

Schroders

Schroder China Equity

Alpha Fund

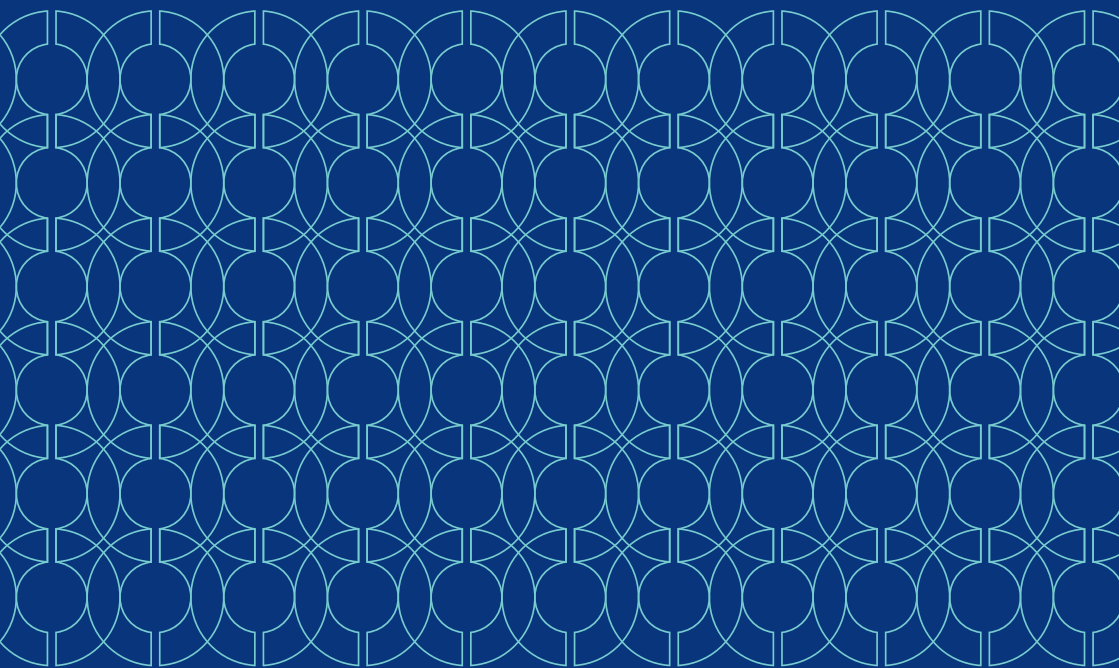
施羅德中國進取股票基金

(A Sub-Fund of Schroder Umbrella Fund II)

(施羅德傘型基金II的子基金)

Annual Report and Financial Statements

年度報告及財務報表



For the year ended 31st December 2017

二零一七年十二月三十一日止年度

Schroder China Equity Alpha Fund

(A Sub-Fund of Schroder Umbrella Fund II)

施羅德中國進取股票基金

(施羅德傘型基金II的子基金)

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Further information

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

FATCA entity classification: Nonreporting IGA FFI / Registered Sponsored Investment Entity
Sponsored entity GIIN: IV2GGD.00035.SF.344
Sponsoring entity: Schroder Investment Management (Hong Kong) Limited

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額外資訊

施羅德乃合規美國《海外帳戶稅收合規法案》("FATCA")機構。其FATCA類別及其機構的美國全球中介人識別碼("GIIN")如下。

FATCA 機構類別：在跨政府協議下免申報的海外金融機構／註冊資助機構
資助機構的GIIN：IV2GGD.00035.SF.344
發行機構：施羅德投資管理(香港)有限公司

Schroder China Equity Alpha Fund

(A Sub-Fund of Schroder Umbrella Fund II)

Reports and Financial Statements 年報及財務報表

For the year ended 31st December 2017 二零一七年十二月三十一日止年度

施羅德中國進取股票基金

(施羅德傘型基金II的子基金)

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Market review

China domestic equities end 2017 in the positive territory. However, the market witnessed a divergence of performances. Although the broad MSCI China A index was up +20.3% (in USD), consumer staples, the best performing sector, returned +73.2% (in USD) whilst telecommunication services, the worst performing sector, was down -11.6% (in USD).

The market gained in the first quarter on positive news for the world's second-largest economy. The positive momentum was maintained for the second quarter as investor sentiment was buoyant following a landmark decision by index provider MSCI to include Chinese A-shares in a range of its benchmark indices. Chinese domestic equities extended the gains in the third quarter. Strong performance by technology, financials and consumer names helped to spur the market higher as buying interest remained robust. Going into the fourth quarter, Chinese domestic equities traded sideways on the back of profit taking.

Performance commentary

The fund delivered a positive return of +45% (gross returns in USD) and outperformed the benchmark¹, which gained 28% (in USD) in 2017. Positive stock selection in technology and consumer discretionary were the key contributors although this was partially offset by our underweight position in consumer staples.

¹ CSI 300 index till 31 October 2017, afterward: MSCI China A (NDR)

市場回顧

二零一七年中國境內股市收市報升。雖然如此，市場卻表現分化。儘管摩根士丹利中國A股指數升20.3%（按美元計算），表現最佳的基本消費品類別升幅卻多達73.2%（美元），表現最劣的類別電訊服務則跌11.6%（美元）。

第一季股市因中國這個全球第二大經濟體消息利好而上揚。第二季延續利好動力，指數提供機構摩根士丹利資本國際（MSCI）作出劃時代決定、將中國A股納入其一系列基準指數，投資氣氛高漲。第三季中國境內股市繼續上揚。入市意欲保持暢旺，科技、金融及消費股表現強勁，有助刺激大市向上。踏入第四季，中國境內股市則因為獲利回吐而窄幅上落。

表現評論

二零一七年本基金錄得+45%的進賬（美元總回報），並超越上升28%（美元）的基準指數¹。科技和非必需消費品股選擇得當乃主要原因，但部分利好作用卻因為基本消費品股比重偏低而被抵銷。

¹ 直至二零一七年十月三十一日：滬深300指數，其後：MSCI中國A股指數（股息淨額再投資）。

Performance commentary (Continued)

The fund's leading contributor to performance was our overweight position in security and surveillance equipment manufacturer **Hangzhou Hikvision**, which saw its shares rise as investors continued to buy into quality large cap names after MSCI's decision to include China A-shares in its benchmark indices. Further positive contribution came from leading white goods manufacturer **Midea** as its shares rose strongly on positive sentiment for its growth and profit outlook this year. We like the company as we see it taking a strong lead in China's appliances industry on the back of its rising market share, strong cost controls and attractive Return on Invested Capital (ROIC).

Meanwhile, among the fund's top detractors was our overweight position in **Hithink RoyalFlush**, a provider that primarily offers equity trading software for investors via its mobile app and derives income from value-added financial information. Its shares fell as weak average daily turnover for the A-shares market has exerted pressure on its subscription business. Further detraction came from our nil weight positions in two leading Chinese white liquor stocks including **Kweichow Moutai** and **Wuliangye**. Their share prices were lifted by the news of price hike. However, the detraction was partially mitigated by our overweight positions in **Sichuan Swellfun** and **Anhui Kouzi Distillery**, which we favour for their mass market focus.

表現評論 (續)

對本基金表現最具貢獻的因素是比重偏高的保安及監控設備製造商**海康威視**，MSCI決定將中國A股納入其基準指數後，投資者持續買入優質大型股，刺激該公司股價上揚。領先白色家電製造商**美的**的繼續帶來進賬，股價因今年增長及利潤展望備受看好而節節上升。我們看好該公司，原因是憑藉市場佔有率上升、成本控制得法和投入資本回報率(ROIC)優厚，其在中國電器行業領導地位超卓。

與此同時，年內拖累基金的主要投資包括比重偏高的**浙江核新同花順**，該公司主要透過其流動通訊程式為投資者提供股票交易軟件，並從增值金融資訊賺取收入。其股價隨著A股市場每日平均成交額疲軟而下跌，已對其用戶訂購業務構成壓力。另一項拖累表現的因素是基金完全沒持有兩隻中國領先白酒股**貴州茅台**及**五糧液**。兩者股價皆因產品提價消息而受刺激。不過，部分拖累影響因為**四川水井坊**及**安徽口子酒業**比重偏高(看好其著眼普羅市場)而獲舒緩。

Market Outlook

At the recently-concluded 19th Congress of the Communist Party of China, the Chinese government seemed to place much more emphasis on the quality of economic growth to ensure stability and wealth equality, rather than focusing on a quantitative GDP growth target. As a result, the Chinese economy is expected to grow at a slightly slower pace in 2018 in light of the following factors:

- After the strength of China's GDP in the first nine months of 2017 - which averaged 6.9% year-on-year - some of the cyclical momentum is losing steam. This is due to growth having to match a higher starting base (the high base effect) and the implementation of restrictions on property purchases, which can negatively impact demand for housing. Further cyclical acceleration from here would be challenging.
- There is also downside risk to the economy emanating from the property market. President Xi's comments at the party congress that "property is for living, not for speculation" is telling, and the property market is expected to slow down in 2018.
- Although the Consumer Price Index (CPI) has been moderate despite a sharp pick-up in the Producer Price Index (PPI) this year, we are mindful that rising raw material prices may exert margin pressure on select mid-stream consumer and industrial companies while also triggering inflationary pressure in 2018.
- Deleveraging of the non-bank financial sector is likely to continue in 2018. While it is positive in the long run, it is likely to slow economic growth in the near term.

市場展望

在最近結束的中國共產黨第十九屆中國全國代表大會上，中國政府似乎遠較之前重視經濟增長的質素，以確保穩定性和均富，而非著眼於量化的本地生產總值(GDP)增長目標。因此，預料中國經濟在二零一八年的增長步伐會因為以下因素而略為減慢：

- 二零一七年頭九個月中國GDP既已展現強勢－按年增長6.9%－部分週期性動力已後勁不繼。這是由於增長必須配合較高的起步基數(高基數效應)和當局對購置房產實施限制，可對房屋需求構成負面衝擊。要在現水平再有週期加速實在不易。
- 地產市場亦會令經濟承受下行風險。習近平主席於黨大會上「房子是用來住的，不是用來炒的」一句話就已表明立場，預料二零一八年的地產市道將會放緩。
- 儘管消費物價指數(CPI)在今年生產物價指數(PPI)急升形勢下保持溫和，我們卻關注原材料價格上漲或會對某些中游消費和工業公司的毛利率受壓，同時亦會在二零一八年觸發通脹壓力。
- 非銀行類金融機構應會在二零一八年繼續去槓桿。儘管長遠利好，但短期內應會令經濟增長減慢。

Market Outlook (Continued)

On a positive note, consumption of goods and services will provide a buffer to growth, which has remained strong on the back of overall positive structural trends. Private investment has started to show signs of a pick-up in 2017 after a period of deceleration. However, we need to monitor whether it will be on a sustainable footing.

There have been marked upgrades in Asia in earnings-per-share (EPS) growth in 2017 after six consecutive years of downgrades, which is one of the main reasons for the market rally in 2017. A similar pattern is seen in China, as the latest round of earnings upgrades are concentrated in sectors such as technology/semiconductors, materials, consumer discretionary and services.

Looking ahead, EPS growth is likely to moderate in 2018 and we find it hard to envisage the recovery becoming more broad-based, given the cyclical momentum in the economy is likely to slow. In addition, margin pressure will be more obvious for the midstream consumer and industrial companies, especially for those without pricing power. High raw material prices and financial costs will either be translated into higher product prices (inflationary pressure) or resulting in a squeeze in company margins at some point.

In terms of portfolio positioning, we remain positive on select travel-related, healthcare, consumer goods and services companies as they will continue to see further earnings growth on the back of strong demand amid continuous consumption upgrade.

市場展望 (續)

從樂觀一面來看，商品和服務耗用將會為增長提供緩衝，而增長在整體結構趨勢利好支持下依然強勁。一段期間減慢的私人投資在二零一七年已開始呈現復甦跡象。不過，我們需要監控增長究竟會否具備持久根基。

經過連續六年被降級後，亞洲地區於二零一七年的每股盈利增長獲明顯調升評級，這是二零一七年市場升浪主要原因之一。中國亦呈現相若模式，最新一輪的盈利評級上調集中於科技／半導體、材料、非必需消費品和服務行業。

展望未來，經濟的週期性動力既有可能放緩，2018年的每股盈利增長料將溫和，所以我們難以設想復甦的範圍還會有變得更廣泛的可能性。此外，中游消費和工業公司承受的毛利壓力將會更明顯，訂價能力欠奉者尤甚。原材料價格及財務成本高企，若非轉化為產品價格上漲（通脹壓力），就是在某個時刻導致公司毛利受壓。

組合部署方面，我們仍看好某些旅遊相關、健康護理、消費品和服務公司，原因是該等公司在需求殷切和持續消費升級形勢下可繼續錄得進一步盈利增長。

As ever, our approach to stock selection is focused on trying to identify those businesses and management teams that are well placed to grow and prosper over the longer term under the widest possible range of macroeconomic outcomes. We maintain our adherence to disciplined bottom-up stockpicking rather than taking large binary directional bets on policy decisions where we have very little transparency or ability to generate alpha.

As at 31st December 2017, the net asset value of the Fund was US\$262,639,835 represented by units as below:

Class A	Units
USD Accumulation Units	256,520.57
HKD Accumulation Units	1,073,791.66
RMB Accumulation Units	67,074.12

Class C	
USD Accumulation Units	98,538.61

Class I	
USD Accumulation Units	686,619.73

一如既往，我們的選股方針都是著眼於設法找出具備有利條件，在差別最大的宏觀經濟結果範圍內，長遠而言能夠成長和發揚光大的企業和管理團隊。我們會繼續恪守嚴格的「由下而上」選股，而不會對透明度極低或難以達致超額回報(alpha)的政策決定作出巨額雙向賭注。

截至二零一七年十二月三十一日，本基金資產淨值為262,639,835美元，發行單位如下：

A類別	單位
美元累積單位	256,520.57
港元累積單位	1,073,791.66
人民幣累積單位	67,074.12

C類別	
美元累積單位	98,538.61

I類別	
美元累積單位	686,619.73

Manager's Report

經理人報告

The prices of units were:

基金單位價格如下：

NET ASSET VALUE PER UNIT

每單位資產淨值

Class A

USD Accumulation Units	US\$217.05
HKD Accumulation Units	HK\$129.38
RMB Accumulation Units	RMB134.41

A類別

美元累積單位	217.05 美元
港元累積單位	129.38 港元
人民幣累積單位	134.41 人民幣

Class C

USD Accumulation Units	US\$228.59
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C類別

美元累積單位	228.59 美元
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Class I

USD Accumulation Units	US\$240.71
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I類別

美元累積單位	240.71 美元
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**Schroder Investment Management
(Hong Kong) Limited**
20th April 2018

施羅德投資管理(香港)有限公司
二零一八年四月二十日

We, as Manager of the Schroder China Equity Alpha Fund (the "Fund"), a sub-fund of Schroder Umbrella Fund II, hereby certify to the best of our knowledge and belief that during the year from 1st January 2017 to 31st December 2017, we have not, nor has any other person acting on our behalf:

- (a) transferred units to another person for sale, resale, cancellation or subsequent transfer to us for sale, resale or cancellation;
- (b) acquired or disposed of investments for account of the Fund other than through a recognised securities market;
- (c) disposed of units to another person for a price lower than the current issue price at the time of disposal;
- (d) acquired units for a price higher than the current realisation price at the time of such acquisition.

For and on behalf of

Schroder Investment Management
(Hong Kong) Limited
20th April 2018

本公司為施羅德中國進取股票基金（「本基金」）（施羅德傘型基金II的子基金）經理人，謹證明在二零一七年一月一日至二零一七年十二月三十一日止年度本經理人以及任何代表經理人或其允許之人士均無：

- (a) 轉讓單位予其他人士作出售、轉售或取消，或其後轉讓予本經理人作出售、轉售或取消；
- (b) 在認可之證券交易市場以外買賣本基金之投資；
- (c) 以低於當時發行價之價格出售單位；
- (d) 以高於當時贖回價之價格購入單位。

代表

施羅德投資管理（香港）有限公司
二零一八年四月二十日

We hereby confirm that, in our opinion, the Manager has, in all material respects, managed the Fund in accordance with the provisions of the Trust Deed dated 8th October 2010, as amended, during the year ended 31st December 2017.

本信託人謹確認經理人於截至二零一七年十二月三十一日止財政年度在各個重要方面均依照二零一零年十月八日所訂立之信託契約（經修訂）之條款管理本基金。

HSBC Institutional Trust Services (Asia) Limited
20th April 2018

滙豐機構信託服務（亞洲）有限公司
二零一八年四月二十日

Independent Auditor's Report

To the Unitholders of
Schroder China Equity Alpha Fund
(A Sub-Fund of Schroder Umbrella Fund II)

獨立核數師報告

致施羅德中國進取股票基金
單位持有人 (施羅德傘型基金II的子基金)

Report on the Audit of the Financial Statements

Opinion

What we have audited

The financial statements of Schroder China Equity Alpha Fund (the "Fund"), a sub-fund of Schroder Umbrella Fund II, set out on pages 15 to 62, which comprise:

- the statement of financial position as at 31st December 2017;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to unitholders for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Fund as at 31st December 2017, and of its financial transactions and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

就財務報表審計作出的報告

意見

我們已審計的內容

施羅德中國進取股票基金 (施羅德傘型基金II的子基金) (以下簡稱「基金」) 列載於第十五至六十二頁的財務報表, 包括:

- 於二零一七年十二月三十一日的財務狀況報表;
- 截至該日止年度的全面收入報表;
- 截至該日止年度的分配給單位持有人資產淨值變動報表;
- 截至該日止年度的現金流量表; 及
- 財務報表附註, 包括主要會計政策概要。

我們的意見

我們認為, 該等財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了基金於二零一七年十二月三十一日的財務狀況及其截至該日止年度的財務交易及現金流量。

Independent Auditor's Report

To the Unitholders of
Schroder China Equity Alpha Fund
(A Sub-Fund of Schroder Umbrella Fund II)
(Continued)

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) issued by the HKICPA. 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 opinion.

Independence

We are independent of the Fund in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

Other Information

The Trustee and the Manager (together the “Management”) of the Fund are responsible for the other information. The other information comprises the information included in the annual report other than 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.

獨立核數師報告

致施羅德中國進取股票基金
單位持有人 (施羅德傘型基金II的子基金) (續)

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於基金，並已履行守則中的其他專業道德責任。

其他信息

基金的受託人及經理(合稱為「管理層」)須對其他信息負責。其他信息包括年報內的信息，但不包括財務報表及我們的核數師報告。

我們對財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

Independent Auditor's Report

To the Unitholders of
Schroder China Equity Alpha Fund
(A Sub-Fund of Schroder Umbrella Fund II)
(Continued)

Other Information (Continued)

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.

Responsibilities of the Management for the Financial Statements

The Management of the Fund is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the Management 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 Management of the Fund 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 Management either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

In addition, the Management of the Fund is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 8th October 2010, as amended (the "Trust Deed") and Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC Code").

獨立核數師報告

致施羅德中國進取股票基金
單位持有人 (施羅德傘型基金II的子基金) (續)

其他信息 (續)

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

管理層就財務報表須承擔的責任

基金的管理層須負責根據香港會計師公會頒布的《香港財務報告準則》擬備真實而中肯的財務報表，並對其認為為使財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備財務報表時，基金的管理層負責評估貴基金持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非管理層有意將基金清盤或停止經營，或別無其他實際的替代方案。

此外，基金的管理層須確保財務報表已根據二零一零年十月八日訂立的信託契約 (經修訂) (「信託契約」) 的相關披露條文，以及香港證券及期貨事務監察委員會頒布的《單位信託及互惠基金守則》附錄E (「證監會守則」) 的相關披露條文而妥為編製。

Independent Auditor's Report

To the Unitholders of

Schroder China Equity Alpha Fund

(A Sub-Fund of Schroder Umbrella Fund II)

(Continued)

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. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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. In addition, we are required to assess whether the financial statements of the Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

As part of an audit in accordance with HKSA's, we exercise professional judgment 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.

獨立核數師報告

致施羅德中國進取股票基金

單位持有人 (施羅德傘型基金II的子基金) (續)

核數師就審計財務報表承擔的責任

我們的目標，是對財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向單位持有人 (作為整體) 報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。此外，我們需要評估基金的財務報表是否根據信託契約的相關披露條文及證監會守則附錄E而妥為編製。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。

Independent Auditor's Report

To the Unitholders of

Schroder China Equity Alpha Fund

(A Sub-Fund of Schroder Umbrella Fund II)

(Continued)

獨立核數師報告

致施羅德中國進取股票基金

單位持有人 (施羅德傘型基金II的子基金) (續)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- 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 Management.
- Conclude on the appropriateness of the Management'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.

核數師就審計財務報表承擔的責任 (續)

- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對基金內部控制的有效性發表意見。
- 評價管理層所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對管理層採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對基金的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致基金不能持續經營。
- 評價財務報表的整體列報方式、結構和內容，包括披露，以及財務報表是否中肯反映交易和事項。

Independent Auditor's Report

To the Unitholders of
Schroder China Equity Alpha Fund
(A Sub-Fund of Schroder Umbrella Fund II)
(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

We communicate with the Management 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.

Report on Matters under the Relevant Disclosure Provisions of the Trust Deed and Appendix E of the SFC Code

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 20th April 2018

獨立核數師報告

致施羅德中國進取股票基金
單位持有人 (施羅德傘型基金II的子基金) (續)

核數師就審計財務報表承擔的責任 (續)

除其他事項外，我們與管理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

就信託契約的相關披露條文及證監會守則附錄E的有關披露規定之事項作出的報告

我們認為，財務報表已在所有重大方面根據信託契約及證監會守則附錄E的相關披露條文而妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零一八年四月二十日

Statement of Financial Position

財務狀況報表

As at 31st December 2017

截至二零一七年十二月三十一日

	Note	2017 US\$ 二零一七年 美元	2016 US\$ 二零一六年 美元
	附註		
ASSETS 資產			
Current assets 流動資產			
Investments 投資	3(b)	255,586,749	96,037,748
Amounts receivable on subscription of units 應收認購單位款項		113,342	2,308,601
Interest receivable 應收利息		211	2
Other receivables 其他應收款項		390,021	-
Margin deposits 保證金	5	17	-
Cash Collateral 現金抵押品		580,000	-
Cash and bank deposits 現金及銀行存款	3(c)	8,005,337	1,881,513
Total assets 資產總值		<u>264,675,677</u>	<u>100,227,864</u>
LIABILITIES 負債			
Current liabilities 流動負債			
Amounts payable on redemption of units 應付贖回單位款項		1,257,176	-
Collateral payable 應付抵押品		580,000	-
Management fee payable 應付管理費	6	113,631	16,864
Trustee fee payable 應付信託人費	6	15,069	5,906
Other payables 其他應付款項		69,966	52,953
Liabilities (excluding net assets attributable to unitholders) 負債值 (除分配給單位持有人淨資產)		<u>2,035,842</u>	<u>75,723</u>
Net assets attributable to unitholders 分配給單位持有人淨資產	9	<u>262,639,835</u>	<u>100,152,14</u>

For and on behalf of 代表

For and on behalf of 代表

Schroder Investment Management
(Hong Kong) Limited
施羅德投資管理(香港)有限公司

HSBC Institutional Trust Services (Asia) Limited
滙豐機構信託服務(亞洲)有限公司

The notes on pages 20 to 62 are an integral part of these financial statements.

第二十頁至第六十二頁之附註乃屬本財務報表之一部份。

Statement of Comprehensive Income

全面收入報表

Year ended 31st December 2017

二零一七年十二月三十一日止年度

	Note	2017 US\$ 二零一七年 美元	2016 US\$ 二零一六年 美元
	附註		
INCOME 收入			
Dividends 股息		2,659,089	1,135,161
Interest on bank deposits 存款利息		9,978	8,073
Net gains/(losses) on investments and derivative financial instruments 投資及衍生金融工具的淨收益／(虧損)	4	61,810,595	(8,158,310)
Net exchange losses 匯兌淨虧損		(47,317)	(101,792)
Total income/(loss) 總收入／(虧損)		<u>64,432,345</u>	<u>(7,116,868)</u>
EXPENSES 支出			
Management fee 管理費用	6	800,189	121,427
Trustee fee 信託人費用	6	125,182	58,428
Safe custody and bank charges 代管費用及銀行費用		132,283	73,094
Auditor's remuneration 核數師酬金		50,712	47,235
Legal and other professional fees 法律及專業費用		21,002	1,640
Interest expense 利息支出		856	-
Other operating expenses 其他經營費用		242,637	105,426
Total operating expenses 總經營費用		<u>1,372,861</u>	<u>407,250</u>
Income/(loss) before tax 預扣稅項前之收益／(虧損)		63,059,484	(7,524,118)
Withholding tax 預扣稅項	8(b)	(279,073)	(128,144)
Increase/(decrease) in net assets attributable to unitholders 與配給單位持有人淨資產之增加／(減少)		<u>62,780,411</u>	<u>(7,652,262)</u>

The notes on pages 20 to 62 are an integral part of these financial statements.
第二十頁至第六十二頁之附註乃屬本財務報表之一部份。

Statement of Changes in Net Assets Attributable to Unitholders 分配給單位持有人資產淨值變動報表

Year ended 31st December 2017

二零一七年十二月三十一日止年度

	Note	2017 US\$ 二零一七年 美元	2016 US\$ 二零一六年 美元
Balance at the beginning of the year 年初總值		100,152,141	86,913,349
Issue of units 發行單位	9	175,979,623	44,996,564
Redemption of units 贖回單位	9	(76,272,340)	(24,105,510)
		99,707,283	20,891,054
Increase/(decrease) in net assets attributable to unitholders 分配給單位持有人淨資產之增加／(減少)		62,780,411	(7,652,262)
Balance at the end of the year 年終總值		<u>262,639,835</u>	<u>100,152,141</u>

The notes on pages 20 to 62 are an integral part of these financial statements.
第二十頁至第六十二頁之附註乃屬本財務報表之一部份。

Statement of Cash Flows

現金流量表

Year ended 31st December 2017

二零一七年十二月三十一日止年度

	2017 US\$ 二零一七年 美元	2016 US\$ 二零一六年 美元
Cash flows from operating activities 經營業務之現金流量		
Increase/(decrease) in net assets attributable to unitholders 分配給單位持有人淨資產之增加／(減少)	62,780,411	(7,652,262)
Adjustments for 調整：		
Dividends 股息	(2,659,089)	(1,135,161)
Interest on bank deposits 存款利息	(9,978)	(8,073)
Withholding tax 預扣稅項	279,073	128,144
Operating profit/(loss) before working capital changes 營運資本轉變前之經營盈利／(虧損)	<u>60,390,417</u>	<u>(8,667,352)</u>
Net increase in investments 投資之增加淨額	(159,549,001)	(9,753,338)
Increase in margin deposits 保證金之增加	(17)	-
Increase in cash collateral 現金抵押品之增加	(580,000)	-
Increase in collateral payable 應付抵押品之增加	580,000	-
Increase in management fee payable 應付管理費之增加	96,767	11,091
Increase in trustee fee payable 應付信託人費之增加	9,163	787
Increase/(decrease) in other payables 其他應付款項之增加／(減少)	17,013	(63,930)
Increase in other receivables 應收款項之增加	(390,021)	-
Cash used in operations 經營所運用之現金	<u>(99,425,679)</u>	<u>(18,472,742)</u>
Dividends received 已收股息	2,380,801	1,008,494
Interest received 已收存款利息	8,984	6,594
Net cash used in operating activities 經營業務所運用之現金淨額	<u>(97,035,894)</u>	<u>(17,457,654)</u>

Statement of Cash Flows (Continued)

現金流量表 (續)

Year ended 31st December 2017

二零一七年十二月三十一日止年度

	2017 US\$ 二零一七年 美元	2016 US\$ 二零一六年 美元
Cash flows from financing activities		
融資活動之現金流量		
Proceeds from subscription of units 認購單位所得款項	178,174,882	42,737,963
Payments on redemption of units 贖回單位支付款項	(75,015,164)	(24,105,510)
Net cash generated from financing activities		
融資活動所產生之現金淨額	<u>103,159,718</u>	<u>18,632,453</u>
Net increase in cash and cash equivalents		
現金及現金等值之淨增加	6,123,824	1,174,799
Cash and cash equivalents at the beginning of the year 年初現金及現金等值	<u>1,881,513</u>	<u>706,714</u>
Cash and cash equivalents at the end of the year		
年終現金及現金等值	<u>8,005,337</u>	<u>1,881,513</u>
Analysis of balances of cash and cash equivalents:		
現金及現金等值餘額分析：		
Cash and bank deposits 銀行現金及存款結餘	<u>8,005,337</u>	<u>1,881,513</u>

The notes on pages 20 to 62 are an integral part of these financial statements.
第二十頁至第六十二頁之附註乃屬本財務報表之一部份。

1. GENERAL INFORMATION

Schroder China Equity Alpha Fund (the "Fund") is a sub-fund of Schroder Umbrella Fund II, an umbrella unit trust established in Hong Kong and governed by its Trust Deed dated 8th October 2010, as amended (the "Trust Deed"), between Schroder Investment Management (Hong Kong) Limited (the "Manager") and HSBC Institutional Trust Services (Asia) Limited (the "Trustee"). The Fund is authorised by the Securities and Futures Commission of Hong Kong ("SFC") under Section 104(1) of the Hong Kong Securities and Futures Ordinance and is required to comply with the Code on Unit Trusts and Mutual Funds issued by the Securities and Futures Commission of Hong Kong.

The Fund's objective is to achieve sustainable and long term capital appreciation in United States dollars by investing primarily in securities of companies in the mainland China securities markets, currently Shenzhen Stock Exchange and Shanghai Stock Exchange. For the purpose of the investment objective and policy, mainland China excludes Hong Kong and Macau Special Administrative Regions and Taiwan.

The Fund seeks to achieve the investment objective primarily through investment in A-Shares of mainland China companies directly via Qualified Foreign Institutional Investor ("QFII") quota granted for the account of the Fund and/or the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (collectively the "Stock Connect") and, to a limited extent up to 10% of its net assets, indirectly via other instruments linked to A-Shares. To the extent permitted by the applicable regulations and investment restrictions, the Fund may also invest in other types of investments including, but not limited to, securities investment funds, stock index futures and other instruments from time to time approved by China Securities Regulatory Commission ("CSRC") for investment by a QFII.

1. 一般資料

施羅德中國進取股票基金（「基金」）是施羅德傘型基金II的子基金。施羅德傘型基金II於香港成立及乃根據一份由施羅德投資管理（香港）有限公司作為經理人（「經理人」）和滙豐機構信託服務（亞洲）有限公司作為受託人（「受託人」）簽署，日期為二零一零年十月八日的信託契約（經修訂）成立的傘型單位信託基金。本基金並已獲香港證券及期貨事務監察委員會根據香港證券及期貨條例第104(1)條核准，並受香港證券及期貨事務監察委員會所發行之單位信託及互惠基金守則規範。

本基金的目標為透過投資於中國內地證券交易所（現時為深圳證券交易所和上海證券交易所），以實現以美元計的可持續和長期資本增值。就投資目標和政策而言，「中國內地」不包括香港和澳門特別行政區和台灣。

本基金主要透過向其授予的合格境外機構投資者計劃（「QFII」）配額及／或滬港股票市場交易互聯互通機制和深港股票市場交易互聯互通機制（合稱「互聯互通機制」）直接投資於中國企業的A股或（最高佔本基金淨資產百分之十有限度地）間接投資於其他與A股掛鈎之工具以達致投資目標。在適用法規和投資限制批准的範圍內，本基金亦可投資於其他種類的投資項目，但不限於證券投資基金、股票指數期貨和其他不時獲中國證券監督管理委員會（「中國證監會」）就QFII的投資而批准的其他工具。本基金獲國家外匯管理局（「外匯管理局」）就本基金而向Schroder Investment Management Limited（「QFII持有人」）批發QFII額度。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the year presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires the Trustee and Manager to exercise their judgment in the process of applying the Fund’s accounting policies.

2. 主要會計政策

以下為本財務報表採納之主要會計政策，除另有註明外，與往年採納者一致。

(a) 編製基準

本財務報表乃按照由香港會計師公會頒佈的香港財務報告準則編製。財務報表乃按歷史成本準則編製，並就按公平值透過損益列賬的財務資產及財務負債之重估而作出調整。

受託人及經理人按照香港財務報告準則編製財務報表時需作出若干關鍵會計估算、判斷和假設。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

Standards and amendments to existing standards effective 1st January 2017

Amendments to HKAS 7, 'Statement of Cash Flows' became effective for annual periods beginning on or after 1st January 2017. These amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. Adoption of these amendments did not have a material impact on the Fund's financial statements.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1st January 2017 that have a material effect on the financial statements of the Fund.

New standards, amendments and interpretations effective after 1st January 2017 and have not been early adopted by the Fund

HKFRS 9 'Financial Instruments' addresses the classification, measurement and derecognition of financial assets and liabilities. It replaces the multiple classification and measurement models in HKAS 39 and is effective for reporting periods beginning on or after 1st January 2018.

2. 主要會計政策 (續)

(a) 編製基準 (續)

自二零一七年一月一日開始生效的準則及現有準則的修訂

香港會計準則第7號(修訂本)於二零一七年一月一日或之後開始的年度期間生效。實體須對讀者解釋融資活動產生的負債變動，包括來自現金流量的變化以及非現金的變動。該修訂預期不會對基金的財務狀況或表現造成重大影響。

除此以外，並無其它於二零一七年一月一日開始財政年度首次生效的準則，現有準則的修訂或詮釋會對基金造成重大影響。

於二零一七年一月一日後生效但本基金並無提早採納的新準則、修訂和詮釋

香港財務報告準則第9號「金融工具」處理金融資產和金融負債的分類、計量和取消確認。此準則將取代香港會計準則第39號中多重分類和計量模型，並將於二零一八年一月一日或之後開始的報告期起生效。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

New standards, amendments and interpretations effective after 1st January 2017 and have not been early adopted by the Fund (Continued)

Classification and measurement of debt assets will be driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A debt instrument is measured at amortised cost if the objective of the business model is to hold the financial asset for the collection of the contractual cash flows and the contractual cash flows under the instrument solely represent payments of principal and interest (SPPI). A debt instrument is measured at fair value through other comprehensive income if the objective of the business model is to hold the financial asset both to collect contractual cash flows from SPPI and to sell. All other debt instruments must be recognised at fair value through profit or loss. An entity may however, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Derivative and equity instruments are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income. HKFRS 9 also introduces a new expected credit loss (ECL) impairment model.

2. 主要會計政策 (續)

(a) 編製基準 (續)

於二零一七年一月一日後生效但本基金並無提早採納的新準則、修訂和詮釋 (續)

對債務資產的分類和計量將取決於主體管理其金融資產的業務模式，以及該等金融資產的合約現金流量特點。假若業務模式之目的是持有金融資產以收取合約現金流量，而該工具下的合約現金流量僅代表本金和利息的付款，則該債務工具須按攤銷成本計量。假若業務模式之目的是持有金融資產以同時從本金和利息的付款中收取合約現金流量和出售，則該債務工具須按公平值透過其他綜合收益列賬。所有其他債務工具必須按公平值透過損益列賬。然而，如能消除或大幅減低計量或確認的不一致性，則主體可於初始確認時，不可撤銷地指定某金融資產按公平值透過損益列賬。衍生工具和權益工具均須按公平值透過損益列賬，除非權益工具並非持作買賣，則採用不可撤銷的選擇權按公平值透過其他綜合收益計量。香港財務報告準則第9號亦引入了新的預期信貸虧損減值模型。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

New standards, amendments and interpretations effective after 1st January 2017 and have not been early adopted by the Fund (Continued)

On adoption of HKFRS 9 the Fund's investment portfolio will continue to be classified as fair value through profit or loss. Other financial assets which are held for collection will continue to be measured at amortised cost with no material impact expected from application of the new impairment model. As a result, the adoption of HKFRS 9 is not expected to have a material impact on the Fund's financial statements.

In addition to the above, a number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1st January 2017, and have not been applied in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

(b) Investments

All investments or financial liabilities have been classified as "financial assets at fair value through profit or loss". These financial assets and liabilities are held for trading. Financial assets and liabilities held for trading are acquired or incurred principally for the purpose of selling or repurchasing in the short term.

2. 主要會計政策 (續)

(a) 編製基準 (續)

於二零一七年一月一日後生效但本基金並無提早採納的新準則、修訂和詮釋 (續)

在採納香港財務報告準則第9號後，本基金的投資組合將繼續分類為按公平值透過損益列賬。其他持作收取款項的金融資產，將繼續按攤銷成本計量，且不預期在應用新減值模型後會出現重大影響。因此，預期採納香港財務報告準則第9號將不會對本基金的財務報表產生重大影響。

除上述外，多項新準則、修訂和詮釋已於二零一七年一月一日後開始的年度期間起生效，但尚未於本財務報表中採納。此等新準則、修訂和詮釋預期不會對本基金的財務報表有任何重大影響。

(b) 投資

所有投資乃歸類為「按公平值透過損益記賬之財務資產或負債」。此等金融資產和負債為持作買賣用途。持作買賣用途的金融資產和負債主要是為了在短期內出售或購回而買入或產生的。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Investments (Continued)

Purchases and sales of investments are accounted for on the trade date basis. Investments are initially recognised at fair value, excluding transaction costs which are expensed as incurred, and are subsequently re-measured at fair value. Realised and unrealised gains and losses on investments are included in the statement of comprehensive income in the year in which they arise. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market and participants at the measurement date. The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the reporting date.

Investments that are listed or traded on an exchange are fair valued based on quoted last traded prices. Debt securities are fair valued inclusive of accrued interest.

Investments which are not listed on an exchange or are thinly traded are valued by using quotes from brokers.

2. 主要會計政策 (續)

(b) 投資 (續)

投資之買賣於交易日確認。投資先以公平值扣除交易成本(在產生時作為開支扣除)確認，其後以公平值列賬。本年度內投資所產生之已變現及未變現收益及虧損包括於綜合收益表內。當收取投資的現金流量已終止或本基金已轉移差不多所有的風險和回報時，即終止確認。

公平值估計

公平值指在計量日期，於一般交易中由市場與參與者出售一項資產而應收取或轉讓一項負債而應支付的價格。在活躍市場中買賣的金融資產和負債的公平值，根據報告日期交易結束時的市場報價計算。

投資於上市或交易所乃按最後交易價之公平值計算。債務證券乃按包括應計利息的公平計算。

非上市或較少成交量之投資乃按有關經紀提供的收市買入價估值。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Income and expenses

Dividend income on equity securities is recorded on the ex-dividend date with the corresponding foreign withholding taxes recorded as an expense.

Interest income is recognised on a time proportionate basis using the effective interest method.

Other income and expenses are accounted for on an accruals basis.

(d) Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The performance of the Fund is measured and reported to the unitholders in United States Dollar (“US\$”). The Manager considers US\$ as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in US\$, which is the Fund’s functional and presentation currency.

2. 主要會計政策 (續)

(c) 收入及支出

股息收入乃於除息日當日入賬。相關的海外預繳稅入賬為支出。

利息收入乃按實際利息法按時間比例基準入賬。

其他收入及開支乃按應計基準計算。

(d) 外幣交易

功能及呈列貨幣

本基金財務報表內所包括的項目乃採用其經營業務所在的主要經濟體系的貨幣計價（「功能貨幣」）。本基金以美元計算及匯報以美元之表現。經理人認為美元能真誠地表現出基金內之交易、事項及狀況。財務報表乃以美元（即基金的功能貨幣及列賬貨幣）編列。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Foreign currency translation (Continued)

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year end date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within "net exchange gains/(losses)".

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within "net gains/(losses) on investments".

(e) 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.

2. 主要會計政策 (續)

(d) 外幣交易 (續)

交易及結餘 (續)

外幣交易按交易日期適用之匯率折算為功能貨幣。外幣資產和負債按年終日之匯率折算為功能貨幣。

匯率換算產生的匯兌盈虧在全面收入報表確認。

與現金及現金等價物有關的匯兌盈虧在全面收入報表內的「匯兌淨收益／(虧損)」中呈列。

與按公平值透過損益列賬的財務資產及財務負債有關的匯兌盈虧在全面收入報表內的「投資淨收益／(虧損)」中呈列。

(e) 金融工具抵銷

若存在法律上可行使的權利，可對已確認入帳的項目進行抵銷，且有意以淨額方式結算，或將資產變現並同時清償債務，則財務資產及負債可予抵銷，並把淨額於財務狀況報表內列帳。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Offsetting financial instruments (Continued)

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 company or the counterparty.

(f) Accounts receivables

Accounts receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Accounts receivables are classified as current assets if the collections of receivables are expected in the one year or less. If not, they are presented as non-current assets.

2. 主要會計政策 (續)

(e) 金融工具抵銷 (續)

法定可執行權利必須不得依賴未來事件而定，而在一般業務過程中以及倘公司或對手方一旦出現違約、無償債能力或破產時，這也必須具有約束力。

(f) 應收賬款

應收賬款初始按公平值確認，其後利用實際利率法按攤銷成本減去減值準備入賬。當有客觀證據證明本基金將無法按應收款的原有條款收回所有應收款項時，即會就應收款設立減值準備。準備金額為資產賬面值與估計未來現金流量的差額，並按原實際利率貼現。如應收的款項預期在一年內收取，將此等應收賬款分類為流動資產。如不預期在一年內收取，則呈列為非流動資產。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Accounts payable and accruals

Accounts payables and accruals are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Accounts payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

(h) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts, if any.

(i) Margin accounts

Margin accounts represent margin deposit held in respect of open future contracts.

(j) Redeemable units

Redeemable units are classified as financial liabilities and are issued or redeemed at the holder's option at prices based on the Fund's net asset value per unit as at the close of business on the relevant dealing day. The Fund's net asset value per unit is calculated by dividing the net assets attributable to the unitholders with the total number of outstanding units.

2. 主要會計政策 (續)

(g) 應付賬款及應計款項

應付賬款及應計款項初始按公平值確認，其後利用實際利率法按攤銷成本入賬。如款項須在一年或以內支付，將應付賬款分類為流動負債。如不須在一年或以內支付，則呈列為非流動負債。

(h) 現金及現金等值

現金及現金等值指現金、銀行活期存款以及存款存放日期起計在三個月內到期之高流通性的投資 (如有)。

(i) 保證金

保證金戶口存放了未平倉期貨合約之保證金。

(j) 可贖回基金單位

可贖回基金單位分類為財務負債，單位持有人可於相關交易日營業時間結束時以每單位基金資產淨值的價格發行或贖回。本基金的每單位資產淨值是以基金單位持有人應佔資產淨值除以已發行單位總數計算。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Taxation

Hong Kong tax

No provision for Hong Kong profits tax has been made as the Fund was authorised as a collective investment scheme under Section 104 of the Hong Kong Securities and Futures Ordinance and is therefore exempt from Hong Kong profits tax under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

PRC Tax

The Fund currently incurs withholding taxes imposed by PRC on investment income. Such income is recorded gross of withholding taxes in the statement of comprehensive income.

(l) Cash Collateral

Base on agreements entered between brokers and the Fund, one party will have an obligation to pay cash collateral for the return of the portfolio of derivative attributable to the counterparty if the return of the portfolio of derivative equals or exceeds a predetermined threshold at any valuation date. The movement of derivative is marked to market daily, which determines whether the Fund receives from or pays cash collateral to the counterparty on a daily basis.

2. 主要會計政策 (續)

(k) 稅項

香港稅項

由於本基金根據香港證券及期貨條例第104條獲認可為集體投資計劃，根據香港稅務條例第26A(1A)條，本基金獲豁免繳納香港利得稅，因此並無香港稅項撥備。

中國稅項

本基金現時產生由中國附加在投資收入上的預扣稅項。其收入並未在全面收入報表中扣除預扣稅項。

(l) 現金抵押品

根據經紀商與基金之間簽訂的協議，如果一方應歸屬的衍生產品投資組合的回報於某一交易日等於或超過預定限度，則另一方將有義務為對方應歸屬的衍生產品組合的回報支付現金抵押品。衍生品的價格走勢會每天按市值計價，來按日決定基金會否收到或支付對手方的現金抵押品。

3. FINANCIAL RISK MANAGEMENT

(a) Strategy in using financial instruments

The Fund's investment objective is to achieve sustainable and long term capital appreciation in United States dollars by investing primarily in the mainland China capital markets, mainly in securities of companies in the mainland China securities markets.

The Fund will seek to achieve the investment objective primarily through investment in A-Shares of mainland China companies directly via QFII quota granted for the account of the Fund and/or the Stock Connect, indirectly via other instruments linked to A-Shares on a temporary basis if the Manager considers it appropriate. The Fund is therefore exposed to market price risk, interest rate risk, credit risk, currency risk and liquidity risk arising from the financial instruments held.

This risks and the respective risk management policies employed by the Fund to manage these risks are discussed below.

(b) Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

3. 財務風險管理

(a) 運用金融工具的策略

本基金的目標是透過投資於中國的資本市場，主要是於中國證券市場上市的證券，以實現以美元計的持續和長期的資本增值。

本基金主要透過向其授予的QFII配額及／或滬港通直接投資於中國企業的A股，或在經理人認為適當的情況下間接暫時投資於其他與A股掛鈎之工具以達致投資目標。故本基金須承擔所持有金融工具所產生的市場價格風險、利率風險、信貸風險、匯率風險及流通性風險。

本基金的風險承擔用以管理此等風險而採用的風險管理政策探討如下：

(b) 市場價格風險

市場價格風險指金融工具價值因市場價格變動而波動不定的風險，不論該等變動乃由個別工具相關因素又或因為影響市場上所有工具的因素而導致。

3. FINANCIAL RISK MANAGEMENT (Continued)

(b) Market price risk (Continued)

All investments present a risk of loss of capital. The Fund's market price risk is managed through diversification of the investment portfolio. The Fund's overall market positions are monitored on a regular basis by the Manager.

As at 31st December 2017 and 2016, the overall market exposures were as follows:

3. 財務風險管理 (續)

(b) 市場價格風險 (續)

所有投資項目均須承擔資本虧損風險。本基金乃透過分散投資組合來管理市場價格風險。經理人定期對本基金的整體市場持倉進行監控。

截至二零一七年及二零一六年十二月三十一日，本基金的整體市場風險承擔如下：

	2017 二零一七年		2016 二零一六年	
	Fair value 公平價值 US\$ 美元	% of net assets 佔資產淨值 百分比	Fair value 公平價值 US\$ 美元	% of net assets 佔資產淨值 百分比
Held for trading 持作交易用				
Listed equities 上市股票	255,386,731	97.23%	96,037,748	95.89%
Listed debt securities 上市債務證券	200,018	0.08%	-	-
	<u>255,586,749</u>	<u>97.31%</u>	<u>96,037,748</u>	<u>95.89%</u>
Total investments, at cost 總投資以成本計	<u>210,647,375</u>		<u>96,286,474</u>	

3. FINANCIAL RISK MANAGEMENT (Continued)

(b) Market price risk (Continued)

The net exposures to sectors at 31st December 2017 and 2016 were as follows:

	2017 二零一七年 % of net assets 佔資產淨值百分比	2016 二零一六年 % of net assets 佔資產淨值百分比
Basic materials 基礎材料	2.82%	6.86%
Communications 通訊	4.33%	6.23%
Consumer, Cyclical 週期性消費品	26.53%	13.11%
Consumer, Non-cyclical 非週期性消費品	12.22%	15.40%
Financial 金融	19.94%	22.61%
Industrial 工業	26.53%	29.45%
Technology 科技	4.94%	2.23%
	<hr/>	<hr/>
Total 合計	97.31%	95.89%
	<hr/> <hr/>	<hr/> <hr/>

The table below summarises the impact on the Fund's net assets attributable to unitholders as a result of increases/ (decreases) of the key index to which the Fund's underlying investments are exposed. The analysis is based on the assumption that the index had increased/ (decreased) by the respective percentage with all other variables held constant and the fair value of the Fund's investments moved according to the historical correlation with the index.

3. 財務風險管理 (續)

(b) 市場價格風險 (續)

下表載列於二零一七年及二零一六年十二月三十一日對市場的風險承擔：

	2017 二零一七年 % of net assets 佔資產淨值百分比	2016 二零一六年 % of net assets 佔資產淨值百分比
Basic materials 基礎材料	2.82%	6.86%
Communications 通訊	4.33%	6.23%
Consumer, Cyclical 週期性消費品	26.53%	13.11%
Consumer, Non-cyclical 非週期性消費品	12.22%	15.40%
Financial 金融	19.94%	22.61%
Industrial 工業	26.53%	29.45%
Technology 科技	4.94%	2.23%
	<hr/>	<hr/>
Total 合計	97.31%	95.89%
	<hr/> <hr/>	<hr/> <hr/>

下表概述倘若本基金相關投資所涉及主要指數上升／(下跌)對本基金分配給單位持有人淨資產構成的影響。分析乃假設各指數按有關百分比上升／(下跌)(而其指數按有關百分比上升／(下跌)(而其他變數保持穩定)、而本基金投資項目的公平價值乃按歷年與各指數的關連度而變動。

3. FINANCIAL RISK MANAGEMENT (Continued)

3. 財務風險管理 (續)

(b) Market price risk (Continued)

(b) 市場價格風險 (續)

	2017 二零一七年		2016 二零一六年	
	Change in market index 相關指標的變動	Impact on net assets attributable to unitholders 分配給單位持有人的淨資產的影響	Change in market index 相關指標的變動	Impact on net assets attributable to unitholders 分配給單位持有人的淨資產的影響
Benchmark components 基準指標	+/-	+/-	+/-	+/-
MSCI China A	5%	9,960,082	-	-
China Shenzhen SE/CSI 300 Index	-	-	5%	4,993,963

The Manager has used their view of what would be a “reasonable shift” in each key market to estimate the change for use in the market sensitivity analysis above.

經理人乃根據其對每一主要市場的「合理變動」的看法來估計上述市場敏感度分析的變動。

Disclosures above are shown in absolute terms, changes and impacts could be positive or negative. Changes in market index % are revised annually depending on the Manager’s current view of market volatility and other relevant factors.

上述披露乃以絕對值列示，變動及影響可屬正數或負數。市場指數變動百分比乃按年根據經理人當時對市場波幅及其他有關因素的見解而作出修訂。

(c) Interest rate risk

(c) 利率風險

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

利率風險指金融工具價值因市場利率變動而波動不定的風險。

3. FINANCIAL RISK MANAGEMENT (Continued)

(c) Interest rate risk (Continued)

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

At 31st December 2017, the Fund had bank balances and cash collateral of US\$8,585,337 (2016: US\$1,881,513) and is therefore exposed to minimal interest rate risk on these bank balances and cash collateral.

(d) Credit and counterparty risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Fund.

The Fund's financial assets which are potentially subject to concentrations of credit risk consist principally of bank deposits and assets held with the custodian.

The Fund limits its exposure to credit risk by transacting the majority of its investments and contractual commitment activities with broker-dealers, banks and regulated exchanges with high credit ratings and that the Fund considers to be well established.

3. 財務風險管理 (續)

(c) 利率風險 (續)

本基金大部分金融資產及負債均為不計息。因此，本基金對因市場利率於現行水平波動的風險並不顯著。

於二零一七年十二月三十一日，本基金的銀行結餘及現金抵押品為8,585,337美元(二零一六年：1,881,513美元)，本基金對於該等存款及現金抵押品所需承擔之利率風險為極少。

(d) 信貸和交易對手風險

信貸風險指發行機構或交易對手無法或不願意於到期兌現與本基金的承諾。

有可能令本基金面對集中信貸風險的金融資產主要為透過託管人持有的投資項目及銀行結餘。

本基金的大部份投資和合約承擔活動均與擁有高信貸評級，並獲本基金認為規模穩固的經紀交易商、銀行及受監管交易所、信貸評級良好的財務機構進行，藉而限制信貸風險承擔。

3. FINANCIAL RISK MANAGEMENT (Continued)

(d) Credit and counterparty risk (Continued)

All transactions in investments are settled/paid for upon delivery using approved and reputable brokers. The risk of default is considered minimal as delivery of investments sold is only made once the broker has received payment. Payment is made on a purchase once the investments have been received by the broker. The trade will fail if either party fails to meet its obligation.

The table below summarises the assets placed with banks and custodian at 31st December 2017 and 2016:

As at 31st December 2017 截至二零一七年十二月三十一日

	US\$ 美元	Credit rating 信貸評級	Source of credit rating 信貸評級來源
<u>Custodians 託管人</u>			
Bank of Communications Co., Ltd., Shanghai Branch 交通銀行，上海分行	143,385,909	A-2	S&P 標準普爾
The Hongkong and Shanghai Banking Corporation Limited 香港上海滙豐銀行有限公司	112,200,840	A-1+	S&P 標準普爾
<u>Banks 銀行</u>			
The Hongkong and Shanghai Banking Corporation Limited 香港上海滙豐銀行有限公司	8,350,077	A-1+	S&P 標準普爾
Bank of Communications Co., Ltd., Shanghai Branch 交通銀行，上海分行	235,260	A-2	S&P 標準普爾

3. 財務風險管理 (續)

(d) 信貸和交易對手風險 (續)

所有交易均通過經核准的經紀於交付時結算／付款。由於在經紀收款後始交付有關投資項目，所以違約風險甚低。購入的投資項目款項於經紀收到相關之投資項目後支付。若任何一方不能履行其責任，交易將告失效。

下表概述於二零一七年及二零一六年十二月三十一日存放於銀行及託管人的資產：

3. FINANCIAL RISK MANAGEMENT
(Continued)

3. 財務風險管理 (續)

(d) Credit and counterparty risk
(Continued)

(d) 信貸和交易對手風險 (續)

As at 31st December 2016
截至二零一六年十二月三十一日

	US\$ 美元	Credit rating 信貸評級	Source of credit rating 信貸評級來源
Custodians 託管人			
Bank of Communications Co., Ltd., Shanghai Branch 交通銀行，上海分行	82,146,355	A-2	S&P 標準普爾
The Hongkong and Shanghai Banking Corporation Limited 香港上海滙豐銀行有限公司	13,891,393	A-1+	S&P 標準普爾
Banks 銀行			
The Hongkong and Shanghai Banking Corporation Limited 香港上海滙豐銀行有限公司	1,306,888	A-1+	S&P 標準普爾
Bank of Communications Co., Ltd., Shanghai Branch 交通銀行，上海分行	574,625	A-2	S&P 標準普爾

The maximum exposure to credit risk as at 31st December 2017 and 2016 is the carrying amount of the financial assets as shown on the statement of financial position. None of the assets is impaired nor past due but not impaired as at 31st December 2017 and 2016.

金融資產的最高信貸風險於二零一七年及二零一六年十二月三十一日之財務狀況報表呈現。於二零一七年及二零一六年十二月三十一日沒有資產已減值或已逾期但並無減值。

3. FINANCIAL RISK MANAGEMENT (Continued)

(e) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

The Fund holds assets and liabilities denominated in currencies other than United States dollars, the Fund's functional and presentation currency. The Fund is therefore exposed to currency risk, as the value of the assets and liabilities denominated in other currencies will fluctuate due to changes in exchange rates.

The table below summarises the Fund's monetary and non-monetary exposures to different major currencies other than Hong Kong dollar which is pegged with United States dollar:

	2017 二零一七年		2016 二零一六年	
	Monetary 貨幣 US\$ equivalents 美元等值	Non-monetary 非貨幣 US\$ equivalents 美元等值	Monetary 貨幣 US\$ equivalents 美元等值	Non-monetary 非貨幣 US\$ equivalents 美元等值
Renminbi 人民幣	387,164	253,954,102	560,339	92,467,405

3. 財務風險管理 (續)

(e) 匯兌風險

匯兌風險指金融工具的價值因外幣匯率變動而波動不定的風險。

本基金持有並非以美元(基金的功能及申報貨幣)計價的資產及負債。由於外幣計價資產及負債的價值會因匯率變動而波動不定，本基金因而須承擔匯兌風險。

下文概述本基金的貨幣及非貨幣風險承擔，而除港元外，因其已與美元掛鈎：

3. FINANCIAL RISK MANAGEMENT (Continued)

(e) Currency risk (Continued)

The table below summarises the impact on net assets attributable to unitholders as a result of increases/decreases of key exchange rates on the exposures table above, to which the Fund is exposed. The analysis is based on the assumption that the exchange rates had increased/decreased by respective percentage with all other variables held constant.

Impact on net assets attributable to unitholders 分配給單位持有人淨資產的影響

	2017			2016		
	Estimated reasonable possible change % 估計合理 變動% +/-	Monetary 貨幣 US\$ equivalents 美元等值 +/-	Non-monetary 非貨幣 US\$ equivalents 美元等值 +/-	Estimated reasonable possible change % 估計合理 變動% +/-	Monetary 貨幣 US\$ equivalents 美元等值 +/-	Non-monetary 非貨幣 US\$ equivalents 美元等值 +/-
Renminbi 人民幣	6.72	26,017	17,065,716	6.56	36,758	6,065,862

The Manager has used their view of what would be a "reasonable shift" in exchange rates to estimate the change for use in currency risk sensitivity analysis above.

Disclosures above are shown in absolute terms, changes and impacts could be positive or negative. Changes in exchange rate % are revised annually depending on the Manager's current view of exchange rates volatility and other relevant factors.

3. 財務風險管理 (續)

(e) 匯兌風險 (續)

下表概述倘若本基金相關投資所涉及主要外幣匯率上升/下跌對本基金分配給單位持有人淨資產構成的影響。分析乃假設各外幣匯率按相應百分率上升/下跌，而其他變數保持穩定。

經理人乃根據其對匯率的「合理變動」看法來估計上述匯兌風險敏感度分析所採用的變動。

上述披露乃以絕對值列示，變動及影響可屬正數或負數。匯率變動之百分率乃取決於經理人對當前匯率波動和其他相關因素的觀點每年進行修訂。

3. FINANCIAL RISK MANAGEMENT (Continued)

(f) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in settling its liabilities, including a redemption request.

The Fund is exposed to daily cash redemptions of redeemable units. It therefore invests the majority of its assets in investments that are traded in an active market and are considered to be readily realisable. It is the intention of the Manager to monitor the Fund's liquidity position on a daily basis.

The Manager is entitled to limit the number of units to be redeemed on any one dealing day to 10% of the units in issue (with redemption requests reduced pro rata) and any excess redemption requests are then carried forward to the next dealing day. The Manager or the Trustee may at any time suspend the right of unitholders to redeem units and will at the same time cease to issue units in certain circumstances as mentioned in the Explanatory Memorandum.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the period end date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

3. 財務風險管理 (續)

(f) 流通性風險

流通性風險指企業難以償還負債 (包括贖回指示) 的風險。

本基金每日均接受投資者贖回單位以套取現金。本基金的資產大部分投資均在活躍的市場作買賣，因此相信可隨時變現。經理人每日均監察本基金的流動資金狀況。

經理人有權限制任何一個交易日贖回單位的數量，相等於本基金已發行單位總數之百分之十。在這情況下，限制將按比例實施，所有擬於該交易日贖回單位之持有人可按比例贖回單位，而未能贖回的單位將撥作下一交易日根據相同的限制贖回。經理人或受託人可根據基金說明書內所呈列的情況下限制贖回單位和發行單位。

下表分析本基金的金融負債，按年結期末日當日距離約定到期日的尚餘期間分為有關期限組別。下表所載款額乃約定未折現現金流。由於折現影響不大，於十二個月內到期的餘額因而相等於結轉餘額。

Notes to the Financial Statements

財務報表之附註

3. FINANCIAL RISK MANAGEMENT (Continued)

3. 財務風險管理 (續)

(f) Liquidity risk (Continued)

(f) 流通性風險 (續)

As at 31st December 2017
截至二零一七年十二月三十一日

	Up to 1 month 少於一個月 US\$ 美元	1-3 months 一個月至三個月 US\$ 美元	Over 3 months 三個月以上 US\$ 美元
Amounts payable on redemption of units 應付贖回單位款項	1,257,176	-	-
Collateral payable 應付抵押品	580,000	-	-
Management fee payable 應付管理費	113,631	-	-
Trustee fee payable 應付信託人費	15,069	-	-
Other payables 其他應付款項	22,477	47,489	-
Net assets attributable to unitholders 分配給單位持有人淨資產	262,639,835	-	-
Total financial liabilities 總金融負債值	264,628,188	47,489	-

As at 31st December 2016
截至二零一六年十二月三十一日

	Up to 1 month 少於一個月 US\$ 美元	1-3 months 一個月至三個月 US\$ 美元	Over 3 months 三個月以上 US\$ 美元
Management fee payable 應付管理費	16,864	-	-
Trustee fee payable 應付信託人費	5,906	-	-
Other payables 其他應付款項	8,913	44,040	-
Net assets attributable to unitholders 分配給單位持有人淨資產	100,152,141	-	-
Total financial liabilities 總金融負債值	100,183,824	44,040	-

3. FINANCIAL RISK MANAGEMENT (Continued)

(f) Liquidity risk (Continued)

Units are redeemed on demand at the unitholder's option. However, the Trustee and the Manager do not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as the unitholders typically retain their units for the medium to long term. As at 31st December 2017, 3 (2016: 3 unitholders) unitholders held more than 10% of the Fund's units on nominee basis.

The following table illustrates the expected liquidity of assets held:

3. 財務風險管理 (續)

(f) 流通性風險 (續)

基金單位贖回乃根據單位持有人的選擇。然而，信託人和經理人不預期以上合約到期所披露為實際現金流出，因為單位持有人一般持有基金單位作中長線投資。截至二零一七年十二月三十一日，三位單位持有人（二零一六年：三位單位持有人）以代理人形式持有有百分之十的基金單位。

下表以預期之變現期列示本基金所持有的流動資產。

As at 31st December 2017
截至二零一七年十二月三十一日

Total financial assets 金融資產總值

Less than 1 month 少於一個月 US\$ 美元	1-3 months 一個月至三個月 US\$ 美元	Over 3 months 三個月以上 US\$ 美元
264,675,677	-	-

As at 31st December 2016
截至二零一六年十二月三十一日

Total financial assets 金融資產總值

100,227,864	-	-
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3. FINANCIAL RISK MANAGEMENT (Continued)

(g) Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the year end date. The Fund utilises the last traded market price as its fair valuation inputs for both financial assets and financial liabilities.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Fund for similar financial instruments.

3. 財務風險管理 (續)

(g) 公平值估計

本基金使用在活躍市場交易 (如證券交易) 之財務資產及負債的公平值，並以年終末日可觀察輸入值之結算價作估值。本基金以公平值作最新的市場價計算財務資產和財務負債。

活躍市場即該市場有足夠的成交量及次數從而提供持續的價格信息。

金融工具之報價可即時且定期由交易所、交易商、經紀人、行業組織、定價服務及監管機構發佈，且報價反映實際及經常出現按公平原則進行之市場交易，則被視為活躍市場報價之金融工具。

其他應收帳款及應付帳款之帳面值減值撥備與其公平值相若。就披露資料而言，財務負債的公平值按本基金就類似金融工具所得現行市場利率折算日後的合約現金流量估計。

3. FINANCIAL RISK MANAGEMENT (Continued)

(g) Fair value estimation (Continued)

HKFRS 13 requires the Fund to classify 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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (Level 1).
- 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 2).
- Inputs for the asset or liability that are observable market data (that is, unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

3. 財務風險管理 (續)

(g) 公平值估計 (續)

香港財務報告準則第13號「公平值計量」要求各成份基金根據公平值級次進行分類從而反映公平值在計量時所使用的輸入值的重要性。公平值級次分層如下：

- 第一層次—相同資產或負債在活躍市場中的報價 (未經調整)。
- 第二層次—直接或間接地使用除第一層次中的資產或負債的市場報價以外的其他可觀察輸入值。
- 第三層次—資產或負債使用了非基於可觀察市場數據的輸入值。

金融工具在按照公平值計量時具有重大意義的最低層次輸入值為基礎，確定應將其整體劃分為哪一個類別。如在公平值計量中使用了可觀察輸入值但需要根據不可觀察輸入值進行調整，則該計量應歸入第三層次。在評價特定輸入值對於公平值計量整體的重大意義，需要考慮與金融資產或負債具有特定關係的因素進行判斷。

3. FINANCIAL RISK MANAGEMENT (Continued)

(g) Fair value estimation (Continued)

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Fund's investments (by class) measured at fair value at 31st December 2017 and 2016:

As at 31st December 2017 截至二零一七年十二月三十一日

	Level 1 第一層次 US\$ 美元	Level 2 第二層次 US\$ 美元	Level 3 第三層次 US\$ 美元	Total 總值 US\$ 美元
ASSETS 資產				
Held for trading 持有作交易用				
Listed equities 上市股票	255,386,731	-	-	255,386,731
Listed debt securities 上市債務證券	200,018	-	-	200,018
Total assets at fair value through profit or loss				
總按公平值透過損益記賬之財務資產	255,586,749	-	-	255,586,749

3. 財務風險管理 (續)

(g) 公平值估計 (續)

本基金需就可觀察輸入值的重大意義進行判斷。本基金所考慮的可觀察數據為市場數據，定期發佈及更新，可信的及可核實的，非私有的，並且由活躍於相關市場的獨立來源提供數據。

下表列示本基金截至二零一七年及二零一六年十二月三十一日的投資按公平值級次計量之公平值：

3. FINANCIAL RISK MANAGEMENT (Continued)

3. 財務風險管理 (續)

(g) Fair value estimation (Continued)

(g) 公平值估計 (續)

As at 31st December 2016
截至二零一六年十二月三十一日

	Level 1 第一層次 US\$ 美元	Level 2 第二層次 US\$ 美元	Level 3 第三層次 US\$ 美元	Total 總值 US\$ 美元
ASSETS 資產				
Held for trading 持有作交易用				
Listed equities 上市股票	96,037,748	-	-	96,037,748
Total assets at fair value through profit or loss 總按公平值透過損益記賬之財務資產	96,037,748	-	-	96,037,748

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include actively listed equity securities and quoted debt securities. The Fund does not adjust the quoted price for these instruments.

由於投資價值是基於活躍市場的報價，因此屬第一層次，並包括活躍上市股票證券及有價債券。本基金沒有調整這些工具的報價。

Financial instruments that trade in markets that are 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.

於非活躍市場交易的金融投資但以市場報價、經紀報價或其他報價來源作為可觀察輸入值，此等投資即分類為第二層次。

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently.

投資被分類為第三層次，其有顯著的不可觀察輸入值，因為其交易次數疏落。

3. FINANCIAL RISK MANAGEMENT (Continued)

(g) Fair value estimation (Continued)

There are no level 2 and 3 investments held by the fund as at 31st December 2017 and 2016.

The financial assets and liabilities excluding investments included in the statement of financial position are carried at amortised cost; their carrying values are a reasonable approximation of fair value. There are no other assets or liabilities not at fair value but for which the fair value is disclosed.

(h) Capital risk management

The capital of the Fund is represented by the net assets attributable to unitholders. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemption at the discretion of unitholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

3. 財務風險管理 (續)

(g) 公平值估計 (續)

截至二零一七年十二月三十一日及二零一六年十二月三十一日，本基金沒有持有第二層次和第三層次投資。

除投資外，於財務狀況報表中的金融資產及負債均按攤銷成本入賬，其帳面值為公平值的合理約數。沒有其他資產或負債並非按公平值入賬但以公平值披露。

(h) 資本風險管理

本基金的資本是以分配給單位持有人淨資產呈示。每日之分配給單位持有人淨資產可能有顯著改變，因本基金每日之認購和贖回乃由單位持有人決定。本基金會以保障基金資本能有一個持續經營的能力為目標，以便為單位持有人提供回報和保持一個強大的資本基礎，以支持基金中的投資活動。

3. FINANCIAL RISK MANAGEMENT (Continued)

(h) Capital risk management (Continued)

In order to maintain or adjust the capital structure, the Fund policy is to perform the following:

- Monitor the level of daily subscriptions and redemptions relative to the liquid assets; and
- redeem and issue units in accordance with the Trust Deed of the Fund, which includes the requirement of minimum redemption amount are US\$1,000, US\$500,000 and US\$5,000,000 (or equivalent value in other currencies) for units of Class A, Class C and Class I respectively denominated in currency other than RMB or HK dollar; RMB 5,000, RMB 2,500,000 and RMB 25,000,000 for RMB denominated units of Class A, Class C and Class I respectively; and HK\$ 5,000, HK\$2,500,000 and HK\$25,000,000 for HK dollar denominated units of Class A, Class C and Class I respectively.

The Manager monitors capital on the basis of the value of net assets attributable to unitholders.

3. 財務風險管理 (續)

(h) 資本風險管理 (續)

為了維持或調整資本結構，本基金的政策執行如下：

- 監測每日認購和贖回之水平相對流動性資產；及
- 贖回及發行單位乃按照本基金的信託契約，A類、C類和I類單位的最低贖回金額（人民幣或港幣除外）分別為1,000美元、500,000美元和5,000,000美元（或其他貨幣之等值金額）；5,000人民幣、2,500,000人民幣和25,000,000人民幣（以人民幣為貨幣單位）；5,000港幣、2,500,000港幣和25,000,000港幣（以港幣為貨幣單位）。

經理人會監督分配給單位持有人淨資產資金的基金資本。

3. FINANCIAL RISK MANAGEMENT (Continued)

(i) Financial instruments by category

Financial assets

Apart from investments as disclosed in the statement of financial position, all other financial assets as disclosed in the statement of financial position, including interest receivable, other receivables, margin deposits and cash and bank deposits are categorised as “loans and receivables”.

Financial liabilities

All financial liabilities as disclosed in the statement of financial position, including management fee payable, trustee fee payable, amounts payable on redemption on units, collateral payable and other payables are categorised as “other financial liabilities”.

(j) Offsetting and amounts subject to master netting arrangements and similar agreements

As at 31st December 2017 the Fund was subject to master netting arrangements for the derivative assets and liabilities of the Fund held with these counterparties.

The following table presents the Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements. The table is presented by type of financial instrument.

3. 財務風險管理 (續)

(i) 按類別劃分的金融工具

金融資產

除了在財務狀況報表中披露的投資外，所有在財務狀況報表中披露的其他金融工具，包括應收利息、其他應收款項、保證金及現金和銀行存款均分類為「貸款及應收款」。

金融負債

所有在財務狀況報表中披露的金融負債，包括應付管理費、應付信託人費、稅項撥備、遞延稅項負債以及其他應付款項均分類為「其他金融負債」。

(j) 受抵銷和總淨額結算協議及類似條款

截至二零一七年十二月三十一日，基金的衍生工具資產及負債受與總淨額結算安排所約束。

下表列出了基金受抵銷和強制執行的總淨額結算協議和類似協議約束的金融資產和負債。下表乃按金融工具の種類而呈列。

3. FINANCIAL RISK MANAGEMENT (Continued)

(j) Offsetting and amounts subject to master netting arrangements and similar agreements (Continued)

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements:

3. 財務風險管理 (續)

(j) 受抵銷和總淨額結算協議及類似條款 (續)

受抵銷和強制執行的總淨額結算協議和類似協議約束的金融資產：

	A	B
	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set-off in the statement of financial position
	於財務狀況報表中受抵銷的認可金融資產之總額	於財務狀況報表中受抵銷的認可金融負債之總額
	US\$	US\$
	美元	美元
As at 31st December 2017		
截至二零一七年十二月三十一日		
Cash Collateral 現金抵押品	580,000	-
	580,000	-
	580,000	-

C = A + B	D		E = C - D
Net amounts of financial assets presented in the statement of net financial position 於財務狀況報表中受抵銷的認可金融資產之淨額	Related amounts not set-off in the statement of financial position 於財務狀況報表中並未抵消的相關金額		Net amount 淨額
US\$ 美元	D (i) Financial Instruments 金融工具 US\$ 美元	D (ii) Cash collateral 抵押金 US\$ 美元	US\$ 美元
580,000	-	(580,000)	-
580,000	-	(580,000)	-

3. FINANCIAL RISK MANAGEMENT
(Continued)

(j) Offsetting and amounts subject to master netting arrangements and similar agreements (Continued)

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements:

3. 財務風險管理 (續)

(j) 受抵銷和總淨額結算協議及類似條款 (續)

受抵銷和強制執行的總淨額結算協議和類似協議約束的金融負債：

	A	B	
	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set-off in the statement of financial position	
	於財務狀況報表中受抵銷的認可金融負債之總額	於財務狀況報表中受抵銷的認可金融資產之總額	
	US\$	US\$	
	美元	美元	
As at 31st December 2017			
截至二零一七年十二月三十一日			
Collateral payable 應付抵押品	(580,000)	-	
	(580,000)	-	
	(580,000)	-	

C = A + B	D		
Net amounts of financial liabilities presented in the statement of net financial position 於財務狀況報表中受抵銷的認可金融負債之淨額	Related amounts not set-off in the statement of financial position 於財務狀況報表中並未抵消的相關金額		
US\$ 美元	D (i) Financial Instruments 金融工具 US\$ 美元	D (ii) Cash collateral 抵押金 US\$ 美元	E = C - D Net amount 淨額 US\$ 美元
(580,000)	-	580,000	-
(580,000)	-	580,000	-

3. FINANCIAL RISK MANAGEMENT (Continued)

(j) Offsetting and amounts subject to master netting arrangements and similar agreements (Continued)

Amount in D(i) and D(ii) above relate to amounts subject to set-off that do not qualify for offsetting under (B) above. This includes (i) amounts which are subject to set-off against the asset (or liability) disclosed in (A) which have not been offset in the statement of financial position and (ii) any financial collateral (including cash collateral), both received and pledged.

The Fund and its counterparty have elected to settle all transactions on a gross basis, however, each party has the option to settle all open contracts on a net basis in the event of default of the other party. Per the terms of the master netting agreement, an event of default includes the following:

- failure by a party to make payment when due;
- bankruptcy.

3. 財務風險管理 (續)

(j) 受抵銷和總淨額結算協議及類似條款 (續)

於上表D(i)和D(ii)之金額，並不符合(B)之要求。包括：(i)於財務狀況報表中所披露的資產(或負債)(A)並未抵消的金額和；(ii)任何已收取或被抵押的金額抵押品(包括現金抵押)。

基金及其交易對手方已選擇按總額基準結算所有交易，然而一旦其中一方違約，另一方即有權按淨額基準結清所有未平倉合約。根據總淨額結算協議的條款，違約事件包括：

- 合約一方未能於到期時付款；
- 破產。

4. NET GAINS/(LOSSES) ON INVESTMENTS AND DERIVATIVE FINANCIAL INSTRUMENTS

	2017 二零一七年 US\$ 美元	2016 二零一六年 US\$ 美元
Change in unrealised gains/losses on investments 投資的未變現之收益／虧損	45,188,100	(6,349,198)
Realised gains/(losses) on sale of investments 出售投資之收益／(虧損)	16,622,495	(1,809,112)
	<u>61,810,595</u>	<u>(8,158,310)</u>

5. MARGIN ACCOUNTS

Margin accounts represent margin deposits held in respect of open futures contracts. As at 31 December 2017, the Fund held margin deposits of US\$17 (2016: US\$nil).

6. MANAGEMENT FEE AND TRUSTEE FEE

Management fee and trustee fee are charged by Schroder Investment Management (Hong Kong) Limited and HSBC Institutional Trust Services (Asia) Limited respectively.

Prior to 1st Nov 2017, the management fee for the Fund is 2.00% per annum for Class A and 1.00% per annum for Class C with an allowable maximum rate of 7% per annum of the net asset value of the Fund. No management fee is charged for Class I Units.

4. 投資及衍生金融工具之淨收入／(虧損)

	2017 二零一七年 US\$ 美元	2016 二零一六年 US\$ 美元
Change in unrealised gains/losses on investments 投資的未變現之收益／虧損	45,188,100	(6,349,198)
Realised gains/(losses) on sale of investments 出售投資之收益／(虧損)	16,622,495	(1,809,112)
	<u>61,810,595</u>	<u>(8,158,310)</u>

5. 保證金戶口

保證金戶口持有為未平倉之期貨的交易保證金。截至二零一七年十二月三十一日，本基金持有 17 美元保證金 (二零一六年：無)。

6. 管理費用及信託人費用

施羅德投資管理(香港)有限公司及滙豐機構信託服務(亞洲)有限公司分別收取管理費用及信託人費用。

二零一七年十一月一日以前，本基金徵收的管理費用分別為類別資產淨值的每年百分比，A類別為百分之二，C類別為百分之一，以每年本基金資產淨值百分之七為限。本基金現時沒有徵收I類別的管理費。

6. MANAGEMENT FEE AND TRUSTEE FEE (Continued)

From 1st Nov 2017 onwards, the management fee for the Fund is 1.50% per annum for Class A and 1.00% per annum for Class C with an allowable maximum rate of 7% per annum of the net asset value of the Fund. No management fee is charged for Class I Units.

The trustee fee is currently charged at a rate of 0.07% per annum of the net asset value of the Fund subject to a minimum fee of US\$24,000 per annum, with an allowable maximum rate of 0.50% per annum of net asset value of the Fund.

The Trustee will also be entitled to recover out-of-pocket expenses in performing its services (including any sub-custody charges) together with certain transaction costs and processing fees.

The fees are accrued daily on each valuation date and payable monthly or quarterly in arrears.

As at 31st December 2017, Management fee and trustee fee payable amounted to US\$113,631 (2016: US\$16,864) and US\$15,069 (2016: US\$5,906) respectively.

Total management fee and trustee fee for the year ended 31st December amounted to US\$800,189 (2016: US\$121,427) and US\$125,182 (2016: US\$58,428) respectively.

6. 管理費用及信託人費用 (續)

由二零一七年十一月一日開始，本基金徵收的管理費用分別為類別資產淨值的每年百分比，A類別為百分之一點五，C類別為百分之一，以每年本基金資產淨值百分之七為限。本基金現時沒有徵收I類別的管理費。

現時本基金徵收的受託人費用為每年本基金資產淨值的百分之零點零七，惟最低收費為每年24,000美元，以每年本基金資產淨值的百分之零點五為限。

信託人亦有權收回執行其服務時產生的實銷費用包括任何副託管費，連同若干交易成本和處理費。

費用於每個估值日每日累計，並於每月月底或每季季末支付。

截至二零一七年十二月三十一日，應付管理費及信託人費用分別為113,631美元(二零一六年：16,864美元)及15,069美元(二零一六年：5,906美元)。

年內管理費及信託人費用分別為800,189美元(二零一六年：121,427美元)及125,182美元(二零一六年：58,428美元)。

7. TRANSACTIONS WITH RELATED PARTIES AND CONNECTED PERSONS

In addition to the management fee and trustee fee disclosed in note 6 to the financial statements, the Fund had the following transactions with related parties and connected persons. Connected persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds established by the SFC.

- (i) As at 31st December 2017, the Fund placed bank deposits and investments amounted to US\$8,350,077 (2016: US\$1,306,888) and US\$112,200,840 (2016: US\$13,891,393) with The Hongkong and Shanghai Banking Corporation Limited, a related company of the Trustee and Registrar. For the year ended 31st December 2017, bank interest income amounted to US\$2,155 (2016: US\$204) has been earned by the Fund.
- (ii) During the year ended 31st December 2017, transaction handling fees on purchases and sales of investments, amounting to US\$7,651 (2016: US\$5,533), were charged by HSBC Institutional Trust Services (Asia) Limited, the Trustee and Registrar.
- (iii) During the year ended 31st December 2017, the net registrar's cost amounting to US\$111,811 (2016: US\$27,490) was paid to Schroder Investment Management (Luxemburg) S.A., the registrar's service provider of the Fund.

All transactions with related parties and connected persons were entered into in the ordinary course of business and on normal commercial terms.

7. 連繫人及關連人士之交易

除附註6管理費用及信託人費用，子基及其連繫人及關連人士有以下的交易。經理人的關連人士是根據香港證券及期貨事監察委員會所頒佈的單位信託及互惠基金守則（「證監會守則」）中的定義。

- (i) 截至二零一七年十二月三十一日，基金存放總值8,350,077美元（二零一六年：1,306,888美元）和112,200,840美元（二零一六年：13,891,393美元）銀行存款和投資於與信託人及註冊處之代理人有關連之香港滙豐銀行有限公司。截至二零一七年十二月三十一日止年度，本基金有收取銀行利息收入總值2,155美元（二零一六年：204美元）。
- (ii) 截至二零一七年十二月三十一日止，買賣證券的交易手續費為7,651美元（二零一六年：5,533美元）。此費用支付予信託人及註冊處滙豐機構信託服務（亞洲）有限公司。
- (iii) 截至二零一七年十二月三十一日止，註冊處費用為111,811美元（二零一六年：27,490美元）。此費用支付予註冊處之服務提供者—Schroder Investment Management (Luxembourg) S.A.。

所有與其連繫人及關連人士之交易乃按商業條款進行，並為一般經常性業務。

8. TAXATION

(a) Hong Kong tax

No provision for Hong Kong profits tax has been made as the Fund was authorised as a collective investment scheme under Section 104 of the Hong Kong Securities and Futures Ordinance and is therefore exempt from Hong Kong profits tax under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

(b) PRC tax

The Fund invests in A shares listed in the PRC and RMB denominated debt securities (together "PRC Investments").

The taxation of the PRC Investments of the Fund for the year ended 31st December 2017 and 2016 represents:

Withholding tax 預扣稅項
 – dividend and interest income 股息及利息收益

8. 稅項

(a) 香港稅項

由於本基金根據香港證券及期貨條例第104條獲認可為集體投資計劃，根據香港稅務條例第26A(1A)條，本基金獲豁免繳納香港利得稅，因此並無香港稅項撥備。

(b) 中國稅項

本基金投資於中國上市A股和人民幣債券（合稱「中國投資」）。

本基金截至二零一七年及二零一六年十二月三十一日止年度的稅項指：

2017	2016
二零一七年	二零一六年
US\$	US\$
美元	美元

279,073	128,144
<u>279,073</u>	<u>128,144</u>

9. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT

The Fund's capital is represented by the units in the Fund, and shown as net assets attributable to unitholders in the statement of financial position. Subscriptions and redemptions of units during the year are shown in the statement of changes in net assets attributable to unitholders. In order to achieve the investment objectives, the Fund endeavors to invest its capital in accordance with the investment policies as outlined in note 3, whilst maintaining sufficient liquidity to meet redemption requests. Such liquidity is augmented by the holding of liquid investments.

In accordance with the provisions of the Fund's Trust Deed dated 8th October 2010, as amended, and Explanatory Memorandum, investments are stated at the last traded price on the valuation day for the purpose of determining net asset value per unit for subscriptions and redemptions and for various fee calculations.

Net assets attributable to unitholders represent a liability in the statement of financial position, carried at the redemption amount that would be payable at the year end date if the unitholder exercised the right to redeem the units in the Fund.

The Fund's objectives and policies for managing its obligations to redeem units are included in note 3(h) on capital risk management and note 3(f) on liquidity risk

9. 已發行單位數目及分配給單位持有人每單位淨資產

本基金的資本是以基金單位為代表，並以分配給單位持有人淨資產於財務狀況報表呈示。本年內之單位認購及贖回於基金單位持有人應佔資產淨值變動報表中呈示。為達到投資目標，本基金會根據附註3所列明之投資政策作投資，並維持足夠的資金流通作贖回之用。此流通性會因應所有之流動性投資而增加。

根據本基金於二零一零年十月八日訂之信託契約（經修訂），本基金的投資乃以估值日之最新交易價計算，從而計算每單位資產淨值，作買賣及計算其他收費用。

分配給單位持有人淨資產於財務狀況報表為負債，如單位持有人行使其贖回權利，則以應付贖回款項呈示於年終末日之資產淨值表。

本基金已在投資目標及政策內有關管理贖回單位的責任分別於附註3(h)－資本風險管理及附註3(f)－流通性風險呈示。

9. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT (Continued)

9. 已發行單位數目及分配給單位持有人每單位淨資產(續)

Movement of number of units in issue during the year end:

年終已發行之單位變動：

	2017 二零一七年 Units 單位	2016 二零一六年 Units 單位
USD Class A Accumulation Units 美元A類別累積單位		
Number of units in issue at the beginning of the year 年初已發行單位數目	51,331.85	20,039.68
Units issued 發行單位	344,023.55	67,939.15
Units redeemed 贖回單位	(138,834.83)	(36,646.98)
Number of units in issue at the end of the year 年終已發行單位數目	<u>256,520.57</u>	<u>51,331.85</u>
HKD Class A Accumulation Units 港元A類別累積單位		
Number of units in issue at the beginning of the year 年初已發行單位數目	159,819.92	200.00
Units issued 發行單位	1,759,070.95	174,286.38
Units redeemed 贖回單位	(845,099.21)	(14,666.46)
Number of units in issue at the end of the year 年終已發行單位數目	<u>1,073,791.66</u>	<u>159,819.92</u>
RMB Class A Accumulation Units 人民幣A類別累積單位		
Number of units in issue at the beginning of the year 年初已發行單位數目	12,003.33	160.02
Units issued 發行單位	129,982.25	11,843.31
Units redeemed 贖回單位	(74,911.46)	-
Number of units in issue at the end of the year 年終已發行單位數目	<u>67,074.12</u>	<u>12,003.33</u>

9. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT (Continued)

Movement of number of units in issue during the year end (Continued):

9. 已發行單位數目及分配給單位持有人每單位淨資產 (續)

年終已發行之單位變動 (續) :

	2017 二零一七年 Units 單位	2016 二零一六年 Units 單位
USD Class C Accumulation Units 美元C類別累積單位		
Number of units in issue at the beginning of the year 年初已發行單位數目	22,677.22	1,673.37
Units issued 發行單位	82,078.78	21,115.76
Units redeemed 贖回單位	(6,217.39)	(111.91)
Number of units in issue at the end of the year 年終已發行單位數目	<u>98,538.61</u>	<u>22,677.22</u>
USD Class I Accumulation Units 美元I類別累積單位		
Number of units in issue at the beginning of the year 年初已發行單位數目	521,328.79	462,199.97
Units issued 發行單位	324,512.80	164,849.15
Units redeemed 贖回單位	(159,221.86)	(105,720.33)
Number of units in issue at the end of the year 年終已發行單位數目	<u>686,619.73</u>	<u>521,328.79</u>

9. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT (Continued)

Movement of number of units in issue during the year end (Continued):

Net assets attributable to unitholders per unit

分配給單位持有人淨資產每單位計

USD Class A Accumulation Units

美元A類別累積單位

Currency 貨幣	2017 二零一七年	2016 二零一六年
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US\$ 美元	217.05	153.03
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HKD Class A Accumulation Units

港元A類別累積單位

HK\$ 港元	129.38	90.48
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RMB Class A Accumulation Units

人民幣A類別累積單位

RMB 人民幣	134.41	101.36
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USD Class C Accumulation Units

美元C類別累積單位

US\$ 美元	228.59	159.53
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USD Class I Accumulation Units

美元I類別累積單位

US\$ 美元	240.71	166.19
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10. SOFT COMMISSION ARRANGEMENTS

During the year, the Manager and its connected persons did not enter into any soft commission arrangements with brokers in relation to dealings in the assets of the Fund.

11. APPROVAL OF FINANCIAL STATEMENTS

The financial statements of the Fund were approved by the Trustee and the Manager on 20th April 2018.

9. 已發行單位數目及分配給單位持有人每單位淨資產 (續)

年終已發行之單位變動 (續) :

Currency 貨幣	2017 二零一七年	2016 二零一六年
US\$ 美元	217.05	153.03
HK\$ 港元	129.38	90.48
RMB 人民幣	134.41	101.36
US\$ 美元	228.59	159.53
US\$ 美元	240.71	166.19

10. 非金錢收益的安排

本年度經理人及其聯繫人士並無與經紀訂立與本基金有關資產交易之非金錢收益的安排。

11. 財務報告之批准

本賬目於二零一八年四月二十日由信託人及經理人批准。

Investment Portfolio (Unaudited)

投資組合 (未經審核)

As at 31st December 2017

截至二零一七年十二月三十一日

Country/Territory 國家/地區	Investments 投資項目	Number of shares/units 股票/單位數目	Fair value 公平值 US\$ 美元	% of net asset value 佔資產淨值百分比
LISTED EQUITIES				
上市股票				
CHINA 中國			255,386,731	97.23
	Anhui Kouzi Distillery Co Ltd Cc Ord CNY1	668,428	4,726,793	1.80
	AVIC Jonhon Optron Technology Co Ltd A Shrs Ord CNY1	699,757	4,231,639	1.61
	AVIC Jonhon Optron Technology Ord CNY1	524,649	3,172,684	1.21
	Bank of China Ltd A Shs Ord CNY1	6,683,900	4,074,798	1.55
	Beijing Orient National Communication Science & Technology	2,081,713	4,011,870	1.53
	Beijing Orient National Communication Science & Technology Co Ltd Ord	1,380,020	2,659,590	1.01
	Beijing Oriental Yuhong Waterproof Technology Co Ltd A Shs Ord Npv CNY1	835,500	5,126,932	1.95
	Chaozhou Three Circle Group Co Ltd Ord CNY1	1,541,640	4,772,645	1.82
	China Construction Bank A Shs Ord CNY1	3,560,300	4,198,880	1.60
	China Construction Bank Ord CNY1	2,464,900	2,906,985	1.11
	China CYTS Tours Holding Co Ord CNY1	804,791	2,579,217	0.98
	China International Travel Service Corp Ltd A Shs Ord CNY1	978,700	6,521,160	2.48
	China International Travel Service Ord CNY1	936,197	6,237,911	2.37
	China Pacific Insurance Group A Shr Ord CNY1	275,900	1,754,880	0.67
	China Pacific Insurance Group Ord CNY1	790,177	5,025,934	1.91
	Dong-E-E-Jiao Co Ltd Ord CNY1	115,414	1,068,174	0.41
	Focus Media Information Technology Ord CNY1	2,866,829	6,198,502	2.36
	Fuyao Group Glass Industries Co Ltd A Shr Ord CNY1	782,000	3,482,494	1.33
	GoerTek Inc A Shs Ord CNY1	2,084,637	5,554,123	2.11
	Hangzhou Hikvision Digital Technology Co Ltd A Shs Ord Npv CNY1	1,350,069	8,085,487	3.08
	Hangzhou Hikvision Digital Technology Ord CNY1	738,825	4,424,747	1.68
	Hangzhou Robam Appliances Co Ltd Ord CNY1	579,874	4,283,127	1.63
	Hefei Meiya Optoelectronic A Ord Npv CNY1	364,200	1,077,723	0.41
	Hefei Meiya Optoelectronic Technology Inc Ord CNY1	445,165	1,317,301	0.50
	Hithink Flush Information Network Co Ltd A Shs Ord CNY1	536,800	4,119,973	1.57

Investment Portfolio (Unaudited) (Continued)

投資組合 (未經審核) (續)

As at 31st December 2017

截至二零一七年十二月三十一日

Country/Territory 國家/地區	Investments 投資項目	Number of shares/units 股票/單位數目	Fair value 公平值 US\$ 美元	% of net asset value 佔資產淨值百分比
LISTED EQUITIES (CONTINUED)				
上市股票 (續)				
CHINA (CONTINUED) 中國 (續)				
	Hithink Royalfly Information Network Co Ltd Ord CNY1	137,033	1,051,729	0.40
	Huadong Medicine Co Ltd A Ord CNY1	531,816	4,400,222	1.68
	Huadong Medicine Co Ltd Ord CNY1	461,427	3,817,797	1.45
	Huatai Securities Co Ltd A Shs Ord CNY1	208,000	551,302	0.21
	Huatai Securities Co Ltd Ord CNY1	993,590	2,633,482	1.00
	Hubei Dinglong Chemical Co Ltd A Shrs Ord CNY1	2,018,680	3,537,030	1.35
	Hubei Dinglong Co Ltd Ord CNY1	400,910	702,449	0.27
	Industrial and Commercial Bank of China Ltd A Shs Ord CNY1	5,648,600	5,377,967	2.05
	Industrial and Commercial Bank of China A Shs Ord CNY1	1,918,000	1,826,092	0.69
	Industrial Bank Co Ltd A Shr Ord CNY1	872,071	2,275,259	0.87
	Jason Furniture Hangzhou Co Ltd A Shs Ord CNY1	670,703	6,073,611	2.31
	Jiangsu Hengrui Medicine Co Ltd A Shr Ord CNY1	237,442	2,515,145	0.96
	Jiangsu Hengrui Medicine Co Ord CNY1	161,610	1,711,895	0.65
	Jinyu Bio-Technology Co Ltd A Ord CNY1	590,106	2,876,201	1.09
	Jinyu Bio-Technology Co Ltd A Shrs Ord CNY1	1,126,856	5,492,385	2.09
	Leyard Optoelectronic Co L Ord CNY1	1,374,632	4,114,154	1.57
	Midea Group Co Ltd A Shrs Ord CNY1	921,143	7,840,749	2.99
	Midea Group Co Ltd Ord CNY1	504,667	4,295,681	1.64
	Ningbo Tuopu Group Co Ltd A Shrs Ord Npv CNY1	437,371	1,661,634	0.63
	Ningbo Tuopu Group Co Ltd Ord CNY1	706,185	2,682,875	1.02
	Oppein Home Group Inc A Shs Ord CNY1	402,190	7,290,929	2.78
	Ping An Insurance (Group) Co of China Ltd A Shr Ord CNY1	112,618	1,210,228	0.46
	Ping An Insurance Group Co Ord CNY1	1,329,307	14,285,041	5.44
	Qingdao Haier Co Ltd A Shr Ord CNY1	1,398,076	4,044,802	1.54
	Qingdao Haier Co Ltd Ord CNY1	1,626,480	4,705,566	1.79
	Sany Heavy Industry Co Ltd A Ord CNY1	3,271,100	4,556,031	1.73
	Sany Heavy Industry Co Ltd Ord CNY1	585,700	815,764	0.31
	Shandong Dong-E E-Jiao Co Ltd A Shr Ord CNY1	592,421	5,482,987	2.09
	Shanghai Lujiazui Finance & Trade Zone Development Ltd B Shr Ord CNY1	990,753	1,432,629	0.55
	Shanghai Moons Electric Co Ltd A Shs Ord CNY1	1,298,213	4,738,717	1.80

Investment Portfolio (Unaudited) (Continued)

投資組合 (未經審核) (續)

As at 31st December 2017

截至二零一七年十二月三十一日

Country/Territory 國家/地區	Investments 投資項目	Number of shares/units 股票/單位數目	Fair value 公平值 US\$ 美元	% of net asset value 佔資產淨值百分比
LISTED EQUITIES (CONTINUED)				
上市股票 (續)				
CHINA (CONTINUED) 中國 (續)				
	Shanghai Pudong Development Bank Ord CNY1	2,488,358	4,810,839	1.83
	Shenzhen Inovance Technology Co Ltd A Shr Ord CNY1	1,406,084	6,266,056	2.39
	Shenzhen Inovance Technology Co Ltd Ord CNY1	445,980	1,987,445	0.76
	Songcheng Performance Development Co Ltd A Shrs Ord CNY1	885,746	2,538,087	0.97
	Songcheng Performance Development Co Ltd Ord CNY1	1,392,348	3,989,713	1.52
	Soufeiya Home Collection Co Ltd A Shrs Ord CNY1	256,888	1,451,701	0.55
	Sunwoda Electronic Co Ltd A Shr Ord CNY1	1,684,100	2,524,081	0.96
	Sunwoda Electronic Co Ltd Ord CNY1	1,004,574	1,505,615	0.57
	Youzu Interactive Co Ltd Ord CNY1	639,000	2,188,222	0.83
	Zangge Holding Co Ltd A Shrs CNY1	1,170,000	3,180,129	1.21
	Zhejiang Sanhua Co Ltd Ord CNY1	818,736	2,305,820	0.88
	Zhejiang Sanhua Intelligent Controls Co Ltd A Shs Ord CNY1	1,111,920	3,131,544	1.19
	Zhejiang Weixing New Building Materials Co Ltd A Shs Ord CNY1	1,410,180	3,893,557	1.48
LISTED DEBT SECURITIES				
上市債務證券				
Renminbi 人民幣			200,018	0.08
	BJ Oriental Yuhong Water (Reg) Stp Conv 0.3% 25/09/2023	1,141,100	200,018	0.08
TOTAL INVESTMENTS AT MARKET VALUE 投資總市值			255,586,749	97.31
OTHER NET ASSETS 其他資產淨值			7,053,086	2.69
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS 分配給單位持有人淨資產			262,639,835	100.00
TOTAL INVESTMENTS AT COST 投資總成本值			210,647,375	

Investment Portfolio Movements (Unaudited)

投資組合變動(未經審核)

For the year ended 31st December 2017

二零一七年十二月三十一日止年度

Country/Territory 國家/地區	Investments 投資項目	Number of shares/units 股票/單位數目		
		Additions 增加	Disposals 減少	Bonus/Splits 紅股/分拆
LISTED EQUITIES				
上市股票				
CHINA 中國				
	Agricultural Bank of China Ord CNY1	7,256,100	7,256,100	-
	Aisino Co Ltd A Shrs Ord CNY1	-	428,312	-
	Anhui Kouzi Distillery Co Ltd Cc Ord CNY1	668,428	-	-
	AVIC Jonhon Optronic Technology Co Ltd A Shrs Ord CNY1	413,469	-	122,088
	AVIC Jonhon Optronic Technology Ord CNY1	445,281	-	79,368
	Bank of China Ltd A Shs Ord CNY1	881,200	2,146,900	-
	Beijing Orient National Communication Science & Technology Co Ltd Ord CNY1	1,380,020	-	-
	Beijing Orient National Communication Science & Technology Co Ltd Ord CNY1	2,081,713	-	-
	Beijing Oriental Yuhong Waterproof Technology Co Ltd A Shs Ord NPV	835,500	-	-
	Beijing Strong Biotechnologies Inc Ord CNY1	-	522,600	-
	Beiqi Foton Motor Co Ltd A Shr Ord CNY1	-	2,066,400	-
	BOE Technology Group Co Ltd B Shr Ord CNY1	-	3,485,774	-
	ChangYuan Group Ltd A Shr Ord CNY1	799,200	1,917,293	-
	Chaozhou Three Circle Group Co Ltd Ord CNY1	160,700	-	-
	China Construction Bank A Shs Ord CNY1	2,311,200	-	-
	China CYTS Tours Holding Co Ord CNY1	1,613,591	808,800	-
	China Fortune Land Development Co Ltd Ord CNY1	208,500	609,071	-
	China Fortune Land Development Ord CNY1	356,900	356,900	-
	China International Travel Service Corp Ltd A Shs Ord CNY1	435,900	-	383,000
	China International Travel Service Ord CNY1	739,932	-	196,265
	China National Medicines Corp Ltd A Shr Ord CNY1	-	445,937	-
	China Pacific Insurance Group A Shr Ord CNY1	275,900	-	-
	China Pacific Insurance Group Ord CNY1	236,500	-	-
	Dong-E-E-Jiao Co Ltd Ord CNY1	115,414	-	-
	Fiberhome Telecommunication Technologies Co Ltd A Shr Ord CNY1	-	431,800	-
	Focus Media Information Technology Co Ltd Ord CNY1	3,557,269	1,233,400	542,960
	Fujian Sunner Development Co Ltd A Shs Ord CNY1	-	283,968	-
	Fuyao Group Glass Industries Co Ltd A Shr Ord CNY1	723,800	302,300	-
	Fuyao Group Glass Industry Ord CNY1	337,899	337,899	-
	GF Securities Co Ltd Ord CNY1	1,073,070	1,073,070	-
	GoerTek Inc A Shs Ord CNY1	1,453,769	1,232,200	931,534
	Greenland Holdings Corp Ltd Ord CNY1	-	349,200	-
	Greenland Holdings Corporation Limited A Shrs Ord1 CNY1	-	680,600	-

Investment Portfolio Movements (Unaudited) (Continued)

投資組合變動(未經審核)(續)

For the year ended 31st December 2017

二零一七年十二月三十一日止年度

Country/Territory 國家/地區	Investments 投資項目	Number of shares/units 股票/單位數目		
		Additions 增加	Disposals 減少	Bonus/Splits 紅股/分拆
LISTED EQUITIES (CONTINUED)				
上市股票(續)				
CHINA (CONTINUED) 中國(續)				
	Hangzhou Hikvision Digital Technology Co Ltd A Shs Ord Npv CNY1	263,300	730,100	605,623
	Hangzhou Hikvision Digital Technology Ord CNY1	1,037,425	423,800	125,200
	Hangzhou Robam Appliances Co Ltd Ord CNY1	446,057	-	133,817
	Han's Laser Technology Industry Grp Co Ltd Ord CNY1	126,952	1,218,839	-
	Hefei Meiya Optoelectronic A Ord NPV	364,200	-	-
	Hefei Meiya Optoelectronic Technology Inc Ord CNY1	445,165	-	-
	Hithink Flush Information Network Co Ltd A Shs Ord CNY1	170,600	-	-
	Hithink RoyalFlush Information Network Co Ltd A Shs Ord CNY1	137,033	-	-
	Huadong Medicine Co Ltd A Ord CNY1	136,100	-	220,358
	Huadong Medicine Co Ltd Ord CNY1	461,427	-	-
	Huatai Securities Co Ltd A Shs Ord CNY1	208,000	-	-
	Huatai Securities Co Ltd Ord CNY1	1,341,890	348,300	-
	Hubei Dinglong Chemical Co Ltd A Shrs Ord CNY1	1,245,960	-	772,720
	Hubei Dinglong Co Ltd Ord CNY1	400,910	-	-
	Hytera Communications Corp Ltd A Shrs Ord CNY1	-	255,436	-
	Industrial and Commercial Bank of China A Shs Ord CNY1	1,874,800	-	-
	Industrial Bank Co Ltd Ord CNY1	-	319,400	-
	Jason Furniture Hangzhou Co Ltd A Shs Ord CNY1	670,703	-	-
	Jiangsu Hengrui Medicine Co Ltd A Shr Ord CNY1	-	208,000	74,240
	Jiangsu Hengrui Medicine Co Ord CNY1	92,100	207,000	46,085
	Jinyu Bio-Technology Co Lt-A Ord CNY1	530,826	-	59,280
	Jinyu Bio-Technology Co Ltd A Shrs Ord CNY1	238,863	-	321,959
	Joyoung Co Ltd Ord CNY1	611,300	611,300	-
	Leyard Optoelectronic Co L Ord CNY1	1,374,632	-	-
	Lianhe Chemical Technology Co Ltd A Shrs Ord CNY1	561,347	1,407,875	-
	Lianhe Chemical Technology Ord CNY1	291,489	291,489	-
	Linyang Energy Ord CNY1	1,016,873	1,016,873	-
	Livzon Pharmaceutical Group Inc A Shr Ord CNY1	-	174,493	-
	Luthai Textile Co Ltd B Shr Ord CNY1	1,149,972	1,149,972	-
	Midea Group Co Ltd A Shrs Ord CNY1	-	422,600	-
	Midea Group Co Ltd Ord CNY1	504,667	-	-
	Ningbo Joyson Electronic Corp A Ord CNY1	-	188,400	-
	Ningbo Tuopu Group Co Ltd A Shrs Ord Npv CNY1	437,371	-	-
	Ningbo Tuopu Group Co Ltd Ord CNY1	706,185	-	-
	Oppein Home Group Inc A Shs Ord CNY1	402,190	-	-
	Ping An Insurance Group Co Ord CNY 1	1,127,458	101,800	-
	Qingdao Haier Co Ltd A Shr Ord CNY1	1,398,076	-	-
	Qingdao Haier Co Ltd Ord CNY1	1,626,480	-	-
	Sany Heavy Industry Co Ltd A Ord CNY1	3,271,100	-	-

Investment Portfolio Movements (Unaudited) (Continued)

投資組合變動 (未經審核) (續)

For the year ended 31st December 2017

二零一七年十二月三十一日止年度

Country/Territory 國家/地區	Investments 投資項目	Number of shares/units 股票/單位數目		
		Additions 增加	Disposals 減少	Bonus/Splits 紅股/分拆
LISTED EQUITIES (CONTINUED)				
上市股票 (續)				
CHINA (CONTINUED) 中國 (續)				
	Sany Heavy Industry Co Ltd Ord CNY1	585,700	-	-
	Shandong Dong-E E-jiao Co Ltd A Shr Ord CNY1	592,421	-	-
	Shandong Nanshan Aluminum Co Ltd A Shr Ord CNY1	-	3,578,500	-
	Shandong Nanshan Aluminum Ord CNY1	-	883,750	-
	Shanghai Moons Electric Co Ltd A Shs Ord CNY1	1,298,213	-	-
	Shanghai Pret Composites Co Ltd A Shr Ord CNY1	-	355,668	-
	Shanghai Pudong Development Bank Ord CNY1	2,488,358	427,063	-
	Shanghai Tunnel Engineering Co Ltd A Shr Ord CNY1	-	386,600	-
	Shanghai Tunnel Engineering Ord CNY1	-	941,674	-
	Shanghai Wangsu Science & Technology Co Ltd A Share Ord CNY1	-	219,299	146,089
	Shenzhen Inovance Technology Co Ltd A Shr Ord CNY1	558,200	-	-
	Shenzhen Inovance Technology Co Ltd Ord CNY1	445,980	-	-
	Shenzhen Invt Electric Co Ltd A Shr Ord CNY1	-	2,112,700	-
	Sichuan Swellfun Co Ltd A Shs Ord CNY1	287,411	704,611	-
	Songcheng Performance Development Co Ltd A Shrs Ord CNY1	589,384	-	-
	Songcheng Performance Development Co Ltd Ord CNY1	1,392,348	-	-
	Soufeiya Home Collection Co Ltd A Shrs Ord CNY1	-	229,800	243,344
	Sunwoda Electronic Co Ltd A Shr Ord CNY1	1,684,100	-	-
	Sunwoda Electronic Co Ltd Ord CNY1	1,004,574	-	-
	Suzhou Gold Mantis Constructions Ord CNY1	959,841	959,841	-
	Suzhou Gold Mantis Constructions Shs A Ord CNY1	1,988,400	1,988,400	-
	Tangshan Jidong Cement Co. Ltd. A Shr Ord CNY1	-	655,200	-
	Wanhua Chemical Group Co Ltd A Shr Ord CNY1	-	772,800	-
	Wanhua Chemical Group Co Ord CNY1	-	170,311	-
	Weifu High-Technology Co Ltd B Shr Ord CNY1	-	469,511	-
	XJ Electric Co Ltd A Shr Ord CNY1	-	874,095	-
	Youzu Interactive Co Ltd Ord CNY1	639,000	-	-
	Yunnan Hongxiang Yixintang Pharmaceutical Co Ltd Ord CNY1	465,220	465,220	-
	Zangge Holding Co Limited A Shrs CNY1	1,170,000	-	-
	Zhejiang Sanhua Co Ltd Ord CNY1	818,736	-	-
	Zhejiang Sanhua Intelligent Controls Co Ltd A Shs Ord CNY1	1,111,920	-	-
	Zhejiang Weixing New Building Materials Co Ltd A Shs Ord CNY1	1,410,180	-	-
LISTED DEBT SECURITIES				
上市債務證券				
	BJ Oriental Yuhong Water (Reg) Stp Conv 0.3% 25/09/2023	1,141,100	-	-

Performance Table (Unaudited) 業績表 (未經審核)

For the year ended 31st December 2017

二零一七年十二月三十一日止年度

	2017 二零一七年	2016 二零一六年	2015 二零一五年
Net asset value 資產淨值	US\$ 美元 262,639,835	US\$ 美元 100,152,141	US\$ 美元 86,913,349
Net asset value per unit 每單位資產淨值			
USD Class A Accumulation Units 美元A類別累積單位	US\$ 美元 217.05	US\$ 美元 153.03	US\$ 美元 169.45
HKD Class A Accumulation Units 港元A類別累積單位	HK\$ 港元 129.38	HK\$ 港元 90.48	HK\$ 港元 100.07
RMB Class A Accumulation Units 人民幣A類別累積單位	RMB 人民幣 134.41	RMB 人民幣 101.36	RMB 人民幣 106.75
USD Class C Accumulation Units 美元C類別累積單位	US\$ 美元 228.59	US\$ 美元 159.53	US\$ 美元 174.72
USD Class I Accumulation Units 美元I類別累積單位	US\$ 美元 240.71	US\$ 美元 166.19	US\$ 美元 180.05

PERFORMANCE RECORD FOR THE LAST 10 YEARS 過去十年的業績記錄

USD Class A Accumulation Units 美元A類別累積單位	Highest issue price per unit 每單位最高認購價 US\$ 美元	Lowest redemption price per unit 每單位最低贖回價 US\$ 美元
2017 二零一七年	222.77	154.15
2016 二零一六年	163.74	124.54
2015 二零一五年	217.42	121.55
2014 ¹ 二零一四年 ¹	128.11	87.99
2013 ¹ 二零一三年 ¹	105.58	95.33
HKD Class A Accumulation Units 港元A類別累積單位	Highest issue price per unit 每單位最高認購價 HK\$ 港元	Lowest redemption price per unit 每單位最低贖回價 HK\$ 港元
2017 二零一七年	132.70	91.12
2016 二零一六年	96.86	73.94
2015 二零一五年	108.13	71.78

Performance Table (Unaudited) (Continued) 業績表 (未經審核) (續)

For the year ended 31st December 2017

二零一七年十二月三十一日止年度

PERFORMANCE RECORD FOR THE LAST 10 YEARS (Continued)

過去十年的業績記錄 (續)

RMB Class A Accumulation Units 人民幣A類別累積單位	Highest issue price per unit 每單位最高認購價 RMB 人民幣	Lowest redemption price per unit 每單位最低贖回價 RMB 人民幣
2017 二零一七年	140.46	100.54
2016 二零一六年	106.51	78.32
2015 二零一五年	108.13	75.01

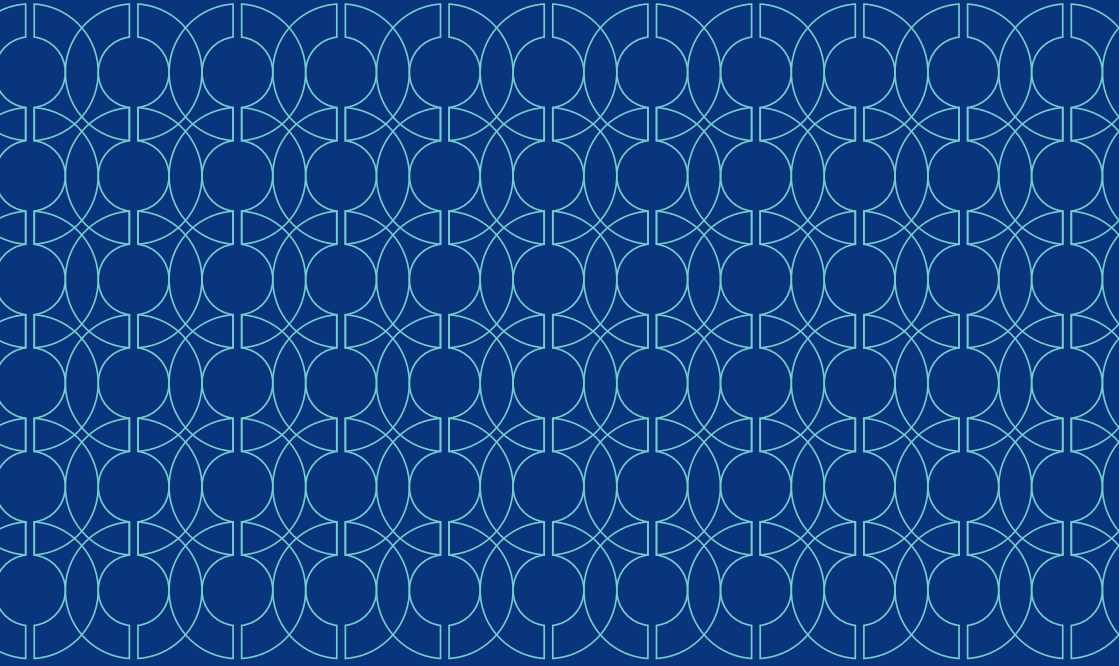
USD Class C Accumulation Units 美元C類別累積單位	Highest issue price per unit 每單位最高認購價 US\$ 美元	Lowest redemption price per unit 每單位最低贖回價 US\$ 美元
2017 二零一七年	234.46	160.78
2016 二零一六年	170.39	128.52
2015 二零一五年	222.78	124.85
2014 ¹ 二零一四年 ¹	130.60	89.11
2013 ¹ 二零一三年 ¹	106.17	95.39

USD Class I Accumulation Units 美元I類別累積單位	Highest issue price per unit 每單位最高認購價 US\$ 美元	Lowest redemption price per unit 每單位最低贖回價 US\$ 美元
2017 二零一七年	246.60	167.56
2016 二零一六年	177.19	132.56
2015 二零一五年	228.17	128.17
2014 ¹ 二零一四年 ¹	133.09	90.23
2013 ¹ 二零一三年 ¹	106.76	95.44

Note 1: Year-end non dealing price is for indicative purpose only.

註1：年末之價格為非交易價格，僅供參考。

Schroders

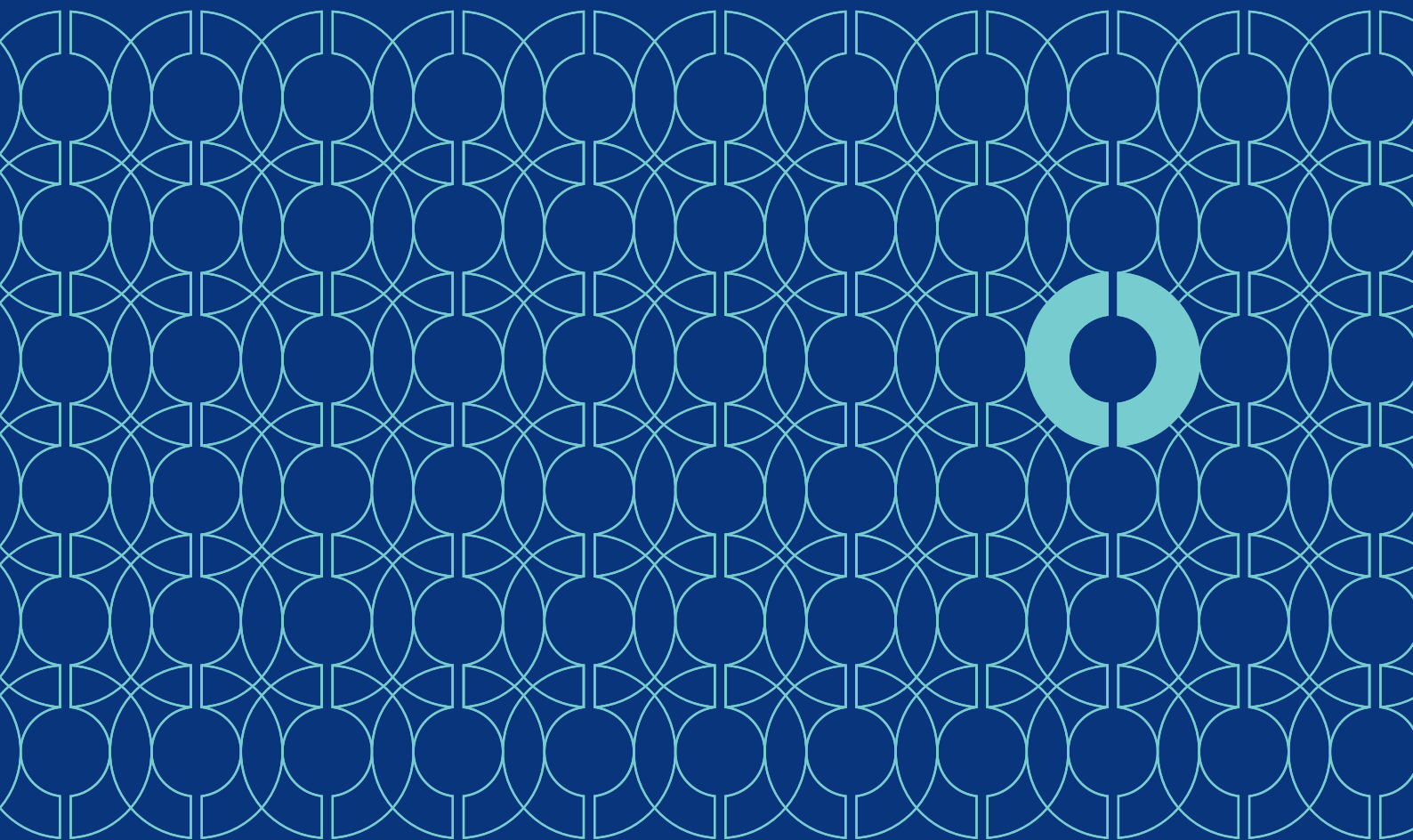


Schroders

**Schroder Alternative
Solutions**

**Audited Annual Report
Hong Kong**

30 September 2017



Schroder Alternative Solutions
Société d'Investissement à Capital Variable (SICAV)

Audited Annual Report

30 September 2017

No subscriptions can be received based solely on periodical reports. Subscriptions are valid only if made on the basis of the current prospectus accompanied by the last available annual report or semi-annual report if published thereafter.

Annual and semi-annual reports, the current prospectus and the Articles of Incorporation of Schroder Alternative Solutions (the 'Company') are available, free of charge, at the Company's Management Company, 5, rue Höhenhof, L-1736 Senningerberg, Grand Duchy of Luxembourg.

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Schroder Alternative Solutions

The Company

Schroder Alternative Solutions (the 'Company') is an open-ended investment company organised as a 'société anonyme' under the laws of the Grand Duchy of Luxembourg. The Company was incorporated on 6 October 2005 and exists for an indefinite period.

At the date of this report, 5 Funds were available for investment within Schroder Alternative Solutions (the "Funds"). The details of investment objectives and investment restrictions for the Funds can be found in the Company's current prospectus. The Company constitutes a single legal entity, but the assets of the Funds are invested for the exclusive benefit of the shareholders of the corresponding Funds and are solely accountable for the liabilities, commitments and obligations of the Funds. The Directors may at any time resolve to set up new Funds and/or create within each Fund one or more classes of shares. The Directors may decide to make an application to list the shares on any other recognised stock exchange.

This report covers the year from 1 October 2016 up to 30 September 2017. The last day on which prices were calculated was 29 September 2017, the last working day of the year under review. The financial statements are prepared in accordance with Luxembourg regulations related to undertakings for collective investment.

Schroders is a FATCA compliant organisation. The FATCA classification of this entity and its GIIN is as follows: FATCA entity classification: FFI; Sponsoring entity: Schroder Investment Management (Luxembourg) S.A.; Sponsoring entity GIIN: 4RIMT7.00000.SP.442.

Hereafter, the names of the Funds will be preceded by Schroder AS, e.g., Schroder AS Commodity Fund.

Corporate Governance

The Company is subject to corporate governance based on:

1. Its obligations as defined by Part II of the Luxembourg law of 17 December 2010, as amended, on undertakings for collective investment and the Alternative Investment Fund Managers Directive 2011/61/EU, as implemented in Luxembourg law, which are available for inspection at the registered office of the Company at 5, rue Höhenhof, L-1736 Senningerberg, Grand Duchy of Luxembourg.
2. Its Articles of Incorporation which are available for inspection at the registered office of the Company and at the Luxembourg corporate and trade register, Registre de Commerce et des Sociétés ('RCSL').
3. The obligations in respect of the management of the Company, for which the Company has appointed Schroder Investment Management (Luxembourg) S.A., which is subject to the requirements of the Management Company Directive 2010/43/EC and the Alternative Investment Fund Managers Directive 2011/61/EU, as implemented in Luxembourg law.
4. The Association of the Luxembourg Fund Industry ('ALFI') Code of Conduct for Luxembourg Investment Funds, the principles of which the Company has voluntarily adopted.

Internal Control and Risk Management Systems

The Board of Directors is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of error or fraud in achieving the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board of Directors has contracted with the Management Company to put procedures in place to ensure all relevant accounting records are properly maintained and are readily available, including the production of annual and semi-annual reports. The annual and semi-annual reports of the Company are required to be approved by the Board of Directors of the Company and filed with the Commission de Surveillance du Secteur Financier ('CSSF') and, in the case of annual reports, with the Registre de Commerce et des Sociétés ('RCSL'). The annual statutory financial statements are required to be audited by independent auditors who report to the Board of Directors on their findings.

The Board meets at least four times a year and ensures that the Company maintains high standards of integrity and control in its operations and that it possesses adequate governance and means of control as law and regulation demand.

Board of Directors

Chairman

— **Richard Mountford**¹
Global Head of Product
Schroder Investment Management Limited
31, Gresham Street, London EC2V 7QA
United Kingdom

Directors

— **Eric Bertrand**²
Head of Schroders GAIA
Shackleton Residence
Ta'Xbiex Seafront
XBX 1027 Ta'Xbiex
Malta

— **Mike Champion**
Head of Product Development
Schroder Investment Management Limited
31, Gresham Street, London EC2V 7QA
United Kingdom

— **Marie-Jeanne Chevremont-Lorenzini**
Independent Director
19, rue de Bitbourg, 1273 Luxembourg
Grand Duchy of Luxembourg

— **Daniel De Fernando Garcia**
Independent Director
Serrano 1, 28001 Madrid
Spain

— **Jacques Elvinger**³
Avocat
Elvinger, Hoss & Prussen
2, place Winston Churchill, 2014 Luxembourg
Grand Duchy of Luxembourg

— **Bernard Herman**⁴
Independent Director
11-13, rue de Fischbach, 3372 Leudelange
Grand Duchy of Luxembourg

— **Achim Kuessner**
Country Head Germany, Austria & CEE
Schroder Investment Management GmbH
Taunustor 1 (Taunus Turm), 60310 Frankfurt am Main
Germany

— **Ketil Petersen**⁵
Country Head Nordic Region
Schroders Denmark Filial af Schroder Investment Management (Luxembourg) S.A.
Store Strandstraede 21, 1255 Copenhagen K
Denmark

— **Neil Walton**
Head of Investment Solutions
Schroder Investment Management Limited
31, Gresham Street
London EC2V 7QA, United Kingdom

¹ Richard Mountford was appointed to the Board of Directors on 1 February 2017.

² Eric Bertrand was appointed to the Board of Directors on 1 March 2017.

³ Jacques Elvinger resigned from the Board of Directors on 31 December 2016.

⁴ Bernard Herman was appointed to the Board of Directors on 18 November 2016

⁵ Ketil Petersen resigned from the Board of Directors on 7 April 2017.

Administration

Registered Office

5, rue Höhenhof, 1736 Senningerberg, Grand Duchy of Luxembourg

Alternative Investment Fund Manager, Principal Paying Agent, Domiciliary Agent, Registrar and Transfer Agent

Schroder Investment Management (Luxembourg) S.A.

5, rue Höhenhof, 1736 Senningerberg, Grand Duchy of Luxembourg

Investment Managers

Schroder Investment Management Limited

31, Gresham Street, London EC2V 7QA, United Kingdom

Schroder AS Agriculture Fund

Schroder AS Commodity Fund

Schroder AS Commodity Total Return Fund

Schroder AS UK Dynamic Absolute Return Fund

Schroder Investment Management (Hong Kong) Limited

Level 33, Two Pacific Place, 88 Queensway, Hong Kong

Schroder AS Asian Long Term Value Fund

Depositary bank and Fund Administrator

J.P. Morgan Bank Luxembourg S.A.

European Bank & Business Centre, 6, route de Trèves, 2633 Senningerberg,
Grand Duchy of Luxembourg

Auditor

PricewaterhouseCoopers, Société coopérative

2, rue Gerhard Mercator, 2182 Luxembourg, Grand Duchy of Luxembourg

Legal Advisers

Elvinger Hoss Prussen

2, place Winston Churchill, 1340 Luxembourg, Grand Duchy of Luxembourg

Simmons & Simmons

CityPoint, One Ropemaker Street, London EC2Y 9SS, United Kingdom

Directors' Report

Introduction

The directors of the company submit their report and the financial statements for the year ended 30 September 2017.

Activities during the year

On 30 September 2017, the total net assets of the Company were USD 1,086,263,424 compared with USD 984,590,911 on 30 September 2016, representing an increase of 10.33%.

During the year under review, the following changes took place:

30 June 2017

The following share classes were made available:

Schroder AS Asian Long Term Value Fund A Acc EUR

Schroder AS Asian Long Term Value Fund A Acc

19 July 2017

The following share classe was liquidated:

Schroder AS Asian Long Term Value Fund A Acc EUR

30 June 2017

There was a change in dealing day and dealing frequency for the Schroder AS Asian Long Term Value Fund, from monthly dealing frequency with dealing day the last Business Day of each calendar month to weekly dealing frequency with dealing day each Wednesday (or the following Business Day if Wednesday is not a Business Day) and the last Business Day of each calendar month.

There was a change in dealing cut-off time for subscriptions for Schroder AS Asian Long Term Value Fund from 13:00 CET Luxembourg time five Business Days prior to the relevant Dealing Day to 13:00 CET Luxembourg time three Business Days prior to the relevant Dealing Day.

There was a change in dealing cut-off time for redemptions for Schroder Schroder AS Asian Long Term Value Fund from 13:00 CET Luxembourg time fifteen calendar days prior to the relevant Dealing Day to 13:00 CET Luxembourg time three Business Days prior to the relevant Dealing Day.

The Alternative Investment Fund Manager has a remuneration policy in place as required by the Law of 12 July 2013 on Alternative Investment Fund Managers. Details of the amounts of remuneration may be obtained upon request and free of charge from the Management Company.

The Board of Directors

Schroder Alternative Solutions
30 September 2017

Investment Manager's Report

Economic review

The start of the period was dominated by the US presidential election and the surprise victory of Donald Trump. Investors largely welcomed Trump's plans to cut taxes, boost infrastructure spending, and reduce regulation. This pro-growth agenda helped to shift the global policy discussion away from a sole reliance on monetary stimulus. However, the failure to pass revisions to healthcare legislation planted some doubts about the administration's ability to implement its policies. US economic data remained largely encouraging, with jobs figures showing particular strength. However, inflation remained muted over the year. At the end of the period, the US Federal Reserve signalled its intention to start normalising monetary policy. The central bank said it would start paring back its balance sheet from October 2017 and would likely raise interest rates further.

In Europe, the economic recovery continued to gather strength. Business and consumer confidence improved substantially although unemployment remained elevated in some countries. Inflation continued to be below the European Central Bank's (ECB) target but worries over deflation receded. The ECB extended its quantitative easing programme to December 2017; speculation gathered towards the end of the period that this would be extended into 2018 but that the monthly amount would be reduced. Meanwhile, political concerns were allayed with centrist candidates winning the Dutch and French elections. In particular, Emmanuel Macron's victory in France was seen as boosting the prospects of economic reforms.

It was a slightly different story in the UK which saw higher inflation during the period. This was largely a result of sterling weakness following the Brexit vote in June 2016. The weaker currency meant more expensive imports over the year. The Bank of England kept monetary policy unchanged, taking the view that the higher inflation would pass once the effect of weaker sterling dropped out of annual comparisons. Uncertainty over the UK's Brexit plans continued. Prime Minister Theresa May called a general election in June 2017. The move was widely perceived as an effort to secure a mandate for the Brexit negotiations but the Conservative Party lost its overall parliamentary majority.

In Japan, the central bank maintained its policy of keeping 10-year bond yields around zero. The economic backdrop saw some improvement. The latest quarterly Tankan survey indicated a shortage of capacity across all sizes of firms. This represented a meaningful change from the excess capacity situation the economy has faced for almost all of the last 20 years. Geopolitics was a focus too, with an escalation of tension around North Korea.

In emerging markets, there was relief that the protectionist rhetoric used by Donald Trump in his election campaign did not turn into policy. India was in focus amid an abrupt government ban on existing 500 and 1,000 rupee notes in an effort to curb the shadow economy. The move resulted in a delay to the long-awaited Goods & Services Tax, which was eventually implemented in summer 2017. South Korea was another market in focus owing to a corruption scandal involving President Park Geun-hye. She was replaced by Moon Jae-In who is looking to reinvigorate the economy and implement meaningful corporate governance reforms.

UK equity market review and outlook

The FTSE All-Share returned 11.9% over the period (source: DataStream). Gains came against a backdrop of improving global growth. More economically-sensitive sectors generally outperformed. The basic materials sector was the top performer. In part, this was due to expectations of solid demand given the backdrop of supportive Chinese macroeconomic data. As an overseas earner, the sector was also a beneficiary of a generally weak sterling during the 12 months. The financials and oil & gas sectors also performed well. The utilities sector underperformed, partly because the market turned away from defensive sectors but also due to worries over potential price caps. In August 2017, the Bank of England (BoE) cut its 2017 GDP growth forecast to 1.7% from 1.9%. Inflation rose over the period, reaching 2.9% in September. The BoE indicated that it could increase interest rates before the end of 2017.

Schroders economists continue to forecast below trend growth as the household sector struggles to cope with higher inflation while businesses hold back investment amid Brexit fears. In terms of the outlook for interest rates, the Bank is not pre-committed to raising rates in November 2017 but it may feel forced to follow through. However, inflicting rapid increases could shock households into saving more. Ideally, rate rises need to be gradual, limited and timed with an upswing in the economy, or at least confidence.

Commodity market review and outlook

For the 12-month period as a whole, the Bloomberg Commodity index returned -0.3% (source: FactSet). The industrial metals complex was the strongest segment, supported by some more encouraging macroeconomic data from China. By contrast, agriculture was weak over the period. The precious metals component was also weaker as the expectations of higher inflation and consequent rising bond yields over the year rendered gold less attractive to investors. Energy saw a negative return too. OPEC members and other producer nations extended production cuts but these were not as deep as the market had anticipated. The weakness was exacerbated by rising US production.

Prospects for the energy sector now look more positive due to the drawdown in inventories. In agriculture, consumption growth has been strong but prices continue to reflect high levels of global stocks. Demand for industrial metals has been stronger than expected; however, monetary conditions in China are tighter compared to last year, which makes it difficult to forecast a major acceleration in Chinese demand. For precious metals, gold and real rates could remain range-bound with the recovery in both inflation and rates expectations.

The Investment Manager

Schroder Alternative Solutions
30 September 2017

Notes to the Financial Statements as at 30 September 2017

The Company

The Company is an umbrella structured open-ended investment company with limited liability and qualifies as an undertaking for collective investment ('UCI') regulated by the provisions of Part II of the Luxembourg law of 17 December 2010, as amended, regarding undertaking for collective investment (the '2010 law'). The Company has been established for an undetermined period and may further issue several classes of shares in each sub-fund. The financial statements are prepared in accordance with Luxembourg regulations relating to undertakings for collective investments.

Classes of Shares

At the date of this report, the following classes of shares were available for investment:

Fund	Classes of Shares
Schroder AS Agriculture Fund	A, C, D & I Acc share classes A & C Dis share classes A, C & I Acc CHF Hedged share classes A, C & I Acc EUR Hedged share classes A, C & I Acc GBP Hedged share classes A & C Dis GBP Hedged share classes A Acc SGD Hedged share class
Schroder AS Asian Long Term Value Fund [*]	A, C, I and IZ Acc share classes
Schroder AS Commodity Fund	A, C, D, I & X Acc share classes A, C, I & J Dis share classes A, C & I Acc CAD Hedged share classes A, C & I Acc CHF Hedged share classes A, C & I Acc EUR Hedged share classes A, C & I Acc GBP Hedged share classes A & C Dis GBP Hedged share classes A Acc SGD Hedged share class I Acc JPY Hedged share class
Schroder AS Commodity Total Return Fund	A, C & I Acc share classes A, C, E & I Acc EUR Hedged share classes A, C, E & I Acc GBP Hedged share classes
Schroder AS UK Dynamic Absolute Return Fund	C & R Acc share classes C & R Acc EUR Hedged share classes C & R Acc USD Hedged share classes

Initial Charges

The Management Company and Distributors are entitled to an initial charge, which can be partly or fully waived at the discretion of the Management Company or of the relevant Distributor. The initial charge attributed to each class of share is shown below:

	Initial Charge
A Shares [*]	Up to 5.26315% of the Net Asset Value per share
C Shares [*]	Up to 1.0101% of the Net Asset Value per share
D, E, I, IZ, J, R and X Shares	None

Minimum Subscription Amount, Minimum Additional Subscription Amount and Minimum Holding Amount

The minimum subscription amount, minimum additional subscription amount and minimum holding amount for each class shown below are stated in the relevant currency although near equivalent amounts in any other freely convertible currency are acceptable. These minima may be waived at the Directors' discretion from time to time.

^{*} Please refer to the Directors' Report for details of all corporate actions that occurred during the year under review.

^{*} There is no initial charge for the A and C shares of Schroder AS Asian Long Term Value Fund and for all share classes of Schroder AS Commodity Total Return Fund.

Notes to the Financial Statements as at 30 September 2017 (cont)

Minimum Subscription Amount, Minimum Additional Subscription Amount and Minimum Holding Amount (cont)

Share Class	Minimum Subscription Amount	Minimum Additional Subscription Amount	Minimum Holding Amount
A and D Shares	USD 10,000	USD 5,000	USD 10,000
C Shares	GBP/USD 250,000	GBP/USD 125,000	GBP/USD 250,000
E Shares	USD 500,000	USD 250,000	USD 500,000
I and J Shares	USD 5,000,000	USD 2,500,000	USD 5,000,000
IZ Shares	USD 100,000,000	USD 20,000,000	USD 100,000,000
X Shares	USD 25,000,000	USD 12,500,000	USD 25,000,000
R Shares	none	none	none

Custodian and Administration fees

The Custodian and fund administrator are entitled to fees for related services rendered in accordance with common practice in Luxembourg, payable monthly, out of the net assets of the Fund.

Net Asset Value

Calculation of Net Asset Value per Share

The Net Asset Value per Share of each Class is calculated on each Dealing Day in the currency of the relevant class. It is calculated by dividing the net asset value attributable to each class, being the proportionate value of its assets less its liabilities, by the number of shares of such class then in issue. The resulting sum is rounded to the nearest two decimal places. Further details on rules that apply in valuing total assets can be found in the current prospectus.

Valuation of the Assets of the Fund

The value of securities, assets (including shares or units in closed-ended undertakings for collective investment) and financial derivative instruments is determined on the basis of the last available price on the stock exchange or any other Regulated Market on which these securities, assets or derivative instruments are traded or admitted for trading. Where such securities, assets or derivative instruments are quoted or dealt in one or by more than one stock exchange or any other Regulated Market, the Directors shall make regulations for the order of priority in which stock exchanges or other Regulated Markets shall be used for the provision of prices of securities, assets or derivative instruments.

If a security or derivative instrument is not traded or admitted on any official stock exchange or any Regulated Market, or in the case of securities and derivative instruments so traded or admitted the last available price of which does not reflect their true value, the Directors are required to proceed on the basis of their expected sales price, which shall be valued with prudence and in good faith.

Swaps contracts are valued at the market value fixed in good faith by the Directors and according to generally accepted valuation rules. Asset based swap contracts will be valued by reference to the market value of the underlying assets. Cash flow based swap contracts will be valued by reference to the net present value of the underlying future cash flows.

Liquid assets and money market instruments held within the liquidity Funds are usually valued on an amortised cost basis.

Each share or unit in an open-ended undertaking for collective investment is valued at the last available Net Asset Value (or bid price for dual priced undertakings for collective investment) whether estimated or final, which is computed for such units or shares on the same Dealing Day, failing which, it is the last Net Asset Value (or bid price for dual priced undertakings for collective investment) computed prior to the Dealing Day on which the Net Asset Value of the shares in the Company is determined.

The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received are deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as the Company may consider appropriate in such case to reflect the true value thereof.

Any assets or liabilities in currencies other than the base currency of the Funds are converted using the relevant spot rate quoted by a bank or other responsible financial institution.

Exchange Rate

The exchange rate used for the calculation of the combined total in USD of the financial Statement as at 29 September 2017 is:
1 US Dollar = 0.74535090 British Pound.

Notes to the Financial Statements as at 30 September 2017 (cont)

Realised gains and losses on sales of Investments

Realised gains and losses on sales of investments in securities are determined on the average cost basis and include transaction costs.

Taxation

The Company is not subject to any taxes in Luxembourg on income or capital gains. The only tax to which the Company is subject in Luxembourg is the 'taxe d'abonnement' at a rate of up to 0.05% per annum based on the net asset value of each Fund at the end of the relevant quarter, calculated and paid quarterly. In respect of I, IZ, J and X shares, which comprise only institutional investors, the tax levied is at 0.01% per annum.

Changes in the Funds

A list, specifying the total purchases and sales for each Fund, which took place during the year under review may be obtained free of charge upon request at the registered office of the Company.

Cash Collateral Reinvestment

For the purpose of counterparty risk mitigation, Funds with currency hedging transactions related to hedged share classes will pay or receive cash collateral on a daily basis from the counterparty, thus reducing their exposure over the duration of the forward contract.

Investment Manager may reinvest the cash collateral received from the counterparty in connection with currency hedging, in line with the investment objectives of the fund.

Collateral receivable or payable at the maturity date of the forward contracts are shown in the Statement of Net Assets as 'Hedged Currency Class Forward Contract Collateral Receivable/Payable'. Collateral calls receivable or payable are shown in the Statement of Net Assets as 'Net Hedged Currency Class Forward Contract Collateral Calls Receivable/Payable'.

Forward Foreign Exchange Contracts

Outstanding forward foreign exchange contracts were valued at the last available price at NAV calculation day by reference to the forward rate of exchange applicable to the maturity of the contracts. The unrealised appreciations/(depreciations) are shown in the Statement of Net Assets under 'Net unrealised appreciation/(depreciation) on forward foreign exchange contracts'.

On 30 September 2017, the following funds were committed to forward foreign exchange contracts:

Currency Bought		Currency Sold		Maturity Date	Unrealised Appreciation/ (Depreciation)
Schroder AS Agriculture Fund					
Share Class Hedging					
CHF	817,000	USD	842,492	05-Oct-2017	771
EUR	504,100	USD	576,365	02-Nov-2017	20,945
EUR	287,100	USD	336,515	22-Nov-2017	4,038
EUR	133,400	USD	158,528	30-Nov-2017	(223)
EUR	6,468,400	USD	7,661,535	21-Dec-2017	24,997
EUR	441,200	USD	532,841	05-Jan-2018	(8,047)
EUR	150,100	USD	179,598	11-Jan-2018	(995)
EUR	473,500	USD	570,390	18-Jan-2018	(6,744)
EUR	100,700	USD	121,487	25-Jan-2018	(1,566)
GBP	27,100	USD	36,563	26-Oct-2017	(221)
GBP	1,796,000	USD	2,423,674	02-Nov-2017	(14,624)
SGD	1,047,800	USD	767,568	05-Oct-2017	4,951
SGD	71,200	USD	52,350	12-Oct-2017	150
SGD	295,300	USD	217,783	19-Oct-2017	(28)
SGD	2,869,400	USD	2,109,888	26-Oct-2017	6,140
SGD	63,900	USD	47,171	22-Nov-2017	(35)
USD	153,912	EUR	130,600	02-Nov-2017	(837)
USD	36,451	GBP	27,100	26-Oct-2017	109
USD	4,574	GBP	3,400	02-Nov-2017	14
USD	35,055	SGD	47,600	05-Oct-2017	(39)
USD					28,756

Notes to the Financial Statements as at 30 September 2017 (cont)

Forward Foreign Exchange Contracts (cont)

Currency Bought		Currency Sold		Maturity Date	Unrealised Appreciation/ (Depreciation)
Schroder AS Commodity Fund					
Share Class Hedging					
CAD	287,300	USD	232,053	26-Oct-2017	(1,499)
CHF	78,706,400	USD	81,162,206	05-Oct-2017	74,284
EUR	14,010,300	USD	15,826,228	05-Oct-2017	749,167
EUR	12,337,500	USD	13,996,536	26-Oct-2017	616,588
EUR	1,137,500	USD	1,300,566	02-Nov-2017	47,263
EUR	6,906,200	USD	8,008,485	09-Nov-2017	177,795
EUR	922,900	USD	1,080,139	16-Nov-2017	14,236
EUR	8,805,300	USD	10,320,851	22-Nov-2017	123,846
EUR	12,440,200	USD	14,903,038	18-Jan-2018	(94,435)
EUR	3,390,700	USD	4,086,085	25-Jan-2018	(48,185)
EUR	3,277,300	USD	3,955,367	01-Feb-2018	(50,899)
GBP	1,863,400	USD	2,419,303	05-Oct-2017	77,821
GBP	380,200	USD	496,719	12-Oct-2017	12,903
GBP	360,000	USD	486,000	26-Oct-2017	(3,229)
GBP	24,462,300	USD	33,011,495	02-Nov-2017	(199,185)
JPY	769,200	USD	6,898	26-Oct-2017	(39)
SGD	865,400	USD	636,282	12-Oct-2017	1,824
SGD	1,379,300	USD	1,017,121	19-Oct-2017	(25)
SGD	490,800	USD	360,888	26-Oct-2017	1,050
SGD	3,724,500	USD	2,735,956	09-Nov-2017	11,047
SGD	7,590,100	USD	5,619,004	16-Nov-2017	(20,498)
SGD	5,261,700	USD	3,884,048	22-Nov-2017	(2,728)
SGD	2,293,400	USD	1,704,565	30-Nov-2017	(12,677)
SGD	1,189,700	USD	882,869	07-Dec-2017	(5,130)
				USD	1,469,295
Schroder AS Commodity Total Return Fund					
Share Class Hedging					
EUR	70,100	USD	82,139	16-Nov-2017	985
EUR	200	USD	236	30-Nov-2017	1
EUR	1,300	USD	1,558	05-Jan-2018	(12)
EUR	7,800	USD	9,333	11-Jan-2018	(52)
EUR	800	USD	964	18-Jan-2018	(11)
GBP	35,200	USD	47,510	19-Oct-2017	(317)
GBP	920,100	USD	1,241,661	02-Nov-2017	(7,492)
USD	3,818	EUR	3,200	16-Nov-2017	24
				USD	(6,874)
Schroder AS UK Dynamic Absolute Return Fund					
Share Class Hedging					
EUR	12,983,900	GBP	11,387,980	26-Oct-2017	58,378
USD	12,092,600	GBP	8,964,909	26-Oct-2017	41,351
				GBP	99,729

The forward foreign exchange contracts were related to the following counterparties:

Forward Foreign Exchange Contracts Counterparties

Fund	Counterparty	Unrealised Appreciation/(Depreciation)
Schroder AS Agriculture Fund	Bank of America	25,269
	HSBC	3,487
	USD	28,756
Schroder AS Commodity Fund	Bank of America	524,151
	HSBC	945,144

Notes to the Financial Statements as at 30 September 2017 (cont)

Forward Foreign Exchange Contracts Counterparties (cont)

Fund	Counterparty		Unrealised Appreciation/(Depreciation)
Schroder AS Commodity Fund (cont)		USD	1,469,295
Schroder AS Commodity Total Return Fund	Bank of America		337
	HSBC		(7,211)
		USD	(6,874)
Schroder AS UK Dynamic Absolute Return Fund	Bank of America		6,748
	HSBC		92,981
		GBP	99,729

Futures Contracts

Futures contracts were valued at the last available price at NAV calculation day. The unrealised appreciation/(depreciation) is shown in the Statement of Net Assets under 'Net unrealised appreciation/(depreciation) on futures contracts'.

On 30 September 2017, the following funds held open futures contracts:

Maturity Date	Quantity	Contract	Local Currency	Market Price	Base Currency	Global Exposure	Unrealised Appreciation/ (Depreciation)
Schroder AS Agriculture Fund							
Oct 2017	98	Rapeseed Euro	EUR	368	USD	2,133,113	(36,790)
Nov 2017	83	Canola (WCE)	CAD	490.2	USD	652,887	(16,422)
Nov 2017	188	Coffee Robusta (10-Tonne)	USD	1,985	USD	3,731,800	(208,965)
Nov 2017	44	FCOJ-A	USD	1.47	USD	967,230	44,482
Nov 2017	40	Lumber	USD	403.35	USD	1,774,740	135,102
Nov 2017	130	Rough Rice (CBOT)	USD	12.09	USD	3,142,100	(158,920)
Nov 2017	221	SGX Technically Specified Rubber 20	USD	1.49	USD	1,643,135	(131,880)
Nov 2017	229	Soybean	USD	9.57	USD	10,951,925	(41,646)
Nov 2017	149	White Sugar (ICE)	USD	359	USD	2,674,550	(176,403)
Dec 2017	154	Cocoa	USD	2,008	USD	3,092,320	(84,328)
Dec 2017	20	Coffee 'C'	USD	1.29	USD	964,500	(23,625)
Dec 2017	471	Corn	USD	3.53	USD	8,319,038	(787,711)
Dec 2017	301	Cotton No.2	USD	0.69	USD	10,334,835	(505,415)
Dec 2017	124	Hard Red Winter Wheat (KCB)	USD	4.53	USD	2,805,500	167,400
Dec 2017	340	Mill Wheat Euro	EUR	166.25	USD	3,343,341	70,948
Dec 2017	147	Oat	USD	2.46	USD	1,809,938	(43,964)
Dec 2017	87	Red Wheat (MGE)	USD	6.45	USD	2,805,750	(172,995)
Dec 2017	123	Soybean Meal	USD	310.7	USD	3,821,610	(10,439)
Dec 2017	176	Soybean Oil	USD	0.33	USD	3,464,736	(52,135)
Dec 2017	405	Wheat (CBT)	USD	4.55	USD	9,208,688	(512,019)
Feb 2018	31	Lean Hogs	USD	0.64	USD	788,020	(58,666)
Feb 2018	51	Live Cattle	USD	1.19	USD	2,418,165	62,361
Feb 2018	161	Rubber	JPY	199.6	USD	1,431,047	(215,738)
Feb 2018	236	SUGAR NO.11 (WORLD)	USD	0.14	USD	3,674,048	(133,882)
Mar 2018	80	Corn	USD	3.66	USD	1,463,000	(8,996)
May 2018	79	Corn	USD	3.74	USD	1,478,288	(1,852)
Jul 2018	78	Corn	USD	3.82	USD	1,488,825	3,910
						USD	(2,898,588)
Schroder AS Commodity Fund							
Oct 2017	827	Crude Oil	USD	51.51	USD	42,598,770	1,694,697
Oct 2017	99	LME LEAD	USD	2,470.25	USD	6,113,869	200,475
Oct 2017	228	LME NICKEL	USD	10,336	USD	14,139,648	494,952
Oct 2017	325	Natural Gas	USD	3.01	USD	9,766,250	(406,156)
Oct 2017	168	NY Harb ULSD	USD	1.81	USD	12,803,112	1,173,365
Nov 2017	739	Brent Crude	USD	56.74	USD	41,930,860	700,641
Nov 2017	339	Canola (WCE)	CAD	490.2	USD	2,666,610	(108,966)
Nov 2017	1,063	Crude Oil	USD	51.92	USD	55,190,960	1,273,876

Notes to the Financial Statements as at 30 September 2017 (cont)

Futures Contracts (cont)

Maturity Date	Quantity	Contract	Local Currency	Market Price	Base Currency	Global Exposure	Unrealised Appreciation/ (Depreciation)
Schroder AS Commodity Fund (cont)							
Nov 2017	129	Gasoline RBOB	USD	1.59	USD	8,607,035	388,559
Nov 2017	338	LME PRI ALUM	USD	2,124.15	USD	17,949,068	1,586,826
Nov 2017	462	Natural Gas	USD	3.17	USD	14,645,400	(204,388)
Nov 2017	96	NY Harb ULSD	USD	1.81	USD	7,296,307	244,331
Nov 2017	811	SGX Technically Specified Rubber 20	USD	1.49	USD	6,029,785	(958,792)
Nov 2017	554	Soybean	USD	9.57	USD	26,495,050	(725,819)
Nov 2017	116	White Sugar (ICE)	USD	359	USD	2,082,200	(137,325)
Dec 2017	205	Brent Crude	USD	56.61	USD	11,605,050	(84,523)
Dec 2017	667	Cocoa	USD	2,008	USD	13,393,360	(343,646)
Dec 2017	71	Coffee 'C'	USD	1.29	USD	3,423,975	(83,869)
Dec 2017	311	Corn	USD	3.53	USD	5,493,038	(478,161)
Dec 2017	123	Cotton No.2	USD	0.69	USD	4,223,205	(381,564)
Dec 2017	263	Gasoline RBOB	USD	1.59	USD	17,524,479	(61,720)
Dec 2017	72	Gold 100 OZ	USD	1,292	USD	9,302,400	334,419
Dec 2017	28	LME COPPER	USD	6,547.5	USD	4,583,250	(85,750)
Dec 2017	144	LME LEAD	USD	2,473.5	USD	8,904,600	223,163
Dec 2017	188	LME PRI ALUM	USD	2,134.75	USD	10,033,325	2,051,550
Dec 2017	130	LME ZINC	USD	3,170	USD	10,302,500	791,200
Dec 2017	457	Low Sulphur Gas Oil (ICE)	USD	532.75	USD	24,346,675	336,874
Dec 2017	504	Mill Wheat Euro	EUR	166.25	USD	4,956,011	108,323
Dec 2017	206	Natural Gas	USD	3.29	USD	6,777,400	(264,900)
Dec 2017	287	Red Wheat (MGE)	USD	6.45	USD	9,255,750	(1,050,922)
Dec 2017	507	Silver	USD	16.88	USD	42,778,125	(433,459)
Dec 2017	1,040	Soybean Oil	USD	0.33	USD	20,473,440	(721,262)
Dec 2017	1,624	Wheat (CBT)	USD	4.55	USD	36,925,700	(1,060,332)
Jan 2018	236	Platinum	USD	923.8	USD	10,900,840	(360,937)
Feb 2018	1,532	SUGAR NO.11 (WORLD)	USD	0.14	USD	23,850,176	(808,100)
Mar 2018	253	Corn	USD	3.66	USD	4,626,738	(28,450)
Mar 2018	286	Natural Gas	USD	2.93	USD	8,385,520	55,567
May 2018	249	Corn	USD	3.74	USD	4,659,413	(5,836)
May 2018	80	Crude Oil	USD	52.15	USD	4,172,000	483,451
Jul 2018	245	Corn	USD	3.82	USD	4,676,438	12,282
Nov 2018	52	Crude Oil	USD	51.68	USD	2,687,360	(166,400)
						USD	3,193,274
Schroder AS Commodity Total Return Fund							
Oct 2017	2	LME NICKEL	USD	10,336	USD	124,032	(11,184)
Nov 2017	7	Brent Crude	USD	56.74	USD	397,180	3,393
Nov 2017	9	Canola (WCE)	CAD	490.2	USD	70,795	(2,054)
Nov 2017	15	Crude Oil	USD	51.92	USD	778,800	13,580
Nov 2017	10	Crude Palm Oil	MYR	2,697	USD	(159,756)	3,850
Nov 2017	6	SGX Technically Specified Rubber 20	USD	1.49	USD	44,610	(7,710)
Dec 2017	2	Brent Crude	USD	56.61	USD	113,220	(1,162)
Dec 2017	7	Cotton No.2	USD	0.69	USD	240,345	(14,530)
Dec 2017	2	Gold 100 OZ	USD	1,292	USD	258,400	9,058
Dec 2017	5	Lean Hogs	USD	0.58	USD	(116,200)	(2,031)
Dec 2017	2	LME COPPER	USD	6,547.5	USD	(327,375)	(17,925)
Dec 2017	2	LME LEAD	USD	2,473.5	USD	123,675	1,725
Dec 2017	1	LME ZINC	USD	3,170	USD	79,250	2,025
Dec 2017	10	Mill Wheat Euro	EUR	166.25	USD	98,334	1,946
Dec 2017	6	Natural Gas	USD	3.29	USD	197,400	(7,715)
Dec 2017	4	Red Wheat (MGE)	USD	6.45	USD	129,000	(17,746)
Dec 2017	49	SGX Iron Ore	USD	61.27	USD	(300,223)	26,025
Dec 2017	7	Silver	USD	16.88	USD	590,625	(11,170)
Dec 2017	14	Soybean Oil	USD	0.33	USD	275,604	(11,565)
Dec 2017	11	Wheat (CBT)	USD	4.55	USD	250,113	(2,598)
Jan 2018	7	Platinum	USD	923.8	USD	323,330	(10,706)
Feb 2018	7	SUGAR NO.11 (WORLD)	USD	0.14	USD	108,976	(6,693)
Mar 2018	7	Cotton No.2	USD	0.68	USD	(237,335)	15,179

Notes to the Financial Statements as at 30 September 2017 (cont)

Futures Contracts (cont)

Maturity Date	Quantity	Contract	Local Currency	Market Price	Base Currency	Global Exposure	Unrealised Appreciation/ (Depreciation)
Schroder AS Commodity Fund (cont)							
Mar 2018	2	Crude Oil	USD	52.27	USD	104,540	3,700
Apr 2018	4	Live Cattle	USD	1.2	USD	(191,440)	210
Nov 2019	8	Natural Gas	USD	3.01	USD	240,880	2,120
						USD	(41,978)

Total Return Swaps

The Company may use total return swaps. A total return swap is a bilateral financial contract which allows the Company to enjoy all of the cash flow benefits of an asset without actually owning this asset (the 'Reference Asset'). The Company will have to pay a periodic fee (fixed or floating payment) in exchange of its right to receive the total return of the Reference Asset (coupons or capital gains or losses). The Reference Asset can be almost any asset, index or basket of asset which constitutes an eligible investment for the Company. The Company may use such instruments to seek exposure to an eligible market or for hedging purposes.

The Company will only enter into a total return swap transaction with highly rated financial institutions specialised in this type of transaction. In addition, the use of total return swap must comply with the investment objectives and policies and risk profile of the relevant Fund. The total commitments arising from the use of total return swaps together with the total commitments arising from the use of other derivative instruments may not, at any time, exceed the net assets of the relevant Fund.

The total return swaps were valued at the last available price on 29 September 2017. The unrealised gain or loss on total return swaps at year-end is represented by the values of interests to be received (or paid), based on relevant swap agreements' interest rates less (or plus, respectively), the value of the performance to be paid (or received, respectively), based on the total return value of underlying assets, which is made of the current fair value of equities plus the dividend distributed for such equities for the relevant swap year. The unrealised appreciation/(depreciation) is shown in the Statement of Net Assets under 'Net unrealised appreciation/(depreciation) on total return swaps'.

On 30 September 2017, the following Fund was committed to total return swaps:

Description	Counterparty	Nominal Amount	Currency	Maturity Date	Unrealised Appreciation / (Depreciation)
Schroder AS Commodity Total Return Fund					
Pay Performance of the underlying Canadian stocks (basket) Receive Interest + spread = 0.65%	Morgan Stanley	66,450	CAD	11-Jun-2019	2,170
Pay Performance of the underlying Spanish stocks (basket) Receive Interest + spread = 0.761%	Morgan Stanley	72,045	EUR	20-Aug-2019	(8,243)
				USD	(6,073)
Schroder AS UK Dynamic Absolute Return Fund					
Pay Performance of the underlying stocks (basket):					
British stocks	UBS	25,800,749	GBP	22-Jun-2020	(453,289)
Irish stocks	UBS	689,152	GBP	22-Jun-2020	(56,263)
Jersey stocks	UBS	896,052	GBP	22-Jun-2020	(43,715)
Receive Interest + spread = 0.22%					
Pay Interest + spread = 0.57%					
Receive Performance of the underlying stocks (basket):					
British stocks	UBS	16,473,536	GBP	22-Jun-2020	374,488
South African stocks	UBS	800,128	GBP	22-Jun-2020	(12,183)
				GBP	(190,962)

Notes to the Financial Statements as at 30 September 2017 (cont)

Options Contracts

Options contracts were valued at the last available price on 29 September 2017 and the net market value is shown in the Statement of Net Assets under 'Net market value of options'. On 30 September 2017, the following Fund was committed to outstanding options contracts:

Par Value Subject to Call or Put	Contract	Counterparty	Currency	Premium Paid	Market Value	Unrealised (Depreciation)
Schroder AS Commodity Total Return Fund						
12	Gold 100 OZ, Call, 1,400, 27/11/2017	Morgan Stanley	USD	11,040	2,400	(8,640)
					USD	2,400
						(8,640)
Schroder AS UK Dynamic Absolute Return Fund						
163	FTSE 100 Index, Put, 7,100, 15/12/2017	UBS	GBP	147,950	103,505	(44,445)
					GBP	103,505
						(44,445)

Directors' Fees

Each of the following directors received the remuneration shown below for the year under review:

Marie-Jeanne Chevrement and Daniel de Fernando Garcia received EUR 16,666.67 each.

Bernard Herman received EUR 15,212.33.

The remaining directors have waived their remuneration.

Management Fees

The Investment Manager is entitled to receive management fees as remuneration for its services. Such fees are calculated and accrued daily by reference to the Net Asset Value of the Funds and are paid monthly. The actual rates payable as at 30 September 2017, which vary from Fund to Fund and from share class to share class, are set out in the following table.

Fund	Share Class	Management Fee
Schroder AS Agriculture Fund	A & D Shares	1.75%
	C Shares	1.25%
	I Shares	None
Schroder AS Asian Long Term Value Fund	A Shares*	1.50%
	C & IZ Shares	0.75%
	I Shares	None
Schroder AS Commodity Fund	A & D Shares	1.50%
	C Shares	1.00%
	I, J & X Shares	None
Schroder AS Commodity Total Return Fund	A Shares	1.50%
	C Shares	0.75%
	E Shares	0.375%
	I Shares	None
Schroder AS UK Dynamic Absolute Return Fund	C & R Shares	1.00%

Distribution fees

Share Classes	Distribution charge
A, C, E, I, IZ, J, R and X Shares	No distribution charge
D Shares	Distribution charge of 1.00% per annum of the net assets of Funds

Performance Fees

In accordance with the provisions of the current prospectus, the Investment Manager is entitled to receive performance fees in addition to management fees. The performance fee is 10% of the increase in the Net Asset Value per share over the financial year (except for Schroder AS UK

* Please refer to the Directors' Report for details of all corporate actions that occurred during the year under review.

Notes to the Financial Statements as at 30 September 2017 (cont)

Performance Fees (cont)

Dynamic Absolute Return Fund, for which it is set at 20%) and is payable annually in October. The performance fee becomes due in the event of outperformance, that is, if the Net Asset Value per Share at the end of the relevant performance period exceeds the High Water Mark, i.e. by reference to the Net Asset Value per Share at the end of any previous performance period (the High Water Mark). In addition if a Shareholder redeems or switches all or part of their Shares before the end of a performance period, any accrued performance fee with respect to such Shares will crystallise on that Dealing Day and will then become payable to the Investment Manager. The High Water Mark is not reset on those Dealing Days at which performance fees crystallise following the redemption or switch of Shares.

The Funds in relation to which performance fees were calculated during the year under review and the details of the relevant Investment Managers are set out in the table below.

Fund	Investment Manager	Share Classes
Schroder AS Agriculture Fund	Schroder Investment Management Limited	All share classes except for the I and J classes
Schroder AS Asian Long Term Value Fund	Schroder Investment Management (Hong Kong) Limited	All share classes except for the I class
Schroder AS Commodity Fund	Schroder Investment Management Limited	All share classes except for the I and J classes
Schroder AS Commodity Total Return Fund	Schroder Investment Management Limited	All share classes
Schroder AS UK Dynamic Absolute Return Fund	Schroder Investment Management Limited	All share classes

During the year under review, performance fees were payable for Schroder AS Asian Long term Fund and Schroder AS UK Dynamic Absolute Return Fund.

Dividends

The Directors declared the following dividends during the year under review:

Record Date	Ex-Dividend Date	Payment Date	Fund	Gross Dividend	Currency	Dividend per Share
22-Feb-2017	23-Feb-2017	03-Mar-2017	Schroder AS Commodity Fund J Distribution	43,819.79	USD	0.121684
30-Aug-2017	31-Aug-2017	08-Sep-2017	Schroder AS Commodity Fund J Distribution	72,425.69	USD	0.218728
27-Sep-2017	28-Sep-2017	10-Oct-2017	Schroder AS Agriculture Fund A Distribution	3,870.76	USD	0.433568
			C Distribution	419.28	USD	0.461162
			Schroder AS Agriculture Fund GBP Hedged A Distribution	808.70	GBP	0.262050
			C Distribution	2,915.81	GBP	0.279297
			Schroder AS Commodity Fund A Distribution	10,094.06	USD	0.370668
			C Distribution	163,582.43	USD	0.398879
			I Distribution	288,641.01	USD	0.484058
			Schroder AS Commodity Fund GBP Hedged A Distribution	2,620.48	GBP	0.240192
			C Distribution	58,515.94	GBP	0.257676

Information for Residents of the Hong Kong SAR

Registration of Portfolios

On 30 September 2017, Schroder AS Agriculture Fund and Schroder AS Commodity Fund were registered for sale in Hong Kong SAR.

Soft Commission Arrangements

Pursuant to the requirements of the Hong Kong Securities and Futures Commission regulations, the following statement is made:

Soft commission arrangements have been undertaken in respect of the Company. Services which are paid for through or by soft commission were in majority limited to the following areas:

- Research, analysis or price information including computer or other information facilities;
- Portfolio valuations; or
- Performance measurement.

Notes to the Financial Statements as at 30 September 2017 (cont)

Information for Residents of the Hong Kong SAR (cont)

Soft Commission Arrangements (cont)

Transactions with Connected Persons

The Company has entered into agreements and arrangements with Schroder Investment Management Limited and its affiliates, under which a management fee, performance fee, distribution fee and a transfer agency fee are payable. These agreements and arrangements have been entered into in the ordinary course of business and on normal commercial terms.

Details on management fees, distribution fees and performance fees are set out in the respective sections above. In addition, the Management Company is entitled to receive the customary charges for its services as administration agent, coordinator, domiciliary agent, global distributor, principal paying agent and registrar and transfer agent. These fees are accrued daily at an annual rate of up to 0.3% by reference to the Net Asset Value of the relevant portfolio and are paid monthly in arrears.

Further details on fees payable by the Company can be found in the current prospectus. No transactions of the Company were effected through a broker who is a connected person of the Management Company, the Investment Adviser or the Directors of the Company.

Disclosure of Transaction Costs

The transaction costs are broker commission fees and taxes related to the purchase and sale of transferable securities.

The transactions costs for the year under review are as follows:

Fund	Currency	Commissions	Other expenses	Total
Schroder AS Agriculture Fund	USD	7,378	82	7,460
Schroder AS Asian Long Term Value Fund	USD	116,640	82,726	199,366
Schroder AS Commodity Fund	USD	489,749	65,628	555,377
Schroder AS Commodity Total Return Fund	USD	9,078	1,805	10,883
Schroder AS UK Dynamic Absolute Return Fund	GBP	52,586	16,166	68,752

Subsequent Events

On 1 October 2017, The investment manager of Schroder AS UK Dynamic Absolute Return Fund changed from Schroder Investment Management Limited to BennBridge Limited.

On 16 October 2017, Michel Vermeulen was appointed to the Board of Directors.

Fund Performance (Unaudited) as at 30 September 2017

Sub-Fund/Class	Launch Date	1 Year %	2 Years %	3 Years %	Since Launch %
Schroder AS Agriculture Fund A Acc	27 October 2006	(1.90)	(7.71)	(19.73)	(30.84)
Schroder AS Agriculture Fund A Dis	20 April 2007	(1.91)	(7.71)	(19.74)	(30.88)
Schroder AS Agriculture Fund C Acc	27 October 2006	(1.37)	(6.66)	(18.32)	(25.01)
Schroder AS Agriculture Fund C Dis	20 April 2007	(1.37)	(6.63)	(18.29)	(26.35)
Schroder AS Agriculture Fund D Acc	31 October 2007	(2.88)	(9.54)	(22.10)	(38.19)
Schroder AS Agriculture Fund I Acc	27 October 2006	0.13	(3.78)	(14.53)	(10.94)
Benchmark: Rogers International Agriculture Index		(1.50)	(3.54)	(10.99)	(24.81)
Schroder AS Agriculture Fund A Acc CHF Hedged	16 January 2008	(4.03)	(11.34)	(23.83)	(42.01)
Schroder AS Agriculture Fund C Acc CHF Hedged	16 January 2008	(3.49)	(10.33)	(22.47)	(37.57)
Schroder AS Agriculture Fund I Acc CHF Hedged	16 January 2008	(2.02)	(7.54)	(18.85)	(24.43)
Benchmark: Rogers International Agriculture Index (TR) CHF Hedged		(3.30)	(6.59)	(14.53)	(31.98)
Schroder AS Agriculture Fund A Acc EUR Hedged	27 October 2006	(3.69)	(10.64)	(22.66)	(37.32)
Schroder AS Agriculture Fund C Acc EUR Hedged	27 October 2006	(3.17)	(9.61)	(21.30)	(32.20)
Schroder AS Agriculture Fund I Acc EUR Hedged	27 October 2006	(1.70)	(6.83)	(17.64)	(19.70)
Benchmark: Rogers International Agriculture Index (TR) EUR Hedged		(2.94)	(5.74)	(13.24)	(25.87)
Schroder AS Agriculture Fund A Acc GBP Hedged	27 October 2006	(2.91)	(9.42)	(21.09)	(33.38)
Schroder AS Agriculture Fund A Dis GBP Hedged	20 April 2007	(2.92)	(9.43)	(21.10)	(27.04)
Schroder AS Agriculture Fund C Acc GBP Hedged	27 October 2006	(2.39)	(8.38)	(19.67)	(14.32)
Schroder AS Agriculture Fund C Dis GBP Hedged	20 April 2007	(2.39)	(8.40)	(19.70)	(33.43)
Schroder AS Agriculture Fund I Acc GBP Hedged	27 October 2006	(0.91)	(5.58)	(15.96)	(28.09)
Benchmark: Rogers International Agriculture Index (TR) GBP Hedged		(2.27)	(4.35)	(11.48)	(23.17)
Schroder AS Agriculture Fund A Acc SGD Hedged	15 February 2008	(2.16)	(7.57)	(19.43)	(37.65)
Benchmark: Rogers International Agriculture Index (TR) SGD Hedged		(1.24)	(2.55)	(9.11)	(24.36)
Schroder AS Asian Long Term Value Fund A Acc	30 June 2017	-	-	-	3.22
Schroder AS Asian Long Term Value Fund C Acc	5 October 2015	25.10	-	-	47.85
Schroder AS Asian Long Term Value Fund I Acc	5 October 2015	26.72	-	-	52.16
Schroder AS Asian Long Term Value Fund IZ Acc	5 October 2015	25.50	-	-	48.37
Benchmark: MSCI AC Asia ex Japan (NDR)		22.68			38.95
Schroder AS Commodity Fund A Acc	31 October 2005	(4.52)	(6.00)	(39.60)	(34.35)
Schroder AS Commodity Fund A Dis	20 April 2007	(4.52)	(5.99)	(39.60)	(35.24)
Schroder AS Commodity Fund C Acc	31 October 2005	(3.99)	(4.91)	(38.52)	(28.86)
Schroder AS Commodity Fund C Dis	20 April 2007	(4.00)	(4.91)	(38.52)	(29.54)
Schroder AS Commodity Fund D Acc	31 October 2007	(5.47)	(7.86)	(41.39)	(41.91)
Schroder AS Commodity Fund I Acc	31 October 2005	(2.77)	(2.47)	(36.15)	(13.76)
Schroder AS Commodity Fund I Dis	18 December 2009	(2.77)	(2.48)	(36.15)	(20.46)
Schroder AS Commodity Fund J Dis	7 March 2008	(2.85)	(2.64)	(36.31)	(19.36)
Schroder AS Commodity Fund X Acc	26 February 2010	(2.77)	(2.48)	(36.15)	(15.21)
Benchmark: Composite Benchmark		0.75	(4.62)	(35.40)	(43.87)
Schroder AS Commodity Fund A Acc CAD Hedged	5 May 2006	(5.25)	(7.88)	(41.03)	(40.52)
Schroder AS Commodity Fund C Acc CAD Hedged	5 May 2006	(4.71)	(6.82)	(39.97)	(35.54)
Schroder AS Commodity Fund I Acc CAD Hedged	5 May 2006	(3.50)	(4.42)	(37.63)	(23.22)
Benchmark: Composite Benchmark CAD Hedged		0.64	(4.50)	(34.83)	(41.36)
Schroder AS Commodity Fund A Acc CHF Hedged	16 January 2008	(6.63)	(9.76)	(43.04)	(47.96)
Schroder AS Commodity Fund C Acc CHF Hedged	16 January 2008	(6.12)	(8.73)	(42.02)	(43.51)
Schroder AS Commodity Fund I Acc CHF Hedged	16 January 2008	(4.91)	(6.39)	(39.77)	(30.97)
Benchmark: Composite Benchmark CHF Hedged		(1.09)	(7.66)	(37.98)	(51.83)

* All fund performance data are on a NAV to NAV basis (Bid to Bid), adjusted for dividends, net of expenses and gross of taxes. Past performance is not a reliable indicator of future results, prices of shares and the income from them may fall as well as rise and investors may not get back the amount originally invested.

** Please refer to the Directors' Report for details of all corporate actions that occurred during the year under review.

Fund Performance (Unaudited) as at 30 September 2017 (cont)

Sub-Fund/Class	Launch Date	1 Year %	2 Years %	3 Years %	Since Launch %
Schroder AS Commodity Fund A Acc EUR Hedged	31 October 2005	(6.29)	(9.07)	(41.95)	(43.27)
Schroder AS Commodity Fund C Acc EUR Hedged	31 October 2005	(5.77)	(8.01)	(40.91)	(38.23)
Schroder AS Commodity Fund I Acc EUR Hedged	31 October 2005	(4.56)	(5.65)	(38.64)	(25.67)
Benchmark: Composite Benchmark EUR Hedged		(0.72)	(6.81)	(37.04)	(44.84)
Schroder AS Commodity Fund A Acc GBP Hedged	9 June 2006	(5.60)	(8.06)	(40.89)	(37.76)
Schroder AS Commodity Fund A Dis GBP Hedged	20 April 2007	(5.63)	(8.08)	(40.90)	(39.06)
Schroder AS Commodity Fund C Acc GBP Hedged	9 June 2006	(5.10)	(7.01)	(39.83)	(32.33)
Schroder AS Commodity Fund C Dis GBP Hedged	20 April 2007	(5.09)	(7.02)	(39.83)	(33.41)
Schroder AS Commodity Fund I Acc GBP Hedged	9 June 2006	(3.86)	(4.61)	(37.49)	(19.39)
Benchmark: Composite Benchmark GBP Hedged		(0.03)	(5.45)	(35.77)	(42.14)
Schroder AS Commodity Fund I Acc JPY Hedged	14 May 2010	(4.27)	(4.65)	(37.78)	(26.88)
Benchmark: Composite Benchmark JPY Hedged		(0.39)	(6.28)	(36.63)	(51.13)
Schroder AS Commodity Fund A Acc SGD Hedged	21 September 2007	(4.93)	(6.13)	(39.59)	(43.63)
Benchmark: Composite Benchmark SGD Hedged		1.01	(3.66)	(34.05)	(44.46)
Schroder AS Commodity Total Return Fund A Acc	20 April 2016	(5.75)	-	-	(8.46)
Schroder AS Commodity Total Return Fund C Acc	20 April 2016	(5.01)	-	-	(7.40)
Schroder AS Commodity Total Return Fund I Acc	20 April 2016	(4.06)	-	-	(6.08)
Schroder AS Commodity Total Return Fund A Acc EUR Hedged	20 April 2016	(7.49)	-	-	(10.84)
Schroder AS Commodity Total Return Fund C Acc EUR Hedged	20 April 2016	(6.75)	-	-	(9.80)
Schroder AS Commodity Total Return Fund E Acc EUR Hedged	20 April 2016	(6.40)	-	-	(9.31)
Schroder AS Commodity Total Return Fund I Acc EUR Hedged	20 April 2016	(5.83)	-	-	(8.50)
Schroder AS Commodity Total Return Fund A Acc GBP Hedged	20 April 2016	(6.75)	-	-	(9.80)
Schroder AS Commodity Total Return Fund C Acc GBP Hedged	20 April 2016	(6.00)	-	-	(8.74)
Schroder AS Commodity Total Return Fund E Acc GBP Hedged	20 April 2016	(5.66)	-	-	(8.26)
Schroder AS Commodity Total Return Fund I Acc GBP Hedged	20 April 2016	(5.07)	-	-	(7.43)
Schroder AS UK Dynamic Absolute Return Fund C Acc	11 February 2014	13.45	13.00	25.53	219.88
Schroder AS UK Dynamic Absolute Return Fund R Acc	11 February 2014	13.49	13.05	25.53	226.85
Schroder AS UK Dynamic Absolute Return Fund C Acc EUR Hedged	11 February 2014	13.00	11.66	23.74	196.91
Schroder AS UK Dynamic Absolute Return Fund R Acc EUR Hedged	11 February 2014	13.08	11.74	23.76	204.52
Schroder AS UK Dynamic Absolute Return Fund C Acc USD Hedged	11 February 2014	14.71	14.76	28.15	208.96
Schroder AS UK Dynamic Absolute Return Fund R Acc USD Hedged	11 February 2014	14.73	14.77	28.08	224.60

* All fund performance data are on a NAV to NAV basis (Bid to Bid), adjusted for dividends, net of expenses and gross of taxes. Past performance is not a reliable indicator of future results, prices of shares and the income from them may fall as well as rise and investors may not get back the amount originally invested.



Audit Report

To the Shareholders of
Schroder Alternative Solutions

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Schroder Alternative Solutions and of each of its sub-funds (the “Fund”) as at 30 September 2017, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

What we have audited

The Fund’s financial statements comprise:

- the statement of net assets as at 30 September 2017;
- the portfolio of investments as at 30 September 2017;
- the statement of operations for the year then ended;
- the statement of changes in net assets for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under those Law and standards are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” 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 opinion.

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our audit 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 identified above 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.

Responsibilities of the Board of Directors of the Fund and those charged with governance for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund 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 Board of Directors of the Fund 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 Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund’s financial reporting process.

Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements

The objectives of our audit 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 audit 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 the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if,

Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements (cont)

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 the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment 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 Board of Directors of the Fund;
- conclude on the appropriateness of the Board of Directors of the Fund’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 audit 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 audit 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.

We communicate with those charged with governance 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, Société coopérative
Represented by

Luxembourg, 05 December 2017

Valérie Piastrelli

Statement of Net Assets as at 30 September 2017

	Schroder AS Agriculture Fund USD	Schroder AS Asian Long Term Value Fund USD	Schroder AS Commodity Fund USD	Schroder AS Commodity Total Return Fund USD	Schroder AS UK Dynamic Absolute Return Fund GBP	Total [*] USD
ASSETS						
Investments						
Securities at cost ^{**}	85,048,964	165,611,137	665,515,344	10,402,058	63,274,709	1,011,470,013
Unrealised appreciation/(depreciation) ^{***}	(36,502)	5,456,835	(6,522,959)	(55,917)	10,373,422	12,758,958
Securities at Market Value	85,012,462	171,067,972	658,992,385	10,346,141	73,648,131	1,024,228,971
Net unrealised appreciation/(depreciation) ^{***}						
on forward foreign exchange contracts	28,756	-	1,469,295	(6,874)	99,729	1,624,978
on futures contracts	(2,898,588)	-	3,193,274	(41,978)	-	252,708
on total return swaps	-	-	-	(6,073)	(190,962)	(262,277)
	82,142,630	171,067,972	663,654,954	10,291,216	73,556,898	1,025,844,380
Cash at banks	9,105,694	12,220,329	39,082,211	533,738	4,153,456	66,514,456
Receivables for securities sold	-	-	849,485	949	-	850,434
Hedged currency class forward contract collateral receivable	43,520	-	-	-	-	43,520
Net hedged currency class forward contract collateral calls receivable	-	-	-	-	129,456	173,685
Receivables for subscriptions	-	-	338,759	-	43,101	396,585
Dividends and interest receivable	342	279,092	7,510	59	42,992	344,683
Sundry receivables and prepayments	-	4,714	1,974	-	-	6,688
Net market value of options	-	-	-	2,400	103,505	141,267
TOTAL ASSETS	91,292,186	183,572,107	703,934,893	10,828,362	78,029,408	1,094,315,698
LIABILITIES						
Payables for securities purchased	-	-	-	-	585,184	785,112
Hedged currency class forward contract collateral payable	-	-	668,332	1,272	129,456	843,289
Net hedged currency class forward contract collateral calls payable	79,597	-	761,702	-	-	841,299
Payables for redemptions	16,377	-	806,255	-	153,109	1,028,051
Dividends payable	9,275	-	544,137	-	-	553,412
Management fees payable	111,713	1,269	325,279	104	59,754	518,534
Performance fees payable ^{****}	-	9,757	-	-	2,075,550	2,794,419
Other payables and accruals	75,984	83,883	413,344	11,009	77,470	688,158
TOTAL LIABILITIES	292,946	94,909	3,519,049	12,385	3,080,523	8,052,274
TOTAL NET ASSETS	90,999,240	183,477,198	700,415,844	10,815,977	74,948,885	1,086,263,424
UNREALISED APPRECIATION/(DEPRECIATION) SPLIT						
Unrealised appreciation on investments	-	8,348,039	8,689,519	107,231	11,554,308	32,646,626
Unrealised (depreciation) on investments	(36,502)	(2,891,204)	(15,212,478)	(163,148)	(1,180,886)	(19,887,668)
Unrealised appreciation on forward foreign exchange contracts	62,126	-	1,907,910	1,009	99,918	2,105,100
Unrealised (depreciation) on forward foreign exchange contracts	(33,370)	-	(438,615)	(7,883)	(189)	(480,122)
Unrealised appreciation on futures contracts	484,203	-	12,154,549	82,811	-	12,721,563
Unrealised (depreciation) on futures contracts	(3,382,791)	-	(8,961,275)	(124,789)	-	(12,468,855)
Unrealised appreciation on total return swaps	-	-	-	2,170	374,488	504,602
Unrealised (depreciation) on total return swaps	-	-	-	(8,243)	(565,450)	(766,879)

* For the total of the Statement of Net Assets, which has been presented in US Dollar, assets and liabilities stated in currencies other than US Dollar have been converted at the following exchange rate ruling as at 30 September 2017: 1 US Dollar = 0.74535090 British Pound.

** Money Market instruments are valued on an amortised cost basis.

*** Please refer to the table Unrealised appreciation/(depreciation) for the calculation split.

**** Performance fees were crystallised through shareholder redemption when the qualifying conditions were met.

The notes on pages 12 to 21 form an integral part of these financial statements.

Statement of Net Assets as at 30 September 2017 (cont)

	Schroder AS Agriculture Fund USD	Schroder AS Asian Long Term Value Fund USD	Schroder AS Commodity Fund USD	Schroder AS Commodity Total Return Fund USD	Schroder AS UK Dynamic Absolute Return Fund GBP
Net Asset Value					
as at 30 September 2017	90,999,240	183,477,198	700,415,844	10,815,977	74,948,885
as at 30 September 2016	104,190,860	13,148,933	759,329,837	9,877,370	75,476,452
as at 30 September 2015	120,437,598	-	836,708,232	-	88,097,207
Shares Outstanding*					
as at 30 September 2017					
Class A Acc	701,018	10	1,724,331	15	-
Class C Acc	315,530	14,255	1,420,507	15	28,565
Class D Acc	10,219	-	23,718	-	-
Class I Acc	13,099	1,191,973	1,879,007	100,495	-
Class IZ Acc	-	15	-	-	-
Class R Acc	-	-	-	-	445,865
Class X Acc	-	-	211,343	-	-
Class A Dis	8,928	-	27,232	-	-
Class C Dis	909	-	410,105	-	-
Class I Dis	-	-	596,294	-	-
Class J Dis	-	-	321,677	-	-
Class A Acc CAD Hedged	-	-	5,023	-	-
Class C Acc CAD Hedged	-	-	400	-	-
Class I Acc CAD Hedged	-	-	100	-	-
Class A Acc CHF Hedged	5,394	-	176,454	-	-
Class C Acc CHF Hedged	12,265	-	94,203	-	-
Class I Acc CHF Hedged	170	-	1,529,362	-	-
Class A Acc SGD Hedged	951,187	-	5,086,169	-	-
Class A Acc EUR Hedged	68,321	-	146,515	557	-
Class C Acc EUR Hedged	34,603	-	279,889	100	30,205
Class E Acc EUR Hedged	-	-	-	100	-
Class I Acc EUR Hedged	22,398	-	505,781	100	-
Class R Acc EUR Hedged	-	-	-	-	85,494
Class A Acc GBP Hedged	3,814	-	56,082	114	-
Class C Acc GBP Hedged	6,395	-	51,615	114	-
Class E Acc GBP Hedged	-	-	-	114	-
Class I Acc GBP Hedged	1,684	-	104,063	14,442	-
Class I Acc JPY Hedged	-	-	125	-	-
Class C Acc USD Hedged	-	-	-	-	38,642
Class R Acc USD Hedged	-	-	-	-	65,073
Class A Dis GBP Hedged	2,937	-	10,910	-	-
Class C Dis GBP Hedged	10,440	-	226,060	-	-
as at 30 September 2016					
Class A Acc	882,248	-	1,688,847	15	-
Class C Acc	300,208	9,620	1,438,922	15	34,029
Class D Acc	11,058	-	26,016	-	-
Class I Acc	8,675	100,015	1,628,251	100,015	-
Class IZ Acc	-	15	-	-	-
Class R Acc	-	-	-	-	519,139
Class X Acc	-	-	228,994	-	-
Class A Dis	10,207	-	22,091	-	-
Class C Dis	1,267	-	571,351	-	-
Class I Dis	-	-	596,294	-	-
Class J Dis	-	-	409,936	-	-
Class A Acc CAD Hedged	-	-	5,465	-	-
Class C Acc CAD Hedged	-	-	400	-	-
Class I Acc CAD Hedged	-	-	100	-	-
Class A Acc CHF Hedged	1,200	-	245,046	-	-
Class C Acc CHF Hedged	8,170	-	322,232	-	-
Class I Acc CHF Hedged	170	-	1,529,362	-	-
Class A Acc SGD Hedged	1,030,997	-	5,879,866	-	-
Class A Acc EUR Hedged	74,201	-	179,514	100	-
Class C Acc EUR Hedged	33,784	-	276,051	100	22,544
Class E Acc EUR Hedged	-	-	-	100	-
Class I Acc EUR Hedged	22,339	-	506,242	100	-
Class R Acc EUR Hedged	-	-	-	-	107,899
Class A Acc GBP Hedged	5,798	-	62,852	114	-
Class C Acc GBP Hedged	7,101	-	54,177	114	-
Class E Acc GBP Hedged	-	-	-	114	-
Class I Acc GBP Hedged	2,587	-	486,205	114	-
Class I Acc JPY Hedged	-	-	125	-	-
Class C Acc USD Hedged	-	-	-	-	36,043
Class R Acc USD Hedged	-	-	-	-	69,938
Class A Dis GBP Hedged	3,898	-	13,322	-	-
Class C Dis GBP Hedged	10,544	-	64,379	-	-

* Please refer to the 'Classes of Shares' section of the Notes to the Financial Statements for the naming convention used for the share classes.

The notes on pages 12 to 21 form an integral part of these financial statements.

Statement of Net Assets as at 30 September 2017 (cont)

	Schroder AS Agriculture Fund USD	Schroder AS Asian Long Term Value Fund USD	Schroder AS Commodity Fund USD	Schroder AS Commodity Total Return Fund USD	Schroder AS UK Dynamic Absolute Return Fund GBP
Shares Outstanding (cont) [*]					
as at 30 September 2015					
Class A Acc	974,823	-	2,244,373	-	-
Class C Acc	246,641	-	1,587,576	-	19,299
Class D Acc	11,866	-	39,347	-	-
Class I Acc	8,722	-	1,365,186	-	-
Class R Acc	-	-	-	-	645,935
Class X Acc	-	-	272,658	-	-
Class A Dis	12,373	-	17,164	-	-
Class C Dis	7,153	-	673,646	-	-
Class I Dis	-	-	596,294	-	-
Class J Dis	-	-	451,420	-	-
Class A Acc CAD Hedged	-	-	5,984	-	-
Class C Acc CAD Hedged	-	-	400	-	-
Class I Acc CAD Hedged	-	-	100	-	-
Class A Acc CHF Hedged	200	-	359,532	-	-
Class C Acc CHF Hedged	170	-	216,268	-	-
Class I Acc CHF Hedged	170	-	1,529,362	-	-
Class A Acc SGD Hedged	1,185,463	-	6,463,422	-	-
Class A Acc EUR Hedged	89,470	-	242,718	-	-
Class C Acc EUR Hedged	34,825	-	229,015	-	21,684
Class I Acc EUR Hedged	21,787	-	666,412	-	-
Class R Acc EUR Hedged	-	-	-	-	114,480
Class A Acc GBP Hedged	6,890	-	58,595	-	-
Class C Acc GBP Hedged	41,707	-	27,443	-	-
Class I Acc GBP Hedged	1,300	-	571,117	-	-
Class I Acc JPY Hedged	-	-	125	-	-
Class C Acc USD Hedged	-	-	-	-	65,567
Class R Acc USD Hedged	-	-	-	-	90,492
Class A Dis GBP Hedged	5,134	-	41,289	-	-
Class C Dis GBP Hedged	14,941	-	8,219	-	-

^{*} Please refer to the 'Classes of Shares' section of the Notes to the Financial Statements for the naming convention used for the share classes.

The notes on pages 12 to 21 form an integral part of these financial statements.

Statement of Net Assets as at 30 September 2017 (cont)

	Schroder AS Agriculture Fund USD	Schroder AS Asian Long Term Value Fund USD	Schroder AS Commodity Fund USD	Schroder AS Commodity Total Return Fund USD	Schroder AS UK Dynamic Absolute Return Fund GBP
Net Asset Value per Share **					
as at 30 September 2017					
Class A Acc	69.16	147.54	65.65	91.54	-
Class C Acc	74.99	147.85	71.14	92.60	114.63
Class D Acc	62.39	-	59.31	-	-
Class I Acc	89.06	152.16	86.24	93.92	-
Class IZ Acc	-	148.37	-	-	-
Class R Acc	-	-	-	-	114.72
Class X Acc	-	-	84.48	-	-
Class A Dis	68.33	-	64.47	-	-
Class C Dis	72.84	-	70.28	-	-
Class I Dis	-	-	85.66	-	-
Class J Dis	-	-	44.65	-	-
Class A Acc CAD Hedged	-	-	51.47	-	-
Class C Acc CAD Hedged	-	-	55.65	-	-
Class I Acc CAD Hedged	-	-	65.06	-	-
Class A Acc CHF Hedged	43.31	-	36.90	-	-
Class C Acc CHF Hedged	46.19	-	39.43	-	-
Class I Acc CHF Hedged	53.35	-	44.70	-	-
Class A Acc SGD Hedged	4.52	-	4.44	-	-
Class A Acc EUR Hedged	62.68	-	56.73	89.16	-
Class C Acc EUR Hedged	67.80	-	61.77	90.20	112.69
Class E Acc EUR Hedged	-	-	-	90.69	-
Class I Acc EUR Hedged	80.30	-	74.33	91.50	-
Class R Acc EUR Hedged	-	-	-	-	112.77
Class A Acc GBP Hedged	66.62	-	54.74	63.14	-
Class C Acc GBP Hedged	72.96	-	59.30	63.88	-
Class E Acc GBP Hedged	-	-	-	64.22	-
Class I Acc GBP Hedged	85.68	-	69.16	64.80	-
Class I Acc JPY Hedged	-	-	6,155.07	-	-
Class C Acc USD Hedged	-	-	-	-	116.80
Class R Acc USD Hedged	-	-	-	-	116.81
Class A Dis GBP Hedged	65.88	-	53.61	-	-
Class C Dis GBP Hedged	70.32	-	57.63	-	-
as at 30 September 2016					
Class A Acc	70.50	-	68.76	97.12	-
Class C Acc	76.03	118.19	74.10	97.48	101.04
Class D Acc	64.24	-	62.74	-	-
Class I Acc	88.94	120.08	88.70	97.89	-
Class IZ Acc	-	118.22	-	-	-
Class R Acc	-	-	-	-	101.08
Class X Acc	-	-	86.89	-	-
Class A Dis	70.10	-	67.91	-	-
Class C Dis	74.32	-	73.62	-	-
Class I Dis	-	-	88.60	-	-
Class J Dis	-	-	46.31	-	-
Class A Acc CAD Hedged	-	-	54.32	-	-
Class C Acc CAD Hedged	-	-	58.40	-	-
Class I Acc CAD Hedged	-	-	67.42	-	-
Class A Acc CHF Hedged	45.13	-	39.52	-	-
Class C Acc CHF Hedged	47.86	-	42.00	-	-
Class I Acc CHF Hedged	54.45	-	47.01	-	-
Class A Acc SGD Hedged	4.62	-	4.67	-	-
Class A Acc EUR Hedged	65.08	-	60.54	96.38	-
Class C Acc EUR Hedged	70.02	-	65.55	96.73	99.73
Class E Acc EUR Hedged	-	-	-	96.89	-
Class I Acc EUR Hedged	81.69	-	77.88	97.16	-
Class R Acc EUR Hedged	-	-	-	-	99.73
Class A Acc GBP Hedged	68.62	-	57.99	67.71	-
Class C Acc GBP Hedged	74.75	-	62.49	67.96	-
Class E Acc GBP Hedged	-	-	-	68.07	-
Class I Acc GBP Hedged	86.47	-	71.94	68.26	-
Class I Acc JPY Hedged	-	-	6,429.60	-	-
Class C Acc USD Hedged	-	-	-	-	101.82
Class R Acc USD Hedged	-	-	-	-	101.81
Class A Dis GBP Hedged	68.13	-	57.06	-	-
Class C Dis GBP Hedged	72.33	-	60.99	-	-

* Please refer to the 'Classes of Shares' section of the Notes to the Financial Statements for the naming convention used for the share classes.

** The Net Asset Value per Share of each share class is stated in the currency of the share class.

The notes on pages 12 to 21 form an integral part of these financial statements.

Statement of Net Assets as at 30 September 2017 (cont)

	Schroder AS Agriculture Fund USD	Schroder AS Asian Long Term Value Fund USD	Schroder AS Commodity Fund USD	Schroder AS Commodity Total Return Fund USD	Schroder AS UK Dynamic Absolute Return Fund GBP
Net Asset Value per Share (cont) **					
as at 30 September 2015					
Class A Acc	74.94	-	69.84	-	-
Class C Acc	80.34	-	74.81	-	101.41
Class D Acc	68.97	-	64.37	-	-
Class I Acc	92.56	-	88.42	-	-
Class R Acc	-	-	-	-	101.45
Class X Acc	-	-	86.63	-	-
Class A Dis	74.51	-	68.97	-	-
Class C Dis	78.51	-	74.33	-	-
Class I Dis	-	-	88.33	-	-
Class J Dis	-	-	46.36	-	-
Class A Acc CAD Hedged	-	-	55.87	-	-
Class C Acc CAD Hedged	-	-	59.72	-	-
Class I Acc CAD Hedged	-	-	68.07	-	-
Class A Acc CHF Hedged	48.85	-	40.89	-	-
Class C Acc CHF Hedged	51.51	-	43.20	-	-
Class I Acc CHF Hedged	57.70	-	47.75	-	-
Class A Acc SGD Hedged	4.89	-	4.73	-	-
Class A Acc EUR Hedged	70.14	-	62.39	-	-
Class C Acc EUR Hedged	75.01	-	67.15	-	100.90
Class I Acc EUR Hedged	86.19	-	78.78	-	-
Class R Acc EUR Hedged	-	-	-	-	100.90
Class A Acc GBP Hedged	73.55	-	59.54	-	-
Class C Acc GBP Hedged	79.63	-	63.77	-	-
Class I Acc GBP Hedged	90.74	-	72.50	-	-
Class I Acc JPY Hedged	-	-	6,455.52	-	-
Class C Acc USD Hedged	-	-	-	-	101.76
Class R Acc USD Hedged	-	-	-	-	101.76
Class A Dis GBP Hedged	73.03	-	58.58	-	-
Class C Dis GBP Hedged	77.07	-	62.26	-	-

* Please refer to the 'Classes of Shares' section of the Notes to the Financial Statements for the naming convention used for the share classes.

** The Net Asset Value per Share of each share class is stated in the currency of the share class.

The notes on pages 12 to 21 form an integral part of these financial statements.

Statement of Operations for the Year Ended 30 September 2017

	Schroder AS Agriculture Fund USD	Schroder AS Asian Long Term Value Fund USD	Schroder AS Commodity Fund USD	Schroder AS Commodity Total Return Fund USD	Schroder AS UK Dynamic Absolute Return Fund GBP	Total [*] USD
INCOME						
Bank interest	16,406	4,227	141,585	1,167	1,449	165,329
Bond interest	583,069	-	3,833,830	52,277	-	4,469,176
Net dividends	-	1,590,151	348,781	4,731	713,736	2,901,247
Total Income	599,475	1,594,378	4,324,196	58,175	715,185	7,535,752
EXPENSES						
Administration fees	264,452	23,523	1,099,913	16,034	194,504	1,664,878
Management fees	1,565,379	11,323	4,564,662	1,206	751,567	7,150,910
Performance fees	-	5,043	-	-	2,075,550	2,789,705
Bond interest	-	-	-	-	11,095	14,886
Bank and interest charges	395	-	7,023	27	3,829	12,582
Net interest on swaps	-	-	-	637	371,988	499,715
Custodian fees	12,345	23,383	68,687	6,633	10,358	124,945
Taxe d'abonnement	48,742	5,161	226,496	1,080	36,976	331,088
Distribution fees	7,100	-	15,321	-	-	22,421
Other Expenses ^{**}	98,811	23,527	576,676	5,132	74,702	804,371
Total Expenses	1,997,224	91,960	6,558,778	30,749	3,530,569	13,415,501
NET INVESTMENT INCOME/(LOSS)	(1,397,749)	1,502,418	(2,234,582)	27,426	(2,815,384)	(5,879,749)

^{*} For the total of the Statement of Operations, which has been presented in US Dollar, assets and liabilities stated in currencies other than US Dollar have been converted at the following exchange rate ruling as at 30 September 2017: 1 US Dollar = 0.74535090 British Pound.

^{**} The Other Expenses are composed of statutory fees.

The notes on pages 12 to 21 form an integral part of these financial statements.

Statement of Changes in Net Assets for the Year Ended 30 September 2017

	Schroder AS Agriculture Fund USD	Schroder AS Asian Long Term Value Fund USD	Schroder AS Commodity Fund USD	Schroder AS Commodity Total Return Fund USD	Schroder AS UK Dynamic Absolute Return Fund GBP	Total [†] USD
NET INVESTMENT INCOME/(LOSS)^{**}	(1,397,749)	1,502,418	(2,234,582)	27,426	(2,815,384)	(5,879,749)
Net realised gains/(losses) ^{***}						
on securities sold	20,727	1,681,169	(5,866,683)	(58,164)	7,302,352	5,574,249
on options contracts	-	-	-	(29,011)	(478,066)	(670,408)
on futures contracts	377,016	-	(14,349,807)	(283,586)	(536,511)	(14,976,187)
on total return swaps	-	-	-	7,150	1,036,419	1,397,662
on forward foreign exchange contracts	328,427	(802)	107,875	61,827	(596,810)	(303,383)
on foreign exchange on other net assets	(45,535)	(48,151)	774,027	2,582	399,132	1,218,418
NET REALISED PROFIT/(LOSS)	680,635	1,632,216	(19,334,588)	(299,202)	7,126,516	(7,759,649)
Net change in unrealised appreciation/(depreciation)						
on investments	64,410	4,049,767	(6,748,691)	(23,759)	5,207,710	4,328,651
on options contracts	-	-	-	5,440	(44,445)	(54,190)
on futures contracts	(128,843)	-	(4,165,682)	(71,189)	67,733	(4,274,840)
on total return swaps	-	-	-	(6,073)	(181,228)	(249,218)
on forward foreign exchange contracts	117,897	-	2,634,268	(6,210)	132,851	2,924,195
on foreign exchange on other net assets	(4,284)	185	8,397	(208)	(3,182)	(179)
NET CHANGE IN UNREALISED APPRECIATION/ (DEPRECIATION)	49,180	4,049,952	(8,271,708)	(101,999)	5,179,439	2,674,419
NET CHANGE IN TOTAL NET ASSETS AS A RESULT OF OPERATIONS	(667,934)	7,184,586	(29,840,878)	(373,775)	9,490,571	(10,964,979)
Net proceeds from issue of shares	11,934,936	178,756,572	202,792,017	1,331,603	4,274,765	400,550,366
Payment for shares redeemed	(24,449,347)	(15,612,893)	(231,204,750)	(19,221)	(14,292,903)	(290,462,284)
Dividends declared for the year from net investment income	(9,275)	-	(660,382)	-	-	(669,657)
Increase/(decrease) in Net Assets for the Year	(13,191,620)	170,328,265	(58,913,993)	938,607	(527,567)	98,453,446
Net Assets at the beginning of the year ^{****}	104,190,860	13,148,933	759,329,837	9,877,370	75,476,452	987,809,978
NET ASSETS AT THE END OF THE YEAR	90,999,240	183,477,198	700,415,844	10,815,977	74,948,885	1,086,263,424
REALISED GAINS/(LOSSES) SPLIT^{*****}						
Realised gains on securities sold	22,668	1,682,916	5,808,892	167,926	9,721,939	20,725,841
Realised (losses) on securities sold	(1,941)	(1,747)	(11,675,575)	(226,090)	(2,419,587)	(15,151,592)
Realised gains on options contracts	-	-	-	-	8,400	11,270
Realised (losses) on options contracts	-	-	-	(29,011)	(486,466)	(681,678)
Realised gains on futures contracts	15,664,026	-	102,051,261	1,032,399	-	118,747,686
Realised (losses) on futures contracts	(15,287,010)	-	(116,401,068)	(1,315,985)	(536,511)	(133,723,873)
Realised gains on total return swaps	-	-	-	7,150	1,040,807	1,403,549
Realised (losses) on total return swaps	-	-	-	-	(4,388)	(5,887)
Realised gains on forward foreign exchange contracts	1,853,252	14,251	37,972,695	130,576	2,432,354	43,234,142
Realised (losses) on forward foreign exchange contracts	(1,524,825)	(15,053)	(37,864,820)	(68,749)	(3,029,164)	(43,537,525)

[†] For the total of the Statement of Changes in Net Assets, which has been presented in US Dollar, assets and liabilities stated in currencies other than US Dollar have been converted at the following exchange rate ruling as at 30 September 2017: 1 US Dollar = 0.74535090 British Pound.

^{**} Please see the Statement of Operations for the calculation of Net Investment Income/(Loss).

^{***} Please see the table Realised gains/(losses) for the calculation split.

^{****} The opening balance was combined using the foreign exchange rate as at 30 September 2017. The same net assets combined using the foreign exchange rate as at 30 September 2016 reflected a figure of USD 984,590,911.

^{*****} The realised amounts shown in this table represent the sum of the net realised gains and losses at investment level for the year under review.

The notes on pages 12 to 21 form an integral part of these financial statements.

Portfolio of Investments as at 30 September 2017

Schroder AS Agriculture Fund

Number of shares or Principal Amount	Transferable Securities and Money Market Instruments Admitted to an Official Exchange Listing	Market Value USD	% Net Assets
Thailand			
THB 1,125,000	Sri Trang Agro-Industry PCL, NVDR	428,797	0.47
United States of America			
USD 8,500,000	US Treasury Bill ZCP 05/10/2017	8,498,727	9.34
USD 11,500,000	US Treasury Bill ZCP 09/11/2017	11,486,680	12.62
USD 13,700,000	US Treasury Bill ZCP 16/11/2017	13,681,917	15.03
USD 11,500,000	US Treasury Bill ZCP 07/12/2017	11,478,386	12.62
Total Transferable Securities and Money Market Instruments Admitted to an Official Exchange Listing		45,574,507	50.08
Number of shares or Principal Amount	Transferable Securities and Money Market Instruments dealt on another Regulated Market	Market Value USD	% Net Assets
United States of America			
USD 12,500,000	US Treasury Bill ZCP 02/11/2017	12,487,826	13.72
USD 8,500,000	US Treasury Bill ZCP 24/11/2017	8,487,322	9.33
USD 18,500,000	US Treasury Bill ZCP 14/12/2017	18,462,807	20.29
Total Transferable Securities and Money Market Instruments dealt on another Regulated Market		39,437,955	43.34
Total Investments		85,012,462	93.42
Other Net Assets		5,986,778	6.58
Net Asset Value		90,999,240	100.00

Schroder AS Asian Long Term Value Fund

Number of shares or Principal Amount	Transferable Securities and Money Market Instruments Admitted to an Official Exchange Listing	Market Value USD	% Net Assets
Australia			
AUD 308,000	Australia & New Zealand Banking Group Ltd.	7,153,132	3.90
AUD 325,514	BHP Billiton Ltd.	6,584,251	3.59
AUD 2,336,069	Incitec Pivot Ltd.	6,598,451	3.60
AUD 126,993	Rio Tinto Ltd.	6,629,047	3.61
AUD 1,283,580	Telstra Corp. Ltd.	3,514,813	1.91
China		3,477,876	1.90
USD 378,030	Vipshop Holdings Ltd., ADR	3,477,876	1.90
Hong Kong SAR		59,526,115	32.44
HKD 2,146,000	Chow Sang Sang Holdings International Ltd.	4,917,954	2.68
HKD 2,754,000	Dah Sing Banking Group Ltd.	6,050,384	3.30
HKD 738,400	Hong Kong Aircraft Engineering Co. Ltd.	4,854,381	2.65
HKD 1,221,500	Johnson Electric Holdings Ltd.	4,668,093	2.54
HKD 4,078,500	Kerry Logistics Network Ltd.	5,639,309	3.07
HKD 1,850,000	Kerry Properties Ltd.	7,662,098	4.18
HKD 5,000,000	Pacific Textiles Holdings Ltd.	5,133,884	2.80
HKD 438,000	Sun Hung Kai Properties Ltd.	7,116,025	3.88
HKD 423,500	Swire Pacific Ltd. 'A'	4,109,834	2.24
HKD 1,985,000	Swire Pacific Ltd. 'B'	3,440,970	1.87
HKD 1,748,800	Swire Properties Ltd.	5,933,183	3.23
Indonesia		6,797,009	3.71
IDR 7,970,900	Bank Danamon Indonesia Tbk. PT	3,076,768	1.68
IDR 41,939,100	Ciputra Development Tbk. PT	3,720,241	2.03
Singapore		15,443,531	8.42
USD 125,600	Jardine Strategic Holdings Ltd.	5,425,920	2.96
USD 1,433,600	Mandarin Oriental International Ltd.	3,125,248	1.70
SGD 837,700	Oversea-Chinese Banking Corp. Ltd.	6,892,363	3.76
South Korea		14,960,387	8.15
KRW 23,469	Mando Corp.	5,225,325	2.85
KRW 4,340	Samsung Electronics Co. Ltd.	9,735,062	5.30
Taiwan		26,662,745	14.53
TWD 4,423,000	Getac Technology Corp.	6,121,799	3.34
TWD 1,287,800	Hon Hai Precision Industry Co. Ltd.	4,456,055	2.43
TWD 454,000	MediaTek, Inc.	4,256,484	2.32
TWD 1,102,000	Merida Industry Co. Ltd.	4,793,673	2.61
TWD 986,000	Taiwan Semiconductor Manufacturing Co. Ltd.	7,034,734	3.83
Thailand		6,421,225	3.50
THB 1,033,600	Kasikornbank PCL, NVDR	6,421,225	3.50
United Kingdom		7,299,390	3.98
HKD 744,800	HSBC Holdings plc	7,299,390	3.98
Total Transferable Securities and Money Market Instruments Admitted to an Official Exchange Listing		171,067,972	93.24
Total Investments		171,067,972	93.24
Other Net Assets		12,409,226	6.76
Net Asset Value		183,477,198	100.00

Portfolio of Investments as at 30 September 2017 (cont)

Schroder AS Commodity Fund

Number of shares or Principal Amount	Transferable Securities and Money Market Instruments Admitted to an Official Exchange Listing	Market Value USD	% Net Assets	Number of shares or Principal Amount	Derivatives	Market Value USD	% Net Assets
Australia				Australia			
AUD	2,346,669 Saracen Mineral Holdings Ltd.	2,421,204	0.34	AUD	215,765 Westgold Resources Ltd. Warrants 30/06/2019	54,173	0.01
AUD	1,078,829 Westgold Resources Ltd.	1,659,062	0.24				
Canada				Total Derivatives			
CAD	640,764 Bellatrix Exploration Ltd.	1,927,906	0.28			54,173	0.01
CAD	190,085 Cenovus Energy, Inc.	1,921,653	0.27	Total Investments			
CAD	306,700 Centerra Gold, Inc.	2,182,699	0.31			658,992,385	94.09
CAD	766,424 MEG Energy Corp.	3,437,458	0.49	Other Net Assets			
CAD	2,146,542 OceanaGold Corp.	6,458,433	0.92			41,423,459	5.91
CAD	1,680,162 Painted Pony Energy Ltd.	4,812,557	0.69	Net Asset Value			
South Africa						700,415,844	100.00
USD	839,162 Gold Fields Ltd., ADR	3,616,788	0.52				
United Kingdom							
GBP	2,005,814 Faroe Petroleum plc	2,647,474	0.38				
USD	60,417 Gold Bullion Securities Ltd.	7,362,579	1.05				
GBP	5,123,401 Premier Oil plc	4,702,770	0.67				
USD	42,220 Randgold Resources Ltd., ADR	4,157,825	0.59				
United States of America							
USD	259,489 Antero Resources Corp.	5,161,236	0.74				
USD	116,920 Cabot Oil & Gas Corp.	3,135,794	0.45				
USD	189,000 Callon Petroleum Co.	2,103,570	0.30				
USD	482,785 Cenovus Energy, Inc.	4,895,440	0.70				
USD	113,605 Devon Energy Corp.	4,156,807	0.59				
USD	327,597 Eldorado Gold Corp.	753,473	0.11				
USD	223,552 Goldcorp, Inc.	2,852,524	0.41				
USD	117,305 Hess Corp.	5,459,375	0.78				
USD	276,130 Marathon Oil Corp.	3,736,039	0.53				
USD	1,250,535 New Gold, Inc.	4,689,506	0.67				
USD	229,575 Noble Energy, Inc.	6,499,268	0.93				
USD	380,060 Pan American Silver Corp.	6,502,827	0.93				
USD	250,369 Range Resources Corp.	4,937,277	0.71				
USD	340,250 Sanchez Energy Corp.	1,674,030	0.24				
USD	411,720 Superior Energy Services, Inc.	4,438,342	0.63				
USD	47,000,000 US Treasury Bill ZCP 05/10/2017	46,993,099	6.71				
USD	20,000,000 US Treasury Bill ZCP 09/11/2017	19,976,834	2.85				
USD	60,000,000 US Treasury Bill ZCP 16/11/2017	59,920,805	8.56				
USD	96,000,000 US Treasury Bill ZCP 07/12/2017	95,819,573	13.68				
USD	136,100 Wheaton Precious Metals Corp.	2,618,564	0.37				
USD	347,840 WPX Energy, Inc.	3,993,203	0.57				
USD	1,241,450 Yamana Gold, Inc.	3,389,158	0.48				
Total Transferable Securities and Money Market Instruments Admitted to an Official Exchange Listing		341,015,152	48.69				
Number of shares or Principal Amount	Transferable Securities and Money Market Instruments dealt on another Regulated Market	Market Value USD	% Net Assets				
United States of America							
USD	94,000,000 US Treasury Bill ZCP 02/11/2017	93,908,448	13.41				
USD	92,000,000 US Treasury Bill ZCP 24/11/2017	91,862,784	13.12				
USD	33,000,000 US Treasury Bill ZCP 30/11/2017	32,943,524	4.70				
USD	94,000,000 US Treasury Bill ZCP 14/12/2017	93,811,021	13.39				
Total Transferable Securities and Money Market Instruments dealt on another Regulated Market		312,525,777	44.62				
Number of shares or Principal Amount	Units in Closed-Ended Investment Scheme	Market Value USD	% Net Assets				
United States of America							
USD	44,164 SPDR Gold Shares	5,397,283	0.77				
Total Units in Closed-Ended Investment Scheme		5,397,283	0.77				

Portfolio of Investments as at 30 September 2017 (cont)

Schroder AS Commodity Total Return Fund

Number of shares or Principal Amount	Transferable Securities and Money Market Instruments Admitted to an Official Exchange Listing	Market Value USD	% Net Assets	Number of shares or Principal Amount	Transferable Securities and Money Market Instruments dealt on another Regulated Market	Market Value USD	% Net Assets
Australia				Total Transferable Securities and Money Market Instruments dealt on another Regulated Market			
AUD	302,700 Beadell Resources Ltd.	125,601	1.16			3,694,262	34.16
AUD	46,820 Perseus Mining Ltd.	45,125	0.42				
AUD	23,405 Saracen Mineral Holdings Ltd.	12,306	0.11				
AUD	28,625 Westgold Resources Ltd.	24,149	0.22				
		44,021	0.41	Number of shares or Principal Amount	Derivatives	Market Value USD	% Net Assets
Canada				Australia			
CAD	12,250 Alacer Gold Corp.	344,454	3.18	AUD	7,088 Westgold Resources Ltd. Warrants 30/06/2019	1,780	0.02
CAD	98 Bellatrix Exploration Ltd.	21,230	0.20			1,780	0.02
CAD	14,555 Brio Gold, Inc.	295	-				
CAD	4,095 Cenovus Energy, Inc.	24,757	0.23				
CAD	3,560 Centerra Gold, Inc.	41,398	0.38				
CAD	15,701 Gran Tierra Energy, Inc.	25,336	0.23				
CAD	18,255 OceanaGold Corp.	35,777	0.33				
CAD	24,750 Painted Pony Energy Ltd.	54,925	0.51				
CAD	3,395 Pretium Resources, Inc.	70,892	0.66				
CAD	14,315 SEMAFO, Inc.	31,598	0.29				
		38,246	0.35				
Italy				Total Derivatives			
EUR	1,740 Eni SpA	28,796	0.27			1,780	0.02
		28,796	0.27				
South Africa				Total Investments			
USD	4,355 Gold Fields Ltd., ADR	41,349	0.38			10,346,141	95.66
ZAR	12,495 Harmony Gold Mining Co. Ltd.	18,770	0.17				
		22,579	0.21				
Thailand				Other Net Assets			
THB	132,000 Sri Trang Agro-Industry PCL, NVDR	50,312	0.47			469,836	4.34
		50,312	0.47				
United Kingdom				Net Asset Value			
GBP	51,455 Faroe Petroleum plc	250,732	2.32			10,815,977	100.00
GBP	4,340 Nostrum Oil & Gas plc	67,916	0.63				
GBP	130,640 Premier Oil plc	23,652	0.22				
GBP	37 Royal Dutch Shell plc 'A'	119,914	1.11				
GBP	15,500 Tullow Oil plc	1,116	0.01				
		38,134	0.35				
United States of America							
USD	3,206 Antero Resources Corp.	5,808,855	53.70				
USD	1,580 Cabot Oil & Gas Corp.	63,767	0.59				
USD	4,840 Callon Petroleum Co.	42,376	0.39				
USD	5,115 Cenovus Energy, Inc.	53,869	0.50				
USD	1,705 Devon Energy Corp.	51,866	0.48				
USD	1,865 Hess Corp.	62,386	0.58				
USD	5,055 Marathon Oil Corp.	86,797	0.80				
USD	6,030 New Gold, Inc.	68,394	0.63				
USD	2,975 Noble Energy, Inc.	22,613	0.21				
USD	1,485 Oceaneering International, Inc.	84,222	0.78				
USD	4,330 Pan American Silver Corp.	39,427	0.36				
USD	3,421 Range Resources Corp.	74,086	0.69				
USD	6,295 Sanchez Energy Corp.	67,462	0.62				
USD	3,825 Superior Energy Services, Inc.	30,972	0.29				
USD	1,530,000 US Treasury Bill ZCP 05/10/2017	41,234	0.38				
USD	1,950,000 US Treasury Bill ZCP 09/11/2017	1,529,764	14.14				
USD	1,300,000 US Treasury Bill ZCP 16/11/2017	1,947,741	18.01				
USD	6,280 Wheaton Precious Metals Corp.	1,298,284	12.00				
USD	8,775 WPX Energy, Inc.	120,827	1.12				
USD	8,070 Yamana Gold, Inc.	100,737	0.93				
		22,031	0.20				
Total Transferable Securities and Money Market Instruments Admitted to an Official Exchange Listing				Total Transferable Securities and Money Market Instruments dealt on another Regulated Market			
		6,650,099	61.48				
Number of shares or Principal Amount	Transferable Securities and Money Market Instruments dealt on another Regulated Market	Market Value USD	% Net Assets				
United States of America							
USD	1,050,000 US Treasury Bill ZCP 02/11/2017	3,694,262	34.16				
USD	950,000 US Treasury Bill ZCP 24/11/2017	1,048,977	9.70				
USD	400,000 US Treasury Bill ZCP 30/11/2017	948,583	8.77				
USD	1,300,000 US Treasury Bill ZCP 14/12/2017	399,315	3.69				
		1,297,387	12.00				

The notes on pages 12 to 21 form an integral part of these financial statements.

Portfolio of Investments as at 30 September 2017 (cont)

Schroder AS UK Dynamic Absolute Return Fund

Number of shares or Principal Amount	Transferable Securities and Money Market Instruments Admitted to an Official Exchange Listing	Market Value GBP	% Net Assets	Number of shares or Principal Amount	Other Transferable Securities not dealt on another Regulated Market	Market Value GBP	% Net Assets
United Kingdom				United Kingdom (cont)			
GBP	151,180 AB Dynamics plc	876,844	1.17	GBP	6,732 Palace Capital plc Rights 05/10/2017	1,010	-
GBP	1,475,216 Arena Events Group plc	936,762	1.25	Total Other Transferable Securities not dealt on another Regulated Market			
GBP	29,698 Arrow Global Group plc	126,959	0.17			45,013	0.06
GBP	85,805 Blue Prism Group plc	863,198	1.15	Total Investments			
GBP	612,390 Brighton Pier Group plc (The)	698,125	0.93			73,648,131	98.26
GBP	254,428 Charter Court Financial Services Group plc	610,627	0.81	Other Net Assets			
GBP	138,931 Clinigen Group plc	1,481,004	1.98			1,300,754	1.74
GBP	1,442,461 Comptoir Group plc	243,415	0.32	Net Asset Value			
GBP	34,155 Dignity plc	787,614	1.05			74,948,885	100.00
GBP	755,493 Elegant Hotels Group plc	657,279	0.88				
GBP	1,096,963 Fairfax Group plc	795,298	1.06				
GBP	54,647 Fevertree Drinks plc	1,195,130	1.59				
GBP	67,784 Frontier Developments plc	737,490	0.98				
GBP	617,621 Hollywood Bowl Group plc	1,142,599	1.52				
GBP	214,752 IG Design Group plc	745,189	0.99				
GBP	936,712 Johnson Service Group plc	1,381,650	1.84				
GBP	838,215 Kromek Group plc	207,458	0.28				
GBP	661,681 McBride plc	1,392,839	1.86				
GBP	450,106 Medica Group plc	891,210	1.19				
GBP	302,630 Midwich Group plc	1,225,652	1.64				
GBP	405 Nichols plc	7,075	0.01				
GBP	588,460 On the Beach Group plc	2,324,417	3.10				
GBP	134,644 Palace Capital plc	477,986	0.64				
GBP	59,844 Phoenix Group Holdings	452,421	0.60				
GBP	241,014 Polypipe Group plc	1,016,115	1.36				
GBP	543,597 Quixant plc	2,419,007	3.23				
GBP	2,134,309 Renold plc	1,125,848	1.50				
GBP	413,796 Secure Income REIT plc	1,551,735	2.07				
GBP	248,466 Smart Metering Systems plc	1,726,839	2.30				
GBP	247,490 Spire Healthcare Group plc	556,605	0.74				
GBP	543,116 Strix Group plc	746,785	1.00				
GBP	5,358 SYSTEM1 GROUP plc	28,130	0.04				
GBP	193,333 Telford Homes plc	770,432	1.03				
GBP	44,967 Tracsis plc	196,731	0.26				
GBP	29,605 Ultra Electronics Holdings plc	532,298	0.71				
GBP	611,708 Walker Greenbank plc	1,458,924	1.95				
GBP	201,608 WANdisco plc	1,622,944	2.17				
GBP	550,918 Watkin Jones plc	1,206,510	1.61				
GBP	928,541 Wincanton plc	2,189,035	2.92				
GBP	68,777 Young & Co's Brewery plc	710,123	0.95				
GBP	31,995 Young & Co's Brewery plc 'A'	432,732	0.58				
Total Transferable Securities and Money Market Instruments Admitted to an Official Exchange Listing		38,549,034	51.43				
Number of shares or Principal Amount	Transferable Securities and Money Market Instruments dealt on another Regulated Market	Market Value GBP	% Net Assets				
United Kingdom							
GBP	3,880,000 UK Treasury Bill ZCP 16/10/2017	3,878,671	5.18				
GBP	7,400,000 UK Treasury Bill ZCP 30/10/2017	7,396,332	9.87				
GBP	2,400,000 UK Treasury Bill ZCP 27/11/2017	2,398,929	3.20				
GBP	4,200,000 UK Treasury Bill ZCP 02/01/2018	4,196,213	5.60				
GBP	4,600,000 UK Treasury Bill ZCP 19/02/2018	4,595,646	6.13				
GBP	7,300,000 UK Treasury Bill ZCP 26/02/2018	7,293,309	9.73				
GBP	5,300,000 UK Treasury Bill ZCP 12/03/2018	5,294,984	7.06				
Total Transferable Securities and Money Market Instruments dealt on another Regulated Market		35,054,084	46.77				
Number of shares or Principal Amount	Other Transferable Securities not dealt on another Regulated Market	Market Value GBP	% Net Assets				
United Kingdom							
GBP	44,003,466 McBride plc Preference 'B'	44,003	0.06				

The notes on pages 12 to 21 form an integral part of these financial statements.

Appendix I - Audited TER for the Year Ended 30 September 2017

	A Class	C Class	D Class	E Class	I Class	IZ Class	J Class	R Class	X Class
Schroder AS Agriculture Fund	2.19%	1.64%	3.19%	-	0.13%	-	-	-	-
Schroder AS Asian Long Term Value Fund [*]	1.78%	1.03%	-	-	0.16%	0.98%	-	-	-
Schroder AS Commodity Fund	1.93%	1.38%	2.93%	-	0.11%	-	0.19%	-	0.11%
Schroder AS Commodity Total Return Fund	2.07%	1.27%	-	0.90%	0.28%	-	-	-	-
Schroder AS UK Dynamic Absolute Return Fund	-	1.45%	-	-	-	-	-	1.45%	-

^{*} Please refer to the Directors' Report for details of all corporate actions that occurred during the year under review.

Appendix II - AIFM Disclosures (Unaudited)

1. Risk Profile and Leverage

The Fund uses a risk management process that allows monitoring the risks of the Sub-funds and ensuring they are being managed in line with their investment policy and risk profile.

Leverage ratios are important risk metrics to represent the current risk profile of the sub-funds and are monitored on a daily basis.

Leverage is a way for the Fund to increase its exposure through the use of financial derivative instruments and/or borrowing of cash or securities where applicable it is expressed as a ratio ('leverage ratio') between the exposure of the Fund and its Net Asset Value.

The leverage ratio is calculated in accordance with two methodologies for calculating the exposure of the Fund, the gross method and the commitment method.

There were no new arrangements for managing the liquidity and no changes to the maximum level of leverage occurred during the year under review.

As required by AIFM rules, the following information is provided to Shareholders:

Fund name	Commitment limit	Commitment leverage level	Commitment utilisation	Gross leverage limit	Gross leverage level	Gross leverage utilisation
Schroder AS Agriculture Fund	1.00	1.00	100%	1.00	1.00	100%
Schroder AS Asian Long Term Value Fund	2.00	0.93	46%	2.00	0.93	46%
Schroder AS Commodity Fund	1.00	1.00	100%	1.00	1.00	100%
Schroder AS Commodity Total Return Fund	1.50	0.69	46%	1.50	0.73	49%
Schroder AS UK Dynamic Absolute Return Fund	2.00	1.10	55%	2.50	1.10	44%

2. Alternative Investment Fund remuneration disclosures for Schroder Investment Management (Luxembourg) S.A. ('SIM Luxembourg') for the year to 31 December 2016

These disclosures form part of the non-audited section of this annual report and accounts and should be read in conjunction with the Schrodgers plc Remuneration Report on pages 68 to 96 of the 2016 Annual Report & Accounts (available on the Group's website – www.schrodgers.com/ir), which provides more information on the activities of our Remuneration Committee and our remuneration principles and policies.

The AIF Material Risk Takers ('AIF MRTs') of SIM Luxembourg are individuals whose roles within the Schrodgers Group can materially affect the risk of SIM Luxembourg or any AIF that it manages. These roles are identified in line with the requirements of the AIFM Directive and guidance issued by the European Securities and Markets Authority.

The Remuneration Committee of Schrodgers plc has established a remuneration policy to ensure the requirements of the AIFM Directive are met for all AIF MRTs. The Remuneration Committee and the Board of Schrodgers plc review remuneration strategy at least annually. The directors of SIM Luxembourg are responsible for the adoption of the remuneration policy, for reviewing its general principles at least annually, for overseeing its implementation and for ensuring compliance with relevant local legislation and regulation. During 2016, the directors of SIM Luxembourg reviewed the remuneration policy; no material changes were made.

The implementation of the remuneration policy is, at least annually, subject to independent internal review for compliance with the policies and procedures for remuneration adopted by the Board of SIM Luxembourg and the Remuneration Committee. The most recent review found no fundamental issues but resulted in a range of more minor recommendations, principally improvements to process and policy documentation.

The total spend on remuneration is determined based on a profit share ratio, measuring variable remuneration charge against pre-bonus profit, and from a total compensation ratio, measuring total remuneration expense against net income. This ensures that the interests of employees are aligned with Schrodgers financial performance. In determining the remuneration spend each year, the underlying strength and sustainability of the business is taken into account, along with reports on risk, legal and compliance matters from the heads of those areas.

The remuneration data that follows reflects amounts paid in respect of performance during 2016. At 31 December 2016, SIM Luxembourg had total assets under management (AUM) of €106,062 million, of which €5,204 million were in AIFs. Schroder Alternative Solutions total assets under management represented 0.91% of the total assets under management.

The total amount of remuneration paid by SIM Luxembourg to its 252 staff was €28,783,855 of which €22,411,624 was fixed remuneration (e.g. salaries, benefits in kind) and €6,372,231 was variable remuneration (e.g. annual bonus awards or deferred bonus awards). Employees of SIM Luxembourg or other Schrodgers Group entities who serve as Directors of SIM Luxembourg receive no additional fees in respect of their role on the Board of SIM Luxembourg.

The following disclosures relate to AIF MRTs of SIM Luxembourg. Some of those AIF MRTs were employed by and provided services to other Schrodgers group companies and clients. As a result, only a portion of remuneration for those individuals is included in the aggregate remuneration figures that follow, based on an objective apportionment to reflect the balance of each role using relevant regulated AUM as a proportion of the total AUM within the scope of each role. The aggregate total remuneration paid to the 98 AIF MRTs of SIM Luxembourg in respect of the financial year

Appendix II - AIFM Disclosures (Unaudited) (cont)

ended 31 December 2016, and attributed to SIM Luxembourg or the AIFs that it manages, is €2,251,864, of which €1,037,474 was paid to senior management, €1,214,390 was paid to other AIF MRTs.

For additional qualitative information on remuneration policies and practices see www.schroders.com/rem-disclosures.

Appendix III - Securities Financing Transactions (Unaudited)

The Sub-Funds engage in Securities Financing Transactions (SFT) (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Sub-Funds' involvement relating to their exposure on total return swaps for the year ended 30 September 2017 is detailed below:

Schroder AS UK Dynamic Absolute Return Fund

Global Data

Amount of assets engaged in total return swaps

Amount of Assets - Long Positions	% of AUM
GBP	
17,570,224	23.44%
Amount of Assets - Short Positions	% of AUM
GBP	
27,868,199	37.18%
Amount of Assets - Total	% of AUM
GBP	
45,438,423	60.63%

Concentration Data

Ten largest collateral issuers (across all SFT and total return swaps).

As at 30 September 2017, there were no collateral securities and commodities received in respect of total return swaps.

Top ten counterparties

Counterparty	Gross volume of outstanding transactions GBP
UBS AG London	45,438,423

The Sub-Fund only deals with one counterparty for its total return swaps.

Aggregate transaction data

Type and quality of collateral

As at 30 September 2017, no collateral was received in respect of total return swaps.

Maturity tenor of collateral

As at 30 September 2017, no collateral was received in respect of total return swaps.

Currency of collateral

As at 30 September 2017, no collateral was received in respect of total return swaps.

Maturity tenor of total return swaps

Maturity	Long Positions GBP	Short Positions GBP	Total GBP
less than 1 day	-	-	-
1 to 7 days	-	-	-
1 to 4 weeks	-	-	-
1 to 3 months	-	-	-
3 to 12 months	-	-	-
more than 1 year	17,570,224	27,868,199	45,438,423
open maturity	-	-	-
	17,570,224	27,868,199	45,438,423

Appendix III - Securities Financing Transactions (Unaudited) (cont)

Schroder AS UK Dynamic Absolute Return Fund (cont)

Country in which counterparties for total return swaps are established

Counterparty	Country
UBS AG London	United Kingdom

Settlement and clearing

The Sub-Fund utilises bi-lateral settlement and clearing with its counterparty for total return swaps.

Re-use of collateral

The Sub-Fund does not reuse or reinvest collaterals received, if any, on total return swaps.

Safekeeping of collateral

Collateral received

As at 30 September 2017, no collateral was received in respect of total return swaps.

Collateral granted

As at 30 September 2017, no collateral was granted in respect of total return swaps.

Return and cost

For the year ended 30 September 2017, data on return and cost in respect of total return swaps were as follows:

	% of Overall Returns	Return GBP*
Net interest on swaps	23.40%	371,988
Net realised gains	65.20%	1,036,419
Net change in unrealised appreciation	11.40%	181,228
	100.00%	1,589,635

Return on total return swaps disclosed above are included as part of 'Net interest on swaps' disclosed in the Statement of Operations and 'Net realised gains/(losses) on total return swaps contracts' and 'Net change in unrealised appreciation/(depreciation) on total return swaps contracts' in the Statement of Changes in Net Assets.

Cost

The costs attributed to total return swaps are included in the spread.

Schroder AS Commodity Total Return Fund

Global Data

Amount of assets engaged in total return swaps

Amount of Assets - Long Positions	% of AUM
USD	
-	-
Amount of Assets - Short Positions	% of AUM
USD	
144,407	1.34%
Amount of Assets - Total	% of AUM
USD	
144,407	1.34%

Concentration Data

Ten largest collateral issuers (across all SFT and total return swaps)

As at 30 September 2017, there were no collateral securities and commodities received in respect of total return swaps.

* expressed in absolute terms

Appendix III - Securities Financing Transactions (Unaudited) (cont)

Schroder AS Commodity Total Return Fund (cont)

Top ten counterparties

Counterparty	Gross volume of outstanding transactions USD
Morgan Stanley & Co. International plc London	144,407

The Sub-Fund only deals with one counterparty for its total return swaps.

Aggregate transaction data

Type and quality of collateral

As at 30 September 2017, no collateral was received in respect of total return swaps.

Maturity tenor of collateral

As at 30 September 2017, no collateral was received in respect of total return swaps.

Currency of collateral

As at 30 September 2017, no collateral was received in respect of total return swaps.

Maturity tenor of total return swaps

Maturity	Long Positions USD	Short Positions USD	Total USD
less than 1 day	-	-	-
1 to 7 days	-	-	-
1 to 4 weeks	-	-	-
1 to 3 months	-	-	-
3 to 12 months	-	-	-
more than 1 year	-	144,407	144,407
open maturity	-	-	-
	-	144,407	144,407

Country in which counterparties for total return swaps are established

Counterparty	Country
Morgan Stanley & Co. International plc London	United Kingdom

Settlement and clearing

The Sub-Fund utilises bi-lateral settlement and clearing with its counterparty for total return swaps.

Re-use of collateral

The Sub-Fund does not reuse or reinvest collaterals received, if any, on total return swaps.

Safekeeping of collateral

Collateral received

As at 30 September 2017, no collateral was received in respect of total return swaps.

Collateral granted

As at 30 September 2017, no collateral was granted in respect of total return swaps.

Return and cost

For the year ended 30 September 2017, data on return and cost in respect of total return swaps were as follows:

Appendix III - Securities Financing Transactions (Unaudited) (cont)

Schroder AS Commodity Total Return Fund (cont)

	% of Overall Returns	Return USD*
Net interest on swaps	4.59%	637
Net realised gains	51.59%	7,150
Net change in unrealised appreciation	43.82%	6,073
	100.00%	13,860

Return on total return swaps disclosed above are included as part of 'Net interest on swaps' disclosed in the Statement of Operations and 'Net realised gains/(losses) on total return swaps contracts' and 'Net change in unrealised appreciation/(depreciation) on total return swaps contracts' in the Statement of Changes in Net Assets.

Cost

The costs attributed to total return swaps are included in the spread.

* expressed in absolute terms

Appendix IV

Share Class Name	Lowest Bid Price 2017	Highest Offer Price 2017	Lowest Bid Price 2016	Highest Offer Price 2016	Lowest Bid Price 2015	Highest Offer Price 2015
SAS Agriculture Fund A Acc	68,92	82,61	68,93	84,95	73,49	96,79
SAS Agriculture Fund A Dis	68,33	82,14	68,53	84,46	73,07	96,24
SAS Agriculture Fund C Acc	74,7	85,67	74,08	87,76	78,75	99,11
SAS Agriculture Fund C Dis	72,84	83,74	72,39	85,76	76,96	96,85
SAS Agriculture Fund CHF Hdg A Acc	43,25	52,46	44,39	54,75	47,95	63,83
SAS Agriculture Fund CHF Hdg C Acc	46,1	53,51	47,06	55,63	50,54	64,28
SAS Agriculture Fund CHF Hdg I Acc	53,19	60,61	53,24	62,36	56,55	70,44
SAS Agriculture Fund D Acc	62,22	71,24	63,13	73,75	67,69	85,29
SAS Agriculture Fund EUR Hdg A Acc	62,56	75,71	63,99	78,84	68,81	90,99
SAS Agriculture Fund EUR Hdg C Acc	67,65	78,31	68,81	81,26	73,55	92,96
SAS Agriculture Fund EUR Hdg I Acc	80,03	90,98	79,72	93,43	84,42	104,48
SAS Agriculture Fund GBP Hdg A Acc	66,47	80,12	67,43	83,12	72,12	94,92
SAS Agriculture Fund GBP Hdg A Dis	65,88	79,55	66,95	82,52	71,6	94,25
SAS Agriculture Fund GBP Hdg C Acc	72,77	83,93	73,37	86,74	78,05	98,14
SAS Agriculture Fund GBP Hdg C Dis	70,32	81,21	70,99	83,92	75,54	95
SAS Agriculture Fund GBP Hdg I Acc	85,35	96,66	84,12	98,88	88,83	109,42
SAS Agriculture Fund I Acc	88,61	99,79	85,9	101,17	90,63	111,71
SAS Agriculture Fund SGD Hdg A Acc	4,51	5,41	4,52	5,57	4,8	6,29
SAS Asian Long Term Value Fd A Acc	142,66	151,1	-	-	-	-
SAS Asian Long Term Value Fd C Acc	118,19	151,41	98,05	118,19	-	-
SAS Asian Long Term Value Fd I Acc	120,08	155,75	98,33	120,08	-	-
SAS Asian Long Term Value Fd IZ Acc	118,22	151,94	98,07	118,22	-	-
SAS Commodity Fund A Acc	62,83	75,79	55,11	77,41	68,44	114,41
SAS Commodity Fund A Dis	62,05	74,84	54,43	76,44	67,59	113
SAS Commodity Fund C Acc	67,97	78,49	59,15	79,59	73,28	116,88
SAS Commodity Fund C Dis	67,54	77,99	58,77	79,07	72,8	116,12
SAS Commodity Fund CAD Hdg A Acc	49,37	59,74	43,97	61,92	54,79	91,87
SAS Commodity Fund CAD Hdg C Acc	53,29	61,74	47,09	63,52	58,53	93,65
SAS Commodity Fund CAD Hdg I Acc	62,1	70,83	53,88	71,69	66,63	104,32
SAS Commodity Fund CHF Hdg A Acc	35,55	43,25	32,13	45,32	40,12	68,19
SAS Commodity Fund CHF Hdg C Acc	37,93	44,18	34,01	45,94	42,36	68,7
SAS Commodity Fund CHF Hdg I Acc	42,85	49,15	37,73	50,29	46,76	74,22
SAS Commodity Fund D Acc	56,91	65,5	50,64	67,77	63,14	101,19
SAS Commodity Fund EUR Hdg A Acc	54,59	66,33	49,11	69,13	61,16	102,87
SAS Commodity Fund EUR Hdg C Acc	59,34	69,03	52,96	71,41	65,8	105,6
SAS Commodity Fund EUR Hdg I Acc	71,16	81,51	62,38	82,97	77,1	121,13
SAS Commodity Fund GBP Hdg A Acc	52,59	63,71	46,93	65,99	58,34	97,47
SAS Commodity Fund GBP Hdg A Dis	51,74	62,67	46,17	64,92	57,39	95,91
SAS Commodity Fund GBP Hdg C Acc	56,89	65,98	50,36	67,83	62,44	99,56
SAS Commodity Fund GBP Hdg C Dis	55,53	64,39	49,15	66,21	60,96	97,18
SAS Commodity Fund GBP Hdg I Acc	66,13	75,49	57,48	76,36	70,9	110,64
SAS Commodity Fund I Acc	82,12	93,38	70,19	93,16	86,5	135,06
SAS Commodity Fund I Dis	82,03	93,27	70,11	93,06	86,41	134,92
SAS Commodity Fund J Dis	42,75	48,74	36,79	48,84	45,37	70,89
SAS Commodity Fund JPY Hdg I Acc	5889,41	6734,4	5114,55	6800,56	6316,77	9892,5
SAS Commodity Fund SGD Hdg A Acc	4,26	5,15	3,74	5,24	4,63	7,74
SAS Commodity Fund X Acc	80,44	91,47	68,75	91,26	84,74	132,31
SAS Commodity Total Return Fund A Acc	90,45	98,24	96,04	102,04	-	-
SAS Commodity Total Return Fund C Acc	91,43	98,9	96,36	102,14	-	-
SAS Commodity Total Return Fund EUR Hedged A Acc	88,31	96,93	95,37	101,87	-	-
SAS Commodity Total Return Fund EUR Hedged C Acc	89,26	97,4	95,68	101,96	-	-
SAS Commodity Total Return Fund EUR Hedged E Acc	89,71	97,71	95,83	102,01	-	-
SAS Commodity Total Return Fund EUR Hedged I Acc	90,45	98,2	96,07	102,09	-	-
SAS Commodity Total Return Fund GBP Hedged A Acc	62,49	68,24	66,98	71,39	-	-

Appendix IV (cont)

Share Class Name (cont)	Lowest Bid Price 2017	Highest Offer Price 2017	Lowest Bid Price 2016	Highest Offer Price 2016	Lowest Bid Price 2015	Highest Offer Price 2015
SAS Commodity Total Return Fund GBP Hedged C Acc	63,16	68,69	67,2	71,46	-	-
SAS Commodity Total Return Fund GBP Hedged E Acc	63,48	68,91	67,31	71,49	-	-
SAS Commodity Total Return Fund GBP Hedged I Acc	64,01	69,26	67,48	71,55	-	-
SAS Commodity Total Return Fund I Acc	92,65	99,7	96,73	102,26	-	-
SAS UK Dynamic Absolute Return C Acc	98,66	117,14	90,86	102,85	86,89	103,43
SAS UK Dynamic Absolute Return EUR Hedged C Acc	97,28	115,3	89,87	102,32	86,64	102,98
SAS UK Dynamic Absolute Return EUR Hedged R Acc	97,28	114,01	89,87	101,3	86,69	101,94
SAS UK Dynamic Absolute Return R Acc	98,7	115,94	90,9	101,86	86,94	102,43
SAS UK Dynamic Absolute Return USD Hedged C Acc	99,51	119,07	91,45	103,2	87,28	103,83
SAS UK Dynamic Absolute Return USD Hedged R Acc	99,5	117,84	91,45	102,17	87,34	102,77

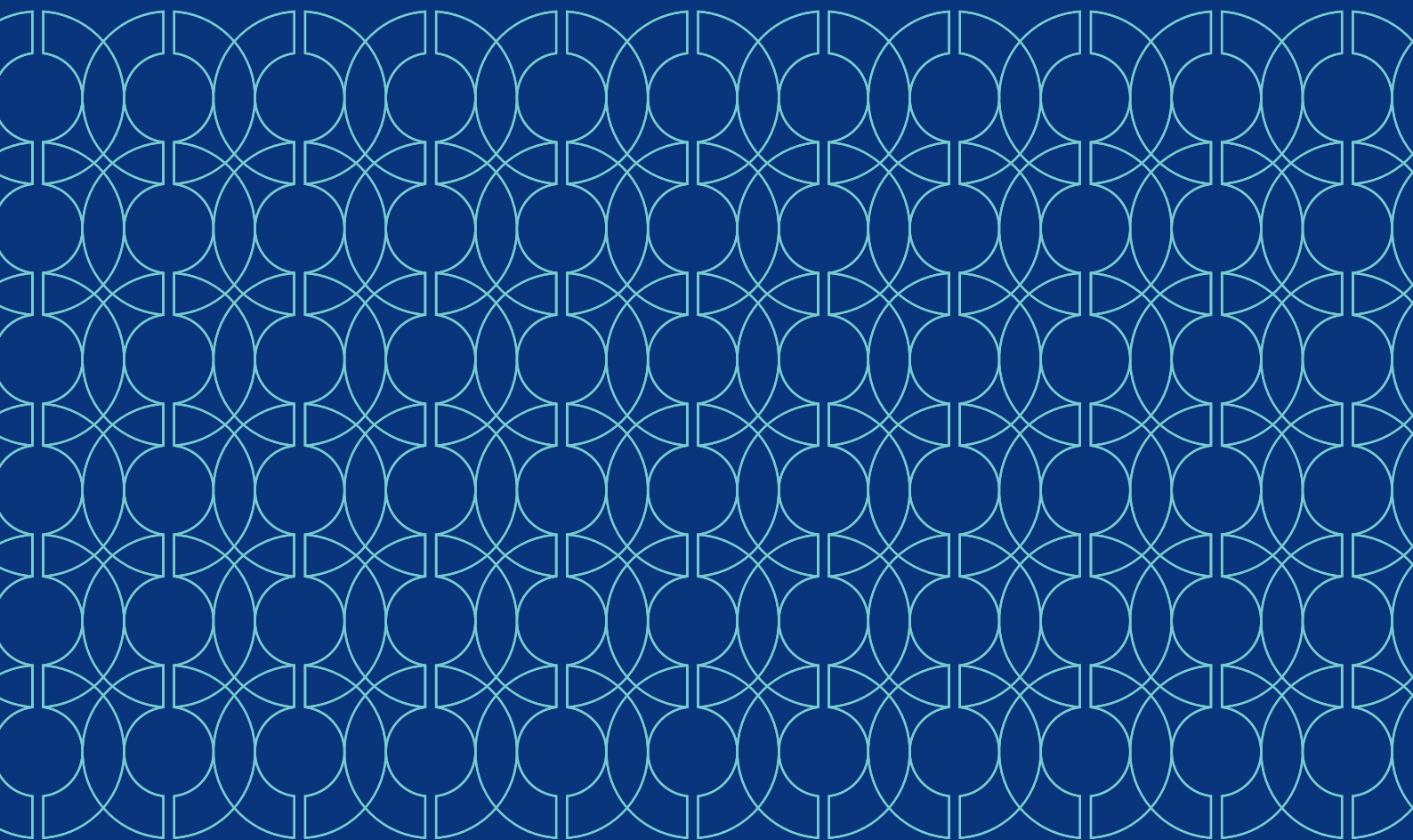
Appendix IV (cont)

Share Class Name	Lowest Bid Price 2014	Highest Offer Price 2014	Lowest Bid Price 2013	Highest Offer Price 2013	Lowest Bid Price 2012	Highest Offer Price 2012
SAS Agriculture Fund A Acc	85,32	116,53	100,61	127,64	104,3	133,97
SAS Agriculture Fund A Dis	84,85	115,87	100,05	126,93	103,71	133,16
SAS Agriculture Fund C Acc	90,91	118,8	106,36	131,36	109,37	137,14
SAS Agriculture Fund C Dis	88,84	116,09	103,93	128,36	106,88	134,19
SAS Agriculture Fund CHF Hdg A Acc	56,31	77,02	66,75	85,15	69,77	89,67
SAS Agriculture Fund CHF Hdg C Acc	58,99	77,21	69,38	86,16	71,95	90,62
SAS Agriculture Fund CHF Hdg I Acc	65,08	83,81	75,25	89,52	76,73	93,87
SAS Agriculture Fund D Acc	79,32	103,33	94,61	115	99,21	121,09
SAS Agriculture Fund EUR Hdg A Acc	80,25	109,63	94,75	120,55	98,74	126,88
SAS Agriculture Fund EUR Hdg C Acc	85,3	111,49	99,93	123,77	103,3	129,98
SAS Agriculture Fund EUR Hdg I Acc	96,52	124,15	111,18	131,93	113,04	138,27
SAS Agriculture Fund GBP Hdg A Acc	83,6	114,09	98,36	124,76	102,02	131,14
SAS Agriculture Fund GBP Hdg A Dis	83,01	113,29	97,67	123,87	101,31	130,22
SAS Agriculture Fund GBP Hdg C Acc	89,93	117,44	104,97	129,63	108	135,66
SAS Agriculture Fund GBP Hdg C Dis	87,05	113,68	101,61	125,47	104,54	131,36
SAS Agriculture Fund GBP Hdg I Acc	100,94	129,71	115,86	137,06	117,24	143,46
SAS Agriculture Fund I Acc	103,16	132,67	118,71	140,46	120,08	146,97
SAS Agriculture Fund SGD Hdg A Acc	5,56	7,59	6,56	8,34	6,82	8,76
SAS Asian Long Term Value Fd A Acc	-	-	-	-	-	-
SAS Asian Long Term Value Fd C Acc	-	-	-	-	-	-
SAS Asian Long Term Value Fd I Acc	-	-	-	-	-	-
SAS Asian Long Term Value Fd IZ Acc	-	-	-	-	-	-
SAS Commodity Fund A Acc	107,61	130,51	114,82	144,43	119,19	149,59
SAS Commodity Fund A Dis	106,28	128,89	113,4	142,67	117,73	147,76
SAS Commodity Fund C Acc	114,55	133,06	121,17	148,52	124,89	153,76
SAS Commodity Fund C Dis	113,8	132,2	120,38	147,56	124,09	152,77
SAS Commodity Fund CAD Hdg A Acc	86,4	104,62	91,37	114,48	94,38	118,57
SAS Commodity Fund CAD Hdg C Acc	91,76	106,43	96,2	117,44	98,66	121,59
SAS Commodity Fund CAD Hdg I Acc	103,23	118,16	106,6	125,07	107,96	129,42
SAS Commodity Fund CHF Hdg A Acc	64,13	77,83	68,81	87,06	72,08	90,22
SAS Commodity Fund CHF Hdg C Acc	67,32	78,27	71,61	88,28	74,48	91,45
SAS Commodity Fund CHF Hdg I Acc	73,46	84,28	76,98	91,22	79,07	94,44
SAS Commodity Fund D Acc	100,2	115,73	108,23	130,33	113,52	135,04
SAS Commodity Fund EUR Hdg A Acc	96,75	117,4	103,43	130,69	108,11	135,44
SAS Commodity Fund EUR Hdg C Acc	103,47	120,26	109,67	135,02	113,83	139,88
SAS Commodity Fund EUR Hdg I Acc	119,87	137,5	125,14	148,09	128,27	153,33
SAS Commodity Fund GBP Hdg A Acc	91,67	111,13	97,65	122,94	101,54	127,34
SAS Commodity Fund GBP Hdg A Dis	90,19	109,33	96,08	120,96	99,91	125,28
SAS Commodity Fund GBP Hdg C Acc	97,56	113,28	103,03	126,37	106,37	130,86
SAS Commodity Fund GBP Hdg C Dis	95,24	110,59	100,58	123,36	103,84	127,73
SAS Commodity Fund GBP Hdg I Acc	109,5	125,47	113,9	134,28	116,14	138,96
SAS Commodity Fund I Acc	133,67	153,25	139,28	164,09	141,78	169,8
SAS Commodity Fund I Dis	133,54	153,09	139,17	163,96	141,67	169,66
SAS Commodity Fund J Dis	70,17	80,47	73,22	86,35	74,67	89,36
SAS Commodity Fund JPY Hdg I Acc	9792,37	11256,06	10244,05	12105,27	10466,37	12523,88
SAS Commodity Fund SGD Hdg A Acc	7,28	8,83	7,78	9,8	8,1	10,15
SAS Commodity Fund X Acc	130,96	150,13	136,44	160,71	139,48	165,9
SAS Commodity Total Return Fund A Acc	-	-	-	-	-	-
SAS Commodity Total Return Fund C Acc	-	-	-	-	-	-
SAS Commodity Total Return Fund EUR Hedged A Acc	-	-	-	-	-	-
SAS Commodity Total Return Fund EUR Hedged C Acc	-	-	-	-	-	-
SAS Commodity Total Return Fund EUR Hedged E Acc	-	-	-	-	-	-
SAS Commodity Total Return Fund EUR Hedged I Acc	-	-	-	-	-	-
SAS Commodity Total Return Fund GBP Hedged A Acc	-	-	-	-	-	-

Appendix IV (cont)

Share Class Name (cont)	Lowest Bid Price 2014	Highest Offer Price 2014	Lowest Bid Price 2013	Highest Offer Price 2013	Lowest Bid Price 2012	Highest Offer Price 2012
SAS Commodity Total Return Fund GBP Hedged C Acc	-	-	-	-	-	-
SAS Commodity Total Return Fund GBP Hedged E Acc	-	-	-	-	-	-
SAS Commodity Total Return Fund GBP Hedged I Acc	-	-	-	-	-	-
SAS Commodity Total Return Fund I Acc	-	-	-	-	-	-
SAS UK Dynamic Absolute Return C Acc	90,58	102,04	-	-	-	-
SAS UK Dynamic Absolute Return EUR Hedged C Acc	90,35	101,94	-	-	-	-
SAS UK Dynamic Absolute Return EUR Hedged R Acc	90,41	100,92	-	-	-	-
SAS UK Dynamic Absolute Return R Acc	90,64	100,97	-	-	-	-
SAS UK Dynamic Absolute Return USD Hedged C Acc	90,41	101,94	-	-	-	-
SAS UK Dynamic Absolute Return USD Hedged R Acc	90,47	100,92	-	-	-	-

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