

The background of the entire page is a close-up, diagonal stack of various fabric rolls. The fabrics are richly colored and feature intricate patterns, including floral motifs, geometric designs, and traditional motifs. The colors range from vibrant greens and yellows to deep purples, pinks, and blues. The lighting highlights the texture and sheen of the materials.

Pacific Assets Trust plc

Half Year Report
for the six months ended 31 July 2024



Stewart Investors

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Pacific Assets Trust plc (the "Company") has employed Frostrow Capital LLP as the Company's Alternative Investment Fund Manager ("AIFM"). The AIFM provides risk management, company management, company secretarial and administrative services. The AIFM has delegated the portfolio management function to Stewart Investors.

The Company employs Stewart Investors as Portfolio Manager. They adopt a sustainable investment strategy in selecting the investments that make up the Company's portfolio. They operate through the regulatory licences of First Sentier Investors (UK) IM Limited, which is the legal entity appointed as the Company's Portfolio Manager.

Capital Structure

At 31 July 2024 the Company's share capital comprised 120,958,386 ordinary shares (31 January 2024: 120,958,386 ordinary shares).

Gearing

The Company is not currently geared.

Keeping in Touch



Keep up to date with Pacific Assets Trust plc For more information about Pacific Assets Trust plc visit the website at www.pacific-assets.co.uk

Please use the 'contact us' button to ask a question or to register for fact sheets, quarterly and annual reports, and webcasts.

The Company

The Company is an investment trust and its shares are listed on the premium segment of the Official List and traded on the main market of the London Stock Exchange.

Investment Objective

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

Investment Philosophy

The foundations of Stewart Investors' investment philosophy and approach remain largely unchanged since 1988 and since their first dedicated sustainability strategy was launched in 2005.

The Stewart Investors investment philosophy is summarised below:

- > They are stewards. They believe their role is to allocate society's capital to productive uses, in accordance with their Hippocratic Oath¹.
- > They are long-term investors. Their time horizon is measured in years, not weeks, and they value companies accordingly.
- > They invest only in companies they believe are contributing to a more sustainable future. They engage constructively as owners to help companies on their sustainability journeys.
- > They invest only in high-quality companies. They invest in companies with exceptional cultures, strong franchises and resilient financials.
- > They believe capital preservation is important for capital growth. They define risk as the possibility of the permanent loss of client capital.

¹ <https://www.stewartinvestors.com/all/about-us/our-hippocratic-oath.html>

Financial Highlights

Key Statistics

	As at 31 July 2024	As at 31 January 2024	% change
Share price	386.0p	349.0p	10.6%
Net asset value per share	421.8p	384.3p	9.8%
Discount of share price to net asset value per share	8.5%	9.2%	
Market capitalisation	£466.9m	£422.1m	10.6%
Shareholders' funds	£510.1m	£464.8m	9.8%

	Six months to 31 July 2024	Six months to 31 July 2023	One year to 31 January 2024
Share price (total return)*^	11.8%	3.7%	(1.9)%
Net asset value per share (total return)*^	10.8%	0.3%	(1.3)%
CPI + 6% ¹	4.5%	6.5%	10.4%
MSCI All Country Asia ex Japan Index (total return, sterling adjusted)*	14.9%	(3.3%)	(10.5)%
Average discount of share price to net asset value per share^	10.4%	6.5%	6.4%
Ongoing charges^	1.1%	1.1%	1.1%

* Source: Morningstar.

^ Alternative Performance Measure (see Glossary beginning on page 19).

¹UK Consumer Price Index + 6% – the Company's Performance Objective (see Glossary on page 20). Figures for six month periods are calculated on a pro rata basis.

Dividends	Year ended 31 January 2024	Year ended 31 January 2023
Final dividend per share	4.0p	2.3p

Peer Group Performance

Performance Assessment

The Company's performance objective, against which the Portfolio Manager's performance is measured, is to provide shareholders with a net asset value total return in excess of the UK Consumer Price Index ("CPI") plus 6%, calculated on an annual basis and measured over three to five years.

The Board also monitors the Company's performance against its peer group. An analysis of the Company's performance can be found below, in the Chair's Statement beginning on page 3 and in the Portfolio Manager's Review beginning on page 5.

Peer Group Net Asset Value per Share (Total Return)[^]

	6 months		1 Year		3 years		5 years	
	£	Rank	£	Rank	£	Rank	£	Rank
Pacific Assets	110.8	5	109.1	2	119.7	1	145.2	2
Schroder Asian Total Return	112.2	4	112.7	1	107.3	2	144.0	3
Pacific Horizon	110.7	6	105.4	4	86.9	5	196.1	1
Schroder Asia Pacific	114.6	1	105.8	3	97.7	3	126.0	4
iShares MSCI All Country Asia ex Jpn ETF	114.1	2	104.8	5	94.8	4	111.0	5
Asia Dragon	114.0	3	103.3	6	86.3	6	101.4	6
Peer Group Average	112.7		106.9		98.8		137.3	
CPI + 6%	104.5		108.3		144.0		167.4	
MSCI AC Asia Ex Japan Index	114.9		106.4		97.8		115.1	

Source: Morningstar. Figures show the value as at 31 July 2024 of £100 invested at the start of the period.

[^] Alternative Performance Measure (see Glossary on page 19).

¹ The Company's Performance Objective (see Glossary on page 20).



Chair's Statement



Return

I am pleased to report that the net asset value total return for the six months ended 31 July was 10.8% (2023: 0.3%).

Over longer periods, we assess our investment return against the UK CPI plus 6%, in that we

believe that our largely UK-based investors are seeking to protect and grow their capital in real terms by extracting a premium over their home markets from the faster growing Asian economies. Over the last five years, our annualised return of 7.7% has fallen behind the annualised CPI plus 6% figure of 10.8%. This is of course a result of unusually high inflation experienced in the UK and globally in recent years, although it now appears to be returning towards the 2% targeted by the Bank of England.

In addition, while the increase in the net asset value per share in the first half of the Company's financial year represents an attractive absolute return, it is below the peer group average return of 12.9% and the total return (sterling adjusted) of the MSCI All Country Asia Pacific ex Japan Index of 14.9%.

The Company's high exposure to India has continued to be helpful to returns: half of the top ten principal contributors to the return in this six-month period were Indian companies, notably Mahindra & Mahindra, CG Power and Triveni Turbine. Taiwanese companies also performed well: Voltronic Power, TSMC and Chroma ATE also appear in the top ten, reflecting the good performance of technology companies, and specifically those involved in the semiconductor manufacturing industry.

The returns from Indian companies were partially offset by an increase in the Company's provision for Indian

capital gains tax, due in part to the higher valuations of the companies as well as an increase in the rate of capital gains tax in India from 10.0% to 12.5%.

The Company's principal detractors were primarily companies based in, or economically exposed to, China and Hong Kong including Shenzhen Inovance, Wuxi Biologics and Koh Young Technology. China's economy has struggled in its post-Covid recovery and has suffered from a property downturn, mounting government debt, geopolitical issues and weak domestic spending.

Further analysis of the Company's performance and its portfolio positioning can be found in the Portfolio Manager's Review beginning on page 5.

Share Price Performance

The Company's shares traded at an average discount of 10.4% during the period. This compares to the average discount of 10.5% at which the Company's (closed-ended) peers traded and the average discount of 14.7% across the investment trust sector as a whole (excluding 3i). The share price total return of 11.8% exceeded the Company's net asset return of 10.8%, reflecting a slight narrowing of the share price discount compared with the start of the period.

In its efforts to improve demand for the Company's shares, the Board, advised by the Sales, Marketing and Communications Committee, continues to work with the Portfolio Manager on improving investors' awareness of the Company and the attributes that distinguish it from its competitors, including an investment approach that prioritises total return and capital preservation and its long-held focus on sustainability. The Board believes that a combination of effective marketing and good performance has the potential to improve the company's rating on a more sustained basis.

Chair's Statement continued

The Board has also continued to actively debate the circumstances in which the Company will buy back shares in the market. The Board has been conscious that share buybacks have their drawbacks and may be of limited effectiveness, but we are prepared to take action when the discount widens materially. No shares were bought back during the period under review, however, the Company repurchased shares in the market in September. At the date of this report, the Company had bought back 35,000 shares, at a total cost of £131k and at an average discount of 12.9%.

Sustainability Labels

In our last annual report, I said that the Board would take some time to assess whether it would be beneficial to propose to shareholders material changes to the Company's published investment objective and policy in order to utilise a sustainable investment label under the UK Sustainability Disclosure Requirements ("UK SDR").

The Board has now had a chance to consider the FCA and AIC guidance on this matter, to consult with the AIFM and the Portfolio Manager, and has decided not to propose any such changes for the time being. The requirements for the sustainable investment labels included in the UK SDR regime are such that we would need to impose specific and measurable objectives and KPIs to all (or substantially all) portfolio companies which may not tally with Stewart Investors' approach to sustainable investing, which is based on a broader and more qualitative view of sustainability.

There will be no change to Stewart Investors' approach to managing the Company's portfolio: they will continue to follow the philosophy and approach that they have developed over the past three decades. However, as things stand, the Company will not apply a label under UK SDR. In order to comply with the requirements of the regime, Frostrow and Stewart Investors will augment the Company's existing disclosures which explain the Portfolio Manager's understanding of sustainability and how they integrate this to their investment approach.

It is worth noting that the requirements and approach of the UK SDR are different from the EU Sustainable Finance Disclosure Regulation ("EU SFDR") and we have been advised that we can continue to report against a high standard of sustainability disclosures (Article 9) under the EU regime. However, we note that the European Commission has recently consulted on

EU SFDR and the outcomes of that consultation for its future disclosure regime are not yet known.

The Board, the AIFM and the Portfolio Manager will continue to monitor developments in this area.

The Board

During the period, and as previously announced, Charlotta Ginman retired from the Board and Nandita Sahgal succeeded her as Chair of the Audit Committee. The Board is grateful for Charlotta's considerable contribution.

On 22 July we announced the appointment of June Ang, effective 26 September. We are delighted to welcome a Director with extensive expertise both in the financial sector and in Asian emerging markets.

The Outlook

As inflation in the UK stabilises at lower levels, we consider that the challenge presented by our performance objective of exceeding UK CPI plus 6% will become more achievable. In Asia, markets are as diverse as the many cultures and so the outlook varies for each country in the region. China's growth may continue to disappoint, which will also affect closely linked economies and companies. There is more optimism for other countries, particularly India, whose prospects remain especially appealing when compared with China. However, while there are plenty of opportunities across Asia, many of them are in emerging markets with high levels of volatility and uncertainty and with an exposure to geopolitics which should not be underestimated and which is impossible to predict with any degree of confidence. Against that backdrop, our Portfolio Manager will continue to build the portfolio from the bottom up, focusing on identifying and selecting companies with successful and experienced management teams, strong balance sheets and sustainable business models. Such businesses are those that the Portfolio Manager, and the Board, believe are most able to weather macroeconomic difficulties and deliver the best long-term returns for shareholders.

Andrew Impey
Chair
8 October 2024



Portfolio Manager's Review

Performance

Although we are satisfied with the Company's performance over the past six months, we believe shareholders are best served by our focus remaining on the long term. Over short periods stock prices are driven by sentiment, but over the long run they are driven by business performance and growth. As stewards of shareholders' capital, our time and effort are spent focused on curating a portfolio of companies we believe will be worth substantially more in a decade's time.

The stark divergence between the performance of the Company's holdings in India and China continued during the period. Indian holdings, buoyed by a strong economy and positive sentiment, have performed well, whereas Chinese holdings have continued to be challenged by a declining property sector and the risk of escalating trade tensions with the US and its allies.

A significant proportion of our time this year has therefore been spent re-assessing the long-term prospects for the Chinese businesses owned by the Company. In this, we have tried to balance our inclination to buy from fearful sellers, with a recognition of the serious struggles China faces and the impact this might have on the companies owned by the Company. Despite low valuations we have been deliberate in maintaining a high-quality bar for the Company's portfolio and have not chased apparent bargains in low quality, unpredictable businesses.

The outcome of our review process so far has been additions to companies where we maintain our conviction in their long-term prospects and sales where the external environment has made assessment of their future difficult. The number of businesses owned in China by the Company has declined from

eleven at the beginning of the year to seven at the period end.

The majority of these exits have been from businesses in the healthcare industry. We believe demand will grow for medical products from China's ageing population, but we believe that there is a lack of alignment between profit making healthcare companies and the government's need to limit healthcare spending. We have seen the government intervene increasingly to push down prices. This means that despite their quality, it is hard for us to have any confidence on how much profit these companies will be permitted to make in a decade's time.

Transactions

We aim to build resilient portfolios of high-quality companies with diversified streams of cash flows, which have the ability to grow in value over the long term. High-quality companies at reasonable valuations tend not to come along too often. In the absence of such opportunities, we are comfortable long-term owners of investee companies. Accordingly, the turnover figures on a new names basis tends to be in the low teens which is roughly in-line with our investment horizon of at least five years.

Complete Sales

The sale of **Amoy Diagnostics** (China: Health Care) and **Kingmed Diagnostics** (China: Health Care) follows our assessment of their alignment with the government as they drive to reduce healthcare spending. Nothing has changed internally with these companies: Amoy remains a leader in companion diagnostics, and Kingmed is still China's largest diagnostics laboratory chain, but the external environment has reduced our conviction in the sustainability of their profit margins.

Portfolio Manager's Review continued

Kotak Mahindra Bank (India: Financials), **Telkom Indonesia** (Indonesia: Communication Services) and **Pigeon** (Japan: Consumer Staples) were sold during the first half of the year. These were each relatively small positions which were sold to fund additions to companies we have higher conviction in.

Vinda International (China: Consumer Staples), a Hong Kong based tissue paper business, was sold in March after it was approached by RGE Ltd for acquisition at an 18% premium to the prevailing share price.

We sold **WuXi Biologics** (China: Health Care), a Hong Kong listed, Chinese drug development outsourcer after a short holding period of less than a year. We first met the company in 2007 and were impressed by the ambition of the founder, Chris Chen, as well as the patience and competence with which he has developed WuXi into a trusted partner of global pharmaceutical companies. Prior to investing in 2023, we debated fiercely the vulnerability of their position handling the intellectual property of US pharma companies, but decided this risk was tolerable given the tailwinds behind the business, our confidence in Chris Chen as a steward, and its low valuation. Our assessment here was wrong and within a few months of purchase, a bill was proposed in the United States Congress which aimed to restrict some Chinese biotech business tie-ups with United States companies due to national security concerns. In recognition of this mistake, we exited the Company's position.

We also sold **DBH Finance** (Bangladesh: Financials) from the portfolio. Although quality remains intact on a bottom-up basis, the company faced increased regulatory pressures across the sector and deteriorating macro-economic conditions.

New Additions

During the period, the Company purchased **ESAB India** (India: Industrials), India's largest welding equipment and consumables business. We are particularly excited by the steward behind ESAB India's parent, Mitch Rales, who has had tremendous success as the founder of Danaher. ESAB India operates with the same "kaizen" culture of continuous improvement and is set to benefit from the growth of India's manufacturing sector.

The Company initiated a position in **Samsung C&T** (South Korea: Industrials). This is a holding company

through which JY Lee, the patriarch of Samsung, holds the majority of his stake in the group. Its major assets are stakes in Samsung Electronics and Samsung Biologics, but it trades at a significant discount to the value of these stakes. The Company is separately a shareholder of both these underlying companies and following signs that Samsung C&T aims to close the discount, we initiated a position.

Taiwanese fabless chip designer, **Mediatek** (Taiwan: Information Technology), was purchased. As a team our first meeting with Mediatek was in 2000 and we have watched their evolution from a designer of the chips for CD-Roms and DVD players, into a world leading chip designer estimated to power over two billion devices a year from smartphones to home entertainment.

We re-purchased **Techtronic Industries** (Hong Kong: Industrials) having sold last year over concerns about the management team. Over the course of the year, we have been re-assured of the quality of the Pudwell family's stewardship and more recently have been pleased with their appointment of a new CEO, Steve Richman. Richman is a long tenured internal hire and has effectively led Techtronic's successful power tools division for the past 17 years.

Other notable changes

We remain vigilant on the position sizes of the Company's largest holdings following a period of continued strong performance and trimmed each of the top three positions: **CG Power** (India: Industrials), **Tube Investments** (India: Consumer Discretionary) and **Mahindra & Mahindra** (India: Consumer Discretionary).

Contributors & Detractors

The top ten contributors to the Company's performance were largely comprised of Indian businesses and companies related to semiconductors. Mahindra & Mahindra, the Company's largest investment, continued to grow strongly in its core auto business whilst investing in its tractors and farm equipment franchise. Companies within the Murugappa Group also performed well, with CG Power, Tube Investments, and **Cholamandalam Financial Holdings** (India: Financials) all performing strongly. **TSMC** (Taiwan: Information Technology) was also a major contributor as it continued to enjoy strong

momentum as a beneficiary of increasing enthusiasm for artificial intelligence (AI).

Companies listed in and with economic exposure to China formed a large proportion of the bottom ten, led by **Shenzhen Inovance** (China: Industrials) and **Wuxi Biologics**. Other significant detractors were **Koh Young Technology** (South Korea: information Technology) and **Advanced Energy Solutions** (Taiwan: Industrials), both of which struggled with declining earnings.

Outlook

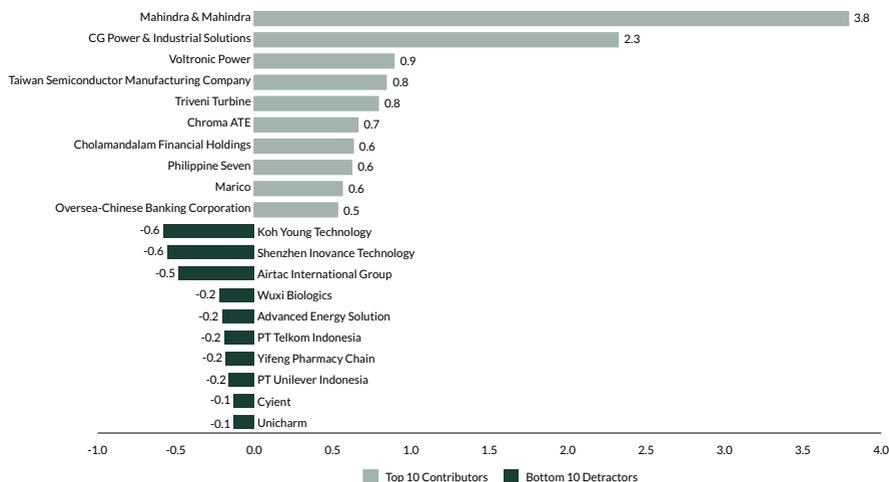
There is never a time when investors are confronted with a risk-free horizon. The most vivid macroeconomic risks the Company faces today are the continued woes faced by China's economy, but we are keenly aware that the greatest threats to markets are typically not those that are easily identifiable ahead of time.

We are focussed on owning businesses set to benefit from the attractive tailwinds in the Asian region, but which also have the strong stewardship and conservatism required to emerge stronger from the inevitable periods of macroeconomic trouble that they will face. An outcome of this approach is the Company track record of outperforming the vast majority of down markets whilst compounding long term returns alongside its portfolio companies.

Stewart Investors
Portfolio Manager
8 October 2024

Contribution by Investment

Contribution by investment for the six months ended 31 July 2024
Top 10 contributors to and detractors from absolute performance (%)



Portfolio Valuation

as at 31 July 2024

Company	Country	Sector	Val'n £'000	% Total Assets
Mahindra & Mahindra	India	Consumer Discretionary	34,919	6.9%
CG Power & Industrial Solutions	India	Industrials	21,135	4.2%
Samsung Electronics	South Korea	Information Technology	20,387	4.0%
Tube Investments of India	India	Consumer Discretionary	20,241	4.0%
Voltronic Power Technology	Taiwan	Industrials	16,994	3.4%
Oversea-Chinese Banking Corporation	Singapore	Financials	16,718	3.3%
Cholamandalam Financial Holdings	India	Financials	14,882	3.0%
Midea	China	Consumer Discretionary	13,609	2.7%
Taiwan Semiconductor Manufacturing	Taiwan	Information Technology	13,546	2.7%
Shanthi Gears	India	Industrials	13,218	2.6%
Top 10 Investments			185,649	36.8%
Hoya Corporation	Japan	Health Care	12,840	2.5%
ELGI Equipments	India	Industrials	11,794	2.3%
HDFC Bank	India	Financials	11,526	2.3%
Shenzhen Inovance Technology	China	Industrials	11,467	2.3%
MediaTek	Taiwan	Information Technology	11,079	2.2%
Marico	India	Consumer Staples	10,893	2.2%
Triveni Turbine	India	Industrials	10,157	2.0%
Chroma	Taiwan	Information Technology	10,126	2.0%
Unicharm	Japan	Consumer Staples	9,703	1.9%
Bank OCBC NISP	Indonesia	Financials	9,316	1.9%
Top 20 Investments			294,550	58.4%
Info Edge India	India	Communication Services	8,653	1.7%
Techtronic Industries	Hong Kong	Industrials	8,569	1.7%
Delta Electronics	Taiwan	Information Technology	8,109	1.6%
Airtac International	Taiwan	Industrials	7,414	1.5%
Samsung Biologics	South Korea	Health Care	7,414	1.5%
Philippine Seven	Philippines	Consumer Staples	7,224	1.4%
Selamat Sempurna	Indonesia	Consumer Discretionary	7,158	1.4%
Sheng Siong	Singapore	Consumer Staples	6,705	1.3%
Tata Consumer Products	India	Consumer Staples	6,435	1.3%
Aavas Financiers	India	Financials	6,425	1.3%
Top 30 Investments			368,656	73.1%
Humanica	Thailand	Industrials	6,391	1.3%
Tata Communications	India	Communication Services	6,218	1.2%
Advantech	Taiwan	Information Technology	6,112	1.2%
Kalbe Farma	Indonesia	Health Care	6,084	1.2%
Dr. Lal PathLabs	India	Health Care	6,008	1.2%
Samsung C&T	South Korea	Industrials	5,881	1.2%
Godrej Consumer Products	India	Consumer Staples	5,630	1.1%
Tech Mahindra	India	Information Technology	5,624	1.1%
Vitrox	Malaysia	Information Technology	5,390	1.1%
Koh Young Technology	South Korea	Information Technology	4,952	1.0%
Top 40 Investments			426,946	84.7%

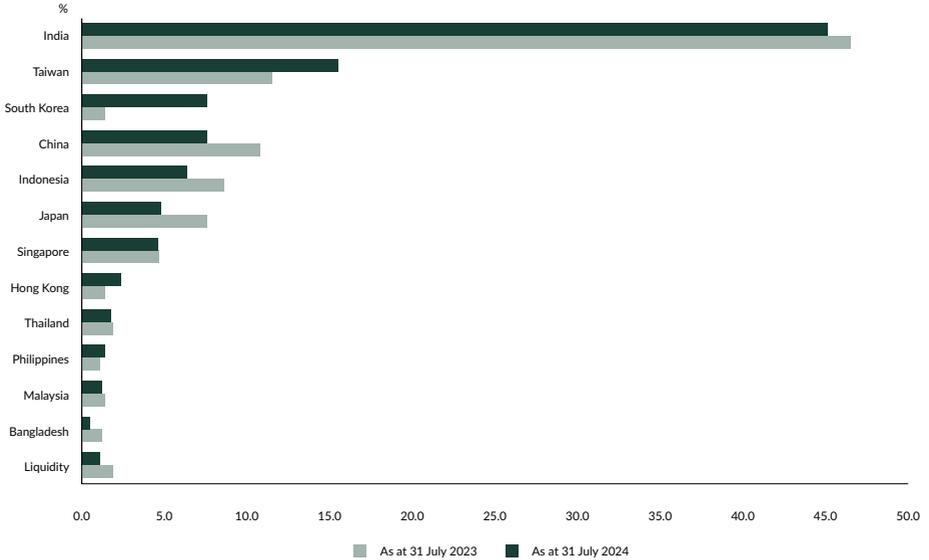
Portfolio Valuation continued

Company	Country	Sector	Val'n £'000	% Total Assets
Tata Consultancy Services	India	Information Technology	4,934	1.0%
Dr. Reddy's Laboratories	India	Health Care	4,857	1.0%
Cyient	India	Information Technology	4,788	1.0%
Dabur India	India	Consumer Staples	4,648	0.9%
Tarsons Products	India	Health Care	4,155	0.8%
IndiaMART InterMESH	India	Industrials	3,964	0.8%
Industri Jamu dan Farmasi Sido Muncul	Indonesia	Consumer Staples	3,752	0.7%
Advanced Energy Solution	Taiwan	Industrials	3,741	0.7%
Uni-Charm Indonesia	Indonesia	Consumer Staples	3,720	0.7%
Zhejiang Supor	China	Consumer Discretionary	3,584	0.7%
Top 50 Investments			469,089	93.0%
Vitasoy International	Hong Kong	Consumer Staples	3,514	0.7%
RBL Bank	India	Financials	3,331	0.7%
Glodon Company	China	Information Technology	3,121	0.6%
Hangzhou Robam	China	Consumer Discretionary	3,098	0.6%
ESAB India	India	Industrials	2,916	0.6%
Kasikornbank	Thailand	Financials	2,791	0.6%
Marico Bangladesh	Bangladesh	Consumer Staples	2,661	0.5%
Syngene International	India	Health Care	2,612	0.5%
Unilever Indonesia	Indonesia	Consumer Staples	2,599	0.5%
Silergy	Taiwan	Information Technology	2,160	0.4%
Tokyo Electron	Japan	Information Technology	2,086	0.4%
Centre Testing International	China	Industrials	1,899	0.4%
Yifeng Pharmacy Chain	China	Consumer Staples	1,826	0.3%
Pentamaster International	Malaysia	Information Technology	899	0.2%
Total Investment			504,602	100.0%

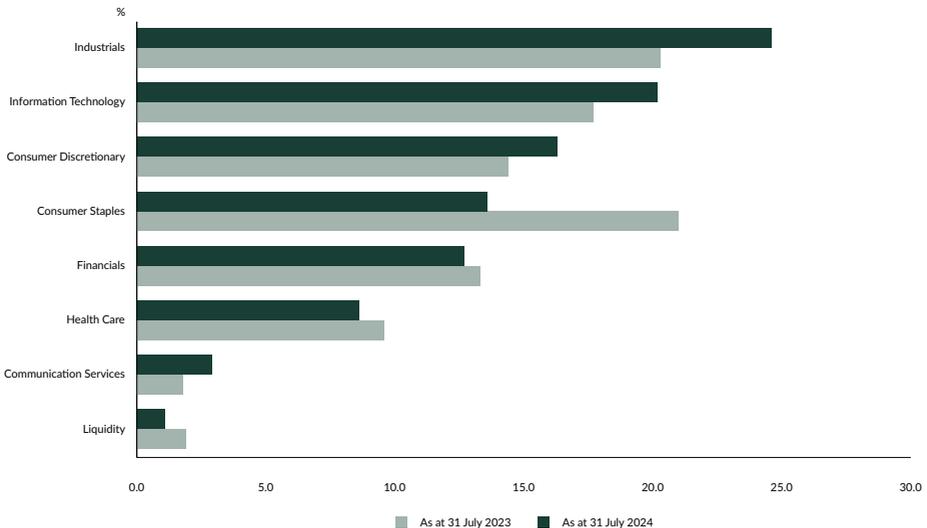
Portfolio Distribution

as at 31 July 2024

Geographic Exposure



Sector Exposure



Income Statement

for the six months ended 31 July 2024

	(Unaudited) Six months ended 31 July 2024			(Unaudited) Six months ended 31 July 2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments	-	56,740	56,740	-	3,112	3,112
Exchange differences on currency balances	-	(181)	(181)	-	(976)	(976)
Investment Income	6,771	-	6,771	5,784	-	5,784
Portfolio Management and AIFM fees (note 2)	(596)	(1,789)	(2,385)	(561)	(1,682)	(2,243)
Other expenses	(364)	-	(364)	(386)	-	(386)
Return before taxation	5,811	54,770	60,581	4,837	454	5,291
Taxation	(860)	(9,555)	(10,415)	(772)	(3,243)	(4,015)
Return/(loss) after taxation	4,951	45,215	50,166	4,065	(2,789)	1,276
Return/(loss) per ordinary share (note 3)	4.1p	37.4p	41.5p	3.4p	(2.3)p	1.1p

The Total column of this statement represents the Company's Income Statement.

The Revenue and Capital columns are supplementary to this and are both prepared under guidance published by the Association of Investment Companies ("AIC").

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

The Company had no recognised gains or losses other than those declared in the Income Statement.

All of the return and total comprehensive income for the period is attributable to the shareholders of the Company.

Statement of Changes in Equity

for the six months ended 31 July 2024

	Ordinary Share Capital Note	Share premium £'000	Capital Redemption reserve £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000	
At 31 January 2024		15,120	8,811	1,648	14,572	9,398	464,819	
Return after taxation		-	-	-	45,215	4,951	50,166	
Ordinary dividends paid	4	-	-	-	-	(4,838)	(4,838)	
At 31 July 2024		15,120	8,811	1,648	14,572	460,485	9,511	510,147
At 31 January 2023		15,120	8,811	1,648	14,572	426,502	7,009	473,662
(Loss)/return after taxation		-	-	-	(2,789)	4,065	1,276	
Ordinary dividends paid	4	-	-	-	-	(2,782)	(2,782)	
At 31 July 2023		15,120	8,811	1,648	14,572	423,713	8,292	472,156

Statement of Financial Position

as at 31 July 2024

	(Unaudited) As at 31 July 2024 £'000	(Audited) As at 31 January 2024 £'000
Fixed assets		
Investments (note 5)	504,602	470,109
Current assets		
Debtors	1,303	1,032
Cash and cash equivalents	22,631	6,191
	23,934	7,223
Creditors (amounts falling due within one year)	(1,382)	(1,307)
Net current assets	22,552	5,916
Non-current liabilities		
Provisions (note 6)	(17,007)	(11,206)
Net assets	510,147	464,819
Capital and reserves		
Share capital	15,120	15,120
Share premium account	8,811	8,811
Capital redemption reserve	1,648	1,648
Special reserve	14,572	14,572
Capital reserve	460,485	415,270
Revenue reserve	9,511	9,398
Equity shareholders' funds	510,147	464,819
Net asset value per ordinary share (note 7)	421.8p	384.3p

Notes to the Financial Statements

1. Basis of preparation

The condensed financial statements for the six months to 31 July 2024 comprise the statements set out on pages 12, 13 and 14 including the related notes below. They have been prepared in accordance with FRS 104 'Interim Financial Reporting' and the principles of the AIC's Statement of Recommended Practice published in July 2022, using the same accounting policies as set out in the Company's Annual Report and Financial Statements for the year ended 31 January 2024.

Going Concern

The Board has considered a detailed assessment of the Company's ability to meet its liabilities as they fall due, including modelling the effects of substantial falls in markets and significant reductions in market liquidity on the Company's assets and liabilities. In light of the results of these tests, the Company's cash balances, the liquidity of the Company's investments and the absence of any gearing, the Directors are satisfied that the Company has adequate financial resources to continue in operation for at least the next 12 months from the date of approval of these financial statements and that, accordingly, it is appropriate to adopt the going concern basis in preparing these financial statements.

Fair value

Under FRS 102 and FRS 104 investments have been classified using the following fair value hierarchy:
Level 1 – Quoted prices in active markets.

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

Level 3 – Inputs are unobservable (i.e. for which market data is unavailable).
All of the Company's investments fall into Level 1 for the periods reported.

2. Portfolio Management and AIFM fees*

	(Unaudited) Six months ended 31 July 2024			(Unaudited) Six months ended 31 July 2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Portfolio management fee – Stewart Investors	529	1,588	2,117	498	1,493	1,991
AIFM fee – Frostrow	67	201	268	63	189	252
	596	1,789	2,385	561	1,682	2,243

* Please refer to the most recent annual report for more details of the management fee structure.

3. Return per ordinary share

The total return per ordinary share is based on the return attributable to shareholders of £50,166,000 (six months ended 31 July 2023: £1,276,000) and on 120,958,386 shares (six months ended 31 July 2023: 120,958,386 shares), being the weighted average number of shares in issue.

The revenue return per ordinary share is calculated by dividing the revenue return attributable to shareholders of £4,951,000 (six months ended 31 July 2023: £4,065,000) by the weighted average number of shares in issue as above.

The capital return per ordinary share is calculated by dividing the capital return attributable to shareholders of £45,215,000 (six months ended 31 July 2023: loss of £2,789,000) by the weighted average number of shares in issue as above.

Notes to the Financial Statements continued

4. Dividends

	(Unaudited) Six months ended 31 July 2024	(Unaudited) Six months ended 31 July 2023
Amounts recognised as distributions in the period:		
Previous year's final dividend of 4.0p (2023: final dividend of 2.3p)	4,838	2,782

5. Investments

	Six months to		Year to
	31 July 2024	31 July 2023	31 January 2024
Investments			
Cost at start of period	352,944	320,883	320,883
Investment holding gains at start of period	117,165	153,516	153,516
Valuation at start of period	470,109	474,399	474,399
Purchases at cost	55,677	28,800	84,889
Disposal proceeds	(77,924)	(43,226)	(87,161)
Losses/gains on investments	56,740	3,112	(2,018)
Valuation at end of period	504,602	463,085	470,109
Cost at end of period	353,193	322,473	352,944
Investment holdings gains at end of period	151,409	140,612	117,165
Valuation at end of period	504,602	463,085	470,109

The Company received £77,924,000 (period to 31 July 2023: £ 43,226,000; year to 31 January 2024: £87,161,000) from investments sold in the period. The book cost of these investments when they were purchased was £55,428,000 (period to 31 July 2023: £27,210,000; year to 31 January 2024: £52,282,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

During the period the Company incurred transaction costs on purchases of £66,000 (period to 31 July 2023: £46,000; year to 31 January 2024: £110,000) and transaction costs on sales of £127,000 (period to 31 July 2023: £86,000; year to 31 January 2024: £169,000).

6. Provision

As an investment trust, the Company is generally not subject to UK tax on capital gains. However, Indian capital gains tax arises on capital gains on the sale of Indian securities at a rate of 20% on short-term capital gains (defined as those where the security was held for less than a year) and 12.5% on long-term capital gains. The capital gains tax rates in India were increased with effect for sales after 23 July 2024 from 15% and 10%, respectively.

The provision at 31 July 2024 of £17,007,000 (31 January 2024: £11,206,000) relates to the potential deferred tax liability for Indian capital gains tax that may arise on the Company's Indian investments should they be sold in the future. The provision is calculated on the net unrealised taxable capital gain at the period end and on the enacted Indian long-term capital gains tax rate. 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.

The capital tax charge shown in the Income Statement results primarily from the movements on this provision.

7. Net asset value per ordinary share

The net asset value per ordinary share is based on the net assets attributable to shareholders of £510,147,000 (31 January 2024: £464,819,000) and on 120,958,386 shares in issue (31 January 2024: 120,958,386).

8. 2024 accounts

These are not statutory accounts in terms of Section 434 of the Companies Act 2006 and are unaudited. Statutory accounts for the year to 31 January 2024, which received an unqualified audit report, have been lodged with the Registrar of Companies. No statutory accounts in respect of any period after 31 January 2024 have been reported on by an auditor or delivered to the Registrar of Companies.

Earnings for the first six months should not be taken as a guide to the results for the full year.

Interim Management Report

Principal Risks and Uncertainties

The Company's principal area of risk relates to its investment activity and strategy, including currency risk in respect of the markets in which it invests. Other risks faced by the Company include financial, strategic and operational risks. These risks and the way in which they are managed are described in more detail under the heading Risk Management within the Strategic Report in the Company's Annual Report for the year ended 31 January 2024. The Company's principal risks and uncertainties have not changed materially since the date of that report and are not currently expected to change materially for the remaining six months of the Company's financial year.

The Board, the AIFM and the Portfolio Manager discuss and identify emerging risks as part of the risk identification process and have considered, amongst other things, the effects of global supply chain disruption, increasing water scarcity, the development of artificial intelligence, and the rise of 'post-truth' politics on the Company's performance.

Related Party Transactions

During the first six months of the current financial year no material transactions with related parties have taken place which have affected the financial position or the performance of the Company during the period.

Going Concern

The Directors believe, having considered the Company's investment objective, risk management policies, capital management policies and procedures, and the nature of the portfolio (including its liquidity) and its expenditure projections, that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future. In addition, there are no material uncertainties pertaining to the Company that would prevent its continued operational existence for at least 12 months from the date of the approval of this half-yearly report. For these reasons, the Directors consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

Directors' Responsibilities

The Board confirms that, to the best of the Directors' knowledge:

- (i) the condensed set of financial statements contained within the Half Year Report has been prepared in accordance with Financial Reporting Standard 104 (Interim Financial Reporting); and
- (ii) the Half Year Report includes a fair review of the information required by:
 - (a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - (b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

This Half Year Report has not been audited or reviewed by an auditor.

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

For and on behalf of the Board

Andrew Impey
Chair
8 October 2024

Glossary of Terms

AIFMD

The Alternative Investment Fund Managers Directive (the "Directive") is a European Union Directive that entered into force on 22 July 2013. The Directive, which was retained in UK law following the withdrawal of the UK from the European Union, regulates fund managers that manage alternative investment funds (including investment trusts).

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

Alternative Performance Measures ("APMs")

Measures that are not specifically defined under International Financial Reporting Standards, but which the Board of Directors views as particularly relevant for investment trust companies and which it uses to assess the Company's performance. Definitions of the terms used and the basis of calculation are set out in this Glossary and the APMs are indicated with a caret (^).

Average Discount[^]

The average share price for the period divided by the average net asset value for the period and expressed as a percentage (%).

	Six months to 31 July 2024	Six months to 31 July 2023	Year to 31 January 2024
Average share price for the period	366.9	362.9	363.1
Average net asset value for the period	409.5	388.1	388.0
Average Discount	10.4%	6.5%	6.4%

Bottom Up Approach

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

Net Asset Value ("NAV") Per Share

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

NAV Per Share Total Return[^]

The theoretical total return on shareholders' funds per share, reflecting the change in net asset value, assuming that dividends paid to shareholders were reinvested at net asset value at the time the shares were quoted ex-dividend. A way of measuring investment management performance of investment trusts which is not affected by movements in the share price.

	Six months to 31 July 2024	Six months to 31 July 2023	Year to 31 January 2024
NAV Total Return	pence	pence	pence
Opening NAV per share	384.3	391.6	391.6
Increase/(decrease) in NAV	41.5	1.0	(5.0)
Dividend paid	(4.0)	(2.3)	(2.3)
Closing NAV	421.8	390.3	384.3
Increase/(decrease) in NAV	10.8%	0.3%	(1.3)%
Impact of reinvested dividends	0.0%	0.0%	0.0%
NAV Per Share Total Return	10.8%	0.3%	(1.3)%

Ongoing Charges[^]

Ongoing charges are calculated by taking the Company's annualised operating expenses excluding finance costs, taxation and exceptional items, and

Glossary of Terms continued

expressing them as a percentage of the average daily net asset value of the Company over the period. The costs of buying and selling investments are excluded, as are interest costs, taxation, costs of buying back or issuing shares and other non-recurring costs. These items are excluded because if included, they could distort the understanding of the Company's performance for the period and the comparability between periods.

	Six months to 31 July 2024	Six months to 31 July 2023	Year to 31 January 2024
Ongoing Charges	£'000	£'000	£'000
Total Operating Expenses	2,749	2,629	5,287
Average Net Assets	495,059	469,886	469,515
Ongoing Charges	1.1%*	1.1%*	1.1%

*Annualised.

Performance Objective

The Company's performance objective is to provide shareholders with a net asset value per share total return in excess of the UK Consumer Price Index ("CPI") plus 6 per cent. (calculated on an annual basis) measured over three to five years. The Consumer Price Index is published by the UK Office for National Statistics and represents inflation. The additional 6% is a fixed element to represent what the Board considers to be a reasonable premium on investors' capital which investing in the faster-growing Asian economies ought to provide over time.

Performance Objective	Company NAV Per Share Total Return (annualised) (%)	CPI + 6% (annualised) (%)
One year to 31 July 2024	9.1%	8.3%
Three years to 31 July 2024	6.2%	12.9%
Five years to 31 July 2024	7.7%	10.8%
Ten years to 31 July 2024	9.9%	9.3%

Share Price Discount (or Premium) to the NAV Per Share[^]

A description of the difference between the share price and the net asset value per share. The size of the discount or premium is calculated by subtracting the share price from the net asset value per share and is usually expressed as a percentage (%) of the net asset value per share. If the share price is higher than the net asset value per share, the result is a premium. If the share price is lower than the net asset value per share, the shares are trading at a discount.

Share Price Total Return[^]

Share price total return to a shareholder, on a last traded price to a last traded price basis, assuming that all dividends received were reinvested, without transaction costs, into the shares of the Company at the time the shares were quoted ex-dividend.

	Six months to 31 July 2024	Six months to 31 July 2023	Year to 31 January 2024
Share Price Total Return	pence	pence	pence
Opening share price	349.0	358.0	358.0
Increase/(decrease) in share price	41.0	13.3	(6.7)
Dividend paid	(4.0)	(2.3)	(2.3)
Closing share price	386.0	369.0	349.0
Increase/(decrease) in share price	11.8%	3.7%	(1.9)%
Impact of reinvested dividends	0.0%	0.0%	0.0%
Share Price Total Return	11.8%	3.7%	(1.9)%

Volatility

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

How to Invest

Retail Investors advised by IFAs

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

Investment Platforms

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

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

Equiniti – Share Dealing Service

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

Shareview Dealing is provided by Equiniti Financial Services Limited which has issued and approved the preceding paragraph. Equiniti Financial Services Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA is registered in England and Wales with number 6208699. Equiniti Financial Services Limited is authorised and regulated by the Financial Conduct Authority.

Risk warnings

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

Company Information

Directors

A M Impey (Chair)¹
 N Sahgal²
 S E Hansen³
 R E Talbut⁴
 E T A Troughton⁵
 J Ang⁶

¹ Chair of the Nomination Committee

² Chair of the Audit Committee

³ Chair of the Engagement and Remuneration Committee

⁴ Senior Independent Director

⁵ Chair of the Sales, Marketing and Communications Committee

⁶ Appointed 26 September 2024

Registered Office

16 Charlotte Square
 Edinburgh EH2 4DF

Company Registration Number

SC091052 (Registered in Scotland)

The Company was incorporated in Scotland on 21 December 1984. The Company was incorporated as Pacific Assets Trust Public Limited Company. The Company is an investment company as defined under Section 833 of the Companies Act 2006

Website

www.pacific-assets.co.uk

Portfolio Manager

Stewart Investors*
 Level 1, 23 St. Andrew Square
 Edinburgh EH2 1BB
 Telephone: 0131 473 2200

Website: www.stewartinvestors.com

* Trading name of First Sentier Investors Limited. First Sentier Investors are authorised and regulated by the Financial Conduct Authority

AIFM and Company Secretary

Frostrow Capital LLP
 25 Southampton Buildings
 London WC2A 1AL
 Telephone: 0203 008 4910
 Email: info@frostrow.com

Website: www.frostrow.com

Authorised and regulated by the Financial Conduct Authority

If you have an enquiry about the Company, please contact Frostrow Capital using the above email address.

Depository

J.P. Morgan Europe Limited
 25 Bank Street
 London E14 5JP



Broker

Investec Bank plc
 30 Gresham Street
 London EC2V 7QP

Registrar

Equiniti Limited
 Aspect House
 Spencer Road Lancing
 West Sussex
 BN99 6DA

Shareholder Helpline: 0371 384 2466*

Broker Helpline: 0371 384 2779*

Website: www.equiniti.com

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

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

Independent Auditor

BDO LLP
 55 Baker Street
 London
 W1U 7EU

Solicitors

Dickson Minto WS
 16 Charlotte Square
 Edinburgh EH2 4DF

Identification Codes

SEDOL: 0667438
 ISIN: GB0006674385
 Bloomberg: PAC LN
 EPIC/TIDM: PAC

Global Intermediary Identification Number ("GIIN"):

MAEPFZ.99999.SL.826

Legal Entity Identifier ("LEI")

2138008U8QPGAESFYA48

Financial Calendar

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

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A member of the Association of Investment Companies

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The logo for perivan features the word 'perivan' in a bold, lowercase, sans-serif font. Above the letters 'e', 'r', and 'i' are horizontal lines of varying lengths. Below the word 'perivan', the website address 'perivan.com' is written in a smaller, lowercase, sans-serif font.
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