



Matthews Asia

FUND FACTS (USD)

| | |
|-------------------------------|--------------------------------------|
| Total Fund Assets | \$38.5 million |
| Benchmark | MSCI All Country Asia ex Japan Index |
| Management Fee | 0.75% |
| Minimum Initial Investment | \$100,000/£50,000* |
| Minimum Subsequent Investment | \$100/£50* |
| Fund Domicile | Luxembourg |
| Available Share Classes | I |
| Base Currency | USD |
| Additional Dealing Currencies | GBP |
| Net Asset Value | |
| I Acc (USD) | \$7.58 |
| I Acc (GBP) | £7.82 |

PORTFOLIO MANAGEMENT

Michael J. Oh, CFA
Lead 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. 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 bottomup, fundamental investment philosophy with a focus on long-term investment performance. As of 28 February 2022, Matthews Asia had US\$22.7 billion in assets under management.

Asia Innovative Growth Fund

Matthews Asia Funds

Class I Shares

28 February 2022

Investment Objective

Long-term capital appreciation.

Available Share Classes

| Share Class | ISIN | SEDOL | CUSIP |
|-------------|--------------|---------|-----------|
| I Acc (USD) | LU2298459939 | BLR7817 | L6258V195 |
| I Acc (GBP) | LU2298460192 | BLR7828 | L6258V203 |

Performance as of 28 February 2022[†]

| Asia Innovative Growth Fund | Feb '22 | 3 MO | YTD | 1 YR | 3 YR | 5 YR | Since Inception | Inception |
|-----------------------------------|---------|------|-----|------|------|------|-----------------|-------------|
| I Acc (USD) | n.a | n.a | n.a | n.a | n.a | n.a | n.a | 23 Mar 2021 |
| I Acc (GBP) | n.a | n.a | n.a | n.a | n.a | n.a | n.a | 23 Mar 2021 |
| MSCI AC Asia ex Japan Index (USD) | n.a | n.a | n.a | n.a | n.a | n.a | n.a | n.a. |

Asia Innovative Growth Fund has commenced operations from 23 March 2021 and performance will not be shown until the fund has reached one year since inception.

Asia Innovators Strategy Performance as of 28 February 2022[†]

| | Feb '22 | 3 MO | YTD | 1 YR | 3 YR | 5 YR | Since Inception | Inception |
|-----------------------------------|---------|---------|---------|---------|--------|--------|-----------------|-------------|
| Asia Innovators Strategy | -6.22% | -16.08% | -11.24% | -28.45% | 18.13% | 15.85% | 5.43% | 27 Dec 1999 |
| MSCI AC Asia ex Japan Index (USD) | -2.33% | -4.03% | -5.36% | -14.22% | 7.03% | 8.34% | 6.39% | n.a. |

Asia Innovators Strategy Rolling 12 Month Returns (For the period ended 31 December 2021)

| | 2021 | 2020 | 2019 | 2018 | 2017 |
|-----------------------------------|---------|--------|--------|---------|--------|
| Asia Innovators Strategy | -13.10% | 86.72% | 29.60% | -18.62% | 52.88% |
| MSCI AC Asia ex Japan Index (USD) | -4.46% | 25.36% | 18.52% | -14.12% | 42.08% |

* For U.K. residents only, the minimum initial investment is \$1,000 or £500 or €1,000 and the minimum subsequent investment is \$100 or £50 or €100.

† All returns over 1 year are annualised

The performance information above is for a representative portfolio in the Matthews Asia Innovators strategy, based on the largest AUM managed by Matthews International Capital Management, LLC. This performance information does not, and it is not intended to, represent performance of the Matthews Asia Innovative Growth Fund, which commenced operations on 23 March 2021. The performance information of the representative portfolio is shown for the purpose of indicating a longer past track record and for reference only. While the Matthews Asia Innovative Growth Fund is managed in a substantially similar manner as the Matthews Asia Innovators strategy, performance results for the Matthews Innovative Growth Fund may vary from the representative portfolio for the Matthews Asia Innovators strategy. All performance is in US\$ and includes all dividends and interest accrued income, realized and unrealized gains or losses, accrued expenses, and are net of all brokerage commissions and execution costs and advisory and other fees. Individual account performance will vary. Source(s): BNY Mellon Investment Servicing (US) Inc.

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.

Asia Innovative Growth Fund

28 February 2022

TOP TEN HOLDINGS¹

| | Country | % of Net Assets |
|--|-----------------|-----------------|
| Tencent Holdings, Ltd. | China/Hong Kong | 6.8% |
| ICICI Bank, Ltd. | India | 6.4% |
| HDFC Bank, Ltd. | India | 5.9% |
| Taiwan Semiconductor Manufacturing Co., Ltd. | Taiwan | 5.1% |
| Samsung Electronics Co., Ltd. | South Korea | 5.1% |
| JD.com, Inc. | China/Hong Kong | 4.9% |
| Alibaba Group Holding, Ltd. | China/Hong Kong | 4.1% |
| XPeng, Inc. | China/Hong Kong | 3.4% |
| Inner Mongolia Yili Industrial Group Co., Ltd. | China/Hong Kong | 2.9% |
| Trip.com Group, Ltd. | China/Hong Kong | 2.9% |
| % OF ASSETS IN TOP TEN | | 47.5% |

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

SECTOR ALLOCATION (%)²

| | Fund | Benchmark | Difference |
|---|------|-----------|------------|
| Consumer Discretionary | 24.1 | 13.7 | 10.4 |
| Financials | 21.0 | 20.0 | 1.0 |
| Information Technology | 15.2 | 25.0 | -9.8 |
| Communication Services | 14.7 | 10.3 | 4.4 |
| Consumer Staples | 7.2 | 5.1 | 2.1 |
| Industrials | 6.6 | 6.5 | 0.1 |
| Real Estate | 2.9 | 3.9 | -1.0 |
| Energy | 2.7 | 3.2 | -0.5 |
| Health Care | 1.6 | 3.9 | -2.3 |
| Materials | 1.4 | 5.5 | -4.1 |
| Utilities | 0.0 | 2.9 | -2.9 |
| Cash and Other Assets, Less Liabilities | 2.5 | 0.0 | 2.5 |

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

Source: FactSet Research Systems

COUNTRY ALLOCATION (%)²

| | Fund | Benchmark | Difference |
|---|------|-----------|------------|
| China/Hong Kong | 50.4 | 43.8 | 6.6 |
| India | 19.3 | 14.2 | 5.1 |
| South Korea | 9.6 | 14.1 | -4.5 |
| Taiwan | 6.6 | 18.3 | -11.7 |
| Singapore | 3.6 | 3.1 | 0.5 |
| Indonesia | 2.1 | 1.8 | 0.3 |
| Vietnam | 2.0 | 0.0 | 2.0 |
| Thailand | 1.6 | 2.1 | -0.5 |
| Philippines | 1.1 | 0.9 | 0.2 |
| Australia | 1.1 | 0.0 | 1.1 |
| Malaysia | 0.0 | 1.7 | -1.7 |
| Cash and Other Assets, Less Liabilities | 2.5 | 0.0 | 2.5 |

Source: FactSet Research Systems

MARKET CAP EXPOSURE (%)^{2,3}

| | Fund | Benchmark | Difference |
|---|------|-----------|------------|
| Mega Cap (over \$25B) | 73.0 | 61.3 | 11.7 |
| Large Cap (\$10B-\$25B) | 17.6 | 20.5 | -2.9 |
| Mid Cap (\$3B-\$10B) | 4.8 | 16.9 | -12.1 |
| Small Cap (under \$3B) | 2.0 | 1.3 | 0.7 |
| Cash and Other Assets, Less Liabilities | 2.5 | 0.0 | 2.5 |

Source: FactSet Research Systems

PORTFOLIO CHARACTERISTICS

| | Fund | Benchmark |
|--|---------|-----------|
| Number of Positions | 39 | 1,214 |
| Weighted Avg. Market Cap (in billions) | \$142.9 | \$137.1 |
| Active Share ⁴ | 74.1 | n.a. |
| P/E Using FY1 Estimates ⁵ | 22.2x | 12.9x |
| P/E Using FY2 Estimates ⁵ | 18.5x | 11.8x |
| Price/Cash Flow ⁶ | 15.4 | 8.8 |
| Price/Book ⁷ | 3.1 | 1.8 |
| Return on Equity ⁸ | 10.8 | 14.9 |
| EPS Growth (3 Years) ⁹ | -12.4% | 2.9% |

Source: FactSet Research Systems

- 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.

Asia Innovative Growth Fund

Matthews Asia Funds

CONTACT INFORMATION

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The MSCI All Country Asia ex Japan Index is a free float—adjusted market capitalization—weighted index of the stock of 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.

IMPORTANT INFORMATION

The Fund is a sub-fund of Matthews Asia Funds, 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 registered for public offer and sale in certain jurisdictions only. Not all share classes are registered in each jurisdiction. **GENERALLY NOT FOR SALE IN THE U.S. OR TO U.S. PERSONS.**

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Investors should consider the Fund's investment objectives, risks, charges, and expenses carefully before investing. The prospectus, Key Investor Information Document or other offering documents ("Offering Documents") contain this and other information about the Fund. To obtain the Offering Documents, please contact Matthews Asia or your financial professional. Please read the Offering Documents carefully before investing. Fees and expenses vary among Funds and share classes.

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