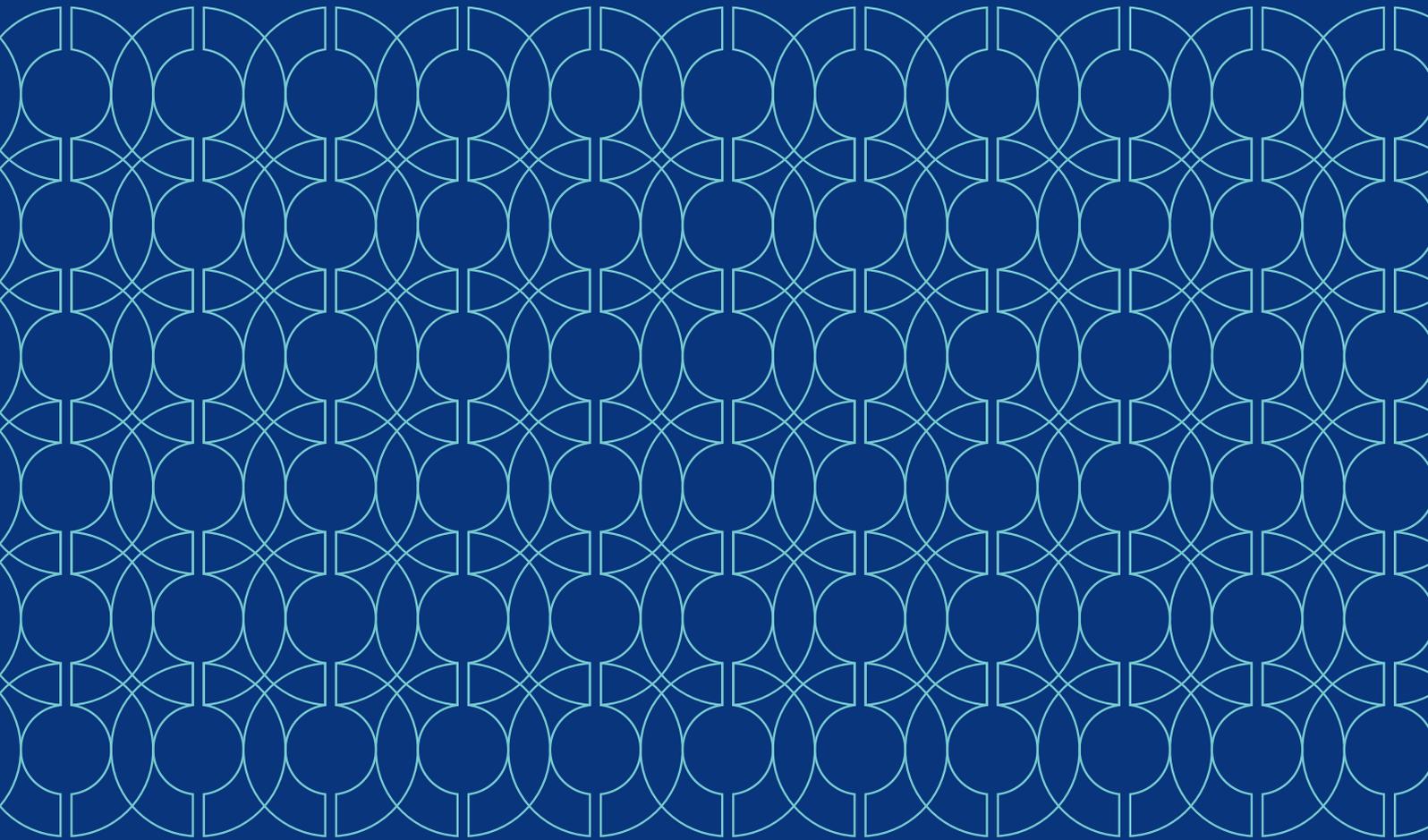


**Schroders**

**SCHRODER MULTI-ASSET REVOLUTION**

**Annual Report & Financial Statements**

**December 2020**



## **SCHRODER MULTI-ASSET REVOLUTION**

*Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998*

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### **Manager**

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

### **Trustee**

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

### **Auditor**

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

### **Solicitor to the Manager**

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

### **Solicitor to the Trustee**

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

### **Further Information**

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

FATCA entity classification: Nonreporting IGA FFI / Sponsored Investment Entity  
GIIN: WM9S4Z.00018.SF.702

**COMMENTARY**

2020 was a year that defied expectations, bookended by two different bull markets with a short-lived bear market in the first quarter. At the start of 2020, equities were riding high as the US-China trade disputes gave way to a “Phase One” trade deal. However, the respite was brief, as the spread of COVID-19 resulted in widespread lockdowns and economic “hard stops” that led to a steep market sell-off in March 2020. Subsequently, global equities rebounded sharply in 2Q2020 as central banks stepped in to provide unprecedented levels of monetary support through rate cuts and quantitative easing. Vaccine breakthroughs in the fourth quarter also fostered hopes of a return to economic normality, reigniting the global equity rallies despite the on-going trade tensions between the US and China. Other key highlights of the year include Joe Biden winning the US presidential election. The MSCI AC World Index was up 14.2% in 2020.

In fixed income, government bond yields, like most other financial assets, saw significant levels of volatility. In the initial heightening of risk aversion, demand for safe havens pushed yields to extreme lows. The 10 year US Treasury yield dropped from 1.91% (at end December 2019) to 0.92% (at end December 2020), and at one point fell below 0.5%. Corporate credit market performance also fluctuated in 2020 but ended the year higher as riskier assets were broadly buoyant and monetary policy helped anchor yields at low levels. Investment grade bonds outperformed high yield. Emerging market bonds, both government and corporates, returned positively over 2020. Over the one-year period, the Bloomberg Barclays Global Aggregate was up 10.0%.

Elsewhere, commodity markets registered a negative 5.2% in 2020, largely affected by the events that happened in the first half of the year. Crude oil prices plunged sharply in 1Q2020 due to failed OPEC negotiations between Saudi Arabia and Russia but recovered upon agreement on production cuts and stronger demand outlook. In currencies, the US dollar returned -6.7% (as measured by DXY Index), while the SGD appreciated 1.8% against the USD over the year. All returns above are quoted in SGD terms.

Against this backdrop, Schroder Multi-Asset Revolution delivered positive returns in 2020. In general, equities were the key contributor to absolute performance, driven mainly by the holdings in Global and US equities. Fixed Income also added value, primarily due to global bonds. Investors looked past the continued spread of COVID-19, instead focusing on a combination of unprecedented monetary and fiscal stimulus, as well as positive news on vaccine development and distribution.

The Fund outperformed the reference benchmark (gross of fees). Asset allocation was positive with an overweight in equities and underweight fixed income contributing to relative performance. Specifically, the overweight in US equities was beneficial. Elsewhere, the decision to reduce duration over the year and our tactical allocation to investment grade credit and gold were also positive. The gains were offset by negative stock selection due mainly to an underperformance in the select underlying equity strategies.

Our economic outlook is for a continued improvement in growth and a pro-cyclical bias remains appropriate. The Georgia Senate election result reaffirms our view that policy remains stimulated. At the same time, our cyclical models continue to improve and move toward the expansionary phase.

## **SCHRODER MULTI-ASSET REVOLUTION**

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We remain positive on equities with ample liquidity supporting markets and vaccine developments allowing investors to look through to reopening. As recovery becomes more established, we expect more upward pressure from bond yields and this prompts us to upgrade value which is less exposed to the steepening of the yield curve. US Banks look interesting with attractive valuations and strong potential for capital returns through both dividends and share buybacks. We remain positive Japan and Emerging Markets with a preference for Asia where China continues to lead global activity while the Biden victory alleviates trade war risks.

The emphasis on reflation also leads us to upgrade commodities-related assets. This enables us to benefit from cyclical upturn within equities on the industrial side of the global economy. The commodity exposure also takes care of potential upside risks to inflation over a 6 to 12 month view.

Within fixed income, we retain our positive view on credit, and Investment Grade should remain supported as investors continue to search for viable alternatives to government bonds. US treasuries and the dollar continue to act as a hedge in our portfolios as we need to be cognisant that the virus still has the ability to derail growth.

December 2020

## **SCHRODER MULTI-ASSET REVOLUTION**

*Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998*

### **REPORT OF THE TRUSTEE**

For the financial year ended 31 December 2020

The Trustee is under a duty to take into custody and hold the assets of Schroder Multi-Asset Revolution (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 9 to 36, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

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

## **SCHRODER MULTI-ASSET REVOLUTION**

*Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998*

### **STATEMENT BY THE MANAGER**

For the financial year ended 31 December 2020

In the opinion of Schroder Investment Management (Singapore) Ltd, the accompanying financial statements set out on pages 9 to 36, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position and portfolio holdings of Schroder Multi-Asset Revolution (the "Fund") as at 31 December 2020, 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 MULTI-ASSET REVOLUTION

*Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998*

### **Our Opinion**

In our opinion, the accompanying financial statements of Schroder Multi-Asset Revolution (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 2020, and 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 2020;
- the Statement of Financial Position as at 31 December 2020;
- the Statement of Movements of Unitholders' Funds for the financial year ended 31 December 2020;
- the Statement of Portfolio as at 31 December 2020; 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 express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF SCHRODER MULTI-ASSET REVOLUTION**

*Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998*

### **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 MULTI-ASSET REVOLUTION**

*Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998*

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, 29 March 2021

## SCHRODER MULTI-ASSET REVOLUTION

Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998

### STATEMENT OF TOTAL RETURN

For the financial year ended 31 December 2020

	Notes	2020 \$	2019 \$
<b>Income</b>			
Foreign dividends		50,034	-
Interest on deposits with banks	11	24,791	62,486
		<b>74,825</b>	<b>62,486</b>
<b>Less : Expenses</b>			
Management fees	11	5,120,850	4,516,280
Less : Management fee rebates	11	(304,840)	(315,412)
Trustee fees	11	137,900	123,391
Valuation fees	11	99,803	88,035
Custodian fees	11	8,070	4,763
Registration fees	11	397,970	348,875
Audit fees		16,532	13,133
Transaction costs		17,312	25,609
Others		123,735	105,707
		<b>5,617,332</b>	<b>4,910,381</b>
<b>Net expense</b>		<b>(5,542,507)</b>	<b>(4,847,895)</b>
<b>Net gains or losses on value of investments and financial derivatives</b>			
Net gains on investments		44,331,840	50,848,976
Net losses on spot foreign exchange contracts		(35,508)	(69,462)
Net (losses)/gains on forward foreign exchange contracts		(1,349,209)	2,288,493
Net gains on futures contracts		11,525,042	4,731,847
Net losses on options contracts		-	(295,827)
Net foreign exchange gains/(losses)		67,406	(56,708)
		<b>54,539,571</b>	<b>57,447,319</b>
<b>Total return for the year before income tax</b>		<b>48,997,064</b>	<b>52,599,424</b>
<b>Income tax expense</b>	3	<b>(15,010)</b>	<b>(120,809)</b>
<b>Total return for the year</b>		<b>48,982,054</b>	<b>52,478,615</b>

## SCHRODER MULTI-ASSET REVOLUTION

Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998

### STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Notes	2020 \$	2019 \$
<b>ASSETS</b>			
Portfolio of investments		<b>441,646,873</b>	372,225,203
Bank balances	11	<b>16,223,065</b>	9,055,759
Receivables	5	<b>2,507,387</b>	1,998,779
Financial derivatives	6	<b>1,095,751</b>	1,530,338
Margin account	12	<b>1,499,152</b>	4,045,026
<b>Total assets</b>		<b><u>462,972,228</u></b>	<u>388,855,105</u>
<b>LIABILITIES</b>			
Payables	7	<b>5,950,734</b>	3,193,035
Financial derivatives	6	<b>172,937</b>	763,564
<b>Total liabilities</b>		<b><u>6,123,671</u></b>	<u>3,956,599</u>
<b>EQUITY</b>			
Net assets attributable to unitholders	8	<b><u>456,848,557</u></b>	<u>384,898,506</u>

**SCHRODER MULTI-ASSET REVOLUTION***Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial year ended 31 December 2020*

	Notes	2020 \$	2019 \$
<b>Net assets attributable to unitholders at the beginning of the financial year</b>		<b>384,898,506</b>	322,845,853
<b>Operations</b>			
Change in net assets attributable to unitholders resulting from operations		<b>48,982,054</b>	52,478,615
<b>Unitholders' contributions/(withdrawals)</b>			
Creation of units		<b>122,231,786</b>	67,876,128
Cancellation of units		<b>(82,762,569)</b>	(50,923,710)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		<b>39,469,217</b>	16,952,418
Distributions	4	<b>(16,501,220)</b>	(7,378,380)
Total increase in net assets attributable to unitholders		<b>71,950,051</b>	62,052,653
<b>Net assets attributable to unitholders at the end of the financial year</b>	8	<b>456,848,557</b>	384,898,506

## SCHRODER MULTI-ASSET REVOLUTION

Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998

### STATEMENT OF PORTFOLIO

As at 31 December 2020

#### Primary

	Holdings at 31 Dec 2020	Fair value at 31 Dec 2020 \$	Percentage of total net assets attributable to unitholders at 31 Dec 2020 %
<b>By geography</b>			
<b>Quoted</b>			
<b>Collective investment schemes</b>			
<b>LUXEMBOURG</b> (country of domicile)			
Lyxor S&P 500 UCITS ETF Class Accumulation	13,809	4,596,612	1.01
Schroder Intl Selection Fund - Asian Opportunities I Accumulation Share Class	141,956	7,563,072	1.66
Schroder Intl Selection Fund - EURO Equity I Accumulation Share Class	330,699	29,940,706	6.55
Schroder Intl Selection Fund - Global Corporate Bond I Accumulation Share Class	1,355,808	30,309,149	6.63
Schroder Intl Selection Fund - Global Equity Alpha I Accumulation Share Class	67,582	32,344,687	7.08
Schroder Intl Selection Fund - Global Inflation Linked Bond I Accumulation Share Class	220,192	14,387,729	3.15
Schroder Intl Selection Fund - Greater China I Accumulation Share Class	61,993	11,632,643	2.55
Schroder Intl Selection Fund - Japanese Equity I Accumulation Share Class	1,034,117	24,580,221	5.38

**SCHRODER MULTI-ASSET REVOLUTION***Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998***STATEMENT OF PORTFOLIO***As at 31 December 2020***Primary (continued)**

	Holdings at 31 Dec 2020	Fair value at 31 Dec 2020 \$	Percentage of total net assets attributable to unitholders at 31 Dec 2020 %
<b>By geography</b>			
<b>Quoted</b>			
<b>Collective investment schemes</b>			
<b>LUXEMBOURG (continued)</b> (country of domicile)			
Schroder Intl Selection Fund - QEP Global Core I Accumulation Share Class	1,030,407	61,023,417	13.36
Schroder Intl Selection Fund - US Large Cap I Accumulation Share Class	267,768	104,160,926	22.79
		<b>320,539,162</b>	<b>70.16</b>
<b>SINGAPORE</b> (country of domicile)			
Schroder Asian Investment Grade Credit Class I	4,809,260	5,674,927	1.24
Schroder Global Quality Bond Class I Accumulation	34,875,496	52,039,222	11.39
Schroder Singapore Fixed Income Fund Class SGD I Accumulation	14,275,002	24,120,470	5.28
Schroder Singapore Trust Class SGD I Accumulation	1,651,521	4,696,927	1.03
		<b>86,531,546</b>	<b>18.94</b>
<b>UNITED STATES OF AMERICA</b> (country of domicile)			
Vanguard Energy ETF	62,447	4,280,165	0.94
<b>Total Collective investment schemes</b>		<b>411,350,873</b>	<b>90.04</b>

## SCHRODER MULTI-ASSET REVOLUTION

Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998

### STATEMENT OF PORTFOLIO

As at 31 December 2020

#### Primary (continued)

	Holdings at 31 Dec 2020	Fair value at 31 Dec 2020 \$	Percentage of total net assets attributable to unitholders at 31 Dec 2020 %
<b>By geography</b>			
<b>Quoted</b>			
<b>Debt securities</b>			
<b>SINGAPORE</b>			
MAS Bill Series 87 4 Jan 2021	30,296,000	30,296,000	6.63
<b>Total Debt securities</b>		<b>30,296,000</b>	<b>6.63</b>
<b>Portfolio of investments</b>		<b>441,646,873</b>	<b>96.67</b>
<b>Other net assets</b>		<b>15,201,684</b>	<b>3.33</b>
<b>Net assets attributable to unitholders</b>		<b>456,848,557</b>	<b>100.00</b>

## SCHRODER MULTI-ASSET REVOLUTION

Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998

### STATEMENT OF PORTFOLIO

As at 31 December 2020

#### Primary (continued)

	Percentage of total net assets attributable to unitholders at 31 Dec 2020 %	Percentage of total net assets attributable to unitholders at 31 Dec 2019 %
<b>By geography (summary)</b>		
<b>Quoted</b>		
Luxembourg	70.16	66.05
Singapore	25.57	27.59
United States of America	0.94	3.07
<b>Portfolio of investments</b>	<b>96.67</b>	<b>96.71</b>
<b>Other net assets</b>	<b>3.33</b>	<b>3.29</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

#### Secondary

	Fair value at 31 Dec 2020 \$	Percentage of total net assets attributable to unitholders at 31 Dec 2020 %	Percentage of total net assets attributable to unitholders at 31 Dec 2019 %
<b>By asset class</b>			
Collective investment schemes			
- Alternative investments	-	-	3.07
- Equities	284,819,376	62.35	59.34
- Fixed income	126,531,497	27.69	24.84
Debt securities	30,296,000	6.63	9.46
<b>Portfolio of investments</b>	<b>441,646,873</b>	<b>96.67</b>	<b>96.71</b>
<b>Other net assets</b>	<b>15,201,684</b>	<b>3.33</b>	<b>3.29</b>
<b>Net assets attributable to unitholders</b>	<b>456,848,557</b>	<b>100.00</b>	<b>100.00</b>

## **SCHRODER MULTI-ASSET REVOLUTION**

*Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998*

### **NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2020*

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

#### **1. General**

Schroder Multi-Asset Revolution (the “Fund”) is a unit trust constituted by a Deed of Trust dated 5 February 1998 (and as amended, restated and supplemented from time to time) (thereafter referred to as “Trust Deed”). The Trust Deed is governed in accordance with the laws of the Republic of Singapore. The Manager of the Fund is Schroder Investment Management (Singapore) Ltd and the Trustee is HSBC Institutional Trust Services (Singapore) Limited.

The Fund, which was launched on 8 May 1998, aims to achieve long term capital appreciation through investment directly or indirectly in quoted equities, bonds and other fixed income securities in global markets. The Fund will invest in multiple asset classes and will be comprised of an actively managed basket of equities, fixed income, property and commodities related securities.

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

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

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

## SCHRODER MULTI-ASSET REVOLUTION

Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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#### 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.

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

(c) Investments

Investments are classified as financial assets held at fair value through profit or loss. Purchases of investments are recognised on trade date. Investments are recorded at fair value on initial recognition, and subsequently carried at fair value.

The fair value of financial assets and liabilities traded in active markets is based on market mid prices for debt securities and market last prices which falls within the bid-ask spread for exchange traded funds on the reporting date. In circumstances where the market last price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of fair value. The fair value of investments in underlying funds 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) Receivables

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

## SCHRODER MULTI-ASSET REVOLUTION

Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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#### 2. Significant accounting policies (continued)

(e) Sales and purchases awaiting settlement

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

(f) Bank balances

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

(g) Payables

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

(h) Foreign currency translation

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

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

(i) Financial derivatives

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

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

## SCHRODER MULTI-ASSET REVOLUTION

Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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#### 2. Significant accounting policies (continued)

(j) Offsetting financial instruments

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

(k) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Fund considers its investment in the underlying funds (the "Investee Funds") to be investment in unconsolidated structured entities. The Fund invests in the Investee Funds whose objectives range from achieving short to long term capital growth and whose investment strategies do not include the use of leverage. The Investee Funds are managed by related asset managers and apply various investment strategies to accomplish their respective investment objectives. The Investee Funds finance their operations by issuing redeemable shares which are puttable at the holder's option and entitles the holder to a proportional stake in the respective fund's net assets. The Fund holds redeemable shares in each of the Investee Funds.

The change in fair value of the Investee Funds is included in the net gains or losses on investments taken up in the Statement of Total Return as described in note 2(c).

## SCHRODER MULTI-ASSET REVOLUTION

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#### 2. Significant accounting policies (continued)

##### (l) 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.

	2020 \$	2019 \$
Singapore income tax	-	120,809
Foreign income tax	<b>15,010</b>	-
	<b>15,010</b>	120,809

The Singapore income tax represents tax deducted at source for Singapore sourced dividends. The foreign income tax represents tax deducted at source on dividends derived from outside Singapore and received in Singapore.

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#### 4. Distributions

The Fund distributed a total of \$16,501,220 (2019: \$7,378,380) to unitholders on the register during the year as disclosed below.

##### 2020

Record date	Payment date	Distribution rate \$ per 100 units	Distribution amount \$
31 Mar 2020	17 Apr 2020	1.3140	3,537,413
30 Jun 2020	16 Jul 2020	1.4380	4,031,684
30 Sep 2020	16 Oct 2020	1.4830	4,319,608
31 Dec 2020	19 Jan 2021	1.5610	4,612,515
			<u>16,501,220</u>

##### 2019

Record date	Payment date	Distribution rate \$ per 100 units	Distribution amount \$
29 Mar 2019	16 Apr 2019	0.6735	1,764,133
28 Jun 2019	16 Jul 2019	0.6865	1,813,495
30 Sep 2019	16 Oct 2019	0.6990	1,866,778
31 Dec 2019	17 Jan 2020	0.7190	1,933,974
			<u>7,378,380</u>

#### 5. Receivables

	2020 \$	2019 \$
Amount receivable for creation of units	2,481,351	1,973,667
Management fee rebate receivable	25,984	25,044
Other	52	68
	<u>2,507,387</u>	<u>1,998,779</u>

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#### 6. Financial derivatives

Financial derivative contracts comprise spot and forward foreign exchange and futures contracts due for settlement or contractual re-pricing within 3 months (2019: within 3 months) 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 assets \$	Fair value liabilities \$
<b>2020</b>			
Contracts:			
Forward foreign exchange	<b>97,226,046</b>	<b>639,313</b>	<b>(51,077)</b>
Futures	<b>39,848,425</b>	<b>456,438</b>	<b>(121,860)</b>
<b>2019</b>			
Contracts:			
Spot foreign exchange	31	-	(*)
Forward foreign exchange	98,398,569	750,357	(74,799)
Futures	47,500,333	779,981	(688,765)

\* Less than 1

#### 7. Payables

	2020 \$	2019 \$
Amount payable for cancellation of units	<b>769,188</b>	622,598
Amount payable for dividend distribution	<b>4,612,515</b>	1,933,974
Accrued management fees	<b>483,723</b>	407,502
Accrued trustee fees	<b>12,880</b>	11,054
Accrued valuation fees	<b>9,001</b>	7,597
Other accrued expenses	<b>63,427</b>	210,310
	<b>5,950,734</b>	3,193,035

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#### 8. Units in issue

Class A	2020 Units	2019 Units
At the beginning of the financial year	268,981,041	256,504,699
Created	84,176,054	49,722,759
Cancelled	(57,672,447)	(37,246,417)
At the end of the financial year	<u>295,484,648</u>	<u>268,981,041</u>
	\$	\$
<b>Net assets attributable to unitholders</b>	<u>456,848,557</u>	<u>384,898,506</u>
<b>Net assets attributable to unitholders per unit</b>	<b>1.55</b>	1.43
Effect of valuation adjustment <sup>#</sup>	*	-
Effect of distribution per unit	<b>0.01</b>	0.01
<b>Net assets attributable to unitholders per unit for issuing/redeeming of units</b>	<u><b>1.56</b></u>	<u>1.44</u>

\* Less than 0.01

<sup>#</sup> The prices as at 31 December 2020 for some of the Investee Funds are unavailable during the calculation of the net asset value. This item reflects the movement in the net asset value per unit due to latest available price used in accordance with the methodology as indicated in the Fund's prospectus. There was no such movement for year 2019.

#### 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 Manager does not consider these risks to be wholly identical to the risks of the underlying funds which are managed by the respective managers of the underlying funds.

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.

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#### 9. Financial risk management (continued)

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

##### (a) Market risk

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

At reporting date, the Fund's assets principally consist of investments into underlying funds and Singapore dollar denominated money market instruments. Investments held by the underlying funds may include equities, debt securities and alternative investments traded in global markets.

The Fund's investments in the underlying funds are subject to the fluctuations in the quoted net asset value of the underlying funds. Such risk is primarily managed by the respective managers of the underlying funds. The Manager monitors the performance of the Fund on a regular basis, so as to assess changes in fundamentals and valuation. 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 different asset classes through the underlying funds.

COVID-19 pandemic continues to evolve and develop. The situation is dynamic with various cities and countries around the world responding in different ways to address the pandemic. As a result of the COVID-19 pandemic, global financial markets have experienced significant volatility. Given the extent of the crisis, it is difficult to estimate the impact or duration of the volatility on the portfolio of the Fund. The Manager is closely monitoring the development of the COVID-19 pandemic and its related impact.

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#### 9. Financial risk management (continued)

##### (a) Market risk (continued)

The Fund's exposure to market risk are discussed below:

##### (i) Price risk

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

As at reporting date, the Fund's overall exposure to price risk including the notional exposure on derivative contracts were as follows:

	<b>2020</b>	2019
	<b>\$</b>	\$
Net equity securities	<b>284,819,376</b>	228,349,385
Net notional exposure from futures contracts	<b>14,455,894</b>	24,095,008

The table below summarises the potential impact of increases/decreases in the returns of each of the asset classes to which the Fund is exposed through the underlying funds, on the Fund's net assets attributable to unitholders at reporting date. The analysis is based on the assumption that the returns on each asset class increases/decreases by a reasonable possible shift, with all other variables held constant. This represents management's best estimate of a reasonable possible shift having regard to the historical movement in the quoted net asset value of the underlying funds within each asset class in their denominated currencies.

Asset class	2020		2019	
	Reasonable possible change %	Impact on net assets attributable to unitholders \$	Reasonable possible change %	Impact on net assets attributable to unitholders \$
Alternative investments	-	-	3	355,043
Equities	<b>10</b>	<b>28,481,938</b>	6	13,700,963
Fixed income	<b>3</b>	<b>3,795,945</b>	3	2,868,527

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

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 9. Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk

As at reporting date, the Fund's notional exposure on derivative contracts to interest rate risk were as follows:

	<b>2020</b>	2019
	<b>Total Notional in</b>	Total Notional in
	<b>\$</b>	<b>\$</b>
Bond futures (long)	<b>21,566,726</b>	23,405,325
Bond futures (short)	<b>3,825,805</b>	-

As at reporting date, the majority of the Fund's financial assets and liabilities are non-interest bearing. Changes in interest rates may also have an impact on the quoted net asset value of the underlying funds within the fixed income asset class. The price risk sensitivity analysis in note 9(a)(i) includes the impact of interest rate risk on the net assets attributable to unitholders. Hence, no interest rate sensitivity analysis is presented.

(iii) Currency risk

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

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#### 9. Financial risk management (continued)

##### (a) Market risk (continued)

##### (iii) Currency risk (continued)

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

	EUR \$	JPY \$	As at 31 December 2020		Others*	Total \$
			SGD \$	USD \$		
<b>Assets</b>						
Portfolio of investments	44,328,435	24,580,221	64,788,324	307,949,893	-	441,646,873
Bank balances	-	-	16,188,690	34,375	-	16,223,065
Receivables	-	-	2,485,483	21,904	-	2,507,387
Financial derivatives (excluding currency contracts)	-	-	-	456,438	-	456,438
Margin account	-	-	-	1,489,635	9,517	1,499,152
<b>Total assets</b>	<b>44,328,435</b>	<b>24,580,221</b>	<b>83,462,497</b>	<b>309,952,245</b>	<b>9,517</b>	<b>462,332,915</b>
<b>Liabilities</b>						
Payables	-	-	5,950,634	100	-	5,950,734
Financial derivatives (excluding currency contracts)	-	-	-	121,860	-	121,860
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>5,950,634</b>	<b>121,960</b>	<b>-</b>	<b>6,072,594</b>
<b>Net financial assets</b>	<b>44,328,435</b>	<b>24,580,221</b>	<b>77,511,863</b>	<b>309,830,285</b>	<b>9,517</b>	<b>456,260,321</b>
Currency forward	(26,774,587)	(8,399,661)	91,769,819	(52,541,001)	(4,054,570)	
<b>Currency exposure</b>	<b>17,553,848</b>	<b>16,180,560</b>	<b>169,281,682</b>	<b>257,289,284</b>	<b>(4,045,053)</b>	
	EUR \$	JPY \$	As at 31 December 2019		Others*	Total \$
			SGD \$	USD \$		
<b>Assets</b>						
Portfolio of investments	32,246,296	17,564,025	52,887,160	269,527,722	-	372,225,203
Bank balances	-	-	9,054,789	970	-	9,055,759
Receivables	-	-	1,976,198	22,581	-	1,998,779
Financial derivatives (excluding currency contracts)	-	-	-	779,981	-	779,981
Margin account	-	-	-	4,042,088	2,938	4,045,026
<b>Total assets</b>	<b>32,246,296</b>	<b>17,564,025</b>	<b>63,918,147</b>	<b>274,373,342</b>	<b>2,938</b>	<b>388,104,748</b>
<b>Liabilities</b>						
Payables	(1,373)	-	3,194,377	31	-	3,193,035
Financial derivatives (excluding currency contracts)	-	-	-	688,765	-	688,765
<b>Total liabilities</b>	<b>(1,373)</b>	<b>-</b>	<b>3,194,377</b>	<b>688,796</b>	<b>-</b>	<b>3,881,800</b>
<b>Net financial assets</b>	<b>32,247,669</b>	<b>17,564,025</b>	<b>60,723,770</b>	<b>273,684,546</b>	<b>2,938</b>	<b>384,222,948</b>
Currency spot and forward	(32,601,969)	(18,456,473)	96,089,555	(40,968,549)	(4,062,564)	
<b>Currency exposure</b>	<b>(354,300)</b>	<b>(892,448)</b>	<b>156,813,325</b>	<b>232,715,997</b>	<b>(4,059,626)</b>	

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

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#### 9. Financial risk management (continued)

##### (a) Market risk (continued)

##### (iii) Currency risk (continued)

The following table shows the sensitivity of the Fund's monetary and non-monetary assets and liabilities to key foreign currency exposure should the currencies increase or decrease against the Fund's functional currency with all other variables held constant.

Currency	2020		2019	
	Reasonable possible change %	Impact on net assets attributable to unitholders \$	Reasonable possible change %	Impact on net assets attributable to unitholders \$
EUR	2	351,077	2	(7,086)
JPY	3	485,417	3	(26,773)
USD	2	5,145,786	2	4,654,320

##### (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.

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.

	2020 Less than 3 months \$	2019 Less than 3 months \$
Payables	5,950,734	3,193,035
Financial derivatives	172,937	763,564

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#### 9. Financial risk management (continued)

##### (b) Liquidity risk (continued)

All financial derivatives are disclosed above based on fair value as at the reporting date. Spot foreign exchange contracts are settled based on contractual notional amounts on settlement date. Realised gains or losses on forward foreign exchange and futures contracts are settled on maturity date. The notional amounts of all financial derivatives are disclosed in note 6.

##### (c) Credit risk

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

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

The Fund's investments primarily consist of underlying funds which are non-credit rated investments. The Fund may invest in short-term, non-rated money market instruments. As at reporting date, there are no credit ratings assigned to the Fund's investments. Hence, an analysis of the credit ratings of the Fund's investments has not been presented.

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

As at 31 December 2020	Credit rating	Source of credit rating
<b><u>Bank &amp; Custodian</u></b>		
The Hongkong and Shanghai Banking Corp Ltd	a1	Moody's
<b><u>Counterparty</u></b>		
Goldman Sachs Bank	baa1	Moody's
Standard Chartered Bank	baa2	Moody's
The Hongkong and Shanghai Banking Corp Ltd	a1	Moody's
UBS AG	a3	Moody's

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#### 9. Financial risk management (continued)

##### (c) Credit risk (continued)

As at 31 December 2019	Credit rating	Source of credit rating
<b><u>Bank &amp; Custodian</u></b>		
The Hongkong and Shanghai Banking Corp Ltd	a1	Moody's
<b><u>Counterparty</u></b>		
Australia & New Zealand Banking Group Ltd	a2	Moody's
Morgan Stanley Bank NA	baa2	Moody's
State Street Bank & Trust Co	a1	Moody's
The Hongkong and Shanghai Banking Corp Ltd	a1	Moody's
UBS AG	a3	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 custodians of the underlying funds are JP Morgan Bank Luxembourg SA (for the Luxembourg domiciled funds) and The Hongkong and Shanghai Banking Corporation Limited (for the Singapore domiciled funds). As at 31 December 2020, JP Morgan Bank Luxembourg SA is rated A+ (2019: A+) based on the Long Term Issuer Credit rating by Standard & Poor's. The credit rating of The Hongkong and Shanghai Banking Corporation Limited has been disclosed above.

##### (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 funds is the quoted net asset value of the underlying fund as determined by the underlying fund's administrator, the quoted market price used for debt securities is the market mid price, the quoted market price used for exchange traded funds is the market last price which falls within the bid-ask spread 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.

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For the financial year ended 31 December 2020

#### 9. Financial risk management (continued)

##### (d) Fair value estimation (continued)

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 2020			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Assets</b>				
Financial assets at fair value through profit or loss				
Collective investment schemes	411,350,873	-	-	411,350,873
Debt securities	30,296,000	-	-	30,296,000
Financial derivatives	456,438	639,313	-	1,095,751
	<u>442,103,311</u>	<u>639,313</u>	<u>-</u>	<u>442,742,624</u>

#### Liabilities

Financial liabilities at fair value through profit or loss

Financial derivatives	<u>121,860</u>	<u>51,077</u>	<u>-</u>	<u>172,937</u>
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	As at 31 December 2019			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Assets</b>				
Financial assets at fair value through profit or loss				
Collective investment schemes	335,801,728	-	-	335,801,728
Debt securities	36,423,475	-	-	36,423,475
Financial derivatives	779,981	750,357	-	1,530,338
	<u>373,005,184</u>	<u>750,357</u>	<u>-</u>	<u>373,755,541</u>

#### Liabilities

Financial liabilities at fair value through profit or loss

Financial derivatives	<u>688,765</u>	<u>74,799</u>	<u>-</u>	<u>763,564</u>
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## SCHRODER MULTI-ASSET REVOLUTION

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

#### 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 MAS Bills debt securities and exchange traded derivatives whose values are based on quoted market prices in active markets are classified within level 1. The quoted price for these financial instruments is not adjusted.

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

There are no financial instruments classified within level 3.

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

##### (e) Offsetting financial assets and financial liabilities

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

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

	<u>2020</u>		Net amounts of financial assets presented in the Statement of Financial Position	Related amounts not set-off in the Statement of Financial Position		
	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set-off in the Statement of Financial Position		Financial instruments	Cash collateral	Net amount
	\$	\$	\$	\$	\$	
Contracts:						
Forward exchange	639,313	-	639,313	(8,467)	-	630,846
Futures	456,438	-	456,438	(121,860)	-	334,578

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For the financial year ended 31 December 2020

#### 9. Financial risk management (continued)

##### (e) Offsetting financial assets and financial liabilities (continued)

	<u>2020</u>			Related amounts not set-off in the Statement of Financial Position		
	Gross amounts of recognised financial liabilities \$	Gross amounts of recognised financial assets set-off in the Statement of Financial Position \$	Net amounts of financial liabilities presented in the Statement of Financial Position \$	Financial instruments \$	Cash collateral \$	Net amount \$
Contracts:						
Forward foreign exchange	51,077	-	51,077	(8,467)	-	42,610
Futures	121,860	-	121,860	(121,860)	-	-
	<u>2019</u>			Related amounts not set-off in the Statement of Financial Position		
	Gross amounts of recognised financial assets \$	Gross amounts of recognised financial liabilities set-off in the Statement of Financial Position \$	Net amounts of financial assets presented in the Statement of Financial Position \$	Financial instruments \$	Cash collateral \$	Net amount \$
Contracts:						
Forward foreign exchange	750,357	-	750,357	(74,799)	-	675,558
Futures	779,981	-	779,981	(688,765)	-	91,216
	<u>2019</u>			Related amounts not set-off in the Statement of Financial Position		
	Gross amounts of recognised financial liabilities \$	Gross amounts of recognised financial assets set-off in the Statement of Financial Position \$	Net amounts of financial liabilities presented in the Statement of Financial Position \$	Financial instruments \$	Cash collateral \$	Net amount \$
Contracts:						
Spot foreign exchange	*	-	*	-	-	*
Forward foreign exchange	74,799	-	74,799	(74,799)	-	-
Futures	688,765	-	688,765	(688,765)	-	-

\* Less than 1

## SCHRODER MULTI-ASSET REVOLUTION

Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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#### 9. Financial risk management (continued)

##### (f) Capital management

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

#### 10. Interests in unconsolidated structured entities

The Fund's investment in the Investee Funds is subject to the terms and conditions of the respective Investee Fund's offering documentation and is susceptible to market price risk arising from uncertainties about future values of the Investee Funds. The Manager makes investment decisions after extensive due diligence of each Investee Fund, its investment strategies and the overall quality of the Investee Fund's manager. The Investee Funds in the investment portfolio are managed by portfolio managers who are compensated by the respective Investee Fund for their services. Such compensation generally consists of an asset based fee and is reflected in the valuation of the Fund's investments in each of the Investee Fund.

The Fund has right to request redemption of its investments in the Investee Funds on a daily basis.

The exposure to investments in the Investee Funds at fair value is disclosed under the Statement of Portfolio. These investments are included within "Portfolio of investments" in the Statement of Financial Position.

The Fund's holdings in the Investee Funds, as a percentage of the Investee Funds' total net asset value, will vary from time to time dependent on the volume of subscriptions and redemptions at the Investee Funds level. It is possible that the Fund may, at any point in time, hold a majority of an Investee Fund's total units in issue.

The Fund's maximum exposure to loss from its interests in the Investee Funds is equal to the total fair value of its investments in the Investee Funds.

Once the Fund has disposed of its shares in any of the Investee Funds, the Fund ceases to be exposed to any risk from it.

## SCHRODER MULTI-ASSET REVOLUTION

Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

#### 11. Related party disclosure

The Manager of the Fund is Schroder Investment Management (Singapore) Ltd. The Trustee is HSBC Institutional Trust Services (Singapore) Limited. With effect from 1 July 2020, The Hongkong and Shanghai Banking Corporation Limited replaces HSBC France, Luxembourg Branch, as the Registrar of the Fund. Both Trustee and Registrar are subsidiaries of the HSBC Group. The management fees, net of any management fee rebates, paid to the Manager and registration fees paid to the Registrar; trustee fees, valuation fees and custodian fees charged by, and interest earned on deposits with, the HSBC Group are shown in the Statement of Total Return.

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

	2020 \$	2019 \$
Current accounts	<u>16,223,065</u>	<u>9,055,759</u>

#### 12. Margin account

	2020 \$	2019 \$
Margin account	<u>1,499,152</u>	<u>4,045,026</u>

Margin account represents the margin deposit held in respect of futures contracts. The potential effect of offsetting arrangement is disclosed in note 9(e).

## SCHRODER MULTI-ASSET REVOLUTION

Constituted under a Trust Deed in the Republic of Singapore on 5 February 1998

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

#### 13. Financial ratios

	2020 Class A	2019 Class A
Expense ratio <sup>1</sup> (excluding underlying funds' unaudited expense ratio)	1.36%	1.35%
Expense ratio <sup>2</sup> (including underlying funds' unaudited expense ratio)	1.50%	1.51%
	Fund	Fund
Turnover ratio <sup>3</sup>	67.86%	97.99%

- <sup>1</sup> 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 value 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. 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 value is based on the daily balances.

Expense ratio calculations	2020 Class A \$	2019 Class A \$
Total operating expenses	5,590,665	4,876,194
Average net asset value	410,021,175	361,141,789

- <sup>2</sup> The expense ratio is the sum of the Fund's expense ratio and the weighted average of the underlying funds' unaudited expense ratios. The unaudited expense ratios of the underlying funds are obtained from the respective managers or independent sources. There is no requirement for the expense ratios of those underlying funds to be published or audited.
- <sup>3</sup> 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	2020 Fund \$	2019 Fund \$
Lower of purchases or sales	278,258,997 (sales)	353,869,325 (purchases)
Average net asset value	410,021,175	361,141,789

## REPORT TO UNITHOLDERS

31 December 2020

The following is a report on the Schroder Multi-Asset Revolution (the "Fund"):

1. Top 10 holdings of the Fund as at 31 December 2020:

	Fair value \$	Percentage of total net assets attributable to unitholders %
SISF - US Large Cap I Acc	104,160,926	22.79
SISF - QEP Global Core I Acc	61,023,417	13.36
Schroder Global Quality Bond Class I Acc	52,039,222	11.39
SISF - Global Equity Alpha I Acc	32,344,687	7.08
SISF - Global Corporate Bond I Acc	30,309,149	6.63
MAS Bill Series 87 4 Jan 2021	30,296,000	6.63
SISF - EURO Equity I Acc	29,940,706	6.55
SISF - Japanese Equity I Acc	24,580,221	5.38
Schroder Singapore Fixed Income Fund Class SGD I Acc	24,120,470	5.28
SISF - Global Inflation Linked Bond I Acc	14,387,729	3.15

Top 10 holdings of the Fund as at 31 December 2019:

	Fair value \$	Percentage of total net assets attributable to unitholders %
SISF - QEP Global Core I Acc	73,691,264	19.16
SISF - US Large Cap I Acc	64,407,721	16.74
Schroder Global Quality Bond Class I Acc	53,321,475	13.85
MAS Bill Series 84 31 Jan 2020	36,423,475	9.46
SISF - Asian Opportunities I Acc	23,645,588	6.14
SISF - EURO Equity I Acc	19,802,464	5.14
SISF - Japanese Equity I Acc	17,564,025	4.56
Schroder Singapore Fixed Income Fund Class SGD I Acc	14,517,219	3.77
SISF - Global Corporate Bond I Acc	13,388,582	3.48
SISF - Global Inflation Linked Bond I Acc	12,443,832	3.23

**Legend:**

SISF : Schroder International Selection Fund

The Fund was not invested in other unit trusts, mutual funds or collective investment schemes as at 31 December 2020 other than as stated in the Statement of Portfolio. For the full composition of investments of the Fund as at 31 December 2020, refer to the Statement of Portfolio on pages 12 to 15.

## REPORT TO UNITHOLDERS

31 December 2020

2. The Fund has the following exposure to financial derivatives as at 31 December 2020:

	Fair value \$	Percentage of total net assets attributable to unitholders %
Contracts:		
Forward foreign exchange	588,236	0.13
Futures	334,578	0.07

The net gain on financial derivatives realised in the period 1 January 2020 to 31 December 2020 amounted to \$9,217,511.

The net gain on outstanding financial derivatives marked to market as at 31 December 2020 amounted to \$922,814.

3. The Fund did not have any borrowings as at 31 December 2020.

4. The amount of subscriptions and redemptions in the period 1 January 2020 to 31 December 2020 were as follows:

	\$
Subscriptions	122,231,786
Redemptions	82,762,569

5. Expense Ratio (including underlying funds)

1 January 2020 to 31 December 2020	1.50%
1 January 2019 to 31 December 2019	1.51%

6. Turnover of Portfolio

1 January 2020 to 31 December 2020	67.86%
1 January 2019 to 31 December 2019	97.99%

7. Soft dollar commissions/arrangements:

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

In the management of the underlying Schroders funds (save for Schroder Asian Investment Grade Credit, Schroder Global Quality Bond, Schroder Singapore Fixed Income Fund and Schroder Singapore Trust), the managers may enter into soft dollar commission arrangements only where there is a direct and identifiable benefit to their clients, and where the managers are satisfied that the transactions generating the soft dollar commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interests of the underlying Schroders funds on terms that commensurate with best market practice.

## REPORT TO UNITHOLDERS

31 December 2020

### 8. Related Party Transactions

In addition to the disclosure in note 11 in the Notes to the Financial Statements, the respective management fees are chargeable by:

- i) Schroder Investment Management (Singapore) Ltd as Investment Manager of the following underlying funds:

<b>Underlying fund</b>	<b>Per annum of NAV</b>
Schroder Asian Investment Grade Credit Class I	-
Schroder Global Quality Bond Class I Acc	0.500%
Schroder Singapore Fixed Income Fund Class SGD I Acc	0.200%
Schroder Singapore Trust Class SGD I Acc	-

- ii) Schroder Investment Management (Europe) SA as Management Company of the following underlying funds:

<b>Underlying fund</b>	<b>Per annum of NAV</b>
SISF - Asian Opportunities I Acc	-
SISF - EURO Equity I Acc	-
SISF - Global Corporate Bond I Acc	-
SISF - Global Equity Alpha I Acc	-
SISF - Global Inflation Linked Bond I Acc	-
SISF - Greater China I Acc	-
SISF - Japanese Equity I Acc	-
SISF - QEP Global Core I Acc	-
SISF - US Large Cap I Acc	-

#### **Legend:**

SISF : Schroder International Selection Fund

### 9. Performance of Fund for periods ended 31 December 2020

	<b>3 mths</b>	<b>6 mths</b>	<b>1 yr</b>	<b>3 yrs*</b>	<b>5 yrs*</b>	<b>10 yrs*</b>	<b>Since Launch**</b>
Class A	6.3%	10.7%	12.4%	6.5%	6.5%	5.6%	3.7%
Benchmark**	6.3%	10.3%	11.3%	8.4%	8.2%	7.6%	4.9%

\* Returns of more than 1 year are annualised

# Since launch figures from 8 May 1998. The Fund was restructured on 7 July 2006 and has utilised a multi-asset approach since.

\*\* Benchmark: The benchmark is renamed to 60% MSCI World Index + 40% FTSE World Government Bond Index SGD Hedged (formerly known as Citi World Government Bond Index SGD Hedged).

Source

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

Benchmark: Schroders (\$)

