



# Matthews Asia

## RATINGS

Overall Morningstar Rating™ ★★★★★



## FUND FACTS (USD)

Total Fund Assets	\$695.5 million
Total # of Positions	68
Weighted Average Market Cap	\$5.2 billion
Benchmark	MSCI China Small Cap Index
Management Fee	1.00%
Minimum Initial Investment	\$100,000/£50,000*
Minimum Subsequent Investment	\$100/£50*
Fund Domicile	Luxembourg
Available Share Classes	A, I
Base Currency	USD
Additional Dealing Currencies	GBP
Net Asset Value	
I Acc (USD)	\$38.17
I Acc (GBP)	£17.29

## PORTFOLIO MANAGEMENT

**Winnie Chwang**

Lead Manager

**Andrew Mattock, 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. 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. 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. 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 bottomup, fundamental investment philosophy with a focus on long-term investment performance. As of 30 November 2021, Matthews Asia had US\$27.5 billion in assets under management.

# China Small Companies Fund

## Class I Shares

Matthews Asia Funds

30 November 2021

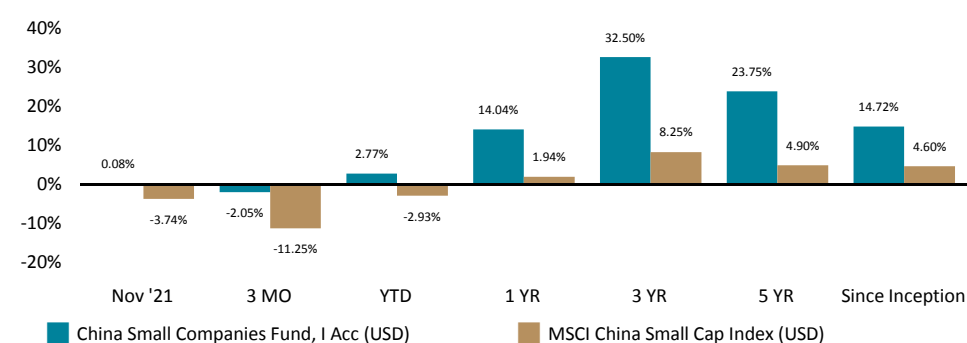
## Investment Objective

Long-term capital appreciation.

## Available Share Classes

Share Class	ISIN	SEDOL	CUSIP
I Acc (USD)	LU0721876877	B6T9RS6	L6263Q652
I Acc (GBP)	LU2075925870	BJN4L97	L6258V187

## Performance as of 30 November 2021<sup>†</sup>



China Small Companies Fund	Nov '21	3 MO	YTD	1 YR	3 YR	5 YR	Since Inception	Inception
I Acc (USD)	0.08%	-2.05%	2.77%	14.04%	32.50%	23.75%	14.72%	29 Feb 2012
I Acc (GBP)	3.47%	1.23%	5.30%	13.97%	n.a.	n.a.	34.82%	30 Jan 2020
MSCI China Small Cap Index (USD)	-3.74%	-11.25%	-2.93%	1.94%	8.25%	4.90%	4.60% <sup>1</sup>	n.a.

## Rolling 12 Month Returns (For the period ended 30 September 2021)

China Small Companies Fund	2021	2020	2019	2018	2017
I Acc (USD)	16.28%	69.95%	6.04%	0.73%	30.59%
I Acc (GBP)	10.86%	n.a.	n.a.	n.a.	n.a.
MSCI China Small Cap Index (USD)	19.68%	16.67%	-11.71%	-8.05%	17.14%

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

† All returns over 1 year are annualised

<sup>1</sup> Index calculated from 29 February 2012

**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.

FE Crown Fund Rating as of 29/07/2021.

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Overall Morningstar Ratings are reflective of the USD Accumulation Share class.

Fund ratings represent an opinion only and are not a recommendation to buy or sell any fund.

# China Small Companies Fund

30 November 2021

## TOP TEN HOLDINGS<sup>2</sup>

	Sector	% of Net Assets
Alchip Technologies, Ltd.	Information Technology	3.8%
Zhejiang HangKe Technology, Inc., Co.	Industrials	3.2%
Pan Jit International, Inc.	Information Technology	3.0%
China Yongda Automobiles Services Holdings, Ltd.	Consumer Discretionary	2.9%
Chailease Holding Co., Ltd.	Financials	2.3%
ACM Research, Inc.	Information Technology	2.2%
Silergy Corp.	Information Technology	2.1%
Airtac International Group	Industrials	2.0%
Kingsoft Corp., Ltd.	Communication Services	2.0%
ENN Natural Gas Co., Ltd.	Utilities	1.9%
% OF ASSETS IN TOP TEN		25.4%

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

## SECTOR ALLOCATION (%)<sup>3</sup>

	Fund	Benchmark	Difference
Information Technology	27.1	8.7	18.4
Industrials	20.2	11.5	8.7
Consumer Discretionary	10.3	17.4	-7.1
Health Care	9.9	15.4	-5.5
Materials	7.1	8.9	-1.8
Financials	7.0	4.7	2.3
Real Estate	5.9	16.0	-10.1
Consumer Staples	2.4	2.7	-0.3
Communication Services	2.0	6.9	-4.9
Utilities	1.9	6.6	-4.7
Energy	0.0	1.3	-1.3
Cash and Other Assets, Less Liabilities	6.2	0.0	6.2

Sector data based on MSCI's revised Global Industry Classification Standards. For more details, visit [www.msci.com](http://www.msci.com).

Source: FactSet Research Systems

## P/E RATIOS<sup>5</sup>

P/E Using FY1 Estimates	12.0x
P/E Using FY2 Estimates	10.2x

Source: FactSet Research Systems (P/E est. as of 30/11/21)

## MARKET CAP EXPOSURE (%)<sup>3,4</sup>

	Fund	Benchmark	Difference
Mega Cap (over \$25B)	0.0	0.0	0.0
Large Cap (\$10B-\$25B)	11.9	0.0	11.9
Mid Cap (\$3B-\$10B)	44.2	8.9	35.3
Small Cap (under \$3B)	37.6	91.1	-53.5
Cash and Other Assets, Less Liabilities	6.2	0.0	6.2

Source: FactSet Research Systems

## CHINA EXPOSURE (%)<sup>3,6</sup>

SAR (Hong Kong)	31.7
A Shares	26.2
H Shares	6.6
Overseas Listed Companies (OL)	6.1
China-affiliated corporations (CAC)	4.3
Unassigned	18.8
Cash and Other Assets, Less Liabilities	6.2

Source: FactSet Research Systems

- Holdings may combine more than one security from the same issuer and related depository receipts.
- 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.
- 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 China Small Cap Index.
- 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.
- 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.

The MSCI China Small Cap Index is a free float-adjusted market capitalization-weighted small cap index of the Chinese equity securities markets, including H shares listed on the Hong Kong exchange, 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

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.**

Matthews Asia is the brand for Matthews International Capital Management, LLC and its direct and indirect subsidiaries.

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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Portfolio characteristics for the Fund may vary from time to time from what is shown. It should not be assumed that any investment in the securities listed was or will be profitable.

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## CONTACT INFORMATION

Matthews International Capital Management, LLC  
Four Embarcadero Center, Suite 550  
San Francisco, CA 94111 USA  
Phone: +1 (415) 954-4510  
Email: [globalfunds@matthewsasias.com](mailto:globalfunds@matthewsasias.com)  
Web: [global.matthewsasias.com](http://global.matthewsasias.com)