



# Investing in a World of Emerging Opportunities

Matthews | Q1 2025



# Matthews Capabilities

Independent, private, employee ownership drives long-term investment excellence

## Firm Facts (As of March 31, 2025)

80+ employees\*

23 investment professionals\*

- 10 years average firm tenure
- 19 years average EM & Asia investing

4,300+ company meetings in 2024

## Assets Under Management

Total	US\$6.3B
Regional	US\$3.4B
Single-Country	US\$2.9B

## Investment Vehicles

US Mutual Funds  
Exchange Traded Funds  
UCITS Funds  
Separate Accounts  
Institutional Comingled

## Core Investment Principles

Active Management  
Emerging Markets Specialist  
Deep Experience  
High Active Share  
Fundamental Research  
Risk Management  
Commitment to Perform & Inform

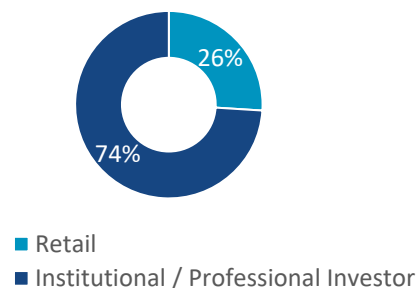
## Office Locations



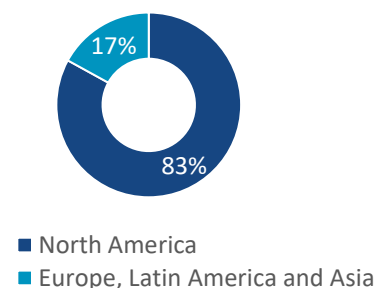
## A History of Innovation

- **1991**—Founded by Paul Matthews
- **1994**—U.S. 40 Act Mutual Fund established
- **2000**—Separate Account offerings
- **2010**—UCITS Fund launched
- **2015**—Sustainable Fund launched
- **2018**—Institutional comingled offerings
- **2022**—Active ETFs launched

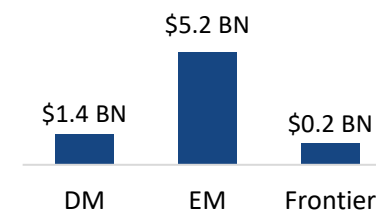
Client AUM by Type, US\$



Client AUM by Domicile, US\$



AUM by Markets Invested, US\$



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\*As of April 10, 2025

Note: AUM by type, domicile and markets invested data as of December 31, 2024

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# Why Sophisticated Investors *Actively* Partner with Matthews

## ● A Trusted and Experienced Guide

Pioneer investor in Emerging Markets and Asia, with a 33-year track record of generating excess returns in complex markets that demand deep expertise, operational skill and risk acumen

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## ● Active Management

Driven by intellectual curiosity seeking unique insights to build highly differentiated portfolios that capture distinctive alpha designed for client outcomes

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## ● Holistic Risk Management

Dynamic approach to risk across a range of economic and geopolitical cycles which leverages proprietary insights to identify strong governance and business sustainability in higher risk markets

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## ● Operational Expertise

Comprehensive operational and trading expertise developed over 30+years in opaque and complex public markets

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## ● Aligned With You

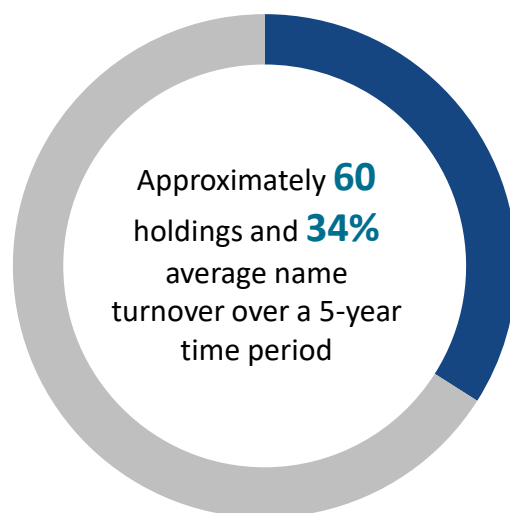
Commitment to achieving investment excellence from investment performance and deep insights to provide investment context

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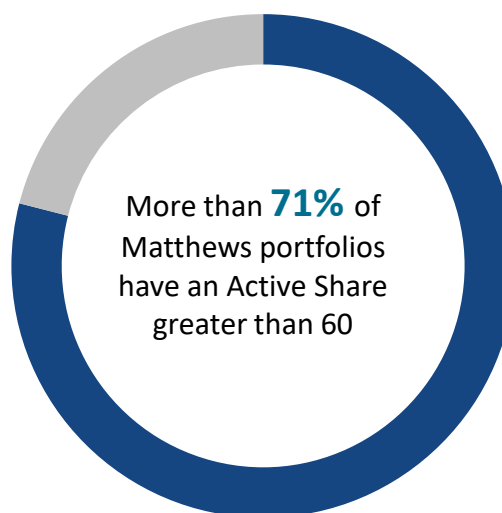


# Active Performance

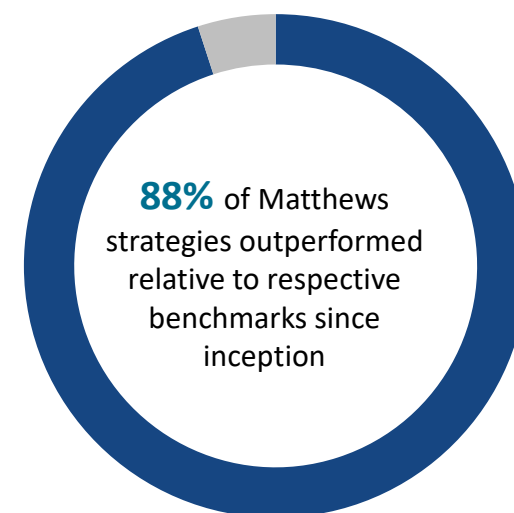
## High Conviction



## Highly Active



## Highly Effective



The performance, active share, and holdings data presented are of a representative portfolio across all composites managed by Matthews. Average name turnover figures represent data for U.S. registered pooled vehicles only. The performance results are net of advisory and other fees. **Past performance is no guarantee of future results, which may vary.** Indices are unmanaged and shown for comparative purposes only. It is not possible to invest directly in an index. Matthews' products and services are publicly registered or available in certain jurisdictions only. A list of composite descriptions, a list of limited distributed pooled fund descriptions, and a list of broad description pooled funds are available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Performance, Holdings and Active Share data as of March 31, 2025; Name turnover as of December 31, 2023.

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.

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# Strategies for Investing in Emerging Markets and Asia

Matthews offers a range of public equity strategies across the risk-reward spectrum

Emerging Markets	<b>GLOBAL EMERGING MARKETS</b>	<b>All Cap</b> <ul style="list-style-type: none"><li>— Emerging Markets Equity</li><li>— Emerging Markets Sustainable Future*</li><li>— Emerging Markets ex China</li></ul>	<b>Small and Mid Cap</b> <ul style="list-style-type: none"><li>— Emerging Markets Small Companies</li></ul>
Asia	<b>PAN ASIA</b>	<b>All Cap</b> <ul style="list-style-type: none"><li>— Asia Dividend</li><li>— Asia Growth</li></ul>	
	<b>EMERGING ASIA</b>	<b>All Cap</b> <ul style="list-style-type: none"><li>— Asia ex Japan Total Return Equity**</li><li>— Asia Innovators</li><li>— Asia ex China</li><li>— Pacific Tiger</li></ul>	<b>Small and Mid Cap</b> <ul style="list-style-type: none"><li>— Asia Discovery†</li></ul>
Single Country	<b>SINGLE COUNTRY</b>	<b>All Cap</b> <ul style="list-style-type: none"><li>— China</li><li>— China Dividend</li><li>— India</li><li>— Japan</li><li>— Korea</li></ul>	<b>Small and Mid Cap</b> <ul style="list-style-type: none"><li>— China Small Companies</li></ul>

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\*Formerly known as Asia ESG \*\*Formerly known as Asia ex Japan Dividend †Formerly known as Asia Small Companies

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# Investment Philosophy

Asian equity markets offer investors attractive long-term growth opportunities but are inherently volatile and idiosyncratic requiring:

- Extensive **on-the-ground research** that has resulted in company discovery and core / opportunistic investment opportunities
- An investment framework that combines **country analysis** with **bottom-up research** to generate differentiated and diversified alpha
- A **disciplined** and **repeatable** approach to portfolio construction that can adapt underlying exposure to evolving market conditions
- A deep understanding **performance drivers** in emerging markets: 1) earnings; 2) dividends; 3) valuations; 4) currency
- **Strong risk management** to manage stock, sector and country exposures in the portfolio and make active intentional risk decisions that contribute to generating compelling risk-adjusted returns



Parameters set by Matthews are subject to change. The statements above are based on the beliefs and assumptions of our portfolio management team and on the information currently available to our team at the time of such statements. Although we believe that the expectations reflected in these statements are reasonable, we can give no assurance that these expectations will prove to be correct.

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# Deep Expertise across Trading, Operations and Compliance

33 years of market understanding, relationships and execution

## Enterprise Risk Management

- Oversight by Matthews Enterprise Risk and Compliance Committee, comprised of members of the executive team
- Maintain a culture of risk awareness and identify/ mitigate risks that impact our business and our clients
  - Reputational
  - Investment
  - Strategic
  - Operational
  - Regulatory
  - Service Provider and Business Partner
  - Business Contingency

## Portfolio Guidelines and Restrictions

- Compliance Technology Platform (CTP) helps ensure portfolio monitoring and guideline adherence
- CTP includes automated compliance system for pre-trade and batch checks, investment guideline coding, controls for IPO trade approvals, coordination of corrective actions and periodic independent reviews



## Deep Investment Infrastructure

- Straight-through processing from order entry through settlement and reconciliation
- Best-in-Class Technology infrastructure from trading to allocation to reconciliation and reporting

## Trade Execution and Oversight Across Global Markets

- Trade Management Oversight Committee supervises all aspects of our trading activities
- Includes broker selection, best execution, soft dollars, trade aggregation and allocation, and trade error reviews

## Global Compliance Monitoring

- “Tone from the Top” starts at the executive level and flows down and across all employees to help create a positive culture of compliance at the firm
- Strong focus on governance, conflict management and risk identification with compliance policies and procedures spanning multiple jurisdictions and product types



# Matthews: Emerging Markets, Asia and China Equity Specialist

Global client base spanning institutional, professional, family offices, private banks and high net-worth investors



**Trusted,  
Experienced  
Partner**



**Active  
Performance  
30+ Years**  
invested in  
Emerging Markets & Asia



**Outcomes  
& Tailored  
Solutions**

Customization,  
Sustainability



**Global  
Perspective**

San Francisco, London,  
Hong Kong, New Jersey



**Holistic Risk  
Management  
MCAR**







# Matthews China Fund



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# Why Matthews for China?



## EXPERIENCE

26-year track record in a dedicated China Strategy



## FOCUS

Since 1991 we have managed equities in Emerging Markets and Asia;  
Today, we deploy a 20+ person investment team focused on generating great investment outcomes for clients



## EXPERTISE

Dedicated China team consists of three investment professionals with 75+ years of combined investment experience in this complex and fast-moving market

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# Matthews China Portfolio Overview

## Team Resources

### Portfolio Managers

□ Located in Asia



**Andrew Mattock, CFA**  
32 years of exp.

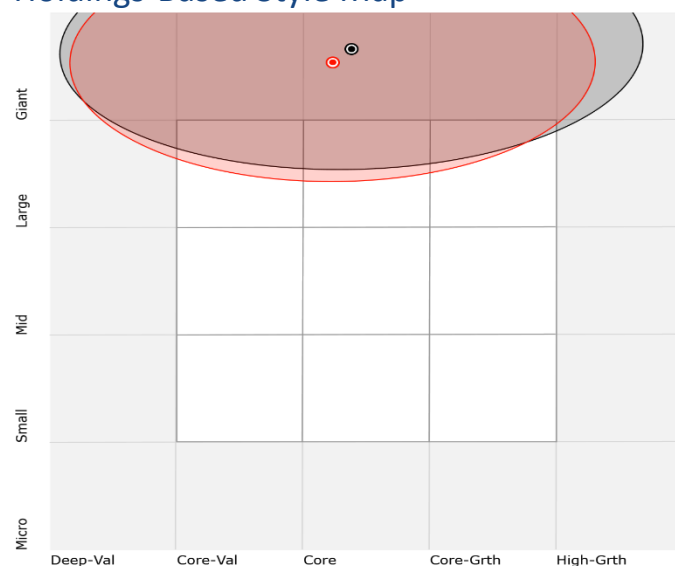


**Winnie Chwang**  
21 years of exp.



**Sherwood Zhang, CFA**  
24 years of exp.

### Holdings-Based Style Map\*\*



- Matthews China Fund (Investor)
- MSCI China Index

## FUND FACTS

### Investment Objective

Long-term capital appreciation

### Cap Range

All Cap

### Benchmarks

MSCI China Index  
MSCI China All Shares Index

### AUM (as of March 31, 2025):

\$392.4 million

### Inception Date

Investor Class: 02/19/98

Institutional Class: 10/29/10

### Ticker

Investor Class: MCHFX

Institutional Class: MICFX

### Gross Expense Ratio<sup>†</sup>

Investor Class: 1.25%

Institutional Class: 1.12%

<sup>†</sup>As of April 30, 2025

Note: Years of industry experience as of January 2025

\*\*Style map from Morningstar Direct and for illustrative purposes only.



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# Seasoned China Equities Team with a Long-Term Track Record

Supported by Knowledge Platforms, Strategists, and On-the-Ground Resources

○ Located in Asia  
○ Knowledge Platform Lead

## CHINA EQUITIES TEAM

CHINA TEAM		
China Knowledge Platform	 <b>Andrew Mattock, CFA</b> Portfolio Manager 32 years of exp.	 <b>Winnie Chwang</b> Portfolio Manager 21 years of exp.
	 <b>Sherwood Zhang, CFA</b> Portfolio Manager 24 years of exp.	
Innovation Knowledge Platform	 <b>Wenlin Zhao</b> Research Analyst 6 years of exp.	 <b>Jeremy Sutch, CFA</b> Portfolio Manager 31 years of exp.
	 <b>Kary Cheng</b> Research Analyst 6 years of exp.	
	 <b>Michael Oh, CFA</b> Portfolio Manager 25 years of exp.	 <b>Shuntaro Takeuchi</b> Portfolio Manager 24 years of exp.
	 <b>InBok Song</b> Portfolio Manager 21 years of exp.	 <b>Donghoon Han</b> Portfolio Manager 15 years of exp.



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# Matthews China Fund Investment Philosophy

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## All share approach

- Fund invests in mainland China-listed equity both in HK and on the mainland
- No current exposure to Taiwan

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## Fundamentally oriented and long-term focused

- Fundamental bottom-up stock selection with a focus on long-term value and cash flow
- GARP\* is core philosophy
- Companies with sustainable competitive advantage
- Operational management performance is reflected in consistent superior metrics

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## Concentrated, high conviction portfolio

- Basic belief that fewer stocks within the portfolio enhances research depth (and conviction) while seeking to mitigate the risk of stock selection mistakes

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## Tactical segment that seeks to capture earnings with cyclical exposure

- Not all stocks have long-term cash flow predictability—creating a need for a shorter-term investment horizon for a small percentage of the portfolio
- 

\*GARP=Growth at a Reasonable Price

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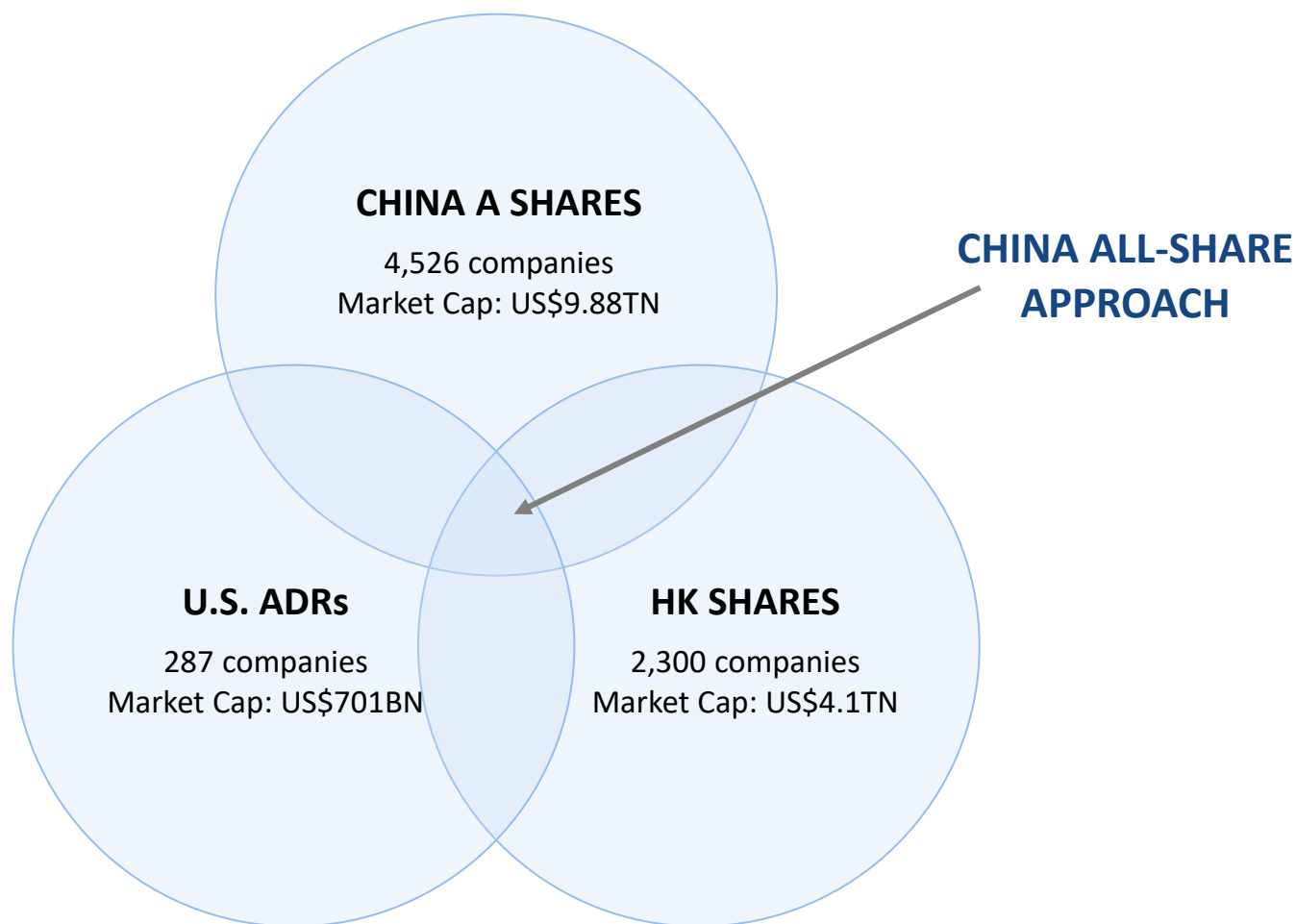


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# We Believe in an All-Share Approach to Investing in China

The Chinese equity investment universe comprises various share listings



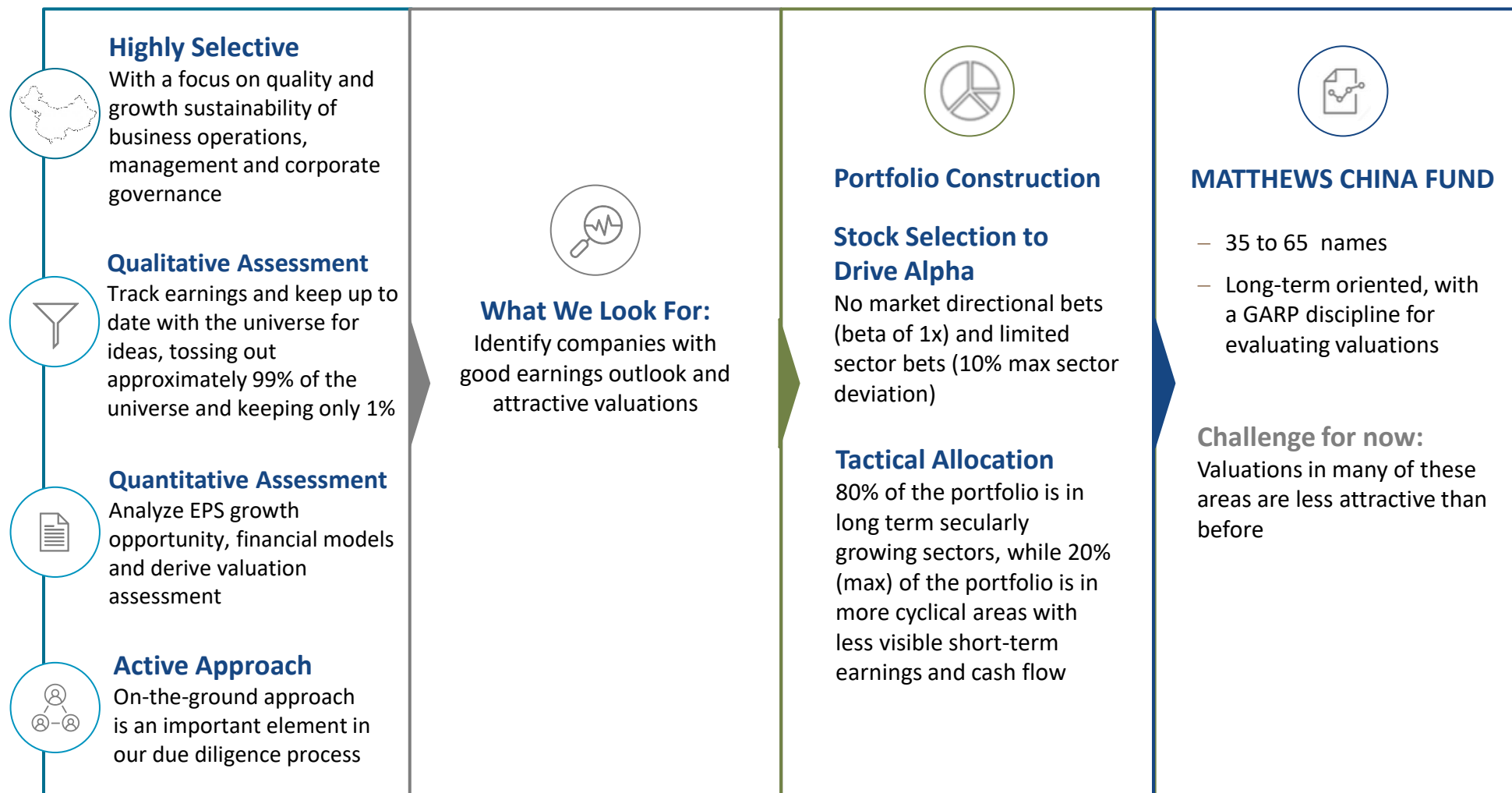
Universe of Chinese companies with market cap greater than US\$50 million.  
Sources: CEIC, Hong Kong Stock Exchange, Stock Analysis.com; data as of August 2024



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# Matthews China Fund Investment Process



# Idea Generation

Goal: Identify the Top 1% of the Universe



# Portfolio Construction and Monitoring

## PORTFOLIO CONSTRUCTION

### GROWTH SEEKING

- Focused on growth that is:
  - structural
  - long term
  - sustainable
  - high quality
- Future growth opportunities

### CORE PORTFOLIO

- Long-term cash flow predictability**  
Tend to prefer domestically oriented companies (e.g. companies in service sectors)
- Internet/E-Commerce
  - Health care
  - Life insurance
  - Logistics
  - New Energy
  - Semiconductor
  - Software

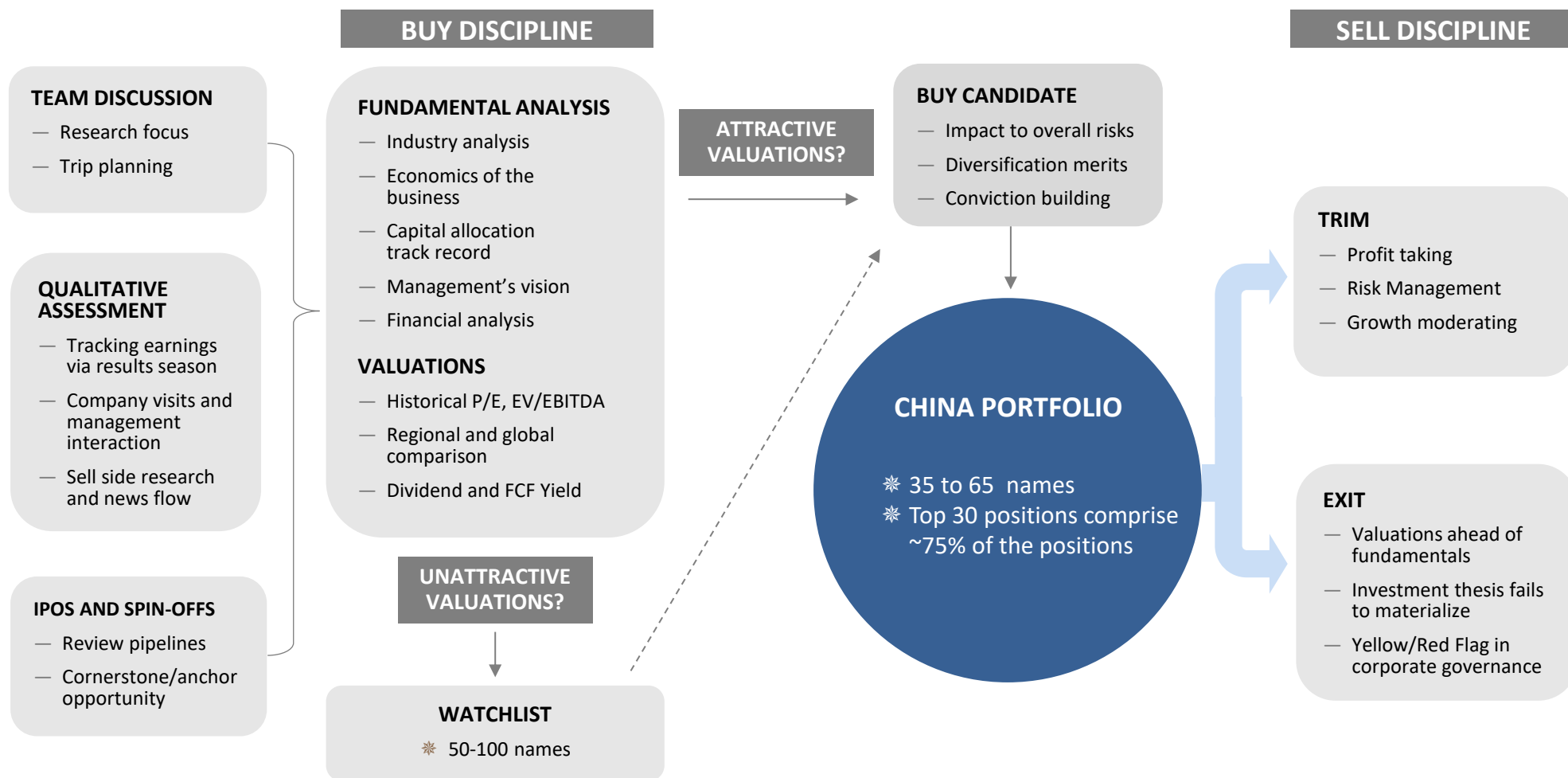
### CYCLICAL GROWTH

- Short-term cash flow predictability**  
Cash flows are less predictable but backed by compelling investment opportunities
- Property
  - Wealth Management

### FUNDAMENTAL ANALYSIS

- On the ground company visits
- Proprietary research models
- Competitive advantage
- Consistency of earnings delivery
- Priced under long term intrinsic value
- Continuous monitoring

# Buy/ Sell Discipline





# Why the Matthews China Fund—How our Portfolio is Different

Next top ten positions, as of February 28, 2025

COMPANY	%WEIGHT	SECTOR DESCRIPTION
China Merchants Bank - H	2.2%	Bank in China engaging in the provision of corporate and personal banking services
China Merchants Bank - A	2.1%	Bank in China engaging in the provision of corporate and personal banking services
PetroChina Company	1.9%	Manages and organizes international trade of crude oil, refined products, petrochemicals, natural gas and other businesses
China International Capital	1.9%	Operates as an international investment bank engaging in the provision of financial advisory services
China Life Insurance	1.9%	China-incorporated company that provides life insurance and annuity products
Contemporary Amperex Technology	1.8%	Global leader in new energy innovative technologies, committed to providing premier new energy solutions and services
KE Holdings	1.6%	Largest online real estate transaction platform in China
Shanghai Xinghuacun Fen Wine	1.6%	China-based company principally engaged in the distilling and distribution of liquor products
New China Life Insurance	1.5%	Offers insurance products such as life insurance policies, health and accident insurance products and services
Galaxy Entertainment Group	1.5%	Engages in the gaming and entertainment businesses in Macau, Hong Kong and Mainland China

Next top ten positions shown as of February 28, 2025 for positions 11 – 20 in the portfolio. This information does not, in any way, constitute investment advice. Portfolio holdings 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. The information does not constitute a recommendation to buy or sell any securities mentioned.

Sources: BNY Mellon Investment Servicing, Matthews

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# Portfolio Characteristics | Matthews China Fund

As of March 31, 2025

## SECTOR BREAKDOWN (%)

	Fund	Benchmark	Difference
Consumer Discretionary	29.1	32.3	-3.2
Financials	22.5	17.2	5.3
Communication Services	14.6	21.8	-7.2
Industrials	8.9	4.1	4.8
Information Technology	6.1	8.1	-2.0
Consumer Staples	6.1	3.7	2.4
Real Estate	4.7	1.8	2.9
Health Care	2.8	3.6	-0.8
Energy	2.5	2.6	-0.1
Materials	1.7	2.8	-1.1
Utilities	0.0	2.0	-2.0
Cash and Other Assets, Less Liabilities	1.1	0.0	1.1

## CHINA EXPOSURE (%)

	Fund
Hong Kong Listed Companies	64.3
Mainland China Listed Companies	22.9
ADR/GDR	11.2
Other	0.5
Cash and Other Assets, Less Liabilities	1.1

**Mainland China listed companies** includes **A Share 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.

**Benchmark: MSCI China Index**

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Sources: FactSet Research Systems, Inc., Matthews

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# Portfolio Characteristics | Matthews China Fund

As of March 31, 2025

## MARKET CAP EXPOSURE (%)

	Fund	Benchmark	Difference
Mega Cap (over \$25B)	64.4	74.8	-10.4
Large Cap (\$10B-\$25B)	19.4	13.2	6.2
Mid Cap (\$3B-\$10B)	9.9	11.9	-2.0
Small Cap (under \$3B)	5.2	0.0	5.2
Cash and Other Assets, Less Liabilities	1.1	0.0	1.1

## PORTFOLIO CHARACTERISTICS

	Fund
Weighted Average Market Cap	\$146.4 billion
P/E using FY1 Estimates*	11.0x
P/E using FY2 Estimates*	10.1x

**Benchmark: MSCI China 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.

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# Sector Allocation Changes 11/30/24 vs. 2/28/25

Sector	Portfolio Weight (%)		
	Nov-24	Feb-25	% Change
Communication Services	12.4	14.8	2.3
Consumer Discretionary	28.0	30.0	2.0
Consumer Staples	7.6	6.1	-1.5
Energy	3.4	2.4	-1.0
Financials	22.4	21.5	-0.9
Health Care	2.7	2.2	-0.5
Industrials	10.1	9.1	-1.0
Information Technology	4.2	6.8	2.5
Materials	2.2	1.7	-0.5
Real Estate	5.0	5.2	0.2

## Example of New Positions

- Lenovo Group
- China Overseas Grand Oceans
- Yuxiu Property

## Example of Exited Positions

- Sinopharm Group
- China Tourism Group Duty

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Source: FactSet Research Systems

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# Top Ten Holdings | Matthews China Fund

As of March 31, 2025

Company	Sector	%
Tencent Holdings, Ltd.	Communication Services	10.2
Alibaba Group Holding, Ltd.	Consumer Discretionary	8.7
JD.com, Inc.	Consumer Discretionary	4.6
PDD Holdings, Inc.	Consumer Discretionary	4.1
China Construction Bank Corp.	Financials	4.1
China Merchants Bank Co., Ltd.	Financials	4.0
Meituan Class B	Consumer Discretionary	4.0
Ping An Insurance Group Co. of China, Ltd.	Financials	3.2
DiDi Global, Inc.	Industrials	2.8
Wuliangye Yibin Co., Ltd.	Consumer Staples	2.3
<b>Total for Top 10</b>		<b>48.0%</b>

Top ten holdings may combine more than one security from the same issuer and related depositary receipts. This information does not, in any way, constitute investment advice. Portfolio holdings 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. The information does not constitute a recommendation to buy or sell any securities mentioned.

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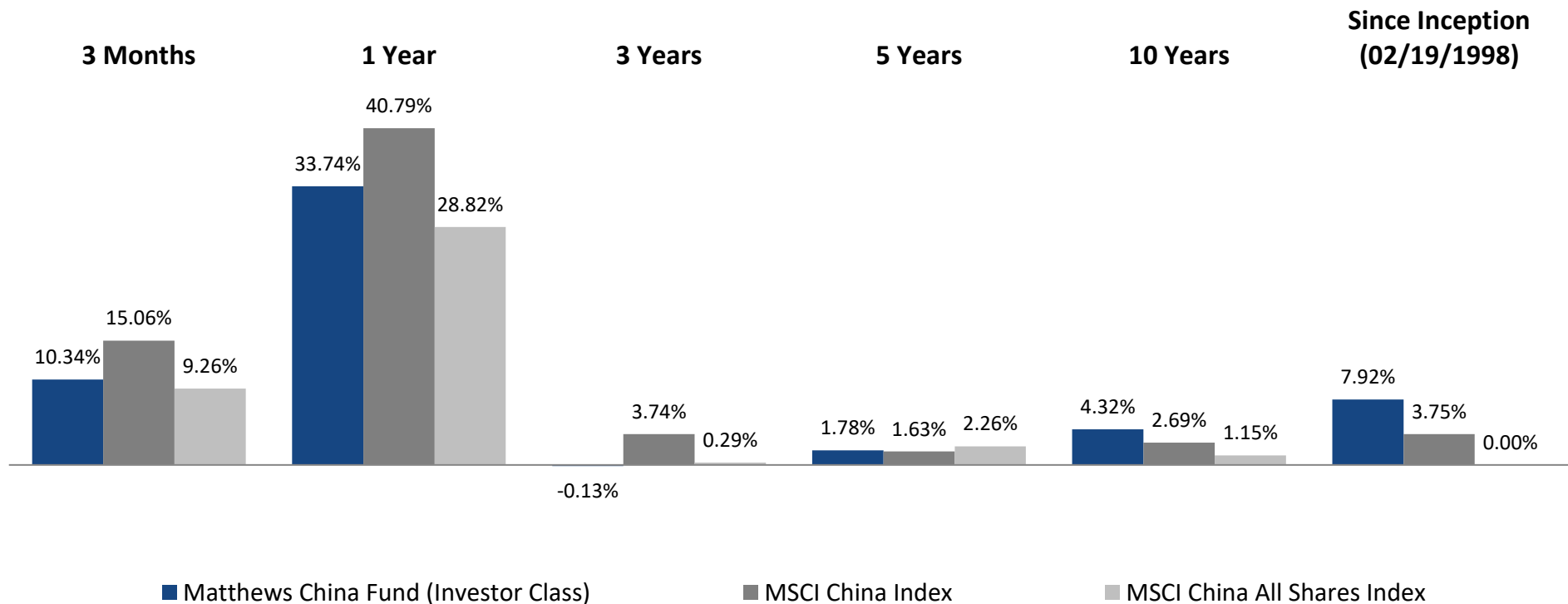
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# Investment Returns | Matthews China Fund

As of March 31, 2025

## AVERAGE ANNUAL TOTAL RETURNS



Assumes reinvestment of all dividends and/or distributions before taxes. 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 their original cost. Current performance may be lower or higher than the return figures quoted. Returns would have been lower if certain of the Fund's fees and expenses had not been waived. For the Fund's most recent month-end performance visit [matthewsasia.com](http://matthewsasia.com). Indexes are unmanaged and it is not possible to invest directly in an index. Please refer to disclosures for index definitions.

Index since inception value calculated from 02/19/1998

Sources: BNY Mellon Investment Servicing, Bloomberg, Matthews



# Competitive Returns | Matthews China Fund

As of March 31, 2025

## AVERAGE ANNUAL TOTAL RETURNS

	Year to Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Investor Class (MCHFX)	10.34%	33.74%	-0.13%	1.78%	4.32%	7.92%	2/19/98
Institutional Class (MICFX)	10.36%	33.86%	-0.02%	1.91%	4.47%	2.95%	10/29/10
MSCI China Index	15.06%	40.79%	3.74%	1.63%	2.69%	3.75% <sup>1</sup>	
MSCI China All Shares Index	9.26%	28.82%	0.29%	2.26%	1.15%	n.a	

<sup>1</sup> As of 02/28/1998

**Assumes reinvestment of all dividends and/or distributions before taxes. 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 their original cost. Current performance may be lower or higher than the return figures quoted. Returns would have been lower if certain of the Fund's fees and expenses had not been waived. For the Fund's most recent month-end performance visit [matthewsasiasia.com](http://matthewsasiasia.com). Indexes are unmanaged and it is not possible to invest directly in an index. Please refer to disclosures for index definition.**

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# Attribution by Sector | Matthews China Fund

First Quarter 2025

Published Portfolio Return <sup>1</sup>	10.34%
Published Benchmark Return	15.06%
Published Relative Return <sup>2</sup>	-4.72%
Attributable Portfolio Return	10.50%
Attributable Relative Return	-4.56%

1 Published portfolio return represents that of the Investor Share Class.

2 The published relative return is calculated as the difference of the published benchmark return from the published portfolio return.

## Benchmark: MSCI China Index

The attribution report shows the extent to which the portfolio manager's strategies affect a fund's performance relative to the performance of the fund's benchmark index. Allocation Effect shows the effect on fund performance of either over- or under-weighting a market (a sector, country or region, depending on the type of fund) relative to its benchmark. Selection + Interaction Effect shows how the decision to hold individual securities within the particular sector, country or region performed relative to the benchmark.

Attributed performance is calculated using FactSet Research Systems, Inc. The methodology of calculation is different from the published NAV and will not match performance based on the published NAV. Performance shown is historical and no guarantee of future results. Current performance may be lower or higher. Returns current to the most recent month-end are available at [matthewsasiasia.com](http://matthewsasiasia.com). Investment returns and principal value will fluctuate so that when redeemed, shares may be worth more or less than their original cost. Benchmark performance is unaudited.

Please refer to the disclosures for index definition. Unassigned may include fees, expense accruals, offsets, warrants and rights.

	Average Portfolio Wt	Average Benchmark Wt	Allocation Effect	Selection + Interaction Effect	Total Effect
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>-1.99</b>	<b>-2.58</b>	<b>-4.56</b>
<b>Utilities</b>	0.00	2.14	0.48	0.00	0.48
<b>Energy</b>	3.08	2.80	-0.15	0.27	0.12
<b>Communication Services</b>	14.44	21.50	-0.16	0.01	-0.15
<b>Industrials</b>	9.44	4.43	-0.94	0.71	-0.23
<b>Financials</b>	21.90	17.65	-0.25	-0.01	-0.26
<b>Health Care</b>	2.32	3.42	-0.01	-0.27	-0.28
<b>Materials</b>	1.81	2.78	0.01	-0.32	-0.31
<b>Consumer Staples</b>	6.42	3.78	-0.27	-0.26	-0.53
<b>Real Estate</b>	4.79	1.79	-0.17	-0.64	-0.81
<b>Consumer Discretionary</b>	29.06	31.55	-0.13	-0.94	-1.06
<b>Information Technology</b>	5.72	8.16	-0.17	-1.05	-1.22
<b>Cash</b>	1.17	0.00	0.01	0.00	0.01
<b>Unassigned</b>	-0.15	0.00	-0.24	-0.09	-0.33



# Attribution by Sector | Matthews China Fund

One Year March 31, 2024 to March 31, 2025

Published Portfolio Return <sup>1</sup>	33.74%
Published Benchmark Return	40.79%
Published Relative Return <sup>2</sup>	-7.05%
Attributable Portfolio Return	34.47%
Attributable Relative Return	-6.32%

1 Published portfolio return represents that of the Investor Share Class.

2 The published relative return is calculated as the difference of the published benchmark return from the published portfolio return.

## Benchmark: MSCI China Index

The attribution report shows the extent to which the portfolio manager's strategies affect a fund's performance relative to the performance of the fund's benchmark index. Allocation Effect shows the effect on fund performance of either over- or under-weighting a market (a sector, country or region, depending on the type of fund) relative to its benchmark. Selection + Interaction Effect shows how the decision to hold individual securities within the particular sector, country or region performed relative to the benchmark.

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	Average Portfolio Wt	Average Benchmark Wt	Allocation Effect	Selection + Interaction Effect	Total Effect
<b>Total Portfolio</b>	<b>100.00</b>	<b>100.00</b>	<b>-2.87</b>	<b>-3.45</b>	<b>-6.32</b>
<b>Financials</b>	20.86	17.44	0.75	2.27	3.02
<b>Utilities</b>	0.00	2.50	0.77	0.00	0.77
<b>Energy</b>	3.11	3.42	0.03	0.18	0.21
<b>Communication Services</b>	14.85	21.76	-0.05	-0.06	-0.11
<b>Industrials</b>	9.28	4.85	-1.28	1.15	-0.13
<b>Consumer Discretionary</b>	29.29	30.34	0.40	-0.81	-0.41
<b>Health Care</b>	2.91	3.73	0.02	-0.43	-0.41
<b>Real Estate</b>	4.87	1.98	-0.69	0.26	-0.42
<b>Materials</b>	2.06	3.17	0.29	-0.97	-0.68
<b>Consumer Staples</b>	7.09	4.20	-1.30	-0.62	-1.92
<b>Information Technology</b>	4.83	6.62	-1.11	-4.16	-5.27
<b>Cash</b>	1.03	0.00	0.68	0.00	0.68
<b>Unassigned</b>	-0.17	0.00	-1.39	-0.26	-1.65



# Attribution by Sector | Matthews China Fund

Three Years March 31, 2022 to March 31, 2025

Published Portfolio Return <sup>1</sup>	-0.13%
Published Benchmark Return	3.74%
Published Relative Return <sup>2</sup>	-3.87%
Attributable Portfolio Return	0.43%
Attributable Relative Return	-3.38%

1 Published portfolio return represents that of the Investor Share Class.

2 The published relative return is calculated as the difference of the published benchmark return from the published portfolio return.

Benchmark: MSCI China Index

The attribution report shows the extent to which the portfolio manager's strategies affect a fund's performance relative to the performance of the fund's benchmark index. Allocation Effect shows the effect on fund performance of either over- or under-weighting a market (a sector, country or region, depending on the type of fund) relative to its benchmark. Selection + Interaction Effect shows how the decision to hold individual securities within the particular sector, country or region performed relative to the benchmark.

Attributed performance is calculated using FactSet Research Systems, Inc. The methodology of calculation is different from the published NAV and will not match performance based on the published NAV. Performance shown is historical and no guarantee of future results. Current performance may be lower or higher. Returns current to the most recent month-end are available at [matthewsasiasia.com](http://matthewsasiasia.com). Investment returns and principal value will fluctuate so that when redeemed, shares may be worth more or less than their original cost. Benchmark performance is unaudited.

Please refer to the disclosures for index definition. Unassigned may include fees, expense accruals, offsets, warrants and rights.

	Average Portfolio Wt	Average Benchmark Wt	Allocation Effect	Selection + Interaction Effect	Total Effect
<b>Total Portfolio</b>	<b>100.00</b>	<b>100.00</b>	<b>-2.07</b>	<b>-1.31</b>	<b>-3.38</b>
<b>Consumer Discretionary</b>	32.39	29.62	0.03	1.63	1.67
<b>Utilities</b>	0.36	2.55	0.22	-0.13	0.08
<b>Health Care</b>	4.22	5.12	0.11	-0.09	0.01
<b>Industrials</b>	9.28	5.33	-0.26	0.24	-0.01
<b>Materials</b>	1.94	3.37	0.07	-0.20	-0.14
<b>Energy</b>	1.67	3.08	-0.39	0.17	-0.22
<b>Communication Services</b>	12.11	20.02	-0.34	0.06	-0.28
<b>Consumer Staples</b>	5.72	5.40	-0.38	0.04	-0.33
<b>Financials</b>	18.13	16.43	0.39	-0.77	-0.38
<b>Real Estate</b>	5.62	2.81	-0.61	-0.77	-1.38
<b>Information Technology</b>	7.99	6.20	-0.54	-1.01	-1.55
<b>Cash</b>	0.72	0.00	0.30	0.00	0.30
<b>Unassigned</b>	-0.15	0.07	-0.67	-0.48	-1.15



# Attribution by Sector | Matthews China Fund

Five Years March 31, 2020 to March 31, 2025

Published Portfolio Return <sup>1</sup>	1.78%
Published Benchmark Return	1.63%
Published Relative Return <sup>2</sup>	0.15%
Attributable Portfolio Return	2.36%
Attributable Relative Return	0.60%

<sup>1</sup> Published portfolio return represents that of the Investor Share Class.

<sup>2</sup> The published relative return is calculated as the difference of the published benchmark return from the published portfolio return.

**Benchmark: MSCI China Index**

The attribution report shows the extent to which the portfolio manager's strategies affect a fund's performance relative to the performance of the fund's benchmark index. Allocation Effect shows the effect on fund performance of either over- or under-weighting a market (a sector, country or region, depending on the type of fund) relative to its benchmark. Selection + Interaction Effect shows how the decision to hold individual securities within the particular sector, country or region performed relative to the benchmark.

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Please refer to the disclosures for index definition. Unassigned may include fees, expense accruals, offsets, warrants and rights.

	Average Portfolio Wt	Average Benchmark Wt	Allocation Effect	Selection + Interaction Effect	Total Effect
<b>Total Portfolio</b>	<b>100.00</b>	<b>100.00</b>	<b>-0.05</b>	<b>0.65</b>	<b>0.60</b>
<b>Consumer Discretionary</b>	29.63	30.80	0.44	1.23	1.67
<b>Industrials</b>	8.77	5.08	0.58	0.27	0.84
<b>Financials</b>	19.25	15.69	0.25	0.48	0.73
<b>Information Technology</b>	8.76	6.07	-0.41	0.53	0.13
<b>Communication Services</b>	12.63	20.06	-0.02	0.12	0.10
<b>Consumer Staples</b>	4.41	5.31	-0.25	0.31	0.06
<b>Utilities</b>	0.53	2.38	0.10	-0.09	0.01
<b>Materials</b>	3.25	3.06	0.42	-0.42	0.00
<b>Health Care</b>	5.25	5.46	0.21	-0.25	-0.03
<b>Energy</b>	1.00	2.52	-0.42	0.11	-0.31
<b>Real Estate</b>	5.35	3.44	-0.45	-0.86	-1.30
<b>Cash</b>	1.27	0.00	-0.04	0.00	-0.04
<b>Unassigned</b>	-0.12	0.11	-0.47	-0.79	-1.26



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# Attribution Disclosure

Performance attribution reports are calculated with a holdings-based methodology using software supplied by FactSet Research Systems, Inc. The performance shown will not equate to the standard, published performance for the Fund. The quarterly or annual periods shown in the attribution reports should be considered short-term, while it is appropriate to have a long-term horizon when investing in a mutual fund. Fund performance should be evaluated over such a long-term horizon. Relative performance in a particular sector or country over a short period, and relative performance due to asset allocation or stock selection over a short period is no indication or guarantee of performance over longer time horizons. The sector or country allocation shown may not be representative of the Fund's current or future investments. None of the data displayed should be considered as a recommendation.



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# Matthews China Fund Investment Team

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## ANDREW MATTOCK, CFA

Andrew Mattock is a Portfolio Manager at Matthews. Prior to joining Matthews in 2015, he was a Fund Manager at Henderson Global Investors for 15 years, first in London and then in Singapore, managing Asia Pacific equities. Andrew holds a Bachelor of Business majoring in Accounting from ACU. He began his career at PricewaterhouseCoopers and qualified as a Chartered Accountant.

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## WINNIE CHWANG

Winnie Chwang is a Portfolio Manager at Matthews. She joined the firm in 2004 and has built her investment career at the firm. Winnie earned an MBA from the Haas School of Business and received her B.A. in Economics with a minor in Business Administration from the University of California, Berkeley. She is fluent in Mandarin and conversational in Cantonese.

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## SHERWOOD ZHANG, CFA

Sherwood Zhang is a Portfolio Manager at Matthews. Prior to joining Matthews in 2011, Sherwood was an analyst at Passport Capital from 2007 to 2010, where he focused on such industries as property and basic materials in China as well as consumer-related sectors. Before earning his MBA in 2007, Sherwood served as a Senior Treasury Officer for Hang Seng Bank in Shanghai and Hong Kong, and worked as a Foreign Exchange Trader at Shanghai Pudong Development Bank in Shanghai. He received his MBA from the University of Maryland and his Bachelor of Economics in Finance from Shanghai University. Sherwood is fluent in Mandarin and speaks conversational Cantonese.

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# Disclosure

*You should carefully consider the investment objectives, risks, charges and expenses of the Matthews Asia Funds before making an investment decision. Please read the prospectus carefully before investing.*

Investment involves risk. Past performance is no guarantee of future results. 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. Investments involve risks, including possible loss of principal. Investments in international, emerging and frontier markets involve risks such as economic, social and political instability, market illiquidity, currency fluctuations, high levels of volatility, and limited regulation, which may adversely affect the value of the Fund's assets. Additionally, investing in emerging and frontier securities involves greater risks than investing in securities of developed markets, as issuers in these countries generally disclose less financial and other information publicly or restrict access to certain information from review by non-domestic authorities. Emerging and frontier markets tend to have less stringent and less uniform accounting, auditing and financial reporting standards, limited regulatory or governmental oversight, and limited investor protection or rights to take action against issuers, resulting in potential material risks to investors.

Investing in small- and mid-size companies is more risky than investing in larger companies as they may be more volatile and less liquid than large companies. In addition, single-country funds may be subject to a higher degree of market risk than diversified funds because of concentration in a specific industry, sector or geographic location. Pandemics and other public health emergencies can result in market volatility and disruption.

The value of an investment in the Fund can go down as well as up. The information contained herein has been derived from sources believed to be reliable and accurate at the time of compilation, but no representation or warranty (express or implied) is made as to the accuracy or completeness of any of this information. Matthews Asia and its affiliates do not accept any liability for losses either direct or consequential caused by the use of this information.

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# Index Definitions

The Bloomberg European 500 Index is a free float capitalization-weighted index of the 500 most highly capitalized European companies.

The iShares MSCI Emerging Markets ETF (EEM) is an exchange-traded fund incorporated in the USA. The ETF tracks the performance of the MSCI TR Emerging Markets Index. The ETF holds emerging market stocks that can predominantly be classified as large and mid-cap.

The iShares MSCI Europe Small-Cap ETF seeks to track the investment results of an index composed of small-capitalization developed market equities in Europe.

The iShares MSCI Frontier 100 ETF seeks to track the investment results of an index composed of frontier market equities.

The MSCI All Country Asia ex Japan Index is a free float-adjusted market capitalization-weighted index of the stock markets of China, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan and Thailand.

The MSCI All Country Asia ex Japan Small Cap Index is a free float-adjusted market capitalization-weighted index of small cap index of the stock markets of China, Hong Kong, India, Indonesia, Japan, Malaysia, Philippines, Singapore, South Korea, Taiwan and Thailand.

The MSCI All Country Asia Pacific Index is a free float-adjusted market capitalization-weighted index of the stock markets of Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, South Korea, Taiwan and Thailand.

The MSCI All Country World Index (ACWI) captures large and mid cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. With 2,489 constituents, the index covers approximately 85% of the global investable equity opportunity set.

The MSCI Australia Index is a free float-adjusted, market capitalization-weighted index of equity market performance in Australia.

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, 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).

The MSCI China All Shares Index captures large and mid-cap representation across China A-shares, B-shares, H-shares, Red-chips, P-chips and foreign listings (e.g. ADRs).

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).

The MSCI EAFE Index is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada.

The MSCI Emerging Markets (EM) Asia Index captures large and mid cap representation across 9 Emerging Markets countries. With 567 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The MSCI Emerging Markets Index is a free float-adjusted market capitalization-weighted index of the stock markets of Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Russia, Saudi Arabia, South Africa, South Korea, Taiwan, Thailand, Turkey and United Arab Emirates.

The MSCI Emerging Markets Equity Index captures large and mid cap representation across 23 Emerging Markets (EM) countries. With 829 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The MSCI Emerging Markets (EM) Latin America Index captures large and mid-cap representation across 5 Emerging Markets (EM) countries in Latin America. With 110 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The MSCI Emerging Markets EMEA Index captures large and mid cap representation across 10 Emerging Markets (EM) countries in Europe, the Middle East and Africa (EMEA). With 163 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The MSCI Europe Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. The MSCI Europe Index consists of the following 15 developed market country indexes: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

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# Index Definitions

The MSCI Europe Small Cap Index captures small cap representation across the 15 Developed Markets (DM) countries in Europe. With 985 constituents, the index covers approximately 14% of the free float-adjusted market capitalization in the European equity universe.

The MSCI Frontier Markets Index captures large and mid cap representation across 29 Frontier Markets (FM) countries. The index includes 110 constituents, covering about 85% of the free float-adjusted market capitalization in each country.

The MSCI India Index is a free float-adjusted market capitalization index that is designed to measure the performance of the large and mid -cap segments of the Indian market.

The MSCI India Small Cap Index is designed to measure the performance of the small cap segment of the Indian market. With 253 constituents, the index represents approximately 14% of the free float-adjusted market capitalization of the India equity universe.

The MSCI Japan Index is a free float-adjusted market capitalization-weighted index of Japanese equities listed in Japan. The MSCI Japan Value Index captures large and mid cap Japanese securities exhibiting overall value style characteristics. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 173 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI Japan Index.

The MSCI Japan Growth Index is a free-float weighted equity index.

The MSCI Japan Small Cap Index is designed to measure the performance of the small cap segment of the Japanese market. With 926 constituents, the index represents approximately 14% of the free float-adjusted market capitalization of the Japan equity universe.

The MSCI Japan Value Index captures large and mid cap Japanese securities exhibiting overall value style characteristics. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 176 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI Japan Index.

The Korea Composite Stock Price Index (KOSPI) is a capitalization-weighted index of all common stocks listed on the Korea Stock Exchange.

The MSCI United Kingdom Index is a free float-adjusted market capitalization index designed to measure the performance of the large and mid-cap segments of the UK market.

The MSCI USA Index is a free float adjusted market capitalization index that is designed to measure large and mid cap US equity market performance.

The MSCI USA Small Cap Index is designed to measure the performance of the small cap segment of the US equity market. With 1,782 constituents, the index represents approximately 14% of the free float-adjusted market capitalization in the US.

The Russell 2000 index is an index measuring the performance approximately 2,000 small-cap companies in the Russell 3000 Index, which is made up of 3,000 of the biggest U.S. stocks. The Russell 2000 serves as a benchmark for small-cap stocks in the United States. The weighted average market capitalization for companies in the Russell 2000 is about US\$1.3 billion and the index itself is frequently used as a benchmark for small-cap mutual funds.

The S&P 500 Index is a broad market-weighted index dominated by blue-chip stocks in the U.S.

The S&P Bombay Stock Exchange 100 (S&P BSE 100) Index is a free float-adjusted market capitalization-weighted index of 100 stocks listed on the Bombay Stock Exchange.

The SSE Composite Index also known as SSE Index is a stock market index of all stocks that are traded at the Shanghai Stock Exchange.

The Shanghai Stock Exchange Composite Index is a capitalization-weighted index. The index tracks the daily price performance of all A-shares and B-shares listed on the Shanghai Stock Exchange.

The STOXX Europe 600 Index is derived from the STOXX Europe Total Market Index (TMI) and is a subset of the STOXX Global 1800 Index. With a fixed number of 600 components, the STOXX Europe 600 Index represents large, mid and small capitalization companies across 18 countries of the European region: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

The Tokyo Stock Price Index (TOPIX) is a capitalization-weighted index of all companies listed on the First Section of the Tokyo Stock Exchange.

The TOPIX Small Index is a capitalization-weighted index designed to measure the performance of the stocks listed on the First Section of the Tokyo Stock Exchange, excluding the TOPIX 500 stocks and non-eligible stocks.

Indexes are unmanaged and it is not possible to invest directly in an index.

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# Glossary

CAGR (Compound Annual Growth Rate) is the year-over-year growth rate of an investment over a specified period of time.

DCF (Discounted Cash Flow) is a valuation method used to estimate the attractiveness of an investment opportunity. DCF analysis uses future free cash flow projections and discounts them to arrive at a present value estimate, which is used to evaluate the potential for investment.

EBIT Margin (Earnings Before Interest and Taxation Margin) is a profitability measure equal to EBIT divided by net revenue. This value is useful when comparing multiple companies, especially within a given industry, and also helps evaluate how a company has grown over time.

EBITDA (Earnings Before Interest and Taxation, Depreciation and Amortization) is a measure of a company's earnings before considering the financing of that company (the share of equity capital and debt employed), and disregarding potential depreciation and amortization policies, which can be very different. EBITDA allows like-for-like comparisons between different companies' performance.

EPS (Earnings per Share) 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 on issue.

EVA (Economic Value Added) is a measure of a company's financial performance based on the residual wealth calculated by deducting cost of capital from its operating profit (adjusted for taxes on a cash basis).

EV/EBITDA (Enterprise Multiple) is a ratio used to determine the value of a company. The enterprise multiple looks at a firm as a potential acquirer would, because it takes debt into account - an item which other multiples like the P/E ratio do not include.

EV (Enterprise Value) is a measure of a company's value, often used as an alternative to straightforward market capitalization. Enterprise value is calculated as market cap plus debt, minority interest and preferred shares, minus total cash and cash equivalents.

FCF (Free Cash Flow) is a measure of financial performance calculated as operating cash flow minus capital expenditures. Free cash flow (FCF) represents the cash that a company is able to generate after laying out the money required to maintain or expand its asset base.

Forward P/E (Forward Price to Earnings) is a measure of the price-to-earnings ratio (P/E) using forecasted earnings for the P/E calculation. While the earnings used are just an estimate and are not as reliable as current earnings data, there still may be benefit in estimated P/E analysis. The forecasted earnings used in the formula can either be for the next 12 months or for the next full-year fiscal period.

Gross Margin is a company's total sales revenue minus its cost of goods sold, divided by the total sales revenue, expressed as a percentage. The gross margin represents the percent of total sales revenue that the company retains after incurring the direct costs associated with producing the goods and services sold by a company.

Net Margin is the ratio of net profits to revenues for a company or business segment—typically expressed as a percentage—that shows how much of each dollar earned by the company is translated into profits. It is calculated by dividing net profit by revenue.

Operating Margin is a ratio used to measure a company's pricing strategy and operating efficiency. Operating margin is a measurement of what proportion of a company's revenue is left over after paying for variable costs of production.

P/E Ratio (Price-to-Earnings Ratio) is a valuation ratio of a company's current share price compared to its per-share earnings, calculated as marketing value per share divided by earnings per share (EPS).

P/B Ratio (Price-to-Book 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.

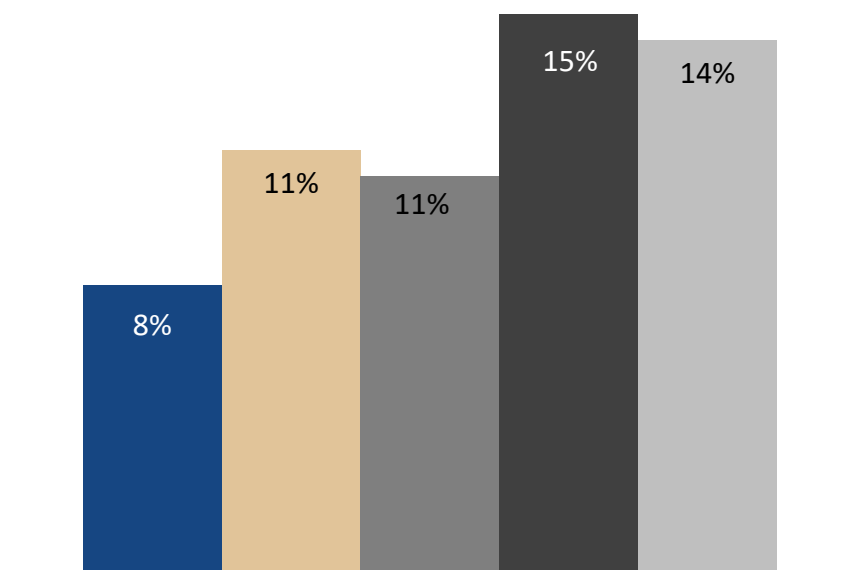
PPP (Purchasing Power Parity) is an economic theory that estimates the amount of adjustment needed on the exchange rate between countries in order for the exchange to be equivalent to each currency's purchasing power.

ROE (Return on Equity) 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.

ROIC (Return on Invested Capital) is a calculation used to assess a company's efficiency at allocating the capital under its control to profitable investments. The return on invested capital measure gives a sense of how well a company is using its money to generate returns.

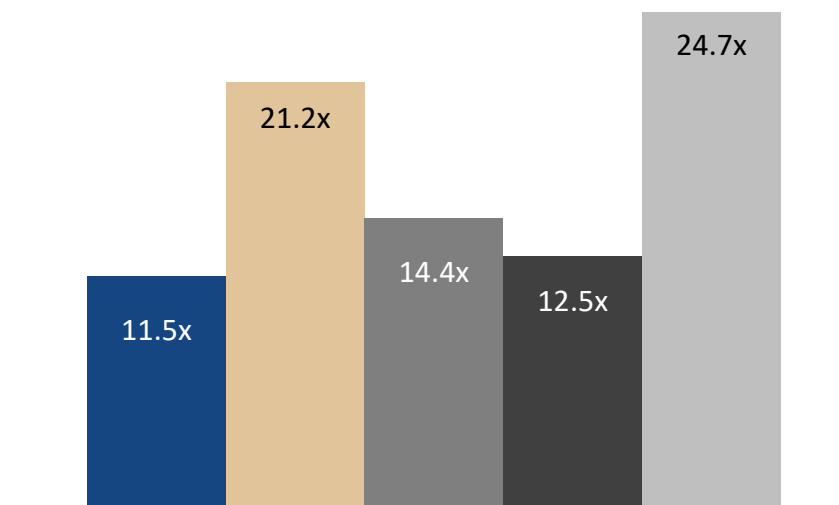
# China Currently Priced Attractively Against Global Indices

**GROWTH (EARNINGS)\***



CY 2024 EPS Growth, Annualized\*

**VALUATION (P/E)**



2024 Price-to-Earnings Ratio

■ China

■ U.S.

■ MSCI EAFE

■ MSCI Emerging Markets

■ MSCI India

\*Estimates as of March 31, 2025, for companies that provided forward looking EPS. For EPS Growth, China and U.S. data are for the universe as defined by FactSet Research Systems. For Valuation (P/E) data, China is represented by the MSCI China Index and U.S. is represented by the S&P 500 Index. There is no guarantee that estimated EPS growth will be achieved. Indexes are unmanaged and it is not possible to invest directly in an index.

Sources: FactSet Research Systems; data as of March 31, 2025

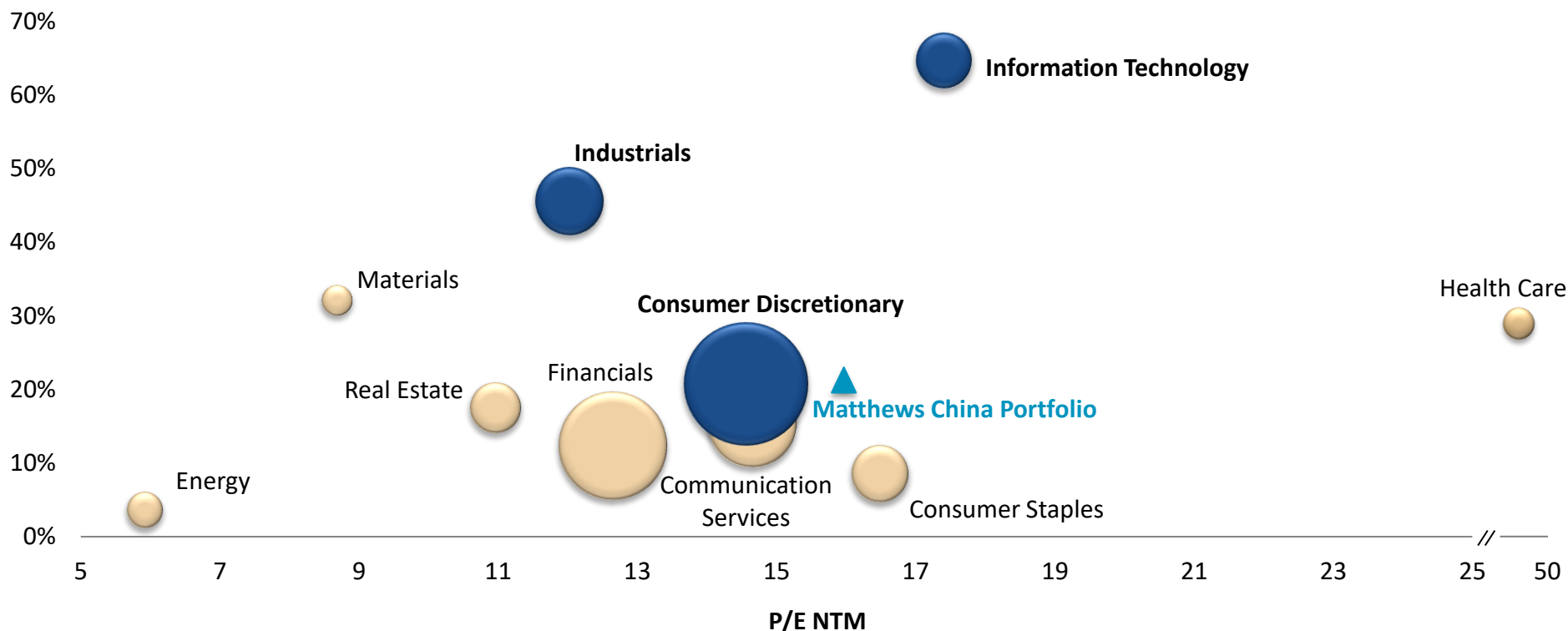
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# Why Matthews China—We Invest in Structural Growth Sectors

## 3-YEAR EPS CAGR\*



\*CAGR=Compound Annual Growth Rate

Note: The portfolio has a 1.1% weighting in Cash as of March 31, 2025.

Each bubble represents a plotting of the weighted averages for the noted data for the portfolio companies as grouped by GICS sector. The 3 year forward estimated EPS CAGR and P/E ratio data as of March 31, 2025 are for all securities held in the portfolio. Bubble sizes are in proportion to the portfolio weight percentage. There is no guarantee that the composition of the portfolio will remain unchanged. The forward price per earnings ratio ("Forward P/E") is calculated by dividing the market price per share by the forecasted earnings per share for the next 12 months using weighted harmonic mean and excludes negative figures. There is no guarantee any estimates or projections will be realized.

Sources: FactSet Research Systems, Matthews; data as of March 31, 2025

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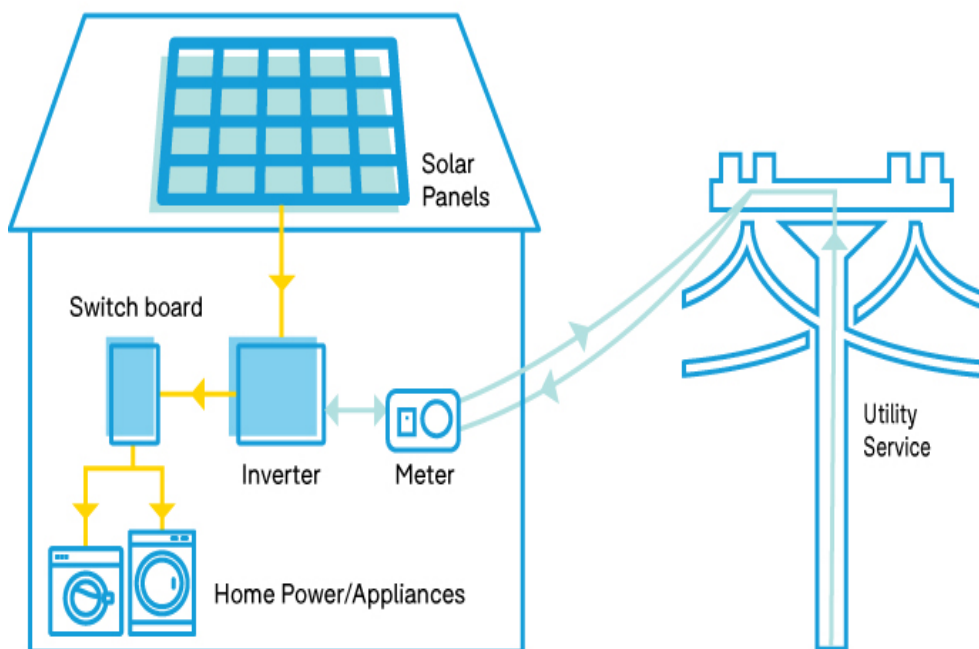
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# Case Study | Sungrow

Solar component manufacturer has benefited from renewable energy growth



## MACRO INVESTMENT THESIS

- China's carbon neutrality 2060 plans significant volume expansion opportunities across the solar chain

## BOTTOM-UP ASSESSMENT

- Strong execution by the company has meant that its global market share has grown considerably over the past decade
- Strong product offering in the high-end inverter space
- Opportunity to expand total addressable market to further expand as the energy storage system market grows
- Strong financials with improving profitability and cashflow profiles

The information in this case study is presented solely to illustrate Matthews Asia's investment process. It should not be considered a recommendation of the security discussed (the "Security"), nor a representation as to whether the Security is currently held by the Fund. The results of any possible investment in the Security are not representative of the results of other investments by the Fund. Performance of the Fund and a list of current holdings as of a recent date are available at [matthewsasiasia.com](http://matthewsasiasia.com). **Past performance is no guarantee of future results.** The statements above are based on the beliefs and assumptions of our portfolio management team and on the information currently available to our team at the time of such statements. Although we believe that the expectations reflected in these statements are reasonable, we can give no assurance that these expectations will prove to be correct.

Source: Company report

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