

## RATINGS

Overall Morningstar Rating™ ★★★★★



## FUND FACTS (USD)

Total Fund Assets	\$408.2 million
Total # of Positions	66
Weighted Average Market Cap	\$39.1 billion
Benchmark	MSCI AC Asia Pacific Index
Management Fee	0.75%
Minimum Initial Investment	\$1,000,000/£500,000
Minimum Subsequent Investment	\$250,000/£125,000
Fund Domicile	Luxembourg
Available Share Classes	A, I, C
Base Currency	USD
Additional Dealing Currencies	GBP
Net Asset Value	
I Acc (USD)	\$15.52
I Acc (GBP)	£18.01
I Dist (USD)	\$13.58
I Dist (GBP)	£15.72

## PORTFOLIO MANAGEMENT

**Yu Zhang, CFA**  
Lead Manager

**Robert J. Horrocks, PhD**  
Lead Manager

**Vivek Tanneeru**  
Co-Manager

## MATTHEWS ASIA

Matthews International Capital Management, LLC ("Matthews Asia"), the Fund Manager to Matthews Asia Funds, 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 30 September 2016, Matthews Asia had US\$28.1 billion in assets under management.

## CONTACT INFORMATION

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# Asia Dividend Fund

## Class I Shares

Matthews Asia Funds  
30 September 2016

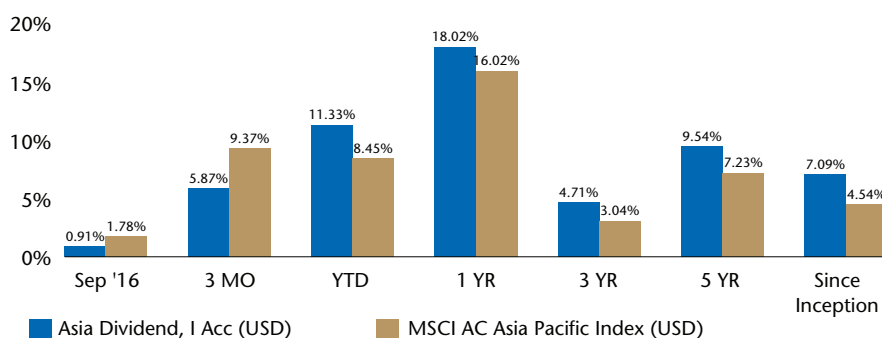
## Investment Objective and Policy

Total return with an emphasis on providing current income (i.e., income and capital appreciation).

## Available Share Classes

Share Class	ISIN	SEDOL	CUSIP
I Acc (USD)	LU0491818331	B4577G8	L6263Q124
I Acc (GBP)	LU0594556648	B3ZGK81	L6263Q504
I Dist (USD)	LU0491818414	B3QYV47	L6263Q231
I Dist (GBP)	LU0594556721	B41D3Q2	L6263Q512

## Performance as of 30 September 2016\*



Asia Dividend Fund	Sep '16	3 MO	YTD	1 YR	3 YR	5 YR	Since Inception	Inception
I Acc (USD)	0.91%	5.87%	11.33%	18.02%	4.71%	9.54%	7.09%	30 Apr 2010
I Acc (GBP)	2.27%	9.68%	27.37%	38.22%	12.65%	13.67%	11.11%	28 Feb 2011
I Dist (USD)	0.95%	5.86%	11.31%	17.98%	4.67%	9.55%	7.45%	26 Aug 2010
I Dist (GBP)	2.23%	9.65%	27.32%	38.14%	12.63%	13.66%	11.10%	28 Feb 2011
MSCI AC Asia Pacific Index (USD)	1.78%	9.37%	8.45%	16.02%	3.04%	7.23%	4.54% <sup>1</sup>	n.a.

\*All returns over 1 year are annualised  
1 Index calculated from 30 April 2010.

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

Asia Dividend Fund	2015	2014	2013	2012	2011
I Acc (USD)	3.87%	-0.96%	12.26%	21.06%	-9.12%
I Acc (GBP)	9.10%	5.11%	9.70%	16.00%	n.a.
I Dist (USD)	3.87%	-1.00%	12.24%	21.11%	-8.96%
I Dist (GBP)	9.19%	5.03%	9.72%	15.99%	n.a.
MSCI AC Asia Pacific Index (USD)	-1.68%	0.29%	12.19%	17.05%	-14.92%

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-local currency 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, and are net of management fees and other expenses. Source: Brown Brothers Harriman (Luxembourg) S.C.A.

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Square Mile Academy of Funds rating as of September 2016.

# Asia Dividend Fund

30 September 2016

TOP TEN HOLDINGS <sup>2</sup>		
	Country	% of Net Assets
Minth Group, Ltd.	China/Hong Kong	4.2%
Shenzhou Int'l Group Holdings, Ltd.	China/Hong Kong	3.8%
LG Chem, Ltd., Pfd.	South Korea	2.7%
BGF Retail Co., Ltd.	South Korea	2.6%
AIA Group, Ltd.	China/Hong Kong	2.5%
Sands China, Ltd.	China/Hong Kong	2.4%
Japan Tobacco, Inc.	Japan	2.4%
China Mobile, Ltd.	China/Hong Kong	2.3%
Kweichow Moutai Co., Ltd.	China/Hong Kong	2.3%
Pigeon Corp.	Japan	2.2%
% OF ASSETS IN TOP TEN		27.4%
Source: Brown Brothers Harriman (Luxembourg) S.C.A.		

COUNTRY ALLOCATION (%) <sup>3</sup>			
	Fund	Benchmark	Difference
China/Hong Kong	33.9	20.8	13.1
Japan	27.0	39.9	-12.9
South Korea	10.3	8.2	2.1
Singapore	6.8	2.1	4.7
Taiwan	5.4	6.7	-1.3
Indonesia	4.6	1.5	3.1
India	3.3	4.7	-1.4
Vietnam	2.1	0.0	2.1
Thailand	1.9	1.2	0.7
Australia	1.5	12.3	-10.8
Luxembourg	1.5	0.0	1.5
Philippines	1.2	0.7	0.5
Malaysia	0.0	1.5	-1.5
New Zealand	0.0	0.3	-0.3
Cash and Other Assets, Less Liabilities	0.4	0.0	0.4
Source: FactSet Research Systems			

MARKET CAP EXPOSURE (%) <sup>3,4</sup>			
	Fund	Benchmark	Difference
Mega Cap (over \$25B)	35.6	47.6	-12.0
Large Cap (\$10B-\$25B)	18.4	24.9	-6.5
Mid Cap (\$3B-\$10B)	27.9	24.6	3.3
Small Cap (under \$3B)	17.7	2.9	14.8
Cash and Other Assets, Less Liabilities	0.4	0.0	0.4
Source: FactSet Research Systems			

SECTOR ALLOCATION (%) <sup>3</sup>			
	Fund	Benchmark	Difference
Consumer Staples	26.5	6.8	19.7
Consumer Discretionary	19.2	13.1	6.1
Financials	13.8	21.2	-7.4
Industrials	10.0	12.6	-2.6
Telecom Services	9.9	5.6	4.3
Information Technology	8.1	17.4	-9.3
Health Care	3.0	5.4	-2.4
Materials	2.8	6.2	-3.4
Real Estate	2.5	5.9	-3.4
Utilities	2.2	3.0	-0.8
Energy	1.6	2.8	-1.2
Cash and Other Assets, Less Liabilities	0.4	0.0	0.4
Sector data based on MSCI's revised Global Industry Classification Standards. For more details, visit <a href="http://www.msci.com">www.msci.com</a> . Source: FactSet Research Systems			

P/E RATIOS <sup>5</sup>	
P/E Using FY1 Estimates	14.7x
P/E Using FY2 Estimates	13.4x
Source: FactSet Research Systems (P/E est. as of 30/09/16)	
DIVIDEND YIELD <sup>6</sup>	
2.87%	
Source: FactSet Research Systems, Bloomberg, Matthews Asia	

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.

4 Equity market cap of issuer.

5 The P/E figures represent the Weighted Harmonic Average P/E—which measures the price/earnings ratio of the Fund's entire portfolio, excluding negative earners—weighted by the size of the company's position within the portfolio. P/E estimates are forward looking. There is no guarantee that portfolio composition will remain unchanged or P/E estimates will be achieved.

6 The dividend yield (trailing) for the portfolio is the weighted average sum of the dividend paid per share during the last 12 months divided by the price as of report date. The annualised dividend yield for the Fund is for the equity-only portion of the portfolio. Please note that this is based on gross equity portfolio holdings and does not reflect the actual yield an investor in the Fund would receive. Information provided is unaudited. A positive distribution yield does not imply a positive return and past yields are no guarantee of future yields.

The MSCI All Country Asia Pacific Index is a free float-adjusted market capitalisation-weighted index of the stock markets of Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, South Korea, Taiwan and Thailand. The Fund invests in countries that are not included in the MSCI All Country Asia Pacific Index. It is not possible to invest directly in an index.

## DISCLOSURES

The Fund is a sub-fund of Matthews Asia Funds SICAV, an umbrella fund, with segregated liability between sub-funds, established as an open-ended investment company with variable capital and incorporated with limited liability under the laws of Luxembourg. It is authorised by the Commission de Surveillance du Secteur Financier (CSSF) as a UCITS and is only registered for public offer and sale in Finland, France, Germany, Italy, Luxembourg, Spain, Sweden, Switzerland and the United Kingdom. Not all share classes are registered in each jurisdiction. For investors in Singapore, the Matthews Asia Funds (the "Funds") are not authorised or recognised by the Monetary Authority of Singapore, and Shares of the Funds are not allowed to be offered to the retail public. Shares in the Funds may only be offered to (i) to an accredited investor or other relevant person, or (ii) to an institutional investor. **NOT FOR SALE IN THE U.S. OR TO U.S. PERSONS.**

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