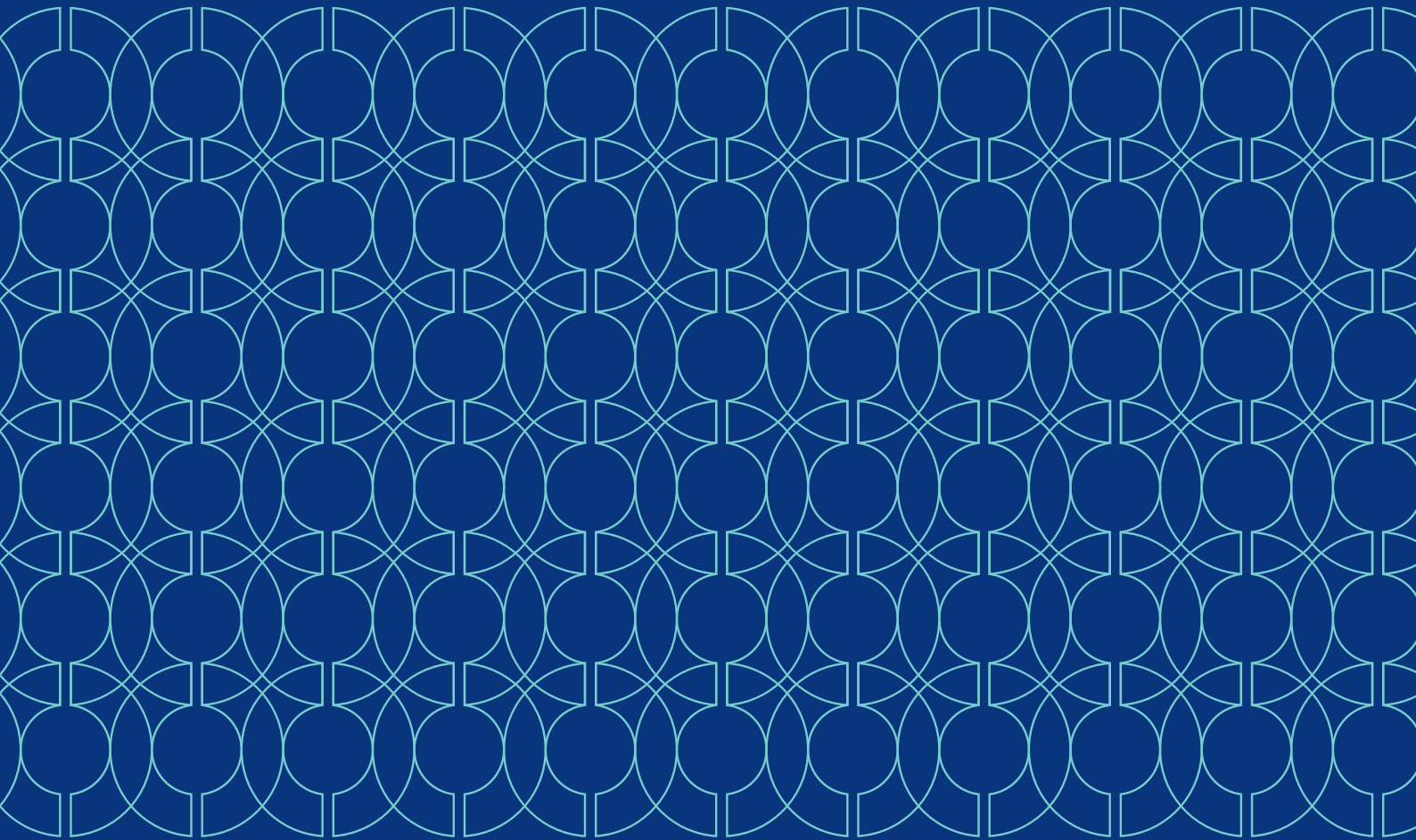


**Schroders**

**SCHRODER CHINA OPPORTUNITIES FUND**

**Semi-Annual Report & Financial Statements**

**June 2022**



## **SCHRODER CHINA OPPORTUNITIES FUND**

*(a sub-fund of Schroder International Opportunities Portfolio)*

*Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006*

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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.00020.SF.702

## SCHRODER CHINA OPPORTUNITIES FUND

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### COMMENTARY

The Fund outperformed the target benchmark, which fell during the review period.

From a sector perspective, stock selection was strong in technology, financials and consumer staples sectors. Allocation-wise, the underweight exposure to communication services contributed. From a market perspective, stock selection was strong in China. The overweight exposure to Hong Kong was a positive factor too.

At stock level, Solar product maker **Jinkosolar** was the top contributor as the market expected more solar demand from Europe as they switch away from Russian oil. Hong Kong bank **HSBC** also performed well as the stock rose higher given it is a rate hike cycle beneficiary. Chinese auto company **Great Wall** outperformed in Q2 on the back of the auto stimulus in China. On the flip side, the underweight position in EV car company **BYD** hurt relative performance as the stock went higher on the back of strong EV sentiment as well as the new auto stimulus in China. Our underweight position in **China Construction Bank** also hurt the performance. Smartphone camera maker **Sunny Optical** traded lower amid intensifying competition and weak smartphone sales globally.

June 2022

**SCHRODER CHINA OPPORTUNITIES FUND***(a sub-fund of Schroder International Opportunities Portfolio)**Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006***STATEMENT OF TOTAL RETURN***For the financial period ended 30 June 2022 (Unaudited)*

	<b>30 Jun 2022</b>	30 Jun 2021
	<b>\$</b>	\$
<b>Income</b>		
Interest on deposits with banks	-	10,647
<b>Expenses</b>		
Management fees	<b>324,141</b>	402,595
Less : Management fee rebates	<b>(108,047)</b>	(134,198)
Trustee fees	<b>29,048</b>	34,278
Valuation fees	<b>12,840</b>	15,384
Audit fees	<b>7,736</b>	7,512
Transaction costs	<b>237</b>	367
Others	<b>31,417</b>	34,128
	<b>297,372</b>	360,066
<b>Net expense</b>	<b>(297,372)</b>	(349,419)
<b>Net gains or losses on value of investments and financial derivatives</b>		
Net (losses)/gains on investments	<b>(11,287,862)</b>	12,039,027
Net losses on spot foreign exchange contracts	<b>(9,910)</b>	(73,252)
Net foreign exchange losses	<b>(3,362)</b>	(29,787)
	<b>(11,301,134)</b>	11,935,988
<b>Total (deficit)/return for the period</b>	<b>(11,598,506)</b>	11,586,569

**SCHRODER CHINA OPPORTUNITIES FUND***(a sub-fund of Schroder International Opportunities Portfolio)**Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006***STATEMENT OF FINANCIAL POSITION***As at 30 June 2022 (Unaudited)*

	<b>30 Jun 2022</b>	31 Dec 2021
	\$	\$
<b>ASSETS</b>		
Portfolio of investments	<b>154,277,129</b>	158,520,116
Bank balances	<b>1,891,589</b>	1,893,382
Receivables	<b>922,841</b>	3,237,381
<b>Total assets</b>	<b>157,091,559</b>	163,650,879
<b>LIABILITIES</b>		
Purchases awaiting settlement	-	1,741,329
Payables	<b>528,018</b>	1,286,504
Financial derivatives	-	6,285
<b>Total liabilities</b>	<b>528,018</b>	3,034,118
<b>EQUITY</b>		
Net assets attributable to unitholders	<b>156,563,541</b>	160,616,761

**SCHRODER CHINA OPPORTUNITIES FUND****(a sub-fund of Schroder International Opportunities Portfolio)***Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial period ended 30 June 2022 (Unaudited)*

	<b>30 Jun 2022</b>	31 Dec 2021
	\$	\$
<b>Net assets attributable to unitholders at the beginning of the financial period/year</b>	<b>160,616,761</b>	168,343,945
<b>Operations</b>		
Change in net assets attributable to unitholders resulting from operations	<b>(11,598,506)</b>	(24,325,263)
<b>Unitholders' contributions/(withdrawals)</b>		
Creation of units	<b>19,899,409</b>	92,827,025
Cancellation of units	<b>(12,354,123)</b>	(76,228,946)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	<b>7,545,286</b>	16,598,079
Total decrease in net assets attributable to unitholders	<b>(4,053,220)</b>	(7,727,184)
<b>Net assets attributable to unitholders at the end of the financial period/year</b>	<b>156,563,541</b>	160,616,761

**SCHRODER CHINA OPPORTUNITIES FUND****(a sub-fund of Schroder International Opportunities Portfolio)**

Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006

**STATEMENT OF PORTFOLIO**

As at 30 June 2022 (Unaudited)

**Primary**

	<b>Holdings at 30 Jun 2022</b>	<b>Fair value at 30 Jun 2022 \$</b>	<b>Percentage of total net assets attributable to unitholders at 30 Jun 2022 %</b>
<b>By geography</b>			
<b>Quoted</b>			
<b>Collective investment scheme</b>			
<b>LUXEMBOURG</b> (country of domicile) Schroder Intl Selection Fund - China Opportunities C Accumulation Share Class	<b>231,594</b>	<b>154,277,129</b>	<b>98.54</b>
<b>Portfolio of investments</b>		<b>154,277,129</b>	<b>98.54</b>
<b>Other net assets</b>		<b>2,286,412</b>	<b>1.46</b>
<b>Net assets attributable to unitholders</b>		<b>156,563,541</b>	<b>100.00</b>

**SCHRODER CHINA OPPORTUNITIES FUND***(a sub-fund of Schroder International Opportunities Portfolio)**Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006***STATEMENT OF PORTFOLIO***As at 30 June 2022 (Unaudited)***Primary** (continued)

	<b>Percentage of total net assets attributable to unitholders at 30 Jun 2022 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 Dec 2021 %</b>
<b>By geography (summary)</b>		
<b>Quoted</b>		
Luxembourg	<b>98.54</b>	98.69
<b>Portfolio of investments</b>	<b>98.54</b>	98.69
<b>Other net assets</b>	<b>1.46</b>	1.31
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	100.00

As the Fund invests wholly into an underlying collective investment scheme, it is not meaningful to show any secondary segmentation analysis.



**SCHRODER CHINA OPPORTUNITIES FUND****(a sub-fund of Schroder International Opportunities Portfolio)***Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006***UNITS IN ISSUE***For the financial period ended 30 June 2022 (Unaudited)*

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	<b>30 Jun 2022</b>	31 Dec 2021
	<b>Units</b>	Units
At the beginning of the financial period/year	<b>76,757,677</b>	70,353,465
Created	<b>10,702,531</b>	37,835,467
Cancelled	<b>(6,539,933)</b>	(31,431,255)
At the end of the financial period/year	<b>80,920,275</b>	76,757,677
	\$	\$
<b>Net assets attributable to unitholders</b>	<b>156,563,541</b>	160,616,761
<b>Net assets attributable to unitholders per unit</b>	<b>1.93</b>	2.09

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## SCHRODER CHINA OPPORTUNITIES FUND

(a sub-fund of Schroder International Opportunities Portfolio)

Constituted under a Trust Deed in the Republic of Singapore on 3 January 2006

### FINANCIAL RATIOS

For the financial period ended 30 June 2022 (Unaudited)

	30 Jun 2022	30 Jun 2021
Expense ratio <sup>1</sup> (excluding underlying fund's unaudited expense ratio)	0.39%	0.39%
Expense ratio <sup>2</sup> (including underlying fund's unaudited expense ratio)	1.66%	1.68%
Turnover ratio <sup>3</sup>	-	8.76%

- <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	30 Jun 2022	30 Jun 2021
	\$	\$
Total operating expenses	611,305	640,854
Average net asset value	158,449,249	162,725,080

- <sup>2</sup> The expense ratio is the sum of the Fund's expense ratio and the underlying fund's unaudited expense ratio. The unaudited expense ratio of the underlying fund, a Luxembourg domiciled fund, is obtained from Schroder Investment Management (Europe) SA. There is no requirement for the expense ratio of this Luxembourg domiciled fund 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	30 Jun 2022	30 Jun 2021
	\$	\$
Lower of purchases or sales	- (sales)	15,795,652 (sales)
Average net asset value	145,671,734	180,325,219

## REPORT TO UNITHOLDERS

30 June 2022

The following is a report on the Schroder China Opportunities Fund (the "Fund"):

1. The only security holding of the Fund as at 30 June 2022:

	Fair value \$	Percentage of total net assets attributable to unitholders %
Schroder Intl Selection Fund - China Opportunities C Accumulation Share Class	154,277,129	98.54

The only security holding of the Fund as at 30 June 2021:

	Fair value \$	Percentage of total net assets attributable to unitholders %
Schroder Intl Selection Fund - China Opportunities C Accumulation Share Class	187,273,238	98.86

The Fund was not invested in other unit trusts, mutual funds or collective investment schemes as at 30 June 2022 other than as stated in the Statement of Portfolio.

2. The Fund did not have any exposure to financial derivatives as at 30 June 2022.
3. The Fund did not have any borrowings as at 30 June 2022.
4. The amount of subscriptions and redemptions in the period 1 January 2022 to 30 June 2022 were as follows:

	\$
Subscriptions	19,899,409
Redemptions	12,354,123

5. Expense Ratio (including underlying fund)

1 July 2021 to 30 June 2022	1.66%
1 July 2020 to 30 June 2021	1.68%

## REPORT TO UNITHOLDERS

30 June 2022

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### 6. Turnover of Portfolio

1 January 2022 to 30 June 2022	-
1 January 2021 to 30 June 2021	8.76%

### 7. Soft dollar commissions/arrangements:

The Fund invests substantially into the underlying fund. In the management of the underlying fund, the manager may enter into soft dollar commission arrangements only where there is a direct and identifiable benefit to their clients, and where the manager is 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 fund on terms commensurate with best market practice.

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

### 8. Related Party Transactions

The Manager of the Fund is Schroder Investment Management (Singapore) Ltd. The Trustee is HSBC Institutional Trust Services (Singapore) Limited. The Registrar for the Fund is The Hongkong and Shanghai Banking Corporation Limited. Both Trustee and Registrar are subsidiaries of the HSBC Group. The registration fees payable by the Fund to the Registrar has been waived by the Registrar. The management fees, net of any management fee rebates, paid to the Manager; trustee fees and valuation fees charged by the HSBC Group are shown in the Statement of Total Return.

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

	30 Jun 2022	31 Dec 2021
	\$	\$
Current accounts	<u>1,891,589</u>	<u>1,893,382</u>

In addition to the above, the respective management fees are chargeable by:

- i) Schroder Investment Management (Europe) SA as Management Company of the following underlying fund:

Underlying fund	Per annum of NAV
Schroder Intl Selection Fund - China Opportunities C Acc	1.000%

## REPORT TO UNITHOLDERS

30 June 2022

### 9. Performance of Fund for periods ended 30 June 2022

	<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>
Fund	5.6%	-7.5%	-24.8%	7.1%	5.6%	9.0%	6.0%
Benchmark**	6.3%	-8.4%	-29.4%	0.4%	2.4%	6.5%	4.3%

\* Returns of more than 1 year are annualised

# Since launch figures from 1 March 2011

\*\* Benchmark: The benchmark of the Fund has been changed from the MSCI TR China Gross to the MSCI TR China Net with effect from 2 April 2013.

Source

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

Benchmark: Schroders (\$)

### 10. The Fund invests more than 30% of its assets in Schroder International Selection Fund - China Opportunities C Accumulation Share Class. The following are the key information on the underlying fund:

#### i. Top 10 holdings as at 30 June 2022:

	<b>Market value US\$</b>	<b>Percentage of total net assets %</b>
Alibaba Group Hldg Ltd	167,801,365	9.53
Tencent Hldg Ltd	159,525,747	9.06
Wuxi Biologics Cayman Inc	52,647,018	2.99
Meituan	51,590,556	2.93
Kweichow Moutai Co Ltd	50,005,863	2.84
Contemporary Amperex Technology Co Ltd	44,371,400	2.52
LONGi Green Energy Technology Co Ltd	41,554,168	2.36
Pinduoduo Inc	41,202,014	2.34
NIO Inc	40,673,783	2.31
China Merchants Bank Co Ltd	40,497,706	2.30

## REPORT TO UNITHOLDERS

30 June 2022

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Top 10 holdings as at 30 June 2021:

	<b>Market value US\$</b>	<b>Percentage of total net assets %</b>
Alibaba Group Hldg Ltd	184,614,549	9.83
Tencent Hldg Ltd	112,872,171	6.01
PRADA SpA	47,890,855	2.55
HSBC Hldg PLC	45,824,975	2.44
Li Ning Co Ltd	45,637,167	2.43
China Pacific Insurance Group Co Ltd	39,063,913	2.08
Sands China Ltd	37,561,455	2.00
Great Wall Motor Co Ltd	35,119,960	1.87
JinkoSolar Hldg Co Ltd	33,429,695	1.78
Shandong Gold Mining Co Ltd	31,176,007	1.66

ii. Expense Ratio

1 July 2021 to 30 June 2022	1.29%
1 July 2020 to 30 June 2021	1.30%

Brokerage and other transaction costs, performance fees, interest expense, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends paid to unitholders are not included in the expense ratio.

iii. Turnover of Portfolio

1 July 2021 to 30 June 2022	74.02%
1 July 2020 to 30 June 2021	94.81%

