

**Important Information:**

The fund invests primarily in Chinese equities and fixed income securities.

1. The fund is exposed to general investment risk. Investors may be subject to loss and there is no guarantee of the repayment of principal.
2. The fund is subject to risk relating to asset allocation strategy where there is no assurance that such strategy will be successful. Periodic rebalancing of fund investment may incur greater transaction costs.
3. The fund's investment in equity securities would subject to equity investment risk.
4. The fund's investment in fixed income securities may be subject to credit and counterparty, credit rating risk, etc. The fund's investment in below investment grade and/or unrated debt securities may be subject to higher degree of the above risks.
5. The fund is exposed to China market risk which may be subject to change in political, social and economic policy risk, legal and regulatory risk, and mainland China taxation consideration etc.
6. The fund may invest in derivatives for hedging purposes. In adverse situations, the fund's use of derivatives may become ineffective in hedging and the fund may suffer significant losses. Risks associated with derivatives include counterparty risk, credit risk and liquidity risk. Such exposure may lead to a high risk of capital loss.
7. For distribution share classes/units, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the fund. Distributions may be paid out of the capital of the fund at the Manager's discretion. This amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease in the net asset value per share or decrease in the value of units of the relevant Distribution Units.

You should not make any investment decision solely based on this document. Please read the relevant offering document carefully for further fund details including risk factors.

# Schroder China Asset Income Fund

Coast through China's investment  
highway of multi-asset opportunities

| 30 September 2025



Schroders

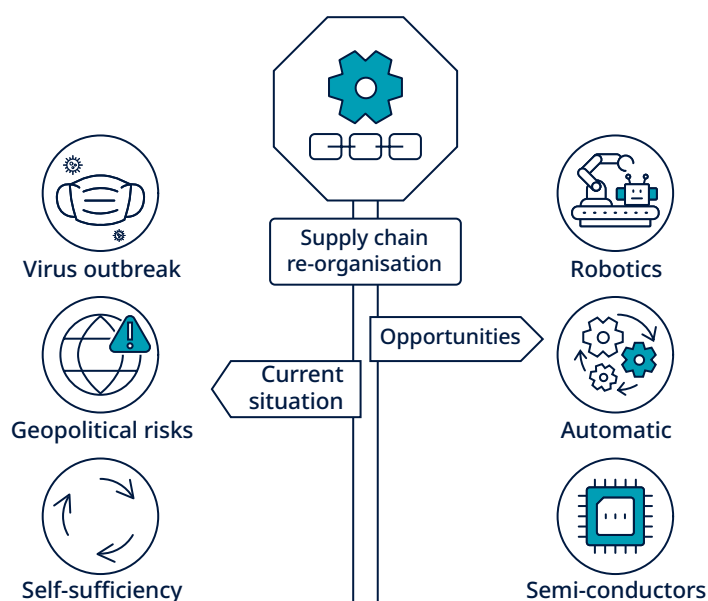
# Why invest in the Schroder China Asset Income Fund?

## Capitalise on the post-coronavirus growth opportunities in China

The dynamic, fast-changing equity market in China offers investors ample unique investment opportunities to capture the growth potential of existing investment trends and those that have emerged after the Covid-19 outbreak.

For example, China is already one of the markets with the fastest-growing online retail penetration. The acceleration and evolution of the country's e-commerce ecosystem in the post Covid-19 era are set to prompt more investment ideas. The re-organisation of supply chains, amid rising geopolitical risks, the disruption from the virus outbreak and the growing importance of self-sufficiency for many of the industries in China, is also bringing forth a lot of new opportunities, such as production automation, robotics and semiconductors, to name but a few.

Our dynamic focus helps us identify these evolving trends early on and capitalise on these growth opportunities across different industries and sectors in China.

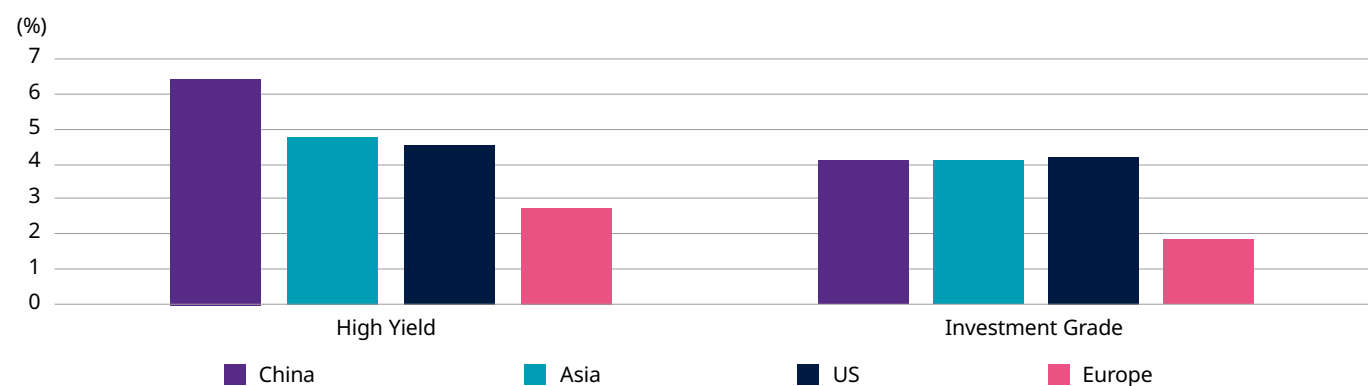


## Attractive yields from the China bond market

Apart from equities, the country's fixed income market also offers growth potential. The Chinese onshore bond market is the world's second largest by market value, while the offshore Chinese US Dollar corporate bond market is also the largest within the Asian universe, providing a lot of interesting opportunities for income-seeking investors.

The China bond market provides a diverse universe of income opportunities, both onshore and offshore. The inclusion of the onshore bond market in major global bond indices will likely fuel investors' interest in the market going forward.

### Bond yields of major markets



Source: Bloomberg as of Jun 2025.

China High Yield (HY): ICE BofA Asian Dollar High Yield Corporate China Issuers Index; Asia HY: ICE BofA Asian Dollar High Yield Corporate Index; US HY: ICE BofA US High Yield Index; Europe HY: ICE BofA Euro High Yield Index

China Investment Grade (IG): ICE BofA Asian Dollar Investment Grade Corporate China Issuers Index; Asia IG: ICE BofA Asian Dollar IG Corporate Index; US IG: ICE BofA US Corporate Index; Europe IG: ICE BofA Euro Corporate Index

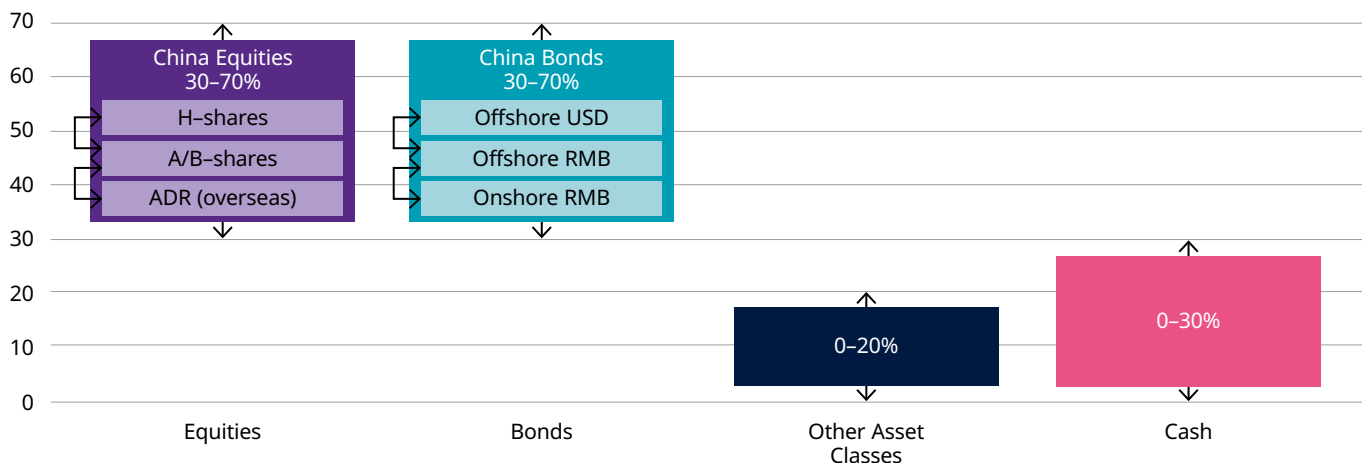


## Active asset allocation with risk management

The fund's active asset allocation between Chinese equities (30–70%), Chinese bonds (30–70%), other asset classes (0–20%) and cash (0–30%)~ aims to capture growth and income opportunities in China. We will also actively manage the exposures to onshore equities and fixed income to take advantage of the growth potential of onshore assets. In addition, risk management on currency and interest rates is implemented from time to time with the aim to reduce potential losses during difficult markets.

### Active asset allocation aims to enhance overall performance

Allocation (%)



Source: Schroders.

## Regular monthly payout<sup>^</sup>

With zero or even negative interest rates, income on assets will continue to be one of the important components of investors' returns. The fund offers investors a regular monthly payout<sup>^</sup>, backed by a sustainable stream of income mainly from the fixed income portfolio, and to a lesser extent from the equities in the fund.

~ The exact asset allocation may deviate from the range mentioned above without prior notice to investors, please refer to the relevant offering document for details.

<sup>^</sup> In respect of the distribution units, the manager will declare and pay monthly distributions. However, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the fund. Distributions may be paid from capital of the fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units.



# Schroder China Asset Income Fund

## Fund features

- A distribution unit class offers a monthly payout (distribution rate is not guaranteed, and payment of distributions could be paid out from capital)^
- Capture China's capital growth potential
- A comprehensive approach to investing in China
- Active asset allocation with risk management

## Available unit classes and distribution frequency

Unit classes	ISIN code	Bloomberg ticker	Distribution frequency
A Dis – HKD	HK0000301405	SCAIADH HK	Monthly
A Dis – USD	HK0000301421	SCAIADU HK	Monthly
A Dis – RMB Hedged	HK0000301447	SCAIADR HK	Monthly
A Dis – AUD Hedged	HK0000301439	SCAIADA HK	Monthly
A Acc – HKD	HK0000301397	SCAIAAH HK	N/A
A Acc – USD	HK0000301413	SCAIAAU HK	N/A

## Dividend distribution record^

Unit classes	Distribution per unit	Price on record date (24/09/2025)
A Dis – HKD	0.279920	111.9682
A Dis – USD	0.027902	11.1610
A Dis – AUD Hedged	0.015665	10.7442
A Dis – RMB Hedged	0.089191	107.0721

## Upcoming distribution record date

30/10/2025	26/11/2025	17/12/2025
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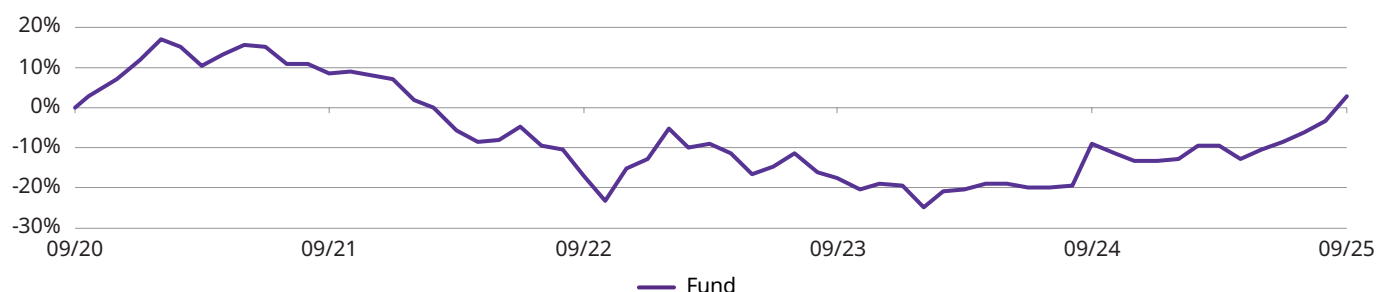
Note: The distribution record date may subject to change.

## Fund performance

Cumulative performance (%)	YTD	3-mth	1Yr	3Yrs	5Yrs	Since inception
Fund	18.6	12.0	13.0	23.6	2.7	48.4

Annual performance (%)	2024	2023	2022	2021	2020
Fund	7.4	-7.7	-18.5	-4.0	28.8



Source: Morningstar.

^ In respect of the distribution units, the manager will declare and pay monthly distributions. However, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the fund. Distributions may be paid from capital of the fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units.

## Key information

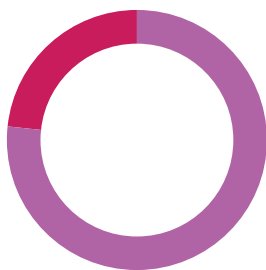
<b>Fund objective</b>	To provide income and capital growth by investing primarily in Chinese equity and fixed income securities.
<b>Unit NAV (class A Acc)</b>	HKD 148.4326
<b>Hi/Lo (past 12 mths, class A Acc)</b>	HKD 148.4326 / 119.0421
<b>Base currency</b>	HKD
<b>Fund manager</b>	Asia Multi-Asset Team led by Keiko Kondo
<b>Launch date</b>	18/08/2016
<b>Fund size (million)</b>	HKD 2,443.47
<b>Initial charge up to (class A)</b>	5%
<b>Management fee (class A)</b>	1.5% p.a.
<b>Dealing frequency</b>	Daily
<b>Financial year end</b>	30/6

## Sector breakdown#



	Equities	Fixed income	Total
Consumer Discretionary	15.3	9.9	25.2
Information Technology	10.4	2.3	12.7
Communication Services	10.2	2.0	12.2
Banks	7.2	3.7	10.9
Insurance	3.3	4.1	7.4
Diversified Financials	1.9	4.6	6.5
Industrials	5.6	0.3	5.8
Materials	4.0	1.6	5.7
Other	9.9	3.0	13.0
Cash	0.0	0.0	0.7

## Currency breakdown# (Net)



	Weights (%)
HKD/USD	76.8
RMB	23.1
Other	0.0

## Top holdings

China equity	Weights (%)	China fixed income	Weights (%)
TENCENT HOLDINGS LTD	6.0	MEGA ADVANCE INVESTMENTS LTD 6.375 12-MAY-2041 Reg-S (SENIOR)	1.1
ALIBABA GROUP HOLDING LTD	6.0	PRUDENTIAL PLC T2 2.95 03-NOV-2033 Reg-S (SUB)	1.1
XIAOMI CORP	2.2	CHINA MODERN DAIRY HOLDINGS LTD 2.125 14-JUL-2026 Reg-S (SENIOR)	1.0
HSBC HOLDINGS PLC	1.7	AAC TECHNOLOGIES HOLDINGS INC 2.625 02-JUN-2026 Reg-S (SENIOR)	1.0
NETEASE INC	1.5	FAR EAST HORIZON LTD 6.625 16-APR-2027 Reg-S (SENIOR)	0.9

# Percentages of allocation may not sum up to 100% due to rounding issue.

## Asset allocation range and current allocation

Asset type	Allocation range	Breakdown	Current allocation	Total current allocation
Equities	30–70%	Offshore Equities (H shares/Overseas)	44.8%	67.8%
		Onshore Equities	23%	
		Other Equities	0%	
Fixed Income	30–70%	Offshore Fixed Income	30.3%	31.6%
		Onshore Fixed Income	0%	
		Other Fixed Income	1.2%	
Others Asset Classes	0–20%	–	0%	0.0%
Cash	0–30%	–	0.7%	0.7%

## Bond information of current portfolio

Duration (RMB)	0.1 year
Duration (USD)	1.2 year
Average credit rating	BBB-
Investment grade/high yield & non-rated split	26.6%/11.2%

All fund information as at 30/9/2025. Source: Schroders unless stated otherwise. Fund performance based on class A Acc, NAV-NAV in HKD with net income re-invested, net of fees. The fund size quoted includes all classes of the fund. Performance is calculated from the share class' since launch date (18/08/2016).

Investment involves risks. Past performance is not indicative of future performance. Please refer to the relevant offering documents for fund details including risk factors.

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