



Matthews Asia

## RATINGS

Overall Morningstar Rating™ ★★★★★



## FUND FACTS (USD)

Total Fund Assets	\$9.1 million
Benchmark	MSCI China 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)	\$15.12
A Dist (USD)	\$11.13

## PORTFOLIO MANAGEMENT

<b>Sherwood Zhang, CFA</b> Lead Manager	<b>Winnie Chwang</b> Lead Manager
<b>Andrew Mattock, CFA</b> Co-Manager	<b>Elli Lee</b> Co-Manager

## KEY RISKS

The value of an investment in the Fund can go down as well as up and possible loss of principal is a risk of investing. Investments in international, emerging and frontier market securities may involve risks such as social and political instability, market illiquidity, exchange-rate fluctuations, a high level of volatility and limited regulation, which may adversely affect the value of the Fund's assets. Investing in Chinese securities involve risks. Heightened risks related to the regulatory environment and the potential actions by the Chinese government could negatively impact performance. The Fund invests in holdings denominated in foreign currency, and is exposed to the risk that the value of the foreign currency will increase or decrease. The Fund invests primarily in equity securities, which may result in increased volatility. There is no guarantee that the Fund or the companies in its portfolio will pay or continue to pay dividends. Investments in a single-country fund may be subject to a higher degree of market risk than diversified funds because of concentration in a specific country. Pandemics and other public health emergencies can result in market volatility and disruption. These and other risks associated with investing in the Fund can be found in the Prospectus.

## 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 30 September 2023, Matthews Asia had US\$11.0 billion in assets under management.

## China Dividend Fund

Matthews Asia Funds

## Class A Shares

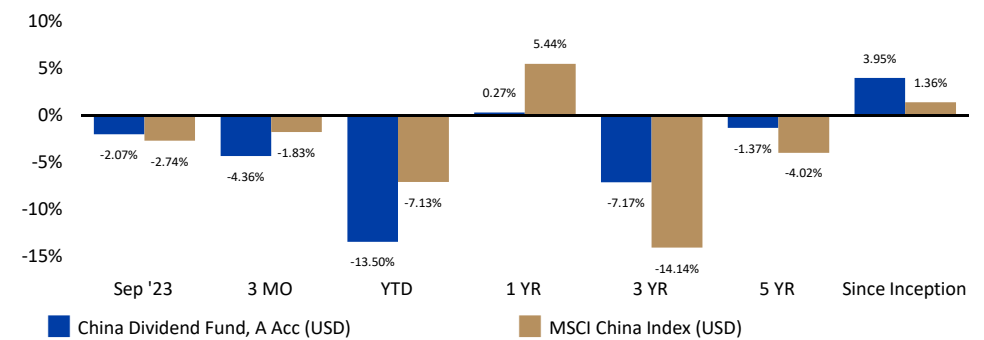
30 September 2023

## Investment Objective

Seeks total return with an emphasis on providing current income.

## Available Share Classes

Share Class	ISIN	SEDOL	CUSIP
A Acc (USD)	LU0871673132	B72X7Q0	L6263Q660
A Dist (USD)	LU0875300609	B7R57P0	L6263Q686

Performance as of 30 September 2023<sup>†</sup>

China Dividend Fund	Sep '23	3 MO	YTD	1 YR	3 YR	5 YR	Since Inception	Inception
<b>A Acc (USD)</b>	-2.07%	-4.36%	-13.50%	0.27%	-7.17%	-1.37%	3.95%	31 Jan 2013
<b>A Dist (USD)</b>	-2.11%	-4.38%	-13.49%	0.25%	-7.16%	-1.37%	3.96%	31 Jan 2013
MSCI China Index (USD)	-2.74%	-1.83%	-7.13%	5.44%	-14.14%	-4.02%	1.36%	n.a.

## Rolling 12 Month Returns (For the period ended 30 September 2023)

China Dividend Fund	2023	2022	2021	2020	2019
<b>A Acc (USD)</b>	0.27%	-30.09%	14.13%	16.59%	0.06%
<b>A Dist (USD)</b>	0.25%	-30.08%	14.14%	16.59%	0.06%
MSCI China Index (USD)	5.44%	-35.29%	-7.24%	33.76%	-3.77%

<sup>†</sup> All returns over 1 year are annualised  
<sup>††</sup>

**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 with any dividends reinvested, and are net of management fees and other expenses. Source: Brown Brothers Harriman (Luxembourg) S.C.A.

# China Dividend Fund

30 September 2023

TOP TEN HOLDINGS <sup>1</sup>					
		Sector	% of Net Assets		
Tencent Holdings, Ltd.		Communication Services	9.7%		
Alibaba Group Holding, Ltd.		Consumer Discretionary	9.5%		
CITIC Telecom International Holdings, Ltd.		Communication Services	5.3%		
Yangzijiang Shipbuilding Holdings, Ltd.		Industrials	3.4%		
Wuliangye Yibin Co., Ltd.		Consumer Staples	3.1%		
MINISO Group Holding, Ltd.		Consumer Discretionary	3.1%		
Tsingtao Brewery Co., Ltd.		Consumer Staples	3.1%		
CSC Financial Co., Ltd.		Financials	3.0%		
WuXi AppTec Co., Ltd.		Health Care	3.0%		
Haier Smart Home Co., Ltd.		Consumer Discretionary	2.7%		
% OF ASSETS IN TOP TEN			45.9%		
Source: Brown Brothers Harriman (Luxembourg) S.C.A.					
CHINA EXPOSURE (%) <sup>2,10</sup>				SECTOR ALLOCATION (%) <sup>2</sup>	
Hong Kong Listed Companies	60.2		Fund	Benchmark	Difference
Mainland China Listed Companies	17.9	Consumer Discretionary	28.1	30.5	-2.4
ADR/GDR	7.1	Communication Services	15.0	20.1	-5.1
Other	10.6	Financials	13.9	15.7	-1.8
Cash and Other Assets, Less Liabilities	4.1	Consumer Staples	8.1	5.5	2.6
		Real Estate	6.6	2.8	3.8
		Materials	6.0	3.3	2.7
		Information Technology	5.6	5.8	-0.2
		Industrials	5.6	5.2	0.4
		Health Care	4.8	5.6	-0.8
		Energy	2.2	3.1	-0.9
		Utilities	0.0	2.3	-2.3
		Cash and Other Assets, Less Liabilities	4.1	0.0	4.1
		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					
MARKET CAP EXPOSURE (%) <sup>2,3</sup>				PORTFOLIO CHARACTERISTICS	
	Fund	Benchmark	Difference		
Mega Cap (over \$25B)	41.5	63.9	-22.4		
Large Cap (\$10B-\$25B)	15.2	18.6	-3.4		
Mid Cap (\$3B-\$10B)	20.2	15.0	5.2		
Small Cap (under \$3B)	19.0	2.5	16.5		
Cash and Other Assets, Less Liabilities	4.1	0.0	4.1		
Source: FactSet Research Systems					
DIVIDEND YIELD <sup>11</sup>					
3.17%					
Source:Factset Research Systems, Bloomberg, Matthews Asia					

- 1 Holdings may combine more than one security from the same issuer and related depositary receipts.
- 2 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.
- 3 Equity market cap of issuer.
- 4 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.
- 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) 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.
- 6 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.
- 7 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.
- 8 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.
- 9 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.
- 10 **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.
- 11 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.

# China Dividend Fund

Matthews Asia Funds

## CONTACT INFORMATION

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FE Crown Fund Rating as of 23/07/2023.

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The MSCI China Index is a free float-adjusted market capitalization—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.

## IMPORTANT INFORMATION

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