RNS Number : 9024K
Schroder AsiaPacific Fund PLC
09 December 2025

Schroder AsiaPacific (SDP)

09/12/2025

Results analysis from Kepler Trust Intelligence

Schroder AsiaPacific (SDP) has released its annual results for the year ending 30/09/2025, with a NAV total return of 15.7%, versus 16.8% for its benchmark and 12.3% for the peer group average. Over the longer term, the managers are notably ahead of the benchmark, with a five-year NAV TR of 37.3%, versus 31.2% for the index.

Share price returns were strong, leading to the discount to narrow over the period. There were 12.6m shares bought back in the financial year, with a further 2.7m in the period since.

Positive contributors came from stock selection. Examples include two Indian banks which outperformed a challenging market. The managers' underweight allocation to India also positively contributed. Singapore contributed positively due to stock selection and an overweight allocation.

Overall, country allocations were a headwind, largely due to China which rallied. The managers narrowed their underweight through selective additions to China, plus further in Hong Kong. The managers also narrowed their India underweight with two new holdings, as well as adding to Korea. To offset this, they have trimmed several ASEAN holdings.

Whilst not a target, revenue per share increased modestly, enabling an increase in the dividend.

Elsewhere, the board has introduced a performance-related tender offer, with the first of these commencing after the trust's continuation vote, due at the next AGM.

Outgoing Chairman James Williams commented on the region's, "strong and encouraging background position" as a result of, "healthy sovereign balance sheets and sustainable and responsible fiscal policies".

Kepler View

Managers Abbas Barkhourdar and Richard Sennitt have delivered back-to-back double digit returns for the past two financial years. Whilst this year's performance was slightly behind in relative terms, we are encouraged by the managers' ongoing positive stock selection. Similarly, the largest detractor to performance in this period has largely been a tailwind over the past five years.

The portfolio changes are pragmatic too, in our view, having added to stocks in both China and Hong Kong in response to economic stabilisation, albeit only to the highest quality companies.

Furthermore, the managers have added two new India holdings, narrowing the underweight allocation. This has capitalised on the country's period of weakness and added exposure to the attractive growth qualities of the Indian market at more compelling valuations.

Finally, the introduction of a conditional tender offer is a good demonstration of shareholder consideration, in our view. The trust has one of the widest discounts in the sector which arguably makes for an attractive entry point for investors, although the board have taken the prudent step of putting in a measure to address this. For the time being, the board has sought to manage the discount through share buybacks, which have been considerable over the past five years.

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