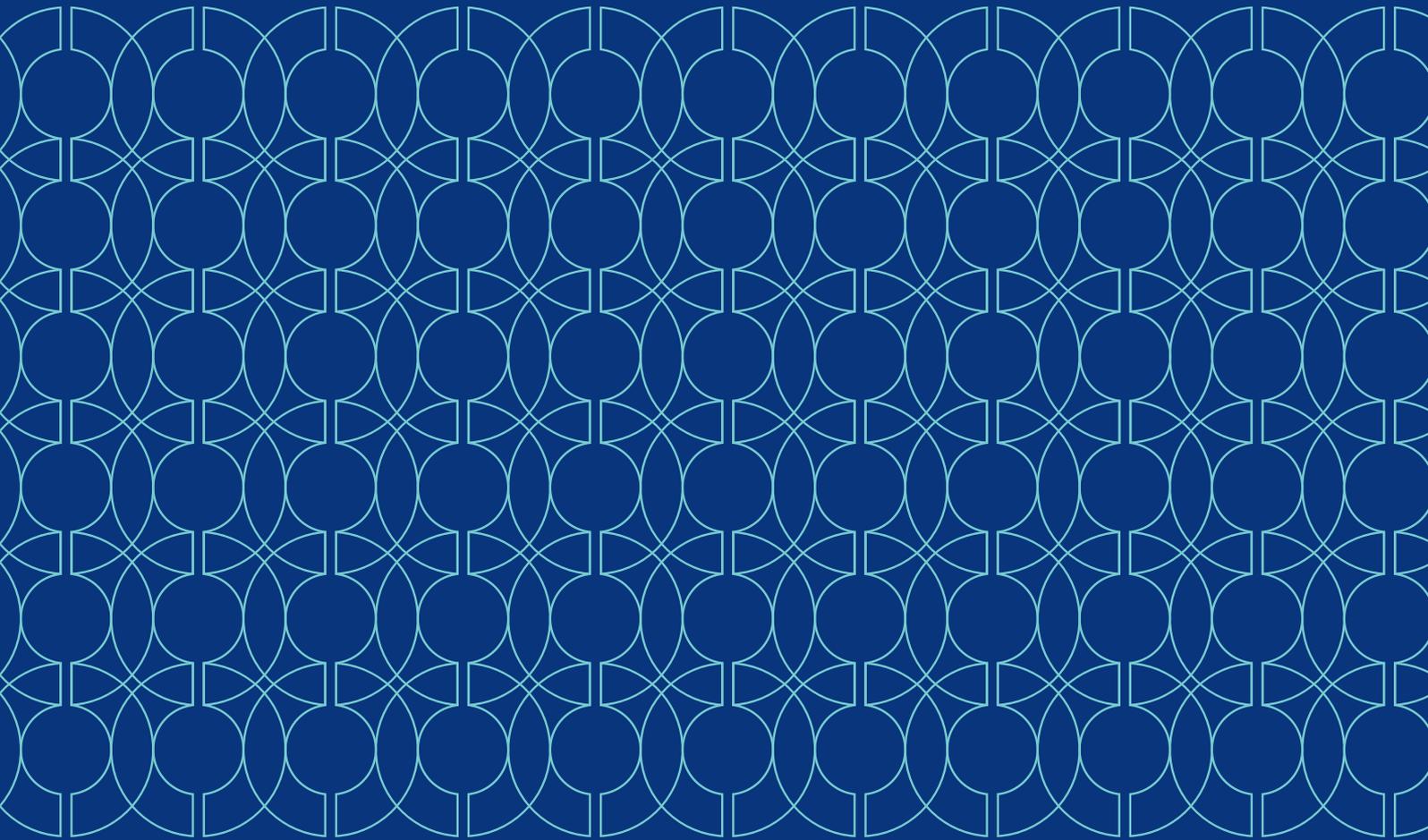


Schroders

SCHRODER ASIAN GROWTH FUND

Annual Report & Financial Statements

December 2023



SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

Manager

Schroder Investment Management (Singapore) Ltd
138 Market Street
#23-01 CapitaGreen
Singapore 048946
Company Registration No. 199201080H

Trustee

HSBC Institutional Trust Services (Singapore) Limited
10 Marina Boulevard
Marina Bay Financial Centre Tower 2
#48-01
Singapore 018983
Company Registration No. 194900022R

Auditor

KPMG LLP
12 Marina View, #15-01
Asia Square Tower 2
Singapore 018961

Solicitor to the Manager

Clifford Chance Pte. Ltd.
12 Marina Boulevard
25th Floor, Tower 3 Marina Bay Financial Centre
Singapore 018982

Solicitor to the Trustee

Shook Lin & Bok LLP
1 Robinson Road
#18-00 AIA Tower
Singapore 048542

Further Information

Schroders is a Foreign Account Tax Compliance Act (“FATCA”) compliant organisation. Please find the FATCA classification of this Fund and its Global Intermediary Identification Number (“GIIN”) below.

FATCA entity classification: Nonreporting IGA FFI / Sponsored Investment Entity

GIIN: WM9S4Z.00023.SF.702

COMMENTARY

Asian equities witnessed another turbulent year with disparate returns across markets in 2023. China and Hong Kong started on a very much positive footing upon reopening before investor sentiment deteriorated as market view swung towards a new consensus that the pace of the recovery is disappointing, and the scope for stimulus is limited. In face of weaker macro prints, property market troubles, and geopolitical tensions, international investors have been continuing to reduce positions.

Despite the weaker headline macroeconomic data and property market troubles, the operating performance from most Hong Kong and China equities we own in portfolios has been more encouraging, as reflected in recent results. The strongest operating performance has been in the travel and leisure-related sectors. Here, the rebound in activity and earnings in China has broadly met, or in some cases exceeded, initial expectations this year. There are also encouraging signs of improvement in areas such as life insurance sales and high-end retail property rentals that support the recovery thesis. Unfortunately, in most cases, stock prices for these companies have remained under pressure, despite the healthy earnings.

We share many investors' concerns about the structural headwinds China faces, but given the extremes of negative sentiment, there is still room for the authorities to surprise positively with a better-coordinated policy support going forward. In addition, better-managed businesses with stronger franchises can still deliver growth, even against a slower GDP backdrop. After the recent sell-off, share prices in many sectors in Hong Kong and China are not far off levels seen in the depths of the Covid restrictions, when the earnings outlook was far more uncertain for most companies. Given this mismatch in share-price performance against operating fundamentals, we continue to see attractive opportunities in selective areas on a bottom-up basis.

On the other hand, Korean and Taiwanese equities have performed well this year, owing to gains in the key large-cap semiconductor stocks that dominate their indices, as well as significant retail buying momentum in AI and battery supply chains themes that have captured the imagination. While end-market demand remains soft for many electronics products, investors have started to position for an improvement in the coming quarters. Encouragingly, recent comments from companies in the industry point to a stabilisation in the Chinese smartphone market and optimism about a modest rebound in personal computer demand going into 2024. We continue to think that the underlying structural drivers for semiconductors will remain very strong in the coming years. Valuations for large-cap industry leaders within the sector remain attractive and we still have significant exposure to our preferred stocks in anticipation of the cyclical recovery over the medium term.

Indian equities have also performed much better than their Chinese counterparts in recent months. A healthy domestic growth outlook, geopolitical tailwinds, scope to increase market share in global manufacturing at the expense of China and steady domestic fund inflows into local equity markets are all factors in the market's favour. Valuations remain elevated in many sectors, so this positive outlook is well-discounted today – especially for small- and mid-cap stocks that have been the focus of domestic buying and where expansion in valuation multiples is most marked. However, we continue to see strong longer-term fundamentals in areas such as private sector banks, healthcare and select consumer-related stocks, which remain core positions in regional portfolios.

SCHRODER ASIAN GROWTH FUND

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Aggregate valuations for regional equities are now back at below longer-term average levels, which may provide some downside support. As usual, there remains a significant spread in multiples between those stocks and sectors in favour today. We remain hopeful that there is scope for a continued gradual recovery in activity in key stocks and sectors in China and a rebound in technology sector fundamentals moving into 2024. This could underpin our preferred Asian equities over the medium term. In the meantime, we remain very selective in our exposure, given the continued uneven nature of the recovery in the region, and disciplined about valuations.

31 December 2023

SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

REPORT OF THE TRUSTEE

For the financial year ended 31 December 2023

The Trustee is under a duty to take into custody and hold the assets of Schroder Asian Growth Fund (the “Fund”) in trust for the unitholders. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting year and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the financial year covered by these financial statements, set out on pages 9 to 36, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
HSBC Institutional Trust Services (Singapore) Limited

SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

STATEMENT BY THE MANAGER

For the financial year ended 31 December 2023

In the opinion of Schroder Investment Management (Singapore) Ltd, the accompanying financial statements set out on pages 9 to 36, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position and portfolio holdings of Schroder Asian Growth Fund (the "Fund") as at 31 December 2023, and the financial performance and movements of unitholders' funds for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager
Schroder Investment Management (Singapore) Ltd

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Schroder Asian Growth Fund (the "Fund"), which comprise the Statement of Financial Position and Statement of Portfolio as at 31 December 2023, the Statement of Total Return and Statement of Movements of Unitholders' Funds for the year then ended, and notes to the financial statements, including a summary of material accounting policy information, as set out on pages 9 to 36.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 December 2023 and the financial performance and movements in unitholders' funds for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the 'Auditors' responsibilities for the audit of the financial statements' section of our report. We are independent of the Fund in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The financial statements of the Fund for the year ended 31 December 2022 were audited by another auditor who expressed an unmodified opinion on those financial statements on 30 March 2023.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

Other information

Schroder Investment Management (Singapore) Ltd, the Manager of the Fund (the "Manager"), is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. 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.

Responsibilities of the Manager for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants, and for such internal control as the Manager determines 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 Manager is responsible for assessing the Fund'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 Manager either intends to terminate the Fund or to cease the Fund's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Fund's financial reporting process.

Auditors' 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 auditors' 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 SSAs 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.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore

27 March 2024

SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

STATEMENT OF TOTAL RETURN

For the financial year ended 31 December 2023

	Note	2023 \$	2022 \$
Income			
Dividends:			
Singapore		4,192,212	3,112,654
Foreign		43,361,039	46,443,675
Interest on deposits with banks	10	210,677	89,371
		47,763,928	49,645,700
Less: Expenses			
Management fees	10	21,671,487	22,820,211
Trustee fees	10	641,596	667,121
Valuation fees	10	507,635	527,108
Custodian fees	10	628,184	680,172
Registration fees	10	2,050,464	2,129,771
Audit fees		13,970	17,453
Transaction costs		1,305,168	1,539,399
Others		509,282	362,049
		27,327,786	28,743,284
Net income		20,436,142	20,902,416
Net gains or losses on value of investments and financial derivatives			
Net losses on investments		(29,991,157)	(540,754,089)
Net losses on spot foreign exchange contracts		(387,039)	(1,724,820)
Net foreign exchange (losses)/gains		(275,271)	448,536
		(30,653,467)	(542,030,373)
Total deficit for the year before income tax		(10,217,325)	(521,127,957)
Income tax expense	3	(11,370,761)	(4,600,147)
Total deficit for the year		(21,588,086)	(525,728,104)

SCHRODER ASIAN GROWTH FUND*Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991***STATEMENT OF FINANCIAL POSITION***As at 31 December 2023*

	Note	2023 \$	2022 \$
ASSETS			
Portfolio of investments		2,054,809,908	2,150,250,942
Bank balances	10	34,025,298	28,168,381
Receivables	5	21,109,249	10,859,611
Total assets		<u>2,109,944,455</u>	<u>2,189,278,934</u>
LIABILITIES			
Purchases awaiting settlement		2,076,209	-
Payables	7	62,210,772	58,882,346
Financial derivatives	6	218	-
Total liabilities		<u>64,287,199</u>	<u>58,882,346</u>
EQUITY			
Net assets attributable to unitholders	8	<u>2,045,657,256</u>	<u>2,130,396,588</u>

SCHRODER ASIAN GROWTH FUND*Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial year ended 31 December 2023*

	Note	2023 \$	2022 \$
Net assets attributable to unitholders at the beginning of the financial year		2,130,396,588	2,313,068,492
Operations			
Change in net assets attributable to unitholders resulting from operations		(21,588,086)	(525,728,104)
Unitholders' contributions/(withdrawals)			
Creation of units		318,486,879	763,437,679
Cancellation of units		(310,552,671)	(345,921,578)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		7,934,208	417,516,101
Distributions	4	(71,085,454)	(74,459,901)
Total decrease in net assets attributable to unitholders		(84,739,332)	(182,671,904)
Net assets attributable to unitholders at the end of the financial year	8	2,045,657,256	2,130,396,588

SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

STATEMENT OF PORTFOLIO

As at 31 December 2023

Primary

	Holdings at 31 Dec 2023	Fair value at 31 Dec 2023 \$	Percentage of total net assets attributable to unitholders at 31 Dec 2023 %
By geography			
Quoted			
Equities			
CHINA			
Alibaba Group Hldg Ltd	2,338,516	29,865,478	1.46
Alibaba Group Hldg Ltd ADR	150,756	15,413,812	0.75
Anjoy Foods Group Co Ltd	734,408	14,232,190	0.70
Baozun Inc	1,403,900	1,664,871	0.08
Baozun Inc ADR	1,128,582	4,079,072	0.20
Budweiser Brewing Co APAC Ltd	9,600,600	23,711,175	1.16
China Mengniu Dairy Co Ltd	4,394,000	15,587,866	0.76
China Pacific Insurance Group Co Ltd H Shares	13,088,600	34,846,305	1.70
China Petroleum & Chemical Corp H Shares	45,554,000	31,474,378	1.54
Contemporary Amperex Technology Co Ltd (China)	484,542	14,654,545	0.72
Gongniu Group Co Ltd	753,063	13,343,735	0.65
H World Group Ltd	1,578,800	7,001,059	0.34
H World Group Ltd ADR	666,041	29,379,537	1.44
Hollysys Automation Technologies Ltd	1,104,149	38,378,326	1.88
HUTCHMED China Ltd ADR	1,134,901	27,111,538	1.33
Innovent Biologics Inc	1,516,000	10,948,198	0.53
Meituan	1,108,060	15,330,436	0.75
Midea Group Co Ltd A Shares	1,886,203	19,088,894	0.93
NARI Technology Co Ltd	3,353,512	13,866,127	0.68
Sany Heavy Ind Co Ltd	6,594,975	16,823,185	0.82
Shandong Sinocera Functional Material Co Ltd	1,681,537	7,202,038	0.35
Shandong Sinocera Functional Material Co Ltd (Luxembourg) Warrants 6 Mar 2024	2,646,200	11,379,364	0.56
Shenzhou Intl Group Hldg Ltd	2,341,100	31,796,794	1.55
Tencent Hldg Ltd	2,039,800	101,169,817	4.95
Vipshop Hldg Ltd ADR	895,109	20,969,912	1.02
Wuxi Biologics Cayman Inc	2,734,500	13,673,414	0.67
Yum China Hldg Inc	327,260	18,359,819	0.90
Zhejiang Sanhua Intelligent Controls Co Ltd A Shares	3,598,466	19,598,637	0.96
		600,950,522	29.38

SCHRODER ASIAN GROWTH FUND

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STATEMENT OF PORTFOLIO

As at 31 December 2023

Primary (continued)

	Holdings at 31 Dec 2023	Fair value at 31 Dec 2023 \$	Percentage of total net assets attributable to unitholders at 31 Dec 2023 %
By geography			
Quoted			
Equities			
HONG KONG			
AIA Group Ltd	6,736,000	77,435,041	3.79
Chow Sang Sang Hldg Intl Ltd	9,898,000	15,015,200	0.73
Hong Kong Exchanges & Clearing Ltd	312,000	14,125,269	0.69
Kerry Properties Ltd	14,044,500	33,879,876	1.66
Pacific Textiles Hldg Ltd	21,102,000	4,812,433	0.23
Prudential PLC	1,536,400	22,684,178	1.11
Swire Properties Ltd	7,934,650	21,178,353	1.04
Techtronic Ind Co Ltd	3,916,500	61,563,292	3.01
		250,693,642	12.26
INDIA			
Apollo Hospitals Enterprise Ltd	694,602	62,806,673	3.07
Bandhan Bank Ltd	6,043,762	23,127,423	1.13
Delhivery Ltd	3,808,470	23,499,671	1.15
HDFC Bank Ltd	2,317,137	62,782,691	3.07
ICICI Bank Ltd	4,877,641	77,057,221	3.77
Infosys Ltd	1,509,892	36,928,893	1.80
Reliance Ind Ltd	458,182	18,774,691	0.91
The Phoenix Mills Ltd	1,756,391	62,496,035	3.06
		367,473,298	17.96
INDONESIA			
PT Bank Mandiri Persero Tbk	98,807,400	51,213,736	2.50
MACAU			
Galaxy Entertainment Group Ltd	4,935,000	36,473,088	1.78
PHILIPPINES			
Converge Information and Communications Technology Solutions Inc	30,212,900	6,031,154	0.30
RFM Corp	70,610,600	5,046,092	0.25
		11,077,246	0.55

SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

STATEMENT OF PORTFOLIO

As at 31 December 2023

Primary (continued)

	Holdings at 31 Dec 2023	Fair value at 31 Dec 2023 \$	Percentage of total net assets attributable to unitholders at 31 Dec 2023 %
By geography			
Quoted			
Equities			
SINGAPORE			
DBS Group Hldg Ltd	636,700	21,272,147	1.04
Oversea-Chinese Banking Corp Ltd	3,246,953	42,210,389	2.06
		63,482,536	3.10
SOUTH KOREA			
LG Chem Ltd	82,370	42,098,361	2.06
Samsung Electronics Co Ltd	2,350,242	188,963,453	9.24
		231,061,814	11.30
SRI LANKA			
John Keells Hldg PLC	10,328,047	8,037,349	0.39
TAIWAN			
Delta Electronics Inc	1,387,000	18,689,073	0.91
MediaTek Inc	1,317,000	57,454,702	2.81
Merida Ind Co Ltd	3,534,850	27,727,302	1.36
Taiwan Semiconductor Manufacturing Co Ltd	8,854,309	225,674,830	11.03
		329,545,907	16.11
THAILAND			
Bangkok Dusit Medical Services PCL	15,368,300	16,184,600	0.79
UNITED KINGDOM			
Standard Chartered PLC	4,673,400	51,592,416	2.52
UNITED STATES OF AMERICA			
Samsonite Intl SA	8,511,300	37,023,754	1.81
Portfolio of investments		2,054,809,908	100.45
Other net liabilities		(9,152,652)	(0.45)
Net assets attributable to unitholders		2,045,657,256	100.00

Legend:

ADR: American Depository Receipts

SCHRODER ASIAN GROWTH FUND*Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991***STATEMENT OF PORTFOLIO***As at 31 December 2023***Primary** (continued)

	Percentage of total net assets attributable to unitholders at 31 Dec 2023 %	Percentage of total net assets attributable to unitholders at 31 Dec 2022 %
By geography (summary)		
Quoted		
China	29.38	37.96
Hong Kong	12.26	13.16
India	17.96	15.78
Indonesia	2.50	1.98
Macau	1.78	1.46
Philippines	0.55	0.96
Singapore	3.10	4.02
South Korea	11.30	9.51
Sri Lanka	0.39	0.24
Taiwan	16.11	11.03
Thailand	0.79	-
United Kingdom	2.52	2.59
United States of America	1.81	2.24
Portfolio of investments	100.45	100.93
Other net liabilities	(0.45)	(0.93)
Net assets attributable to unitholders	100.00	100.00

SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

STATEMENT OF PORTFOLIO

As at 31 December 2023

Secondary

By industry	Fair value at 31 Dec 2023 \$	Percentage of total net assets attributable to unitholders at 31 Dec 2023 %	Percentage of total net assets attributable to unitholders at 31 Dec 2022 %
Automobiles & Components	-	-	0.85
Bank	329,256,023	16.10	15.75
Chemicals/Petrochemicals	49,300,399	2.41	2.77
Computer/Software	36,928,893	1.81	2.66
Consumer Durables	103,306,928	5.05	4.87
Diversified Operations	8,037,349	0.39	0.24
Finance	14,125,269	0.69	1.20
Food & Beverage	58,577,323	2.86	3.45
Health Care/Pharmaceuticals	130,724,423	6.39	5.00
Hotel & Leisure	91,213,503	4.46	4.84
Industrial & Transportation	23,499,671	1.15	0.66
Industrial Machinery	97,985,114	4.79	4.38
Insurance	134,965,524	6.60	6.81
Internet Services	152,193,050	7.44	10.86
Material	11,379,364	0.56	1.83
Media	-	-	0.60
Miscellaneous	13,343,735	0.65	0.99
Oil & Gas	50,249,069	2.46	1.85
Real Estate	149,351,058	7.30	6.28
Retail	51,315,548	2.51	5.25
Semiconductor	283,129,532	13.84	10.99
Technology Hardware & Equipment	259,896,979	12.70	8.12
Telecommunications	6,031,154	0.29	0.68
Portfolio of investments	2,054,809,908	100.45	100.93
Other net liabilities	(9,152,652)	(0.45)	(0.93)
Net assets attributable to unitholders	2,045,657,256	100.00	100.00

SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

Schroder Asian Growth Fund (the “Fund”) is a unit trust constituted by a Deed of Trust dated 4 April 1991 (and as amended, restated and supplemented from time to time) (thereafter referred to as “Trust Deed”). The Trust Deed is governed in accordance with the laws of the Republic of Singapore. The Manager of the Fund is Schroder Investment Management (Singapore) Ltd and the Trustee is HSBC Institutional Trust Services (Singapore) Limited.

The Fund, which was launched on 8 May 1991, seeks long-term capital growth primarily through investment in securities of companies quoted on stock markets in Asia (including Australia and New Zealand but excluding Japan). The portfolio of the Fund will be broadly diversified with no specific industry or sectoral emphasis.

The Fund is single priced and may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such investments caused by subscriptions, redemptions and/or switching in and out of the Fund. This is known as “dilution”. In order to counter this and to protect unitholders’ interests, with effect from 1 October 2018, the Manager will apply “dilution adjustment” as part of its daily valuation policy. This will mean that in certain circumstances the Manager (if in its opinion in good faith it is in the interest of unitholders to do so) will make adjustments in the calculations of the net asset value per unit, to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

The need to make a dilution adjustment will depend upon the net value of subscriptions, switching and redemptions received by the Fund for each dealing day. The Manager therefore reserves the right to make a dilution adjustment where the Fund experiences a net cash movement which exceeds a threshold of the previous dealing day’s total net asset value.

Any dilution adjustment as at the last dealing day of the year will be disclosed under units in issue.

2. Material accounting policies

2.1 Changes in material accounting policies - material accounting policy information

The Fund adopted Amendments to FRS 1: *Presentation of Financial Statements* for the first time for the annual period beginning 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (continued)

2.1 Changes in material accounting policies - material accounting policy information (continued)

The amendments require the disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

2.2 The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2.1, which addressed changes in material accounting policies. The Fund has applied new FRSs, amendments to and interpretations of the FRSs that became effective for the annual period beginning on 1 January 2023. Other than described in note 2.1, the application of these new FRSs, amendments to and interpretations of the FRSs does not have a material effect on the Fund's financial statements.

(a) Basis of preparation

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of financial instruments at fair value through profit or loss, and in accordance with the Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" ("RAP 7") revised and issued by the Institute of Singapore Chartered Accountants.

(b) Recognition of income

Dividend income is recorded gross in the Statement of Total Return in the accounting year in which a dividend is declared payable by the investee company. Interest income on deposits is recognised on a time proportion basis using the effective interest method.

(c) Investments

Investments are classified as financial assets held at fair value through profit or loss. Purchases of investments are recognised on trade date. Investments are recorded at fair value on initial recognition, and subsequently carried at fair value. The fair value of financial assets and liabilities traded in active markets is based on last traded market prices for equities on the reporting date. Net changes in fair value of investments are included in the Statement of Total Return in the year in which they arise.

Investments are derecognised on the trade date of disposal. Net gains or losses on investments are taken up in the Statement of Total Return.

SCHRODER ASIAN GROWTH FUND

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2. Material accounting policies (continued)

(d) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at their fair value and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

(e) Sales and purchases awaiting settlement

Sales and purchases awaiting settlement represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

(f) Bank balances

Bank balances comprise cash at banks which are subject to an insignificant risk of changes in value.

(g) Payables

Payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

(h) Foreign currency translation

The Fund may hold assets and liabilities denominated in currencies other than Singapore dollars. The financial statements are presented in Singapore dollars, which is the Fund's functional and presentation currency.

Foreign currency transactions during the year are translated into Singapore dollars at the rates of exchange ruling on the transaction dates. Foreign currency monetary assets and liabilities are translated into Singapore dollars at the rates of exchange ruling at the reporting date. Foreign exchange gains or losses resulting from the settlement of foreign currency transactions and from the translation at year end exchange rates of foreign currency monetary assets and liabilities, are taken to the Statement of Total Return.

(i) Financial derivatives

Financial derivatives are recognised at fair value on the date in which a financial derivative contract is entered into and are subsequently re-measured at their fair values. Fair values are obtained from quoted market prices in active markets, including recent market transactions. A financial derivative is carried as an asset when its fair value is positive, and as a liability when its fair value is negative.

Net gains or losses on financial derivatives held for protection or enhancement of investments are taken to the Statement of Total Return as gains or losses on financial derivatives.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (continued)

(j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Fund or the counterparty.

(k) Distribution

The Manager shall have the absolute discretion to determine whether a distribution is to be made. In the event that the Manager determines that a distribution will be made, an amount required to effect such a distribution shall be transferred to a distribution account for payment on distribution date. This amount shall not be treated as part of the property of the Fund.

Distribution is accrued for at the reporting date if the necessary approvals have been obtained and a legal or constructive obligation has been created.

3. Income tax

The Fund has been approved by the Monetary Authority of Singapore (MAS) under the Enhanced-Tier Fund (ETF) Scheme (section 13U of the Income Tax Act 1947 and the relevant regulations) and is included in the Central Provident Fund Investment Scheme. Subject to certain conditions being met on an annual basis, the Fund enjoys Singapore corporate income tax exemption on “specified income” derived from “designated investments” for the life of the Fund. The tax exemption does not apply in the year when the relevant conditions are not met. Losses from “designated investments” are correspondingly disregarded. The terms “specified income” and “designated investments” are defined in the relevant income tax regulations.

	2023	2022
	\$	\$
Foreign income tax	5,018,494	5,670,903
Capital gains tax	6,352,267	(1,070,756)
	11,370,761	4,600,147

The foreign income tax represents tax deducted at source on dividends derived from outside Singapore and received in Singapore. Capital gains tax comprises of the tax on realised capital gains and provisions for potential capital gains tax outside Singapore.

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For the financial year ended 31 December 2023

4. Distributions

The Fund distributed a total of \$71,085,454 (2022: \$74,459,901) to Class SGD A Distribution and Class USD A Distribution unitholders on the register during the year as disclosed below.

2023

Class SGD A Distribution

Record date	Payment date	Distribution rate \$ per 100 units	Distribution amount \$
31 Mar 2023	19 Apr 2023	1.9698	10,115,033
30 Jun 2023	18 Jul 2023	1.9266	9,868,945
29 Sep 2023	17 Oct 2023	1.8390	9,375,843
29 Dec 2023	17 Jan 2024	6.7166	34,567,114
			<u>63,926,935</u>

Class USD A Distribution

Record date	Payment date	Distribution rate US\$ per 100 units	Distribution amount US\$	Distribution amount \$
31 Mar 2023	19 Apr 2023	2.0574	882,795	1,172,529
30 Jun 2023	18 Jul 2023	1.9770	840,164	1,133,927
29 Sep 2023	17 Oct 2023	1.8708	762,696	1,047,372
29 Dec 2023	17 Jan 2024	7.0708	2,869,083	3,804,691
			<u>5,354,738</u>	<u>7,158,519</u>

2022

Class SGD A Distribution

Record date	Payment date	Distribution rate \$ per 100 units	Distribution amount \$
31 Mar 2022	19 Apr 2022	2.2176	10,918,063
30 Jun 2022	19 Jul 2022	2.1042	10,460,038
30 Sep 2022	18 Oct 2022	1.8528	9,378,424
30 Dec 2022	18 Jan 2023	7.0708	35,847,403
			<u>66,603,928</u>

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For the financial year ended 31 December 2023

4. Distributions (continued)

Class USD A Distribution

Record date	Payment date	Distribution rate US\$ per 100 units	Distribution amount US\$	Distribution amount \$
31 Mar 2022	19 Apr 2022	2.2752	1,014,531	1,376,718
30 Jun 2022	19 Jul 2022	2.1000	894,208	1,250,774
30 Sep 2022	18 Oct 2022	1.7934	745,792	1,066,706
30 Dec 2022	18 Jan 2023	7.3216	3,097,250	4,161,775
			<u>5,751,781</u>	<u>7,855,973</u>

5. Receivables

	2023 \$	2022 \$
Amount receivable for creation of units	17,790,059	9,118,983
Dividend receivable	2,395,555	875,043
Interest receivable	6,048	1,582
GST receivable	917,540	863,944
Other	47	59
	<u>21,109,249</u>	<u>10,859,611</u>

6. Financial derivatives

Financial derivative contracts comprise spot foreign exchange contracts due for settlement or contractual re-pricing within 3 months (2022: Nil) from the reporting date. The contracted or underlying principal amounts of these financial derivatives and their corresponding gross fair values at the reporting date are analysed below.

	Notional amount \$	Fair value liabilities \$
2023		
Contracts:		
Spot foreign exchange	<u>2,076,209</u>	<u>218</u>

SCHRODER ASIAN GROWTH FUND*Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***7. Payables**

	2023	2022
	\$	\$
Amount payable for cancellation of units	2,817,123	2,767,783
Amount payable for dividend distribution	38,371,805	40,009,178
Accrued management fees	1,638,948	1,848,131
Accrued trustee fees	47,654	53,618
Accrued valuation fees	35,179	40,137
Capital gains tax provision	19,124,463	13,960,668
Other accrued expenses	175,600	202,831
	62,210,772	58,882,346

8. Units in issue**Class SGD A Distribution**

	2023	2022
	Units	Units
At the beginning of the financial year	506,978,026	472,844,120
Created	88,057,671	111,930,645
Cancelled	(80,383,730)	(77,796,739)
At the end of the financial year	514,651,967	506,978,026

\$

\$

Net assets attributable to unitholders**1,536,511,874** 1,593,704,490**Net assets attributable to unitholders per unit****2.99**

3.14

Class USD A Distribution

	2023	2022
	Units	Units
At the beginning of the financial year	42,302,918	43,446,365
Created	4,639,943	7,181,851
Cancelled	(6,366,362)	(8,325,298)
At the end of the financial year	40,576,499	42,302,918

US\$

US\$

Net assets attributable to unitholders**127,517,833** 137,689,603**Net assets attributable to unitholders per unit****3.14**

3.26

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

8. Units in issue (continued)

Class SGD N Accumulation	2023 Units	2022 Units
At the beginning of the financial year	103,473,027	25,156,119
Created	4,981,035	88,264,209
Cancelled	(7,832,501)	(9,947,301)
At the end of the financial year	100,621,561	103,473,027
	\$	\$
Net assets attributable to unitholders	340,936,608	352,022,802
Net assets attributable to unitholders per unit	3.39	3.40

The Fund currently offers 3 Classes of units, namely Class SGD A Distribution units, Class USD A Distribution units and Class SGD N Accumulation units. All 3 Classes of units constitute the Fund and have different features. The key differences between the Classes are the management fee rate, currency of denomination and distribution policy applicable to each Class. The Class USD A Dis is subject to foreign exchange risk against the Fund's functional currency.

Net assets attributable to unitholders ("NAV") is apportioned between all 3 Classes of units based on the proportion of NAV of each Class, which is determined by computing the equivalent number of units of Class SGD A Dis, Class USD A Dis and Class SGD N Acc units in issue. Any expense, income and/or gain which is attributable to a particular Class shall be deducted from or added to the net assets attributable to that Class.

Acc: Accumulation
Dis: Distribution

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For the financial year ended 31 December 2023

8. Units in issue (continued)

A reconciliation of the net assets attributable to unitholders per unit per the financial statements and the net assets attributable to unitholders per unit for issuing/redeeming units at the financial year end date is presented below:

Class SGD A Distribution	2023	2022
	\$	\$
Net assets attributable to unitholders per unit per the financial statements	2.99	3.14
Effect of distribution payable per unit	0.06	0.07
Net assets attributable to unitholders per unit for issuing/redeeming of units	3.05	3.21
Class USD A Distribution	2023	2022
	US\$	US\$
Net assets attributable to unitholders per unit per the financial statements	3.14	3.26
Effect of distribution payable per unit	0.07	0.07
Net assets attributable to unitholders per unit for issuing/redeeming of units	3.21	3.33

There is no difference between the net assets attributable to unitholders per unit per the financial statements and the net assets attributable to unitholders per unit for issuing/redeeming of units for the Class SGD N Accumulation units.

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For the financial year ended 31 December 2023

9. Financial risk management

The Fund's activities expose it to a variety of risks including but not limited to market risk (including price risk, interest rate risk and currency risk), liquidity risk and credit risk.

The overall responsibility for the management of the Fund's financial risks lies with the Manager whom, among other things, will regularly assess the economic condition, monitor changes in market outlook and take appropriate measures accordingly to manage the Fund's exposure to these risks. The Manager may from time to time employ derivatives including but not limited to options, futures and currency forwards, subject to the terms of the Trust Deed, for the purpose of efficient portfolio management.

The data used and assumptions made in the sensitivity analyses below may not reflect actual market conditions, nor is it representative of any potential future market conditions. The sensitivity analyses can be complex and the disclosures made here are not exhaustive. The market exposures change regularly and the assumptions made below may not be representative of the risk taken throughout the year. The sensitivity analyses below should not be solely relied upon by investors in their investment decision making.

(a) Market risk

Market risk is the risk of potential adverse changes to the value of financial instruments because of changes in market conditions such as interest rate and currency rate movements and volatility in security prices.

The Fund's investments are monitored by the Manager on a regular basis so as to assess changes in fundamentals and valuation. Although the Manager conducts detailed analysis before making investment decisions, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the net asset value of the Fund. The Manager may also select other financial instruments within the investment guidelines as set out in the Fund's Trust Deed. Guidelines are set to reduce the Fund's risk exposure to market volatility through diversifying the portfolio by investing across various geographies and industry sectors.

The benchmark which the performance of the Fund is measured against is the MSCI All Country Asia ex Japan Index (Net Dividend Reinvested).

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For the financial year ended 31 December 2023

9. Financial risk management (continued)

(a) Market risk (continued)

At reporting date, the Fund's assets principally consist of quoted equities and bank balances. The Fund's exposure to market risks are discussed below:

(i) Price risk

The Fund is exposed to price risk. This arises from investments held by the Fund for which prices in the future are uncertain. They are classified on the Statement of Financial Position as Portfolio of Investments. All securities investments, from a standalone perspective, present a risk of loss of capital. Price risk is managed and monitored by the Manager on a portfolio basis, with risks managed through ensuring that investment activities are undertaken in accordance with the Fund's investment strategy and objectives.

As at reporting date, the Fund's overall exposure to price risk were as follows:

	2023	2022
	\$	\$
Net equity securities	2,054,809,908	2,150,250,942

The table below summarises the potential impact of increases/decreases in the value of the Fund's investments in equities on the Fund's net assets attributable to unitholders at reporting date. The analysis is based on the assumption that the benchmark increases/decreases by a reasonable possible shift with all other variables held constant, and that the fair value of the Fund's investments moves according to their historical correlation with the benchmark. This represents the Manager's best estimate of a reasonable possible shift in the benchmark, having regard to the historical movement of the benchmark.

	2023		2022
Reasonable possible change %	Impact on net assets attributable to unitholders \$	Reasonable possible change %	Impact on net assets attributable to unitholders \$
8	157,106,477	11	236,687,061

The disclosure above is shown in absolute terms, changes and impacts could be positive or negative.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

9. Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk

The majority of the Fund's financial assets and liabilities are non-interest bearing; as a result, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Hence, no interest rate sensitivity analysis is presented.

(iii) Currency risk

The Fund may hold monetary and non-monetary assets and liabilities denominated in currencies other than Singapore dollars. Consequently, the Fund may be exposed to currency risk since the value of these assets and liabilities denominated in other currencies will fluctuate due to changes in exchange rates.

The Manager may manage the currency risks by hedging some or all of the currency risk exposure through derivatives such as forward currency contracts, currency futures, currency swap agreements or currency options.

The table below summarises the Fund's exposure to foreign currencies from its monetary and non-monetary assets and liabilities:

	As at 31 December 2023				
	CNH	HKD	INR	KRW	SGD
	\$	\$	\$	\$	\$
Assets					
Portfolio of investments	118,809,351	709,127,090	367,473,298	231,061,814	63,482,536
Bank balances	1,114	1,183	-	-	28,786,507
Receivables	-	56	-	-	18,649,375
Total assets	118,810,465	709,128,329	367,473,298	231,061,814	110,918,418
Liabilities					
Purchases awaiting settlement	-	2,076,209	-	-	-
Payables	26,656	-	19,097,813	-	38,986,458
Total liabilities	26,656	2,076,209	19,097,813	-	38,986,458
Net financial assets					
Currency spot	-	2,076,428	-	-	(2,076,428)
Currency exposure	118,783,809	709,128,548	348,375,485	231,061,814	69,855,532

(continued on next page)

SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

9. Financial risk management (continued)(a) Market risk (continued)(iii) Currency risk (continued)

(continued from previous page)

	As at 31 December 2023			
	TWD \$	USD \$	Others* \$	Total \$
Assets				
Portfolio of investments	329,545,907	148,796,981	86,512,931	2,054,809,908
Bank balances	-	5,236,478	16	34,025,298
Receivables	901,938	1,557,880	-	21,109,249
Total assets	330,447,845	155,591,339	86,512,947	2,109,944,455
Liabilities				
Purchases awaiting settlement	-	-	-	2,076,209
Payables	-	4,099,845	-	62,210,772
Total liabilities	-	4,099,845	-	64,286,981
Net financial assets				
Currency spot	330,447,845	151,491,494	86,512,947	2,045,657,474
	-	-	-	-
Currency exposure	330,447,845	151,491,494	86,512,947	
	As at 31 December 2022			
	CNH \$	HKD \$	INR \$	KRW \$
Assets				
Portfolio of investments	182,455,888	866,559,484	336,187,281	202,653,811
Bank balances	1,212	545,137	-	-
Receivables	-	94	-	-
Total assets	182,457,100	867,104,715	336,187,281	202,653,811
Liabilities				
Payables	27,893	-	13,932,781	-
Total liabilities	27,893	-	13,932,781	-
Currency exposure	182,429,207	867,104,715	322,254,500	202,653,811

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SCHRODER ASIAN GROWTH FUND

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

9. Financial risk management (continued)

(a) Market risk (continued)

(iii) Currency risk (continued)

(continued from previous page)

	As at 31 December 2022				
	SGD	TWD	USD	Others*	Total
	\$	\$	\$	\$	\$
Assets					
Portfolio of investments	76,161,474	234,880,229	183,503,858	67,848,917	2,150,250,942
Bank balances	26,763,739	-	858,277	16	28,168,381
Receivables	9,861,445	875,043	123,029	-	10,859,611
Total assets	112,786,658	235,755,272	184,485,164	67,848,933	2,189,278,934
Liabilities					
Payables	40,368,422	-	4,553,250	-	58,882,346
Total liabilities	40,368,422	-	4,553,250	-	58,882,346
Currency exposure	72,418,236	235,755,272	179,931,914	67,848,933	

* Foreign currencies to which the Fund does not have a significant exposure are included within 'Others'.

Portfolio of investments, which is the most significant item on the Statement of Portfolio, is exposed to currency risk and price risk. The price risk sensitivity analysis in Note 9(a)(i) includes the impact of currency risk on portfolio of investments.

The Fund's net financial assets comprise mainly portfolio of investments which are non-monetary financial assets, hence a separate currency risk sensitivity analysis has not been performed on the remaining financial assets.

SCHRODER ASIAN GROWTH FUND

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

9. Financial risk management (continued)

(b) Liquidity risk

The Fund's liquidity risk arises mainly from redemptions of units. The Fund invests the majority of its assets in investments that are traded in active markets and/or in investments where the issuer stands ready to unwind. Investments in unquoted shares (excluding IPO shares which have been approved for listing) are allowed within the 5% deviation limit.

The Fund has the ability to borrow in the short-term for the purposes of meeting redemptions and short-term bridging requirements. Dedicated personnel are responsible for monitoring the Fund's liquidity position on a daily basis to ensure that sufficient cash resources and liquid assets are available to meet liabilities as and when they fall due.

Units are redeemable at the holder's option. However, the Manager also has the option to limit redemption requests to 10% of the total number of units then in issue on each dealing day, with the approval of the Trustee.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their carrying values as the impact of discounting is not significant.

	2023	2022
	Less than	Less than
	3 months	3 months
	\$	\$
Purchases awaiting settlement	2,076,209	-
Payables	62,210,772	58,882,346
Financial derivatives	218	-

All financial derivatives are disclosed above based on fair value as at the reporting date. Spot foreign exchange contracts are settled based on contractual notional amounts on settlement date. The notional amounts of all financial derivatives are disclosed in Note 6.

(c) Credit risk

The Fund takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due, including transactions with counterparties such as issuers, brokers, custodians and banks.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

9. Financial risk management (continued)

(c) Credit risk (continued)

Impairment allowances are made for losses that have been incurred by the reporting date, if any. The Manager has in place procedures for proper credit screening and monitoring of credit risk, including the use of approved counterparties with credit limits set and subject to specified financial strength criteria. Exposure against all counterparties is then monitored on a daily basis.

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default, considering both historical analysis and forward looking information in determining any expected credit loss. As at 31 December 2023 and 31 December 2022, the Fund's financial assets (except portfolio of investments and/or financial derivatives) as disclosed in the Statement of Financial Position are realised within three months. The Manager considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

All transactions in quoted securities are settled/paid upon delivery using approved brokers. The risk of default is deemed to be low, as delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Fund's exposure to credit risk arises mainly from its bank balances and assets held with custodians and counterparties. The table below summarises the credit rating of banks, custodians and counterparties with whom the Fund's assets are held as at reporting date.

As at 31 December 2023	Credit rating	Source of credit rating
<u>Bank & Custodian</u>		
The Hongkong and Shanghai Banking Corporation Limited	a2	Moody's
<u>Counterparty</u>		
Citibank NA	baa1	Moody's
Deutsche Bank AG	baa2	Moody's
JPMorgan Chase Bank NA	a2	Moody's
UBS AG	a3	Moody's

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NOTES TO THE FINANCIAL STATEMENTS

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9. Financial risk management (continued)

(c) Credit risk (continued)

As at 31 December 2022	Credit rating	Source of credit rating
<u>Bank & Custodian</u>		
The Hongkong and Shanghai Banking Corporation Limited	a2	Moody's
<u>Counterparty</u>		
BNY Mellon NA	a1	Moody's
Citibank NA	baa1	Moody's
Deutsche Bank AG	baa2	Moody's
JPMorgan Chase Bank NA	a2	Moody's

The credit ratings shown are the Baseline Credit Assessment ratings as published by Moody's, unless otherwise specified.

As at reporting date, the Fund holds depository receipts or shares issued by credit-rated counterparties, the values of which are referenced to underlying quoted securities. The market value of these depository receipts is disclosed in the Statement of Portfolio.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

(d) Fair value estimation

The fair value of financial instruments is based on quoted market prices as at the reporting date. The quoted market price used for equities is the last traded market price and the quoted market price used for other financial assets is the current bid price; the appropriate quoted market price used for financial liabilities is the current asking price.

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

9. Financial risk management (continued)

(d) Fair value estimation (continued)

The following table analyses within the fair value hierarchy the Fund's financial instruments measured at fair value at reporting date:

	As at 31 December 2023			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Assets				
Financial assets at fair value through profit or loss				
Equities	2,054,809,908	-	-	2,054,809,908
Liabilities				
Financial liabilities at fair value through profit or loss				
Financial derivatives	-	218	-	218
	As at 31 December 2022			Total \$
	Level 1 \$	Level 2 \$	Level 3 \$	
Assets				
Financial assets at fair value through profit or loss				
Equities	2,150,250,942	-	-	2,150,250,942

Investments in listed equities whose values are based on quoted market prices in active markets are classified within level 1. The quoted price for these financial instruments is not adjusted.

Financial instruments that trade in markets not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include over-the-counter derivatives.

There are no financial instruments classified within level 3.

Except for bank balances which are classified as level 1, the Fund's assets and liabilities not measured at fair value at reporting date have been classified as level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the reporting date.

SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

9. Financial risk management (continued)

(e) Offsetting financial assets and financial liabilities

The following tables present the Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangements or similar agreements.

The gross and net positions of financial assets and liabilities that have been offset in the Statement of Financial Position are disclosed in the first three columns of the tables below.

<u>2023</u>	Gross amounts of recognised financial liabilities \$	Gross amounts of recognised financial assets set-off in the Statement of Financial Position \$	Net amounts of financial liabilities presented in the Statement of Financial Position \$	Related amounts not set-off in the Statement of Financial Position		
				Financial instruments \$	Cash collateral \$	Net amount \$
Contracts:						
Spot foreign exchange	218	-	218	-	-	218

(f) Capital management

The Fund's capital is represented by the net assets attributable to unitholders. The Fund strives to invest the subscriptions of units in investments that meet the Fund's investment objectives while maintaining sufficient liquidity to meet unitholder redemptions.

10. Related party disclosure

The Manager of the Fund is Schroder Investment Management (Singapore) Ltd. The Trustee is HSBC Institutional Trust Services (Singapore) Limited. The Registrar for the Fund is The Hongkong and Shanghai Banking Corporation Limited. Both Trustee and Registrar are subsidiaries of the HSBC Group. The management fees paid to the Manager and registration fees paid to the Registrar; trustee fees, valuation fees and custodian fees charged by, and interest earned on deposits with, the HSBC Group are shown in the Statement of Total Return.

As at reporting date, the Fund maintained with the HSBC Group, the following bank balances:

	2023 \$	2022 \$
Current accounts	<u>34,025,298</u>	<u>28,168,381</u>

SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

11. Financial ratios

	2023			2022		
	Class SGD A Dis	Class USD A Dis	Class SGD N Acc	Class SGD A Dis	Class USD A Dis	Class SGD N Acc
Expense ratio ¹	1.33%	1.34%	0.57%	1.33%	1.34%	0.54%
	Fund			Fund		
Turnover ratio ²		16.40%			12.02%	

¹ The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio was based on annualised total operating expenses divided by the average net asset values for each class for the year. The total operating expenses do not include brokerage and other transaction costs, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. Expenses which are common to all Classes are apportioned based on the proportion of NAV of each Class. The Fund does not pay any performance fee. The respective values used in the calculation of the expense ratio are disclosed below. The average net asset values are based on the daily balances.

Expense ratio calculations	Class SGD A Dis \$	2023 Class USD A Dis \$	Class SGD N Acc \$	Class SGD A Dis \$	2022 Class USD A Dis \$	Class SGD N Acc \$
Total operating expenses	21,543,376	2,464,275	2,014,650	22,803,457	2,768,456	1,631,972
Average net asset value	1,619,948,887	185,065,687	355,180,418	1,719,363,794	207,894,791	301,479,815

² The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower value of purchases or sales of the underlying investments divided by the average daily net asset value.

Turnover ratio calculations	2023 \$		2022 \$	
Lower of purchases or sales	354,292,384	(purchases)	267,930,536	(sales)
Average net asset value	2,160,194,992		2,228,738,400	

REPORT TO UNITHOLDERS

31 December 2023

The following is a report on the Schroder Asian Growth Fund (the "Fund"):

1. Top 10 holdings of the Fund as at 31 December 2023:

	Fair value \$	Percentage of total net assets attributable to unitholders %
Taiwan Semiconductor Manufacturing Co Ltd	225,674,830	11.03
Samsung Electronics Co Ltd	188,963,453	9.24
Tencent Hldg Ltd	101,169,817	4.95
AIA Group Ltd	77,435,041	3.79
ICICI Bank Ltd	77,057,221	3.77
Apollo Hospitals Enterprise Ltd	62,806,673	3.07
HDFC Bank Ltd	62,782,691	3.07
The Phoenix Mills Ltd	62,496,035	3.06
Techtronic Ind Co Ltd	61,563,292	3.01
MediaTek Inc	57,454,702	2.81

Top 10 holdings of the Fund as at 31 December 2022:

	Fair value \$	Percentage of total net assets attributable to unitholders %
Taiwan Semiconductor Manufacturing Co Ltd	180,647,498	8.48
Samsung Electronics Co Ltd	131,414,485	6.17
AIA Group Ltd	100,472,040	4.71
Tencent Hldg Ltd	91,498,229	4.30
ICICI Bank Ltd	78,771,355	3.69
HDFC Bank Ltd	60,355,182	2.83
Apollo Hospitals Enterprise Ltd	55,729,612	2.62
Standard Chartered PLC	55,200,035	2.59
Oversea-Chinese Banking Corp Ltd	54,564,610	2.57
Techtronic Ind Co Ltd	51,292,714	2.41

The Fund was not invested in other unit trusts, mutual funds or collective investment schemes as at 31 December 2023. For the full composition of investments of the Fund as at 31 December 2023, refer to the Statement of Portfolio on pages 12 to 16.

REPORT TO UNITHOLDERS

31 December 2023

2. The Fund has the following exposure to financial derivatives as at 31 December 2023:

	Fair value \$	Percentage of total net assets attributable to unitholders %
Contracts:		
Spot foreign exchange	(218)	(*)

* Less than 0.01

The net loss on financial derivatives realised in the period 1 January 2023 to 31 December 2023 amounted to \$386,821.

The net loss on outstanding financial derivatives marked to market as at 31 December 2023 amounted to \$218.

3. The Fund did not have any borrowings as at 31 December 2023.

4. The amount of subscriptions and redemptions in the period 1 January 2023 to 31 December 2023 were as follows:

	\$
Subscriptions	318,486,879
Redemptions	310,552,671

5. Expense Ratio

Class SGD A Distribution

1 January 2023 to 31 December 2023 1.33%

1 January 2022 to 31 December 2022 1.33%

Class USD A Distribution

1 January 2023 to 31 December 2023 1.34%

1 January 2022 to 31 December 2022 1.34%

Class SGD N Accumulation

1 January 2023 to 31 December 2023 0.57%

1 January 2022 to 31 December 2022 0.54%

REPORT TO UNITHOLDERS

31 December 2023

6. Turnover of Portfolio

1 January 2023 to 31 December 2023	16.40%
1 January 2022 to 31 December 2022	12.02%

7. Soft dollar commissions/arrangements:

In the management of the Fund, the Manager currently does not receive or enter into any soft dollar commissions or arrangements.

8. For related party transactions, refer to Note 10 in the Notes to the Financial Statements.

9. Performance of Fund for periods ended 31 December 2023

	3 mths	6 mths	1 yr	3 yrs*	5 yrs*	10 yrs*	Since Launch**
Class SGD A							
Distribution	0.2%	-3.8%	-1.1%	-8.6%	3.2%	5.6%	7.8%
Benchmark**	2.9%	0.3%	4.2%	-6.8%	3.0%	4.2%	5.4%
Class USD A							
Distribution	3.7%	-1.3%	0.5%	-8.5%	3.9%	5.1%	8.7%
Benchmark**	6.4%	2.9%	6.0%	-6.7%	3.7%	3.7%	7.3%
Class SGD N							
Accumulation	0.4%	-3.4%	-0.4%	-	-	-	-10.9%
Benchmark**	2.9%	0.3%	4.2%	-	-	-	-8.6%

* Returns of more than 1 year are annualised

Since launch figures from 8 May 1991 (Class SGD A Dis), 30 April 2004 (Class USD A Dis) and 18 August 2021 (Class SGD N Acc)

** Benchmark: The benchmark of the Fund has been changed from the MSCI AC Far East ex Japan Index (Gross Dividend Reinvested) to the MSCI AC Far East ex Japan Index (Net Dividend Reinvested) with effect from 1 March 2013. On 1 March 2016, the MSCI AC Asia ex Japan Index (Net Dividend Reinvested) replaced the MSCI AC Far East ex Japan Index (Net Dividend Reinvested).

Source

Fund: Morningstar (class currency, bid to bid, net income reinvested, net of fees)

Benchmark: Schroders (class currency)

