

## RATINGS

Overall Morningstar Rating™ ★★★

## FUND FACTS (USD)

Total Fund Assets	\$4.4 million
Total # of Positions	48
Weighted Average Market Cap	\$1.5 billion
Benchmark	MSCI China Small Cap Index
Management Fee	1.50%
Minimum Initial Investment	\$1,000/£500
Minimum Subsequent Investment	\$500/£250
Fund Domicile	Luxembourg
Available Share Classes	A, I
Base Currency	USD
Net Asset Value	
A Acc (USD)	\$13.29

## PORTFOLIO MANAGEMENT

**Tiffany Hsiao, CFA**  
Lead Manager  
**Kenichi Amaki**  
Co-Manager

## MATTHEWS ASIA

Matthews International Capital Management, LLC ("Matthews Asia"), the Fund Manager to Matthews Asia Funds, believes in the long-term growth of Asia, one of the world's fastest-growing regions. Since 1991, we have focused our efforts and expertise in these countries, investing through a variety of market environments. Matthews Asia employs a bottom-up, fundamental investment philosophy with a focus on long-term investment performance. As of 30 September 2016, Matthews Asia had US\$28.1 billion in assets under management.

## CONTACT INFORMATION

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# China Small Companies Fund

## Class A Shares

Matthews Asia Funds  
30 September 2016

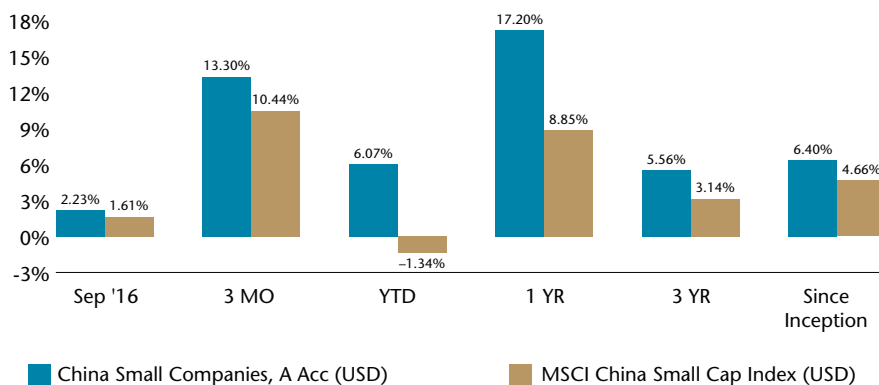
## Investment Objective

Long-term capital appreciation.

## Available Share Classes

Share Class	ISIN	SEDOL	CUSIP
A Acc (USD)	LU0721876364	B6T1MX2	L6263Q645

## Performance as of 30 September 2016\*



China Small Companies Fund	Sep '16	3 MO	YTD	1 YR	3 YR	5 YR	Since Inception	Inception
A Acc (USD)	2.23%	13.30%	6.07%	17.20%	5.56%	n.a.	6.40%	29 Feb 2012
MSCI China Small Cap Index (USD)	1.61%	10.44%	-1.34%	8.85%	3.14%	n.a.	4.66%	n.a.

\*All returns over 1 year are annualised

## Annual Returns (For the Years Ended 31 December)

China Small Companies Fund	2015	2014	2013	2012	2011
A Acc (USD)	2.45%	-3.62%	33.72%	n.a.	n.a.
MSCI China Small Cap Index (USD)	3.48%	-0.34%	18.68%	n.a.	n.a.

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, and are net of management fees and other expenses. Source: Brown Brothers Harriman (Luxembourg) S.C.A.

# China Small Companies Fund

30 September 2016

## TOP TEN HOLDINGS<sup>1</sup>

	Sector	% of Net Assets
Value Partners Group, Ltd.	Financials	4.4%
SITC Int'l Holdings Co., Ltd.	Industrials	3.9%
Wuxi Little Swan Co., Ltd.	Consumer Discretionary	3.6%
KWG Property Holding, Ltd.	Real Estate	3.5%
Qingdao Port Int'l Co., Ltd.	Industrials	3.4%
Voltronic Power Technology Corp.	Industrials	3.3%
Regina Miracle Int'l Holdings, Ltd.	Consumer Discretionary	3.2%
TK Group Holdings, Ltd.	Industrials	3.2%
Best Pacific Int'l Holdings, Ltd.	Consumer Discretionary	3.2%
Yuexiu Transport Infrastructure, Ltd.	Industrials	2.9%
% OF ASSETS IN TOP TEN		34.6%

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

## SECTOR ALLOCATION (%)<sup>2</sup>

	Fund	Benchmark	Difference
Consumer Discretionary	34.5	21.3	13.2
Industrials	27.8	15.1	12.7
Health Care	13.3	8.6	4.7
Information Technology	8.4	21.1	-12.7
Real Estate	7.0	14.1	-7.1
Financials	4.4	2.6	1.8
Consumer Staples	2.4	4.5	-2.1
Energy	1.3	1.8	-0.5
Materials	1.0	7.6	-6.6
Utilities	0.0	3.2	-3.2
Telecom Services	0.0	0.2	-0.2
Liabilities in Excess of Cash and Other Assets	-0.2	0.0	-0.2

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

## MARKET CAP EXPOSURE (%)<sup>2,3</sup>

	Fund	Benchmark	Difference
Mega Cap (over \$25B)	0.0	0.0	0.0
Large Cap (\$10B-\$25B)	0.0	0.0	0.0
Mid Cap (\$3B-\$10B)	9.6	12.7	-3.1
Small Cap (under \$3B)	90.6	87.3	3.3
Liabilities in Excess of Cash and Other Assets	-0.2	0.0	-0.2

Source: FactSet Research Systems

## P/E RATIOS<sup>4</sup>

P/E Using FY1 Estimates	14.7x
P/E Using FY2 Estimates	12.4x

Source: FactSet Research Systems (P/E est. as of 30/09/16)

## CHINA EXPOSURE (%)<sup>2,5</sup>

SAR (Hong Kong)	50.0
Overseas Listed Companies (OL)	29.7
H Shares	8.9
China-affiliated corporations (CAC)	6.4
B Shares	3.6
A Shares	1.5
Liabilities in Excess of Cash and Other Assets	-0.2

- 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.
- Equity market cap of issuer. The Fund defines Small Companies as companies with market capitalization generally between US\$100 million and US\$3 billion or the largest company included in the Fund's primary benchmark, the MSCI China Small Cap Index. The Portfolio's market cap exposure breakdown presented is used for comparison purposes and the definition of the capitalization breakdown is from MSCI.
- The P/E figures represent the Weighted Harmonic Average P/E—which measures the price/earnings ratio of the Fund's entire portfolio, excluding negative earners—weighted by the size of the company's position within the portfolio. P/E estimates are forward looking. There is no guarantee that portfolio composition will remain unchanged or P/E estimates will be achieved.
- 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. **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 capitalisation-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, and 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). It is not possible to invest directly in an index.

## DISCLOSURES

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, Luxembourg, Spain, Sweden 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.**

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 International Capital Management, LLC 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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