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19 March 2025

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LONDON STOCK EXCHANGE ANNOUNCEMENT

SCHRODER ASIAN TOTAL RETURN INVESTMENT COMPANY PLC

(the "Company")

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Information disclosed in accordance with DTR 4.1

The Company's Annual Report and Financial Statements for the year ended 31 December 2024 is being published in hard copy format and an electronic copy will shortly be available to view and download from the Company's web pages: www.schroders.co.uk/satric.

Key Highlights

- The Company delivered a NAV total return of 13.0%, outperforming the MSCI AC Asia Pacific ex Japan index. This is the ninth year in the last decade that the Company has outperformed the Reference Index, which has resulted in double digit annualised returns for our long-term investors.
- The Company's returns have been consistently ahead of both the peer group and the Reference Index over the one, three, five and ten-year periods to 31 December 2024.
- The Board has recommended a final dividend of 11.50 pence per share for the year ended 31 December 2024.
- The Board has committed to put to shareholders a resolution at the AGM that the Company continue as an investment trust for a further three years.

INVESTOR PRESENTATION
There will be a presentation by our Portfolio Managers, at 12.00 noon on Thursday, 24 April 2025 which will be available to watch online and also for shareholders to attend, prior to the AGM, at the offices of the Investment Manager at 1 London Wall Place, London EC2Y 5AU. To sign up to watch the presentation online please click on this link: https://schroders.zoom.us/j/82547849490?pwd=P7BEhDzatGWPqYBfclz39zn7bWLdso.1. Please click here https://mybrand.schroders.com/m/23fe589407a4be1/original/Schroder-Asian-Total-Return-Investment-Company-AGM_-Portfolio-Manager-Presentation.ics to add this virtual presentation to your calendar.

Sarah MacAulay, Chair, Schroder Asian Total Return Investment Company plc commented:
"It is positive to note that this is the ninth year in the last decade that the Company has outperformed the Reference Index, which has resulted in double digit annualised returns for our long-term investors."

The Company has submitted a copy of its Annual Report and Financial Statements to the National Storage Mechanism and it will shortly be available for inspection at: National Storage Mechanism | FCA.

Enquiries:

Schroder Investment Management Limited

Charlotte Banks/Kirsty Preston (Press)	020 7658 2106
Kerry Higgins (Company Secretary)	020 7658 6000

CHAIR'S STATEMENT

"The Company's returns were ahead of both the peer group and the Reference Index over the one, three, five and ten-year periods."

PERFORMANCE AND BACKGROUND
I am pleased to report another year of good performance from your Company which delivered a NAV total return of 13.0%, outperforming the MSCI AC Asia Pacific ex Japan Index (the Reference Index) which rose by 12.1%. The share price total return was 12.6% as the discount widened slightly. It is positive to note that this is the ninth year in the last decade that the Company has outperformed the Reference Index, which has resulted in double digit annualised returns for our long-term investors. The Company's returns were ahead of both the peer group and the Reference Index over the one, three, five and ten-year periods to 31 December 2024.

It was a year of two halves for performance, with the majority of the gains made in the first half of the year. Taiwanese technology stocks, particularly those linked to artificial intelligence (AI), fared well and the Company's overweighting to Taiwan was a contributor to outperformance. Taiwan Semiconductor Manufacturing Company (TSMC), the Company's largest holding, made substantial gains buoyed by demand for its advanced semiconductors and stellar performance from Nvidia in the United States. Our Portfolio Managers' stock selection contributed to performance across most markets, particularly in Australia and Singapore, while the use of derivatives was also additive.

Further comments on performance and investment policy may be found in the Investment Manager's review.

ALPHA MANAGER OF THE YEAR WINNER

In recognition of his consistently strong performance, Robin Parbrook was named 'Alpha Manager of the Year' at the 2024 FE fundinfo awards for active managers. The Alpha Manager Rating is a quantitative rating that distinguishes the top UK fund managers based on alpha generation and outperformance across their career history, allowing investors to instantly identify those managers who have consistently outperformed their peer group over time.

For further information please visit:
https://www.fefundinfo.com/landing-pages/inst/alpha-manager-of-the-year-awards-2024
https://www.fefundinfo.com/products/institutions/ratings

EARNINGS AND DIVIDENDS

Revenue return from the portfolio for the year fell by 6.3% to 9.61 pence per share, from 10.26 pence per share in 2023. While the Portfolio Managers view income as an important component of investment return, they focus on total return, rather than income.

The Board has therefore recommended a final dividend of 11.50 pence per share, maintaining the dividend at the same level as the previous financial year. This is in view of the reduction in revenue return for the year, which will require the final dividend to be part funded from reserves. Subject to shareholder approval at the Annual General Meeting ("AGM"), the dividend will be paid on 9 May 2025 to shareholders on the register on 11 April 2025. The ex-dividend date is 10 April 2025.

DISCOUNT MANAGEMENT

The discount at which the Company's share price trades widened slightly during the year from 4.6% at the start of the year to 5.1% at the end of December 2024. The year under review has been a challenging time for investment trust discounts which have widened across the board and currently average 14.7%, attracting activist investors and encouraging corporate activity in the sector.

The Board aims to achieve a discount of no more than 5% in normal market conditions. Consequently, the Board made use of its authority to buy back shares to assist in discount management and to reduce share price volatility. A total of 3,709,666 shares were repurchased during 2024, amounting to 3.8% of the issued share capital at the start of the year. The shares were repurchased at an average discount of 6.6%, for a total consideration of £17.0 million, and placed in treasury for possible future reissuance at a premium to NAV. Buying back shares is accretive to the Company's NAV. The Company's shares traded at an average discount of 6.8% during the year.

Since the year end and up to 14 March 2025, the latest practicable date prior to the publication of this report, no shares were bought back by the Company. On 14 March 2025, the discount at which the Company's share price trades had narrowed to 3.5%, comparing favourably to the average discount for the investment company sector and the peer group.

The Board will be seeking approval from shareholders to renew the issuance and buy back authorities at the AGM to be held on 24 April 2025, further details of which can be found in the Annual Report and Financial Statements.

GEARING

Gearing continued to be actively utilised by the Portfolio Managers during the year and ranged between 3.8% at its lowest and 8.8% at its highest. Gearing made a positive contribution to performance. The Company has started to use contracts for difference (CFDs) in addition to the loan facility as a flexible and more cost-effective means of borrowing. Shareholders should be aware that the use of borrowing must be seen in the context of the use of derivative hedging instruments.

The Company may use gearing to enhance performance, but net gearing will not exceed 30% of NAV. The Board has agreed a disciplined framework for using gearing to increase market exposure, based on a number of valuation indicators.

FEES

For the first time since 2021 the Company has paid a performance fee in addition to the management fee of 0.65% of gross assets less cash and cash equivalents. A performance fee is payable amounting to 10% of any outperformance of the NAV over an annual hurdle of 7%, provided that the closing NAV per share exceeds the "high water mark" NAV at the date the last performance fee was paid. The sum of the base fee and any performance fee payable is capped at 1.25% of the closing net assets. In addition, the Manager may only be paid a performance fee when the Company's NAV total return is equal or greater to the total return of the Reference Index.

Following the outperformance, the Manager generated a performance fee of £2,767,000 for the year ended 31 December 2024.

THE BOARD

The Board continues to review its composition and effectiveness as well as planning for succession. The Board was pleased to welcome Marion Sears as a non-executive Director on 24 April 2024 and as the Company's Senior Independent Director (SID) with effect from 4 December 2024. Caroline Hitch stepped down from the Board, having reached her nine-year tenure, at the conclusion of the AGM in April 2024.

OUTLOOK

Geopolitics continues to dominate headlines as the world reacts to new policies emanating from the recently elected Trump administration. In particular, the US President's use of tariffs and the threat of more is disruptive to global trade and has significant consequences throughout the region. The expectation of imminent interest rate cuts in the US has dwindled as inflation remains stubbornly high, putting pressure on Asian currencies. China's economic growth prospects are hampered by lacklustre domestic consumption, the long and slow unwinding of the property bubble and excessive provincial debt. However, much of this is already reflected in Asian valuations which are at all time relative lows to developed markets.

Our Portfolio Managers continue to find exciting investment ideas in the region and with an index agnostic investment approach stock selection will remain critical. Our two Portfolio Managers have decades of collective investment experience and an excellent long-term track record of delivering value to shareholders. Schroders has a large, well-resourced team of analysts in Asia that provides a depth of research across the region with a universe of 900 companies covered and around 2,700 company visits each year. We remain confident that our Portfolio Managers are well positioned to navigate diverse and challenging equity markets in the region.

CONTINUATION VOTE

The Board has committed to put to shareholders a resolution at the AGM that the Company continue as an investment trust for a further three years.

Over the three-year period ended 31 December 2024, the Company's NAV produced a total return of 2.34% per annum, outperforming the 1.82% per annum total return of the Reference Index, while our share price produced a total return of 0.85% per annum. It is worth noting however that the last three years has been a difficult time for Asian equity markets and that although the Company's relative return was positive, absolute returns were disappointing. Looking longer term, over five years, the Company's NAV returned 9.0% per annum and the share price 7.8%, compared to the Reference Index return of 4.2%. Over ten years, the NAV returned 11.3% per annum and the share price 11.6%, compared to the Reference Index return of 7.0%.

The Board believes that the Manager remains well qualified and suitable to manage the portfolio and to assist the Company in meeting its investment objective. The Portfolio Managers have extensive investment experience and are well resourced, with support from a regional research team of 45 analysts. The Board also believes that the Company is well positioned as an investment vehicle within its peer group, and that its long-term investment objectives remain appropriate and the structure beneficial to shareholders.

As previously mentioned, this is the ninth year in the last decade that the Company has outperformed the Reference Index.

The Board therefore unanimously recommends that the Company continue as an investment trust, and the Directors intend to vote their shares accordingly.

RESULTS WEBINAR, PRESENTATION AND AGM

There will be a presentation by the Portfolio Managers at 12.00 noon on Thursday, 24 April 2025 which will be available to watch online and also for shareholders to attend, prior to the AGM, at the offices of the Investment Manager at 1 London Wall Place, London EC2Y 5AU.

To sign up to watch the presentation online please click on this link: https://schroders.zoom.us/j/82547849490?pwd=P7BEhDzatGWPqYBfclz39zn7bWLdso.1. Please click here https://mybrand.schroders.com/m/23fe589407a4be1/original/Schroder-Asian-Total-Return-Investment-Company-AGM_-Portfolio-Manager-Presentation.ics to add this virtual presentation to your calendar.

Details on how to watch the presentation are also available on the Company's web pages: www.schroders.co.uk/satric.

The formal business of the AGM will commence at 1.00 pm on Thursday, 24 April 2025 at 1 London Wall Place, London EC2Y 5AU, following the presentation by the Portfolio Managers. Shareholders are encouraged to attend both the presentation at 12.00 noon and the AGM at 1.00 pm at the Investment Manager's offices.

By making the Portfolio Managers' presentation available also as a webinar, I hope that shareholders, who are unable to attend the presentation and AGM, along with interested parties, will be able to listen to, and ask questions of, the Portfolio Managers.

AGM SHAREHOLDER COMMUNICATION AND ENGAGEMENT

The Board understands the significance of having regular access to information for our shareholders. In addition to our Company web pages, we provide shareholders with the opportunity to subscribe to Company email updates. These emails feature updates about the Company, along with news, opinion pieces, and market insights. Details on how to subscribe can be found on the inside front cover of this report.

We are pleased to note the strong contributions of all investment trust shareholders at recent votes, including those holding through retail platforms, across the sector following extensive proactive shareholder engagement.

These investors have played a key role in the outcomes of these votes and we would encourage them to continue to make their voices heard in all AGMs going forward.

If any of the Company's shareholders are at all unsure of how to vote their holding, they should contact their nominee for immediate assistance as we, alongside many others, are keen to see that these improved participation figures are sustained across all investment trusts, including at this Company.

The Board encourages all shareholders to either attend the AGM or exercise their voting rights by proxy. Proxy votes can be submitted electronically through the registrar's portal, by post and also by email. Details are set out in the Explanatory Notes to the Notice of AGM in this Annual Report.

The Board acknowledges that certain execution-only investment platforms are now enabling shareholders to vote electronically. We encourage shareholders to utilise this feature where it is available.

The Board is committed to exercising the highest standard of corporate governance and accordingly, regularly considers the views of its shareholders, offering to meet with major shareholders annually. We also seek to engage with all shareholders where possible and should you wish to contact me, you can do so via the Company Secretary whose details are set out in the Annual Report and Financial Statements.

SARAH MACAULAY
Chair
18 March 2025

INVESTMENT MANAGER'S REVIEW

PORTFOLIO MANAGERS' REPORT

2024 began on a promising note for the Company, given its limited exposure to China's struggling economy and the ongoing regulatory uncertainties, thus shielding it from stock market volatility there. Significant positions in Taiwanese technology and shareholder-value-focused companies across Asia Pacific drove outperformance relative to the Reference Index for most of the year. However, September 2024 brought surprises in Chinese government policy that led to a domestic market rally, reducing earlier gains. Additionally, Samsung Electronics faced scrutiny over its struggles with high-bandwidth memory (HBM) chips and declining smartphone market share, further weighing on performance. Despite these challenges, the NAV total return for the year was 13.0%, outperforming the Reference Index which rose by 12.1%(Source: Schroders, net of fees).

INVESTMENT CLUSTERS OVERVIEW

To evaluate performance, we revisited the four investment clusters that have long shaped our approach to Asian equities. A brief overview of these clusters provides context. Cluster One consists of China and Hong Kong, representing structurally challenged markets in secular bear trends. Here, the investment focus remained on the best private sector companies rather than state-owned enterprises (SOEs). Cluster Two comprises Korea and Taiwan, home to world-class technology companies, albeit with volatility due to their dominance in the cyclical semiconductor industry. Australia and Singapore make up Cluster Three, representing well-regulated markets with stable capitalist foundations. These markets are ideal for reliable dividend plays that generate attractive total returns over time. Lastly, Cluster Four contains India and ASEAN (the Association of Southeast Asian Nations)[1], true emerging markets (EM) with high growth potential tempered by political and regulatory risks. Together, these clusters offer a balanced framework for us to navigate Asia's dynamic investment landscape, capturing opportunities while managing risks.

1 ASEAN excluding Singapore.

We view Asian equities not as one coherent asset class but as four disparate investment clusters

China/Hong Kong
- Structurally challenged, secular bear markets.
- Some good companies but valuations are not as low as the bulls will claim.

Korea/Taiwan
- Principally technology-heavy (semic
- Attractive companies with strong int barriers - cyclical but with growth.
- Where some of the best stocks in A

India/ASEAN[1]
- Genuine emerging markets.
- Strong gross domestic product (GDP) growth but more volatile politics and regulation.
- Positive long-term structural outlook in India, the Philippines and Indonesia but valuations in the former are now expensive.

Australia/Singapore
- Well-regulated stock markets in cou attractions and good capitalist unde
- Lower growth but lots of strong divic returns.

1 ASEAN excluding Singapore.
Source: Schroders

PERFORMANCE OF INVESTMENT CLUSTERS IN 2024

How did these investment clusters fare compared to the Reference Index in 2024? To answer this, we delve deeper into each cluster, breaking them into sub-thematic components to understand the key drivers of their performance.

In Cluster One: China/Hong Kong, we differentiate between SOEs and non-SOEs, as these segments followed distinctly different paths in a structurally challenged market. For Cluster Two: Korea/Taiwan, we examine the two markets separately. Korea includes "Value-up"[1] companies, which are part of reform efforts aimed at closing the "Korean discount", and non-Value-up companies. Taiwan is analysed by its AI sector, which has been a major thematic driver, alongside non-AI sectors. In Cluster Three: Australia/Singapore, companies are categorised into high dividend yielders (DY) that provide steady income streams and low or no dividend yielders (Non-DY) with lower payout ratios. Finally, in Cluster Four: India/ASEAN, we consider India and ASEAN as distinct investment areas.

1 Value-up companies exhibit characteristics such as strong corporate governance, a focus on innovation and strategic partnerships.

The Reference Index recorded a 12.1% absolute GBP return in 2024, driven by several standout trends. Leading the gains were Taiwan's AI plays, which saw exceptional performance fuelled by investor enthusiasm for AI demand and Nvidia's consistently optimistic forecasts. This segment not only outperformed domestic peers but also outshone the broader region. Chinese SOEs emerged as a surprise outperformer. Despite exposure to years of overinvestment in infrastructure and a struggling property market, tacit government support during the year bolstered their share prices, resulting in returns that outpaced their often rapidly weakening underlying fundamentals. India secured the third spot, benefiting from the "China plus one" diversification trend and favourable domestic policies, attracting capital from local and international investors.

At the opposite end, Korea was the biggest disappointment. Political controversies surrounding President Yoon's administration, weakening demand for electric vehicles (EVs) that affected Korean battery manufacturers, and a sharp decline in Samsung Electronics' share price contributed to the market's underperformance. The lacklustre results in the "Value-up" segment were particularly notable, as the government's attempts to replicate Japan's success in closing valuation gaps largely fell short, leading to increasing scepticism about policy effectiveness. Taiwanese technology stocks outside of the AI space, along with non-technology segments in Taiwan, also struggled, further emphasising the concentrated strength of AI-related plays in the region.

CLUSTER PERFORMANCE

The year's performance review is perhaps best examined through the lens of these clusters and their sub-thematic components, bringing the Company's overall strategy and results into sharper focus.

CLUSTER ONE: CHINA/HONG KONG - A CHALLENGING YEAR

Navigating China and Hong Kong proved difficult. While early 2024 saw SOEs benefiting from government-backed initiatives, the Company's focus on high-quality private companies still delivered strong results for the first eight months of the year.
However, significant policy stimulus in September 2024 triggered a sharp rally in Chinese markets. The Chinese internet

However, significant policy stimulus in September 2024 triggered a sharp rally in Chinese markets. The Chinese internet sector, including JD.com, Alibaba, and Meituan, surged, but limited exposure to these holdings impacted performance. Traditional Hong Kong-listed companies like Shenzhou International and AIA underperformed during the rally despite delivering reasonable earnings. These challenges have prompted internal discussions about refining buy disciplines to better capitalise on volatile Chinese markets that are driven more by sentiment and speculation than fundamentals. Overall, the China/Hong Kong cluster detracted from performance, underscoring the challenges of navigating markets where fundamentals are not the primary drivers of short-term performance.

CLUSTER TWO: KOREA/TAIWAN - NET CONTRIBUTOR BUT MIXED RESULTS
Korea and Taiwan delivered contrasting performances. In Korea, contrary to the widespread optimism on the Corporate Value-Up program at the start of 2024, the market ended the year as the worst performing market of the region. The government's Value-up effort has largely failed to materialise amid the political controversies surrounding President Yoon's administration, leaving investors increasingly sceptical of the country's political credibility. While the Company had an underweight exposure to the market, it was insufficient to offset the drag from our positioning in the country's memory sector. Samsung Electronics' share price was particularly disappointing as the company faced intensified competition from Chinese dynamic random access memory (DRAM) manufacturers, a declining global smartphone market share, and challenges in the AI memory chip segment. Conversely, Taiwan's contributions were robust. The long-term position in TSMC outperformed materially, fuelled by surging demand for AI chips. Additionally, strong stock selection in other Taiwanese non-AI segments, including Chroma ATE, MediaTek, and Voltronic Power, further strengthened performance, culminating in a significant net positive contribution from this investment cluster.

CLUSTER THREE: AUSTRALIA/SINGAPORE - A RELIABLE CONTRIBUTOR
This cluster remained a cornerstone of stability. High-dividend-yielding stocks such as Singaporean banks DBS Bank and United Overseas Bank performed well, reinforcing the cluster's reputation for reliable income generation. Non-dividend-yielding names like ResMed and Aristocrat Leisure also delivered strong returns, underscoring the often overlooked opportunities in the Australian market. Overall, this cluster made a meaningful positive contribution, reflecting its role as a stabilising force within the portfolio.

CLUSTER FOUR: INDIA/ASEAN - POSITIVE BUT UNEVEN
India and ASEAN markets contributed positively to performance. In ASEAN, strong stock selection in holdings that included port operator, International Container Terminal Services, and leading banks in Indonesia and the Philippines added value. However, absence from the outperforming Malaysian market was a missed opportunity. In India, the underweight position in a strong-performing market was a minor drag. Nonetheless, good stock selection, highlighted by MakeMyTrip, helped deliver modest gains. While broader Indian equity performance was mixed, the cluster remains a promising area for growth and hopefully alpha generation[1] in 2025.

1 For further details please refer to: https://www.schroders.com/en-gb/uk/individual/glossary/

GEARING
The Company continued to deploy gearing during the year as regional valuations were reasonable and our top-down composite valuation indicator remained in the neutral territory. At the end of 2024, the Company's gearing was 8.5% obtained through a combination of the credit facility, and the introduction of CFDs, which helped to reduce the overall cost of borrowing against a relatively high-interest rate backdrop. While the use of gearing still involves a marginal cost to the Company, this flexibility plays a crucial part in enabling the Company to capture additional market upside, providing an added source of alpha which should more than offset the cost of gearing over the long term.

HEDGING STRATEGY - A MODEST CONTRIBUTOR
Despite typically acting as a drag in strong market years like 2024, the Company's hedging strategy contributed 0.3% to performance in 2024. Notably, our VIX (Volatility Index)[2] call[3] options performed particularly well, mitigating downside risks while enhancing returns, and reaffirming the value of the disciplined approach to hedging in volatile markets.

2 The CBOE Volatility Index (VIX) is a real-time index that represents the market's expectations for the relative strength of near-term price changes of the S&P 500 Index (SPX). Because it is derived from the prices of SPX index options with near-term expiration dates, it generates a 30-day forward projection of volatility. Volatility, or how fast prices change, is often seen as a way to gauge market sentiment, and in particular the degree of fear among market participants.

3 Call options are financial contracts that give the buyer the right, but not the obligation, to buy a stock, bond, commodity, or other asset or instrument at a specified price within a specific period. A call seller must sell the asset if the buyer exercises the call.

CONCLUSION
As we reflect on 2024, it is evident that the year tested the Company's adaptability and discipline amid dynamic market conditions. Despite some challenges in certain clusters, the Company delivered reasonable results, outperforming the Reference Index and reinforcing the strength of its diversified, long-term approach. Looking ahead to 2025, we remain steadfast in our commitment to navigating Asia's complex investment landscape with the same unconstrained, benchmark-agnostic approach to stock selection, as we aim to build on performance in 2024 and to continue to generate positive results for our shareholders.

STRATEGY AND POSITIONING FOR THE YEAR OF THE SNAKE
In the second part of our review, we discuss the Company's positioning as we enter 2025, or in the case of China, the Year of the Snake.

Prospective returns from Asian equities face two significant headwinds as we enter the New Year. Firstly, uncertainty around Trump 2.0, and what this is likely to mean for Asian interest rates, exchange rates, and trade flows are a potential headwind. President Trump's policies as stated are quite negative for both the economic and earnings outlook in most Asian countries. Higher-for-longer US interest rates are likely to put pressure on currencies in the region, leading to higher rates and dampening economic growth. Trade tariffs, if implemented in the manner suggested by Trump's more aggressive narrative to date, are expected to be disruptive and potentially negative for the region's exporters. As Chart 1 in the Annual Report and Financial Statements shows, Asian stock markets have materially underperformed since the US election.

The second headwind for the Company's prospective returns is China, given the economic, regulatory and geopolitical uncertainties. Much like the US policy outlook, the regulatory and geopolitical outlook in China is effectively unpredictable. Regardless of this, we see headwinds for Chinese listed stocks that leave us cautious. However, given current poor sentiment and low valuations, we can find opportunities despite the fact that without a policy volte-face, we view Chinese equities as in a secular bear market.

How do we position from here? If the supposed "guardrails" in US institutions work (thus reducing the worst of the trade tariffs and other threats) then perhaps we can see a rebound in Asian markets most of which are now discounting a gloomy tariffs and other threats) then perhaps we can see a rebound in Asian markets most of which are now discounting a gloomy scenario. But at the time of writing, we really do not know. What we can say, however, is that valuations in Asia are now at their all-time relative lows versus developed markets and at least we should see some support from high dividend yields in a region that has relatively low listed company corporate debt levels (Chart 2 in the Annual Report and Financial Statements).

In absolute terms, valuations in Asia also look reasonable, as shown in Chart 3 in the Annual Report and Financial Statements which has two of the indicators we use to determine the level of gearing[1] in the Company. Our top-down value indicator (rolling aggregate of price to earnings ratio, price to book[2], dividend yield and price to cash flow) shows that Asian valuations are exactly in-line with the long-term average. Our bottom-up value indicator (number of stocks our research team cover in Asia with upside to our fair value) is running at 62%, which is above the long-term average of 55%, indicating reasonable value and good stock opportunities in the region.

1 Please refer to the "Alternative Performance Measures and Glossary".
2 Price to Book ratio: Price-to-Book (P/B) ratio: Market Share Price/Book Value. Book value: value of a company's total assets minus its total liabilities. Useful when comparing similar companies valuations within the same industry that follow a uniform accounting method for asset valuation. It can offer a view of how the market values a particular company's stock and whether that value is comparable to the Book Value Per Share.

Given the indicators, at the time of writing, the Company is running with moderate gearing of 8.5% reflecting reasonable, albeit not oversold, valuations. This also means that the Company is running with little hedging as most of our hedging models also indicate moderate downside risks (a caveat: quantitative models do not tend to pick up President Trump's tweets). At the time of writing, the only downside hedges in place are a small position in puts[1] on the Indian index. So, in summary, we enter 2025 with a very uncertain market outlook, however a lot of this looks to be reflected in Asian stock market valuations so, if we avoid the worst of Trump 2.0 and China risks ease, we can see the prospect for good total returns for the Company in the coming year.

1 A put is an options contract that gives the owner the right, not the obligation, to sell a certain amount of the underlying asset, at a set price within a specified time. The buyer of a put option believes that the underlying stock will drop below the exercise price before the expiration date.

How is the Company positioned for the upcoming Year of the Snake? Chart 4 has the clusters we used in the review section with the current weightings of the Company and the positioning against the Reference Index.

Chart 4: Asian equities: one coherent asset class?

We view them as primarily four disparate investment clusters with different drivers

China/Hong Kong

- Structurally challenged, secular bear markets.
- Some good companies but valuations are not as low as the bulls will claim.
- Hong Kong/China exposure 24%,underweight -7%

Korea/Taiwan

- Principally technology-heavy (semico
- Attractive companies with strong intel barriers - cyclical but with growth.
- Some of the best stocks in Asia.
- Exposure: Taiwan 25%/Korea 3%, Ta Underweight 5%

India/ASEAN[1]

- Genuine emerging markets.
- Strong (GDP) growth but more volatile politics and regulation.
- Positive long-term structural outlook in India, the Philippines and Indonesia but valuations in the former are now expensive.
- India exposure 13%, underweight -6%
- ASEAN exposure 13%, overweight +10%

Australia/Singapore

- Well-regulated stock markets in coun attractions and good capitalist underp
- Lower growth but lots of strong divide returns.
- Australia/Singapore exposure 25%, overweight +6%

1 ASEAN excluding Singapore
Source: Schroders

Looking at Cluster One, the Company remains underweight Hong Kong/China. As mentioned earlier, without a change in policy settings, we take the view that Chinese stock markets are in a secular bear market. We do not believe current, and hoped for, stimulus packages will reverse this. As shown in Chart 5 in the Annual Report and Financial Statements, we have had at least eight supposed economic stimulus packages since 2008, and none have delivered a sustained rebound in Chinese stock markets.

Why is this? It is principally because stimulus packages do not address the underlying issues in the Chinese economy. Instead, they often exacerbate issues by creating more excess overcapacity in industries considered strategic, focus on building infrastructure of questionable value, and allowing banks to evergreen bad debts (Chart 6 in the Annual Report and Financial Statements).

Instead, what we would like to see in China is a reining in of financial excesses, crystallisation of bad debts, recapitalising banks, and the introduction of concrete broad-based measures to boost consumption. Dealing with a financial bubble is always painful, as your Portfolio Managers, who worked through the Japanese bubble, Asian financial crisis and the global financial crisis, know. However, without creative destruction and capital cycles you miss the essence of capitalism and, in our view, end up with a secular bear market. Charts 7, 8, and 9 in the Annual Report and Financial Statements explain the issues. The current policy focus in China, like Japan through the 1990s, is focused on keeping the ship afloat and avoiding taking pain; this is likely to be deflationary and a headwind for Chinese stock markets.

So, why have anything in China? Unlike Japan in the 1990s, many of the private sector companies in China are adaptable and well run. Valuations are reasonable, though not as cheap as the China bulls claim. As Chart 10 in the Annual Report and Financial Statements shows, earnings in China have consistently disappointed and return on equity (ROE) has dropped precipitously.

Another big difference in China versus Japan in the 1990s is that many of the listed companies pay dividends or buy back shares, so to meet our total return targets we do not need to see significant share price appreciation. The holdings in China are focused on the best private sector companies, ones that have strong market positions in areas with secular growth and that generate good cash flow which is being returned to shareholders. These are companies like Tencent (social media and gaming), Netease (gaming), Tencent Music (streaming), Trip.com (travel) and in Hong Kong companies like AIA (regional insurance) and Swire Pacific (airlines, property). In summary, we expect to remain underweight China and are structurally cautious on the market but as stockpickers, we find good opportunities and thus are happy to own selective names.

Looking at our Cluster Two (Korea and Taiwan) the portfolio is slightly overweight in this investment area. This is primarily coming from a material overweight in technology as we have no domestically focused stocks in either Korea or Taiwan as both economies are mature and valuations/fundamentals for domestic stocks are unattractive. As mentioned earlier in the review section, we remain cautious on Korean "Value-up" having heard the story of improving corporate governance in Korea multiple times over the last 30 years. Whilst not completely sceptical, the proof is very much in the pudding.

Technology is the overriding focus of Cluster Two. This time last year, we were bullish on technology and significantly overweight. Over the course of 2024, we have reduced exposure. Partly by taking profits from some of our technology stocks that have done well on AI hopes and are now trading above or close to reasonable valuations, but also by substantially reducing Samsung Electronics, which now looks decidedly challenged and return on invested capital negative.

At this point, we are increasingly cautious on AI-themed stocks. We worry that we will see a hiatus in AI capital expenditure (the driver of Taiwan AI stocks) at some point as the reality of AI use cases and monetisation needs to catch up with the huge expenditure being undertaken by the likes of Microsoft, Amazon and Alphabet. As Chart 11 in the Annual Report and Financial Statements shows, on the left-hand chart, semiconductor sales have tended long-term to grow pretty much at a steady 7% per annum level (with some cyclicality for new product cycles like PCs in the 1990s, smartphones in 2005-08) and we don't see AI applications suddenly changing this very consistent long-term trend. As the right-hand chart shows, any disappointment in semiconductor sales is likely to feed through to falling prices in Taiwan stocks.

Technology holdings have now been reduced to those we see as key long-term structural winners given industry changes, or those that we think can take market share. This means our key technology holdings are now just in a handful of companies like TSMC (effective monopoly in advanced nodes after Intel and Samsung failures in the foundry space), Chroma ATE (advanced chip testing), MediaTek (market share winner in chipsets and application-specific integrated circuits), Voltronic (increased outsourcing of power supply equipment) and ASE (requirements for more advanced chip packaging).

Cluster Three (Australia and Singapore) is an area we added to over the course of 2024 and the portfolio is now materially overweight (vs. the Reference Index) in what is often considered the most boring part of the Asian investment universe. From your Portfolio Managers' perspective, boring is often good - the Australian and Singapore stock markets offer good corporate governance, lots of dividends and reasonable earnings per share (EPS) growth (Chart 12 in the Annual Report and Financial Statements). Despite this, they are nearly always considered the least attractive markets by sell-side strategists (right-hand graph in Chart 12 in the Annual Report and Financial Statements) who fixate on top-line growth and false hopes of stimulus and reform (China and Korea).

Our focus in Australia and Singapore is principally on dividend stocks, and we are still finding attractive opportunities in this space (Chart 13 in the Annual Report and Financial Statements). The Company is called the "Schroder Asian Total Return Investment Company plc" as we are agnostic whether our total return comes from a 1% dividend and 8% capital gain or a 7% dividend and 2% capital gain - key is that stocks can meet our total return hurdles. We often tend to feel in Asia many investors forget the importance of dividends and total returns, instead just focusing on top-line growth and themes - much to their peril in places like China and, we believe going forward, India.

In Australia we are not just focused on yield; we also own a selection of global/US centric companies in the healthcare and industrial space like ResMed, Brambles, CSL, Aristocrat, Cochlear, and James Hardie. Valuations in Australia are reasonable given the quality of the companies and the strong positioning many businesses have in their respective segments. As Chart 14 in the Annual Report and Financial Statements shows, the sluggish domestic economy in Australia has turned sentiment cautious, and this has led to a moderate derating. Structurally, with strong demographics, good rule of law, and excellent social frameworks, we are positive long-term on the Australia economy and expect it to grow faster than most Asian economies in the medium-term (Chart 15 in the Annual Report and Financial Statements).

In Singapore, the Company is primarily focused on financials. We continue to favour Singapore banks given their regional footprints, good transparent management, and the tailwind they enjoy as the wealth management centre of Asia moves from Hong Kong to Singapore. As Chart 16 in the Annual Report and Financial Statements shows, these are businesses that are very well positioned and continue to compound nicely.

This brings us to our last cluster, the genuine Asian emerging stock markets: India and ASEAN. Looking at India first, the positive story of improving economic potential based on better infrastructure, digitisation of the economy and reduction of red tape has been widely touted and has genuine validity. It is also true that India, geopolitically is in a better place than many countries, being neither obviously aligned to the USA or China, and being a very small exporter of goods, it is less vulnerable to tariffs. However, for all the positives, structural impediments remain whether it is an education system that for the majority is poor, difficult business conditions and low levels of female participation in the workforce (many professions are effectively still restricted to men). It is also clear that the benefits of growth are being garnered by the few in India, not the majority. This is why Prime Minister Modi did poorly in the 2024 elections and also why overall consumer confidence is falling and consumption in most categories sluggish (chart 17 in the Annual Report and Financial Statements).

Private capital expenditure and foreign direct investment also continue to disappoint versus expectations. This is not to say the general environment in India has not improved; it has. However, not to the extent the bulls proclaim, and we expect the economic numbers will disappoint compared to high expectations.

This, we think, leaves the stock market vulnerable. Indian brokers and domestic investors tend to be extremely optimistic, and in India it is often considered unpatriotic to be downbeat. The result of this is corporate earnings nearly always fail to meet consensus expectations, as shown in Chart 18 in the Annual Report and Financial Statements. This chart shows the trend in stockbrokers' earnings forecasts for the Indian stock market over time - typically earnings come in 20% or more below the initial forecasts. The exception was 2023 and 2024 as we saw a post-Covid earnings rebound (financial year end in India is March). We are currently seeing significant downgrades to 2025 and 2026 earnings and expect this to continue given the weaker-than-expected economy.

When you combine the potentially disappointing earnings backdrop with high valuations (Chart 19 in the Annual Report and Financial Statements), which have been driven up by very active levels of domestic retail participation often via "thematic" funds, we see material risks to the Indian market. It is perhaps not surprising that insider selling and private equity exits are accelerating, historically this has been timed at market peaks (Chart 20 in the Annual Report and Financial Statements).

This is not to say we can find nothing to own in India; we selectively like private sector banks where valuations are

This is not to say we can find nothing to own in India, we selectively like private sector banks where valuations are reasonable, healthcare and travel-related names. Overall, however, India is the biggest single underweight in the portfolio, and we would need to see a material correction (probably driven by an exit of domestic retail money) for us to look to move overweight.

The smaller ASEAN stock markets (Thailand, Indonesia, the Philippines, Malaysia, Vietnam) had a poor close to 2024 as they are deemed more vulnerable to higher US interest rates and a strong dollar. Economically, most are ticking along at reasonable growth levels (3% to 5%) but at a pace that, like India, is below expectations, and again like India, the consumer is facing pressure from rising food prices and higher interest rates. Animal spirits in the main are very much lacking.

Unlike India, however, this increasingly looks to be reflected in stock market valuations. As shown in Chart 21 in the Annual Report and Financial Statements, in Indonesia and the Philippines, despite a good rebound in ROE from Covid lows, stock markets have remained moribund (as proxied by price to book or PB).

The Company has reasonable positions across the smaller stock markets in ASEAN, mostly focused on the financial and consumer sectors. The spectre of Trump 2.0 and a strong dollar is likely to mean stock markets in ASEAN remain under pressure near-term and higher interest rates are expected to be a headwind for both economies and corporate earnings. With valuations close to historic lows, we do find good stock-level opportunities in the region, and thus see this as one area of potential positive surprise in 2025 if current headwinds were to ease.

We hope this report has provided a reasonably comprehensive review on performance and the positioning of the Company. As ever, Asia remains a large, a fascinating and disparate region and we see plenty of interesting investment opportunities at the current time. To recap on our previous comments: we enter 2025 in an uncertain market outlook for Asian stock markets; however a lot of this looks to be reflected in valuations so, if we avoid the worst of Trump 2.0 and China risks ease, we see the prospect for the Company to make good total returns in the coming year.

ROBIN PARBROOK AND LEE KING FUEI
Portfolio Managers
SCHRODER INVESTMENT MANAGEMENT LIMITED
18 March 2025

STRATEGIC REPORT

RISK REPORT

The Board, through its delegation to the Audit and Risk Committee, is responsible for the Company's system of risk management and internal control and for reviewing its effectiveness. The Board has adopted a detailed matrix of principal, and, where applicable, emerging, risks affecting the Company's business as an investment trust and has established associated policies and processes designed to manage and, where possible, mitigate those risks, which are monitored by the Audit and Risk Committee on an ongoing basis.

This system assists the Board in determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives.

RISK ASSESSMENT AND INTERNAL CONTROLS REVIEW BY THE BOARD
Risk assessment includes consideration of the scope and quality of the systems of internal control operating within key service providers, and ensures regular communication of the results of monitoring by such providers to the Audit and Risk Committee, including the incidence of significant control failings or weaknesses that have been identified at any time and the extent to which they have resulted in unforeseen outcomes or contingencies that may have a material impact on the Company's performance or condition. The internal control environment of the Manager, Investment Manager, the depositary, custodian, administrator and the registrar are tested annually by independent external auditors. The full reports are provided to the Audit and Risk Committee alongside abridged summaries.

Although the Board believes that it has a robust framework of internal controls in place, this can provide only reasonable, and not absolute, assurance against material financial misstatement or loss and is designed to manage, not eliminate, risk. Both the principal and emerging risks and the monitoring system are also subject to robust review at least annually. The last assessment took place in March 2025.

During the year, the Board discussed and monitored a number of risks which could potentially impact the Company's ability to meet its strategic objectives. The Board receives updates from the Manager, Investment Manager, Company Secretary and other service providers on emerging risks that could affect the Company. The Board was mindful during the year of the global environment including the results of several significant elections in 2024, notably in the US; the risks posed by volatile markets; and geopolitical uncertainty which could affect the asset class. However, these were not considered to be factors which explicitly impacted the Company's performance. These risks are seen as exacerbating existing risks and have been incorporated in the macro factors, including the geopolitical/economic environment and climate change risk section in the table below.

The Board considered in detail whether there were any material emerging risks and has continued to include the development of AI as an emerging risk in the table below.

No significant control failings or weaknesses were identified from the Audit and Risk Committee's ongoing risk assessment which has been in place throughout the financial year and up to the date of this report. The Board is satisfied that it has undertaken a detailed review of the risks facing the Company. A full analysis of the financial risks facing the Company is set out in note 22 to the financial statements.

Actions taken by the Board and, where appropriate, its Committees, to manage and mitigate the Company's principal risks and uncertainties are set out in the table below. The "Change" column on the right highlights, at a glance, the Board's assessment of any increases or decreases in risk during the year after mitigation and management. The arrows show the risks as increased, decreased or unchanged.

Risk	Mitigation and management
Macro factors, including the geopolitical/economic environment and	

Macro factors, including the geopolitical/economic environment and climate change	
Geopolitical instability, including: • the Russian/Ukraine and Middle East conflicts and China and Taiwan tensions; • changes to the global economic environment; and • rising tensions following the re-election of Trump and the consequences of new policies which might materially affect the ability of the Company to achieve its investment objective. The impact of climate change on investee companies may also materially affect investment outcomes.	Geopolitical risks are an input into the investment process and a Board meeting where there is also an opportunity to discuss key Portfolio Managers. Further information on geopolitical risk is in section of the Chair's Statement. The Board visited Hong Kong, Macau and the Philippines during investee companies and analysts to understand better the chall the region. The Manager's investment process includes an assessment of evaluation of investee companies.
Investment objective and promotion	
The Company's investment objective may become out of line with the requirements of investors and lead to the Company becoming unattractive to investors, decreasing demand for its shares and a widening discount of the share price to the underlying NAV per share. The Company is not promoted in a way which generates investor demand.	The appropriateness of the Company's investment mandate and strategy is regularly reviewed by the Board and the success of th stated objectives is monitored. The Board holds a strategy meet the investment objective and policy and the Company's longer te The share price relative to the NAV per share is kept under revie indicator and is considered against the Company's peers on a r the buyback authority is also reviewed regularly. The Investment broker monitor market feedback and the Board consider this at e meeting. Proactive engagement with shareholders takes place via the AG shareholder presentations, and a formal programme of individu major shareholders on an annual basis. The Manager provides a dedicated, experienced investment trus team. The marketing programme continued to provide promotio Company throughout the year and included advertising, video an sponsored research provided by Kepler, and 'roadshow' events, the UK. The performance of the Manager is evaluated, at least a Engagement Committee.
Financial	
The Company is exposed to a range of financial risks including market, liquidity, interest rate, credit and fair values of financial assets and financial liabilities.	The financial risks associated with the economic environment th Company are mitigated, to some extent, by the Investment Mana statements provides further details of the steps taken to mitigate with the portfolio.
Investment strategy and performance	
Poor stock selection or investing outside of the investment restrictions and guidelines set by the Board could result in poor performance.	The Investment Manager is experienced and has a long track re investing in Asian equity holdings. The Board oversees the implementation of the investment strate investment restrictions and guidelines and keeps investment pe review. One, or more, of the Portfolio Managers attend all Board portfolio with the Board using performance data and KPIs. A detailed formal appraisal of the performance of the Manager a carried out annually by the Management Engagement Committe
Gearing/liquidity	
The Company adopts an inappropriate gearing or derivative strategy. The Company's investments are insufficiently liquid resulting in breach of loan covenants in the event of a severe fall in valuations.	The Board sets gearing limits of 30% of NAV and the Investmen Board on gearing levels and derivative activity at every Board me Liquidity stress testing is carried out on a regular basis.
ESG considerations	
Failure by the Company to disclose in an appropriate manner how the investment process integrates consideration of ESG factors could lead to the Company's shares being less attractive to investors as well as potential valuation issues in the underlying investee companies.	The consideration of material climate change risks, ESG factors Disclosure Requirements is integrated into the investment proc meetings. The Investment Manager considers and evaluates the approach to recognise and mitigate material climate change risks and als investee companies carbon footprint versus the Reference Inde The Manager has implemented a comprehensive ESG policy ou Report and Financial Statements.
Key person	
The retirement or departure of one or more of the Investment Manager's key investment professionals could impact the Company's performance.	The Portfolio Managers have a contractual notice period and the compensation and incentive scheme to recruit and retain key sta Managers, and has developed a suitable succession planning p ease the impact that the loss of a key investment professional n performance. The Investment Manager would notify any change the Board at the earliest possible opportunity and the Board wou efforts made to fill a vacancy. The Portfolio Managers are supported by a wider team of experi and research analysts, mitigating the impact of the loss of any k Investment Manager on the Company's performance.
Compliance with regulations	
Failure to comply with relevant laws and regulations could result in fines, loss of reputation and potentially loss of investment trust status.	The Board and Manager monitor changes in government policy have an impact on the Company, and the Audit and Risk Comm with regulations by reviewing internal control reports from the Ma From time to time the Board employs external advisers to advise

Oversight of service providers and control environment

The Company has no employees and has delegated certain functions to a number of service providers. Failure of controls, including as a result of fraud, and poor performance of any service provider, could lead to disruption, reputational damage or loss.	The Board receives reports from the Manager on its internal con throughout the year, including those relating to cybersecurity, an all its other significant service providers on at least an annual ba The Management Engagement Committee reviews the perform providers at least annually. The Manager also monitors closely t and quality of services provided by third parties, including those service level agreements and regular meetings. Directors attend an annual internal controls briefing session, ho respect of the internal controls of the Company's key service pro Company's depositary and custodian, HSBC, the Company's re Schroders Group Internal Audit team. Experienced service providers are appointed by the Company su processes and clearly documented contractual arrangements w level specifications and notice periods for terminations. Further details of the internal controls which are in place are set Committee's Report in the Annual Report and Financial Stateme

Information technology resilience and security

Cyber risk such as fraud, sabotage or crime perpetrated against the Company or any of its third party service providers could result in data theft, service disruption and reputational damage.	Cybersecurity is closely monitored by the Audit and Risk Commi the internal controls of its service providers. The Manager's IT security team present to the Directors on cybe the annual internal controls briefing session hosted by Schrode

EMERGING RISK

AI

The development of AI presents both potential risks and opportunities to businesses in almost every sector. The extent of the risk presented by AI is hard to assess at this point but the Board considers that it is an emerging risk and together with the Manager and Investment Manager will monitor developments in this area.

CONCLUSION

VIABILITY STATEMENT

The Directors have assessed the viability of the Company over a five year period, ending 31 December 2029 taking into account the Company's position at 31 December 2024 and the potential impact of the principal and emerging risks it faces for the review period. This is further detailed in the Chair's Statement, Investment Manager's Review and the Risk Report sections of this report. The Directors have assessed the Company's operational resilience and they are satisfied that the Company's outsourced service providers will continue to operate effectively.

The Board believes that a period of five years reflects a suitable time horizon for strategic planning, taking into account the investment policy, liquidity of investments, potential impact of economic cycles, nature of operating costs, dividends and availability of funding.

In preparing these financial statements, the Directors have considered the impact of the Company's emerging risks as set out in the Annual Report and Financial Statements and have concluded that there was no further impact to be taken into account as investments are valued based on market pricing.

The Directors considered the beneficial tax treatment the Company is eligible for as an investment trust. If changes to these taxation arrangements were to be made, it would affect the viability of the Company to act as an effective investment vehicle.

The Directors reviewed a stress test in which the Company's NAV dropped by 50% and noted that, based on the assumptions in the test, the Company would continue to be viable over a five year period.

Whilst the Company's Articles of Association require that a proposal for the continuation of the Company be put forward at the Company's AGM in 2025, the Directors have no reason to believe that such a resolution will not be passed by shareholders.

The Directors have also considered the Company's income and expenditure projections and the fact that the Company's investments comprise readily realisable securities which can be sold to meet funding requirements if necessary. Based on the Company's processes for monitoring operating costs, the Board's view that the Manager has the appropriate depth and quality of resource to achieve superior returns in the longer term, the portfolio risk profile, limits imposed on gearing, counterparty exposure, liquidity risk and financial controls, the Directors have concluded that there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five year period of their assessment.

GOING CONCERN

The Directors have assessed the principal and emerging risks and the matters referred to in the viability statement, including the continuation vote at the AGM in April 2025. The Directors noted the Company's portfolio is comprised of liquid stocks, and the Company's operating expenses are predominantly variable costs, which would fall pro-rata in the event of a severe market downturn.

Based on the work the Directors have performed, they have not identified any material events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the period assessed by the Directors, being the period to 31 March 2026 which is at least 12 months from the date the financial statements were authorised for issue.

BY ORDER OF THE BOARD
SCHRODER INVESTMENT MANAGEMENT LIMITED
Company Secretary
18 March 2025

GOVERNANCE

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard ("FRS") 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the return or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Manager is responsible for the maintenance and integrity of the web pages dedicated to the Company. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DIRECTORS' STATEMENT
Each of the Directors, whose names and functions are listed in the Annual Report and Financial Statements, confirm that to the best of their knowledge:

- the financial statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law), give a true and fair view of the assets, liabilities, financial position and net return of the Company;
- the Annual Report and Financial Statements includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal and emerging risks that it faces; and
- the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

ON BEHALF OF THE BOARD
SARAH MACAULAY
Chair
18 March 2025

FINANCIAL STATEMENTS

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000
Gains on investments held at fair value through profit or loss	2	-	53,179	53,179
Net gains/(losses) on derivative contracts		-	1,338	1,338
Net foreign currency (losses)/gains		-	(596)	(596)
Income from investments	3	12,281	128	12,409
Other interest receivable and similar income	3	106	-	106
Gross return		12,387	54,049	66,436
Management fee	4	(794)	(2,382)	(3,176)
Performance fee	4	-	(2,767)	(2,767)
Administrative expenses	5	(1,025)	-	(1,025)
Net return before finance costs and taxation		10,568	48,900	59,468
Finance costs	6	(494)	(1,482)	(1,976)
Net return before taxation		10,074	47,418	57,492
Taxation	7	(910)	(961)	(1,871)

	Note			
Net return after taxation		9,164	46,457	55,621
Return per share (pence)	8	9.61	48.71	58.32

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

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

The notes in the Annual Report and Financial Statements form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Called-up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Share purchase reserve £'000
At 31 December 2022		5,456	114,656	11,646	29,182
Repurchase of the Company's own shares into treasury		-	-	-	-
Net return after taxation		-	-	-	-
Dividend paid in the year	9	-	-	-	-
At 31 December 2023		5,456	114,656	11,646	29,182
Repurchase of the Company's own shares into treasury		-	-	-	-
Net return after taxation		-	-	-	-
Dividend paid in the year	9	-	-	-	-
At 31 December 2024		5,456	114,656	11,646	29,182

The notes in the Annual Report and Financial Statements form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2024

Fixed assets
Investments held at fair value through profit or loss

Current assets
Debtors
Cash and cash equivalents
Derivative financial instruments held at fair value through profit or loss

Current liabilities
Creditors: amounts falling due within one year

Net current liabilities

Total assets less current liabilities

Non current liabilities
Deferred taxation

Net assets

Capital and reserves
Called-up share capital
Share premium
Capital redemption reserve
Special reserve
Capital reserve
Revenue reserve

Total equity shareholders' funds

Net asset value per share (pence)

These financial statements were approved and authorised for issue by the Board of Directors on 18 March 2025 and signed on its behalf by:

SARAH MACAULAY
Chair

The notes in the Annual Report and Financial Statements form an integral part of these financial statements.

Registered in England and Wales as a public company limited by shares.

Company registration number: 02153093.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

Net cash inflow from operating activities
Investing activities
Purchases of investments
Sales of investments
Net cash flows on derivative instruments

Net cash inflow from investing activities

Net cash inflow before financing

Financing activities
Dividends paid
Interest paid
Bank loans repayment
Repurchase of the Company's own shares into treasury

Net cash outflow from financing activities

Net cash outflow in the year

Cash and cash equivalents at the beginning of the year
Change in cash and cash equivalents
Exchange movements

Cash and cash equivalents at the end of the year

Represented by:
Cash at bank and derivative clearing houses
Overdraft at bank and derivative clearing houses

Cash and cash equivalents at the end of the year

Dividends received during the year amounted to £12,488,000 (2023: £15,263,000), deposit interest and other income receipts amounted to £108,000 (2023: £178,000).

The notes in the Annual Report and Financial Statements form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

(a) Basis of accounting

Schroder Asian Total Return Investment Company plc ("the Company") is registered in England and Wales as a public company limited by shares. The Company's registered office is 1 London Wall Place, London EC2Y 5AU.

The financial statements are prepared in accordance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice (UK GAAP), in particular in accordance with Financial Reporting Standard (FRS) 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and with the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" (the "SORP") issued by The Association of Investment Companies in July 2022. All of the Company's operations are of a continuing nature.

The financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investments and derivative financial instruments held at fair value through profit or loss. The Directors believe that the Company has adequate resources to continue operating for the period to 31 March 2026, which is at least 12 months from the date of approval of these financial statements. In forming this opinion, the Directors have taken into consideration: the controls and monitoring processes in place; the Company's low level of debt and other payables; the low level of operating expenses, comprising largely variable costs which would reduce pro rata in the event of a market downturn; and that the Company's assets comprise cash and readily realisable securities quoted in active markets. In forming this opinion, the Directors have also considered any potential impact of climate change on the viability of the Company. Further details of Directors' considerations regarding any potential impact of climate change are given in the Chair's Statement, Investment Managers' Review, Going Concern Statement, Viability Statement and under the Risk Report heading in the Annual Report and Financial Statements.

In preparing these financial statements the Directors have also considered the impact of climate change on the value of the listed investments that the Company holds. As the portfolio consists of listed equities, which are valued using quoted bid prices for investments in an active market, then fair value reflects market participants view of climate change risk.

The financial statements are presented in sterling and amounts have been rounded to the nearest thousand.

The accounting policies applied to these financial statements are consistent with those applied in the financial statements for the year ended 31 December 2023.

No significant judgements, estimates or assumptions have been required in the preparation of the financial statements for the current or prior financial year.

(b) Valuation of investments

The Company's business is investing in financial assets with a view to profiting from their total return in the form of income and capital growth. This portfolio of financial assets and derivative financial instruments is managed, and its performance evaluated, on a fair value basis, in accordance with a documented investment strategy and information is provided internally on that basis to the Company's Board of Directors. Accordingly, upon initial recognition the investments are classified by the Company as "held at fair value through profit or loss". Investments are included initially at transaction price, excluding expenses incidental to purchase, which are written off to capital at the time of acquisition. Subsequently, investments are valued at fair value, which are quoted bid prices at the close of each market on the accounting date, for investments traded in active markets.

The contracts for difference ("CFD") held in the portfolio are valued based on the price of the underlying security or index which they are purchased to reflect. The fair value of the CFDs is the difference between the strike price and the underlying shares in the contract.

All purchases and sales are accounted for on a trade date basis.

(c) Accounting for reserves
Gains and losses on sales of investments are included in the Income Statement and in capital reserves within "gains and losses on sales of investments". Increases and decreases in the valuation of investments held at the year end are included in the Income Statement and in capital reserves within "holding gains and losses on investments".

Gains and losses on sales of CFDs and increases and decreases in the valuation of CFDs are included "in the statement of comprehensive income and in capital reserves within "net gains on derivative contracts."

Foreign exchange gains and losses on cash and deposit balances and unrealised exchange gains and losses on foreign currency loans are included in the Income Statement and in capital reserves.

The cost of repurchasing the Company's own shares for cancellation or to hold in treasury, including the related stamp duty and transactions costs is charged to a distributable capital reserve.

(d) Income
Dividends receivable are included in revenue on an ex-dividend basis except where, in the opinion of the Board, the dividend is capital in nature, in which case it is included in capital.

Dividends from overseas companies are included gross of any withholding tax.

Where the Company has elected to receive dividends in the form of additional shares rather than in cash, the amount of the cash dividend foregone is recognised in revenue. Any excess in the value of the shares received over the amount of the cash dividend is recognised in capital.

Deposit interest outstanding at the year end is calculated and accrued on a time apportionment basis using market rates of interest.

(e) Expenses
All expenses are accounted for on an accruals basis. Expenses are allocated wholly to the revenue column of the Income Statement with the following exceptions:

- The management fee is allocated 25% to revenue and 75% to capital in line with the Board's expected long-term split of revenue and capital return from the Company's investment portfolio.
- Any performance fee is allocated 100% to capital.
- Expenses incidental to the purchase or sale of an investment are charged to capital. These expenses are commonly referred to as transaction costs and mainly comprise brokerage commission. Details of transaction costs are given in note 10 in the Annual Report and Financial Statements.

(f) Finance costs
Finance costs, including collateral and finance costs paid on CFDs, any premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis using the effective interest method in accordance with FRS 102.

Finance costs are allocated 25% to revenue and 75% to capital in line with the Board's expected long-term split of revenue and capital return from the Company's investment portfolio.

(g) Other financial instruments
Cash and cash equivalents may comprise cash, amounts held at derivative clearing houses and demand deposits which are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

Other debtors and creditors do not carry any interest, are short-term in nature and are accordingly stated at nominal value, with debtors reduced by appropriate allowances for estimated irrecoverable amounts.

Bank loans are classified as financial liabilities at amortised cost. They are initially measured at the proceeds received, net of direct issue costs, and subsequently measured at amortised cost using the effective interest method.

Forward foreign currency contracts are held at fair value through profit or loss based on the gain or loss if the contracts had been closed out at the accounting date, at prevailing market rates.

(h) Taxation
The tax charge for the year includes a provision for all amounts expected to be received or paid.

Deferred tax is provided on all timing differences that have originated but not reversed by the balance sheet date.

Deferred tax liabilities are recognised for all taxable timing differences but deferred tax assets are only recognised to the extent that it is probable that taxable profits will be available against which those timing differences can be utilised.

Deferred tax is measured at the tax rate which is expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates that have been enacted or substantively enacted at the balance sheet date and is measured on an undiscounted basis.

(i) Value added tax (VAT)
Expenses are disclosed inclusive of any related irrecoverable VAT.

(j) Foreign currency
In accordance with FRS 102, the Company is required to determine a functional currency, being the currency in which the Company predominantly operates. The Board, having regard to the currency of the Company's share capital and the predominant currency in which its shareholders operate, has determined that sterling is the functional currency and the currency in which the financial statements are presented.

Transactions denominated in foreign currencies are converted at actual exchange rates as at the date of the transaction. Monetary assets, liabilities and equity investments, denominated in foreign currencies at the year end, are translated at the rates of exchange prevailing at the year end.

(k) Dividends payable
In accordance with FRS 102, the final dividend is included in the financial statements in the year in which it is approved by shareholders.

(l) Repurchases of shares into treasury and subsequent reissues
The cost of repurchasing the Company's shares into treasury, including the related stamp duty and transaction costs is dealt with in the Statement of Changes in Equity and is charged to capital reserves. Share repurchase transactions are accounted for on a trade date basis.

The sales proceeds of treasury shares reissued are treated as a realised profit up to the amount of the purchase price of those shares and is transferred to capital reserves. The excess of the sales proceeds over the purchase price is transferred to "share premium".

2. GAINS ON INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

Gains on sales of investments based on historic cost
Amounts recognised in investment holding gains and losses in the previous year in respect of investments sold in the year

(Losses)/gains on sales of investments based on the carrying value at the previous balance sheet date
Unrealised gains recognised in respect of investments continuing to be held

Gains on investments held at fair value through profit or loss

3. INCOME

Income from investments
Overseas dividends
Overseas special dividends
Stock dividend

Other interest receivable and similar income
Deposit interest
Other income

Capital
Special dividend allocated to capital

4. MANAGEMENT AND PERFORMANCE FEES

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000
Management fee	794	2,382	3,176
Performance fee	-	2,767	2,767
	794	5,149	5,943

The bases for calculating the investment management and performance fees are set out in the Directors' Report in the Annual Report and Financial Statements and details of all amounts payable to the Manager are given in note 19 in the Annual Report and Financial Statements.

5. ADMINISTRATIVE EXPENSES

Custody fees
Administration expenses
Directors' fees[1]
Secretarial fee
Auditor's remuneration[2]

1 Details of all amounts payable to Directors are given in the Directors' Remuneration Report in the Annual Report and Financial Statements.

2 No amounts are payable to the auditor for non-audit services.

6. FINANCE COSTS

2024 Revenue	2024 Capital	2024 Total

	£'000	£'000	£'000
Interest on bank loans and overdrafts	494	1,482	1,976

7. TAXATION

(a) Analysis of tax charge for the year

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000
Irrecoverable overseas tax	910	-	910
Overseas capital gains tax	-	961	961
Taxation for the year	910	961	1,871

The Company has no corporation tax liability for the year (2023: nil).

The overseas capital gains tax relates to the deferred tax liability on unrealised gains on Indian investments held at the year end.

(b) Factors affecting tax charge for the year

The standard rate of corporation tax in the UK is 25%, effective from 1 April 2023. Accordingly, the Company's profits for this accounting year would be taxed at a rate of 25% (2023: 23.5%). However the corporation tax charge for the year is nil (2023: nil), as dividends and capital gains are not subject to corporation tax. The tax charge comprises irrecoverable withholding tax deducted at source from dividends receivable and overseas capital gains tax.

The table below shows how taxable income is reduced to zero by reconciling the expected corporation tax due on the net return before tax based on current tax rates, to the actual tax charge for the year.

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000
Net return on ordinary activities before taxation	10,074	47,418	57,492
Net return on ordinary activities before taxation multiplied by the Company's applicable rate of corporation tax for the year of 25% (2023: 23.5%)	2,519	11,855	14,374
Effects of:			
Capital gains on investments	-	(13,480)	(13,480)
Income not subject to taxation	(3,049)	(32)	(3,081)
Overseas capital gains tax	-	961	961
Irrecoverable overseas tax	910	-	910
Unrelieved expenses	530	1,657	2,187
Tax on ordinary activities	910	961	1,871

(c) Deferred taxation

The Company has an unrecognised deferred tax asset of £19,925,000 (2023: £17,738,000) based on a prospective corporation tax rate of 25% (2023: 25%).

This deferred tax asset has arisen due to the cumulative excess of deductible expenses over taxable income. Given the composition of the Company's portfolio, it is not likely that this asset will be utilised in the foreseeable future and therefore no asset has been recognised in the financial statements.

Given the Company's intention to meet the conditions required to retain its status as an investment trust company, no provision has been made for UK capital gains tax on any capital gains or losses arising on the revaluation or disposal of investments. Please refer to note 13 for details of the deferred taxation in relation to overseas capital gains tax.

8. RETURN PER SHARE

Revenue return
Capital return

Total return

Weighted average number of shares in issue during the year
Revenue return per share (pence)
Capital return per share (pence)

Total return per share (pence)

9. DIVIDENDS

(a) Dividends paid and declared

2023 final dividend of 11.5p (2022: 11.0p), paid out of revenue profits[1]

2024 final dividend proposed of 11.5p (2023: 11.5p), to be paid out of revenue profits

1 The 2023 final dividend amounted to £11,182,000. However the amount actually paid was £11,036,000, as shares were repurchased into treasury after the accounting date but prior to the dividend record date.

(b) Dividends for the purposes of Section 1158 of the Corporation Tax Act 2010 ("Section 1158")

The requirements of Section 1158 are considered on the basis of dividends declared in respect of the financial year as shown below. The revenue available for distribution by way of dividend for the year is £9,164,000 (2023: £10,497,000).

Final dividend of 11.5p (2023: 11.5p)

10. INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS
(a) Movement in investments

Opening book cost
Opening investment holding gains

Opening fair value

Analysis of transactions made during the year
Purchases at cost
Sales proceeds
Gains on investments held at fair value

Closing fair value

Closing book cost
Closing investment holding gains

Closing fair value

Sales proceeds amounting to £136,629,000 (2023: £159,345,000) were receivable from disposals of investments in the year. The book cost of these investments when they were purchased was £116,950,000 (2023: £136,568,000). These investments have been revalued over time and until they were sold any unrealised gains and losses were included in the fair value of the investments.

(b) Transaction costs
The following transaction costs, mainly comprising brokerage commissions, were incurred during the year:

On acquisitions
On disposals

(c) Contracts for Difference

	2024 Asset exposure £'000	
CFDs held at 31 December:		
CFD assets	4,013	
CFD liabilities	11,294	
	---------------	---
	15,307	
	=========	=

The CFDs are held as a cost effective and flexible form of borrowing. The total market exposure on the CFDs held at the year end is £15,307,000 (2023: £nil) and the notional value attached to these CFDs is £15,531,000 (2023: £nil). This resulted in an unrealised loss of £224,000 (2023: £nil).

11. CURRENT ASSETS

Debtors
Dividends and interest receivable
Securities sold awaiting settlement
Taxation recoverable
Other debtors

The Directors consider that the carrying amount of debtors approximates to their fair value.

Cash and cash equivalents

Cash at bank
Amounts held at derivative clearing houses and brokers

The carrying amount of cash represents its fair value. No cash equivalents were held at the year end (2023: same).

Derivative financial instruments held at fair value through profit or loss
CFD assets
Forward currency contracts
Index put options

Details of the CFDs, forward currency contracts and index put options held at the year end are given in the Annual Report and

Details of the CFDs, forward currency contracts and index put options held at the year end are given in the Annual Report and Financial Statements.

12. CURRENT LIABILITIES

Creditors: amounts falling due within one year
Bank loan
Bank overdraft
Amounts held at derivative clearing houses and brokers
Derivative financial instruments held at fair value through profit or loss - CFD liabilities
Securities purchases awaiting settlement
Amounts payable on settlement of derivatives
Repurchase of ordinary shares into treasury awaiting settlement
Other creditors and accruals

The Directors consider that the carrying amount of creditors falling due within one year approximates to their fair value.

The bank loan comprises USD28 million (2023: USD47.6 million) drawn down on the Company's £75 million (2023: £75 million), 364 day multicurrency credit facility with The Bank of Nova Scotia, London Branch, expiring July 2025. The facility was secured from amendment and restatement on 18 July 2024 and is subject to covenants and restrictions which are customary for a facility of this nature, all of which have been complied with during the year.

Further details of this facility are given in note 22(a)(ii) in the Annual Report and Financial Statements.

13. DEFERRED TAXATION

Deferred taxation comprises the deferred tax liability on the unrealised gains on Indian investments. Indian capital gains tax crystallises on disposal of the underlying asset and is charged based on a 12 month holding period of the asset. The current rate of tax is 12.5% (plus applicable surcharge and cess) for holdings over 12 months and 20% (plus applicable surcharge and cess) for holdings under 12 months. At the end of the prior year, the rate of tax was 10% (plus applicable surcharge and cess) for holdings over 12 months or 15% (plus applicable surcharge and cess) for holdings under 12 months.

The provision for deferred taxation at the year end was £1,551,000 (2023: £586,000).

14. CALLED-UP SHARE CAPITAL

Ordinary shares allotted, called up and fully paid:
Opening balance of 97,234,120 (2023: 105,263,203) shares
Repurchase of 3,709,666 (2023: 8,029,083) shares into treasury
Subtotal of 93,524,454 (2023: 97,234,120) shares
15,590,197 (2023: 11,880,531) shares held in treasury

Closing balance[1]

1 Represents 109,114,651 (2023: 109,114,651) shares of 5p each, including 15,590,197 (2023: 11,880,531) held in treasury.

During the year, the Company repurchased 3,709,666 of its own shares, nominal value £186,000, to hold in treasury, representing 3.8% of the shares outstanding at the beginning of the year. The total consideration paid for these shares amounted to £16,993,000. The reason for these purchases was to seek to manage the volatility of the share price discount to NAV per share.

15. RESERVES

			Capital reserves	
Year ended 31 December 2024	**Share premium[1] £'000**	**Capital redemption reserve[2] £'000**	**Special reserve[3] £'000**	**G lc inves**
At 31 December 2023	114,656	11,646	29,182	
Losses on sales of investments based on the carrying value at the previous balance sheet date	-	-	-	
Unrealised gains recognised in respect of investments continuing to be held	-	-	-	
Transfer on disposal of investments	-	-	-	
Gains on derivatives	-	-	-	
Realised exchange losses on cash and short-term deposits	-	-	-	
Exchange (losses)/gains on foreign currency loans	-	-	-	
Special dividend allocated to capital	-	-	-	
Repurchase of shares into treasury	-	-	-	
Performance fee allocated to capital	-	-	-	
Management fee and finance costs allocated to capital	-	-	-	
Overseas capital gains tax	-	-	-	
Dividend paid	-	-	-	
Retained revenue for the year	-	-	-	
At 31 December 2024	114,656	11,646	29,182	

			Capital reserves	
Year ended 31 December 2023	**Share premium[1] £'000**	**Capital redemption reserve[2] £'000**	**Special reserve[3] £'000**	**G lc inves**
At 31 December 2022	114,656	11,646	29,182	
Losses on sales of investments based on the carrying value at the previous balance sheet date	-	-	-	

Unrealised gains recognised in respect of investments continuing to be held	-	-	-
Transfer on disposal of investments	-	-	-
Losses on derivatives	-	-	-
Realised exchange losses on cash and short-term deposits	-	-	-
Exchange (losses)/gains on foreign currency loans	-	-	-
Special dividend allocated to capital	-	-	-
Repurchase of shares into treasury	-	-	-
Management fee and finance costs allocated to capital	-	-	-
Overseas capital gains tax	-	-	-
Dividend paid	-	-	-
Retained revenue for the year	-	-	-
At 31 December 2023	114,656	11,646	29,182

1 The share premium is a non distributable reserve and represents the amount by which the fair value of the consideration received from shares issued exceeds the nominal value of shares issued.

2 The capital redemption reserve represents the accumulated nominal value of shares repurchased for cancellation. This reserve is not distributable.

3 This is a distributable capital reserve arising from the cancellation of the share premium, and may be distributed as dividends or used to repurchase the Company's own shares.

4 This is a realised (distributable) capital reserve and a positive balance may be used to repurchase the Company's own shares or distributed as dividends.

5 This reserve may include some holding gains on liquid investments (which may be deemed to be realised) and other amounts which are unrealised. An analysis has not been made between those amounts that are realised (and may be distributed as dividends or used to repurchase the Company's own shares) and those that are unrealised.

6 A positive balance on the revenue reserve may be distributed as dividends or used to repurchase the Company's own shares.

16. NET ASSET VALUE PER SHARE

Total equity shareholders' funds (£'000)
Shares in issue at the year end

Net asset value per share (pence)

17. RECONCILIATION OF TOTAL RETURN ON ORDINARY ACTIVITIES BEFORE FINANCE COSTS AND TAXATION TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Total return on ordinary activities before finance costs and taxation
Less capital returns on ordinary activities before finance costs and taxation
Decrease in prepayments and accrued income
Decrease in other debtors
Increase in other creditors
Special dividends allocated to capital
Less stock and accumulation dividends
Management fee allocated to capital
Performance fee allocated to capital
Overseas withholding tax deducted at source

Net cash inflow from operating activities

18. ANALYSIS OF CHANGES IN NET DEBT

	2023 £'000	C
Cash and cash equivalents	2,527	
Bank loan	(37,339)	
Overdraft at bank and derivative clearing houses	-	
Net debt	(34,812)	

19. TRANSACTIONS WITH THE MANAGER

Under the terms of the Alternative Investment Fund Manager Agreement, the Manager is entitled to receive management, secretarial and performance fees. Details of the basis of these calculations are given in the Directors' Report in the Annual Report and Financial Statements. If the Company invests in funds managed or advised by the Manager, any fees earned by the Manager are rebated to the Company. The management fee payable in respect of the year ended 31 December 2024 amounted to £3,176,000 (2023: £3,051,000) of which £799,000 (2023: £775,000) was outstanding at the year end.

The performance fee payable in respect of the year amounted to £2,767,000, the full amount of which was outstanding at the year end (2023: No performance fee was payable and outstanding at the year end).

The secretarial fee payable for the year amounted to £75,000 (2023: £75,000) of which £19,000 (2023: £19,000) was outstanding at the year end.

No Director of the Company served as a Director of any company within the Schroder Group at any time during the year.

20. RELATED PARTY TRANSACTIONS

Details of the remuneration payable to Directors are given in the Directors' Remuneration Report in the Annual Report and Financial Statements and details of Directors' shareholdings are given in the Directors' Remuneration Report in the Annual Report and Financial Statements. Details of transactions with the Manager are given in note 19 above. There have been no other transactions with related parties during the year (2023: nil).

21. DISCLOSURES REGARDING FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

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

FRS 102 requires financial instruments to be categorised into a hierarchy consisting of the three levels below.

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

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

Level 3 - valued using inputs that are unobservable.

Details of the Company's policy for valuing investments and derivative instruments are given in note 1(b) in the Annual Report and Financial Statements.

The following table sets out the fair value measurements using the FRS 102 hierarchy at 31 December:

	Level 1 £'000
Financial instruments held at fair value through profit or loss	
Equity investments	506,932
Derivative financial instruments - index put options	505
Derivative financial instruments - forward currency contracts	-
Derivative financial instruments - contracts for difference - CFD assets	-
Derivative financial instruments - contracts for difference - CFD liabilities	-
Total	507,437

	Level 1 £'000
Financial instruments held at fair value through profit or loss	
Equity investments	484,012
Derivative financial instruments - index put options	178
Total	484,190

22. FINANCIAL INSTRUMENTS' EXPOSURE TO RISK AND RISK MANAGEMENT POLICIES

In pursuing its objective, the Company is exposed to a variety of financial risks including market risk (comprising currency risk, interest rate risk and market price risk), liquidity risk and credit risk. The Directors' policy for managing these risks is set out below.

The process for managing risk is unchanged from the previous year. The Company's financial instruments may comprise:

- investments in equities and equity related securities which are held in accordance with the Company's investment objective;
- short-term debtors, creditors and cash arising directly from its operations;
- a multicurrency overdraft facility with HSBC, the purpose of which is to assist in financing the Company's operations;
- a multicurrency credit facility with The Bank of Nova Scotia, the purpose of which is to assist in financing the Company's operations; and
- index put options, which are used to protect the capital value of the portfolio.
- forward currency contracts, the purpose of which is to manage the currency risk arising from the Company's investment activities.
- contract for differences, which are used for the purpose to gain further exposure to Asian markets.

(a) Market risk

Market risk comprises three elements - foreign currency risk, interest rate risk and market price risk. Information to enable an evaluation of the nature and extent of these three elements of market risk is given in parts (i) to (iii) of this note, together with sensitivity analyses where appropriate.

(i) Foreign currency risk

The majority of the Company's assets, liabilities and income are denominated in currencies other than sterling, which is the Company's functional currency and the presentational currency of the financial statements. As a result, movements in exchange rates will affect the sterling value of those items.

Management of foreign currency risk

The Manager monitors the Company's exposure to foreign currencies on a daily basis and reports to the Board. The Board has authorised the use of derivative instruments to hedge currency exposure as part of the investment strategy to protect the capital value of the portfolio, or for efficient portfolio management.

Foreign currency exposure

The fair value of the Company's monetary items that have foreign currency exposure at 31 December are shown below. The Company's investments, CFDs and index put options (which are not monetary items) have been included separately in the analysis so as to show the overall level of exposure.

2024	**Hong Kong Dollars £'000**	**US Dollars £'000**	**Taiwan Dollars £'000**	**South Korean Won £'000**	**Indian Rupees £'000**	**Singapore Dollars £'000**	**Chinese Yuan £'000**	**Aus**
Current assets	11	1,495	207	69	2	1	-	
Derivative instruments held at fair value through profit or loss - forward currency contracts	-	22,216	-	-	-	-	(21,758)	

Current liabilities	-	(23,107)	-	-	-	-	-	
	-	-	-	-	-	-	-	
Foreign currency exposure on net monetary items	11	604	207	69	2	1	(21,758)	
Investments held at fair value through profit or loss[1]	96,283	15,860	122,237	16,603	53,292	38,670	8,136	
Derivative instruments held at fair value through profit or loss - index put options and CFDs[1]	-	322		-	-	-	-	
	-	-	-	-	-	-	-	
Total net foreign currency exposure	96,294	16,786	122,444	16,672	53,294	38,671	(13,622)	

2023	**Hong Kong Dollars £'000**	**US Dollars £'000**	**Taiwan Dollars £'000**	**South Korean Won £'000**	**Indian Rupees £'000**	**Singapore Dollars £'000**	**Chinese Yuan £'000**	**Aus**
Current assets	11	1,256	302	137	86	1	-	
Current liabilities	-	(38,327)	-	-	-	-	-	
Non current liabilities	-	-	-	-	(586)	-	-	
	-	-	-	-	-	-	-	
Foreign currency exposure on net monetary items	11	(37,071)	302	137	(500)	1	-	
Investments held at fair value through profit or loss[1]	76,860	23,415	112,071	35,009	46,379	38,300	-	
Derivative instruments held at fair value through profit or loss - index put options	-	-	178	-	-	-	-	
	-	-	-	-	-	-	-	
Total net foreign currency exposure	76,871	(13,656)	112,551	35,146	45,879	38,301	-	

1 Excluding any stocks or CFDs priced in sterling.

The above year end amounts are broadly representative of the exposure to foreign currency risk during the current and prior year.

Foreign currency sensitivity

The following tables illustrate the sensitivity of net profit for the year and net assets with regard to the Company's monetary financial assets and financial liabilities and exchange rates. The sensitivity analysis is based on the Company's monetary currency financial instruments held at each balance sheet date and assumes a 10% (2023: 10%) appreciation or depreciation in sterling against the currencies to which the Company is exposed, which is considered to be a reasonable illustration based on the volatility of exchange rates during the year.

If sterling had weakened by 10% this would have had the following effect:

Income Statement - return after taxation
Revenue return
Capital return

Total return after taxation

Net assets

Conversely if sterling had strengthened by 10% this would have had the following effect:

Income Statement - return after taxation
Revenue return
Capital return

Total return after taxation

Net assets

In the opinion of the Directors, the above sensitivity analysis with respect to monetary financial assets and liabilities is broadly representative of the whole of the current and comparative year. The sensitivity with regard to the Company's investments, and any derivative instruments held, to changes in foreign currency exchange rates is subsumed into market price risk sensitivity below.

(ii) Interest rate risk

Interest rate movements may affect the level of income receivable on cash deposits and the interest payable on variable rate borrowings when rates are re-set.

Management of interest rate risk

Liquidity and borrowings are managed with the aim of increasing returns to shareholders. The Company may use gearing to enhance performance (including the use of CFDs). The Board would not expect net gearing to exceed 30% where gearing is defined as borrowings including CFDs used for investment purposes, less cash, expressed as a percentage of net assets.

Interest rate exposure

The possible effects on cash flows that could arise as a result of changes in interest rates are taken into account when the

Company draws on its overdraft facility or its credit facility.

The exposure of financial assets and financial liabilities to floating interest rates, giving cash flow interest rate risk when rates are re-set, is shown below:

Exposure to floating interest rates
Cash and cash equivalents
Bank overdraft
Amounts held at derivative clearing houses and brokers
Creditors: amounts falling due within one year:
Bank loan

Total exposure

Interest receivable on cash balances, or paid on overdrafts, is at a margin below or above the applicable risk free reference rates, respectively (2023: same).

During the year, the Company amended and restated its £75 million multicurrency credit facility with The Bank of Nova Scotia, London Branch, to 17 July 2025.

Amounts are normally drawn down on the facility for one month periods. Interest is payable at a rate based on the secured overnight financing rate, plus a margin, plus the credit adjustment spread. At 31 December 2024, the Company had drawn down USD28million (£22.4million) at an interest rate of 5.36%, repayable on 31 January 2025.

At 31 December 2023, the Company had drawn down USD47.6 million (£37.3million) at an interest rate of 6.61%.

The above year end amounts are not representative of the exposure to interest rates during the year as the level of cash balances and drawings on the credit facility have fluctuated. The maximum and minimum net debt balances during the year are as follows:

Maximum debit interest rate exposure during the year - net debt
Minimum debit interest rate exposure during the year - net debt

Interest rate sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to a 1.5% (2023: 1.5%) increase or decrease in interest rates in regards to the Company's monetary financial assets and financial liabilities. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the Company's monetary financial instruments held at the balance sheet date with all other variables held constant.

	2024 1.5% increase in rate £'000	c
Income Statement - return after taxation		
Revenue return	(76)	
Capital return	(305)	
	---------------	---
Total return after taxation	(381)	
	═══════	=
Net assets	(381)	
	═══════	=

In the opinion of the Directors, this sensitivity analysis may not be representative of the Company's future exposure to interest rate changes due to fluctuations in the level of cash balances and drawings on the credit facility.

(iii) Market price risk

Market price risk includes changes in market prices, other than those arising from interest rate risk, which may affect the value of equity investments.

Management of market price risk

The Board meets on at least four occasions each year to consider the asset allocation of the portfolio and the risk associated with particular countries and industry sectors. The Board has authorised the Manager to enter derivative transactions as a means of seeking capital preservation, subject to limits on the percentage of the portfolio hedged and the duration of derivatives used.

Market price risk exposure

The Company's total exposure to changes in market prices at 31 December comprises the following investments:

Investments held at fair value through profit or loss
Derivative financial instruments held at fair value through profit or loss:
Index put options
CFD

The above data is broadly representative of the exposure to market price risk during the year.

Concentration of exposure to market price risk

An analysis of the Company's investments is given in the Annual Report and Financial Statements. This shows that the portfolio mainly comprises investments quoted on Asian stock markets, index put options and CFDs. Accordingly there is a portfolio mainly comprises investments quoted on Asian stock markets, index put options and CFDs. Accordingly there is a concentration of exposure to that region.

However it should be noted that an investment may not be entirely exposed to the economic conditions in its country of classification.

Market price risk sensitivity
The following table illustrates the sensitivity of net return after taxation for the year and net assets to an increase or decrease of 10% (2023: 10%) in the fair values of the Company's investments. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the Company's investments, adjusting for the hedging effect of the index put options and including the resulting effect on the management fee, but with all other variables held constant. The sensitivity analysis also takes account of the "beta coefficient" of the portfolio. This is a measure of the volatility of the portfolio compared with the systemic risk of the entire market. As a result, the percentages in the table below represent a 8.67% (2023: 8.05%) increase in fair value and a 8.67% (2023: 7.87%) decrease in fair value.

	2024 10% increase in fair value	**de in fai**
Income Statement - return after taxation	**£'000**	
Revenue return	(71)	
Capital return	43,719	(
	---------------	------
	43,648	(
	========	==
Percentage change in net asset value	9.2	
	========	==

(b) Liquidity risk
This is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management of the risk
Liquidity risk is not significant as the Company's assets comprise mainly readily realisable securities, which can be sold to meet funding requirements if necessary. Short-term flexibility is achieved through the use of overdraft and credit facilities.

Liquidity risk exposure
Contractual maturities of financial liabilities, based on the earliest date on which payment can be required are as follows:

Creditors: amounts falling due within one year
Bank loan - including interest
Bank overdraft
Amounts held at derivative clearing houses and brokers
Derivative financial instruments held at fair value through profit or loss - CFD liabilities
Securities purchased awaiting settlement
Amounts payable on settlement of derivatives
Repurchase of ordinary shares into treasury awaiting settlement
Other creditors and accruals

(c) Credit risk
Credit risk is the risk that the failure of the counterparty to a transaction to discharge its obligations under that transaction could result in loss to the Company.

Management of credit risk
This risk is not significant and is managed as follows:

Portfolio dealing
The Company invests almost entirely in markets that operate a "Delivery Versus Payment" settlement process which mitigates the risk of losing the principal of a trade during settlement. This approach extends to various investment instruments, while CFDs are settled through cash payments based on the difference between the opening and closing prices, rather than physical delivery of the underlying assets. The Manager continuously monitors dealing activity to ensure best execution, which involves measuring various indicators including the quality of trade settlement and incidence of failed trades. Counterparties must be pre-approved by the Manager's credit committee.

In relation to CFDs, counterparty risk is limited to the profit on a contract, not the notional value.

Exposure to the custodian
The custodian of the Company's assets is HSBC Bank plc which has long-term credit ratings of AA- with Fitch and Aa3 with Moody's.

The Company's investments are held in accounts which are segregated from the custodian's own trading assets. If the custodian were to become insolvent, the Company's right of ownership of its investments is clear and they are therefore protected. However the Company's cash balances are all deposited with the custodian as banker and held on the custodian's balance sheet. Accordingly, in accordance with usual banking practice, the Company will rank as a general creditor to the custodian in respect of cash balances.

Credit risk exposure
The amounts shown in the balance sheet under debtors, derivative financial instruments held at fair value through profit or loss and cash at bank and in hand represent the maximum exposure to credit risk at the current and comparative year ends.

No debtors are past their due date and none have been provided for. There has been no stock lending during the year, or prior year.

(d) Fair values of financial assets and financial liabilities
All financial assets and liabilities are either carried in the balance sheet at fair value, or the balance sheet amount is a reasonable approximation of fair value.

23. CAPITAL MANAGEMENT POLICIES AND PROCEDURES
The Company's capital is represented by its net assets and borrowings, which are managed to achieve the Company's investment objective, as set out in the Annual Report and Financial Statements.

The Company's capital management objectives are to ensure that it will continue as a going concern and to maximise the capital return to shareholders through an appropriate level of gearing. The Company has overdraft and credit facilities in place which may be used to maximise the return to shareholders through an appropriate level of gearing. The Company uses CFDs as a cost effective and flexible form of borrowing.

The Board's policy is to limit the level of net gearing to 30%, where net gearing is defined as borrowings including CFDs used for investment purposes, less cash, expressed as a percentage of net assets.

Borrowings used for investment purposes, less cash (£,000)[1]
Net assets (£,000)
Net gearing (%)

[1] Included within borrowings for 2024 is an amount of £15,307,000, being the total market exposure on the CFDs held at the year end (2023: nil).

The Board, with the assistance of the Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

- the planned level of gearing, which takes into account the Manager's views on the market;
- the need to buy back the Company's own shares for cancellation or to hold in treasury, which takes into account the share price discount;
- the opportunities for issues of new shares or to reissue shares out of treasury; and
- the amount of dividend to be paid, in excess of that which is required to be distributed.

STATUS OF RESULTS ANNOUNCEMENT

2024 Financial Information
The figures and financial information for 2024 are extracted from the Annual Report and Financial Statements for the year ended 31 December 2024 and do not constitute the statutory accounts for that year. The Annual Report and Financial Statements include the Report of the Independent Auditors which is unqualified and does not contain a statement under either section 498(2) or section 498(3) of the Companies Act 2006. The Annual Report and Accounts will be delivered to the Registrar of Companies in due course.

2023 Financial Information
The figures and financial information for 2023 are extracted from the published Annual Report and Financial Statements for the year ended 31 December 2023 and do not constitute the statutory accounts for the year. The Annual Report and Financial Statements have been delivered to the Registrar of Companies and included the Report of the Independent Auditors which was unqualified and did not contain a statement under either section 498(2) or section 498(3) of the Companies Act 2006.

Neither the contents of the Company's web pages nor the contents of any website accessible from hyperlinks on the Company's web pages (or any other website) is incorporated into, or forms part of, this announcement.

18 March 2025

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Authorised and regulated by the Financial Conduct Authority. For regular updates by e-mail please register online at www.schroders.com for our alerting service.

ENDS
A copy of the 2024 Annual Report will shortly be submitted to the FCA's National Storage Mechanism and will be available for inspection at https://data.fca.org.uk/#/nsm/nationalstoragemechanism
The 2024 Annual Report will shortly be available on the Company's web pages at www.schroders.co.uk/satric where up-to-date information on the Company, including daily NAV and share prices, factsheets and portfolio in formation can also be found.

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