's investments are readily realisable and can be sold to meet its liabilities as they fall due. The Company's primary third party suppliers, including its Managers and Secretaries, Custodian and Depositary, Registrar, Auditor and Broker, are not experiencing significant operational difficulties affecting their respective services to the Company. In addition, as substantially all of the essential services required by the Company are outsourced to third party service providers, key service providers can be replaced at relatively short notice where necessary.

Specific leverage and liquidity stress testing was conducted during the year, including consideration of increasing geopolitical tensions. The stress testing did not indicate any matters of material concern.

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. 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.

Based on the Company's processes for monitoring revenue projections, share price discount/premium, the Managers' compliance with the investment objective, asset allocation, the portfolio risk profile, leverage, counterparty exposure, liquidity risk and financial controls, the Directors have concluded that there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next three years.

Principal and emerging risks

As explained on page 68 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?	How is it managed?	Rating and change	Current assessment of 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 those risks and how they are managed is contained in note 18 to the Financial Statements on pages 102 to 109.	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 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.		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 Middle East.
Investment strategy risk	What is the risk?	How is it managed?	Rating and change	Current assessment of 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.	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.		This risk is considered to be stable.

	High Risk		Moderate Risk		Low Risk
	Increasing Risk		Decreasing Risk		Stable Risk

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



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



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 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.

How is it managed?

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.

Rating and change



Current 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.



High Risk



Moderate Risk



Low Risk



Increasing Risk



Decreasing Risk



Stable Risk

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



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



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?

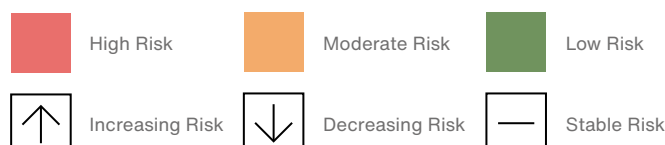
To mitigate this risk, all borrowings require the prior approval of the Board and leverage levels are discussed by the Board and Managers at every meeting. Covenant levels are monitored regularly. The majority of the Company's investments are in quoted securities that are readily realisable. Further information on leverage can be found on page 45 and the Glossary of terms and Alternative Performance Measures on pages 122 and 123.

Rating and change



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 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](https://www.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).

Rating and change



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



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, 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.



High Risk



Moderate Risk



Low Risk



Increasing Risk



Decreasing Risk



Stable Risk

Promoting the success of the Company (section 172 statement)

Under section 172 of the Companies Act 2006, the directors of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters and to the extent applicable) to: a) the likely consequences of any decision in the long term, b) the interests of the company's employees, c) the need to foster the company's business relationships with suppliers, customers and others, d) the impact of the company's operations on the community and the environment, e) the desirability of the company maintaining a reputation for high standards of business conduct, and f) the need to act fairly as between members of the company.

In this context, having regard to Pacific Horizon being an externally-managed investment company with no employees, the Board considers the Company's key stakeholders to be: its existing and potential new shareholders; its externally-appointed Managers (Baillie Gifford); other professional service providers (corporate Broker, Registrar, Auditors and Depositary); lenders; wider society and the environment.

The Board considers that the interests of the Company's key stakeholders are aligned, in terms of wishing to see the Company deliver sustainable long-term growth, in line with the Company's stated objective and strategy, and meet the highest standards of legal, regulatory, and commercial conduct, with the differences between stakeholders being merely a matter of emphasis on those elements.

The Board's methods for assessing the Company's progress in the context of its stakeholders' interests are set out below.

Stakeholder	Why we engage	How we engage and what we do
Shareholder	Shareholders are, collectively, the Company's owners: providing them with a return for their investment in accordance with the Company's investment policy and objective is the reason for its existence.	The Board places great importance on communication with shareholders. The Annual General Meeting provides an opportunity for the Board and Managers to present to shareholders on the Company's performance, future plans and prospects. It also allows shareholders the opportunity to meet with the Board and Managers and raise questions and concerns. The Chair is available to meet with shareholders as appropriate. The Managers meet regularly with shareholders and their representatives, reporting their views back to the Board. Directors also attend certain shareholder presentations, in order to gauge shareholder sentiment first hand. Shareholders may also communicate with members of the Board at any time by writing to them at the Company's registered office or to the Company's broker. These communication opportunities help inform the Board when considering how best to promote the success of the Company for the benefit of all shareholders over the long term.
Baillie Gifford – Managers and Secretaries	The Company's Board has delegated the management of the Company's portfolio, and the administration of the Company's operations including fulfilment of regulatory and taxation reporting requirements, to Baillie Gifford. Baillie Gifford is therefore responsible for the substantial activities of the Company and has the most immediate influence on its conduct towards the other stakeholders, subject to the oversight and strategic direction provided by the Board.	The Board seeks to engage with its Managers, in a collaborative and collegiate manner, encouraging open and constructive discussion and debate, while also ensuring that appropriate and regular challenge is brought and evaluation conducted. This approach aims to enhance service levels and strengthen relationships with the Company's providers, with a view to ensuring the interests of the Company's shareholders are best served, by keeping cost levels proportionate and competitive, and by maintaining the highest standards of business conduct.

Stakeholder	Why we engage	How we engage and what we do
Portfolio companies	As all of the Company's operations are conducted by third party professional providers, it is the companies held in its investment portfolio which have the primary real-world impact in terms of social and environmental change, both positively and negatively, as well as generating, through their commercial success, the investment growth sought by the Company's shareholders. The investee companies have an interest in understanding their shareholders' investment rationale in order to assure themselves that long-term business strategies will be supported.	The Board is cognisant of the need to consider the impact of the Company's investment strategy and policy on wider society and the environment. The Board considers that its oversight of environmental, social and governance ('ESG') matters is an important part of its responsibility to all stakeholders. The Board's review of the Managers includes an assessment of their ESG approach and its application in making investment decisions. The Board regularly reviews governance engagement reports, which document the Managers' interactions with investee companies on ESG matters (see pages 17 to 20).
Brokers	The Company's brokers provide an interface between the Company's Board and its institutional shareholders.	The Company's brokers regularly attend Board meetings, and provide reports to those meetings, in order to keep the Board apprised of shareholder and wider market sentiment regarding the Company. They also arrange forums for shareholders to meet the Chair, or other Directors, outwith the normal general meeting cycle.
Registrar	The Company's registrar provides an interface with those shareholders who hold the Company's shares directly.	The Company Secretaries liaise with the registrar to ensure the frequency and accuracy of communications to shareholders is appropriate, and monitor shareholder correspondence to ensure that the level of service provided by the Registrar is acceptable. The Managers' risk function reviews the registrars' internal controls report and reports on the outcome of this review to the Board.
Auditor	The Company's Auditor has a responsibility to provide an opinion on whether the Company's Financial Statements as a whole are free from material misstatement, as set out in more detail in the Auditor's report to the Members on pages 81 to 87.	The Company's Auditor meets with the Audit Committee, in the absence of the Managers where deemed necessary, and the Managers undertake to provide all information requested by the Auditor in connection with the Company's annual audit promptly and to ensure that it is complete and accurate in all respects.
Depository and Custodian	The Depository is responsible for the safekeeping of the Company's financial instruments, as set out in more detail on page 59.	The Depository provides the Audit Committee with a report on its monitoring activities. The Investment Manager's Business Risk team reviews the relevant Bank of New York Mellon internal controls report and reports any relevant matters to the Audit Committee. This approach aims to enhance service levels and strengthen relationships with the Company's providers, with a view to ensuring the interests of the Company's shareholders are best served by keeping cost levels proportionate and competitive, and by maintaining the highest standards of business conduct.
Lenders	Lenders such as holders of debt instruments (debentures, bonds and private placement loan notes) and banks providing fixed or revolving credit facilities provide the Company's gearing as described on page 45 and have an interest in the Company's ongoing financial health and viability.	The Company's legal advisers review all legal agreements in connection with the Company's debt arrangements and advise the Board on the appropriateness of the terms and covenants therein. The Managers and Secretaries ensure that the frequency and accuracy of reporting on, for example, covenant certification, is appropriate and that correspondence from the lenders receives a prompt response.

Stakeholder	Why we engage	How we engage and what we do
AIC/industry peers	The Association of Investment Companies ('AIC') and the Company's investment trust industry peers have an interest in the Company's conduct and performance, as adverse market sentiment towards one investment trust can affect attitudes towards the wider industry.	The Company is a member of the AIC, and the Directors and/or the Managers and Secretaries (as appropriate) participate in technical reviews, requests for feedback on proposed legislation or regulatory developments, corporate governance discussions and/or training.
Investment platforms	Investment platforms provide an interface with shareholders who invest in the Company indirectly.	The Managers liaise with the various investment platforms on strategies for improving communications with the Company's shareholders who hold their shares via these platforms. An annual timetable of key dates is published on the Company's page of the Managers' website, for the ease of reference of such shareholders.
Wider society and the environment	No entity, corporate or otherwise, can exist without having an influence on the society in which it operates or utilising the planet's resources. Through its third-party relationships, as noted above, the Company seeks to be a positive influence and, in circumstances where that is not possible, to mitigate its negative impacts insofar as is possible.	The Board and Managers' interactions with the various stakeholders as noted above form the principal forms of direct engagement with wider society and in respect of the environment (commercial, financial, and in terms of planetary health and resources).

The Board recognises the importance of keeping the interests of the Company and its stakeholders, in aggregate, firmly front of mind in its key decision making. The Company Secretaries are available at all times to the Board to ensure that suitable consideration is given to the range of factors to which the Directors should have regard. In addition to ensuring that the Company's stated investment objective was being pursued, key decisions and actions during the year which required the Directors to have regard to applicable section 172 factors included:

- the buying back of 7,802,351 of the Company's own shares into treasury at a discount to net asset value, for subsequent reissue, in order to ensure the Company's shareholders found liquidity for their shares when natural market demand was insufficient, and on terms that enhance net asset value for remaining shareholders.
- assessing Director remuneration to ensure that it is set at a level that attracts new Directors.
- 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.

- approving the non-material amendment to the Company's investment policy, having considered shareholders' interests, appropriate diversification and the flexibility required for the Managers to express high-conviction investment views.

Employees, human rights and community issues

The Board recognises the requirement to provide information about employees, human rights and community issues. As the Company has no employees, all its Directors are non-executive and all its functions are outsourced, there are no disclosures to be made in respect of employees, human rights and community issues.

Gender representation

As at 31 July 2026, and the date of this report, the Board comprises five Directors, three male and two female. The Company has no employees. The Board's policy on diversity is set out on page 67.

Environmental, social and governance policy

Details of the Company's policy on socially responsible investment can be found under corporate governance and stewardship on page 70 with more details of the Managers' approach to socially responsible investment set out in the Baillie Gifford statement on stewardship on page 21. The Managers are signatories to the United Nations Principles for Responsible Investment and the Carbon Disclosure Project, the Net Zero Asset Managers Initiative and are also members of the International Corporate Governance Network and the Asian Corporate Governance Association.

The Company considers that it does not fall within the scope of the Modern Slavery Act 2015 and it is not, therefore, obliged to make a slavery and human trafficking statement. In any event, the Company considers its supply chains to be of low risk as its suppliers are typically professional advisers. A statement by the Managers under the Act has been published on the Managers' website at [bailliegifford.com](https://www.bailliegifford.com).

Climate change

The Board recognises that climate change poses a serious threat to our environment, our society and to economies and companies around the globe. Addressing the underlying causes is likely to result in companies that are high emitters of carbon facing greater societal and regulatory scrutiny and higher costs to account for the true environmental impact of their activities. The Company's TCFD report is available on the Company's page of the Managers' website at [pacifichorizon.co.uk](https://www.pacifichorizon.co.uk). This report is a means by which the portfolio's carbon footprint and exposure to climate risk are measured and reported. Companies disclosing their emission and communicating emissions plans will be a helpful place from which to begin more useful discussions with management teams, industry experts and regulators.

Although this can direct our efforts, the Managers believe that carbon footprint metrics in isolation are unhelpful – that some firms pollute more than others is a mostly meaningless observation. More significant is the ability of Pacific Horizon to deploy patient capital into innovative new technologies with the potential to accelerate the transition away from carbon. The Managers utilise data sourced from a third-party provider to map the carbon footprint of the portfolio. This analysis estimates that the carbon intensity of Pacific Horizon is 68.2% less than the index (MSCI All Country Asia ex Japan) and is based on 85.5% of the value of the Company's equity portfolio which reports on carbon emissions and other carbon related characteristics. Under the Streamlined Energy and Carbon Reporting ('SECR') regulations, the Company is not required to disclose energy and carbon information (see page 63).

Future developments of the Company

The outlook for the Company is set out in the Chairman's statement on page 6 and in the Managers' review on pages 11 to 15. The Strategic report which includes pages 6 to 53 was approved by the Board of Directors and signed on its behalf on 21 September 2026.

Roger Yates
Chairman

Governance report

This governance report, which includes pages 55 to 79 outlines the Board's approach to the governance of your Company. We believe that good governance builds better outcomes and we are committed to high standards of corporate governance and transparency.

Directors and management

Directors



Roger Yates

Chairman

Appointed 2024

Roger Yates was appointed a Director and Chairman in 2024. He was Chief Executive of Henderson Global Investors from 1999 to 2008, prior to which he had fund management roles at Invesco/LGT and Morgan Grenfell Asset Management. He is currently Senior Independent Director ('SID') of Mitie Group plc, non-executive Director of Jupiter Fund Management plc and Chair of The Biotech Growth Trust PLC. He is the former SID of Jupiter Fund Management plc, FTSE-100 St James's Place and of IG Group plc. Amongst his other roles, he is also a former Chair of Electra Private Equity plc and a former non-executive Director of JP Morgan Elect PLC.



Sir Robert Chote

Director

Appointed 2020

Sir Robert Chote was appointed a Director in 2020. He became chairman of the Northern Ireland Fiscal Council in 2021 and began his tenure as President of Trinity College, Oxford, in November 2025. He became chairman of the UK Statistics Authority in 2022 and stepped down in September 2025. He served as chairman of the Office for Budget Responsibility from 2010 to 2020 and previously served as Director of the Institute for Fiscal Studies, as an advisor to the International Monetary Fund and as Economics Editor of the Financial Times. He is a visiting professor at the Department of Political Economy, Kings College London and serves on an advisory board at the Centre for Economic Performance of the London School of Economics.



Wee-Li Hee

Director

Appointed 2020

Wee-Li Hee was appointed a Director in 2020. She is an experienced Asian analyst and fund manager. Brought up in Singapore, she speaks fluent Mandarin and studied in the UK at the University of Leeds and the London School of Economics and Political Science. After graduation, in 2002 she joined First State Investments in Singapore as an analyst, subsequently moving to the firm's Edinburgh office in 2005. Having co-managed Scottish Oriental Smaller Companies Trust plc she became lead manager in 2014, stepping back as a result of family commitments to return to a co-manager role in 2017 and retiring at the end of 2019. She is a CFA Charterholder and a director of Melville Paisley Investments.



Angela Lane
Audit Committee
Chair
Appointed 2018

Angela Lane was appointed a Director in 2018. She is Chairman of the Audit Committee and is the Senior Independent Director. She is a Chartered Accountant and has held several non-executive and advisory roles for private and quoted companies across a range of industries. Previously she spent 18 years working as a private equity investor for 3i plc. She is a non-executive director of BlackRock Smaller Companies Trust plc and Chair of the Audit Committee of Seraphim Space Investment Trust. She is also a non-executive director of Apogee, the holding company for Kinstellar, a leading law firm in Central and Eastern Europe and South East Asia.



Joe Studwell
Director
Appointed 2018

Richard Frank ('Joe') Studwell was appointed a Director in 2018. He has spent over 25 years working in East Asia as a journalist, independent researcher at Dragonomics and author under the name of Joe Studwell. His published works include Asian Godfathers: Money and Power in Hong Kong and South-East Asia and How Asia Works: Success and Failure in the World's Most Dynamic Region. He is Senior Visiting Fellow at ODI Global and Senior Fellow at Africa Urban Lab.

All of the Directors are members of the Nomination, Management Engagement and Audit Committee.

Portfolio managers

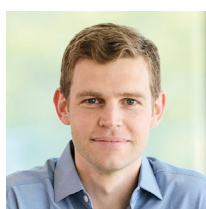


Roderick Snell

Portfolio manager

Appointed 2013

Roddy is a portfolio manager in the Emerging Markets Equity Team. He joined Baillie Gifford in 2006 and became a partner of the firm in 2023. He has managed the Baillie Gifford Pacific Fund since 2010 and has been manager of Pacific Horizon Investment Trust since 2021 (having been Deputy since 2013). Roddy also co-manages the China equity strategy. Prior to joining the team in 2008, he has also spent time in the UK and European Equity teams. Roddy graduated BSc (Hons) in Medical Biology from the University of Edinburgh in 2006.



Ben Durrant

Deputy portfolio manager

Appointed 2023

Ben is a portfolio manager in the Emerging Markets Equity Team. He has co-managed the Baillie Gifford Pacific Fund since 2021, and became deputy manager of the Pacific Horizon Investment Trust in January 2023. He joined Baillie Gifford in 2017 and has also spent time in the UK, Global Discovery and Private Companies teams. Prior to joining Baillie Gifford, he previously worked for RBS in their Group Strategy and Corporate Finance Team. Ben is a Chartered Accountant and a CFA Charterholder, and graduated BSc (Hons) in Mathematics from the University of Edinburgh in 2012.

The Company has appointed Baillie Gifford & Co Limited, a wholly-owned subsidiary of Baillie Gifford & Co, as its Alternative Investment Fund Managers ('AIFM') and Company Secretaries. Baillie Gifford & Co Limited has delegated portfolio management services to Baillie Gifford & Co. Dealing activity and transaction reporting have been further sub-delegated to Baillie Gifford Overseas Limited and Baillie Gifford Asia (Hong Kong) Limited. Baillie Gifford & Co is an investment management firm formed in 1927 out of the legal firm Baillie & Gifford, WS, which has been involved in investment management since 1908.

Baillie Gifford is one of the largest investment trust Managers in the UK and currently manages twelve close-ended investment companies. Baillie Gifford also manages open-ended investment companies, together with investment portfolios on behalf of pension funds, charities and other institutional clients, both in the UK and overseas. Funds under the management or advice of Baillie Gifford totalled around £197 billion. Based in Edinburgh, it is one of the leading privately owned investment management firms in the UK, with 54 partners and a staff of around 1,550.

Baillie Gifford & Co Limited and Baillie Gifford & Co are both authorised and regulated by the Financial Conduct Authority.

Directors' report

The Directors present their report together with the Financial Statements of the Company for the year to 31 July 2026.

Corporate governance

The corporate governance report is set out on pages 64 to 70 and forms part of this report.

Managers and Company Secretaries

Baillie Gifford & Co Limited, a wholly owned subsidiary of Baillie Gifford & Co, has been appointed as the Company's Alternative Investment Fund Managers ('AIFM') and Company Secretaries. Baillie Gifford & Co Limited has delegated portfolio management services to Baillie Gifford & Co. Dealing activity and transaction reporting have been further sub-delegated to Baillie Gifford Overseas Limited and Baillie Gifford Asia (Hong Kong) Limited.

The Investment Management Agreement sets out the matters over which the Managers have authority in accordance with the policies and directions of, and subject to restrictions imposed by, the Board. The Managers may terminate the Management Agreement on six months' notice and the Company may terminate on three months' notice. Compensation fees would only be payable in respect of the notice period if termination were to occur within a shorter notice period.

The annual management fee is 0.75% on the first £50 million of net assets, 0.65% on the next £200 million of net assets and 0.55% on the remaining net assets. With effect from 1 August 2026, the management fee has been amended to 0.65% on the first £500 million of net assets and 0.50% on net assets above £500 million. The revised fee structure simplifies the previous arrangements and reduces the marginal management fee as the Company's assets grow.

The Board is of the view that calculating the fee with reference to performance would be unlikely to exert a positive influence on performance.

The Board considers the Company's investment management and secretarial arrangements on an ongoing basis and a formal review is conducted by the Management Engagement Committee annually.

The following topics, amongst others, are considered in the review:

- the quality of the personnel assigned to handle the Company's affairs;
- the investment process and the results achieved to date;
- the administrative services provided by the Secretaries; and
- the marketing effort undertaken by the Managers.

Following the most recent review, it is the opinion of the Management Engagement Committee that the continuing appointment of Baillie Gifford & Co Limited as AIFM and Company Secretaries, and the delegation of the investment management services to Baillie Gifford & Co and the further sub-delegation of dealing activity and transaction reporting to Baillie Gifford Overseas Limited and Baillie Gifford Asia (Hong Kong) Limited, on the terms agreed, is in the interests of shareholders as a whole due to the strength of the investment management team, the Managers' commitment to the investment trust sector and the quality of the secretarial and administrative functions. In undertaking the review, the Directors also considered the execution of the agreed investment strategy and the relative performance over the medium term.

Depository

The Bank of New York Mellon (International) Limited has been appointed as the Company's Depository in accordance with the requirements of the UK Alternative Investment Fund Managers Regulations.

The Depository's responsibilities include cash monitoring, safe keeping of the Company's financial instruments, verifying ownership and maintaining a record of other assets and monitoring the Company's compliance with investment limits and leverage requirements. The Company's Depository also acts as the Company's Custodian.

Directors

Information about the Directors, including their relevant experience, can be found on pages 55 and 56.

All of the Directors are retiring at the Annual General Meeting ('AGM') and all are offering themselves for re-election. Following formal performance evaluation, the Chairman confirms that the Board considers that each Director's performance continues to be effective and that they remain committed to the Company and capable of devoting sufficient time to their roles. The Board therefore recommends their re-election to shareholders.

Director indemnification and insurance

The Company has entered into qualifying third party deeds of indemnity in favour of each of its Directors. The deeds, which were in force during the year to 31 July 2026 and up to the date of approval of this report, cover any liabilities that may arise to a third party, other than the Company, for negligence, default or breach of trust or duty. The Directors are not indemnified in respect of liabilities to the Company, any regulatory or criminal fines, any costs incurred in connection with criminal proceedings in which the Director is convicted or civil proceedings brought by the Company in which judgement is given against him/her. In addition, the indemnity does not apply to any liability to the extent that it is recovered from another person. The Company also maintains Directors' and Officers' liability insurance.

Conflicts of interest

Each Director submits a list of potential conflicts of interest to the Nomination Committee on an annual basis. The Committee considers these carefully, taking into account the circumstances surrounding them and makes a recommendation to the Board on whether or not the potential conflicts should be authorised. Board authorisation is for a period of one year.

Having considered the lists of potential conflicts there were no situations which gave rise to a direct or indirect interest of a Director which conflicted with interests of the Company.

Dividends

The Company's objective is that of generating capital growth. Consequently, the Managers do not invest in companies based on the level of income they may pay out as dividends.

As highlighted previously, the Board does not intend to draw on the Company's revenue reserve to pay or maintain dividends. This year the net revenue surplus does not require a distribution to be made to maintain investment trust status. No dividend is therefore being recommended for payment in respect of this financial year.

Share capital

Capital structure

The Company's capital structure as at 31 July 2026 consists of 77,846,076 ordinary shares of 10p each (2025 – 85,648,427 ordinary shares), see note 13. At 31 July 2026, 14,228,885 shares were held in treasury (2025 – 6,426,534 shares held in treasury). There are no restrictions concerning the holding or transfer of the Company's ordinary shares and there are no special rights attached to any of the shares.

Dividends

The ordinary shares carry a right to receive dividends. Interim dividends are determined by the Directors, whereas the proposed final dividend is subject to shareholder approval.

Capital entitlement

On winding up, after meeting the liabilities of the Company, the surplus assets will be paid to ordinary shareholders in proportion to their shareholdings.

Voting

Each ordinary shareholder present in person or by proxy is entitled to one vote on a show of hands and, on a poll, to one vote for every share held.

Major interests disclosed in the Company's shares

Name	Ordinary 10p shares held at 31 July 2026	% of issue
Sarasin and Partners LLP (indirect)*	7,757,676	10.0%
City of London Investment Management Company Limited	9,597,485	12.3%

* Previously disclosed as A&OT Investments Limited (direct).

Holdings above are stated as per the most recent notification to a Regulatory Information Service. There have been no other changes to the major interests in the Company's shares disclosed up to 16 September 2026.

Analysis of shareholders at 31 July

	2026 Number of shares held	2026 %	2025 Number of shares held	2025 %
Institutions	26,118,050	33.6	30,222,457	35.3
Intermediaries*	50,697,370	65.1	53,898,577	62.9
Individuals	684,125	0.9	1,047,853	1.2
Marketmakers	346,531	0.4	479,540	0.6
	77,846,076	100.0	85,648,427	100.0

Annual General Meeting

The details of this year's AGM, including the proposed resolutions and information on the deadlines for proxy appointments, can be found on pages 111 to 115. Shareholders who hold shares in their own name on the main register will be provided with a Form of Proxy. If you hold shares through a share platform or other nominee, the Board would encourage you to contact these organisations directly as soon as possible to arrange for you to vote at the AGM. The resolutions relating to the renewal of the Directors' authorities to issue and buy back shares and the Continuation Vote, are explained in more detail below.

* Intermediaries comprise shares held through platforms, nominee companies, wealth managers and other investment intermediaries on behalf of underlying clients, rather than directly by institutional investors or individuals.

Issuance of shares

At the last Annual General Meeting, the Directors were granted shareholders' approval for a general authority to issue shares and also an authority to issue shares or sell shares held in treasury on a non pre-emptive basis (without first offering such shares to existing shareholders pro-rata to their existing holdings) for cash up to an aggregate nominal amount of £844,664. Both authorities expire at the forthcoming Annual General Meeting and the Directors are seeking shareholders' approval to renew them for a further year, as detailed below.

During the year to 31 July 2026, the Company bought back 7,802,351 shares (representing 9.1% of the issued share capital at 31 July 2025) at a discount to net asset value at a cost of £73,586,000 which are held in treasury. The Company did not issue any ordinary shares from treasury. Between 1 August and 16 September 2026, no further shares were issued and 535,913 shares were bought back. 14,764,798 shares were held in treasury as at 16 September 2026.

Resolution 11 in the Notice of Annual General Meeting seeks a general authority for the Directors to issue ordinary shares up to an aggregate nominal amount of £773,101. This amount represents approximately 10% of the Company's total ordinary share capital in issue at 16 September 2026, being the latest practicable date prior to the publication of this document, and meets institutional guidelines. No issue of ordinary shares will be made pursuant to the authorisation in Resolution 11 which would effectively alter the control of the Company without the prior approval of shareholders in general meeting.

Resolution 12 which is being proposed as a special resolution, seeks to renew the Directors' authority to allot equity securities, or sell treasury shares, for cash without having to offer such shares to existing shareholders pro-rata to their existing holdings, up to a total nominal amount of £773,101 representing approximately 10% of the Company's total issued ordinary share capital as at 16 September 2026, being the latest practicable date prior to publication of this document.

The Directors consider that the authority proposed to be granted by Resolution 12 continues to be advantageous when the Company's shares trade at a premium to net asset value and the level of natural liquidity in the market is unable to meet demand. The Directors do not intend to use this authority to sell or issue ordinary shares on a non pre-emptive basis at a discount to net asset value. While the level of the authority being sought is greater than the 5% recommended by the Pre-Emption Group in their

Statement of Principles on disapplying pre-emption rights, it is specifically recognised in the Statement of Principles that, where an investment trust is seeking authority to issue shares at a premium to the underlying net asset value per share, this should not normally raise concerns and the Directors consider the greater flexibility provided by this authority to be justified in the circumstances.

The authorities sought in Resolutions 11 and 12 will continue until the conclusion of the Annual General Meeting to be held in 2027 or on the expiry of 15 months from the passing of the resolutions, if earlier.

Such authorities will only be used to issue shares or sell shares from treasury at a premium to net asset value and only when the Directors believe that it would be in the best interests of the Company to do so. The Directors believe that the ability to buy back shares at a discount and re-sell them or issue new shares at a premium are useful tools in smoothing supply and demand.

Market purchase of own shares by the Company

Resolution 13 seeks shareholders' approval (by way of a special resolution) to renew the authority to purchase up to 14.99 per cent. of the ordinary shares in issue (excluding treasury shares) as at 16 September 2026, being the latest practicable date prior to publication of this document (or, if less, up to 14.99 per cent. of the ordinary shares in issue (excluding treasury shares) on the date on which the resolution is passed). This authority will expire at the end of the Annual General Meeting of the Company to be held in 2027. Such purchases will only be made at a discount to the prevailing net asset value.

The Company may hold bought back shares in treasury and then:

- a. sell such shares (or any of them) for cash (or its equivalent under the Companies Act 2006); or
- b. cancel such shares (or any of them).

Shares will only be re-sold from treasury at (or at a premium to) the net asset value per ordinary share.

Treasury shares do not receive distributions and the Company will not be entitled to exercise the voting rights attaching to them. In accordance with the Listing Rules, the maximum price (exclusive of expenses) that may be paid on the exercise of the authority shall be an amount equal to the higher of:

- i. 5 per cent. above the average closing price on the London Stock Exchange of an ordinary share over the five business days immediately preceding the date of the purchase; and

- ii. the higher of the price of the last independent trade and the highest current independent bid for such a share on the London Stock Exchange.

The minimum price (again exclusive of expenses) that may be paid will be the nominal value of an ordinary share. Purchases of ordinary shares will be made within guidelines established, from time to time, by the Board. The Company does not have any warrants or options in issue. The Directors intend that this authority, if conferred, will be exercised only if to do so would result in an increase in net asset value per ordinary share for the remaining shareholders and if it is in the best interest of shareholders generally.

Proposal to Extend the Life of the Company

At the Company's Annual General Meeting held in 2021 shareholders approved the further continuation of the Company for a period of five years until the earlier of the Company's Annual General Meeting to be held in 2026 or 30 November 2026. At this year's Annual General Meeting the Directors are proposing, pursuant to the Articles, that the life of the Company be extended for a further period of five years. Having conducted a thorough review of the Managers' approach and resources, the Board judges them to have the right team to manage a portfolio in what the Board considers to be a region with superior long term prospects for investment. The Managers' focus on individual growth stocks that will benefit from the economic, social and technological changes in evidence across the region should prove fruitful for the long term patient investor.

Your Directors therefore believe that it is desirable to extend the Company's life and recommend that shareholders vote in favour of an extension for a further period of five years. The relevant resolution has been included as Resolution 15 in the Notice of Meeting. If Resolution 15 is not passed, the Company will be wound up in accordance with the winding up provisions set out in the Articles.

Recommendation

The Board considers that all the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and its shareholders as a whole. Accordingly, the Board unanimously recommends that you vote in favour of all of the Resolutions, as the Directors intend to do in respect of their own beneficial shareholdings.

Financial instruments

The Company's financial instruments comprise its investment portfolio, cash balances, bank borrowings and debtors and creditors that 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 18 to the Financial Statements.

Future developments of the Company

The outlook for the Company is set out in the Chairman's statement on page 6 and the Managers' review on pages 11 to 15.

Going concern

In accordance with the Financial Reporting Council's guidance on going concern and liquidity risk, the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern.

The Company's principal and emerging risks are market related. An explanation of these risks and how they are managed is contained on pages 46 to 49 and in note 18 to the Financial Statements. The Board has, in particular, considered the impact of heightened market volatility due to macroeconomic and geopolitical concerns, but it does not believe the Company's going concern is affected.

The Company's assets, the majority of which are investments in quoted securities which are readily realisable, exceed its liabilities significantly. All borrowings require the prior approval of the Board. The Board approves borrowing and gearing limits and reviews regularly the amounts of any borrowing and the level of gearing as well as compliance with borrowing covenants. Stress testing was performed in the year and no matters were raised. The Company has a 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. At 31 July 2026, there were outstanding drawings of £37,040,000 (31 July 2025 – £35,780,000). The main covenants relating to the facility are that borrowings must not exceed 30% of the Company's adjusted net asset value and that the Company's net asset value must be at least £300 million. The Company has continued to comply with the investment trust status requirements of section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax)

Regulations 2011. The Company's primary third party suppliers, including its Managers and Secretaries, Custodian and Depositary, Registrar, Auditor and Broker, are not experiencing significant operational difficulties affecting their respective services to the Company. In accordance with the Company's Articles of Association, shareholders have the right to vote on the continuation of the Company every five years, the next vote being at the Annual General Meeting in 2026. If the continuation resolution is not approved, the Directors will convene a further general meeting to propose the voluntary winding up of the Company in accordance with the Articles. The Financial Statements have been prepared on the going concern basis; having assessed the principal and emerging risks and other matters set out in the Viability Statement on page 45 (which assesses the prospects of the Company over a period of three years) it is the Directors' opinion that the Company will continue in operational existence for a period of at least twelve months from the date of approval of these Financial Statements.

Articles of Association

The Company's Articles of Association may only be amended by special resolution at a general meeting of shareholders.

Disclosure of information to Auditor

The Directors confirm that so far as each of the Directors is aware there is no relevant audit information of which the Company's auditor is unaware and the Directors have taken all the steps that they might reasonably be expected to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Independent Auditor

The Auditor, BDO LLP, is willing to continue in office and, in accordance with section 489 and section 491(1) of the Companies Act 2006, resolutions concerning BDO LLP's reappointment and remuneration will be submitted to the Annual General Meeting.

Post balance sheet events

The Directors confirm, up to 21 September 2026, that there have been no significant post Balance Sheet events which require adjustment to the Financial Statements.

Greenhouse Gas Emissions and Streamlined Energy & Carbon Reporting ('SECR')

All of the Company's activities are outsourced to third parties. The Company therefore 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 Report and Directors' Reports) Regulations 2013. For the reasons set out above, the Company considers itself to be a low energy user under the SECR regulations and therefore, is not required to disclose energy and carbon information.

Bribery act

The Company has a zero tolerance policy towards bribery and is committed to carrying out business fairly, honestly and openly. The Managers also adopt a zero tolerance approach and have policies and procedures in place to prevent bribery.

Criminal Finances Act 2017

The Company has a commitment to zero tolerance towards the criminal facilitation of tax evasion.

On behalf of the Board
 Roger Yates
 Chairman
 21 September 2026

Corporate governance report

The Board is committed to achieving and demonstrating high standards of corporate governance. This statement outlines how the principles of the 2024 UK Corporate Governance Code ('Code'), which can be found at [frc.org.uk](https://www.frc.org.uk), and the relevant principles of the Association of Investment Companies ('AIC') Code of Corporate Governance ('AIC Code') issued in 2024 were applied throughout the financial year. The AIC Code provides a framework of best practice for investment companies and can be found at theaic.co.uk.

Compliance

The FRC has confirmed that AIC member companies who report against the AIC Code will be meeting their obligations in relation to the UK Code (the AIC Code can be found at theaic.co.uk). The Board confirms that the Company has complied throughout the year under review with the relevant provisions of the Code and the recommendations of the AIC Code with the exception that the Company does not have a separate internal audit function as explained on page 72.

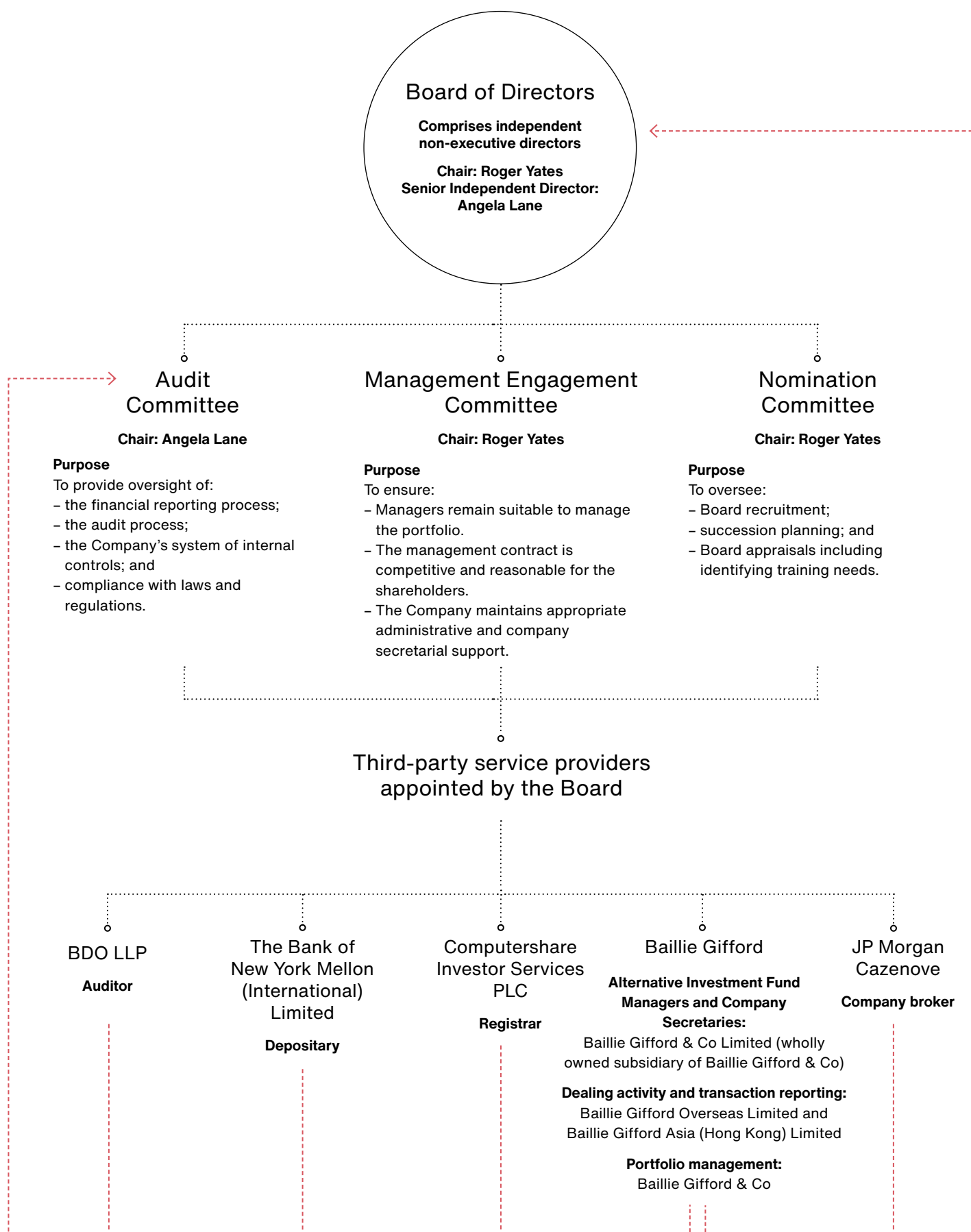
The Board

The Board has overall responsibility for the Company's affairs. It has a number of matters formally reserved for its approval including strategy, investment policy, currency hedging, gearing, treasury matters, dividend and corporate governance policy. The Board also reviews the Financial Statements, investment transactions, revenue budgets and performance of the Company. Full and timely information is provided to the Board to enable the Board to function effectively and to allow Directors to discharge their responsibilities.

As at 31 July 2026 and up to the date of this report the Board comprises five Directors all of whom are non-executive and independent.

The Chairman, Mr RP Yates, is responsible for organising the business of the Board, ensuring its effectiveness and setting its agenda.

Ms AC Lane is the Senior Independent Director ('SID') and, as such, available to shareholders if they have concerns not properly addressed to the Chairman. The SID leads the Chairman's performance appraisal and chairs the Nomination Committee when it considers the Chairman's succession.



The executive responsibility for investment management has been delegated to the Company's Alternative Investment Fund Managers ('AIFM'), Baillie Gifford & Co Limited, and, in the context of a Board comprising only non-executive Directors, there is no chief executive officer.

The Directors believe that the Board has a balance of skills and experience that enable it to provide effective strategic leadership and proper governance of the Company. Information about the Directors, including their relevant experience, can be found on pages 55 and 56.

There is an agreed procedure for Directors to seek independent professional advice, if necessary, at the Company's expense.

Appointments to the Board

New Directors are appointed by the Board, following recommendation to the Board by the Nomination Committee. The terms and conditions of Directors' appointments are set out in formal letters of appointment which are available for inspection on request.

Under the provisions of the Company's Articles of Association, a Director appointed during the year is required to retire and seek approval by shareholders at the next Annual General Meeting.

In accordance with the AIC Code of Corporate Governance, all Directors are subject to annual re-election.

The names of Directors retiring and offering themselves for re-election together with the reasons why the Board supports this are set out on page 59.

Independence of Directors

All the Directors are considered by the Board to be independent of the Managers and free of any business or other relationship which could interfere with the exercise of their independent judgement.

The Directors recognise the importance of succession planning for company boards and review the Board's composition annually. The Board is of the view that length of service will not necessarily compromise the independence or contribution of directors of an investment trust company, where continuity and experience can be a benefit to the Board. The Board concurs with the view expressed in the AIC Code that long serving Directors should not be prevented from being considered independent.

Following a formal performance evaluation, the Board concluded that its members continued to be independent in character and judgement and their skills and experience added significantly to the strength of the Board.

Meetings

There is an annual cycle of Board meetings which is designed to address, in a systematic way, overall strategy, review of investment policy, investment performance, marketing, revenue budgets, dividend policy and communication with shareholders. The Board considers that it meets sufficiently regularly to discharge its duties effectively. The table below shows the attendance record for the core Board and Committee Meetings held during the year, excluding ancillary and sub-committee meetings. The Annual General Meeting was attended by all Directors.

Directors' attendance at meetings

	Board	Audit Committee	Nomination Committee	Management Engagement Committee
Number of meetings	4	4	1	1
RW Chote	4	4	1	1
W Hee	4	4	1	1
AC Lane	4	4	1	1
RF Studwell	4	4	1	1
RP Yates	4	4	1	1

Chairperson and Directors' tenure

The Nomination Committee has considered the question of tenure for directors and has concluded that there should be a maximum time limit of nine years for a director or chairperson to serve on the Board, under normal circumstances. The Nomination Committee keeps under review the balance of skills, knowledge, experience, performance and length of service of the Directors, ensuring the Board has the right combination of skills and preservation of knowledge and experience, balanced with the appointment of new Directors, bringing in fresh ideas and perspective.

Management Engagement Committee

All Directors are members of the Management Engagement Committee, which is chaired by the Chairman of the Board. The Board considers each member of the Committee to be independent. To discharge its duties, the Committee met during the year to consider: the performance and suitability of the Manager; the terms and conditions of the AIFM Agreement, including fees; and the Committee's Terms of Reference. The Committee's Terms of Reference are available on request from the Company and on the Company's page of the Managers' website: pacifichorizon.co.uk.

Nomination Committee

The Nomination Committee consists of all the non-executive Directors and the Chairman of the Board is Chairman of the Committee. The Committee meets on an annual basis and at such other times as may be required. The Committee has written terms of reference that include reviewing the composition of the Board, identifying and nominating new candidates for appointment to the Board, Board appraisal, planning for an orderly succession including overseeing development of a diverse pipeline for succession, and training. The Committee also considers whether Directors should be recommended for re-election by shareholders. The Committee is responsible for considering Directors' potential conflicts of interest and for making recommendations to the Board on whether or not potential conflicts are material to an individual Director's performance. The Committee's Terms of Reference are available on request from the Company and on the Company's page of the Managers' website: pacifichorizon.co.uk.

Diversity policy

Appointments to the Board are made on merit with due regard for the benefits of diversity including gender, social and ethnic backgrounds, cognitive and personal strengths. The priority in appointing new directors is to identify the candidate with the best range of skills and experience to complement existing Directors. Within the context of a small, entirely non-executive Board, a single appointment or retirement can have a significant impact on percentage representation, and a limited number of senior roles are available. The Board

will endeavour to comply with the UK Listing Rules diversity targets more often than not but notes that an orderly succession plan can, when implemented thoughtfully and having regard to the best interests of the Company and its shareholders, take a significant period of time to develop and may result in periods when the diversity targets are not met. Furthermore, the particular circumstances of directors may prevent them from being able to undertake the responsibilities of a senior role. In such circumstances, the value brought to the Board by their inclusion outweighs the ambition of meeting diversity targets.

Board composition

In order to fulfil its obligations, the Board recognises the importance of having a range of skilled and experienced Directors, balancing the benefits of length of service and knowledge of the Company with the desirability of ensuring regular refreshment of the Board. The Board reviews its composition annually.

The following disclosures are provided in respect of the UK Listing Rules targets that: i) 40% of a board should be women; ii) at least one senior role should be held by a woman; and iii) at least one board member should be from a non-white ethnic background, as defined by the Office of National Statistics criteria.

As an externally managed investment company with no chief executive officer or chief financial officer, the roles which qualify as senior under FCA guidance are Chair and Senior Independent Director ('SID'). The Board also considers Audit Committee Chair to represent a senior role within this context.

The Board currently complies in all respects with the UK Listing Rules targets.

Gender	Number	%	Senior roles
Men	3	60	1
Women	2	40	1

Ethnic background	Number	%	Senior roles
White	4	80	2
Asian/Asian British	1	20	–

Performance evaluation

An appraisal of the Chairman, each Director and a performance evaluation and review of both the Board as a whole and of the individual Committees was carried out during the year. After inviting each Director and the Chairman to consider and respond to evaluation questionnaires, the performance of each Director was appraised by the Chairman and the Chairman's appraisal was led by Ms AC Lane, the Company's Senior Independent Director.

The appraisals and evaluations considered, amongst other criteria, the balance of skills of the Board, training and development requirements, the contribution of individual Directors and the overall effectiveness of the Board and its Committees.

Following this process, it was concluded that the performance of each Director, the Chairman, the Board and its Committees continues to be effective and each Director and the Chairman are committed to the Company. A review of the Chairman's and other Directors' commitments was carried out and the Board is satisfied that they are capable of devoting sufficient time to the Company. There were no significant changes to the Chairman's other commitments during the year.

Induction and training

New Directors are provided with an induction programme which is tailored to the particular circumstances of the appointee. During the year updates on industry and regulatory matters were provided to the Board by the Managers and Secretaries. Other relevant training for Directors is provided as necessary.

Remuneration

As all the Directors are non-executive there is no requirement for a separate Remuneration Committee. Directors' fees are considered by the Board as a whole within the limits approved by shareholders. The Company's policy on remuneration is set out in the Directors' Remuneration Report on pages 74 to 77.

Audit Committee

The report of the Audit Committee is set out on pages 71 to 73.

Internal controls and risk management

The Directors acknowledge their responsibility for the Company's risk management and internal controls systems and for reviewing their effectiveness, including with regard to preparation of the Company's Annual Report and Financial Statements. These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board confirms that there is a continuing process for identifying, evaluating and managing the significant risks faced by the Company in accordance with the FRC guidance 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting'.

The practical measures to be taken in relation to the design, implementation and maintenance of control policies and procedures to safeguard the Company's assets and to manage its affairs properly, including the maintenance of effective operational and compliance controls have been delegated to the Managers and Secretaries.

The Board oversees the functions delegated to the Managers and Secretaries and the controls managed by the AIFM in accordance with the UK Alternative Investment Fund Managers Regulations (as detailed below). Baillie Gifford & Co's Internal Audit and Compliance Departments and the AIFM's permanent risk function provide the Audit Committee with regular reports on their monitoring programmes. The reporting procedures for these departments are defined and formalised within a service level agreement. Baillie Gifford & Co conducts an annual review of its system of internal controls which is documented within an internal controls report which complies with ISAE 3402 – Assurance Reports on Controls at a Service Organisation. This report is independently reviewed by Baillie Gifford & Co's auditor and a copy is submitted to the Audit Committee.

A report identifying the material risks faced by the Company and the key controls employed to manage these risks is reviewed by the Audit Committee.

These procedures ensure that consideration is given regularly to the nature and extent of risks facing the Company and that they are being actively monitored. Where changes in risk have been identified during the year they also provide a mechanism to assess whether further action is required to manage these risks.

The Directors confirm that they have reviewed the effectiveness of the Company's risk management and internal controls systems which accord with the FRC guidance 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting', and they have procedures in place to review their effectiveness on a regular basis. No significant weaknesses were identified in the year under review and up to the date of this Report.

The Board confirms that these procedures have been in place throughout the Company's financial year and continue to be in place up to the date of approval of this Report.

During the year, the Audit Committee considered the changes required by the 2024 AIC Corporate Governance Code. Provision 34 of the AIC Code (corresponding to Provision 29 of the UK Corporate Governance Code), effective for accounting periods beginning on or after 1 January 2026, requires boards to monitor and at least annually review the effectiveness of the Company's risk management and internal control framework, covering all material financial, operational, reporting and compliance controls, and to report on that review in the annual report, including a declaration on the effectiveness of material controls at the balance sheet date and details of any material controls that were not operating effectively and remedial action. In preparation for reporting against these requirements, the Audit Committee has reviewed the Company's risk matrix and principal risks and agreed a process and timetable with the Managers and Secretaries for identifying material controls, obtaining appropriate assurance and retaining evidence to support the Board's declaration in the 2027 Annual Report and Financial Statements.

To comply with the UK Alternative Investment Fund Managers Regulations, The Bank of New York Mellon (International) Limited act as the Company's Depositary and Baillie Gifford & Co Limited as its AIFM.

The Depositary's responsibilities include cash monitoring, safe keeping of the Company's financial instruments, verifying ownership and maintaining a record of other assets and monitoring the Company's compliance with investment limits and leverage requirements. The Depositary is liable for the loss of financial instruments held in custody. The Depositary will ensure that any delegate segregates the assets of the Company. The Company's Depositary also acts as the Company's Custodian. The Custodian prepares reports on its key controls and safeguards which are independently reviewed by its appointed auditors, KPMG LLP. The 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 are investigated.

The Depositary provides the Audit Committee with a report on its monitoring activities.

The AIFM has established a permanent risk management function to ensure that effective risk management policies and procedures are in place and to monitor compliance with risk limits. The AIFM has a risk management policy which covers the risks associated with the management of the portfolio, and the adequacy and effectiveness of this policy is reviewed and approved at least annually. This review includes the risk management processes and systems and limits for each risk area.

The risk limits, which are set by the AIFM and approved by the Board, take into account the objectives, strategy and risk profile of the portfolio. These limits including leverage (see page 45) are monitored and the sensitivity of the portfolio to key risks is undertaken periodically as appropriate to ascertain the impact of changes in key variables in the portfolio. Exceptions from limits monitoring and stress testing undertaken by Baillie Gifford's Business Risk Department are escalated to the AIFM and reported to the Board along with remedial measures being taken.

Relations with shareholders

The Board places great importance on communication with shareholders. The Company's Managers meet regularly with shareholders and their representatives and report shareholders' views to the Board. The Chairman and Directors also attend shareholder presentations in London and Edinburgh with the Managers, as well as maintaining open lines of communication with market participants and investors in the Company, separate of the Managers' involvement, in order to ascertain views on corporate matters. The Chairman is available to meet with shareholders as appropriate. Shareholders wishing to communicate with any members of the Board may do so by writing to them at the Secretaries' address or through the Company's Corporate Broker, JP Morgan Cazenove (see contact details on page 125).

The Company's Annual General Meeting provides a forum for communication with all shareholders. The results of the poll will be announced and published on the Company's page of the Managers' website [pacifichorizon.co.uk](https://www.pacifichorizon.co.uk) shortly after the conclusion of the meeting. The notice period for the Annual General Meeting is at least twenty working days.

Shareholders and potential investors may obtain up-to-date information on the Company at [pacifichorizon.co.uk](https://www.pacifichorizon.co.uk).

Corporate governance and stewardship

The Company has given discretionary voting powers to Baillie Gifford & Co. The Managers vote against resolutions they consider may damage shareholders' rights or economic interests and report their actions to the Board.

The Board believes that it is in the shareholders' interests to consider environmental, social and governance ('ESG') factors when selecting and retaining investments and has asked the Managers to take these issues into account as long as the investment objectives are not compromised. The Managers do not exclude companies from their investment universe purely on the grounds of ESG factors but adopt a positive engagement approach whereby matters are discussed with management with the aim of improving the relevant policies and management systems and enabling the Managers to consider how ESG factors could impact long-term investment returns. The Managers' statement of compliance with the UK Stewardship code can be found on the Managers' website at [baillieghifford.com](https://www.baillieghifford.com). The Managers' policy has been reviewed and endorsed by the Board. Baillie Gifford & Co Limited as the Company's Manager has considered the Sustainable Finance Disclosures Regulation ('SFDR') and further details can be found on page 120.

On behalf of the Board
 Roger Yates
 Chairman
 21 September 2026

Audit Committee report

The Audit Committee consists of all the Directors. The members of the Committee consider that they have the requisite financial skills and experience to fulfil the responsibilities of the Committee. Ms AC Lane is Chairman of the Audit Committee.

The Committee's authority and duties are clearly defined within its written terms of reference which are available on request from the Company Secretaries and at pacifichorizon.co.uk. The terms of reference are reviewed annually.

The Committee's effectiveness is reviewed on an annual basis as part of the Board's performance evaluation process.

At least once a year the Committee meets with the external Auditor without any representative of the Managers being present.

Main activities of the Committee

The Committee met four times during the year. BDO LLP, the external Auditor, attended the Interim Accounts meeting and the Final Accounts meeting. Baillie Gifford & Co's Internal Audit and Compliance Departments and the AIFM's permanent risk function provided reports on their monitoring programmes for each of these meetings.

The matters considered, monitored and reviewed by the Committee during the course of the year included the following:

- the results announcements and the Annual and Interim Reports;
- the Company's accounting policies and practices;
- the regulatory changes impacting the Company;
- the fairness, balance and understandability of the Annual Report and Financial Statements and whether it provided the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- the effectiveness of the Company's internal control environment;
- the reappointment, remuneration and terms of engagement of the external Auditor;

- whether the audit services contract should be put out to tender;
- the policy on the engagement of the external auditor to supply non-audit services;
- the independence and objectivity of the external Auditor and the effectiveness of the audit process;
- the need for the Company to have its own internal Audit function;
- the internal controls reports received from the Managers and Custodian; and
- the arrangements in place within Baillie Gifford & Co whereby their staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

Internal audit

The Committee continues to believe that the compliance and internal controls systems and the internal audit function in place within the Investment Managers provide sufficient assurance that a sound system of internal control, which safeguards shareholders' investment and the Company's assets, is maintained. An internal audit function, specific to the Company, is therefore considered unnecessary.

The external Auditor has adopted a wholly substantive approach to testing and therefore the absence of an internal audit function has not had an impact on audit procedures.

Financial reporting

The Committee considers that the most significant areas of risk likely to impact the Financial Statements are the existence and valuation of investments, as they represent 99.9% of total assets, and the accuracy and completeness of income from investments.

The majority of the investments are in quoted securities and market prices are readily available from independent external pricing sources. The Committee reviewed Baillie Gifford's Report on Internal Controls which details the controls in place regarding recording and pricing of investments and the reconciliation of investment holdings to third party data.

The value of all the listed investments as at 31 July 2026 were agreed to external price sources. The Committee reviewed the Manager's valuation policy for investments in unlisted (private) companies (as described on page 36) and approved the valuation of the private investments following a detailed review of the valuation of each investment and relevant challenge where appropriate. The listed portfolio holdings, together with private company holdings held in custody, were agreed by the Managers to confirmations from the Company's Custodian. The remaining private company holdings were agreed by the Managers to confirmations from the relevant investee companies.

The Committee reviewed the Managers' Report on Internal Controls which details the controls in place regarding completeness and accurate recording of investment income. The accounting treatment of each special dividend received or receivable during the year was reviewed by the Managers.

The Committee considered the factors, including the impact of increasing geopolitical tensions, that might affect the Company's viability over a period of three years and its ability to continue as a going concern for at least twelve months from the date of signing of the Financial Statements, together with reports from the Managers on the cash position and cash flow projections of the Company, the liquidity of its investment portfolio, compliance with debt covenants, availability of borrowing facilities, and the Company's ability to meet its obligations as they fall due. The Committee also reviewed the viability statement on page 45 and statement on going concern on page 62. Following this assessment, the Committee recommended to the Board the appropriateness of the going concern basis in preparing the Financial Statements and confirmed the accuracy of the viability statement and statement on going concern.

The Managers and Auditor confirmed to the Committee that they were not aware of any material misstatements in the context of the Financial Statements as a whole and that the Financial Statements are in accordance with applicable law and accounting standards.

Internal controls and risk management

The Committee reviewed the effectiveness of the Company's risk management and internal controls systems as described on page 68. No significant weaknesses were identified in the year under review.

External Auditor

To fulfil its responsibility regarding the independence and objectivity of the external Auditor, the Committee reviewed:

- the Auditor's audit plan which includes a report from the Auditor describing its arrangements to manage Auditor independence and received confirmation of its independence; and
- the extent of non-audit services provided by the external Auditor. There were no non-audit fees for the year to 31 July 2026.

To assess the effectiveness of the external Auditor, the Committee reviewed and considered:

- the Auditor's fulfilment of the agreed audit plan;
- feedback from the Secretaries on the performance of the audit team; and
- the Audit Quality Inspection Report from the FRC.

To fulfil its responsibility for oversight of the external audit process the Committee considered and reviewed:

- the Auditor's engagement letter;
- the Auditor's proposed audit strategy;
- the audit fee; and
- a report from the Auditor on the conclusion of the audit.

Following a competitive tender process, BDO LLP were appointed as the Company's Auditor at the Annual General Meeting held on 15 November 2017. The audit partners responsible for the audit are to be rotated at least once every five years in accordance with professional and regulatory standards in order to protect independence and objectivity and to provide fresh challenge to the business. Mr Chris Meyrick, the current audit partner, has held this role for four years.

BDO LLP has confirmed that it believes it is independent within the meaning of regulatory and professional requirements and that the objectivity of the audit partner and staff is not impaired.

Having carried out the review described above, the Committee is satisfied that the Auditor remains independent and effective for the purpose of this year's audit and, as such, has not considered it necessary to put the audit services contract out to tender.

There are no contractual obligations restricting the Committee's choice of Auditor.

Accountability and audit

The respective responsibilities of the Directors and the Auditor in connection with the Financial Statements are set out on pages 78 and 85.

On behalf of the Board
Angela Lane
Chair of the Audit Committee
21 September 2026

Directors' remuneration report

This report has been prepared in accordance with the requirements of the Companies Act 2006.

The Directors' Remuneration Policy is subject to shareholder approval every three years or sooner if an alteration to the policy is proposed. The Remuneration Policy which is set out below was last approved by shareholders at the Annual General Meeting in November 2023 and no changes to the policy are proposed. Shareholder approval is being sought at the forthcoming Annual General Meeting to increase the aggregate annual limit on Directors' remuneration in the Company's Articles of Association from £200,000 to £250,000, to provide additional flexibility for Board succession, including where outgoing and incoming Directors overlap to support an orderly handover and induction. Your attention is drawn to Resolution 14 in the Notice of Annual General Meeting on page 113.

Directors' remuneration policy

The Board is composed wholly of non-executive Directors, none of whom has a service contract with the Company. There is no separate remuneration committee and the Board as a whole considers changes to Directors' fees from time to time. Baillie Gifford & Co Limited, the Company Secretaries, provide comparative information when the Board considers the level of Directors' fees.

The Board's policy is that the remuneration of Directors should be set at a reasonable level that is commensurate with the duties and responsibilities of the role and consistent with the requirement to attract and retain Directors of the appropriate quality and experience.

The Board believes that the fees paid to the Directors should reflect the experience of the Board as a whole, be fair and should take account of the level of fees paid by comparable investment trusts. Any views expressed by shareholders on the fees being paid to Directors will be taken into consideration by the Board when reviewing the Board's policy on remuneration.

Non-executive Directors are not eligible for any other remuneration or benefits apart from the reimbursement of allowable expenses. There are no performance conditions relating to Directors' fees and there are no long-term incentive schemes or pension schemes. There is no notice period and no compensation is payable on loss of office.

Statement by the Chairman

The Board reviewed the level of fees during the year and it was agreed that the principal consideration when assessing the level of fees was balancing the cost of remuneration with ensuring that the Company had the ability to attract and retain directors with the necessary skills, knowledge and experience to fulfil the Board's responsibilities.

The Board were of the view that the investment policy of the Company was at least as complex, if not more complex, than the majority of investment trusts, as the Company's Managers invest in a large number of developed, emerging and frontier markets on its behalf, each with a distinct legal and regulatory framework. The Company also had exposure to both listed and private equities and could be exposed to complex securities such as convertible bonds. The Board, which periodically undertakes a skills audit, was of the opinion that the scope of oversight required for this necessitated a range of specialist skills to properly understand the investment activities of the Company.

Following discussion and consideration of:

- the change to CPI and RPI over the period;
- the levels of remuneration for AIC Asia Pacific and also Baillie Gifford managed investment trusts; and
- the market level of directors' fees as reported by Trust Associates in its September 2025 report;

it was agreed that, with effect from 1 August 2026, the Chairman's fee would be increased from £46,580 to £48,000, the other Directors' fees would be increased from £31,050 to £32,000 and the additional fee for the Audit Committee Chair would be increased from £7,760 to £9,000.

Fees were last increased on 1 August 2025.

Limits on Directors' remuneration

The fees for the non-executive Directors are payable monthly in arrears and 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 also considered the current aggregate annual remuneration limit of £200,000 and noted that, in light of succession planning and the potential need for a period of overlap between outgoing and incoming Directors to support an orderly handover, additional flexibility may be required. Accordingly, the Board has agreed to recommend that an ordinary resolution be proposed at the forthcoming Annual General Meeting to increase the aggregate Directors' remuneration limit set out in the Company's Articles of Association from £200,000 to £250,000. Directors' fees will continue to be reviewed annually and set at a level considered appropriate for the responsibilities and time commitment of the role.

The fees paid to Directors in respect of the year ended 31 July 2026 and the expected fees payable in respect of the year ending 31 July 2027 are set out in the table below. The fees payable to the Directors in the subsequent financial periods will be determined following an annual review of the Directors' fees.

	Expected fees for the year ending 31 July 2027 £	Fees as at 31 July 2026 £
Chairman's fee	48,000	46,580
Non-executive Director fee	32,000	31,050
Additional fee for Audit Committee Chair	9,000	7,760
Total aggregate annual fees that can be paid to the Directors in any year under the Directors' Remuneration Policy, as set out in the Company's Articles of Association	250,000	200,000

Annual report on remuneration

An ordinary resolution for the approval of this report will be put to the members at the forthcoming Annual General Meeting.

The law requires the Company's auditor to audit certain of the disclosures provided in this report. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in the Independent Auditor's Report on pages 81 to 87.

Directors' remuneration for the year (audited)

The Directors who served during the year received the following remuneration in the form of fees and taxable benefits. This represents the entire remuneration paid to the Directors.

Name	2026 Fees £	2026 Taxable benefits * £	2026 Total £	% change in year	2025 Fees £	2025 Taxable benefits * £	2025 Total £
RP Yates	46,580	2,167	48,747	(0.1)	45,000	3,800	48,800
RW Chote	31,050	1,861	32,911	2.5	30,000	2,120	32,120
W Hee	31,050	181	31,231	3.0	30,000	320	30,320
AC Lane	38,810	2,152	40,962	(1.3)	37,500	4,006	41,506
RF Studwell	31,050	858	31,908	(4.6)	30,000	3,433	33,433
	178,540	7,219	185,759	(0.2)	172,500	13,679	186,179

* Comprises travel and subsistence expenses incurred by or on behalf of the Directors in the course of travel to attend Board and Committee meetings held at the Edinburgh offices of Baillie Gifford & Co Limited, the Company's Secretaries. These amounts have been grossed up for income tax.

Directors' interests (audited)

The Directors at the end of the year under review and their interests in the Company are as shown in the following table. There have been no changes intimated in the Directors' interests up to 16 September 2026.

Name	Nature of interest	Ordinary 10p shares held at 31 July 2026	Ordinary 10p shares held at 31 July 2025
RP Yates	Beneficial	15,000	15,000
RW Chote	Beneficial	500	500
W Hee	Beneficial	10,000	10,000
AC Lane	Beneficial	8,934	8,923
RF Studwell	Beneficial	5,000	5,000

As per the Articles of Association, it is not a requirement for Directors to hold shares in the Company.

Statement of voting at Annual General Meeting

At the last Annual General Meeting, of the proxy votes received in respect of the Directors' Remuneration Report, 99.5% were in favour, 0.3% were against and votes withheld were 0.2%. At the last Annual General Meeting at which the Directors' Remuneration Policy was considered (November 2023), 99.1% of the proxy votes were in favour, 0.5% were against and votes withheld were 0.4%.

Relative importance of spend on pay

The table below shows the actual expenditure during the year in relation to Directors' remuneration and distributions to shareholders.

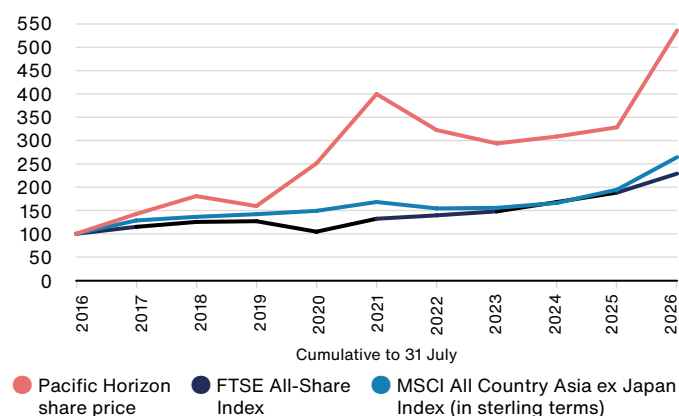
	2026 £'000	2025 £'000	Change %
Directors' remuneration	186	186	(0.2)
Dividends paid to shareholders	1,260	2,398	(47.5)
Share buy-backs	73,586	29,766	147.2

Company performance

The following graph compares, for the ten financial years ended 31 July 2026, the share price total return (assuming all dividends are reinvested) to Pacific Horizon ordinary shareholders compared to the total shareholder return on a notional investment made up of shares in the component parts of the FTSE All-Share Index. This index was chosen for comparison purposes as it is a widely used measure of performance for UK listed companies. The Company's comparative index is provided for information purposes only.

Performance graph

Pacific Horizon's share price, FTSE All-Share Index and comparative index (figures rebased to 100 at 31 July 2016)



Source: LSEG and underlying data providers. See disclaimer on page 121.

All figures are total return (see glossary of terms and alternative performance measures on pages 122 and 123).

Past performance is not a guide to future performance.

Approval

The Directors' Remuneration Report on pages 74 to 77 was approved by the Board of Directors and signed on its behalf on 21 September 2026.

Roger Yates
Chairman

Statement of Directors' responsibilities

in respect of the Annual Report and the Financial Statements

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 the Directors have prepared the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law).

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 United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the 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 the Annual Report and the Financial Statements are made available on a website. 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. The Directors have delegated responsibility to the Managers for the maintenance and integrity of the Company's page of the Managers' website.

Directors' confirmations

The following confirmations are made in accordance with DTR 4. Each of the Directors, whose names and functions are listed within the Directors and Managers section, confirms that, to the best of their knowledge:

- the Financial Statements, which have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' give a true and fair view of the assets, liabilities, financial position and net return of the Company;
- 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 position and performance, business model and strategy; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

On behalf of the Board
 Roger Yates
 Chairman
 21 September 2026

Notes

The following notes relate to financial statements published on a website and are not included in the printed version of the Annual Report and Financial Statements:

- The maintenance and integrity of the Baillie Gifford & Co website is the responsibility of Baillie Gifford & Co; the work carried out by the auditors does not involve consideration of these matters and accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Financial report

The Financial Statements for the year to 31 July 2026 are set out on pages 88 to 109 and have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Independent auditor's report

to the members of Pacific Horizon Investment Trust PLC

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 July 2026 and of its return and cash flows 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 Horizon Investment Trust PLC (the 'Company') for the year ended 31 July 2026 which comprise of the following:

- Income statement
- Balance sheet
- Statement of changes in equity
- Cash flow statement
- Notes 1 to 19 to the financial statements
- 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.

Conclusions relating to going concern

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 evaluation of the Directors’ assessment of the Company’s ability to continue to adopt the going concern basis of accounting included:

- Evaluating the appropriateness of the Directors’ method of assessing going concern in light of economic and market conditions by reviewing the information used by the Directors in completing their assessment;
- Challenging the Directors’ assumptions and judgements made in their forecasts by performing an independent analysis of the liquidity of the investment portfolio, assessing the available cash resource relative to the forecast expenditure and analysis performed in relation to the next continuation vote; and
- Reviewing the disclosures in the financial statements relating to going concern to assess whether they are consistent with the Company’s circumstances.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company’s ability to continue as a going concern.

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.

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 investments	✓	✓
Materiality	Company financial statements as a whole £9.2m (2025: £6.13m) 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.

Key audit matter	How the scope of our audit addressed the key audit matter
Valuation and ownership of investments (Note 1(d) and Note 9 to the financial statements) The investment portfolio at the year-end comprised listed and unlisted investments held at fair value through profit or loss. We considered the valuation and ownership of listed and unlisted 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. While we do not consider the valuation of listed investments to involve a significant degree of estimation or judgement, there is a risk that the prices used for the listed investments held by the Company may not reflect their fair value at the year end. The valuation of unlisted investments is subject to a significant level of estimation uncertainty as well as judgement in the selection of certain unobservable inputs There is an inherent risk of management override arising from the unlisted investment valuations being prepared by the Investment Manager and the link to the overall performance of the Company. Additionally, in relation to ownership and recording, there is a risk of error in the recording of listed and unlisted investment holdings which could result in the incorrect recognition of investments by the Company. For these reasons, and due to the materiality of the balances in the context of the financial statements as a whole, we considered these to be key areas of our overall audit strategy and allocation of our resources and hence a Key Audit Matter.	We responded to this matter by testing the valuation and ownership of 100% of the listed investments by performing the following procedures: • 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 depositary), 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 depositary. We assessed the design and implementation of controls over the unlisted investment valuations, including assessing Management's expert. In relation to a sample of unlisted investments, we performed the following procedures: • Considered whether the valuation methodologies used are consistent with International Private Equity and Venture Capital Valuation ('IPEV') guidelines and applicable accounting and financial reporting standards; • Recalculated the value attributable to the Company, having regard to the application of the investee company Enterprise Value across the capital structure of the investee company; • Agreed the holdings to independently received confirmation from the underlying investee companies or Depositary as appropriate, to confirm ownership. For unlisted investments that were valued using Recent Transaction Price, we performed the following procedures: • Verified the cost or price of recent investment to supporting documentation; • Considered whether the investment was an arm's length transaction through reviewing the parties involved in the transaction; • Considered whether there were any indications that the price of recent investment was no longer representative of fair value considering, inter alia, the current performance of the investee company; and For investments valued using Benchmark Performance, we have challenged and corroborated the inputs to the valuation with reference market data and our own understanding, including assessment of comparable companies used within the valuation. Where appropriate, we performed sensitivity analysis and we considered the overall impact of such sensitivities on the portfolio of investments in determining whether the valuations as a whole are reasonable and free from bias. Key observations: Based on our procedures performed, we did not identify any matters to suggest that the valuation or ownership of the listed and unlisted investments were not appropriate.

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	2025
Materiality	£9.2m	£6.1m
Basis for determining materiality	1% of net assets	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	£6.9m	£4.6m
Basis for determining performance materiality	75% of 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 £459k (2025: £306k). 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 and Financial 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 62;
- 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 45; 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 62.

Other Code provisions

- Directors' statement on fair, balanced and understandable set out on page 79;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 46 to 49;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 68 to 69; and
- The section describing the work of the audit committee set out on pages 71 to 73.

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 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 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 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 areas most susceptible to fraud to be the valuation of unlisted investments and management override of controls.

Our procedures in respect of the above included:

- In addressing the risk of the valuation of unlisted investments, the procedures set out in the Key Audit Matters section above which relate to the subjective elements of the unlisted investment valuation;
- In addressing the risk of management override of controls, we:
 - 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 15 November 2017 to audit the financial statements for the year ended 31 July 2018. Our total uninterrupted period of engagement is nine years, covering the years ended 31 July 2018 to 31 July 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.

Chris Meyrick (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Edinburgh, UK
21 September 2026

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

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	9	–	379,426	379,426	–	39,801	39,801
Currency losses	14	–	(1,128)	(1,128)	–	(586)	(586)
Income	2	10,095	–	10,095	8,870	–	8,870
Gross return	2	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	4	(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	5	(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	6	(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	7	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.

The accompanying notes on pages 92 to 109 are an integral part of the Financial Statements.

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	9		954,526		651,771
Current assets					
Debtors	10	2,546		802	
Cash at bank and in hand	18	1,485		3,820	
		4,031		4,622	
Creditors					
Amounts falling due within one year:					
Other creditors and accruals	11	(39,954)		(38,845)	
Provision for tax liability	12	(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	12		-		(4,191)
Net assets			918,516		613,357
Capital and reserves					
Share capital	13		9,208		9,208
Share premium account	14		254,120		254,120
Capital redemption reserve	14		20,367		20,367
Capital reserve	14		625,948		320,583
Revenue reserve	14		8,873		9,079
Total shareholders' funds			918,516		613,357
Net asset value per ordinary share	15		1,179.91p		716.13p

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

Roger Yates
Chairman

The accompanying notes on pages 92 to 109 are an integral part of the Financial Statements.

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	13	-	-	-	(73,586)	-	(73,586)
Dividends paid during the year	8	-	-	-	-	(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	13	-	-	-	(29,766)	-	(29,766)
Dividends paid during the year	8	-	-	-	-	(2,398)	(2,398)
Shareholders' funds at 31 July 2025		9,208	254,120	20,367	320,583	9,079	613,357

The accompanying notes on pages 92 to 109 are an integral part of the Financial Statements.

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	
<i>Adjustments to reconcile company profit before tax to net cash flow from operating activities</i>					
Net gains on investments		(379,426)		(39,801)	
Currency losses		1,128		586	
Finance costs of borrowings	5	2,305		1,437	
<i>Other capital movements</i>					
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	13	(73,982)		(28,498)	
Equity dividends paid	8	(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.

The accompanying notes on pages 92 to 109 are an integral part of the Financial Statements.

Notes to the Financial Statements

01 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 below which are unchanged from the prior year and have been applied consistently.

a. Basis of accounting

All of the Company's operations are of a continuing nature and the Financial Statements are prepared on a going concern basis under the historical cost convention, modified to include the revaluation of fixed asset investments at fair value through profit or loss, and on the assumption that approval as an investment trust under section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011 will be retained.

The Company's principal risks are market related and include market risk, liquidity risk and credit risk. An explanation of these risks and how they are managed is contained on pages 102 to 109 in note 18 to the Financial Statements. The Board has, in particular, considered the impact of heightened macroeconomic and geopolitical concerns, but does not believe that the Company's going concern status is affected.

The Company's assets, the majority of which are investments in quoted securities which are readily realisable, exceed its liabilities significantly. All borrowings require the prior approval of the Board. The Board approves borrowing and gearing limits and reviews regularly the amounts of any borrowing and the level of gearing as well as compliance with borrowing covenants. The Company has continued to comply with the investment trust status requirements of section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011. The Company's primary third party suppliers, including its Managers and Secretaries, Custodian and Depositary, Registrar, Auditor and Broker, are not experiencing significant operational difficulties affecting their respective services to the Company. In accordance with the Company's Articles of Association, shareholders have the right to vote on the continuation of the Company every five years, the next vote being in 2026. The Financial Statements have been prepared on the going concern basis; having assessed the principal

and emerging risks and other matters set out in the Viability Statement on page 45 (which assesses the prospects of the Company over a period of three years) and as further discussed in the Going Concern statement on page 62 it is the Directors' opinion that the Company will continue in operational existence for a period of at least twelve months from the date of approval of these Financial Statements.

The Financial Statements have been prepared in accordance with the Companies Act 2006, applicable UK Accounting Standards and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued by the Association of Investment Companies ('AIC') in November 2014 and updated in July 2022 with consequential amendments.

In order to reflect better the activities of the Company and in accordance with guidance issued by the AIC, supplementary information which analyses the profit and loss account between items of a revenue and capital nature has been presented in the Income Statement. The allocation of items to revenue and capital is reviewed on an annual basis and is considered to remain appropriate for the current year.

The Directors consider the Company's functional currency to be sterling as the Company's shareholders are predominantly based in the UK, and the Company and its portfolio managers, who are subject to the UK's regulatory environment, are also UK based.

b. Financial instruments

Financial assets and financial liabilities are recognised in the Company's Balance Sheet when it becomes a party to the contractual provisions of the instrument.

c. Significant accounting estimates and judgements

The preparation of the Financial Statements requires the use of estimates and judgements. These estimates and judgements affect the reported amounts of assets and liabilities, at the reporting date. While estimates are based on best judgement using information and financial data available, the actual outcome may differ from these estimates.

The key sources of estimation and uncertainty relate to the assumptions used in the determination of the fair value of the unlisted investments, which are detailed in note 9.

Judgements

The Directors consider that the preparation of the Financial Statements involves the following key judgements:

- i. the fair valuation of the unlisted investments.

The key judgements in the fair valuation process are:

- i. the Managers' determination of the appropriate application of the International Private Equity and Venture Capital Valuation Guidelines 2022 ('IPEV') to each unlisted investment;
- ii. the selection of appropriate comparable companies, where relevant, in order to derive revenue multiples and meaningful relationships between enterprise value, revenue and earnings growth. Comparable companies are chosen on the basis of their business characteristics and growth patterns; and
- iii. the Directors' consideration of whether each fair value is appropriate following detailed review and challenge.

The judgement applied in the selection of the methodology used for determining the fair value of each unlisted investment, including the selection of appropriate comparable companies where relevant, can have a significant impact upon the valuation.

Estimates

The key estimate in the Financial Statements is the determination of the fair value of the unlisted investments by the Managers for consideration by the Directors. This estimate is key as it significantly impacts the valuation of the unlisted investments at the Balance Sheet date. The fair valuation process involves estimation using subjective inputs that are unobservable (for which market data is unavailable).

There is a significant risk that changes in the assumptions and estimates used in determining the fair value of the unlisted investments could result in a material adjustment to their carrying amount within the next financial year. At 31 July 2026, the carrying amount of the unlisted investments was £60,259,000 (2025 – £39,895,000).

The valuation process may involve the following assumptions and inputs, depending on the valuation methodology applied:

- i. selection of a revenue metric (historic or forecast);
- ii. application of an appropriate discount factor to reflect reduced liquidity of unlisted companies versus listed peers;

- iii. estimation of probability assigned to exit via IPO or company sale;

- iv. selection of an appropriate industry benchmark index to assist valuation validation or adjustments, particularly in the absence of established earnings or close peers; and

- v. calculation of valuation adjustments derived from milestone analysis.

The significant unobservable inputs used in the fair valuation of the unlisted investments at 31 July 2026, together with the ranges and sensitivities of those inputs, are detailed in note 18.

d. Investments

The Company's investments are classified, recognised and measured at fair value through profit or loss in accordance with sections 11 and 12 of FRS 102. Investment purchases and sales are recognised on a trade date basis. Expenses incidental to purchase and sale are written off to capital at the time of acquisition or disposal. Gains and losses on investments are recognised in the Income Statement as capital items.

Investments are designated as held at fair value through profit or loss on initial recognition and are measured at subsequent reporting dates at fair value. The fair value of listed security investments is bid price or, in the case of FTSE 100 constituents and holdings on certain recognised overseas exchanges, last traded price. The fair value of suspended investments is the last traded price, adjusted for the estimated impact on the business of the suspension. Unlisted investments are valued at fair value by the Directors following a detailed review and appropriate challenge of the valuations proposed by the Managers. The Managers' unlisted investment policy applies methodologies consistent with the International Private Equity and Venture Capital Valuation guidelines ('IPEV'). These methodologies can be categorised as follows: (a) market approach (multiples, industry valuation benchmarks and available market prices); (b) income approach (discounted cash flows); and (c) replacement cost approach (net assets). The valuation process recognises also, as stated in the IPEV Guidelines, that the price of a recent investment may be an appropriate starting point for estimating fair value, however it should be evaluated using the techniques described above.

The Managers monitor the investment portfolio on a fair value basis and use the fair value basis for investments in making investment decisions and monitoring financial performance.

e. Cash at bank and in hand

Cash at bank and in hand includes cash in hand and deposits repayable on demand. Deposits are repayable on demand if they can be withdrawn at any time without notice and without penalty or if they have a maturity or period of notice of not more than one working day.

f. Income

- i. Income from equity investments is brought into account on the date on which the investments are quoted ex-dividend or, where no ex-dividend date is quoted, when the Company's right to receive payment is established.
- ii. If scrip dividends are taken in lieu of dividends in cash, the net amount of the cash dividend declared is credited to the revenue column of the Income Statement. Any excess in the value of the shares received over the amount of the cash dividend foregone is recognised in the capital column of the Income Statement.
- iii. Special dividends are treated as capital or income depending on the facts of each particular case.
- iv. Unfranked investment income and overseas dividends include the taxes deducted at source.
- v. Interest from fixed interest securities is recognised on an accruals basis using the effective interest rate basis.
- vi. Underwriting commission and interest receivable on deposits are recognised on an accruals basis.

g. Expenses

All expenses are accounted for on an accruals basis and are charged through the revenue column of the Income Statement, except for expenses incidental to the acquisition or sale of investments, which are written off to capital when incurred.

h. Borrowing and finance costs

Interest bearing bank loans are recorded at the proceeds received, net of direct issue costs and subsequently measured at amortised cost. Finance costs are accounted for on an accruals basis and are charged through the revenue column of the Income statement.

i. Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those enacted or substantively enacted at the reporting date.

j. Deferred taxation

Deferred taxation is provided on all timing differences, based on the taxable profit and the total comprehensive income as stated in the Financial Statements, calculated at the current tax rate relevant to the realisation of the benefit or liability. Deferred tax assets are recognised only to the extent that it will be more likely than not that there will be taxable profits from which underlying timing differences can be deducted.

k. Foreign currencies

Transactions involving foreign currencies are converted at the rate ruling at the time of the transaction. Assets and liabilities in foreign currencies are translated at the closing rates of exchange at the balance sheet date. Any gain or loss arising from a change in exchange rate subsequent to the date of the transaction is included as an exchange gain or loss in the Income Statement as capital or revenue as appropriate.

l. Capital redemption reserve

The capital redemption reserve is a statutory, non-distributable reserve into which the nominal value of shares redeemed or repurchased and canceled is transferred from share capital.

m. Capital reserve

Gains and losses on disposal of investments, changes in the fair value of investments held and realised and unrealised exchange differences of a capital nature are dealt with in this reserve after being recognised in the Income Statement. Purchases of the Company's own shares for cancellation, or to be held in treasury for subsequent reissue, may be funded from this reserve.

n. Revenue reserve

The revenue profit or loss for the year is taken to or from this reserve. The revenue reserve may be distributed by way of dividend.

o. Single segment reporting

The Company is engaged in a single segment of business, being investment business, consequently no business segmental analysis is provided.

p. Dividend distributions

Final dividends are recognised in the period in which the dividends are approved by the Company's shareholders.

02 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

03 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. 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.

04 Other administrative expenses

	2026 £'000	2025 £'000
Custody fees	437	258
General administrative expenses	255	226
Directors' fees	179	173
Marketing*	97	100
Depositary fees	69	56
Auditor's remuneration for audit services†	59	52
Registrar's fees	17	16
	1,113	881

* The Company is part of a marketing programme which includes all the investment trusts managed by the Manager. The marketing strategy has an ongoing objective to stimulate demand for the Company's shares. The cost of this marketing strategy is borne in partnership by the Company and the Manager. The Manager matches the Company's marketing contribution and provides the resource to manage and run the programme.

† Auditor's remuneration comprises the current year audit fee of £54,000, support costs of £2,700 (5% of the audit fee) and £2,600 of prior-year support costs not accrued at 31 July 2025. The amounts disclosed are exclusive of VAT. No non-audit fees were paid to the Auditor during the year (2025 – nil).

05 Finance costs of borrowings

	2026 £'000	2025 £'000
Loan non-utilisation fee	39	258
Loan interest	2,266	1,119
Loan arrangement fee	-	60
	2,305	1,437

Details of the Company's borrowings and amounts outstanding at the year end are set out in note 11.

06 Tax

	2026 Revenue £'000	2026 Capital £'000	2026 Total £'000	2025 Revenue £'000	2025 Capital £'000	2025 Total £'000
Overseas taxation	700	–	700	889	–	889
Indian capital gains tax paid and provided for	–	(653)	(653)	–	(2,246)	(2,246)
	700	(653)	47	889	(2,246)	(1,357)
					2026 £'000	2025 £'000
Factors affecting the tax charge for the year						
The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 25% (2025 – 25%). The differences are explained below:						
Net return before taxation					380,052	42,194
Net return multiplied by the average standard rate of corporation tax in the UK of 25% (2025 – 25%)					95,013	10,548
Capital gain not deductible					(94,575)	(9,804)
Overseas dividends not taxable in the UK					(2,503)	(2,190)
Current year management expenses and non-trade loan relationship deficits not utilised					2,065	1,446
Overseas withholding tax incurred					828	889
Overseas withholding tax reclaimed					(128)	–
Revenue tax charge for the year					700	889
Decrease in provision for tax liability in respect of Indian capital gains tax					(4,104)	(3,500)
Payments of Indian capital gains tax in the period					3,451	1,254
Capital tax charge for the year					(653)	(2,246)
Total tax					47	(1,357)

As an investment trust, the Company's capital gains are not taxable in the United Kingdom. Interest on the corporation tax repayment is included within interest income. The capital tax charge results from the provision for tax liability in respect of Indian capital gains tax as detailed in note 12.

Factors that may affect future tax charges

At 31 July 2026 the Company had surplus management expenses and losses on non-trading loan relationships of £51,599,000 (2025 – £43,341,000) and had a potential deferred tax asset of £12,900,000 (2025 – £10,835,000) on taxable losses which is available to be carried forward and offset against future taxable profits. A deferred tax asset has not been recognised on these losses as the Company is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, it is unlikely that the Company will be able to reduce future tax liabilities through the use of existing surplus expenses. The potential deferred tax asset has been calculated using a corporation tax rate of 25% (2025 – 25%).

07 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.

08 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

09 Fixed assets – investments

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
As at 31 July 2026				
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

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
As at 31 July 2025				
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.

09 Fixed assets – investments (continued)

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.

	Listed equities £'000	Unlisted equities £'000	2026 Total £'000	2025 Total £'000
Cost of investments at 1 August 2025	491,539	41,203	532,742	511,757
Investment holding gains at 1 August 2025	120,337	(1,308)	119,029	94,416
Value of investments at 1 August 2025	611,876	39,895	651,771	606,173
Movements in year:				
Purchases at cost	372,169	14,952	387,121	147,338
Sales proceeds received	(463,714)	(78)	(463,792)	(141,541)
Gains on investments	373,936	5,490	379,426	39,801
Value of investments at 31 July 2026	894,267	60,259	954,526	651,771
Cost of investments at 31 July 2026	585,925	55,648	641,573	532,742
Investment holding gains at 31 July 2026	308,342	4,611	312,953	119,029
Value of investments at 31 July 2026	894,267	60,259	954,526	651,771

Transaction costs on purchases and sales were £851,000 (2025 – £190,000) and £436,000 (2025 – £262,000) respectively, total transaction costs being £1,287,000 (2025 – £452,000) expensed as per the accounting policy (see page 93). The Company received £463,792,000 (2025 – £141,541,000) from investments sold during the year. The book cost of these investments when they were purchased was £278,290,000 (2025 – £126,353,000). 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.

	2026 £'000	2025 £'000
Net gains on investments held at fair value through profit or loss		
Realised gains on sales	185,502	15,188
Changes in investment holding gains	193,924	24,613
	379,426	39,801

Significant holdings disclosure requirements – AIC SORP

Details are disclosed below in accordance with the requirements of paragraph 82 of the AIC Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (updated in July 2022) in relation to unlisted investments included in the ten largest holdings disclosed on page 39. As required, this disclosure includes turnover, pre-tax profits and net assets attributable to investors as reported within the most recently audited Financial Statements of the investee companies, where possible.

09 Fixed assets – investments (continued)

As at 31 July 2026								
Name	Business	Latest Financial Statements	Book cost £'000	Market Value £'000	Income recognised from holding in the period £'000	Turnover ('000)	Pre-tax profit/ (loss) ('000)	Net assets attributable to shareholders ('000)
ByteDance Series E-1 Preferred	Social media	n/a	11,751	36,897	Nil		Information not publicly available	

As at 31 July 2025								
Name	Business	Latest Financial Statements	Book cost £'000	Market Value £'000	Income recognised from holding in the period £'000	Turnover ('000)	Pre-tax profit/ (loss) ('000)	Net assets attributable to shareholders ('000)
ByteDance Series E-1 Preferred	Social media	n/a	11,751	25,300	Nil		Information not publicly available	

10 Debtors

	2026 £'000	2025 £'000
Amounts falling due within one year:		
Income accrued (net of withholding taxes)	858	650
Investment sales awaiting settlement	1,402	-
Other debtors and prepayments	286	152
	2,546	802

None of the above debtors are financial assets designated at fair value through profit or loss. The carrying amount of debtors is a reasonable approximation of fair value. There were no debtors that were past due or impaired at 31 July 2026 or 31 July 2025.

11 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.

12 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.

13 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 buy-backs 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.

14 Capital and reserves

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Shareholders' funds £'000
At 1 August 2025	9,208	254,120	20,367	320,583	9,079	613,357
Net gains on sales of investments	–	–	–	185,502	–	185,502
Changes in investment holding gains and losses	–	–	–	193,924	–	193,924
Other exchange differences	–	–	–	(1,128)	–	(1,128)
Indian tax paid and provided for	–	–	–	653	–	653
Ordinary shares bought back into treasury	–	–	–	(73,586)	–	(73,586)
Revenue return after taxation	–	–	–	–	1,054	1,054
Dividends paid during the year	–	–	–	–	(1,260)	(1,260)
At 31 July 2026	9,208	254,120	20,367	625,948	8,873	918,516

14 Capital and reserves (continued)

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Shareholders' funds £'000
At 1 August 2024	9,208	254,120	20,367	308,888	9,387	601,970
Net gains on sales of investments	–	–	–	15,188	–	15,188
Changes in investment holding gains and losses	–	–	–	24,613	–	24,613
Other exchange differences	–	–	–	(586)	–	(586)
Indian tax paid and provided for	–	–	–	2,246	–	2,246
Ordinary shares bought back into treasury	–	–	–	(29,766)	–	(29,766)
Revenue return after taxation	–	–	–	–	2,090	2,090
Dividends paid during the year	–	–	–	–	(2,398)	(2,398)
At 31 July 2025	9,208	254,120	20,367	320,583	9,079	613,357

The capital reserve includes non-distributable investment holding gains of £312,953,000 (2025 – gains of £119,029,000) as disclosed in note 9.

The revenue reserve and capital reserve (to the extent it constitutes realised profits) may be distributed by way of dividend.

At 31 July 2026, the Company's distributable reserves were £321,868,000 (2025 – £210,633,000), comprising the revenue reserve and the realised element of the capital reserve.

15 Shareholders' funds

The net asset value per ordinary share and the net assets attributable to the ordinary shareholders at the year end calculated in accordance with the Articles of Association were as follows:

	2026 Net asset value per share	2025 Net asset value per share	2026 Net assets attributable £'000	2025 Net assets attributable £'000
Ordinary shares	1,179.91p	716.13p	918,516	613,357

The movements during the year of the assets attributable to the ordinary shares are shown in note 14.

Net asset value per ordinary share is based on the net assets as shown above and 77,846,076 (2025 – 85,648,427) ordinary shares (excluding treasury shares), being the number of ordinary shares in issue at each date.

16 Analysis of change in net debt

	At 1 August 2025 £'000	Cash flows £'000	Exchange movement £'000	At 31 July 2026 £'000
Cash at bank and in hand	3,820	(1,207)	(1,128)	1,485
Loans due within one year	(35,780)	(1,260)	–	(37,040)
	(31,960)	(2,467)	(1,128)	(35,555)

17 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. 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. 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 11.

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) as disclosed in note 4.

18 Financial instruments

As an Investment Trust, the Company invests in equities and makes other investments so as to achieve its investment objective of maximising capital appreciation from a focused and actively managed portfolio of investments from the Asia-Pacific region including the Indian Sub-continent and excluding Japan. In pursuing its investment objective, the Company is exposed to various types of risk that are associated with the financial instruments and markets in which it invests.

These risks are categorised here as market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk. The Board monitors closely the Company's exposures to these risks but does so in order to reduce the likelihood of a permanent loss of capital rather than to minimise short term volatility. Risk provides the potential for both losses and gains. In assessing risk, the Board encourages the Managers to exploit the opportunities that risk affords.

The risk management policies and procedures outlined in this note have not changed substantially from the previous accounting period.

Market risk

The fair value or future cash flows of a financial instrument or other investment held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – currency risk, interest rate risk and other price risk. The Board of Directors reviews and agrees policies for managing these risks and the Company's Managers both assess the exposure to market risk when making individual investment decisions and monitor the overall level of market risk across the investment portfolio on an ongoing basis.

Details of the Company's investment portfolio are shown in note 9 and on pages 39 to 42.

The Company may, from time to time, enter into derivative transactions to hedge specific market, currency or interest rate risk. During the years to 31 July 2026 and 31 July 2025 no such transactions were entered into. The Company's Managers may not enter into derivative transactions without the prior approval of the Board.

i. Currency risk

The majority of the Company's assets, liabilities and income are denominated in currencies other than sterling (the Company's functional currency and that in which it reports its results). Consequently, movements in exchange rates may affect the sterling value of those items.

The Managers monitor the Company's exposure to foreign currencies and report to the Board on a regular basis. The Managers assess the risk to the Company of the foreign currency exposure by considering the effect on the Company's net asset value and income of a movement in the rates of exchange to which the Company's assets, liabilities, income and expenses are exposed. However, the country in which a company is listed is not necessarily where it earns its profits. The movement in exchange rates on overseas earnings may have a more significant impact upon a company's valuation than a simple translation of the currency in which the company is quoted.

Foreign currency borrowings can limit the Company's exposure to anticipated future changes in exchange rates which might otherwise adversely affect the value of the portfolio of investments.

18 Financial instruments (continued)

i. Currency risk (continued)

Exposure to currency risk through asset allocation, which is calculated by reference to the currency in which the asset or liability is quoted, is shown below.

At 31 July 2026	Investments £'000	Cash at bank and in hand £'000	Bank Loans £'000	Other debtors and creditors £'000	Net exposure £'000
Hong Kong dollar	148,059	–	–	252	148,311
US dollar	145,911	1,413	–	902	148,226
Taiwan dollar	222,538	–	–	350	222,888
Indian rupee	43,479	8	–	378	43,865
Korean won	250,209	–	–	153	250,362
Vietnam dong	29,188	–	–	62	29,250
Chinese yuan	104,729	–	–	–	104,729
Chinese renminbi	–	39	–	(39)	–
Indonesian rupiah	9,102	–	–	–	9,102
Total exposure to currency risk	953,215	1,460	–	2,058	956,733
Sterling	1,311	25	(37,040)	(2,513)	(38,217)
	954,526	1,485	(37,040)	(455)	918,516

At 31 July 2025	Investments £'000	Cash at bank and in hand £'000	Bank Loans £'000	Other debtors and creditors £'000	Net exposure £'000
Hong Kong dollar	135,147	–	–	–	135,147
US dollar	124,408	12	–	(276)	124,144
Taiwan dollar	106,121	–	–	329	106,450
Indian rupee	93,130	54	–	(4,191)	88,993
Korean won	81,642	–	–	172	81,814
Vietnam dong	56,400	3,684	–	82	60,166
Chinese yuan	39,178	–	–	–	39,178
Indonesian rupiah	10,947	–	–	–	10,947
Total exposure to currency risk	646,973	3,750	–	(3,884)	646,839
Sterling	4,798	70	(35,780)	(2,570)	(33,482)
	651,771	3,820	(35,780)	(6,454)	613,357

18 Financial instruments (continued)

i. Currency risk (continued)

Currency risk sensitivity

At 31 July 2026, if sterling had strengthened by 5% in relation to all currencies, with all other variables held constant, total net assets and total return would have decreased by the amounts shown below. A 5% weakening of sterling against all currencies, with all other variables held constant, would have had an equal but opposite effect on the Financial Statement amounts. The level of change is considered to be reasonable based on observations of current market conditions. The analysis is performed on the same basis for 2025.

	2026 £'000	2025 £'000
Hong Kong dollar	7,403	6,757
US dollar	7,296	6,220
Taiwan dollar	11,127	5,306
Indian rupee	2,174	4,657
Korean won	12,510	4,082
Vietnam dong	1,459	2,820
Chinese yuan	5,236	1,959
Indonesian rupiah	456	548
	47,661	32,349

ii. Interest rate risk

Interest rate movements may affect directly:

- the fair value of any investments in fixed interest rate securities;
- the level of income receivable on cash deposits;
- the fair value of any fixed-rate borrowings; and
- the interest payable on any variable rate borrowings.

Interest rate movements may also impact upon the market value of investments outwith fixed income securities. The effect of interest rate movements upon the earnings of a company may have a significant impact upon the valuation of that company's equity. The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions and when entering borrowing agreements. The Board reviews on a regular basis the amount of investments in cash and fixed income securities and the income receivable on cash deposits, floating rate notes and other similar investments.

The Company may finance part of its activities through borrowings at approved levels. The amount of any such borrowings and the approved levels are monitored and reviewed regularly by the Board. Movements in interest rates, to the extent that they affect the market value of the Company's fixed rate borrowings, may also affect the amount by which the Company's share price is at a discount or a premium to the net asset value (assuming that the Company's share price is unaffected by movements in interest rates).

The interest rate risk profile of the Company's financial assets and liabilities at 31 July is shown below.

Financial assets

	2026 Fair value £'000	2026 Weighted average interest rate	2026 Weighted average fixed rate period *	2025 Fair value £'000	2025 Weighted average interest rate	2025 Weighted average fixed rate period *
Cash at bank and in hand:						
Overseas currencies	1,460	0.8%	n/a	3,750	0.5%	n/a
Sterling	25	1.6%	n/a	70	1.5%	n/a
	1,485			3,820		

* Based on expected redemption date.

18 Financial Instruments (continued)

ii. Interest rate risk (continued)

Financial liabilities

The interest rate risk profile of the Company's financial liabilities and the maturity profile of the undiscounted future cash flows in respect of the Company's contractual financial liabilities at 31 July are shown below.

Maturity profile

	2026 £'000	2025 £'000
In less than one year:		
– repayment of loan	37,040	35,780
– accumulated interest	460	918
– non-utilisation fee	90	105
Between one and two years:		
– non-utilisation fee	60	–
	37,650	36,803

Interest rate risk sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates at the Balance Sheet date and with the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates.

An increase of 100 basis points in interest rates, with all other variables being held constant, would have decreased the Company's total net assets and total return for the year ended 31 July 2026 by £356,000 (2025 – a decrease of £320,000). This is mainly due to the Company's exposure to interest rates on its floating rate bank loan and cash balances. A decrease of 100 basis points would have had an equal but opposite effect.

iii. Other price risk

Changes in market prices other than those arising from interest rate risk or currency risk may also affect the value of the Company's net assets. The Board manages the market price risks inherent in the investment portfolio by ensuring full and timely access to relevant information from the Managers. The Company's portfolio of unlisted level 3 investments is not necessarily affected by market performance, however the valuations are affected by the performance of the underlying securities in line with the valuation criteria in note 1(c). The Board meets regularly and at each meeting reviews investment performance, the investment portfolio and the rationale for the current investment positioning to ensure consistency with the Company's objectives and investment policies. The portfolio does not seek to reproduce the index. Investments are selected based upon the merit of individual companies and therefore performance may well diverge from the comparative index.

Other price risk sensitivity

A full list of the Company's investments is given on pages 39 to 42. In addition, a geographical analysis of the portfolio and an analysis of the investment portfolio by broad industrial or commercial sector are contained on page 34.

93.6% (2025 – 93.7%) of the Company's total assets are invested in quoted equities. A 5% (2025 – 5%) increase in quoted equity valuations at 31 July 2026 would have increased total assets and total return on ordinary activities by £44,713,000 (2025 – £30,594,000). A decrease of 5% would have had an equal but opposite effect. The level of change is considered to be reasonable based on observations of current market conditions.

6.3% (2025 – 6.1%) of the Company's total assets are invested in private company investments. The fair valuation of the private company investments is influenced by the estimates, assumptions and judgements made in the fair valuation process (see note 1(c) on page 92).

A sensitivity analysis is provided below which recognises that the valuation methodologies employed involve different levels of subjectivity in their significant unobservable inputs and illustrates the sensitivity of the valuations to these inputs as it involves more significant subjective estimation than the recent transaction method. The inputs have been flexed by +/-10%. The table also provides the range of values for the key unobservable inputs.

18 Financial Instruments (continued)

iii. Other price risk (continued)

Other price risk sensitivity (continued)

Valuation technique	Fair value as at 31 July 2026 £'000	Significant unobservable inputs*					
		Key unobservable inputs	Other unobservable inputs [†]	Range	Weighted average range [‡]	Sensitivity %	Sensitivity to changes in significant unobservable inputs
Market approach using comparable trading multiples	4,077	EV [§] /LTM [¶] revenue multiple	a,b,c,d	1.7x – 7.5x	3.61x	10%	A +/-10% change in the EV/LTM revenue multiple would increase fair value by £363,941 and decrease it by £363,941.
		Illiquidity discount	e	10%	10%	10%	A +/-10% (relative) change in the illiquidity discount would increase fair value by £45,302 and decrease it by £45,302.
Benchmark performance	4,423	Selection of comparable companies [#]	a,b,c,f	(12.2%) to (1.9%)	(12.2%)	10%	A +/-10% change in benchmark (comparable company) performance would increase fair value by £442,269 and decrease it by £442,269.
Recent transaction price ^{**}	51,759	n/a	n/a	n/a	n/a	10%	A +/-10% change in the recent transaction price would increase fair value by £5,175,819 and decrease it by £5,175,819.

* Significant unobservable inputs

The variable inputs applicable to each broad category of valuation basis will vary dependent on the particular circumstances of each private company valuation. An explanation of each of the key unobservable inputs is provided below and includes an indication of the range in value for each input, where relevant. The assumptions made in the production of the inputs are described in note 1(c) on page 92.

[†] See explanation for other unobservable inputs on page 108.

[‡] Weighted average is calculated by reference to the fair value of holdings as at the respective year-end. This therefore gives a clearer indication of the typical multiple or adjustment being applied across the portfolio.

[§] Enterprise value (EV).

[¶] Last twelve months (LTM).

[#] See explanation for the selection of comparable companies.

^{**} A recent transaction price may be used as valuation evidence whether or not the Company participated in the relevant transaction.

18 Financial Instruments (continued)

iii. Other price risk (continued)

Other price risk sensitivity (continued)

As at 31 July 2025		Significant unobservable inputs*					
Valuation technique	Fair value as at 31 July 2025 £'000	Key unobservable inputs	Other unobservable inputs†	Range	Weighted average range#	Sensitivity %	Sensitivity to changes in significant unobservable inputs
Market approach using comparable trading multiples	33,685	EV revenue multiple‡	a,b,c,d	2.3x – 4.8x	3.0x	10%	If EV revenue multiples changed by +/-10%, the fair value would change by £2,612,175 and -£2,580,445.
		NTM revenue estimate+		n/a	n/a	10%	If NTM revenue estimate changed by +/- 10%, the fair value would change by £450,391 and -£417,674.
		Illiquidity discounts	e	10%	10%	10%	If the illiquidity discount is changed by +/-10%, the fair value would change by £332,137 and -£333,121. This refers to a 10% proportional change in the discount rate, not an absolute change in percentage points.
Benchmark performance	6,210	Selection of comparable companies§	a,b,c,f	4.8% to 23.5%	4.9%	10%	If input comparable company performance changed by +/-10%, the fair value would change by £625,248 and -£624,726.

* Significant unobservable inputs

The variable inputs applicable to each broad category of valuation basis will vary dependent on the particular circumstances of each private company valuation. An explanation of each of the key unobservable inputs is provided below and includes an indication of the range in value for each input, where relevant. The assumptions made in the production of the inputs are described in note 1(c) on page 92.

† See explanation for other unobservable inputs on page 108.

Weighted average is calculated by reference to the fair value of holdings as at the respective year-end. This therefore gives a clearer indication of the typical multiple or adjustment being applied across the portfolio.

‡ Enterprise value (EV).

+ In instances where historical revenue is no longer indicative of sustainable, recurring revenue performance, a forward-looking revenue estimate of the next twelve months (NTM) is included in the valuation assessment. This input relates only to VerSe (Dailyhunt) Innovation with a total fair value of £8,386,000 as at 31 July 2025.

§ See explanation for the selection of comparable companies on page 108 section 'c'. The percentage movements reflect the movement in overall company value for the basket of comparable companies relevant to each holding since the most recent transaction or since the last assessed.

18 Financial Instruments (continued)

iii. Other price risk (continued)

Other price risk sensitivity (continued)

a. Application of valuation basis

Each investment is assessed independently, and the valuation basis applied will vary depending on the circumstances of each investment. When an investment is pre-revenue, the focus of the valuation will be on assessing the recent transaction and the achievement of key milestones since investment. Adjustments may also be made depending on the performance of comparable benchmarks and companies and operational performance. For those investments where a trading multiples approach can be taken, the methodology will factor in revenue, earnings or net assets as appropriate for the investment, and where a suitable correlation can be identified with the comparable companies then a regression analysis will be performed. Discounted cash flows will also be considered where appropriate forecasts are available.

b. Probability estimation of liquidation events

The probability of a liquidation event such as a company sale, or alternatively an initial public offering ('IPO'), is a key variable input in the Transaction-based and Multiples-based valuation techniques. The probability of an IPO versus a company sale is typically estimated from the outset to be 50:50 if there has been no indication by the company of pursuing either of these routes. If the company has indicated an intention to IPO, the probability is increased accordingly to 75% and if an IPO has become a certainty the probability is increased to 100%. Likewise, in a scenario where a company is pursuing a trade sale the weightings will be adjusted accordingly in favour of a sale scenario, or in a situation where a company is underperforming expectations significantly and therefore deemed very unlikely to pursue an IPO. The Company typically invests in higher ranking preference shares which carry more protection, and this can therefore influence the end valuation.

c. Selection of comparable companies

The selection of comparable companies is assessed individually for each investment at the point of investment, and the relevance of the comparable companies is continually evaluated at each valuation. The key criteria used in selecting appropriate comparable companies are the industry sector in which they operate, the geography of the company's operations, the respective revenue and earnings growth rates and the operating margins. Typically, between 4 and 10 comparable companies will be selected for each investment, depending on how many relevant comparable companies are identified. The resultant revenue or earnings multiples or share price movements derived will vary depending on the companies selected and the industries they operate in.

d. Estimated sustainable earnings

The selection of sustainable revenue or earnings will depend on whether the company is sustainably profitable or not, and where it is not then revenues will be used in the valuation. The valuation approach will typically assess companies based on the last twelve months of revenue or earnings, as they are the most recent available and therefore viewed as the most reliable. Where a company has reliably forecasted earnings previously or there is a change in circumstance at the business which will impact earnings going forward, then forward estimated revenue or earnings may be used instead.

e. Application of illiquidity discount

The application of an illiquidity discount will be applied either through the calibration of a valuation against the most recent transaction, or by application of a specific discount. The discount applied where a calibration (see 'g' below) is not appropriate is typically 10%, reflecting that the majority of the investments held are substantial companies with some secondary market activity.

f. Selection of appropriate benchmarks

The selection of appropriate benchmarks is assessed individually for each investment. The industry and geography of each company are key inputs to the benchmark selection, with either one or two key indices or benchmarks being used for comparison.

g. Transaction implied premium and discount

Where there is an implied company valuation available as a result of an external arm's length transaction, the ongoing valuation will be calibrated to this by deriving a company valuation with reference to the average multiple from a set of comparable companies and comparing this to a transaction implied valuation, and could result in an implied premium or discount compared to comparable companies at the point of transaction. This discount or premium will be considered in future valuations, and may be reduced due to factors such as period of time since the transaction and company performance. Where a calibrated approach is not appropriate, a discount for illiquidity will be applied as noted in (e) above.

18 Financial Instruments (continued)

Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk is not significant as the majority of the Company's assets are investments in quoted securities that are readily realisable. The Board provides guidance to the Managers as to the maximum exposure to any one holding and to the maximum aggregate exposure to substantial holdings.

The Company has the power to take out borrowings, which give it access to additional funding when required. The Company's current borrowing facility is detailed in note 11 and the maturity profile of its borrowings is set out above. Under the terms of the borrowing facility, borrowings are repayable on demand at their current carrying value.

Credit risk

This is the risk that a failure of a counterparty to a transaction to discharge its obligations under that transaction could result in the Company suffering a loss.

This risk is managed as follows:

- where the Managers make an investment in a bond or other security with credit risk, that credit risk is assessed and then compared to the prospective investment return of the security in question;
- the Depositary is liable for the loss of financial instruments held in custody. The Depositary will ensure that any delegate segregates the assets of the Company. The Managers monitor the Company's risk by reviewing the Custodian's internal control reports and reporting its findings to the Board;
- investment transactions are carried out with a large number of brokers whose creditworthiness is reviewed by the Managers. Transactions are ordinarily undertaken on a delivery versus payment basis whereby the Company's Custodian bank ensures that the counterparty to any transaction entered into by the Company has delivered on its obligations before any transfer of cash or securities away from the Company is completed;
- the creditworthiness of the counterparty to transactions involving derivatives, structured notes and other arrangements, wherein the creditworthiness of the entity acting as broker or counterparty to the transaction is likely to be of sustained interest, are subject to rigorous assessment by the Managers; and
- cash is only held at banks that are regularly reviewed by the Managers.

Credit risk exposure

The maximum exposure to credit risk at 31 July was:

	2026 £'000	2025 £'000
Cash at bank and in hand	1,485	3,820
Debtors and prepayments	2,546	802
	4,031	4,622

None of the Company's financial assets are past due or impaired (2025 – none).

Fair value of financial assets and financial liabilities

The Directors are of the opinion that the carrying amount of financial assets and liabilities of the Company in the Balance Sheet approximate their fair value.

Capital management

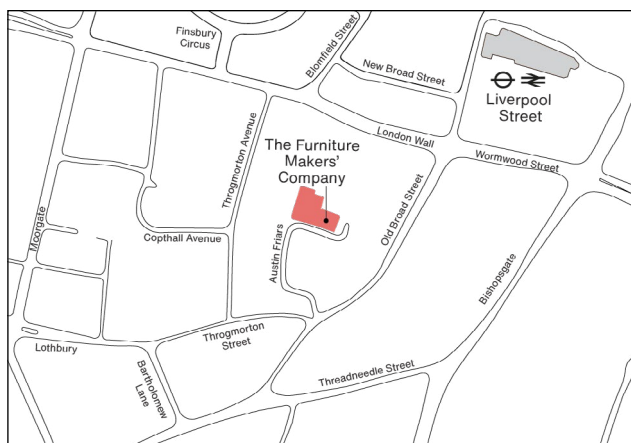
The capital of the Company is its share capital and reserves as set out in note 14 together with its borrowings (see note 11). The objective of the Company is to invest in the Asia-Pacific region (excluding Japan) and in the Indian Sub-continent in order to achieve capital growth. The Company's investment policy is set out on page 43. In pursuit of the Company's objective, the Board has a responsibility for ensuring the Company's ability to continue as a going concern and details of the related risks and how they are managed are set out on pages 46 to 49. The Company has the authority to issue and buy back its shares (see pages 61 and 62) and changes to the share capital during the year are set out in notes 13 and 14. The Company does not have any externally imposed capital requirements other than the covenants on its loan which are detailed in note 11.

19 Subsequent events

The Company is not aware of any subsequent events requiring adjustment to, or disclosure in, the Financial Statements up to 21 September 2026.

Shareholder information

Notice of Annual General Meeting



Baillie Gifford™



The Annual General Meeting of the Company will be held at the Furniture Makers' Hall, 12 Austin Friars, London, EC2N 2HE, on Friday, 27 November 2026 at 1.00pm. You will find directions to the venue by scanning the QR code above.

To accurately reflect the views of shareholders of the Company, the Board intends to hold the AGM voting on a poll, rather than on a show of hands as has been customary.

The Board encourages all shareholders to submit proxy voting forms as soon as possible and, in any event, by no later than 1.00pm on 25 November 2026. We would encourage shareholders to monitor the Company's page of the Managers' website at pacifichorizon.co.uk.

Should shareholders have questions for the Board or the Managers or any queries as to how to vote, or how to attend the meeting, they are welcome as always to submit them by email to enquiries@bailliegifford.com or call 0800 917 2113. Baillie Gifford may record your call.

For details of how to vote your shares if held via a platform please refer to theaic.co.uk/how-to-vote-your-shares.

Notice is hereby given that an Annual General Meeting of Pacific Horizon Investment Trust PLC (the 'Company') will be held at Furniture Makers' Hall, 12 Austin Friars, London, EC2N 2HE on Friday, 27 November 2026 at 1.00pm for the purposes of considering and, if thought fit, passing the following Resolutions, of which Resolutions 1 to 11 and Resolutions 14 and 15 will be proposed as ordinary resolutions and Resolutions 12 and 13 will be proposed as special resolutions:

Ordinary business

01. To receive and adopt the Company's Annual Report and Financial Statements for the financial year ended 31 July 2026, together with the Reports of the Directors and the Independent auditor's report thereon.
02. To approve the Directors' Remuneration Policy.
03. To approve the Directors' Annual Report on Remuneration for the financial year ended 31 July 2026.
04. To re-elect Mr RP Yates as a Director of the Company.
05. To re-elect Sir RW Chote as a Director of the Company.
06. To re-elect Ms W Hee as a Director of the Company.
07. To re-elect Ms AC Lane as a Director of the Company.
08. To re-elect Mr RF Studwell as a Director of the Company.
09. To reappoint BDO LLP as Independent auditor of the Company to hold office until the conclusion of the next Annual General Meeting at which the Financial Statements are laid before the Company.
10. To authorise the Directors to determine the remuneration of the Independent auditor of the Company.
11. That:
 - a. the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the 'Act') to allot shares in the Company, or to grant rights to subscribe for or convert any security into shares in the Company, up to a maximum nominal amount of £773,101; and
 - b. the authority given by this Resolution:
 - i. shall be in addition to all pre-existing authorities under section 551 of the Act; and
 - ii. unless renewed, revoked or varied in accordance with the Act, shall expire on 25 February 2028 or, if earlier, at the conclusion of the Annual General Meeting of the Company to be held in 2027 save that the Company may, before such expiry, make any offer or enter into an agreement which would or might require the allotment of shares in the Company, or the grant of rights to subscribe for or to convert any security into shares in the Company, after such expiry.
12. That, subject to the passing of Resolution 11 above, (the 'Allotment Authority'), the Directors be given power pursuant to sections 570 and 573 of the Companies Act 2006 (the 'Act') to allot equity securities (within the meaning of section 560(1) of the Act) for cash pursuant to the Allotment Authority, and to sell treasury shares for cash, as if section 561(1) of the Act did not apply to such allotment or sale, provided that such power:
 - a. shall be limited to the allotment of equity securities or the sale of treasury shares up to an aggregate nominal amount of £773,101;
 - b. shall be in addition to all pre-existing powers under sections 570 and 573 of the Act; and
 - c. shall expire at the same time as the Allotment Authority, save that the Company may before expiry of the power conferred on the Directors by this Resolution make an offer or agreement which would or might require equity securities to be allotted after such expiry.
13. That, in substitution for any existing authority, but without prejudice to the exercise of any such authority prior to the date hereof, the Company be generally and unconditionally authorised, in accordance with section 701 of the Companies Act 2006 (the 'Act') to make market purchases (within the meaning of section 693(4) of the Act) of its ordinary shares, (either for retention as treasury shares for future reissue, resale, transfer or for cancellation), provided that:
 - a. the maximum number of ordinary shares hereby authorised to be purchased is 11,588,793 or, if less, the number representing approximately 14.99 per cent. of the issued share capital of the Company on the date on which this Resolution is passed;

- b. the minimum price (excluding expenses) which may be paid for each ordinary share shall be the nominal value of that share;
 - c. the maximum price (excluding expenses) which may be paid for any ordinary share purchased pursuant to this authority shall not be more than the higher of:
 - i. 5 per cent. above the average closing price on the London Stock Exchange of an ordinary share over the five business days immediately preceding the date of purchase; and
 - ii. the higher price of the last independent trade of an ordinary share and the highest current independent bid for such a share on the London Stock Exchange; and
 - d. unless previously varied, revoked or renewed by the Company in general meeting, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2027 save that the Company may, prior to the expiry of such authority, enter into a contract or contracts to purchase ordinary shares under such authority which will or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of ordinary shares pursuant to any such contract or contracts.
14. That, for the purposes of and in accordance with Article 106 of the Company's Articles of Association and with effect from 1 August 2026, fees paid to Directors for their services as Directors of the Company shall not exceed in the aggregate £250,000 per annum.
15. That the obligation imposed on the Directors by Article 177 of the Existing Articles of Association of the Company, to convene a General Meeting of the Company at which a resolution will be proposed pursuant to section 84 of the Insolvency Act 1986 to wind the Company up voluntarily (the 'Wind Up Obligation'), be postponed for a further period of five years, as recommended by the Directors, such that the Wind Up Obligation be postponed until the date of the Annual General Meeting of the Company to be held in 2031 or 30 November 2031, whichever is the earlier.

By Order of the Board
 Baillie Gifford & Co Limited
 Company Secretaries
 21 September 2026

Notes

01. As a member you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at the AGM. A proxy need not be a member of the Company but must attend the AGM to represent you. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You can only appoint a proxy using the procedure set out in these notes and the notes to the proxy form. You may not use any electronic address provided either in this notice or any related documents (including the Financial Statements and proxy form) to communicate with the Company for any purpose other than those expressly stated.
02. 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 at the Registrars of the Company at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY or eproxyappointment.com no later than 1pm on 25 November 2026 (or 48 hours (excluding non-working days) before any adjourned meeting).
03. 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/or by logging on to the website euroclear.com/CREST. 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.
04. 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 Company's registrar (ID 3RA50) no later than 1.00pm on 25 November 2026 (or 48 hours (excluding non-working days) before any adjourned 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 Company's 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.
05. 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/her 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 service by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
06. 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.
07. The return of a completed proxy form or other instrument of proxy will not prevent you attending the AGM and voting in person if you wish.
08. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and section 311 of the Companies Act 2006 the Company specifies that to be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company no later than 48 hours (excluding non-working days) prior to the commencement of the AGM or any adjourned meeting. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
09. 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 shareholder 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 shareholder as to the exercise of voting rights.
10. The statement of the rights of shareholders in relation to the appointment of proxies in Notes 1 and 2 above does not apply to Nominated Persons. The rights described in those Notes can only be exercised by shareholders of the Company.
11. Under section 338 of the Companies Act 2006, members meeting the qualification criteria set out in note 14 below may, subject to certain conditions, require the Company to circulate to members notice of a resolution which may properly be moved and is intended to be moved at that meeting. The conditions are that: (a) the resolution must not, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise); (b) the resolution must not be defamatory of any person, frivolous or vexatious; and (c) the request: (i) may be in hard copy form or in electronic form; (ii) must identify the resolution of which notice is to be given by either setting out the resolution in full or, if supporting a resolution sent by another member, clearly identifying the resolution which is being supported; (iii) must be authenticated by the person or persons making it; and (iv) must be received by the Company not later than 15 October 2026.

12. Under section 338A of the Companies Act 2006, members meeting the qualification criteria set out at note 14 below may require the Company to include in the business to be dealt with at the Annual General Meeting a matter (other than a proposed resolution) which may properly be included in the business (a matter of business). The request must have been received by the Company no later than 15 October 2026. The conditions are that the matter of business must not be defamatory of any person, frivolous or vexatious. The request must identify the matter of business by either setting it out in full or, if supporting a statement sent by another member, clearly identify the matter of business which is being supported. The request must be accompanied by a statement setting out the grounds for the request. Members seeking to do this should write to the Company providing their full name and address.
13. Under section 527 of the Companies Act 2006, members meeting the qualification criteria set out at note 14 below may require the Company to publish, on its website, (without payment) a statement (which is also passed to the Auditor) setting out any matter relating to the audit of the Company's Financial Statements, including the auditor's Report and the conduct of the audit. Such requests must be made in writing and must state your full name and address.
14. In order to be able to exercise the members' rights in note 11 to 13, the relevant request must be made by: (a) members representing at least 5% of the total voting rights of all the members who have a right to vote on the resolution to which the requests relate; or (b) at least 100 members who have a right to vote on the resolution to which the requests relate and hold shares in the Company on which there has been paid up an average sum, per member, of at least £100. Such requests should be sent to the Company at 3 Haymarket Square, Edinburgh, EH3 8RY.
15. Information regarding the Annual General Meeting, including information required by section 311A of the Companies Act 2006, is available from the Company's page of the Managers' website at pacifichorizon.co.uk.
16. Members have the right to ask questions at the meeting in accordance with section 319A of the Companies Act 2006.
17. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
18. As at 16 September 2026 (being the last practicable date prior to the publication of this notice) the Company's issued share capital consisted of 77,310,163 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 16 September 2026 were 77,310,163 votes.
19. Any person holding 3 per cent. or more of the total voting rights of the Company who appoints a person other than the Chairman of the meeting as his/her proxy will need to ensure that both he/she and his/her proxy complies with their respective disclosure obligations under the UK Disclosure Guidance and Transparency Rules.
20. No Director has a contract of service with the Company.

Further shareholder information

Pacific Horizon is an investment trust. Investment trusts offer investors the following:

- participation in a diversified portfolio of shares;
- constant supervision by experienced professional managers; and
- the Company is free from UK capital gains tax on capital profits realised within its portfolio although investors are still liable for capital gains tax on profits when selling their investment.

How to invest

The Company's shares are traded on the London Stock Exchange. They can be bought by placing an order with a stockbroker, or by asking a professional adviser to do so. If you are interested in investing directly in Pacific Horizon, you can do so online. There are a number of companies offering real time online dealing services.

Sources of further information on the Company

The price of shares is quoted daily in the Financial Times (under 'Investment Companies') and can also be found on the Company's page of the Managers' website at pacifichorizon.co.uk, Trustnet at trustnet.com and on other financial websites. Monthly factsheets are also available on the Baillie Gifford website. These are available from Baillie Gifford on request.

Pacific Horizon Share Identifiers

ISIN GB0006667470

Sedol 0666747

Ticker PHI

Legal Entity Identifier VLGEI9B8R0REWKB0LN95

Key dates

Any dividend in respect of a financial year will be paid by way of a single final payment shortly after the Annual General Meeting. The Annual General Meeting is normally held in October or November.

Capital gains tax

For Capital Gains Tax purposes, the cost to shareholders who subscribed for the conversion shares, subsequently converted into new ordinary shares (with warrants attached), is apportioned between the ordinary shares and the warrants as set out in the placing and offer document dated 5 March 1996. The attributable costs are:

Cost of each ordinary share	53.45p
Cost of each warrant	16.52p

Market values on 17 April 1996 (first day of dealing) were as follows (Source: Thomson Reuters):

Ordinary share	55.00p
Warrant	17.00p

Share register enquiries

Computershare Investor Services PLC maintains the share register on behalf of the Company. In the event of queries regarding shares registered in your own name, please contact the Registrars on 0370 707 1229. This helpline also offers an automated self-service functionality (available 24 hours a day, 7 days a week) which allows you to:

- hear the latest share price;
- confirm your current share holding balance;
- confirm your payment history; and
- order Change of Address, Dividend Bank Mandate and Stock Transfer forms.

You can also check your holding on the Registrars' website at investorcentre.co.uk. They also offer a free, secure share management website service which allows you to:

- view your share portfolio and see the latest market price of your shares;
- calculate the total market price of each shareholding;
- view price histories and trading graphs;
- register to receive communications from the Company, including the Annual Report and Financial Statements, in electronic format;
- update bank mandates and change address details; and
- use online dealing services.

To take advantage of this service, please log in at investorcentre.co.uk and enter your Shareholder Reference Number and Company Code (this information can be found on the last dividend voucher or your share certificate).

Dividend reinvestment plan

Computershare operate a Dividend Reinvestment Plan which can be used to buy additional shares instead of receiving your dividend via cheque or into your bank account. For further information log on to investorcentre.co.uk and follow the instructions or telephone **0370 702 0000**.

Electronic proxy voting

If you hold stock in your own name you can choose to vote by returning proxies electronically at eproxyappointment.com. If you have any questions about this service please contact Computershare on 0370 707 1229.

CREST proxy voting

If you are a user of the CREST system (including a CREST Personal Member), you may appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. For further information please refer to the CREST Manual.

Data protection

The Company is committed to ensuring the confidentiality and security of any personal data provided to it. Further details on how personal data is held and processed on behalf of the Company can be found in the privacy policy available on the Company's page of the Managers' website pacifichorizon.co.uk.

Alternative Investment Fund Managers Regulations (AIFMR)

In accordance with the UK Alternative Investment Fund Managers Regulations, information in relation to the Company's leverage and the remuneration of the Company's AIFM, Baillie Gifford & Co Limited, is required to be made available to investors. In accordance with the Regulations, the AIFM's remuneration policy is available on the Managers' website at bailliegifford.com or on request (see contact details on page 125). The numerical remuneration disclosures in respect of the AIFM's relevant reporting period (year ended 31 March 2026) are also available at bailliegifford.com.

The Company's maximum and actual leverage (see Glossary of terms and Alternative Performance Measures on pages 122 and 123) levels at 31 July 2026 are shown below:

Leverage exposure

	Gross method	Commitment method
Maximum limit	2.50:1	2.50:1
Actual	1.04:1	1.04:1

Automatic Exchange of Information

In order to fulfil its obligations under UK tax legislation relating to the automatic exchange of information, Pacific Horizon Investment Trust PLC is required to collect and report certain information about certain shareholders.

The legislation requires investment trust companies to provide personal information to HMRC on certain investors who purchase shares in investment trusts. Accordingly, Pacific Horizon Investment Trust PLC will have to provide information annually to the local tax authority on the tax residencies of a number of non-UK based certificated shareholders and corporate entities.

All new shareholders, excluding those whose shares are held in CREST, who come on to the share register will be sent a certification form for the purposes of collecting this information.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – information for account holders gov.uk/guidance/automatic-exchange-of-information-account-holders.

Communicating with shareholders



Trust magazine

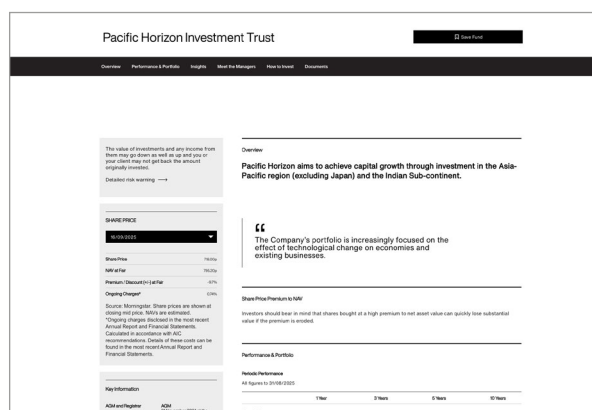
Trust magazine

Trust is the Baillie Gifford investment trust magazine which is published twice a year. It provides an insight to our investment approach by including interviews with our portfolio managers, as well as containing investment trust news, investment features and articles about the trusts managed by Baillie Gifford, including Pacific Horizon. *Trust* plays an important role in helping to explain our products so that readers can really understand them.

You can subscribe to Trust magazine or view a digital copy at bailliegifford.com/trust

Suggestions and questions

Any suggestions on how communications with shareholders can be improved are welcomed. Please contact the Baillie Gifford Client Relations Team and give them your suggestions. They will also be very happy to answer questions that you may have about Pacific Horizon.



Pacific Horizon Investment Trust web page at pacifichorizon.co.uk

Pacific Horizon on the Web

Up-to-date information about Pacific Horizon, can be found on the Company's page of the Managers' website at pacifichorizon.co.uk. You will find full details on Pacific Horizon, including recent portfolio information and performance figures.

Client relations team contact details

You can contact the Baillie Gifford Client Relations Team by telephone, email or post:

Telephone: 0800 917 2113

Your call may be recorded for training or monitoring purposes.

Email: enquiries@bailliegifford.com

Website: bailliegifford.com

Address:

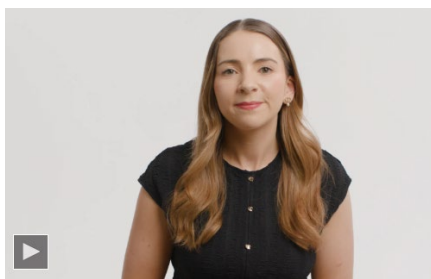
Baillie Gifford Client Relations Team
3 Haymarket Square
Edinburgh EH3 8RY

Please note that Baillie Gifford is not permitted to give financial advice. If you would like advice, please ask an authorised intermediary.



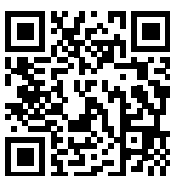
Pacific Horizon: dragons and salamanders

Beyond the index 'dragons', the rewards may lie in the quarter 'salamanders' others miss.



Stock story: Sea Limited

Amy Leishman examines Sea's role in Southeast Asia's changing digital economy.



Pacific Horizon: Asia's next act

Pacific Horizon co-manager Roderick Snell explains where he sees Asia's next wave of growth.



Sustainable Finance Disclosure Regulation ('SFDR')

The EU Sustainable Finance Disclosure Regulation ('SFDR') does not have a direct impact in the UK due to Brexit, however, it applies to third-country products marketed in the EU. As Pacific Horizon is marketed in the EU by the AIFM, BG & Co Limited, via the National Private Placement Regime ('NPPR') the following disclosures have been provided to comply with the high-level requirements of SFDR.

The AIFM has adopted Baillie Gifford & Co's ESG Principles and Guidelines as its policy on integration of sustainability risks in investment decisions.

Baillie Gifford & Co believes that a company cannot be financially sustainable in the long run if its approach to business is fundamentally out of line with changing societal expectations. It defines 'sustainability' as a deliberately broad concept which encapsulates a company's purpose, values, business model, culture, and operating practices.

Baillie Gifford & Co's approach to investment is based on identifying and holding high quality growth businesses that enjoy sustainable competitive advantages in their marketplace. To do this it looks beyond current financial performance, undertaking proprietary research to build up an in-depth knowledge of an individual company and a view on its long-term prospects. This includes the consideration of sustainability factors (environmental, social and/or governance matters) which it believes will positively or negatively influence the financial returns of an investment. The likely impact on the return of the portfolio from a potential or actual material decline in the value of investment due to the occurrence of an environmental, social or governance event or condition will vary and will depend on several factors including but not limited to the type, extent, complexity and duration of an event or condition, prevailing market conditions and existence of any mitigating factors.

Whilst consideration is given to sustainability matters, there are no restrictions on the investment universe of the Company, unless otherwise stated within its Investment Objective & Policy. Baillie Gifford & Co can invest in any companies it believes could create beneficial long-term returns for investors. However, this might result in investments being made in companies that ultimately cause a negative outcome for the environment or society.

More detail on the Investment Manager's approach to sustainability can be found in the ESG Principles and Guidelines document, available publicly on the Baillie Gifford website [bailliegifford.com](https://www.bailliegifford.com) and by scanning the QR code below.

The underlying investments do not take into account the EU criteria for environmentally sustainable economic activities established under the EU Taxonomy Regulation.



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FTSE Index data

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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
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.



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W Hee
AC Lane
RF Studwell

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VLGEI9B8R0REWKB0LN95

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