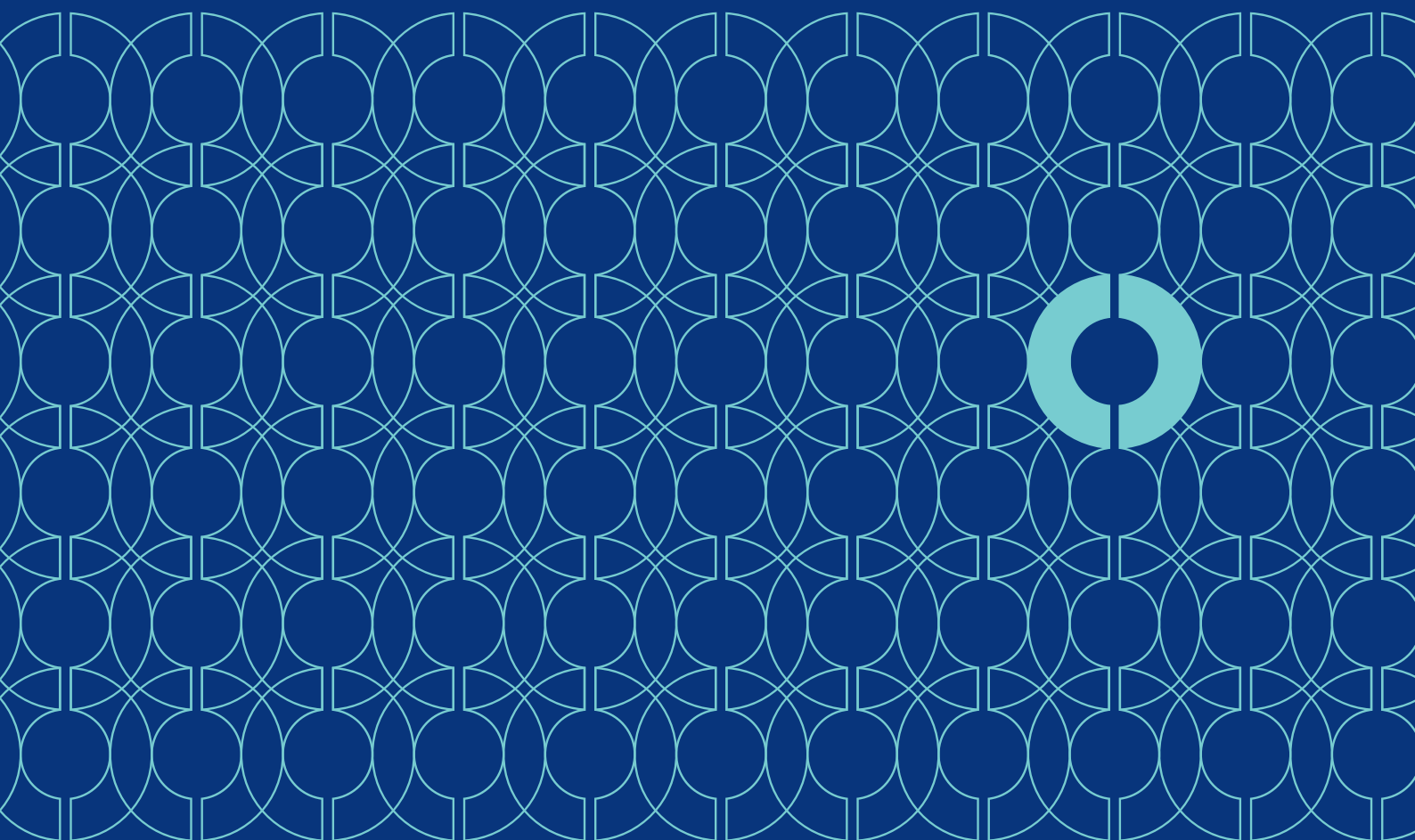


Schroders

SCHRODER SINGAPORE TRUST

Annual Report & Financial Statements

December 2017



SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

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
21 Collyer Quay
#13-02 HSBC Building
Singapore 049320
Company Registration No. 194900022R

Auditor

PricewaterhouseCoopers LLP
7 Straits View
Marina One East Tower, Level 12
Singapore 018936

Solicitor to the Manager

Clifford Chance Pte Ltd
Marina Bay Financial Centre
25th Floor, Tower 3
12 Marina Boulevard
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.00006.SF.702

COMMENTARY

January 2018 has seen a fierce spike up in oil prices and long-dated US bond yields. At this juncture, Singapore bond yields have remained within the 1.95-2.15% range despite the rise in US bond yields to nearly 2.60%. How will Singapore bond yields trade if US yields continue to climb? This has implications for valuing REITs and other stocks that are priced off bond yield spreads. Higher oil prices, if sustained at US\$60-70, would provide the backdrop for potential positive surprises in orders for Singapore's offshore and marine sector. Likewise, banks' exposure to this sector could see lower impairment charges. However, if oil prices rise materially, inflation and cost-push pressures could begin to surface. For now, the recovery in the oil and gas sector would also be positive for segments of the Singapore economy, especially since previous unemployment pressure was due to layoffs in this sector.

How expensive is the market? On market valuations, while index price-to-book valuations are closer to the levels of 2011-2014 median levels post the Global Financial Crisis, these averages mask the substantial divergence across sectors. If we look at dividend yield as another indicator, the chart also shows that index yields are now at the slightly lower end of the 2012-2015 range. In other words, the market as a whole is no longer cheap. If bond yields and short term interest rates continue to rise, the valuation hurdle will become more of a headwind.

The earnings recovery in Singapore has been narrow and concentrated mostly in banks, technology and property sectors. We believe this recovery has the potential to broaden, and we see more opportunities in mid-to-smaller cap companies, as well as consumer cyclicals.

December 2017

SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

REPORT OF THE TRUSTEE

For the financial year ended 31 December 2017

The Trustee is under a duty to take into custody and hold the assets of Schroder Singapore Trust (the “Fund”) in trust for the unitholders. In accordance with the Securities and Futures Act (Cap. 289), 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 8 to 34, 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 SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

STATEMENT BY THE MANAGER

For the financial year ended 31 December 2017

In the opinion of Schroder Investment Management (Singapore) Ltd, the accompanying financial statements set out on pages 8 to 34, 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 Singapore Trust (the "Fund") as at 31 December 2017, 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 Unit Trusts" 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 Schroder Investment Management (Singapore) Ltd

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

Our Opinion

In our opinion, the accompanying financial statements of Schroder Singapore Trust (the "Fund") are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" 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 2017, and of the financial performance and movements of unitholders' funds for the financial year ended on that date.

What we have audited

The financial statements of the Fund comprise:

- the Statement of Total Return for the financial year ended 31 December 2017;
- the Statement of Financial Position as at 31 December 2017;
- the Statement of Movements of Unitholders' Funds for the financial year ended 31 December 2017;
- the Statement of Portfolio as at 31 December 2017; and
- the notes to the financial statements, including a summary of significant accounting policies.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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.

Other Information

The Fund's Manager (the "Manager") is responsible for the other information. The other information comprises all sections of the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will 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 on the other information, 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.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

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 Unit Trusts" 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

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 control.
- Obtain an understanding of internal control 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 control.
- 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 auditor's 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 auditor's 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.

**INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF
SCHRODER SINGAPORE TRUST**

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

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 control that we identify during our audit.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 28 March 2018

SCHRODER SINGAPORE TRUST*Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992***STATEMENT OF TOTAL RETURN***For the financial year ended 31 December 2017*

	Notes	2017 \$	2016 \$
Income			
Dividends:			
Singapore		25,144,460	24,013,735
Foreign		1,126,175	760,435
Interest on deposits with banks		2	-
Sundry income		2	1
		26,270,639	24,774,171
Less : Expenses			
Management fees	10	6,714,308	5,729,538
Trustee fees	10	248,529	216,213
Valuation fees	10	189,333	167,661
Custodian fees	10	152,295	125,972
Registration fees	10	542,411	459,356
Audit fees		19,967	19,010
Transaction costs		297,175	306,988
Others		255,514	249,390
		8,419,532	7,274,128
Net income		17,851,107	17,500,043
Net gains or losses on value of investments and financial derivatives			
Net gains/(losses) on investments		146,825,650	(3,384,006)
Net losses on spot foreign exchange contracts		(12,060)	(30,141)
Net gains on futures contracts		391,899	1,421,375
Net foreign exchange (losses)/gains		(9,677)	12,897
		147,195,812	(1,979,875)
Total return for the year before income tax		165,046,919	15,520,168
Less : Income tax	3	(353,637)	(465,644)
Total return for the year		164,693,282	15,054,524

SCHRODER SINGAPORE TRUST*Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992***STATEMENT OF FINANCIAL POSITION***As at 31 December 2017*

	Notes	2017 \$	2016 \$
ASSETS			
Portfolio of investments		821,591,609	685,873,084
Bank balances	10	34,385,432	7,998,765
Sales awaiting settlement		3,966,331	526,711
Receivables	5	4,257,937	3,338,550
Margin account	11	484,056	-
Total assets		864,685,365	697,737,110
LIABILITIES			
Purchases awaiting settlement		15,707,713	-
Payables	6	12,465,712	9,529,356
Total liabilities		28,173,425	9,529,356
EQUITY			
Net assets attributable to unitholders	8	836,511,940	688,207,754

SCHRODER SINGAPORE TRUST*Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial year ended 31 December 2017*

	Notes	2017 \$	2016 \$
Net assets attributable to unitholders at the beginning of the financial year		688,207,754	662,966,039
Operations			
Change in net assets attributable to unitholders resulting from operations		164,693,282	15,054,524
Unitholders' contributions/(withdrawals)			
Creation of units		194,983,442	118,235,081
Cancellation of units		(191,808,633)	(89,761,576)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		3,174,809	28,473,505
Distributions	4	(19,563,905)	(18,286,314)
Total increase in net assets attributable to unitholders		148,304,186	25,241,715
Net assets attributable to unitholders at the end of the financial year	8	836,511,940	688,207,754

SCHRODER SINGAPORE TRUST*Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992***STATEMENT OF PORTFOLIO***As at 31 December 2017***Primary**

	Holdings at 31 Dec 2017	Fair value at 31 Dec 2017 \$	Percentage of total net assets attributable to unitholders at 31 Dec 2017 %
By industry			
Quoted			
Equities			
AGRICULTURE			
First Resources Ltd	7,364,100	13,770,867	1.64
Wilmar Intl Ltd	2,428,500	7,504,065	0.90
		21,274,932	2.54
CONSUMER			
BreadTalk Group Ltd	30,100	51,170	0.01
Genting Singapore PLC	4,214,500	5,520,995	0.66
Jardine Cycle & Carriage Ltd	203,700	8,284,479	0.99
Singapore Press Hldg Ltd	787,200	2,086,080	0.25
		15,942,724	1.91
DIVERSIFIED OPERATIONS			
Jardine Matheson Hldg Ltd	121,800	9,888,491	1.18
Keppel Corp Ltd	5,660,700	41,606,145	4.97
		51,494,636	6.15
FINANCE			
DBS Group Hldg Ltd	5,673,312	140,981,803	16.85
iFAST Corp Ltd	2,104,600	1,862,571	0.22
Oversea-Chinese Banking Corp Ltd	10,343,198	128,152,223	15.32
Singapore Exchange Ltd	1,884,900	14,023,656	1.68
United Overseas Bank Ltd	4,145,762	109,655,405	13.11
		394,675,658	47.18
HEALTH CARE			
Raffles Medical Group Ltd	6,268,348	7,020,550	0.84

SCHRODER SINGAPORE TRUST*Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992***STATEMENT OF PORTFOLIO***As at 31 December 2017***Primary (continued)**

	Holdings at 31 Dec 2017	Fair value at 31 Dec 2017 \$	Percentage of total net assets attributable to unitholders at 31 Dec 2017 %
By industry			
Quoted			
Equities			
INDUSTRIAL AND TRANSPORTATION			
ComfortDelGro Corp Ltd	8,967,700	17,756,046	2.12
HRnetgroup Ltd	3,847,581	2,943,399	0.35
SATS Ltd	1,747,100	9,084,920	1.09
SIA Engineering Co Ltd	2,258,600	7,069,418	0.85
Singapore Post Ltd	1,088,900	1,350,236	0.16
Venture Corp Ltd	891,100	18,240,817	2.18
		56,444,836	6.75
REAL ESTATE			
CapitaLand Ltd	12,383,500	43,713,755	5.23
CapitaLand Mall Trust	1,321,600	2,815,008	0.33
City Developments Ltd	1,966,434	24,560,761	2.94
Frasers Centrepoint Trust	2,378,400	5,327,616	0.64
Frasers Logistics & Industrial Trust	16,496,500	19,135,940	2.29
Global Logistic Properties Ltd	3,916,400	13,198,268	1.58
Ho Bee Land Ltd	118,000	290,280	0.03
Hongkong Land Hldg Ltd	2,157,800	20,301,135	2.43
Keppel DC REIT	874,000	1,249,820	0.15
Mapletree Commercial Trust	4,642,700	7,521,174	0.90
Mapletree Industrial Trust	10,721,065	21,763,762	2.60
Parkway Life REIT	113,500	339,365	0.04
UOL Group Ltd	3,116,599	27,644,233	3.30
		187,861,117	22.46

SCHRODER SINGAPORE TRUST*Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992***STATEMENT OF PORTFOLIO***As at 31 December 2017***Primary (continued)**

	Holdings at 31 Dec 2017	Fair value at 31 Dec 2017 \$	Percentage of total net assets attributable to unitholders at 31 Dec 2017 %
By industry			
Quoted			
Equities			
TELECOMMUNICATIONS			
NetLink NBN Trust	8,983,136	7,500,919	0.90
Singapore Telecommunications Ltd	22,234,240	79,376,237	9.49
		86,877,156	10.39
Portfolio of investments		821,591,609	98.22
Other net assets		14,920,331	1.78
Net assets attributable to unitholders		836,511,940	100.00

SCHRODER SINGAPORE TRUST*Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992***STATEMENT OF PORTFOLIO***As at 31 December 2017***Primary (continued)**

	Percentage of total net assets attributable to unitholders at 31 Dec 2017 %	Percentage of total net assets attributable to unitholders at 31 Dec 2016 %
By industry (summary)		
Quoted		
Agriculture	2.54	3.21
Collective investment scheme - Equities	-	1.30
Consumer	1.91	1.35
Diversified Operations	6.15	6.82
Finance	47.18	37.95
Health Care	0.84	1.75
Industrial and Transportation	6.75	10.84
Real Estate	22.46	22.11
Telecommunications	10.39	14.33
Portfolio of investments	98.22	99.66
Other net assets	1.78	0.34
Net assets attributable to unitholders	100.00	100.00

Secondary

	Fair value at 31 Dec 2017 \$	Percentage of total net assets attributable to unitholders at 31 Dec 2017 %	Percentage of total net assets attributable to unitholders at 31 Dec 2016 %
By geography			
Singapore	821,591,609	98.22	99.66
Portfolio of investments	821,591,609	98.22	99.66
Other net assets	14,920,331	1.78	0.34
Net assets attributable to unitholders	836,511,940	100.00	100.00

SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

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

1. General

Schroder Singapore Trust (the “Fund”) is a unit trust constituted by a Deed of Trust dated 10 September 1992 (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 1 February 1993, seeks long-term capital growth primarily through investment in securities of companies listed on the Singapore Exchange. The portfolio of the Fund will be broadly diversified with no specific industry or sectoral emphasis.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, and in accordance with the Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” (“RAP 7”) issued by the Institute of Singapore Chartered Accountants in March 2017 for the financial year beginning on or after 1 July 2016.

The Fund has adopted the following Singapore Financial Reporting Standards (“FRS”) and related amendments in accordance with the recommendations of the RAP 7:

(i) Consolidation and disclosure of interests in other entities

FRS 110 “Consolidated financial statements”

FRS 112 “Disclosure of interests in other entities”

Amendments to FRS 110, FRS 112 and FRS 27 “Investment entities”

FRS 110 and the amendments define an investment entity and introduce an exception from the consolidation requirements for investment entities.

SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

2. Significant accounting policies (continued)

(a) Basis of preparation (continued)

(i) Consolidation and disclosure of interests in other entities (continued)

FRS 112 and the amendments require entities to disclose significant judgements and assumptions made in determining whether the entity controls, jointly controls, significantly influences or has some interests in other entities. Entities are also required to provide disclosure around certain “structured entities”. The amendments to FRS 112 introduce new disclosure requirements related to investment entities.

(ii) Offsetting financial assets and liabilities disclosures

Amendments to FRS 32 “Financial instruments: Presentation – Offsetting financial assets and financial liabilities”
Amendments to FRS 107 “Disclosures – Offsetting financial assets and financial liabilities”

The amendments to FRS 32 provide clarification on the offsetting criteria in FRS 32 and address inconsistencies in their application.

The amendments to FRS 107 require additional disclosures to enable users of financial statements to evaluate the effect or the potential effects of netting arrangements, including rights of set-off associated with an entity’s recognised financial assets and recognised financial liabilities, on the entity’s financial position.

The adoption of these new or amended FRS impacted the Fund’s level of disclosures in certain of the above noted areas, but did not result in substantial changes to the accounting policies of the Fund and had no material effect on the amounts reported for the current or prior financial years.

(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 or underlying fund. Interest income on deposits is recognised on a time proportion basis using the effective interest method.

SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

2. Significant accounting policies (continued)

(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. The fair value of investments in underlying fund is based on the quoted net asset value of the underlying fund on the reporting date.

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

(d) 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.

(e) 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.

SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

2. Significant accounting policies (continued)

(f) 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.

(g) 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 under the Enhanced-Tier Fund Tax Incentive Scheme (Section 13X of the Income Tax Act) and is included in the Central Provident Fund Investment Scheme. Subject to certain conditions being met on an annual basis, the Fund will be granted tax exemption on the specified income in respect of any designated investment for the life of the Fund. The tax exemption does not apply in the year when the relevant conditions are not met. The terms "specified income" and "designated investments" are defined in the relevant Income Tax legislations and MAS Circulars.

	2017 \$	2016 \$
Singapore income tax	<u>353,637</u>	<u>465,644</u>

The Singapore income tax represents tax deducted at source for Singapore sourced dividends.

SCHRODER SINGAPORE TRUST*Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***4. Distributions**

The Fund distributed a total of \$19,563,905 (2016: \$18,286,314) to Class SGD A Distribution unitholders on the register during the year as disclosed below.

2017**Class SGD A Distribution**

Record date	Payment date	Distribution rate \$ per 100 units	Distribution amount \$
31 Mar 2017	19 Apr 2017	1.1393	3,581,224
30 Jun 2017	18 Jul 2017	1.1685	3,504,074
29 Sep 2017	17 Oct 2017	1.1745	3,425,761
16 Jan 2018*	14 Feb 2018	3.0730	9,052,846
			19,563,905

*The distribution declared on 16 January 2018 was approved by the Manager in 2017.

2016**Class SGD A Distribution**

Record date	Payment date	Distribution rate \$ per 100 units	Distribution amount \$
31 Mar 2016	26 Apr 2016	1.0388	3,245,650
30 Jun 2016	27 Jul 2016	1.0485	3,350,093
30 Sep 2016	26 Oct 2016	1.0688	3,433,087
16 Jan 2017*	14 Feb 2017	2.5603	8,257,484
			18,286,314

*The distribution declared on 16 January 2017 was approved by the Manager in 2016.

5. Receivables

	2017 \$	2016 \$
Amount receivable for creation of units	1,830,134	1,461,045
Dividend receivable	2,213,452	1,696,011
Refund of GST	214,329	181,446
Other	22	48
	4,257,937	3,338,550

SCHRODER SINGAPORE TRUST*Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***6. Payables**

	2017 \$	2016 \$
Amount payable for cancellation of units	2,685,183	651,664
Amount payable for dividend distribution	9,052,846	8,257,484
Accrued management fees	612,272	513,100
Accrued trustee fees	22,845	19,251
Accrued valuation fees	12,701	14,984
Other accrued expenses	79,865	72,873
	12,465,712	9,529,356

7. Financial derivatives

Financial derivative contracts comprise spot foreign exchange contracts due for settlement or contractual re-pricing within 3 months (2016: 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 \$
2017		
Contracts:		
Spot foreign exchange	25	*

* Less than 0.01

8. Units in issue

Class SGD A Distribution	2017 Units	2016 Units
At the beginning of the financial year	325,258,331	303,194,412
Created	43,649,134	62,823,111
Cancelled	(72,882,575)	(40,759,192)
At the end of the financial year	296,024,890	325,258,331
	\$	\$
Net assets attributable to unitholders	485,812,827	449,138,682
Net assets attributable to unitholders per unit	1.64	1.38

SCHRODER SINGAPORE TRUST*Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***8. Units in issue (continued)****Class SGD A Accumulation**

For the financial
period from
2 Feb 2017
(date of inception)
to
31 Dec 2017
Units

At the beginning of the financial period	-
Created	69,453,695
Cancelled	(15,078,729)
At the end of the financial period	<u>54,374,966</u>
	\$

Net assets attributable to unitholders	<u>63,464,168</u>
---	--------------------------

Net assets attributable to unitholders per unit	<u>1.17</u>
--	--------------------

Class USD A Accumulation

For the financial
period from
2 Feb 2017
(date of inception)
to
31 Dec 2017
Units

At the beginning of the financial period	-
Created	235,271
Cancelled	(49,235)
At the end of the financial period	<u>186,036</u>
	US\$

Net assets attributable to unitholders	<u>230,105</u>
---	-----------------------

Net assets attributable to unitholders per unit	<u>1.24</u>
--	--------------------

SCHRODER SINGAPORE TRUST*Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***8. Units in issue (continued)**

Class SGD I Accumulation	2017 Units	2016 Units
At the beginning of the financial year	7,770,023	7,594,959
Created	7,755,904	334,500
Cancelled	(2,991,449)	(159,436)
At the end of the financial year	12,534,478	7,770,023
	\$	\$
Net assets attributable to unitholders	36,660,895	18,146,635
Net assets attributable to unitholders per unit	2.92	2.34
 Class SGD M Accumulation	 2017 Units	 2016 Units
At the beginning of the financial year	165,366,922	166,866,660
Created	20,865,848	23,799,215
Cancelled	(36,103,574)	(25,298,953)
At the end of the financial year	150,129,196	165,366,922
	\$	\$
Net assets attributable to unitholders	250,266,538	220,922,437
Net assets attributable to unitholders per unit	1.67	1.34

The Fund currently offers 5 Classes of units, namely Class SGD A Distribution units, Class SGD A Accumulation units, Class SGD I Accumulation units, Class SGD M Accumulation units and Class USD A Accumulation units. All 5 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 Acc is subject to foreign exchange risk against the Fund's functional currency. The Class SGD A Acc and Class USD A Acc were inceptioned on 2 February 2017.

Net assets attributable to unitholders ("NAV") is apportioned between all 5 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 SGD A Acc, Class SGD I Acc, Class SGD M Acc and Class USD A 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

SCHRODER SINGAPORE TRUST*Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***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	2017 \$	2016 \$
Net assets attributable to unitholders per unit per the financial statements	1.64	1.38
Effect for movement in the net asset value between the last dealing date and the financial year end date^	*	*
Effect of distribution per unit	0.03	0.03
Net assets attributable to unitholders per unit for issuing/redeeming of units	1.67	1.41
Class SGD A Accumulation		2017 \$
Net assets attributable to unitholders per unit per the financial statements		1.17
Effect for movement in the net asset value between the last dealing date and the financial year end date^		*
Net assets attributable to unitholders per unit for issuing/redeeming of units		1.17
Class USD A Accumulation		2017 US\$
Net assets attributable to unitholders per unit per the financial statements		1.24
Effect for movement in the net asset value between the last dealing date and the financial year end date^		*
Net assets attributable to unitholders per unit for issuing/redeeming of units		1.24
Class SGD I Accumulation	2017 \$	2016 \$
Net assets attributable to unitholders per unit per the financial statements	2.92	2.34
Effect for movement in the net asset value between the last dealing date and the financial year end date^	*	*
Net assets attributable to unitholders per unit for issuing/redeeming of units	2.92	2.34

SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

8. Units in issue (continued)

Class SGD M Accumulation	2017 \$	2016 \$
Net assets attributable to unitholders per unit per the financial statements	1.67	1.34
Effect for movement in the net asset value between the last dealing date and the financial year end date [^]	*	*
Net assets attributable to unitholders per unit for issuing/redeeming of units	1.67	1.34

* Less than 0.01

[^] The net asset value for the purposes of processing unit subscription and redemption was established in accordance with the methodology indicated in the Fund's Prospectus. This item reflects the movement in the net asset value per unit between the last dealing dates and the financial year end dates of 2017 and 2016 respectively.

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.

SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

9. Financial risk management (continued)

(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 industry sectors.

The benchmark against which the performance of the Fund is measured is the MSCI Singapore Free Index.

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

(i) Price risk

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 management's best estimate of a reasonable possible shift in the benchmark, having regard to the historical movement of the benchmark.

Reasonable possible change %	2017	Reasonable possible change %	2016
	Impact on net assets attributable to unitholders \$		Impact on net assets attributable to unitholders \$
8	55,630,222	7	40,206,713

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

SCHRODER SINGAPORE TRUST*Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***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. 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 2017		
	SGD	USD	Total
	\$	\$	\$
Assets			
Portfolio of investments	791,401,983	30,189,626	821,591,609
Bank balances	34,384,764	668	34,385,432
Sales awaiting settlement	3,966,331	-	3,966,331
Receivables	4,257,616	321	4,257,937
Margin account	484,056	-	484,056
Total assets	834,494,750	30,190,615	864,685,365
Liabilities			
Purchases awaiting settlement	15,707,713	-	15,707,713
Payables	12,465,306	406	12,465,712
Total liabilities	28,173,019	406	28,173,425
Net financial assets	806,321,731	30,190,209	836,511,940
Currency spot	(25)	25	
Currency exposure	806,321,706	30,190,234	

SCHRODER SINGAPORE TRUST*Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****(a) Market risk (continued)****(iii) Currency risk (continued)**

	As at 31 December 2016		
	SGD \$	USD \$	Total \$
Assets			
Portfolio of investments	649,130,536	36,742,548	685,873,084
Bank balances	7,998,043	722	7,998,765
Sales awaiting settlement	526,711	-	526,711
Receivables	3,338,550	-	3,338,550
Total assets	660,993,840	36,743,270	697,737,110
Liabilities			
Payables	9,528,342	1,014	9,529,356
Total liabilities	9,528,342	1,014	9,529,356
Currency exposure	651,465,498	36,742,256	

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 SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

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.

	2017	2016
	Less than	Less than
	3 months	3 months
	\$	\$
Purchases awaiting settlement	15,707,713	-
Payables	12,465,712	9,529,356

SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

9. Financial risk management (continued)

(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.

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.

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 and custodians with whom the Fund's assets are held as at reporting date.

As at 31 December 2017	Credit rating	Source of credit rating
<u>Bank & Custodian</u> The Hongkong and Shanghai Banking Corp Ltd	a1	Moody's
As at 31 December 2016	Credit rating	Source of credit rating
<u>Bank & Custodian</u> The Hongkong and Shanghai Banking Corp Ltd	aa3	Moody's

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

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

The custodian of the underlying fund held as at 31 December 2016 was The Hongkong and Shanghai Banking Corporation Limited whose credit rating has been disclosed above.

SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

9. Financial risk management (continued)

(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 the underlying fund is the quoted net asset value of the underlying fund as determined by the underlying fund's administrator, 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)

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 2017			Total
	Level 1 \$	Level 2 \$	Level 3 \$	
Assets				
Financial assets at fair value through profit or loss				
Equities	821,591,609	-	-	821,591,609
	As at 31 December 2016			Total
	Level 1 \$	Level 2 \$	Level 3 \$	
Assets				
Financial assets at fair value through profit or loss				
Collective investment scheme	8,938,800	-	-	8,938,800
Equities	676,934,284	-	-	676,934,284
	685,873,084	-	-	685,873,084

SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

9. Financial risk management (continued)

(d) Fair value estimation (continued)

Investments in open-ended investment funds whose net asset value is struck daily, price information is published and readily available and units are subscribed and redeemable on demand at the published price, are classified within level 1. 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.

There are no financial instruments classified within level 2 and 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.

(e) Offsetting financial assets and financial liabilities

There were no significant outstanding financial assets and liabilities subject to offsetting, enforceable master netting arrangements or similar agreements as at reporting date.

(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.

SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

10. Related party disclosure

The Manager of the Fund is Schroder Investment Management (Singapore) Ltd. The Registrar for the Fund is Schroder Investment Management (Luxembourg) SA, a related party of the Manager. The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary 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 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:

	2017 \$	2016 \$
Current accounts	<u>34,385,432</u>	<u>7,998,765</u>

11. Margin account

	2017 \$	2016 \$
Margin account	<u>484,056</u>	<u>-</u>

Margin account represents the margin deposit amount held with a broker.

SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

12. Financial ratios

	2 Feb 2017 (date of inception) to 31 Dec 2017				
	Class SGD A Dis	2017 Class SGD I Acc	Class SGD M Acc	Class SGD A Acc	Class USD A Acc
				(annualised)	
Expense ratio ¹	1.33%	0.13%	0.50%	1.31%	1.28%
	Class SGD A Dis	2016 Class SGD I Acc	Class SGD M Acc		
Expense ratio ¹	1.33%	0.13%	0.50%		
	2017 Fund		2016 Fund		
Turnover ratio ²	12.91%		12.84%		

- 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, performance fee, 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.

	2 Feb 2017 (date of inception) to 31 Dec 2017				
Expense ratio calculations	Class SGD A Dis	2017 Class SGD I Acc	Class SGD M Acc	Class SGD A Acc	Class USD A Acc
	\$	\$	\$	\$	\$
				(annualised)	
Total operating expenses	6,287,840	27,203	1,177,780	674,688	3,558
Average net asset value	471,872,573	20,966,971	237,812,716	51,483,268	277,463
Expense ratio calculations	Class SGD A Dis	2016 Class SGD I Acc	Class SGD M Acc		
	\$	\$	\$		
Total operating expenses	5,854,702	22,837	1,068,595		
Average net asset value	438,714,280	17,176,542	214,546,026		

SCHRODER SINGAPORE TRUST

Constituted under a Trust Deed in the Republic of Singapore on 10 September 1992

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

12. Financial ratios (continued)

- 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	2017 Fund \$		2016 Fund \$	
Lower of purchases or sales	100,446,332	(purchases)	86,114,772	(sales)
Average net asset value	778,037,369		670,436,848	

REPORT TO UNITHOLDERS

31 December 2017

The following is a report on the Schroder Singapore Trust (the "Fund"):

1. Top 10 holdings of the Fund as at 31 December 2017:

	Fair value \$	Percentage of total net assets attributable to unitholders %
DBS Group Hldg Ltd	140,981,803	16.85
Oversea-Chinese Banking Corp Ltd	128,152,223	15.32
United Overseas Bank Ltd	109,655,405	13.11
Singapore Telecommunications Ltd	79,376,237	9.49
CapitaLand Ltd	43,713,755	5.23
Keppel Corp Ltd	41,606,145	4.97
UOL Group Ltd	27,644,233	3.30
City Developments Ltd	24,560,761	2.94
Mapletree Industrial Trust	21,763,762	2.60
Hongkong Land Hldg Ltd	20,301,135	2.43

Top 10 holdings of the Fund as at 31 December 2016:

	Fair value \$	Percentage of total net assets attributable to unitholders %
DBS Group Hldg Ltd	93,233,920	13.55
Singapore Telecommunications Ltd	90,510,291	13.15
United Overseas Bank Ltd	77,886,425	11.32
Oversea-Chinese Banking Corp Ltd	75,273,186	10.94
CapitaLand Ltd	40,351,126	5.86
ComfortDelGro Corp Ltd	35,674,951	5.18
Keppel Corp Ltd	29,911,140	4.35
UOL Group Ltd	24,278,063	3.53
Hongkong Land Hldg Ltd	19,732,975	2.87
Mapletree Industrial Trust	17,636,152	2.56

The Fund was not invested in other unit trusts, mutual funds or collective investment schemes as at 31 December 2017 other than as stated in the Statement of Portfolio. For the full composition of investments of the Fund as at 31 December 2017, refer to the Statement of Portfolio on pages 11 to 14.

REPORT TO UNITHOLDERS

31 December 2017

2. The Fund did not have any significant exposure to financial derivatives as at 31 December 2017.
3. The Fund did not have any borrowings as at 31 December 2017.
4. The amount of subscriptions and redemptions during the period 1 January 2017 to 31 December 2017 were as follows:

\$

Subscriptions	194,983,442
Redemptions	191,808,633

5. Expense Ratio

Class SGD A Distribution

1 January 2017 to 31 December 2017	1.33%
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1 January 2016 to 31 December 2016	1.33%
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Class SGD A Accumulation

2 February 2017 (date of inception) to 31 December 2017 (annualised)	1.31%
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Class USD A Accumulation

2 February 2017 (date of inception) to 31 December 2017 (annualised)	1.28%
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Class SGD I Accumulation

1 January 2017 to 31 December 2017	0.13%
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1 January 2016 to 31 December 2016	0.13%
------------------------------------	-------

Class SGD M Accumulation

1 January 2017 to 31 December 2017	0.50%
------------------------------------	-------

1 January 2016 to 31 December 2016	0.50%
------------------------------------	-------

6. Turnover of Portfolio

1 January 2017 to 31 December 2017	12.91%
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1 January 2016 to 31 December 2016	12.84%
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REPORT TO UNITHOLDERS

31 December 2017

7. Soft dollar commissions/arrangements:

In the management of the Fund, the Manager may accept soft dollar commissions from, or enter into soft dollar arrangements with, stockbrokers who execute trades on behalf of the Fund and the soft dollars received are restricted to the following kinds of services:

- (i) research, analysis or price information;
- (ii) performance measurement;
- (iii) portfolio valuations; and
- (iv) administration services.

The Manager may not receive or enter into soft dollar commissions or arrangements unless (a) such soft dollar commissions or arrangements shall reasonably assist the Manager in their management of the Fund, (b) best execution is carried out for the transactions, and (c) that no unnecessary trades are entered into in order to qualify for such soft dollar commissions or arrangements. The Manager shall not receive goods and services such as travel, accommodation and entertainment.

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 2017

	3 mths	6 mths	1 yr	3 yrs*	5 yrs*	10 yrs*	Since Launch**
Class SGD A							
Distribution	7.6%	8.9%	23.8%	5.1%	5.9%	3.3%	8.5%
Benchmark**	8.3%	10.2%	25.4%	4.5%	5.3%	2.8%	5.0%
Class SGD A							
Accumulation	7.6%	9.0%	-	-	-	-	16.7%
Benchmark**	8.3%	10.2%	-	-	-	-	17.8%
Class USD A							
Accumulation	9.3%	12.3%	-	-	-	-	23.7%
Benchmark**	10.1%	13.5%	-	-	-	-	24.8%

* Returns of more than 1 year are annualised

Since launch figures from 1 February 1993 (Class SGD A Distribution) and 1 February 2017 (Class SGD A Accumulation and Class USD A Accumulation)

** Benchmark: The Fund's benchmark was changed from the DBS CPF Index to the MSCI Singapore Free Index from 1 August 1998.

Source: Schroders, class currency, bid to bid, net income reinvested.

