

Schroders

SCHRODER ASIAN EQUITY YIELD FUND

Semi-Annual Report & Financial Statements

June 2023



SCHRODER ASIAN EQUITY YIELD FUND

(a sub-fund of Schroder International Choice Portfolio)

Constituted under a Trust Deed in the Republic of Singapore on 25 May 1998

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
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Singapore 018961

Solicitor to the Manager

Allen & Gledhill LLP
One Marina Boulevard #28-00
Singapore 018989

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.00022.SF.702

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COMMENTARY

Despite inflation being elevated in the short term, we ultimately expect it to be transitory, owing to the long-term deflationary forces at work (i.e., the 4 D's of ageing Demographics, technological Disruption, income Disparity and still-elevated Debt levels). An environment where inflation is running not too hot or too cold has typically been beneficial for dividend-investing strategies, and we expect this to be supportive of the fund's performance over the medium-term.

The Asia region continues to offer one of the highest dividend yields globally, as well as the best prospects for future dividend growth and surprises. We continue to keep our portfolio diversified across Dividend Cows, Growers and Surprises, ensuring that there will always be categories of dividend stocks that will outperform at different stages of the market cycle.

On a sector basis, we remain invested in companies that have sustainable dividend growth trajectories. These specifically include sectors such as Taiwan technology (foundries, fabless and hardware), Indian IT consultancy/software, Australian diversified miners and healthcare, as well as regional financials that are market leaders in their respective geographies.

June 2023

SCHRODER ASIAN EQUITY YIELD FUND**(a sub-fund of Schroder International Choice Portfolio)**

Constituted under a Trust Deed in the Republic of Singapore on 25 May 1998

STATEMENT OF TOTAL RETURN

For the financial period ended 30 June 2023 (Unaudited)

	30 Jun 2023	30 Jun 2022
	\$	\$
Income		
Dividends:		
Singapore	526,975	349,418
Foreign	3,836,283	4,018,811
Interest on deposits with banks	555	2
	4,363,813	4,368,231
Less: Expenses		
Management fees	1,584,828	1,694,138
Trustee fees	39,176	41,321
Valuation fees	25,736	27,587
Custodian fees	31,550	39,056
Registration fees	104,599	111,813
Audit fees	8,028	7,984
Transaction costs	107,941	110,443
Others	54,901	164,198
	1,956,759	2,196,540
Net income	2,407,054	2,171,691
Net gains or losses on value of investments and financial derivatives		
Net gains/(losses) on investments	16,325,776	(38,020,041)
Net losses on spot foreign exchange contracts	(42,301)	(34,611)
Net foreign exchange (losses)/gains	(9,449)	2,187
	16,274,026	(38,052,465)
Total return/(deficit) for the period before income tax	18,681,080	(35,880,774)
Income tax expense	(689,703)	(130,661)
Total return/(deficit) for the period	17,991,377	(36,011,435)

SCHRODER ASIAN EQUITY YIELD FUND**(a sub-fund of Schroder International Choice Portfolio)***Constituted under a Trust Deed in the Republic of Singapore on 25 May 1998***STATEMENT OF FINANCIAL POSITION***As at 30 June 2023 (Unaudited)*

	30 Jun 2023 \$	31 Dec 2022 \$
ASSETS		
Portfolio of investments	215,765,981	193,793,078
Bank balances	6,661,696	909,963
Sales awaiting settlement	88,219	-
Receivables	1,257,331	383,568
Total assets	223,773,227	195,086,609
LIABILITIES		
Payables	1,862,654	3,569,254
Financial derivatives	178	-
Total liabilities	1,862,832	3,569,254
EQUITY		
Net assets attributable to unitholders	221,910,395	191,517,355

SCHRODER ASIAN EQUITY YIELD FUND**(a sub-fund of Schroder International Choice Portfolio)***Constituted under a Trust Deed in the Republic of Singapore on 25 May 1998***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial period ended 30 June 2023 (Unaudited)*

	30 Jun 2023	31 Dec 2022
	\$	\$
Net assets attributable to unitholders at the beginning of the financial period/year	191,517,355	242,084,500
Operations		
Change in net assets attributable to unitholders resulting from operations	17,991,377	(41,398,415)
Unitholders' contributions/(withdrawals)		
Creation of units	25,831,712	19,994,589
Cancellation of units	(10,228,724)	(20,900,628)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	15,602,988	(906,039)
Distributions	(3,201,325)	(8,262,691)
Total increase/(decrease) in net assets attributable to unitholders	30,393,040	(50,567,145)
Net assets attributable to unitholders at the end of the financial period/year	221,910,395	191,517,355

SCHRODER ASIAN EQUITY YIELD FUND**(a sub-fund of Schroder International Choice Portfolio)**

Constituted under a Trust Deed in the Republic of Singapore on 25 May 1998

STATEMENT OF PORTFOLIO

As at 30 June 2023 (Unaudited)

Primary

	Holdings at 30 Jun 2023	Fair value at 30 Jun 2023 \$	Percentage of total net assets attributable to unitholders at 30 Jun 2023 %
By geography			
Quoted			
Equities			
AUSTRALIA			
Aristocrat Leisure Ltd	120,464	4,195,417	1.89
ASX Ltd	58,797	3,336,966	1.50
Australia & New Zealand Banking Group Ltd	194,042	4,144,607	1.87
BHP Group Ltd	83,389	3,379,721	1.52
BlueScope Steel Ltd	153,989	2,850,740	1.28
Cochlear Ltd	16,226	3,348,388	1.51
Incitec Pivot Ltd	975,987	2,409,077	1.09
Medibank Private Ltd	1,011,982	3,209,013	1.45
Newcrest Mining Ltd	102,372	2,436,520	1.10
Rio Tinto Ltd	34,270	3,540,754	1.60
SEEK Ltd	114,847	2,247,168	1.01
		35,098,371	15.82
CHINA			
BOC Hong Kong Hldg Ltd	761,000	3,147,550	1.42
China Construction Bank Corp H Shares	4,415,000	3,865,637	1.74
China Pacific Insurance Group Co Ltd H Shares	932,800	3,262,091	1.47
China Petroleum & Chemical Corp H Shares	3,069,400	2,433,036	1.10
China Resources Land Ltd	342,000	1,960,860	0.88
China Yangtze Power Co Ltd A Shares	1,351,576	5,546,705	2.51
Midea Group Co Ltd A Shares	234,553	2,570,945	1.16
NetEase Inc	83,700	2,205,781	0.99
Shenzhen Intl Group Hldg Ltd	285,700	3,688,110	1.66
Yum China Hldg Inc	28,850	2,200,176	0.99
		30,880,891	13.92
HONG KONG			
AIA Group Ltd	349,400	4,772,894	2.14
HKT Trust and HKT Ltd Stapled Shares	1,228,000	1,931,965	0.87
Hong Kong Exchanges & Clearing Ltd	83,500	4,256,820	1.92
Kerry Properties Ltd	1,460,000	4,094,693	1.85
Swire Pacific Ltd	380,000	3,940,752	1.78
Techtronic Ind Co Ltd	174,000	2,558,682	1.15
		21,555,806	9.71

SCHRODER ASIAN EQUITY YIELD FUND**(a sub-fund of Schroder International Choice Portfolio)**

Constituted under a Trust Deed in the Republic of Singapore on 25 May 1998

STATEMENT OF PORTFOLIO

As at 30 June 2023 (Unaudited)

Primary (continued)

	Holdings at 30 Jun 2023	Fair value at 30 Jun 2023 \$	Percentage of total net assets attributable to unitholders at 30 Jun 2023 %
By geography			
Quoted			
Equities			
INDIA			
HDFC Bank Ltd	189,253	5,311,945	2.40
ICICI Bank Ltd	182,885	2,819,734	1.27
Larsen & Toubro Ltd	106,900	4,365,698	1.97
Power Grid Corp of India Ltd	635,238	2,673,846	1.20
Tata Consultancy Services Ltd	57,532	3,134,179	1.41
Tech Mahindra Ltd	76,867	1,434,000	0.65
		19,739,402	8.90
INDONESIA			
PT Bank Mandiri Persero Tbk	7,980,400	3,745,968	1.69
NEW ZEALAND			
Spark New Zealand Ltd	1,077,123	4,545,751	2.05
PHILIPPINES			
Intl Container Terminal Services Inc	703,220	3,513,746	1.58
SINGAPORE			
DBS Group Hldg Ltd	159,200	5,016,392	2.25
Mapletree Pan Asia Commercial Trust	1,341,826	2,173,758	0.98
Sheng Siong Group Ltd	2,500,300	4,100,492	1.85
Singapore Exchange Ltd	362,000	3,478,820	1.57
Singapore Telecommunications Ltd	922,900	2,307,250	1.04
Venture Corp Ltd	256,000	3,765,760	1.70
		20,842,472	9.39

SCHRODER ASIAN EQUITY YIELD FUND**(a sub-fund of Schroder International Choice Portfolio)**

Constituted under a Trust Deed in the Republic of Singapore on 25 May 1998

STATEMENT OF PORTFOLIO

As at 30 June 2023 (Unaudited)

Primary (continued)

	Holdings at 30 Jun 2023	Fair value at 30 Jun 2023 \$	Percentage of total net assets attributable to unitholders at 30 Jun 2023 %
By geography			
Quoted			
Equities			
SOUTH KOREA			
LG Electronics Inc	31,244	4,065,868	1.83
LG Uplus Corp	194,002	2,138,041	0.96
Samsung Electronics Co Ltd	265,588	16,230,634	7.31
Samsung Fire & Marine Insurance Co Ltd	17,384	4,106,650	1.85
Samsung SDI Co Ltd	2,287	1,571,456	0.71
		28,112,649	12.66
TAIWAN			
Advantech Co Ltd	271,957	4,839,304	2.18
ASE Technology Hldg Co Ltd	573,000	2,751,349	1.24
MediaTek Inc	145,000	4334,961	1.95
Nien Made Enterprise Co Ltd	208,000	3,095,656	1.40
Taiwan Semiconductor Manufacturing Co Ltd	749,000	18,747,056	8.45
Voltronic Power Technology Corp	57,967	4,949,623	2.23
		38,717,949	17.45
UNITED STATES OF AMERICA			
CSL Ltd	24,750	6,184,526	2.79
Reliance Worldwide Corp Ltd	765,788	2,828,450	1.27
		9,012,976	4.06
Portfolio of investments		215,765,981	97.23
Other net assets		6,144,414	2.77
Net assets attributable to unitholders		221,910,395	100.00

SCHRODER ASIAN EQUITY YIELD FUND**(a sub-fund of Schroder International Choice Portfolio)***Constituted under a Trust Deed in the Republic of Singapore on 25 May 1998***STATEMENT OF PORTFOLIO***As at 30 June 2023 (Unaudited)***Primary** (continued)

	Percentage of total net assets attributable to unitholders at 30 Jun 2023 %	Percentage of total net assets attributable to unitholders at 31 Dec 2022 %
By geography (summary)		
Quoted		
Australia	15.82	17.87
China	13.92	16.82
Hong Kong	9.71	9.66
India	8.90	7.56
Indonesia	1.69	1.33
New Zealand	2.05	1.95
Philippines	1.58	2.48
Singapore	9.39	10.78
South Korea	12.66	9.45
Taiwan	17.45	18.69
United States of America	4.06	4.60
Portfolio of investments	97.23	101.19
Other net assets/(liabilities)	2.77	(1.19)
Net assets attributable to unitholders	100.00	100.00

SCHRODER ASIAN EQUITY YIELD FUND**(a sub-fund of Schroder International Choice Portfolio)***Constituted under a Trust Deed in the Republic of Singapore on 25 May 1998***STATEMENT OF PORTFOLIO***As at 30 June 2023 (Unaudited)***Secondary**

		Percentage of total net assets attributable to unitholders at 30 Jun 2023	Percentage of total net assets attributable to unitholders at 31 Dec 2022
By industry	Fair value at 30 Jun 2023 \$	%	%
Bank	28,051,833	12.63	13.03
Chemicals/Petrochemicals	2,409,077	1.09	1.33
Computer/Software	4,568,179	2.06	3.69
Construction & Engineering	4,365,698	1.97	2.14
Consumer Durables	9,732,469	4.39	4.55
Energy	-	-	0.51
Finance	11,072,606	4.99	3.59
Food & Beverage	4,100,492	1.85	1.33
Health Care/Pharmaceuticals	9,532,914	4.30	4.87
Hotel & Leisure	6,395,593	2.88	3.12
Industrial Machinery	5,387,132	2.43	2.85
Insurance	15,350,648	6.92	5.33
Internet Services	4,452,949	2.01	2.16
Metals & Mining	12,207,735	5.50	6.01
Oil & Gas	2,433,036	1.10	1.04
Real Estate	15,858,173	7.15	7.71
Semiconductor	25,833,366	11.64	11.33
Technology Hardware & Equipment	31,356,777	14.12	15.32
Telecommunications	10,923,007	4.92	5.57
Transportation & Logistics	3,513,746	1.58	1.77
Utilities	8,220,551	3.70	3.94
Portfolio of investments	215,765,981	97.23	101.19
Other net assets/(liabilities)	6,144,414	2.77	(1.19)
Net assets attributable to unitholders	221,910,395	100.00	100.00

SCHRODER ASIAN EQUITY YIELD FUND**(a sub-fund of Schroder International Choice Portfolio)***Constituted under a Trust Deed in the Republic of Singapore on 25 May 1998***UNITS IN ISSUE***For the financial period ended 30 June 2023 (Unaudited)*

Class A	30 Jun 2023 Units	31 Dec 2022 Units
At the beginning of the financial period/year	181,818,057	182,316,504
Created	24,298,681	17,371,614
Cancelled	(8,971,531)	(17,870,061)
At the end of the financial period/year	197,145,207	181,818,057
	\$	\$
Net assets attributable to unitholders	207,897,754	178,118,209
Net assets attributable to unitholders per unit	1.06	0.98
 Class O	 30 Jun 2023 Units	 31 Dec 2022 Units
At the beginning of the financial period/year	14,214,245	15,007,442
Created	431,523	804,209
Cancelled	(835,251)	(1,597,406)
At the end of the financial period/year	13,810,517	14,214,245
	\$	\$
Net assets attributable to unitholders	14,012,641	13,399,147
Net assets attributable to unitholders per unit	1.01	0.94

The Fund currently offers 2 Classes of units, namely Class A units and Class O units. Both Classes of units constitute the Fund and have different features. The key difference between the Classes is the distribution policy applicable to each Class.

Net assets attributable to unitholders ("NAV") is apportioned between both Classes of units based on the proportion of NAV of each Class, which is determined by computing the equivalent number of units of Class A and Class O 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.

SCHRODER ASIAN EQUITY YIELD FUND**(a sub-fund of Schroder International Choice Portfolio)***Constituted under a Trust Deed in the Republic of Singapore on 25 May 1998***FINANCIAL RATIOS***For the financial period ended 30 June 2023 (Unaudited)*

	30 Jun 2023		30 Jun 2022	
	Class A	Class O	Class A	Class O
Expense ratio ¹	1.69%	1.69%	1.71%	1.71%
	Fund		Fund	
Turnover ratio ²		12.21%		7.08%

- 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 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. The Fund invests in real estate investment trusts (REITs), for which the expense ratios are not available or published. The expense ratio of the Fund does not include the expense ratios of those underlying REITs.

	30 Jun 2023		30 Jun 2022	
Expense ratio calculations	Class A	Class O	Class A	Class O
	\$	\$	\$	\$
Total operating expenses	3,216,262	238,237	3,749,602	296,144
Average net asset value	190,773,683	14,126,766	219,220,972	17,325,504

- 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.

	30 Jun 2023		30 Jun 2022	
Turnover ratio calculations	Fund		Fund	
	\$		\$	
Lower of purchases or sales	25,879,381	(sales)	16,118,276	(purchases)
Average net asset value	211,937,716		227,818,037	

REPORT TO UNITHOLDERS

30 June 2023

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

1. Top 10 holdings of the Fund as at 30 June 2023:

	Fair value \$	Percentage of total net assets attributable to unitholders %
Taiwan Semiconductor Manufacturing Co Ltd	18,747,056	8.45
Samsung Electronics Co Ltd	16,230,634	7.31
CSL Ltd	6,184,526	2.79
China Yangtze Power Co Ltd A Shares	5,546,705	2.51
HDFC Bank Ltd	5,311,945	2.40
DBS Group Hldg Ltd	5,016,392	2.25
Voltronic Power Technology Corp	4,949,623	2.23
Advantech Co Ltd	4,839,304	2.18
AIA Group Ltd	4,772,894	2.14
Spark New Zealand Ltd	4,545,751	2.05

Top 10 holdings of the Fund as at 30 June 2022:

	Fair value \$	Percentage of total net assets attributable to unitholders %
Taiwan Semiconductor Manufacturing Co Ltd	14,437,154	7.06
Samsung Electronics Co Ltd	12,601,265	6.16
China Yangtze Power Co Ltd A Shares	7,306,004	3.57
CSL Ltd	5,853,804	2.87
DBS Group Hldg Ltd	5,588,744	2.72
BHP Group Ltd	5,521,915	2.71
Voltronic Power Technology Corp	5,340,884	2.62
Medibank Private Ltd	4,876,851	2.38
Lenovo Group Ltd	4,594,257	2.25
Aristocrat Leisure Ltd	4,495,234	2.19

The Fund was not invested in other unit trusts, mutual funds or collective investment schemes as at 30 June 2023 other than as stated in the Statement of Portfolio. For the full composition of investments of the Fund as at 30 June 2023, refer to the Statement of Portfolio on pages 6 to 10.

REPORT TO UNITHOLDERS

30 June 2023

2. The Fund has the following exposure to financial derivatives as at 30 June 2023:

	Fair value \$	Percentage of total net assets attributable to unitholders %
Contracts:		
Spot foreign exchange	(178)	(*)

* Less than 0.01

The net loss on financial derivatives realised in the period 1 January 2023 to 30 June 2023 amounted to \$42,123.

The net loss on outstanding financial derivatives marked to market as at 30 June 2023 amounted to \$178.

3. The Fund did not have any borrowings as at 30 June 2023.
4. The amount of subscriptions and redemptions in the period 1 January 2023 to 30 June 2023 were as follows:

	\$
Subscriptions	25,831,712
Redemptions	10,228,724

5. Expense Ratio

Class A

1 July 2022 to 30 June 2023	1.69%
1 July 2021 to 30 June 2022	1.71%

Class O

1 July 2022 to 30 June 2023	1.69%
1 July 2021 to 30 June 2022	1.71%

6. Turnover of Portfolio

1 January 2023 to 30 June 2023	12.21%
1 January 2022 to 30 June 2022	7.08%

REPORT TO UNITHOLDERS

30 June 2023

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. Related Party Transactions

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:

	30 Jun 2023 \$	31 Dec 2022 \$
Current accounts	6,661,696	909,963

9. Performance of Fund for periods ended 30 June 2023

	3 mths	6 mths	1 yr	3 yrs*	5 yrs*	10 yrs*	Since Launch**
Class A	1.7%	9.3%	6.4%	7.2%	3.0%	4.7%	4.7%
Benchmark**	0.7%	4.0%	-2.0%	1.1%	1.4%	5.1%	5.5%
Class O	1.7%	9.3%	6.3%	7.2%	3.0%	4.7%	4.1%
Benchmark**	0.7%	4.0%	-2.0%	1.1%	1.4%	5.1%	4.2%

* Returns of more than 1 year are annualised

Since launch figures from 11 February 2005 (Class A) and 1 March 2013 (Class O)

** Benchmark: The Fund is not benchmark constrained, but for reference purposes presents its performance against the MSCI AC Pacific Free ex Japan Net TR prior to 1 July 2021. With effect from 1 July 2021, the MSCI AC Asia Pacific ex-Japan replaced the MSCI AC Pacific Free ex Japan Net TR.

Source

Fund: Morningstar (\$, bid to bid, net income reinvested, net of fees)

Benchmark: Schroders (\$)

