



Matthews Asia

RATINGS & AWARDS*

Overall Morningstar Rating™ ★★★★★

Best Equity Fund House



Awards
2021

FUND FACTS (USD)

Total Fund Assets‡	\$5.2 million
Benchmark	MSCI China Index
Management Fee	0.75%
Minimum Initial Investment	\$1,000
Minimum Subsequent Investment	\$100
Fund Domicile	Luxembourg
Available Share Classes	A, I
Base Currency	USD
Net Asset Value‡	
I Acc (USD)	\$14.28
I Dist (USD)	\$10.45

Source:

‡ Brown Brothers Harriman (Luxembourg) S.C.A

PORTFOLIO MANAGEMENT

Sherwood Zhang, CFA Lead Manager	Winnie Chwang Lead Manager
Andrew Mattock, CFA Co-Manager	Elli Lee 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 bottom-up, fundamental investment philosophy with a focus on long-term investment performance. As of 29 February 2024, Matthews Asia had US\$8.5 billion in assets under management.

The investment policy of the Fund was changed on 15 December 2021. The performance prior to this date was achieved under circumstances that no longer apply.

China Dividend Fund

Class I Shares

Matthews Asia Funds

29 February 2024

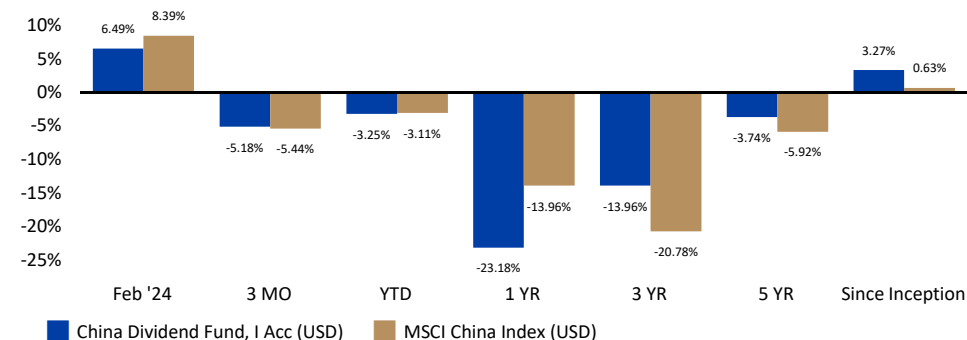
Investment Objective

Seeks 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 companies located in China which is an emerging market. Investments in emerging markets may involve increased risks such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.
- 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. Exposure to FDIs may lead to a high risk of significant loss by the Fund.
- 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.
- Pandemics and other public health emergencies can result in market volatility and disruption.
- Investors should not invest in the Fund solely based on the information in this document.

Performance as of 29 February 2024†



China Dividend Fund	Feb '24	3 MO	YTD	1 YR	3 YR	5 YR	Since Inception	Inception
I Acc (USD)	6.49%	-5.18%	-3.25%	-23.18%	-13.96%	-3.74%	3.27%	31 Jan 2013
I Dist (USD)	6.42%	-5.24%	-3.24%	-23.20%	-13.97%	-3.74%	3.27%	31 Jan 2013
MSCI China Index (USD)	8.39%	-5.44%	-3.11%	-13.96%	-20.78%	-5.92%	0.63% ¹	n.a.

Annual Returns (For the Years Ended 31 December)

China Dividend Fund	2023	2022	2021	2020	2019
I Acc (USD)	-20.65%	-16.29%	0.32%	24.30%	14.82%
I Dist (USD)	-20.68%	-16.24%	0.26%	24.27%	14.87%
MSCI China Index (USD)	-11.04%	-21.80%	-21.64%	29.67%	23.66%

† All returns over 1 year are annualised
1 Index calculated from 31 January 2013

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.

China Dividend Fund

29 February 2024

TOP TEN HOLDINGS ²		
	Sector	% of Net Assets
Tencent Holdings, Ltd.	Communication Services	8.8%
Alibaba Group Holding, Ltd.	Consumer Discretionary	6.8%
CITIC Telecom International Holdings, Ltd.	Communication Services	5.1%
Yangzijiang Shipbuilding Holdings, Ltd.	Industrials	4.9%
Wuliangye Yibin Co., Ltd.	Consumer Staples	3.6%
Postal Savings Bank of China Co., Ltd.	Financials	3.4%
Haier Smart Home Co., Ltd.	Consumer Discretionary	3.3%
China Merchants Bank Co., Ltd.	Financials	3.2%
Inner Mongolia Yili Industrial Group Co., Ltd.	Consumer Staples	3.2%
PICC Property & Casualty Co., Ltd.	Financials	3.1%
% OF ASSETS IN TOP TEN		45.4%
Source: Brown Brothers Harriman (Luxembourg) S.C.A.		

CHINA EXPOSURE (%) ^{3,11}	
Hong Kong Listed Companies	57.6
Mainland China Listed Companies	14.1
ADR/GDR	7.1
Other	13.3
Cash and Other Assets, Less Liabilities	7.9
Source: FactSet Research Systems	

MARKET CAP EXPOSURE (%) ^{3,4}			
	Fund	Benchmark	Difference
Mega Cap (over \$25B)	48.0	64.0	-16.0
Large Cap (\$10B-\$25B)	11.8	17.1	-5.3
Mid Cap (\$3B-\$10B)	19.5	16.1	3.4
Small Cap (under \$3B)	12.8	2.8	10.0
Cash and Other Assets, Less Liabilities	7.9	0.0	7.9
Source: FactSet Research Systems			

DIVIDEND YIELD ¹²	
3.84%	
Source:Factset Research Systems, Bloomberg, Matthews Asia	

SECTOR ALLOCATION (%) ³			
	Fund	Benchmark	Difference
Consumer Discretionary	26.3	29.8	-3.5
Financials	15.7	16.9	-1.2
Communication Services	15.6	19.6	-4.0
Consumer Staples	8.9	5.2	3.7
Industrials	6.6	5.3	1.3
Energy	5.0	3.7	1.3
Real Estate	3.7	2.3	1.4
Materials	3.6	3.2	0.4
Information Technology	3.1	6.1	-3.0
Health Care	2.0	5.2	-3.2
Utilities	1.5	2.6	-1.1
Cash and Other Assets, Less Liabilities	7.9	0.0	7.9
Sector data based on MSCI's revised Global Industry Classification Standards. For more details, visit www.msci.com .			
Source: FactSet Research Systems			

PORTFOLIO CHARACTERISTICS		
	Fund	Benchmark
Number of Positions	33	765
Weighted Avg. Market Cap (in billions)	\$75.3	\$108.0
Active Share ⁵	77.0	n.a.
P/E Using FY1 Estimates ⁶	9.6x	9.6x
P/E Using FY2 Estimates ⁶	8.4x	8.7x
Price/Cash Flow ⁷	5.9	5.2
Price/Book ⁸	1.3	1.2
Return on Equity ⁹	15.2	12.6
EPS Growth (3 Years) ¹⁰	9.8%	13.5%
Source: FactSet Research Systems		

- 2 Holdings may combine more than one security from the same issuer and related depositary receipts.
- 3 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.
- 4 Equity market cap of issuer.
- 5 Active Share is calculated by taking the absolute value of the difference between portfolio holdings and benchmark weights, summing all of these differences, and dividing by two. The calculation will result in an active share number between 0%, which indicates the portfolio perfectly replicates the benchmark, and 100%, which indicates there is no overlap whatsoever between the portfolio and the index. Active Share was calculated including cash held in the Fund.
- 6 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) or a 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.
- 7 A measure of the market's expectations of a firm's future financial health. Because this measure deals with cash flow, the effects of depreciation and other non-cash factors are removed. Similar to price/earnings ratio, this measure provides an indication of relative value.
- 8 Price-to-Book Ratio (P/B Ratio) is used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share. A lower P/B ratio could mean that the stock is undervalued.
- 9 Return on Equity (ROE) is the amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested, and is calculated as net income divided by shareholder's equity.
- 10 Earnings Per Share (EPS) is the amount of annual profit (after tax and all other expenses) attributable to each share in a company. EPS is calculated by dividing profit by the average number of shares in a company. Earnings growth is not a measure of a fund's future performance.
- 11 **Mainland China listed Companies** include A Shares and B Shares. **A Shares** are Mainland Chinese companies incorporated in China and listed on the Shanghai or Shenzhen exchanges, available mostly to local Chinese investors and qualified institutional investors. **B Shares** are mainland Chinese companies listed on the Shanghai and Shenzhen stock exchanges, available to both Chinese and non-Chinese investors. **ADRs** are American Depositary Receipts and **GDRs** are Global Depositary Receipts. **Hong Kong Listed Companies** include SAR (Hong Kong) companies, China-affiliated corporations, and H Shares. SAR companies are companies that conduct business in Hong Kong and/or mainland China. China-affiliated corporations [CAC], also known as "Red Chips," are mainland China companies with partial state ownership listed in Hong Kong, and incorporated in Hong Kong. H Shares are mainland Chinese companies listed on the Hong Kong exchange but incorporated in mainland China. **Other** represents Chinese companies listed in other countries or non-China companies with a majority of revenue coming from China such as Japan, Singapore, Taiwan and the United States or other non-China companies.
- 12 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.
- 13 Includes securities not listed in China or Hong Kong.

Available Share Classes

Share Class	ISIN	SEDOL	CUSIP
I Acc (USD)	LU0871673488	B99JYB9	L6263Q678
I Dist (USD)	LU0875301086	B8N3J04	L6263Q694

China Dividend Fund

29 February 2024

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

For Advisors and Institutions:

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

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.matthewsasiasia.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 China Index is a free float-adjusted market capitalisation—weighted index of Chinese equities that includes H shares listed on the Hong Kong Exchange, and B shares listed on the Shanghai and Shenzhen exchanges, Hong Kong-listed securities known as Red chips (issued by entities owned by national or local governments in China) and P Chips (issued by companies controlled by individuals in China and deriving substantial revenues in China) and foreign listings (e.g. ADRs). 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 © 2024 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.

Morningstar Awards, 2021© Morningstar, Inc. All Rights Reserved. Awarded to Matthews Asia for Best Equity Fund House, Hong Kong.

**Please contact the Hong Kong Representative for information on the Fund including the Fund's financial reports and offering document, and relevant circulars, notices and announcements where applicable.

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.



Matthews Asia