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NOTICE TO UNITHOLDERS OF SCHRODER ASIAN BALANCED FUND (the "Trust")

Notice of Meeting of Unitholders

17 November 2014

Dear Valued Unitholder,

Rationalisation of Feeder Fund Structure

In an effort to streamline our range of funds, we, as managers of the Trust, are proposing important changes to the Trust as described below and are writing to inform you of the same. We hope that you will agree with the proposed changes and look forward to your response to this important notice affecting your investment.

Currently, the Trust is a stand-alone feeder fund investing substantially into the US Denominated A Accumulation Class of share units of the Schroder International Selection Fund Asian Diversified Growth (the "**Underlying Fund**"), being a sub-fund of the Luxembourg-domiciled Schroder International Selection Fund, a SICAV. As there is an additional layer of fees for feeder funds, we would propose that the Trust redeems its holdings in the Underlying Fund and the proceeds be merged with the SGD Denominated Class of share units of the Schroder Asian Income (a Singapore domiciled sub-fund under Schroder International Opportunities Portfolio) ("**SAI**"), which is a direct investment portfolio.

The fund size of the SAI is about S\$1,094 million as of 29 August 2014; whereas the fund size of the Trust is about S\$9.75 million as of 29 August 2014. By merging the Trust into SAI, economies of scale through a larger fund size can be achieved. Economies of scale refer to the cost advantage that a fund obtains due to an increment in fund size.

Please refer to the Annex enclosed in this notice for more information on the key differences of both funds.

We intend to effect this by: -

1. firstly, terminating the Trust and selling all assets of the Trust; and
2. secondly, using such portion of the net liquidation proceeds from the sale of the assets and any other cash held for the account of the Trust (i.e. after deducting such amount as the Trustee is entitled to retain under the trust deed of the Trust, as amended (the "**Deed**") for costs and expenses in connection with the termination of the Trust) which is attributable to the interests of unitholders of the Trust who subscribed using cash and/or who purchased under the SRS¹ ("**Holder**s") to "switch" to (i.e. subscribe for) units in the SAI.

Following the termination and switching as described above, Holders will be entitled to receive units in the SAI, and the number of such units to be distributed to each Holder will be determined by dividing the aggregate value of the amount of cash liquidation proceeds which that Holder would have been entitled to receive pursuant to the terms of the Deed by the net asset value per unit of the SAI on the termination date of the Trust which is a dealing day for both the Trust and the SAI.

¹ Supplementary Retirement Scheme

Further Information on the SAI

Electronic copies of the Singapore prospectus of the SAI² is available at <http://www.schroders.com.sg>, and hard copies of the same may be obtained from the office of Schroder Investment Management (Singapore) Ltd as well as from the authorised dealers. Please contact us at 65-6534 4288 if you would like us to mail you the Singapore prospectus. Alternatively, please contact any one of our SAI authorised dealers.

Waiver of Subscription/Switching Fees

No subscription/switching fees will be imposed by us for the switch of the Units in the Trust to units of the SAI.

Amendments to Deed to Facilitate Termination and Switching

The Deed as currently drafted does not contemplate the use of liquidation proceeds to switch to the SAI upon termination and further does not provide for the distribution of liquidation proceeds in specie instead of cash. Accordingly, in order to facilitate the termination and switching of the Trust, we are proposing that the Deed be amended to permit such switching and distribution of liquidation proceeds in specie.

Pursuant to Clause 35 of the Deed such amendments to the Deed will require the sanction of an extraordinary resolution³ passed by a meeting of the Holders.

Notice of Meeting

The terms of the extraordinary resolution for the purposes of approving the termination of the Trust and the switch to the SAI (in the manner described above) as well as approving the abovementioned amendments to the Deed are set out in the notice of the meeting of Holders (the "**Notice of Meeting**"), attached as Appendix 1 to this notice. The proposed draft of the first supplemental deed is attached as Appendix 2 to this notice.

The Trustee, while expressing no opinion of the merits of the extraordinary resolution, has no objection to the extraordinary resolution being submitted to the Holders for their consideration.

A proxy form to enable your vote to be counted at the meeting if you are unable to attend in person is attached to the Notice of Meeting and you are urged to complete and return this as soon as possible and in any event so that it will arrive at the office of the Manager at 65 Chulia Street, #46-00 OCBC Centre,

² Investors should read the relevant Singapore prospectus of the SAI before deciding to purchase units in the SAI ("**Units**"). The value of Units and the income from them, if any, may fall as well as rise. The above is for your information only and does not have any regard to your specific investment objectives, financial situation and any of your particular needs. You may wish to seek advice from a financial adviser before making a commitment to purchase Units. In the event that you choose not to seek advice from a financial adviser, you should consider whether the SAI is suitable for you.

³ An "**extraordinary resolution**" means a resolution passed at a meeting of Holders of the Trust by a duly convened and held in accordance with the provisions of the Deed and carried by a majority consisting of seventy-five per cent (75%) of the Holders of the Trust, voting thereat upon a show of hands or, if a poll is duly demanded and taken, by a majority consisting of seventy-five per cent (75%) in number of the votes given on such poll.

Singapore 049513 no later than 5.00 p.m. on 3 December 2014. We have enclosed a self-addressed envelope for this purpose.

Duly completed proxy forms received prior to such deadline will be valid for the meeting and any adjourned meeting. Submission of a proxy form will not preclude you from attending and voting at the meeting in person if you so wish.

The proposed timeline for this rationalisation exercise is as follows:

- Meeting of Holders to be held on at 10.30 a.m. on 5 December 2014 at 65 Chulia Street, #46-00 OCBC Centre, Singapore 049513
- If a quorum is present at the meeting of Holders and assuming the extraordinary resolution is passed, the Trust will be terminated two weeks thereafter or such later date as determined by the Managers and notified to Holders.
- If no quorum is present at the meeting of Holders, the meeting will be adjourned to 5 January 2015. Notice of the adjourned meeting will be sent out on 19 December 2014.
- Assuming a quorum is present at the adjourned meeting and that the extraordinary resolution is passed, the Trust will be terminated two weeks thereafter or such later date as determined by the Managers and notified to Holders.
- Upon termination of the Trust, Holders will be distributed units of the SAI in proportion to their interest in the Trust.

Holders must take note that all dealings in Units in the Trust (including issue, realisation and switching will be suspended with effect from 3 December 2014 5.00 p.m. until the date of the meeting of Holders (the date of the meeting of Holders inclusive).

A Note for Omnibus Account Holders

If you are acting as a nominee for other investors in the Trust, please inform the ultimate beneficial owners of the Units in the Trust of the information set forth in this notice as soon as possible.

Please feel free to call us at 65-6534 4288 if you have any queries.

Yours faithfully



Albert Tse
Head of Intermediary Distribution, South East Asia
For and on behalf of Schroder Investment Management (Singapore) Ltd

Notes for Holders who purchased Units through Distributors:

If you have purchased your Units of the Trust through a distributor and would like to find out more about how you may exercise the voting rights associated with your Units, please contact the distributor from whom you purchased your Units.

Annex
Key Differences

	Schroder Asian Balanced Fund	Schroder Asian Income
ISIN	SG9999000335	SG9999007991
Inception Date	28 March 2002	24 October 2011
Structure	A stand-alone feeder fund investing into the Schroder ISF Asian Diversified Growth	A direct investment portfolio Singapore domiciled sub-fund under Schroder International Opportunities Portfolio
Investment Objective	To provide a total return, primarily through investment in investment funds (including exchange traded funds and sub-funds of Schroder International Selection Fund) investing in equity, debt securities, and liquidities, as well as investment directly in those types of assets and/or through financial derivative instruments ("FDIs").	To provide income and capital growth over the medium to longer term by investing primarily in Asian equities (including real estate investment trusts) and Asian fixed income securities.
Total Management Fee	1.50%	1.25%

**SCHRODER ASIAN BALANCED FUND
(the "Trust")****NOTICE OF MEETING**

To be held at **OCBC Centre #46-00, 65 Chulia Street, Singapore 049513** on **5 December 2014 at 10.30 a.m.**

NOTICE IS HEREBY GIVEN pursuant to and in accordance with the Schedule to the deed of trust dated 25 March 1994 (the "**Original Deed**") constituting a collective investment scheme known as the "**Schroder Asian Balanced Fund**" (formerly known as the Schroder Worldwide Property Fund) (the "**Trust**"). The Original Deed was amended by the First Supplemental Deed dated 3 May 1995, the Second Supplemental Deed dated 2 February 1998, the Third Supplemental Deed dated 30 September 1998, the Fourth Supplemental Deed dated 30 March 1999, the Fifth Supplemental Deed dated 26 March 2001 and the Sixth Supplemental Deed dated 26 March 2002, all made between the Managers and the Trustee (collectively, the "**Supplemental Deeds**"). The Original Deed as modified by the Supplemental Deeds is hereinafter referred to as the "**Principal Deed**". The Principal Deed was amended and restated by the First Amended and Restated Deed dated 26 March 2003, the Second Amended and Restated Deed dated 1 July 2003, the Third Amended and Restated Deed dated 27 August 2004, the Fourth Amended and Restated Deed dated 30 August 2005, the Fifth Amended and Restated Deed dated 30 August 2006, the Sixth Amended and Restated Deed dated 30 August 2007, the Seventh Amended and Restated Deed dated 31 July 2009, the Eighth Amended and Restated Deed dated 30 July 2010, the Ninth Amended and Restated Deed dated 29 July 2011, the Tenth Amended and Restated Deed dated 30 September 2011, the First Supplemental Deed dated 19 January 2012, the Eleventh Amended and Restated Deed dated 29 June 2012 and the Twelfth Amended and Restated Deed dated 28 June 2013 respectively, each made between the Managers and the Trustee, that a meeting of the holders of units in the Trust ("**Holders**") will be held at **OCBC Centre #46-00, 65 Chulia Street, Singapore 049513** on 5 December 2014 at 10.30 a.m. to consider and vote on the following resolution which will be proposed as extraordinary resolution in relation to the Trust.

EXTRAORDINARY RESOLUTION

1. THAT the meeting hereby sanctions:
 - (a) the termination of the Trust pursuant to Clause 32(E) of the Deed, as may be amended by a first supplemental deed, with such termination taking effect on such later date as may be determined by the Managers, which date shall not be earlier than two weeks from the date of this extraordinary resolution; and
 - (b) the modifications, alterations and additions to Clause 33 of the Deed authorising the Managers and Trustee to, upon the termination of the Trust, take such action as they deem fit (including suspending the redemption and switching of Units for a maximum period of 2 business days prior to termination) to apply such portion of the net proceeds (i.e. after deduction of such amount as the Trustee is entitled to retain under Clause 33(C) of the Deed) from the liquidation of the Trust to subscribe for units in Schroder Asian Income ("SAI"), the determination of which shall be at the Managers' absolute discretion, such that upon the termination of the Trust, a Holder of the Trust, shall, as soon as practicable, be distributed units in the SAI, the aggregate value of which will be equivalent to the amount of liquidation proceeds which that Holder would have been entitled to receive pursuant to Clause 33(C) of the Deed, in substitution of the cash liquidation proceeds

which that Holder would otherwise have been entitled to receive pursuant to Clause 33(C) of the Deed, as set out in a draft of the first supplemental deed submitted to the meeting, and that the Managers and Trustee be and are hereby authorised to enter into such first supplemental deed with such modifications, if any, as may be determined by the Managers and the Trustee to give effect to the same.

Dated this 17th day of November 2014.



Albert Tse
Head of Intermediary Sales, South East Asia
For and on behalf of Schroder Investment Management (Singapore) Ltd

Notes: A Holder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf. A person appointed to act as a proxy need not also be a Holder.

The proxy form shall be in writing in the form attached to this Notice of Meeting, made under the hand of the appointer or of his attorney duly authorised in writing or if the appointer is a corporation, either under the common seal or under the hand of an officer or attorney so authorised.

The proxy form and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at the offices of Schroder Investment Management (Singapore) Ltd at 65 Chulia Street, #46-00 OCBC Centre, Singapore 049513 no later than 5.00 p.m. on 3 December 2014.

SCHRODER ASIAN BALANCED FUND (the "Trust")
PROXY FORM

I/We* _____ (state name) of _____ (state NRIC No. / Passport No. / Company Registration No. * as applicable) a holder of units in the Trust known as Schroder Asian Balanced Fund, hereby appoint _____ (state name) of _____ (state NRIC No. / Passport No. * as applicable) or whom failing, the Chairman of the Meeting as proxy of me/us* to attend and vote for me/us* on my/our* behalf at the meeting of unitholders of the Trust to be held on 5 December 2014 and at every adjournment thereto to vote on the proposed extraordinary resolution set out in the Notice of Meeting dated 17 November 2014, in the manner indicated below.

Dated this ____ day of _____ 2014

By:

Signature: _____

Name: _____

* *Delete as necessary*

Please indicate how you wish to vote i.e. either "For" or "Against" with a "√" within the appropriate box provided.

For	Against	Resolution
<input style="width: 60px; height: 30px;" type="checkbox"/>	<input style="width: 60px; height: 30px;" type="checkbox"/>	<p>1. THAT the meeting hereby sanctions:</p> <p>(a) the termination of the Trust pursuant to Clause 32(E) of the Deed, as may be amended by a first supplemental deed, with such termination taking effect on such later date as may be determined by the Managers, which date shall not be earlier than two weeks from the date of this</p>

extraordinary resolution; and

(b) the modifications, alterations and additions to Clause 33 of the Deed authorising the Managers and Trustee to, upon the termination of the Trust, take such action as they deem fit (including suspending the redemption and switching of Units for a maximum period of 2 business days prior to termination) to apply such portion of the net proceeds (i.e. after deduction of such amount as the Trustee is entitled to retain under Clause 33(C) of the Deed) from the liquidation of the Trust to subscribe for units in the Schroder Asian Income ("SAI"), the determination of which shall be at the Managers' absolute discretion, such that upon the termination of the Trust, a Holder of the Trust, shall, as soon as practicable, be distributed units in the SAI, the aggregate value of which will be equivalent to the amount of liquidation proceeds which that Holder would have been entitled to receive pursuant to Clause 33(C) of the Deed, in substitution of the cash liquidation proceeds which that Holder would otherwise have been entitled to receive pursuant to Clause 33(C) of the Deed, as set out in a draft of the first supplemental deed submitted to the meeting, and that the Managers and Trustee be and are hereby authorised to enter into such first supplemental deed with such modifications, if any, as may be determined by the Managers and the Trustee to give effect to the same.

DATED [•] 2014

SCHRODER INVESTMENT MANAGEMENT (SINGAPORE) LTD
(as Managers)

and

HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED
(as Trustee)

First Supplemental Deed

(amending and restating a Trust Deed dated 25 March 1994 constituting the Schroder Asian Balanced Fund, as amended by a First Supplemental Deed dated 3 May 1995, a Second Supplemental Deed dated 2 February 1998, a Third Supplemental Deed dated 30 September 1998, a Fourth Supplemental Deed dated 30 March 1999, a Fifth Supplemental Deed dated 26 March 2001, a Sixth Supplemental Deed dated 26 March 2002, a First Amended and Restated Deed dated 26 March 2003, a Second Amended and Restated Deed dated 1 July 2003, a Third Amended and Restated Deed dated 27 August 2004, a Fourth Amended and Restated Deed dated 30 August 2005, a Fifth Amended and Restated Deed dated 30 August 2006, a Sixth Amended and Restated Deed dated 30 August 2007, a Seventh Amended and Restated Deed dated 31 July 2009, an Eighth Amended and Restated Deed dated 30 July 2010, a Ninth Amended and Restated Deed dated 29 July 2011, a Tenth Amended and Restated Deed dated 30 September 2011, a First Supplemental Deed dated 19 January 2012, an Eleventh Amended and Restated Deed dated 29 June 2012 and a Twelfth Amended and Restated Deed dated 28 June 2013)

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This First Supplemental Deed is made on [•] 2014 **between:**

- (1) **SCHRODER INVESTMENT MANAGEMENT (SINGAPORE) LTD (Company Registration No.: 199201080H)** (the "**Managers**"), a company incorporated in Singapore and having its registered office at 65 Chulia Street #46-00 OCBC Centre, Singapore 049513; and
- (2) **HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED (Company Registration No.: 194900022R)** (the "**Trustee**"), a trust company incorporated under the laws of Singapore and having its registered office at 21 Collyer Quay, #10-02, HSBC Building, Singapore 049320.

Whereas:

- (A) This First Supplemental Deed is supplemental to the Trust Deed dated 25 March 1994 (the "**Original Deed**") made between the Managers and the Trustee, a collective investment scheme known as the "**Schroder Asian Balanced Fund**" (formerly known as the Schroder Worldwide Property Fund) was constituted. The Original Deed was amended by the First Supplemental Deed dated 3 May 1995, the Second Supplemental Deed dated 2 February 1998, the Third Supplemental Deed dated 30 September 1998, the Fourth Supplemental Deed dated 30 March 1999, the Fifth Supplemental Deed dated 26 March 2001 and the Sixth Supplemental Deed dated 26 March 2002, all made between the Managers and the Trustee (collectively, the "**Supplemental Deeds**"). The Original Deed as modified by the Supplemental Deeds is hereinafter referred to as the "**Principal Deed**". The Principal Deed was amended and restated by the First Amended and Restated Deed dated 26 March 2003, the Second Amended and Restated Deed dated 1 July 2003, the Third Amended and Restated Deed dated 27 August 2004, the Fourth Amended and Restated Deed dated 30 August 2005, the Fifth Amended and Restated Deed dated 30 August 2006, the Sixth Amended and Restated Deed dated 30 August 2007, the Seventh Amended and Restated Deed dated 31 July 2009, the Eighth Amended and Restated Deed dated 30 July 2010, the Ninth Amended and Restated Deed dated 29 July 2011, the Tenth Amended and Restated Deed dated 30 September 2011, the First Supplemental Deed dated 19 January 2012, the Eleventh Amended and Restated Deed dated 29 June 2012 and the Twelfth Amended and Restated Deed dated 28 June 2013 respectively.
- (B) The Managers are desirous of amending the Deed to permit the application of a portion of the net proceeds from liquidation of the Trust ("**Terminating Trust**") following its termination, to subscribe for units in Schroder Asian Income ("**SAI**") and thereafter the distribution of such units to Holders of Units in the Terminating Trust in substitution of the cash liquidation proceeds which such Holders would otherwise have been entitled to receive pursuant to Clause 33(C) of the Deed.
- (C) Pursuant to Clause 35 of the Deed and in accordance with the extraordinary resolution passed at a meeting of Holders of the Trust duly convened and held on 5 December 2014, the Managers and Trustee have agreed to enter into this First Supplemental Deed to amend the provisions of the Deed to provide for the matter referred to above.

It is agreed and declared as follows:

1. **INTERPRETATION**

Subject as herein specified, words and expressions in this First Supplemental Deed which are defined in the Deed shall have the meanings as assigned to them in the Deed.

2. **TRUSTEE'S CONFIRMATION OF SANCTION OF EXTRAORDINARY RESOLUTION**

Pursuant to Clause 35 of the Deed, the Trustee confirms that the modifications, alterations and additions to the Deed effected under Clause 3 of this First Supplemental Deed have been sanctioned by extraordinary resolution of a meeting of Holders of the Trust duly convened and held on 5 December 2014 in accordance with the provisions contained in the Schedule to the Deed.

3. **AMENDMENTS TO THE DEED**

The Deed shall be amended with effect from [*date*] 2014 as follows:

3.1 Clause 33(B) of the Deed shall be amended by replacing the words "The Trustee shall sell all Authorised Investments" appearing in the first sentence with "Subject to Clause 33(C1), the Trustee shall sell all Authorised Investments".

3.2 Clause 33(C) of the Deed shall be amended by replacing the words "The Trustee shall from time to time distribute to the Holders" appearing in the first sentence with "Subject to Clause 33(C1), the Trustee shall from time to time distribute to the Holders".

3.3 The following new Clause 33(C1) shall be inserted directly below Clause 33(C) of the Deed:

"(C1) Action Upon Termination of the Trust

Notwithstanding any provisions to the contrary set out in this Deed, upon the termination of the Schroder Asian Balanced Fund ("**Terminating Trust**"), the Managers and Trustee are authorised to take such action as they deem fit to apply such portion of the net proceeds from the liquidation of the Terminating Trust (after deduction of such amount as the Trustee is entitled to retain under Clause 33(C) of the Deed) to subscribe for units in Schroder Asian Income ("**SAI**"), the determination of which shall be at the Managers' absolute discretion, such that upon the termination of the Terminating Trust, a Holder of the Terminating Trust, shall, as soon as practicable, be distributed units in the SAI, the aggregate value of which will be equivalent to the amount of liquidation proceeds which that Holder would have been entitled to receive pursuant to Clause 33(C) of the Deed, in substitution of the cash liquidation proceeds which that Holder would otherwise have been entitled to receive pursuant to Clause 33(C) of the Deed."

4. **INCORPORATION AND CONFIRMATION**

4.1 The Deed shall hereinafter be read and construed in conjunction and as one document with this First Supplemental Deed. References in the Deed (as so modified) to "**this Deed**" shall for all purposes refer to the Deed as modified by this First Supplemental Deed.

4.2 Except to the extent expressly provided by this First Supplemental Deed, the provisions of the Deed are hereby confirmed and shall continue to be in full force and effect.

5. **RIGHTS OF THIRD PARTIES**

A person who is not a party to this First Supplemental Deed has no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of this First Supplemental Deed provided that nothing in this Clause 5 shall affect the rights of Holders (if any) to enforce the terms of this First Supplemental Deed, subject to the provisions of the Deed.

6. **EXECUTION IN COUNTERPARTS**

This First Supplemental Deed may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument. Any party may enter into this First Supplemental Deed by executing any such counterpart and each counterpart shall be as valid and effectual as if executed as an original.

7. **GOVERNING LAW AND JURISDICTION**

This First Supplemental Deed shall in all respects be governed by and construed in accordance with the laws of the Republic of Singapore and the parties agree to submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

IN WITNESS WHEREOF this First Supplemental Deed has been entered into on the date stated at the beginning.

The Managers

The Common Seal of)
SCHRODER INVESTMENT MANAGEMENT)
(SINGAPORE) LTD)
was hereunto affixed in the presence of:)

.....
Director

.....
Director/Secretary

The Trustee

The Common Seal of)
HSBC INSTITUTIONAL TRUST)
SERVICES (SINGAPORE))
LIMITED)
was hereunto affixed in the presence of:)

.....
Director

.....
Director/Authorised Signatory