Schroder AsiaPacific Fund plc

Half Year Report
For the six months ended 31 March 2024

Schroders

Performance Summary

NAV per share total return*
5.7%

Share price total return*
4.4%

Benchmark total return
5.3%

Some of the financial measures are classified as Alternative Performance Measures ("APMs"), as defined by the European Securities and Markets Authority and are indicated with an asterisk (*). Definitions of these performance measures, and other terms used in this report, are given on pages 20 and 21 together with supporting calculations where appropriate.

Investment objective

The principal investment objective of Schroder AsiaPacific Fund plc (the "Company") is to achieve capital growth through investment primarily in equities of companies located in the continent of Asia (excluding the Middle East and Japan), together with the Far Eastern countries bordering the Pacific Ocean. It aims to achieve growth in excess of the MSCI All Countries Asia excluding Japan Index (with net income reinvested) in sterling terms (Benchmark index) over the longer term.

Wuli Pavilion, Kaohsiung, Taiwan

Ongoing charges ratio*
0.87%
(30 September 2023: 0.86%)

Share price discount to NAV per share*
12.8%
(30 September 2023: 11.5%)

Net revenue return after taxation
£4.88m
(Year ended 30 September 2023: £18.99m)

Gearing*
3.1%
(30 September 2023: 2.1%)

Share price
496.0p
(30 September 2023: 486.5p)

Revenue return per share*
3.19p
(Year ended 30 September 2023: 12.06p)

This is not a sustainable product for the purposes of the FCA rules. References to the consideration of sustainability factors and ESG integration should not be construed as a representation that the Company seeks to achieve any particular sustainability outcome.

Scan this QR code on your smartphone camera to sign-up to receive regular updates on Schroder AsiaPacific Fund plc

Busan Harbor Bridge, Busan, South Korea

Interim Management Report

Interim Management Report

Jewel Changi Airport Waterfall, Singapore

Performance

Over the six months ended 31 March 2024, the Company's NAV per share produced a total return of 5.7%, slightly ahead of the 5.3% total return from the Benchmark. The share price produced a total return of 4.4% over the period.

Performance over the period was helped by strong stock selection in Taiwan and the ASEAN markets of the Philippines and Indonesia. The Company also benefited from the significant underweight to China. However, this was somewhat offset by negative stock selection within China.

Further analysis of performance may be found in the Investment Manager's Review.

Discount management

The Company continued to be active in buying back its shares during the period and a total of 3,582,000 shares were purchased for cancellation over that time at a cost of £17,312,000. Since the end of the period, the Company has bought back an additional 1,375,000 shares as the Board remains active in implementing its buy-back policy. The Company's shares traded at an average discount of 11.4% during the period.

The Board continues to monitor the Company's discount levels and regularly reviews the Company's share buy-back policy.

Gearing

The Company was 2.1% geared at the start of the period and as at 31 March 2024 this had increased to 3.1%. The Board continues to keep gearing under consideration and the Manager has access to a £75 million revolving credit facility, and an overdraft facility, which will be used when the Investment Manager believes that the use of borrowing will be accretive to returns.

Board succession

The Board continues to review its composition and effectiveness as well as planning for succession. As stated in the Annual Report, Keith Craig, stepped down from the Board at the conclusion of the Annual General Meeting in January 2024 and was subsequently succeeded as Chairman of the Nomination Committee by Vivien Gould.

Outlook

Prospects for Asian markets remain challenging, with newsflow from China dominating the region. The Chinese economy continues to disappoint many investors, consumer confidence is still extremely weak, the property market is yet to find a floor and geopolitical tensions weigh heavily on sentiment.

However, expectations for the Chinese economy are now reflected in stock prices and any positive news could bring opportunity for our Portfolio Managers. Valuations across the region are trading at long-term averages and in the broader context of the potential for the easing of global interest rates and a weaker dollar, the outlook is again better positioned for our Portfolio Managers to find opportunities to capitalise on the current conditions.

James Williams
Chairman

20 May 2024

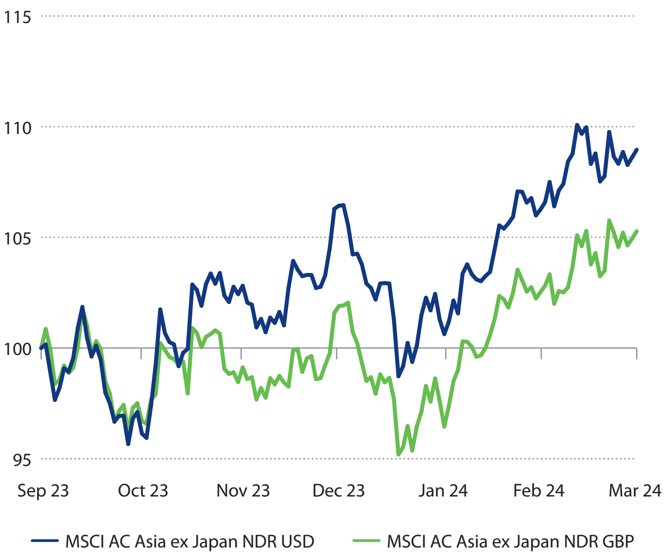
Abbas Barkhordar

Richard Sennitt

> *"We remain overweight in IT, which was the best performing sector in 2023 on the back of normalising inventories, as well as the impact of AI on industry growth rates."*

As can be seen from the chart, Asian markets showed a positive return over the six months to end March 2024, finishing up 5.3% in Sterling terms. Although positive, this performance significantly lagged global equity markets, which were up strongly over the period driven by continuing disinflationary trends across major global economies, and the resultant increased confidence that developed market central banks would be moving into an interest rate-cutting cycle in 2024.

Performance of the MSCI AC Asia ex Japan Index – six months to 31 March 2024



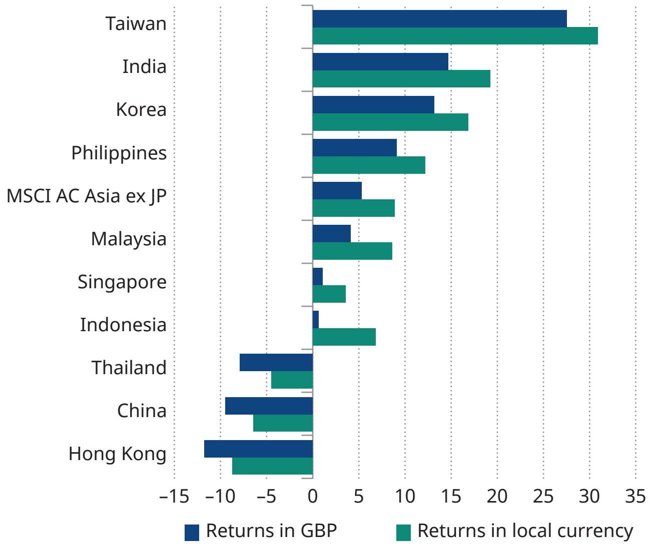
Source: Thomson Datastream as at 31 March 2024, with net dividends reinvested ("NDR").

Mirroring global performance, the strongest sector in Asia over the period, by far, was information technology ("IT"), where stocks benefited from the improving cycle, as well as the longer-term benefits to demand of the impact of Artificial Intelligence ("AI"). The excess inventory, which surged after economies opened-up post-Covid, has been a major overhang on IT stocks (and other goods exporters) throughout much of the last two years, as companies have had to slash prices and production to reduce inventory levels. The prospect of potentially improving end-demand as interest rates come down, alongside the hope that destocking is finally coming to an end, proved a potent catalyst for IT stocks, with anything remotely AI-related seeing additional gains. This particularly helped Taiwan and Korea, the two Asian markets most exposed to the sector. Towards the end of the period, Korea was also supported by investor optimism that a program of corporate governance reforms proposed by the government may help boost valuations, particularly of those companies which have historically had questionable capital allocation.

India was the only other major country which outperformed the Benchmark over the period. It has been a beneficiary of domestic investor flows into the stock market, a trend which has particularly benefited the small and mid-cap segments of the market. While these inflows reflect, in part, the confidence around the growth outlook for the economy over the medium-term, some areas of the market have started to look quite stretched, with share prices reflecting very optimistic assumptions.

The major laggard in the region was China. It has been a miserable year for Chinese stocks, as the ongoing slow recovery from Covid, lack of significant fiscal stimulus, rock-bottom consumer confidence, and international investor concerns around geopolitical and domestic regulatory risks all combined to see the market sell off once again. An announcement in December 2023 of tighter restrictions on video games led to big falls in several index heavyweights in that sector. Though the government appeared to backtrack quite quickly following the negative market reaction, it was another reminder of the unpredictable policy environment of the last few years in China. On a more positive note, there was some relief around geopolitical tensions, with the meeting of presidents Xi and Biden at the November 2023 APEC summit in California. Despite the handshakes, however, there is little sign of any easing of US policies towards China and, with a presidential election looming in the US later in the year, there is little reason to expect much on this front in the short-term.

MSCI market returns – six months to 31 March 2024



Source: Factset, total return with net dividends reinvested.

Performance and portfolio activity

The Company generated a positive return over the period, with a NAV total return of 5.7%, against a return in the Benchmark of 5.3%.

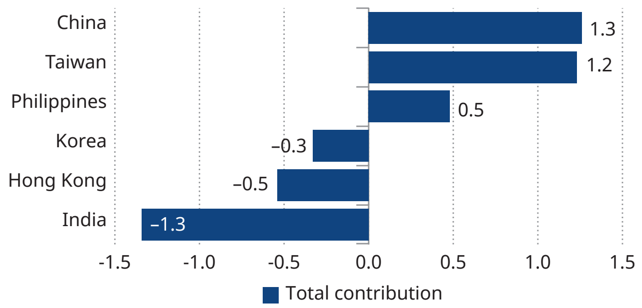
Stock selection was meaningfully positive in Taiwan, the Philippines, Indonesia and Hong Kong. In Taiwan, our IT exposure drove this positive selection, with 'fabless' chip design company **MediaTek** and leading-edge foundry Taiwan Semiconductor Manufacturing Company ("**TSMC**") the key contributors, both being viewed as beneficiaries of both the advent of AI and the more general bottoming-out of the semiconductor inventory cycle mentioned above. In the Philippines, our holding in global port operator International Container Terminal Services Inc ("**ICTSI**") performed very well, partly on recovering global trade expectations. **Bank Mandiri** in Indonesia also performed strongly, thanks to the positive macro backdrop combined with continued strong operational performance of the bank.

Our significant underweight allocation to China was a major positive contributor to relative performance. This was to some extent offset by negative stock selection in that market, though the overall effect on relative performance was still significantly positive. One driver of the negative selection in China was our holding in **WuXi Biologics**, a Chinese healthcare services company that specialises in the outsourced research, development and manufacturing of biological drugs, which suffered from concerns over the impact of proposed legislation in the US which may impose restrictions on its ability to work with US entities. Stock selection was also negative in India – as explained above, much of the outperformance of that market was driven by the small and mid-cap segments, where the Company has limited exposure as we see more value in the larger-cap names in sectors such as financials and IT services.

Our overweight to Hong Kong was a significant detractor from relative performance, though offset to some extent by positive stock selection with power tools manufacturer **Techtronic Industries**, luxury goods brand **Prada** and semiconductor fabrication equipment producer **ASMPT** all outperforming the market. However, exposure to financials such as insurer **AIA** and **Hong Kong Exchanges and Clearing** were significant headwinds to performance.

From a sectoral perspective, stock selection in and overweight to IT, our underweight to consumer staples and stock selection in real estate (thanks to Indian developer **Oberoi Realty**) all added value, although stock selection in financials was a drag, due to our holdings in Hong Kong and India.

Top three contributors and top three detractors at a regional level, six months to 31 March 2024 (%)



Source: Factset PA3. Top contributors and detractors are shown excluding gearing.

The geographic exposure in the Company's portfolio continues to be mainly spread between Taiwan, India, China, Hong Kong, Korea and Singapore. China remains a substantial underweight but is, in part, offset by the overweight to the Hong Kong market which, in general, looks more attractive from a valuation and governance perspective. Elsewhere, we continue to be overweight Singapore, with positions in banks **DBS** and **Oversea-Chinese Banking Corp**, and **Singapore Telecommunications**, as well as overweights to some of the smaller markets such as Thailand (where we added a position in **Bumrungrad Hospital**), the Philippines and Indonesia – where we added to **Bank of the Philippine Islands** and **Bank Negara**, respectively. We are underweight India and Korea. In Korea, we reduced our holding in battery name **Samsung SDI** as competition in the sector intensified, exited cosmetics producer **LG H&H**, which has seen a disappointing recovery in sales to Chinese customers post-pandemic and added to memory producer **SK Hynix**, and car manufacturer **Kia**. In India, we took some profits from IT services company **Mphasis** and added to conglomerate **Reliance Industries**.

Financials and IT remain the Company's two largest sector exposures and overweights, with the IT exposure predominantly coming through positions in Taiwan, Korea and India. Over the period, we reduced some holdings in financials, selling names such as insurers **Ping An Insurance** and **Prudential**, as well as trimming **Bank Mandiri**. In IT, we added Taiwanese names **ASE Technology** and foundry **United Microelectronics**.

Outlook and policy

Most of 2023 and the start of this year have been disappointing for Asian markets relative to global equities, with the region lagging developed markets. Much of this performance gap was driven by a divergence in valuation multiples through the year, with China and Hong Kong in particular seeing significant de-rating. The Chinese economy's sluggish recovery from zero-Covid restrictions has disappointed many investors, with consumer confidence still extremely weak and the property market yet to find a floor. The Hong Kong market has also suffered not only from the deepening negative consensus views on China, with many stocks there held by foreign investors as proxies for mainland growth, but also the high level of interest rates, which are in effect set by the Federal Reserve due to Hong Kong's currency board system being fully backed by US dollar assets. These interest rates have been wholly inappropriate for Hong Kong at this stage of the cycle given the downdraft to growth coming from the Chinese mainland.

Geopolitics has been another concern overhanging the region, with tensions around US-China relations, Taiwan, Ukraine and most recently the Middle East all contributing to investor caution. Positively, despite having the potential to escalate cross-strait tensions, the recent Taiwanese election passed off uneventfully with a result which was broadly in line with expectations. Indonesia also saw a relatively positive outcome with the Presidential race won by the continuity candidate Prabowo, who had been endorsed by incumbent Jokowi, without the need for a runoff which we believe would have resulted in increased uncertainty during this year. Indian elections are still to come in Asia, and then, of course, we have the US elections later in the year. We believe there remains the potential for heightened market volatility around these events particularly as the US elections approach, where rhetoric on China is likely to heat up once again after a more restrained period recently. This can already be seen by a number of bills and policies that are aimed at restricting Chinese growth and influence.

Nevertheless, we believe there are some reasons to be a little more optimistic on the outlook for the Chinese market this year. Most obviously, consensus expectations are now very low, compared to the post-reopening euphoria seen in the market at the start of 2023, and this is reflected in lower valuations than a year ago. There is clearly therefore scope for better market performance, should growth surprise on the upside. Although sentiment around the property market remains very poor, activity in that industry is already subdued, and consumer confidence is again at extremely depressed levels. That is not to say that there cannot be further deterioration, of course, but a large degree of pessimism has already been priced in at this point. Given our underweight to China, we continue to look for higher-quality stocks that have sold off to levels which look attractive on a long-term view. However, the reality is that it has been hard for us to find new names and many concerns remain when it comes to investing in the Chinese market – poor capital allocation, structurally lower nominal growth, unpredictable regulatory and policy shifts, high debt levels – and we remain significantly underweight the market.

We retain our preference for Hong Kong, where valuations are generally lower and shareholder returns more of a focus for management teams. Our holdings here, in aggregate, also have relatively low exposure to the domestic Hong Kong economy, with several being companies which are more globally or regionally facing. From a local Hong Kong perspective, although visitor numbers have picked up significantly since the borders re-opened, the currency board has meant that interest rates have followed the path of US rates which has depressed activity. If US rates do start to ease, the corollary for Hong Kong is expected to be that monetary conditions are likely to also improve which should be positive for the market.

India remains a bright spot in the region in terms of growth and optimism among investors, but this has increasingly been reflected in share prices, with the market now looking outright expensive on most metrics. In the South-East Asian region, we are most exposed to Singapore, which is benefiting from its increasing status as a regional wealth management hub, as well as the growth of its ASEAN neighbours. We have also increased direct exposure to some of the smaller ASEAN markets, such as Thailand and the Philippines.

As noted above, the last 18 months or so have been tough for many Asian exporters, with excess inventories piling up in a variety of sectors whether in bicycles, textiles, power tools or semiconductors, to name a few. Of course, the demand outlook for Asian exports in 2024 remains uncertain, but the supply-side response of manufacturers, which is more under their control (i.e. cutting capital expenditure and production), has led to encouraging progress on destocking across many areas. Should expectations of a US "soft landing" come to pass, that would likely be positive for Asian goods exports, which historically has been supportive of Asian markets.

Market weights – Schroder AsiaPacific Fund plc vs. MSCI AC Asia ex Japan Index

	NAV weights (%)		Benchmark weight (%)
	31 March 2024	30 September 2023	31 March 2024
Taiwan	20.1	15.3	20.5
India	18.2	18.1	20.6
China	16.4	19.1	29.2
Hong Kong	12.0	13.0	4.9
Korea	11.6	11.7	14.9
Singapore	8.1	8.7	3.6
Thailand	3.2	2.0	1.8
Vietnam	3.0	3.2	–
Indonesia	2.8	2.8	2.2
Australia	2.6	3.4	–
Philippines	2.3	1.8	0.7
Malaysia	–	–	1.6
Other*	2.8	3.0	–
Net cash**	(3.1)	(2.1)	–
Total	**100.0**	**100.0**	**100.0**

Source: Schroders, MSCI, 31 March 2024.

* UK, Italy and other net liabilities.

** Cash less borrowings used for investment purposes.

We remain overweight in IT, which was the best performing sector in 2023 as valuations moved higher on the back of normalising inventories, as well as the impact of AI on industry growth rates. Despite this, we view our holdings as still trading at relatively attractive valuations given the long-term growth outlook for the sector.

We also remain overweight to financials – a diverse sector spanning not only banks, but also insurers and exchange companies. The banks we own are generally well-capitalised with strong deposit franchises. Many of our holdings are in more mature markets, such as Singapore, which in general trade at attractive valuations and decent dividend yields, but also have exposure to their faster growing hinterland. Direct exposure to faster growing markets, where credit penetration is relatively low, includes Indonesia and India. We are also slightly overweight real estate and health care. The latter includes hospitals in markets such as India and Thailand where medical provision and penetration remains low by regional standards.

Korea has recently benefited from an expectation that we might see an improvement in shareholder returns, similar to that which has been seen in Japan over the last few years. Korea has always looked cheap versus the region, and this in part has been due to perceived poor corporate governance and low shareholder returns. The government's 'Corporate value up' programme is meant to improve that, and companies that could benefit from that have performed better. We have limited exposure to this area, but have increased exposure through a holding in automaker Kia.

Turning to the wider region, earnings growth has faced ongoing pressures in recent periods, as has been seen in earnings revisions trends, particularly in some of the more cyclical areas (areas where earnings follow the cycles of the economy) such as amongst the energy and resource names. This year, if consensus earnings are anything to go by, we believe earnings growth should recover which should be a positive, albeit we would caution that there is risk to these earnings numbers.

Overall, aggregate valuations for the region are now trading at around long-term averages. However, this masks a large variation across individual markets where Singapore, China and Hong Kong, amongst others, look relatively cheap versus history, and India relatively expensive. Historically, easing global interest rates and a weaker US dollar have been positive for Asia given the knock-on impact to domestic monetary conditions. Therefore, if rates do start to fall later this year, and it should be said that recent expectations have seen the timings for cuts shift further out, we believe it could be a potential catalyst for the markets given where starting valuations are.

So, in conclusion, although uncertainties remain around China's outlook, the region's inexpensive aggregate valuations, alongside potentially easing global interest rates, a weaker US dollar and a potentially recovering goods export cycle does set up a more constructive backdrop for Asian markets in 2024, barring a global hard landing, or a more extreme geopolitical risk event.

Schroder Investment Management Limited

20 May 2024

Past performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. This information is not an offer, solicitation or recommendation to buy or sell any financial instrument or to adopt any investment strategy.

Investment Portfolio
as at 31 March 2024

Investments are classified by the Investment Manager in the region or country of their main business operations or listing. Stocks in bold are the 20 largest investments, which by value account for 63.2% (30 September 2023: 63.3% and 31 March 2023: 65.1%) of total investments.

	£'000	%
Taiwan		
TSMC	**88,592**	**9.9**
MediaTek	**27,404**	**3.1**
Delta Electronics	11,927	1.3
Hon Hai Precision Industries	10,306	1.2
United Microelectronics	9,913	1.1
Giant Manufacturing	9,795	1.1
Nien Made Enterprise	9,576	1.1
Novatek Microelectronics	6,046	0.7
Total Taiwan	**173,559**	**19.5**
India		
ICICI Bank (including ADR[3])	**30,831**	**3.4**
HDFC Bank	**30,356**	**3.4**
Reliance Industries	**18,697**	**2.1**
Apollo Hospitals Enterprise	**18,557**	**2.1**
Tata Consultancy Services	**18,454**	**2.1**
Infosys	**16,636**	**1.9**
Oberoi Realty	13,120	1.5
Mphasis	6,243	0.7
Delhivery	4,324	0.4
Total India	**157,218**	**17.6**
Mainland China		
Tencent Holdings[1]	**50,572**	**5.7**
Midea (including A shares and LEPO[2])	**17,334**	**1.9**
Alibaba[1]	12,814	1.4
Shenzhou International[1]	11,442	1.3
SANY Heavy Industry A	8,787	1.0
Shenzhen Inovance Technology A	8,550	1.0
NetEase[1]	8,154	0.9
Yum China[1,3]	7,882	0.9
Contemporary Amperex Technology A	7,564	0.8
Hongfa Technology A	5,585	0.6
WuXi Biologics[1]	3,189	0.4
Total Mainland China	**141,873**	**15.9**

	£'000	%
Hong Kong (SAR)		
AIA	**23,773**	**2.7**
BOC Hong Kong	**16,462**	**1.8**
Hong Kong Exchanges and Clearing	**14,772**	**1.7**
Techtronic Industries	**14,354**	**1.6**
Galaxy Entertainment	9,476	1.1
Swire Properties	7,142	0.8
ASM Pacific Technology	6,878	0.8
Hang Lung Properties	6,134	0.7
Kerry Properties	4,655	0.5
Total Hong Kong (SAR)	**103,646**	**11.7**
South Korea		
Samsung Electronics (including preference shares)	**85,037**	**9.5**
Kia	8,078	0.9
SK Hynix	5,080	0.6
Samsung SDI	2,839	0.3
Total South Korea	**101,034**	**11.3**
Singapore		
Oversea-Chinese Banking Corp	**22,423**	**2.5**
DBS	**19,914**	**2.2**
Singapore Telecommunications	**16,627**	**1.9**
Singapore Exchange	10,785	1.2
Total Singapore	**69,749**	**7.8**
Thailand		
Bangkok Dusit Medical Services NVDR	10,176	1.1
Kasikornbank NVDR	9,254	1.0
Bumrungrad Hospital	8,569	1.0
Total Thailand	**27,999**	**3.1**
Vietnam		
Vietnam Enterprise Investments[4]	**16,179**	**1.8**
Vietnam Dairy Products	4,911	0.6
Mobile World Investment	4,760	0.5
Total Vietnam	**25,850**	**2.9**

	£'000	%
Indonesia		
Bank Mandiri	**17,095**	**1.9**
Bank Negara	7,368	0.8
Total Indonesia	**24,463**	**2.7**
Australia		
Rio Tinto[4]	10,434	1.2
BHP[4]	6,791	0.7
Orica	5,185	0.6
Total Australia	**22,410**	**2.5**
Philippines		
ICTSI	10,698	1.2
Bank of the Philippine Islands	9,638	1.1
Total Philippines	**20,336**	**2.3**
United Kingdom		
Schroder Asian Discovery Fund Z Acc[5]	13,467	1.5
Total United Kingdom	**13,467**	**1.5**
Italy		
Prada[1]	10,953	1.2
Total Italy	**10,953**	**1.2**
Total Investments[6]	**892,557**	**100.0**

1 Listed in Hong Kong.
2 Listed in Luxembourg.
3 Listed in the USA.
4 Listed in the United Kingdom.
5 Predominantly invested in Asia.
6 Total investments comprises the following:

	£'000	%
Equities, including ADRs, LEPOs and NVDRs	844,897	94.6
Collective investment funds	29,646	3.4
Preference shares	18,014	2.0
Total Investments	**892,557**	**100.0**

The following abbreviations have been used above:
ADR: American Depositary Receipt.
LEPO: Low Exercise Price Option.
NVDR: Non Voting Depositary Receipt.

Principal risks and uncertainties

The principal risks and uncertainties associated with the Company's business fall into the following risk categories: strategic; geopolitical; market; investment management; custody; gearing and leverage; accounting, legal and regulatory change; climate change; third party services; and cyber. A detailed explanation of the risks and uncertainties in each of these categories can be found on pages 27 to 29 of the Company's published annual report and financial statements for the year ended 30 September 2023.

These risks and uncertainties have not materially changed during the six months ended 31 March 2024. However, the Board undertook a review of the principal and emerging risks for the Company while reviewing these financial statements. The Directors noted that geopolitical and climate change risk, in particular, continue to develop. These matters will be closely monitored and reported on in the next annual report, as appropriate.

Going concern

Having assessed the principal risks and uncertainties, and the other matters discussed in connection with the viability statement as set out on page 30 of the published annual report and financial statements for the year ended 30 September 2023, the Directors consider it appropriate to adopt the going concern basis in preparing the financial statements.

Related party transactions

There have been no transactions with related parties that have materially affected the financial position or the performance of the Company during the six months ended 31 March 2024.

Directors' responsibility statement

In respect of the half year report for the six months ended 31 March 2024, we confirm that, to the best of our knowledge:

– this condensed set of Financial Statements has been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, specifically adhering to Financial Reporting Standard 104 "Interim Financial Reporting" and the Statement of Recommended Practice, "Financial Statements of Investment Companies and Venture Capital Trusts" issued in July 2022. It provides a true and fair view of the assets, liabilities, financial position and profit and loss of the Company as at 31 March 2024, as required by the Disclosure Guidance and Transparency Rule 4.2.4R; and

– the half year report includes a fair review of the information concerning related party transactions as required by Disclosure Guidance and Transparency Rule 4.2.8R.

The half year report has not been reviewed or audited by the Company's auditor.

The half year report for the six months ended 31 March 2024 was approved by the Board and the above Responsibility Statement has been signed on its behalf.

James Williams
Chairman
For and on behalf of the Board

20 May 2024


Mumbai at night, Maharashtra, India

Financial

Taipei 101, Taipei, Taiwan

Financial

Statement of Comprehensive Income

For the six months ended 31 March 2024 (unaudited)

	Note	(Unaudited) For the six months ended 31 March 2024 Revenue £'000	Capital £'000	Total £'000	(Unaudited) For the six months ended 31 March 2023 Revenue £'000	Capital £'000	Total £'000	(Audited) For the year ended 30 September 2023 Revenue £'000	Capital £'000	Total £'000
Gains on investments held at fair value through profit or loss		–	43,479	43,479	–	65,764	65,764	–	9,601	9,601
Net foreign currency gains		–	810	810	–	858	858	–	293	293
Income from investments		7,006	–	7,006	6,017	142	6,159	23,863	304	24,167
Other income		73	–	73	–	–	–	–	–	–
Other interest receivable and similar income		141	–	141	66	–	66	153	–	153
Gross return		**7,220**	**44,289**	**51,509**	**6,083**	**66,764**	**72,847**	**24,016**	**10,198**	**34,214**
Investment management fee		(740)	(2,221)	(2,961)	(807)	(2,420)	(3,227)	(1,552)	(4,656)	(6,208)
Administrative expenses		(697)	–	(697)	(677)	–	(677)	(1,409)	–	(1,409)
Net return before finance costs and taxation		**5,783**	**42,068**	**47,851**	**4,599**	**64,344**	**68,943**	**21,055**	**5,542**	**26,597**
Finance costs		(210)	(628)	(838)	(77)	(231)	(308)	(231)	(690)	(921)
Net return before taxation		**5,573**	**41,440**	**47,013**	**4,522**	**64,113**	**68,635**	**20,824**	**4,852**	**25,676**
Taxation	3	(697)	(1,459)	(2,156)	(624)	(175)	(799)	(1,834)	(1,939)	(3,773)
Net return after taxation		**4,876**	**39,981**	**44,857**	**3,898**	**63,938**	**67,836**	**18,990**	**2,913**	**21,903**
Return/(loss) per share (pence)	4	**3.19**	**26.12**	**29.30**	**2.45**	**40.24**	**42.69**	**12.06**	**1.85**	**13.91**

The "Total" column of this statement is the profit and loss account of the Company. The "Revenue" and "Capital" columns represent supplementary information prepared under guidance issued by The Association of Investment Companies. The Company has no other items of other comprehensive income, and therefore the net return/(loss) after taxation is also the total comprehensive income/(loss) for the period.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period.

Statement of Changes in Equity

For the six months ended 31 March 2024 (unaudited)

	Note	Called-up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Warrant exercise reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 30 September 2023		15,480	100,956	4,664	8,704	700,106	21,375	851,285
Repurchase and cancellation of the Company's own shares		(358)	–	358	–	(17,312)	–	(17,312)
Net return after taxation		–	–	–	–	39,981	4,876	44,857
Dividend paid in the period	5	–	–	–	–		(18,371)	(18,371)
At 31 March 2024		**15,122**	**100,956**	**5,022**	**8,704**	**722,775**	**7,880**	**860,459**

For the six months ended 31 March 2023 (unaudited)

	Note	Called-up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Warrant exercise reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 30 September 2022		16,080	100,956	4,064	8,704	726,968	21,415	878,187
Repurchase and cancellation of the Company's own shares		(324)	–	324	–	(16,050)	–	(16,050)
Net return after taxation		–	–	–	–	63,938	3,898	67,836
Dividend paid in the period	5	–	–	–	–	–	(19,030)	(19,030)
At 31 March 2023		**15,756**	**100,956**	**4,388**	**8,704**	**774,856**	**6,283**	**910,943**

For the year ended 30 September 2023 (audited)

	Note	Called-up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Warrant exercise reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 30 September 2022		16,080	100,956	4,064	8,704	726,968	21,415	878,187
Repurchase and cancellation of the Company's own shares		(600)	–	600	–	(29,775)	–	(29,775)
Net return after taxation		–	–	–	–	2,913	18,990	21,903
Dividend paid in the year	5	–	–	–	–	–	(19,030)	(19,030)
At 30 September 2023		**15,480**	**100,956**	**4,664**	**8,704**	**700,106**	**21,375**	**851,285**

Statement of Financial Position
at 31 March 2024 (unaudited)

	Note	(Unaudited) 31 March 2024 £'000	(Unaudited) 31 March 2023 £'000	(Audited) 30 September 2023 £'000
Fixed assets				
Investments held at fair value through profit or loss		892,557	912,966	874,534
Current assets				
Debtors		2,551	3,188	2,812
Cash at bank and in hand		4,956	12,317	6,785
		7,507	**15,505**	**9,597**
Current liabilities				
Creditors: amounts falling due within one year	6	(34,010)	(14,464)	(28,068)
Net current assets/(liabilities)		**(26,503)**	**1,041**	**(18,471)**
Total assets less current liabilities		**866,054**	**914,007**	**856,063**
Non current liabilities				
Deferred taxation		(5,595)	(3,064)	(4,778)
Net assets		**860,459**	**910,943**	**851,285**
Capital and reserves				
Called-up share capital	7	15,122	15,756	15,480
Share premium		100,956	100,956	100,956
Capital redemption reserve		5,022	4,388	4,664
Warrant exercise reserve		8,704	8,704	8,704
Capital reserves		722,775	774,856	700,106
Revenue reserve		7,880	6,283	21,375
Total equity shareholders' funds		**860,459**	**910,943**	**851,285**
Net asset value per share (pence)	8	**569.02**	**578.15**	**549.92**

Registered in England and Wales as a public company limited by shares
Company registration number: 03104981

1. Financial statements

The information contained within the financial statements in this half year report has not been audited or reviewed by the Company's independent auditor.

The figures and financial information for the year ended 30 September 2023 are extracted from the latest published financial statements of the Company and do not constitute statutory financial statements for that year. Those financial statements have been delivered to the Registrar of Companies and included the report of the auditor which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

2. Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, in particular with Financial Reporting Standard 104 "Interim Financial Reporting" and with the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" issued by The Association of Investment Companies in July 2022.

All of the Company's operations are of a continuing nature.

The accounting policies applied to these financial statements are consistent with those applied in the financial statements for the year ended 30 September 2023.

3. Taxation

The Company's effective corporation tax rate is nil, as deductible expenses exceed taxable income. The taxation charge comprises irrecoverable overseas withholding tax on dividends receivable, and overseas capital gains tax.

4. Return/(loss) per share

	(Unaudited) Six months ended 31 March 2024 £'000	(Unaudited) Six months ended 31 March 2023 £'000	(Audited) Year ended 30 September 2023 £'000
Revenue return	4,876	3,898	18,990
Capital return	39,981	63,938	2,913
Total return	**44,857**	**67,836**	**21,903**
Weighted average number of shares in issue during the period	153,081,385	158,887,090	157,474,894
Revenue return per share (pence)	3.19	2.45	12.06
Capital return per share (pence)	26.12	40.24	1.85
Total return per share (pence)	**29.30**	**42.69**	**13.91**

5. Dividends paid

	(Unaudited) Six months ended 31 March 2024 £'000	(Unaudited) Six months ended 31 March 2023 £'000	(Audited) Year ended 30 September 2023 £'000
2023 final dividend paid of 12.0p (2022: 12.0p)	18,371	19,030	19,030

No interim dividend has been declared in respect of the six months ended 31 March 2024 (2023: nil).

6. Creditors: amounts falling due within one year

	(Unaudited) 31 March 2024 £'000	(Unaudited) 31 March 2023 £'000	(Audited) 30 September 2023 £'000
Bank loan	31,664	12,132	24,579
Securities purchased awaiting settlement	–	204	1,422
Other creditors and accruals	2,346	2,128	2,067
	34,010	**14,464**	**28,068**

The bank loan comprises of US$40 million drawn down on the Company's £75 million multicurrency credit facility with The Bank of Nova Scotia. The facility is unsecured and drawings are subject to covenants and restrictions which are customary for a facility of this nature and all of these have been complied with.

7. Called-up share capital

Changes in the number of shares in issue during the period were as follows:

	(Unaudited) Six months ended 31 March 2024 £'000	(Unaudited) Six months ended 31 March 2023 £'000	(Audited) Year ended 30 September 2023 £'000
Ordinary shares of 10p each, allotted, called-up and fully paid			
Opening balance of shares in issue	154,800,716	160,800,716	160,800,716
Shares repurchased and cancelled	(3,582,000)	(3,240,000)	6,000,000
Closing balance of shares in issue	**151,218,716**	**157,560,716**	**154,800,716**

8. Net asset value per share

Net asset value per share is calculated by dividing shareholders' funds by the number of shares in issue at 31 March 2024 of 151,218,716 (31 March 2023: 157,560,716 and 30 September 2023: 154,800,716).

9. Financial instruments measured at fair value

The Company's financial instruments within the scope of FRS 102 that are held at fair value comprise its investment portfolio.

FRS 102 requires that financial instruments held at fair value are categorised into a hierarchy consisting of the three levels below. A fair value measurement is categorised in its entirety on the basis of the lowest level input that is significant to the fair value measurement.

Level 1 – valued using unadjusted quoted prices in active markets for identical assets.

Level 2 – valued using observable inputs other than quoted prices included within Level 1.

Level 3 – valued using inputs that are unobservable.

The Company's investment portfolio was categorised as follows:

	(Unaudited) 31 March 2024 £'000	(Unaudited) 31 March 2023 £'000	(Audited) 30 September 2023 £'000
Level 1	892,557	912,966	874,534
Level 2	–	–	–
Level 3	–	–	–
Total	**892,557**	**912,966**	**874,534**

There have been no transfers between Levels 1, 2 or 3 during the period (period ended 31 March 2023 and year ended 30 September 2023: nil).

10. Events after the interim period that have not been reflected in the financial statements for the interim period

The Directors have evaluated the period since the interim date and have not noted any significant events which have not been reflected in the financial statements.

Other Information

Landmark 81, Ho Chi Minh City, Vietnam

Other Information

The terms and performance measures below are those commonly used by investment companies to assess values, investment performance and operating costs. Numerical calculations are given where relevant. Some of the financial measures below are classified as APMs as defined by the European Securities and Markets Authority. Under this definition, APMs include a financial measure of historical financial performance or financial position, other than a financial measure defined or specified in the applicable financial reporting framework. APMs have been marked with an asterisk.

Net asset value ("NAV") per share

The NAV per share of 569.02p (30 September 2023: 549.92p) represents the net assets attributable to equity shareholders of £860,459,000 (30 September 2023: £851,285,000) divided by the number of shares in issue of 151,218,716 (30 September 2023: 154,800,716).

The change in the NAV amounted to +3.5% (year ended 30 September 2023: +2.9%) over the period. However, this performance measure excludes the positive impact of dividends paid out by the Company during the period. When these dividends are factored into the calculation, the resulting performance measure is termed the "total return". Total return calculations and definitions are given below.

Total return*

The combined effect of any dividends paid, together with the rise or fall in the share price or NAV per share. Total return statistics enable the investor to make performance comparisons between investment companies with different dividend policies. Any dividends received by a shareholder are assumed to have been reinvested in either the assets of the Company at its NAV per share at the time the shares were quoted ex-dividend (to calculate the NAV per share total return) or in additional shares of the Company (to calculate the share price total return).

The NAV total return for the period ended 31 March 2024 is calculated as follows:

Opening NAV at 30/9/23	549.92p
Closing NAV at 31/3/24	569.02p

Dividend received	XD date	NAV on XD date	Factor
12.00p	28/12/23	545.25p	1.022

NAV total return, being the closing NAV, multiplied by the factor, expressed as a percentage change in the opening NAV: +5.7%

The NAV total return for the year ended 30 September 2023 is calculated as follows:

Opening NAV at 30/9/22	546.13p
Closing NAV at 30/9/23	549.92p

Dividend received	XD date	NAV on XD date	Factor
12.00p	29/12/22	557.56p	1.022

NAV total return, being the closing NAV, multiplied by the factor, expressed as a percentage change in the opening NAV: +2.9%

The share price total return for the period ended 31 March 2024 is calculated as follows:

Opening share price at 30/9/23	486.50p
Closing share price at 31/3/24	496.00p

Dividend received	XD date	Share price on XD date	Factor
12.00p	28/12/23	490.50p	1.024

Share price total return, being the closing share price, multiplied by the factor, expressed as a percentage change in the opening share price: +4.4%

The share price total return for the year ended 30 September 2023 is calculated as follows:

Opening share price at 30/9/22	487.00p
Closing share price at 30/9/23	486.50p

Dividend received	XD date	Share price on XD date	Factor
12.00p	29/12/22	503.00p	1.024

Share price total return, being the closing share price, multiplied by the factor, expressed as a percentage change in the opening share price: +2.3%

Benchmark Index

The measure against which the Company compares its performance. The Company's benchmark is the MSCI All Countries Asia excluding Japan Index (with net income reinvested), sterling adjusted. The Company changed its benchmark with effect from 1 October 2016. Prior to that date the benchmark was the MSCI All Countries Asia excluding Japan Index (with gross income reinvested), sterling adjusted.

Discount/premium*

The amount by which the share price of an investment trust is lower (discount) or higher (premium) than the NAV per share. The discount or premium is expressed as a percentage of the NAV per share. If shares are trading at a discount, investors would be paying less than the value attributable to the shares by reference to the underlying assets. A premium or discount is generally the consequence of supply and demand for the shares on the stock market. The discount or premium is expressed as a percentage of the NAV per share. The discount at the period end amounted to 12.8% (30 September 2023: 11.5%), as the closing share price at 496.00p (30 September 2023: 486.50p) was 12.8% (30 September 2023: 11.5%) lower than the closing NAV of 569.02p (30 September 2023: 549.92p).

Gearing*

The gearing percentage reflects the amount of borrowings (i.e. bank loans or overdrafts) which the Company has drawn down and invested in the market. This figure is indicative of the extra amount by which shareholders' funds would move if the Company's investments were to rise or fall. Gearing is defined as: borrowings used for investment purposes, less cash, expressed as a percentage of net assets. The gearing figure at the relevant period/year end is calculated as follows:

	31 March 2024 £'000	30 September 2023 £'000
Borrowings used for investment purposes, less cash	26,709	17,794
Net assets	860,459	851,285
Gearing/(net cash)	3.1%	2.1%

Leverage*

For the purpose of the Alternative Investment Fund Managers ("AIFM") Directive, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as the ratio of the Company's exposure to its net asset value and is required to be calculated both on a "Gross" and a "Commitment" method. Under the Gross method, exposure represents the sum of the absolute values of all positions, so as to give an indication of overall exposure. Under the Commitment method, exposure is calculated in a similar way, but after netting off hedges which satisfy certain strict criteria.

Ongoing charges*

Ongoing charges is calculated in accordance with The Association of Investment Companies recommended methodology and represents the management fee and all other operating expenses excluding finance costs and transaction costs, amounting to £7,364,000 (30 September 2023: £7,617,000), expressed as a percentage of the average daily net asset values during the period of £843,965,000 (30 September 2023: £888,441,000).

Warning to shareholders

Companies are aware that their shareholders have received unsolicited telephone calls or correspondence concerning investment matters. These are typically from overseas-based 'brokers' who target UK shareholders, offering to sell them what often turn out to be worthless or high risk shares or investments.

These operations are commonly known as 'boiler rooms'. These 'brokers' can be very persistent and extremely persuasive.

Shareholders are advised to be wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports. If you receive any unsolicited investment advice:

- Make sure you get the correct name of the person and organisation
- Check that they are properly authorised by the FCA before getting involved by visiting register.fca.org.uk
- Report the matter to the FCA by calling 0800 111 6768 or visiting fca.org.uk/consumers/report-scam-unauthorised-firm
- Do not deal with any firm that you are unsure about

If you deal with an unauthorised firm, you will not be eligible to receive payment under the Financial Services Compensation Scheme. The FCA provides a list of unauthorised firms of which it is aware, which can be accessed at fca.org.uk/consumers/unauthorised-firms-individuals#list.

More detailed information on this or similar activity can be found on the FCA website at fca.org.uk/consumers/protect-yourself-scams.

Dividends

Paying dividends into a bank or building society account helps reduce the risk of fraud and will provide you with quicker access to your funds than payment by cheque.

Applications for an electronic mandate can be made by contacting the Registrar, Equiniti.

This is the most secure and efficient method of payment and ensures that you receive any dividends promptly.

If you do not have a UK bank or building society account, please contact Equiniti for details of their overseas payment service.

Further information can be found at www.shareview.co.uk, including how to register with Shareview Portfolio and manage your shareholding online.

Information about the Company

www.schroders.co.uk/asiapacific

Directors

James Williams (Chairman)
Julia Goh
Vivien Gould
Rupert Hogg
Martin Porter

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London EC2Y 5AU

Investment Manager and Company Secretary

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Email: amcompanysecretary@schroders.com

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West Sussex BN99 6DA

Shareholder Helpline: +44 (0) 800 032 0641*
Website: www.shareview.co.uk

*Calls to this number are free of charge from UK landlines.

Communications with shareholders are mailed to the address held on the register. Any notifications and enquiries relating to shareholdings, including a change of address or other amendment should be directed to Equiniti Limited at the above address and telephone number.

Other information

Company number

03104981

Shareholder enquiries

General enquiries about the Company should be addressed to the Company Secretary at the Company's registered office.

Dealing codes

ISIN Number:	GB0007918872
SEDOL Number:	0791887
Ticker:	SDP

Global Intermediary Identification Number (GIIN)

SWLQRM.99999.SL.826

Legal Entity Identifier (LEI)

549300A71N7LE35KWU14

Privacy notice

The Company's privacy notice can be found on its web pages.

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INVESTMENT WEEK
INVESTMENT COMPANY OF THE YEAR AWARDS 2023
WINNER
GROUP OF THE YEAR