



# Matthews Asia

## RATINGS

Overall Morningstar Rating™ ★★★★★



## FUND FACTS (USD)

Total Fund Assets	\$90.0 million
Benchmark	MSCI All Country Asia ex Japan Small Cap Index
Management Fee	1.00%
Minimum Initial Investment	\$100,000/£50,000/€100,000*
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)	\$20.15
I Acc (GBP)	£27.47
I Acc (EUR)	€13.03

## 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 bottomup, fundamental investment philosophy with a focus on long-term investment performance. As of 31 August 2022, Matthews Asia had US\$16.7 billion in assets under management.

# Asia Small Companies Fund

Matthews Asia Funds

## Class I Shares

31 August 2022

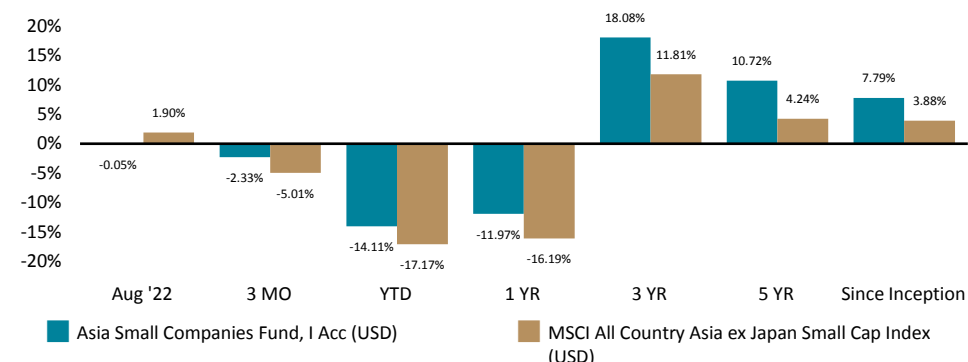
## Investment Objective

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 31 August 2022<sup>†</sup>



Asia Small Companies Fund	Aug '22	3 MO	YTD	1 YR	3 YR	5 YR	Since Inception	Inception
I Acc (USD)	-0.05%	-2.33%	-14.11%	-11.97%	18.08%	10.72%	7.79%	30 Apr 2013
I Acc (GBP)	4.49%	5.82%	-0.36%	4.45%	19.94%	12.98%	12.89%	30 Apr 2014
I Acc (EUR)	1.96%	4.66%	-2.76%	4.16%	n.a.	n.a.	17.19%	30 Dec 2020
MSCI AC Asia ex Japan Small Cap Index (USD)	1.90%	-5.01%	-17.17%	-16.19%	11.81%	4.24%	3.88% <sup>1</sup>	n.a.

## Rolling 12 Month Returns (For the period ended 30 June 2022)

Asia Small Companies Fund	2022	2021	2020	2019	2018
I Acc (USD)	-11.04%	55.78%	14.42%	-5.85%	16.52%
I Acc (GBP)	1.84%	37.86%	18.39%	-2.49%	14.96%
I Acc (EUR)	1.73%	n.a.	n.a.	n.a.	n.a.
MSCI AC Asia ex Japan Small Cap Index (USD)	-19.67%	62.52%	-4.46%	-7.69%	6.91%

\* 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

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

**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

31 August 2022

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

	Country	% of Net Assets
Shriram City Union Finance, Ltd.	India	5.7%
Bandhan Bank, Ltd.	India	5.6%
Legend Biotech Corp.	United States	4.9%
Ginlong Technologies Co., Ltd.	China/Hong Kong	4.5%
Ecopro BM Co., Ltd.	South Korea	4.4%
Phoenix Mills, Ltd.	India	4.3%
Silergy Corp.	China/Hong Kong	3.2%
Lemon Tree Hotels, Ltd.	India	3.1%
Hugel, Inc.	South Korea	2.9%
Airtac International Group	China/Hong Kong	2.6%
<b>% OF ASSETS IN TOP TEN</b>		<b>41.2%</b>

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

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

	Fund	Benchmark	Difference
Industrials	30.5	15.8	14.7
Information Technology	15.7	19.4	-3.7
Consumer Discretionary	14.8	12.6	2.2
Financials	14.8	9.2	5.6
Health Care	12.1	8.9	3.2
Real Estate	7.4	9.2	-1.8
Consumer Staples	2.7	4.8	-2.1
Communication Services	1.4	4.4	-3.0
Materials	0.2	11.6	-11.4
Utilities	0.0	2.4	-2.4
Energy	0.0	1.8	-1.8
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 [www.msci.com](http://www.msci.com).

Source: FactSet Research Systems

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

	Fund	Benchmark	Difference
China/Hong Kong	31.7	16.1	15.6
India	31.2	26.7	4.5
Taiwan	8.8	23.1	-14.3
South Korea	8.6	16.2	-7.6
Indonesia	5.6	3.0	2.6
United States	5.4	0.0	5.4
Philippines	3.0	1.1	1.9
Vietnam	2.3	0.0	2.3
Thailand	1.2	4.4	-3.2
Bangladesh	1.0	0.0	1.0
Singapore	0.6	6.1	-5.5
Malaysia	0.0	3.3	-3.3
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)	0.0	0.0	0.0
Large Cap (\$10B-\$25B)	5.8	0.0	5.8
Mid Cap (\$3B-\$10B)	42.8	16.8	26.0
Small Cap (under \$3B)	50.0	83.2	-33.2
Unassigned	0.9	0.0	0.9
Cash and Other Assets, Less Liabilities	0.4	0.0	0.4

Source: FactSet Research Systems

## PORTFOLIO CHARACTERISTICS

	Fund	Benchmark
Number of Positions	63	1,594
Weighted Avg. Market Cap (in billions)	\$3.8	\$1.7
Active Share <sup>5</sup>	97.6	n.a.
P/E Using FY1 Estimates <sup>6</sup>	18.3x	11.5x
P/E Using FY2 Estimates <sup>6</sup>	15.3x	10.6x
Price/Cash Flow <sup>7</sup>	13.7	6.5
Price/Book <sup>8</sup>	2.8	1.3
Return on Equity <sup>9</sup>	8.5	13.2
EPS Growth (3 Years) <sup>10</sup>	-9.9%	9.7%

Source: FactSet Research Systems

- Holdings may combine more than one security from the same issuer and related depositary 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 AC Asia ex Japan Small Cap Index.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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 28/07/2022.

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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.

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.

## 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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