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This document is issued by Pacific Assets Trust plc solely in order to make certain particular information available to investors in Pacific Assets Trust plc before they invest, in accordance with the requirements of the Financial Conduct Authority (“FCA”) Rules implementing the EU Alternative Investment Fund Directive (Directive 2011/61/EU) (the “AIFM Directive” or “AIFMD”) in the United Kingdom. It is made available to investors (“investors” or “shareholders”) in the Company by being made available at www.pacific-assets.co.uk.

Potential investors in the Company’s shares should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company.

PACIFIC ASSETS TRUST PLC
INVESTOR DISCLOSURE DOCUMENT

IMPORTANT INFORMATION

Name of Alternative Investment Fund (“AIF”):	Pacific Assets Trust plc
Name of Alternative Investment Fund Manager (“AIFM”):	Frostrow Capital LLP
Name of Portfolio Manager:	First Sentier Investors (UK) IM Limited, trading as Stewart Investors (“Stewart Investors”)
Name of Depository:	J.P. Morgan Europe Limited
Name of Custodian:	JPMorgan Chase Bank N.A., London Branch (“JPMCB”)
Name of Auditor:	BDO LLP
Date of Investor Disclosure Document:	30 April 2021

Regulatory and legal status of the Company

Pacific Assets Trust plc (the “Company”) is an 'alternative investment fund' ("AIF") for the purposes of the AIFMD which has appointed Frostrow Capital LLP (“Frostrow”) as its Alternative Investment Fund Manager (“AIFM”). Frostrow is authorised and regulated by the FCA as a “full scope UK AIFM” for the purposes of the AIFMD.

The Company is an investment trust and is incorporated as a public limited company in Scotland. The Company's shares are listed on the premium segment of the Official List of the UK Listing Authority (“UKLA”) and are admitted to trading on the main market of the London Stock Exchange. The operation of the Company is subject to its articles of association, the FCA Listing Rules, the FCA Disclosure Guidance and Transparency Rules, the UK Corporate Governance Code issued by the Financial Reporting Council and the UK Companies Act 2006.

The provisions of the Company's articles of association are binding on the Company and its shareholders. The articles of association set out the respective rights and restrictions attaching to the Company's shares. These rights and restrictions apply equally to all shareholders. All shareholders are entitled to the benefit of,

and are bound by and are deemed to have notice of, the Company's articles of association. The Company's articles of association are governed by Scots law.

Limited purpose of this document

This document is not being issued for any purpose other than to make certain, required regulatory disclosures to investors and, to the fullest extent permitted under applicable law and regulations, the Company and its Directors and Frostrow as its AIFM will not be responsible to persons other than the Company's shareholders for their use of this document, nor will they be responsible to any person (including the Company's shareholders) for any use which they may make of this document other than to inform a decision to invest in shares in the Company.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation to buy or sell, or otherwise undertake investment activity in relation to, the Company's shares.

This document is not a prospectus and it is not intended to be an invitation or inducement to any person to engage in any investment activity. This document may not include (and it is not intended to include) all the information which investors and their professional advisers may require for the purpose of making an informed decision in relation to an investment in the Company and its shares.

No advice

The Company, its Directors and Frostrow as its AIFM are not advising any person in relation to any investment or other transaction involving shares in the Company. Recipients must not treat the contents of this document or any subsequent communications from the Company, the AIFM or any of their respective affiliates, officers, directors, partners or employees or agents, as advice relating to financial, investment, taxation, accounting, legal, regulatory or any other matters. Prospective investors must rely on their own professional advisers, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment and any other related matters concerning the Company and an investment in the Company's shares.

Potential investors in the Company's shares should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company.

Overseas investors

The distribution of this document in certain jurisdictions will be restricted and accordingly any persons into whose possession this document comes are required to inform themselves about and to observe such restrictions. The shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under any of the relevant securities laws of Canada, Australia or Japan. Accordingly, the shares may not (unless an exemption from such Act or such laws is available) be offered, sold or delivered, directly or indirectly, in or into the USA, Canada, Australia or Japan. The Company is not registered under the United States Investment Company Act of 1940 (as amended) and investors are not entitled to the benefits of such Act.

Prospective investors must inform themselves as to (a) the legal requirements within their own countries for the purchase, holding, transfer and other disposal of shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of shares.

THE COMPANY

Investment policy and objective

The Company's investment objective is to achieve long-term capital growth through investment in selected companies in the Asia Pacific region and the Indian sub-continent, but excluding Japan, Australia and New Zealand (the "Asia Pacific Region"). 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; at least 25% of their economic activities (at the time of investment) are within the Asia Pacific Region with this proportion being expected to grow significantly over the long term.

The implementation of the Company's Investment Objective has been delegated to Stewart Investors, the Company's Portfolio Manager, by Frostrow (as AIFM) under the Board's and Frostrow's supervision and guidance.

The Company invests in companies which Stewart Investors believe will be able to generate long-term growth for shareholders.

The Company invests principally in listed equities although it is able to invest in other securities, including preference shares, debt instruments, convertible securities and warrants. In addition, the Company may invest in open and closed-ended investment funds and companies. It is not expected, however, that such investments will be made.

Investment Restrictions

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

Risk is diversified by investing in different countries, sectors and stocks within the Asia Pacific Region. There are no defined limits on countries, or sectors, but no single investment may exceed 7.5% of the Company's total assets at the time of investment. This limit is reviewed from time to time by the Board and may be revised as appropriate.

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

Other investment limits and guidelines:

- The Company does not retain more than 15% of its total income.

Collateral and asset reuse arrangements

The Company will not enter into collateral or asset reuse arrangements.

Leverage

The use of derivatives is permitted with prior Board approval. However, given Stewart Investors approach to the management of the portfolio it is not expected that the Company will employ any leverage, hedging or derivatives instruments.

For the purposes of the AIFM Directive, leverage is required to be calculated using two prescribed methods: (i) the gross method; and (ii) the commitment method; and expressed as the ratio between a fund's total exposure and its net asset value.

The Company has currently set a leverage limit of 120% on both the Gross Method and Commitment Method.

The Company will disclose the following on its website at the same time as it makes its annual report and accounts available to investors or more frequently in the event of the following:

- any changes to the maximum level of leverage that may be employed by the Company;
- any changes to the right of reuse of collateral or any guarantee granted under the leveraging arrangements; and
- the total amount of leverage employed by the Company.

Borrowing

The Company has the power under its Articles of Association to borrow up to two times the adjusted total of capital and reserves. The Company's approach, however, is not to gear the portfolio.

Changes to the investment policy

No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution. Non-material changes to the investment policy may be approved by the Board.

Dividend Policy

The Company invests with the objective of achieving capital growth over the long term and the generation of dividends is secondary to this. The Board intends only to pay dividends out of revenue to the extent required in order to maintain the Company's investment trust status.

Investment strategy and investment techniques

Stewart Investors, the Company's Portfolio Manager since 1 July 2010, adopts a sustainable investment strategy in selecting the investments that make up the Company's investment portfolio.

Stewart Investors seek to invest in good quality companies with a focus on the quality of management, franchise and financials. By analysing the sustainable development performance and positioning of companies they believe they can better measure less tangible elements of quality and identify less obvious risks.

Stewart Investors strive to make investment decisions with a minimum five-year time horizon. They have an absolute return mind-set and define risk as that of losing client money, rather than deviation from any benchmark index. They focus as much on the potential downside of investment decisions as on the anticipated upside. They believe that the identification of long-term sustainable development risks is an extremely important way of managing risk.

Their willingness to differ substantially from index weightings, both country and company, means they are not obliged to invest in any company or country if they have particular sustainability concerns.

Stewart Investors invest in those companies which they believe are particularly well-positioned to deliver positive long-term returns in the face of the huge sustainable development challenges facing all countries today. These challenges include population pressure, land and water scarcity and degradation, resource constraints, income inequality, ethnic and gender inequalities and extreme levels of poverty.

Their emphasis is on sustainable development and not 'green', 'clean tech' or 'ethical' investing.

They devote a significant amount of time to engaging with management teams of the companies in which they invest. They engage on a wide range of issues, including strategy, governance, alignment of interests and reputation. Their approach to ESG is set out in the Company's annual report.

While the Board's strategy is to allow flexibility in managing the investments, in order to manage investment risk, it has imposed various investment and derivative guidelines and limits, within which Stewart Investors

are required to manage the investments, as set out below, with Frostrow's supervision and guidance as AIFM. Although permissible, the Company's investment strategy does not utilise leverage.

ADMINISTRATION AND MANAGEMENT OF THE COMPANY

The AIFM

The AIFM is Frostrow Capital LLP (the "AIFM"), a limited liability partnership, incorporated in England and Wales with registered number OC323835, whose registered office is at 25 Southampton Buildings, London WC2A 1AL.

The AIFM has been authorised by the FCA to act as an alternative investment fund manager pursuant to the AIFMD and has been appointed to act as AIFM of the Company.

The AIFM is responsible for ensuring compliance with the AIFMD.

Frostrow has overall responsibility to perform risk management, company secretarial and administration functions for the Company and to advise the Company on a day-to-day basis in accordance with the investment policy of the Company, subject to the supervision, review and control by the Company's Board.

As described elsewhere in this document, the AIFM has delegated a function with respect to its duties to a third party in accordance with the delegation arrangements of AIFMD and has delegated the day-to-day management of the Company's portfolio to the Portfolio Manager. Notwithstanding any delegation the AIFM shall remain liable to the Company for the proper performance of the portfolio management, risk management and valuation. The Portfolio Manager will be responsible to the AIFM in respect of the management of the investment of the Fund's assets in accordance with its investment objectives and policies, subject always to the supervision and direction of the AIFM.

The AIFM does not consider that any conflicts of interest arise from the delegation of its portfolio management function to Stewart Investors.

Fees:

Frostrow Capital LLP will receive:

- (i) a fixed annual fee of £75,000; plus
- (i) 0.11% per annum of net assets up to £250 million; and
- (ii) 0.075% per annum of net assets in excess of £250 million.

The Portfolio Manager

The Company and the AIFM have appointed the Portfolio Manager, First Sentier Investors (UK) IM Limited, trading as Stewart Investors, to provide portfolio management and related services in respect of the Company pursuant to the Portfolio Management Agreement.

The Portfolio Management Agreement is terminable on six months' notice given by either party. The Portfolio Management Agreement can be terminated at any time in certain standard circumstances. The Portfolio Management Agreement is governed by the law of England and Wales.

Fees

The Portfolio Manager receives an annual management fee of 0.85% per annum, payable quarterly based on the average month end net asset value of the Company over the quarter.

The Depositary

J.P. Morgan Europe Limited (the "Depositary") has been appointed as the Company's depositary, as required by the AIFMD. The Depositary will carry out the core duties under Article 21(7), (8) and (9) of the AIFMD which include cash monitoring, asset verification and general oversight of the Company's portfolio, in

accordance with the provision of depositary services, as set out in the Depositary Agreement between the AIFM, the Company and the Depositary. The notice period on the Depositary Agreement is 90 days if terminated by the Company and 120 days if terminated by the Depositary.

The Depositary holds or arranges for sub-custodians to hold, all of the cash, securities and other assets of the Company and arranges and settles (directly or through sub-custodians) all transactions relating to those assets on behalf of the Company.

Under the terms of the Depositary Agreement between the Company, the Depositary and the AIFM, the Depositary is permitted to procure that JPMorgan Chase Bank N.A, ("JPMCB"), or another custodial delegate, hold the Company's financial instruments in custody on the Depositary's behalf.

In this regard, the Company, the Depositary and JPMCB have entered into a global custody agreement under which the Depositary has delegated custody of the Company's financial instruments to JPMCB. JPMCB has the authority to sub-delegate the custody of the Company's financial instruments provided that JPMCB must comply with the same requirements that would apply in the context of a delegation by the Depositary.

The Depositary procures that none of the Investments shall be re-used by JPMCB or any other custodial delegate.

The AIFM does not consider that any conflicts of interest arise from the delegation of the Depositary's safekeeping

Liability and Indemnity

The provisions in the Depositary Agreement relating to the liability of the Depositary shall be construed in accordance with the AIFMD Rules. In the event that a provision in the Depositary Agreement conflicts with the AIFMD Rules, the AIFMD Rules shall prevail.

The Depositary's liability to the Company shall not be affected by any delegation of its custody functions in accordance with the terms of the Depositary Agreement.

The Depositary has not entered into any contractual arrangement to discharge itself of liability in accordance with Article 21(13) and 21(14) of the AIFMD and, therefore, the Depositary's liability is not affected by the delegation of its safe-keeping function as outlined above.

Fees

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

Custody fees are charged according to the jurisdiction in which the holdings are based. Variable transaction fees are also chargeable.

Transfer and reuse of the Company's Assets

The Depositary may not use or re-use the Company's securities or other investments without the prior consent of the Company.

The Auditor

BDO LLP

The auditor provides audit services to the Company.

The Registrar

Equiniti Limited

The Registrar maintains the Company's register of members.

Fees, charges and expenses

Additional fees payable by the Company to those set out above, including: legal fees, broker commissions, directors' fees, professional services fees and expected expenses. Details can be found in the Company's latest annual report and accounts published on the Company's website which can be accessed at www.pacific-assets.co.uk.

Shareholders do not bear any fees, charges and expenses directly, other than any fees, charges and expenses incurred as a consequence of acquiring, transferring, redeeming or otherwise selling their shares.

Conflicts of interest that may arise from the delegation of functions by the AIFM

The Depositary, the AIFM and the Portfolio Manager may from time to time act as manager, administrator, custodian, alternative investment fund manager, portfolio manager or adviser or distributor in relation to, or be otherwise involved in, other funds or collective investment schemes which have similar investment objectives to those of the Company. It is, therefore, possible that any of them may, in the due course of their business, have potential conflicts of interests with the Company. Each will at all times have regard in such event to its obligations under the Company's articles of association and/or any agreements to which it is party or by which it is bound in relation to the Company and, in particular, but without limitation, to its obligations to act in the best interests of the shareholders when undertaking any investments where conflicts of interest may arise and they will each respectively endeavour to ensure that such conflicts are resolved fairly and, in particular, the Portfolio Manager has agreed to act in a manner which the AIFM in good faith considers fair and equitable in allocating investment opportunities to the Company.

Investor rights against third party service providers

The Company is reliant on the performance of third party providers including those set out above. No shareholder has any direct contractual claim against any service provider with respect to such service provider's default in providing its services to the Company. Any shareholder who believes they may have a claim against any service provider in connection with their investment in the Company should consult their own independent legal adviser.

SHAREHOLDER INFORMATION

Annual reports

Copies of the Company's latest annual and half year reports may be accessed at www.pacific-assets.co.uk or by writing to the Company Secretary at 25 Southampton Buildings, London WC2A 1AL.

Publication of net asset values and share prices

The previous business day's cum and ex-income Net Asset Value per Share are published each business day through a Regulatory Information Service and may also be accessed at www.pacific-assets.co.uk.

Valuation policy

The Net Asset Value of the Company and the Net Asset Value per Share will be calculated in Sterling by the AIFM on each Business Day (a day on which the London Stock Exchange and banks in England and Wales are normally open for business). All instructions to issue or cancel Shares given for a prior Business Day shall be assumed to have been carried out (and any cash paid or received).

The Net Asset Value is the value of all assets of the Company less liabilities to creditors (including provisions for such liabilities) determined in accordance with UK GAAP on the basis of market value. The Company's full accounting policy and valuation methodologies are set out in the Company's annual report available on its website.

Valuation of the Net Asset Value per share will be suspended only in any circumstances in which the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained. Any such suspension will be announced to a Regulatory Information Service.

Historical performance of the Company

Details of the Company's historical financial performance are provided in the Company's annual reports and accounts and monthly factsheets, which are available on the Company's website: www.pacific-assets.co.uk.

Investors should note that past performance of the Company is not necessarily indicative of future performance. Investors may not get back the amount invested.

Purchases and sales of shares by investors

The Company's shares are admitted to the premium segment of the Official List of the UKLA and to trading on the main market of the London Stock Exchange. Accordingly, the Company's shares may be purchased and sold on the main market of the London Stock Exchange. The value at which shares trade on the London Stock Exchange may be below (at a "discount" to) or above (at a "premium" to) the net asset value per share of the Company.

The conditions for the issue of the Company's shares is contained in the Company's annual report and accounts which are available on the Company's website: www.pacific-assets.co.uk.

The Company's shares are not redeemable. While the Company will typically have shareholder authority to issue and to buy back shares, shareholders do not have the right to have their shares re-purchased by the Company or to have new shares issued to them.

Shareholders may trade their shares on the secondary market but there is, however, no guarantee that there will be a liquid market in the Company's shares.

Jurisdiction and applicable law

As noted above, Shareholders' rights are governed principally by the Articles and the Act. By purchasing shares investors are agreeing to be bound by the Articles which are governed by, and construed in accordance with, Scots Law.

A foreign judgment obtained in an EU member state may be recognised and enforced in England pursuant to Council Regulation (EC) 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters. A judgment which has been certified as a European Enforcement Order pursuant to Regulation (EC) 805/2004 may also be recognised and enforced in England.

Fair treatment of investors

The legal and regulatory regime to which the Company and the Directors are subject, ensures the fair treatment of investors.

The AIFM has procedures, arrangements and policies in place to ensure compliance with the principles more particularly described in the AIFMD relating to the fair treatment of investors.

The principles of treating investors fairly include, but are not limited to:

- acting in the best interests of the Company and of the shareholders;
- ensuring that the investment decisions taken for the account of the Company are executed in accordance with the Company's investment policy and objective and risk profile;
- ensuring that the interests of any group of shareholders are not placed above the interests of any other group of shareholders;

- ensuring that fair, correct and transparent pricing models and valuation systems are used for the Company;
- preventing undue costs being charged to the Company and shareholders;
- taking all reasonable steps to avoid conflicts of interests and, when they cannot be avoided, identifying, managing, monitoring and, where applicable, disclosing those conflicts of interest to prevent them from adversely affecting the interests of shareholders; and
- recognising and dealing with complaints fairly.

The AIFM maintains and operates organisational, procedural and administrative arrangements and implements policies and procedures designed to manage actual and potential conflicts of interest. In addition, as its Shares have been admitted to the Official List, the Company is required to comply with, among other things, the FCA's Listing Rules and Disclosure Guidance and Transparency Rules and the Takeover Code, all of which operate to ensure a fair treatment of investors

As directors of a company incorporated in the United Kingdom, the Directors have certain statutory duties under the Companies Act 2006 with which they must comply, including a duty to act in the way she or he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

No investor has a right to obtain preferential treatment in relation to their investment in the Company and the Company does not give preferential treatment to any investors.

The Company's shares all rank *pari passu* with each other.

RISK FACTORS AND MANAGEMENT

An investment in the Company carries a number of risks. The Company's principal risks and the procedures in place to measure and monitor these risks are set out in the Company's annual report, a copy of which is available on the Company's website: www.pacific-assets.co.uk. The risk factors set out in the annual report are those which the Directors consider to be material but are not the only risks relating to the Company or the Ordinary Shares. There may be additional risks that the Directors do not currently consider to be material or which are not presently known to the Directors.

The Company reports in its half year report and accounts, which are available on the Company's website: www.pacific-assets.co.uk whether the principal risk have changed since the year end.

Risk profile

In accordance with the AIFMD, the AIFM ensures that the current risk profile of the Company and the risk management systems employed by the AIFM to manage those risks in relation to the Company's portfolio is published in the Company's annual report, which is made available on the Company's website www.pacific-assets.co.uk.

Risk management systems

The AIFM has established risk management systems in order to manage key risks. Further details regarding the risk management process is available from the AIFM, on request. The risk management function is responsible for ensuring that investment activity is monitored to ensure compliance with investment restrictions, guidelines and regulations. Further details regarding the risk management process is available from the AIFM, on request.

Liquidity risk management

The AIFM maintains a Liquidity Management Policy to monitor the liquidity risk of the Company. Shareholders have no right to redeem their Shares from the Company but may trade their Shares on the secondary market. However, there is no guarantee that there will be a liquid market in the Shares.

Liquidity risk is therefore the risk that a position held by the Company cannot be realised at a reasonable value sufficiently quickly to meet the obligations of the Company as they fall due.

A significant portion of the Company's investment portfolio is invested in liquid equities. As such, liquidity risk is considered not to be significant due to the liquidity of the Fund's investments, cash balances and the absence of any gearing. Under normal market trading volumes, the investment portfolio could be substantially realised within a week.

Investors will be notified, by way of a disclosure on its website, in the event of any material changes being made to the liquidity management process or where any new arrangements for managing the Company's liquidity are introduced.

In accordance with the AIFM Rules, the AIFM will ensure that the following information in relation to the Company's portfolio is published in the Company's annual report and audited accounts, which can be found on the Company's website www.pacific-assets.co.uk once published:

- the percentage of the Company's assets which are subject to special arrangements arising from their illiquid nature; and
- any new arrangements for managing the liquidity of the Company

Professional negligence liability risks

The AIFM maintains professional indemnity insurance at the level required under the AIFMD in order to cover potential liability risks arising from professional negligence.

Amendment of this document

Any changes to this document will be notified to investors by way of disclosure on the Company's website.