



Matthews Asia

RATINGS*

Overall Morningstar Rating™ ★★ ★

FUND FACTS (USD)

Total Fund Assets‡	\$19.6 million
Total # of Positions‡	47
Weighted Average Market Cap††	\$90.3 billion
Benchmark	MSCI China Index
Management Fee	0.75%
Minimum Initial Investment	\$100,000
Minimum Subsequent Investment	\$100
Fund Domicile	Luxembourg
Available Share Classes	A, I
Base Currency	USD
Net Asset Value‡	
I Acc (USD)	\$22.65
I Dist (USD)	\$18.52

Source:

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

†† FactSet Research Systems

PORTFOLIO MANAGEMENT

Sherwood Zhang, CFA

Lead Manager

Yu Zhang, CFA

Co-Manager

S. Joyce Li, CFA

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 January 2021, Matthews Asia had US\$30.2 billion in assets under management.

CONTACT INFORMATION

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China Dividend Fund

Class I Shares

Matthews Asia Funds

31 January 2021

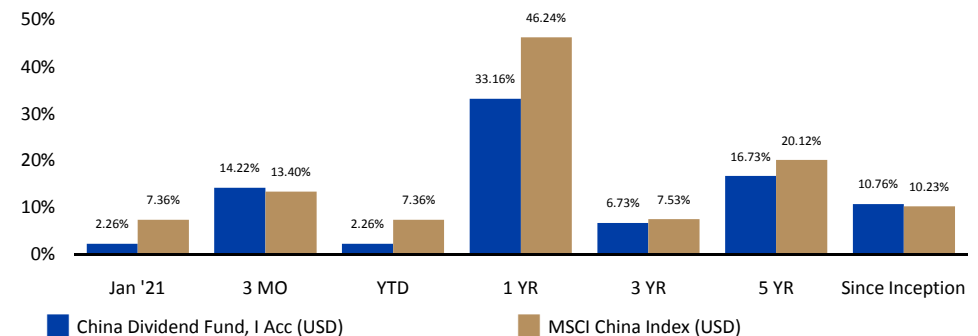
Investment Objective

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 China-related companies. Investment in such companies may be subject to increased risks such as political, 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. 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.
- ⚠ Investors should not invest in the Fund solely based on the information in this document.

Performance as of 31 January 2021[†]



China Dividend Fund	Jan '21	3 MO	YTD	1 YR	3 YR	5 YR	Since Inception	Inception
I Acc (USD)	2.26%	14.22%	2.26%	33.16%	6.73%	16.73%	10.76%	31 Jan 2013
I Dist (USD)	2.26%	14.21%	2.26%	33.12%	6.72%	16.73%	10.76%	31 Jan 2013
MSCI China Index (USD)	7.36%	13.40%	7.36%	46.24%	7.53%	20.12%	10.23% ¹	n.a.

Annual Returns (For the Years Ended 31 December)

China Dividend Fund	2020	2019	2018	2017	2016
I Acc (USD)	24.30%	14.82%	-10.44%	38.09%	6.09%
I Dist (USD)	24.27%	14.87%	-10.43%	38.01%	6.17%
MSCI China Index (USD)	29.67%	23.66%	-18.75%	54.33%	1.11%

† 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.

Due to current market volatility associated with the COVID-19 pandemic, funds may experience significant negative short-term performance.

China Dividend Fund

31 January 2021

TOP TEN HOLDINGS²

	Sector	% of Net Assets
Tencent Holdings, Ltd.	Communication Services	8.5%
Shanghai Baosight Software Co., Ltd.	Information Technology	4.0%
SITC International Holdings Co., Ltd.	Industrials	3.9%
Postal Savings Bank Of China Co., Ltd.	Financials	3.8%
Tsingtao Brewery Co., Ltd.	Consumer Staples	3.1%
MediaTek, Inc.	Information Technology	3.1%
China Education Group Holdings, Ltd.	Consumer Discretionary	3.1%
Pharmaron Beijing Co., Ltd.	Health Care	2.9%
China International Capital Corp., Ltd.	Financials	2.8%
Minth Group, Ltd.	Consumer Discretionary	2.8%
% OF ASSETS IN TOP TEN		38.0%

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

CHINA EXPOSURE (%)^{3,6}

SAR (Hong Kong)	45.4
H Shares	21.8
B Shares	10.3
A Shares	9.1
China-affiliated corporations (CAC)	3.9
Overseas Listed Companies (OL)	0.4
Unassigned ⁸	5.6
Cash and Other Assets, Less Liabilities	3.5

Source: FactSet Research Systems

MARKET CAP EXPOSURE (%)^{3,4}

	Fund	Benchmark	Difference
Mega Cap (over \$25B)	24.8	76.8	-52.0
Large Cap (\$10B-\$25B)	17.8	13.9	3.9
Mid Cap (\$3B-\$10B)	29.6	8.5	21.1
Small Cap (under \$3B)	24.3	0.8	23.5
Cash and Other Assets, Less Liabilities	3.5	0.0	3.5

Source: FactSet Research Systems

DIVIDEND YIELD⁷

2.61%

Source: FactSet Research Systems, Bloomberg, Matthews Asia

SECTOR ALLOCATION (%)³

	Fund	Benchmark	Difference
Consumer Discretionary	17.8	36.2	-18.4
Communication Services	16.0	21.3	-5.3
Industrials	13.2	4.3	8.9
Information Technology	11.4	6.0	5.4
Financials	10.9	13.0	-2.1
Consumer Staples	7.8	4.5	3.3
Real Estate	6.0	3.3	2.7
Health Care	4.7	6.6	-1.9
Materials	4.5	2.1	2.4
Energy	2.4	1.0	1.4
Utilities	2.0	1.7	0.3
Cash and Other Assets, Less Liabilities	3.5	0.0	3.5

Sector data based on MSCI's revised Global Industry Classification Standards. For more details, visit www.msci.com.

Source: FactSet Research Systems

P/E RATIOS⁵

P/E Using FY1 Estimates	14.8x
P/E Using FY2 Estimates	12.4x

Source: FactSet Research Systems (P/E est. as of 31/01/21)

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.

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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.matthewsasias.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.

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**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.

Available Share Classes

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

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 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.

6 **SAR** (Hong Kong) 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. **China 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. **H Shares** are mainland Chinese companies listed on the Hong Kong exchange but incorporated in mainland China. **B Shares** are mainland Chinese companies listed on the Shanghai and Shenzhen stock exchanges, available to both Chinese and non-Chinese investors. **Overseas Listed [OL]** companies are companies that conduct business in mainland China but listed in overseas markets such as Japan, Singapore, Taiwan and the United States.

7 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.

8 Includes securities not listed in China or Hong Kong.