



# Matthews Asia

## RATINGS

Overall Morningstar Rating™ ★★★★★



## FUND FACTS (USD)

Total Fund Assets	\$188.8 million
Benchmark	MSCI All Country Asia ex Japan Small Cap Index
Management Fee	1.00%
Minimum Initial Investment	\$1,000/£500/€1,000
Minimum Subsequent Investment	\$100/£50/€100
Fund Domicile	Luxembourg
Available Share Classes	A, I
Base Currency	USD
Additional Dealing Currencies	GBP, EUR
Net Asset Value	
I Acc (USD)	\$21.56
I Acc (GBP)	£27.87
I Acc (EUR)	€13.16

## PORTFOLIO MANAGEMENT

**Vivek Tanneeru**

Lead Manager

**Jeremy Sutch, CFA**

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. The Fund invests in holdings denominated in foreign currencies, 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. The Fund invests in smaller companies, which are more volatile and less liquid than larger companies. 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.

# Asia Small Companies Fund

Matthews Asia Funds

## Class I Shares

30 September 2023

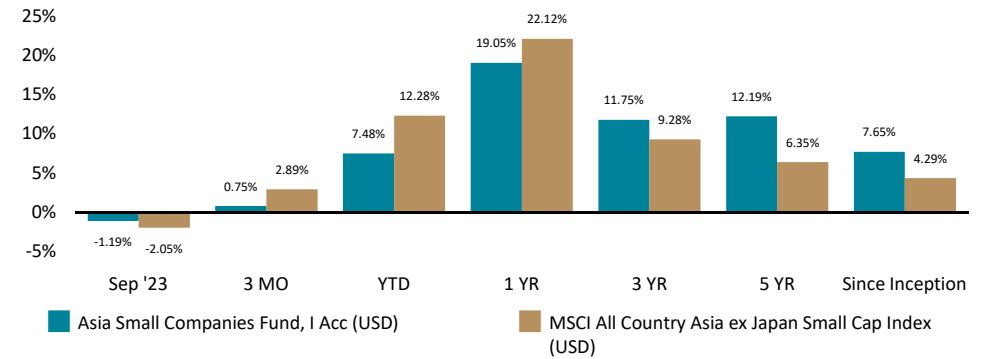
## Investment Objective

Long-term capital appreciation.

## Available Share Classes

Share Class	ISIN	SEDOL	CUSIP
I Acc (USD)	LU0871674296	B8BDQ61	L6258V146
I Acc (GBP)	LU0871674379	BLRZYX5	L6258V153
I Acc (EUR)	LU0871674023	BNGJH88	L6258V138

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



Asia Small Companies Fund	Sep '23	3 MO	YTD	1 YR	3 YR	5 YR	Since Inception	Inception
I Acc (USD)	-1.19%	0.75%	7.48%	19.05%	11.75%	12.19%	7.65%	30 Apr 2013
I Acc (GBP)	2.20%	3.95%	5.49%	7.23%	13.44%	13.60%	11.50%	30 Apr 2014
I Acc (EUR)	1.31%	3.22%	8.22%	9.48%	n.a.	n.a.	10.50%	30 Dec 2020
MSCI AC Asia ex Japan Small Cap Index (USD)	-2.05%	2.89%	12.28%	22.12%	9.28%	6.35%	4.29% <sup>1</sup>	n.a.

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

Asia Small Companies Fund	2023	2022	2021	2020	2019
I Acc (USD)	19.05%	-20.74%	47.90%	22.81%	3.71%
I Acc (GBP)	7.23%	-3.45%	41.02%	17.84%	9.98%
I Acc (EUR)	9.48%	-5.87%	n.a.	n.a.	n.a.
MSCI AC Asia ex Japan Small Cap Index (USD)	22.12%	-24.40%	41.35%	13.83%	-8.40%

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

<sup>1</sup> Index calculated from 30 April 2013

<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.

# Asia Small Companies Fund

30 September 2023

TOP TEN HOLDINGS <sup>2</sup>		
	Country	% of Net Assets
Bandhan Bank, Ltd.	India	7.2%
Shriram Finance, Ltd.	India	6.7%
Legend Biotech Corp.	China/Hong Kong	5.0%
Full Truck Alliance Co., Ltd.	China/Hong Kong	4.2%
Hugel, Inc.	South Korea	3.8%
Airtac International Group	China/Hong Kong	2.8%
Finolex Cables, Ltd.	India	2.6%
Phoenix Mills, Ltd.	India	2.5%
Zhihu, Inc.	China/Hong Kong	2.3%
Silergy Corp.	China/Hong Kong	2.3%
% OF ASSETS IN TOP TEN		39.4%
Source: Brown Brothers Harriman (Luxembourg) S.C.A.		

SECTOR ALLOCATION (%) <sup>3</sup>				COUNTRY ALLOCATION (%) <sup>3</sup>			
	Fund	Benchmark	Difference		Fund	Benchmark	Difference
Industrials	27.3	16.6	10.7	China/Hong Kong	36.9	13.6	23.3
Information Technology	21.4	21.3	0.1	India	30.4	30.5	-0.1
Financials	15.7	9.1	6.6	Taiwan	13.8	24.8	-11.0
Health Care	14.7	9.7	5.0	South Korea	8.1	16.1	-8.0
Consumer Discretionary	12.7	11.1	1.6	Philippines	4.1	0.9	3.2
Real Estate	4.7	7.5	-2.8	Vietnam	3.3	0.0	3.3
Consumer Staples	2.3	5.0	-2.7	Indonesia	2.0	2.5	-0.5
Communication Services	2.3	4.1	-1.8	Thailand	1.5	3.9	-2.4
Materials	0.0	12.1	-12.1	Bangladesh	0.5	0.0	0.5
Utilities	0.0	1.9	-1.9	United States	0.3	0.0	0.3
Energy	0.0	1.7	-1.7	Singapore	0.0	4.7	-4.7
Liabilities in Excess of Cash and Other Assets	-1.1	0.0	-1.1	Malaysia	0.0	2.8	-2.8
				Liabilities in Excess of Cash and Other Assets	-1.1	0.0	-1.1
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			
Source: FactSet Research Systems				Source: FactSet Research Systems			

MARKET CAP EXPOSURE (%) <sup>3,4</sup>				PORTFOLIO CHARACTERISTICS		
	Fund	Benchmark	Difference		Fund	Benchmark
Mega Cap (over \$25B)	0.0	0.0	0.0	Number of Positions	68	1,707
Large Cap (\$10B-\$25B)	6.3	0.0	6.3	Weighted Avg. Market Cap (in billions)	\$4.0	\$1.8
Mid Cap (\$3B-\$10B)	47.2	16.1	31.1	Active Share <sup>5</sup>	98.7	n.a.
Small Cap (under \$3B)	47.6	83.9	-36.3	P/E Using FY1 Estimates <sup>6</sup>	16.1x	14.4x
Liabilities in Excess of Cash and Other Assets	-1.1	0.0	-1.1	P/E Using FY2 Estimates <sup>6</sup>	13.1x	12.1x
				Price/Cash Flow <sup>7</sup>	11.2	7.2
				Price/Book <sup>8</sup>	2.3	1.4
				Return on Equity <sup>9</sup>	10.6	12.7
				EPS Growth (3 Years) <sup>10</sup>	27.5%	22.8%
Source: FactSet Research Systems				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. The Portfolio's market cap exposure breakdown presented is used for comparison purposes and the definition of the capitalization breakdown is from MSCI. The Fund defines Small Companies as companies with market capitalization no higher than the greater of US\$5 billion or the market capitalization of the largest company included in the Fund's primary benchmark, the MSCI AC Asia ex Japan Small Cap Index.
- 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.

# Asia Small Companies 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 All Country Asia ex Japan Small Cap Index is a free float—adjusted market capitalization—weighted small cap index of the stock 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.

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