



Matthews Asia

**RATINGS\***

Overall Morningstar Rating™ ★★★★★

**FUND FACTS (USD)**

Total Fund Assets‡	\$53.5 million
Total # of Positions‡	65
Weighted Average Market Cap††	\$31.7 billion
Benchmark	MSCI All Country Asia ex Japan Index
Management Fee	1.25%
Minimum Initial Investment	\$1,000
Minimum Subsequent Investment	\$100
Fund Domicile	Luxembourg
Available Share Classes	A, I
Base Currency	USD
Net Asset Value‡	
A Acc (USD)	\$15.13
A Dist (USD)	\$12.98

Source:

‡ Brown Brothers Harriman (Luxembourg) S.C.A  
 †† FactSet Research Systems

**PORTFOLIO MANAGEMENT**

**Yu Zhang, CFA**

Lead Manager

**Sherwood Zhang, CFA**

Co-Manager

**S. Joyce Li, CFA**

Co-Manager

**Robert J. Horrocks, PhD**

Co-Manager

**MATTHEWS ASIA**

Matthews Asia believes in the long-term growth of Asia, one of the world's fastest-growing regions. Since 1991, we have focused our efforts and expertise in these countries, investing through a variety of market environments. Matthews Asia employs a bottomup, fundamental investment philosophy with a focus on long-term investment performance. As of 31 July 2019, Matthews Asia had US\$28.7 billion in assets under management.

**CONTACT INFORMATION**

**Hong Kong Representative\*\***

Brown Brothers Harriman (Hong Kong) Limited  
 13/F Man Yee Building  
 68 Des Voeux Road Central  
 Hong Kong  
 Phone: +852-3756-1755  
 Email: MatthewsAsiaFunds@bbh.com

**For Advisors and Institutions:**

Matthews Global Investors (Hong Kong) Limited  
 Phone : +852-3901-0880  
 Email : globalfunds@matthewsasia.com

# Asia ex Japan Dividend Fund

Class A Shares

Matthews Asia Funds

31 July 2019

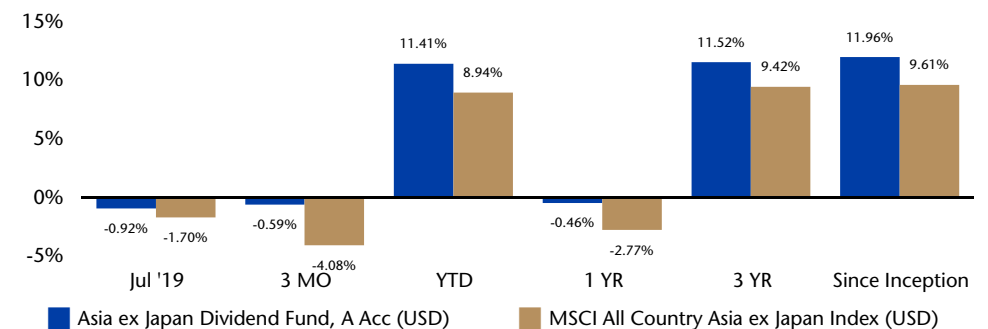
*Investment Objective*

Seeks to achieve total return with an emphasis on providing current income.

*Risk Considerations*

- ✿ Investment involves risk. Past performance is not a guide to future performance. It is possible to lose the principal capital of your investment.
- ✿ The Fund invests primarily in Asia ex Japan countries and economies. Investment in such emerging markets may be subject to increased risks such as political, social, tax, economic, policy, market, liquidity, trading, custody and settlement, currency, legal and regulatory risks.
- ✿ The Fund may, at its discretion, pay dividends out of the capital or effectively out of capital in respect of the distribution shares. Payment of dividends out of capital and/or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment, or from any capital gains attributable to that original investment. Any distribution may result in an immediate reduction of the net asset value per share of the Fund.
- ✿ The Fund invests primarily in equity securities, which may result in increased volatility.
- ✿ The Fund may invest in smaller companies which are likely to carry higher risks than larger companies.
- ✿ The Fund may invest in financial derivative instruments ("FDIs"). Risk associated with FDIs include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The Fund will not use FDIs extensively for investment purposes.
- ✿ The Fund may use hedging techniques to attempt to offset certain market risks but there is no guarantee that hedging techniques will fully and effectively achieve their desired result.
- ✿ Investors should not invest in the Fund solely based on the information in this document.

*Performance as of 31 July 2019†*



Asia ex Japan Dividend Fund	Jul '19	3 MO	YTD	1 YR	3 YR	5 YR	Since Inception	Inception
A Acc (USD)	-0.92%	-0.59%	11.41%	-0.46%	11.52%	n.a.	11.96%	30 Nov 2015
A Dist (USD)	-0.92%	-0.59%	11.43%	-0.47%	11.48%	n.a.	11.95%	30 Nov 2015
MSCI AC Asia ex Japan Index (USD)	-1.70%	-4.08%	8.94%	-2.77%	9.42%	n.a.	9.61% <sup>1</sup>	n.a.

*Annual Returns (For the Years Ended 31 December)*

Asia ex Japan Dividend Fund	2018	2017	2016	2015	2014
A Acc (USD)	-12.89%	46.52%	6.29%	0.10%‡	n.a.
A Dist (USD)	-12.95%	46.53%	6.30%	0.10%‡	n.a.
MSCI AC Asia ex Japan Index (USD)	-14.12%	42.08%	5.76%	-0.42%‡	n.a.

† All returns over 1 year are annualised

<sup>1</sup> Index calculated from 30 November 2015

‡ Performance shown from share class launch date to calendar year end.

**All performance quoted represents past performance and is no guarantee of future results.** Investment return and principal value will fluctuate with market conditions so that when redeemed, shares may be worth more or less than the original cost. Current performance may be lower or higher than performance shown. Investors investing in Funds denominated in non-USD should be aware of the risk of currency exchange fluctuations that may cause a loss of principal.

Performance details provided are based on a NAV-to-NAV basis with any dividends reinvested, and are net of management fees and other expenses. Performance data has been calculated in the respective currencies stated above, including ongoing charges and excluding any subscription fee and redemption fee you might have to pay. Source: Brown Brothers Harriman (Luxembourg) S.C.A.

# Asia ex Japan Dividend Fund

31 July 2019

## TOP TEN HOLDINGS<sup>2</sup>

	Country	% of Net Assets
Samsung Electronics Co., Ltd., Pfd.	South Korea	2.3%
AIA Group, Ltd.	China/Hong Kong	2.3%
China East Education Holdings, Ltd.	China/Hong Kong	2.2%
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	2.2%
China Merchants Bank Co., Ltd.	China/Hong Kong	2.1%
WH Group, Ltd.	China/Hong Kong	2.1%
Yuexiu Transport Infrastructure, Ltd.	China/Hong Kong	2.0%
NetLink NBN Trust	Singapore	1.9%
Nam Long Investment Corp.	Vietnam	1.9%
CapitaLand Commercial Trust, REIT	Singapore	1.8%
<b>% OF ASSETS IN TOP TEN</b>		<b>20.8%</b>

Source: Brown Brothers Harriman (Luxembourg) S.C.A.

## COUNTRY ALLOCATION (%)<sup>3</sup>

	Fund	Benchmark	Difference
China/Hong Kong	50.8	49.0	1.8
Taiwan	12.4	13.1	-0.7
South Korea	10.1	13.9	-3.8
Singapore	6.6	4.0	2.6
Vietnam	6.3	0.0	6.3
Thailand	3.0	3.5	-0.5
Philippines	2.8	1.3	1.5
India	2.5	10.1	-7.6
Bangladesh	1.5	0.0	1.5
Indonesia	1.3	2.6	-1.3
Malaysia	0.0	2.5	-2.5
Cash and Other Assets, Less Liabilities	2.5	0.0	2.5

Source: FactSet Research Systems

## SECTOR ALLOCATION (%)<sup>3</sup>

	Fund	Benchmark	Difference
Consumer Discretionary	23.6	13.4	10.2
Consumer Staples	16.9	5.2	11.7
Industrials	12.6	7.0	5.6
Information Technology	11.3	16.8	-5.5
Communication Services	9.9	12.5	-2.6
Financials	9.6	23.9	-14.3
Real Estate	8.3	6.3	2.0
Utilities	1.6	3.4	-1.8
Materials	1.3	4.5	-3.2
Energy	1.3	4.3	-3.0
Health Care	1.0	2.8	-1.8
Cash and Other Assets, Less Liabilities	2.5	0.0	2.5

Sector data based on MSCI's revised Global Industry Classification Standards. For more details, visit [www.msci.com](http://www.msci.com).  
Source: FactSet Research Systems

## MARKET CAP EXPOSURE (%)<sup>3,4</sup>

	Fund	Benchmark	Difference
Mega Cap (over \$25B)	19.8	55.1	-35.3
Large Cap (\$10B-\$25B)	13.2	22.3	-9.1
Mid Cap (\$3B-\$10B)	19.2	18.7	0.5
Small Cap (under \$3B)	45.2	3.9	41.3
Cash and Other Assets, Less Liabilities	2.5	0.0	2.5

Source: FactSet Research Systems

## P/E RATIOS<sup>5</sup>

P/E Using FY1 Estimates	14.2x
P/E Using FY2 Estimates	12.5x

Source: FactSet Research Systems (P/E est. as of 31/07/19)

## DIVIDEND YIELD<sup>6</sup>

3.21%

Source: FactSet Research Systems, Bloomberg, Matthews Asia

## DISCLOSURES

The Fund is a sub-fund of Matthews Asia Funds, an open end umbrella fund with variable capital and incorporated with limited liability under the laws of Luxembourg. NOT FOR SALE IN THE U.S. OR TO U.S. PERSONS. This document does not constitute or contain an offer, solicitation or investment advice with respect to the purchase of the Fund described herein or any security. This information is not to be construed as a prospectus, a public offering or an offering memorandum as defined under applicable securities legislation.

Matthews Asia is the brand for Matthews International Capital Management, LLC and its direct and indirect subsidiaries.

The information contained herein has been derived from sources believed to be reliable and accurate at the time of compilation, however, no representation or warranty (express or implied) is made, including, without limitation, that the information is complete or timely. Matthews Asia and its affiliates do not accept any liability for losses either direct or consequential caused by the use of this information. Information contained herein is sourced from Matthews Asia and as of the report date unless otherwise stated.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Fund before making an investment decision. The current prospectus, Supplement for Hong Kong Investors, Product Key Facts Statements ("Hong Kong Offering Document") or other offering documents contain this and other information and can be obtained by visiting [hk.matthewsasia.com](http://hk.matthewsasia.com). Please read the Hong Kong Offering Document or other offering documents carefully for details including risk factors before investing. Prospective investors should consult professional legal, tax and financial advisers as to the suitability of any investment in light of your particular circumstances and applicable citizenship, residence or domicile. Fees and expenses vary among Funds and share classes. Portfolio characteristics for the Fund may vary from time to time from what is shown.

The MSCI All Country Asia ex Japan Index is a free float—adjusted market capitalisation—weighted index of the stock of markets of China, Hong Kong, India, Indonesia, Malaysia, Pakistan, Philippines, Singapore, South Korea, Taiwan and Thailand. Index is for comparative purposes only and it is not possible to invest directly in an index.

\*Overall Morningstar Rating™ is reflective of the USD Accumulation Share class. Fund ratings represent an opinion only and are not a recommendation to buy or sell any fund. Copyright © 2019 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is provided for reference purposes only.

\*\*Please contact the Hong Kong Representative for copies of the Hong Kong Offering Document and information of the Fund (including financial reports and sales literature).

Please contact your financial adviser for specific information and documents as disclosed in the Hong Kong Offering Document of the Matthews Asia Funds.

This document is issued by Matthews Global Investors (Hong Kong) Limited and has not been reviewed by the Securities and Futures Commission.

## Available Share Classes

Share Class	ISIN	SEDOL	CUSIP
A Acc (USD)	LU1311310541	BYRP997	L6258X126
A Dist (USD)	LU1311310624	BYRP9B9	L6258X134

- Holdings may combine more than one security from the same issuer and related depositary receipts.
- Percentage values in data are rounded to the nearest tenth of one percent; the values may not sum to 100% due to rounding. Percentage values may be derived from different data sources and may not be consistent with other Fund literature.
- Equity market cap of issuer.
- The P/E Ratio is the share price of a stock as of the report date, divided by the forecasted earnings per share for a 12-month period (FY1) and 24 month period (FY2). For the Fund, this is the weighted harmonic average estimated P/E ratio of all the underlying stocks in the Fund, excluding negative earners. There is no guarantee that the composition of the Fund will remain unchanged, or that forecasted earnings of a stock will be realized. Information provided is for illustrative purposes only.
- The Dividend Yield (trailing) is the weighted average sum of the dividends paid by each equity security held by the Fund over the last 12 months divided by the current price as of report date. The annualised dividend yield for the Fund is for the equity-only portion of the Fund and does not reflect the actual yield an investor in the Fund would receive. There can be no guarantee that companies that the Fund invests in, and which have historically paid dividends, will continue to pay them or to pay them at the current rate in the future. A positive distribution yield does not imply positive return, and past yields are no guarantee of future yields.