

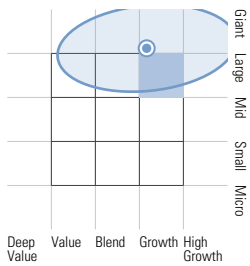
Matthews Asia Funds Pacific Tiger A USD

LU0491815824

Morningstar Analyst Rating
 Silver
 30 Jan 2014
 23:56, UTC-0600

Morningstar Category Asia ex Japan Equity	Category Index MSCI AC Asia Ex Japan NR USD	Total Assets 408.24 Mil USD	Current Yield % 0.00	Inception Date 26/08/10	Domicile/ Currency LUX/USD	Morningstar Rating ★★★★
---	---	--	--------------------------------	-----------------------------------	--	-----------------------------------

Equity Style Map

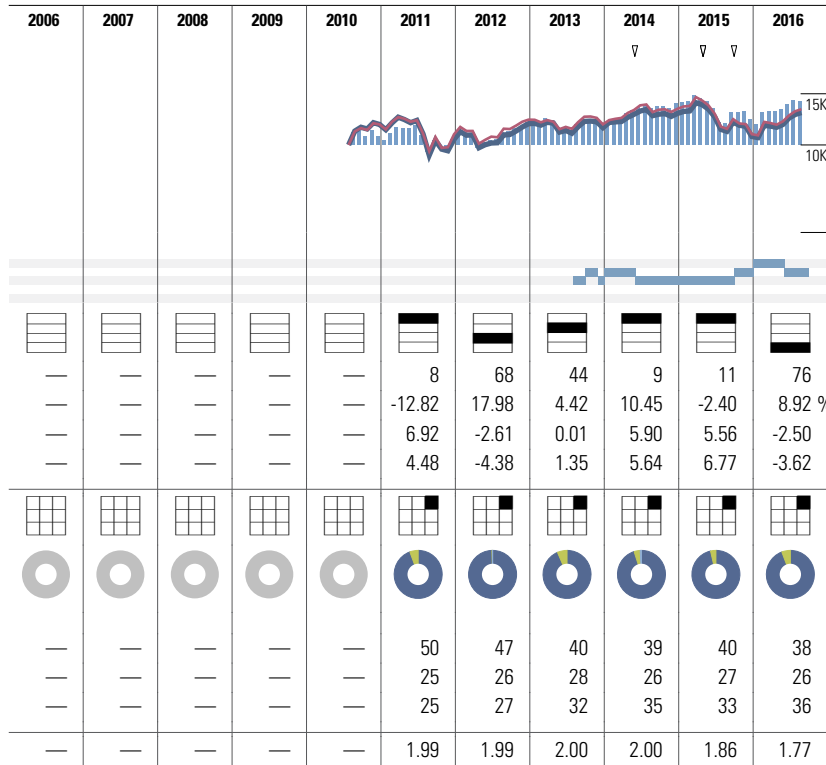


People

Sharat Shroff	04/10
Rahul Gupta	04/15
Total Named Managers	2

Morningstar Pillars

Process p. 2-3	Positive
Performance p. 4	Positive
People p. 5	Positive
Parent p. 6	Positive
Price p. 7	Neutral



Performance 30/09/16

Growth of 10,000 Annualized	Value USD	Ret %
Fund	14,160	5.87
Category	13,222	4.68
Index	13,251	4.72

▼ Full Manager Change
 ▽ Partial Manager Change

Morningstar Rating



Quartile Rank in Category

Percentile Rank in Category

Total Return USD

+/- Category

+/- Index

Process

Equity Style Box

Asset Allocation
 ● Stock ● Bond ● Cash ● Other

Equity Supersectors

Cyclical
 Sensitive
 Defensive

Price TER/OGC

Analyst View

Simon Dorricott, Associate Director

A good option in its category.

The conduct of Morningstar's analysts is governed by Morningstar's Code of Ethics, Securities Trading and Disclosure Policy, and Morningstar Manager Research Integrity Policy. For information regarding conflicts of interest, please click <http://global.morningstar.com/managerdisclosures>

Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum



The Morningstar Analyst Rating for Funds is a forward-looking analysis of a fund. Morningstar has identified five key areas crucial to predicting the future success of a fund: People, Parent, Process, Performance, and Price. The pillars are used in determining the Morningstar Analyst Rating for a fund. Morningstar Analyst Ratings are assigned on a five-tier scale running from Gold to Negative. The top three ratings, Gold, Silver, and Bronze, all indicate that our analysts think highly of a fund; the difference between them corresponds to differences in the level of analyst conviction in a fund's ability to outperform its benchmark and peers through time, within the context of the level of risk taken over the long term (defined as a full market cycle or at least five years). Neutral represents funds in which our analysts don't have a strong positive or negative conviction over the long term (defined as a full market cycle or at least five years) and Negative represents funds that possess at least one flaw that our analysts believe is likely to significantly hamper future performance over the long term (defined as a full market cycle or at least five years). Past performance of a security may or may not be sustained in future and is no indication of future performance. For detailed information about the Morningstar Analyst Rating for Funds, please visit <http://global.morningstar.com/managerdisclosures>

13 Oct, 2016 | Matthews Asia Funds Pacific Tiger is an attractive offering in the Asia ex-Japan Equity Morningstar Category.

We have a high regard for lead manager Sharat Shroff, who joined Matthews in 2005 and has been running the Pacific Tiger strategy since 2008. He provides welcome stability in a team that has seen a lot of change over the past few years. Richard Gao was co-lead manager with Shroff until April 2014 when he stepped down to comanager. He has since left the team, while comanager In-Bok Song left the group in September 2015, and an analyst departed in 2016. The current team is made up of Rahul Gupta, who joined in 2014 and was promoted to co-portfolio manager in April 2015, and analysts Raymond Deng and Elli Lee, who joined in 2014 and 2016, respectively.

Despite the changes, the team remains well-resourced, particularly as it can draw upon the wider team of over 30 further analysts and portfolio managers at Matthews. All team members are based in San Francisco, which facilitates idea-sharing.

Shroff looks to invest in companies with sustainable long-term growth prospects that have strong business models and quality management,

trading at reasonable valuations. He will invest across the market-cap spectrum and consider opportunities in the region's smaller markets; within this context, there is a preference for the likely beneficiaries of long-term trends in rising domestic household wealth. This largely bottom-up process, combined with an unconstrained mandate, can lead to some notable biases in the portfolio. The fund can look and act differently from its category peers and its MSCI AC Asia ex Japan Index benchmark in terms of performance, but since its launch in 2010, overall returns have been strong against both comparators.

Despite the changes to the team, we continue to be impressed with Shroff and the fund's tried-and-tested process. We feel he remains adequately supported by his team and the wider group, and as a result the fund merits a Morningstar Analyst Rating of Silver.

Matthews Asia Funds Pacific Tiger A USD

LU0491815824

Morningstar Analyst Rating
 Silver
 30 Jan 2014
 23:56, UTC-0600

Process: Approach

Morningstar Category
Asia ex Japan Equity

Category Index
MSCI AC Asia Ex Japan
NR USD

Index Proxy
iShares MSCI All
Country Asia ex Japan

This fund follows a sound and proven growth strategy.

Process Pillar + Positive

13 Oct, 2016 | The investable universe comprises around 1,900 companies with a market cap in excess of USD 500 million and trading volume of USD 1 million or greater. The team looks for companies with the ability to survive and generate sustainable earnings and cash flow through market cycles and reliable management whose in-

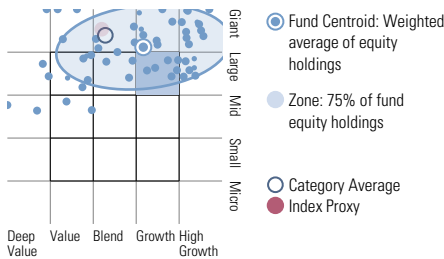
terests are aligned with minority shareholders' and have demonstrated an ability to meet business targets and milestones. They will scrutinise a company's sales and earnings growth, its margins and earnings trends, its ROIC trends, and free cash flow. They will analyse a firm's competitive advantage, market position, and its ability to maintain higher margins or pricing power than its peers, its balance-sheet strength (including leverage), and the nature of its liabilities and how the firm funds its business.

Valuation is looked at in terms of the

value of the business as a whole in the context of its expected future growth. Forward-looking models will be built and assessments made from several different perspectives (price/earnings, price/book, free cash flow yield, economic value added, and sum of the parts), although discounted cash flow is the most commonly used approach. Once a stock is in the portfolio, its valuation relative to growth prospects is monitored. The manager prefers to trim positions where valuations have risen significantly rather than sell the holding outright.

Equity Style 30/06/16

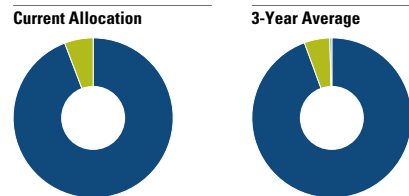
Holdings-Based Style Map



Equity Style Box Factors

	Fund	3-Yr Avg	Category	Proxy
Market Cap				
Giant/Large	92.3	88.8	89.4	97.3
Mid	7.7	11.1	8.7	2.7
Small/Micro	0.0	0.1	1.9	0.0
Avg Market Cap Bil USD	14.0	12.2	20.8	28.0
Value Measures				
Price/Prospect. Earnings	18.2	17.2	13.7	13.3
Price/Book	2.2	2.0	1.5	1.3
Price/Sales	1.0	1.0	1.4	1.3
Price/Cash Flow	3.0	6.2	5.6	4.6
Dividend Yield	2.2	1.9	3.0	3.2
Growth Measures				
Long-Term Earnings %	11.8	12.3	12.0	9.1
Historical Earnings %	4.5	5.3	1.8	2.0
Sales %	8.1	10.2	-1.3	0.5
Cash Flow %	-7.0	6.1	3.6	2.3
Book-Value %	11.1	13.4	6.2	7.5

Asset Allocation 30/06/16



Net Assets %	Fund	3-Yr Avg	Category	Proxy
Equity	94.2	94.4	98.8	99.8
Fixed Income	0.0	0.0	0.0	0.0
Cash	5.8	5.2	0.8	0.1
Other	0.0	0.4	0.4	0.1

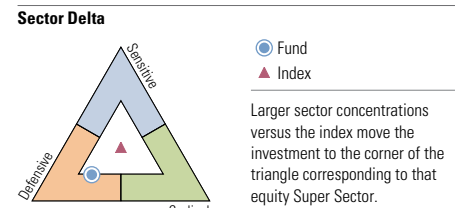
Regional Exposure 30/06/16

Market Type Equity %	Fund	3-Yr Avg	Category	Proxy
Developed	32.5	35.9	41.8	47.1
Emerging	67.5	64.1	58.2	52.9
Top 5 Countries Equity %				
China	26.7	23.6	30.4	32.6
India	17.5	18.7	12.0	10.0
Korea, Republic Of	15.5	17.1	16.2	16.8
Indonesia	7.0	7.2	4.8	3.2
Taiwan, Republic Of	5.9	7.4	11.4	14.2

Key Ratios 30/06/16

	Fund	3-Yr Avg	Category	Proxy
Net Margin %	15.7	16.1	20.1	22.1
ROA %	8.5	8.7	7.4	6.8
Debt/Total Capital %	20.9	20.9	24.4	25.0
ROE %	18.3	18.9	15.6	15.5

Sectors 30/06/16



Equity Sectors	Fund	3-Yr Avg	Category	Proxy
Defensive	36.0	33.9	13.0	11.2
Consumer Defensive	21.1	19.1	6.6	5.2
Healthcare	9.1	8.5	3.1	2.4
Utilities	5.8	6.3	3.3	3.6
Sensitive	25.7	26.5	42.3	42.1
Communication Serv.	4.6	3.7	4.3	5.8
Energy	0.0	0.3	5.0	3.7
Industrials	4.4	6.0	7.9	7.3
Technology	16.8	16.5	25.1	25.3
Cyclical	38.3	39.6	44.7	46.7
Basic Materials	1.2	1.3	5.2	4.9
Consumer Cyclical	12.5	13.1	13.8	12.4
Financial Services	17.5	17.7	20.8	23.4
Real Estate	7.0	7.5	4.8	6.0

Economic Moat 30/06/16

	Fund	3-Yr Avg	Category	Proxy
Wide Moat	18.1	9.6	8.4	10.1
Narrow Moat	43.0	55.9	52.4	53.6
No Moat	38.9	34.5	39.1	36.2
Coverage Ratio	35.4	28.6	46.6	55.6

©2016 Morningstar, Inc. All rights reserved. The information, data, analyses, and opinions contained herein (1) include the confidential and proprietary information of Morningstar, Inc., (2) may not be copied or redistributed, (3) do not constitute investment advice offered by Morningstar, Inc., (4) are provided solely for informational purposes and therefore are not an offer to buy or sell a security, and (5) are not warranted to be correct, complete or accurate. Morningstar, Inc. shall not be responsible for any trading decisions, damages, or other losses resulting from, or related to, this information, data, analyses or opinions or their use. Analyst Ratings are subjective in nature and should not be used as the sole basis for investment decisions. Analyst Ratings are based on Morningstar current expectations about future events; therefore involves unknown risks and uncertainties that may cause Morningstar expectations not to occur or to differ significantly from what was expected. Morningstar does not represent its Analyst Ratings to be guarantees nor should they be viewed as an assessment of a fund or the fund underlying securities creditworthiness.

Matthews Asia Funds Pacific Tiger A USD

LU0491815824

Morningstar Analyst Rating

Silver

30 Jan 2014
23:56, UTC-0600

Process: Portfolio

Morningstar Category
Asia ex Japan Equity

Category Index
MSCI AC Asia Ex Japan
NR USD

Index Proxy
iShares MSCI All
Country Asia ex Japan

The fund has a sizable overweighting to consumer staples.

billion, while the benchmark had 49.3%, and in the less-than-\$10 billion space, it had 40.3% versus 27.0% for the index.

tractive opportunities in the consumer space; as at the end of August 2016, the fund had 20.0% in consumer staples (the index 5.2%). On the other hand, they have found fewer opportunities in financials (25.0% versus 29.6% for the index). At the country level, China/Hong Kong was the largest underweighting, amounting to 33.1% of the fund versus 43.3% in the index. India was a large active overweight position of 770 basis points.

Process Pillar

Positive

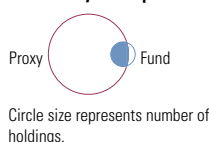
13 Oct, 2016 | The manager will consider investing in the smaller markets in the region, and while he believes mid-caps tend to offer the best long-term opportunities for steady and sustainable growth, he will look across the cap scale. For example, as at the end of August 2016, the fund held 27.8% in firms with market caps above \$25

The team members set milestones for each firm to deliver upon, and as a firm meets those milestones, their conviction grows and the position size increases. There is no stated maximum position size, but historically in the strategy they have had no more than 6% in a position.

Country and sector weightings are primarily driven by the stock-selection process. For instance, the team has been able to find at-

Similarity to Index Proxy 30/06/16

Index Proxy Overlap



Number of Equity Holdings	
Fund	57
Index Proxy	620
Fund Overlap With Index Proxy	
Holdings Overlap	42
Asset Overlap	17.8%

Largest Common Holdings

	Fund %	Proxy %
Baidu Inc ADR	2.75	1.41
NAVER Corp	2.69	0.55
Tata Power Co Ltd	2.51	0.04
Dongbu Insurance Co Ltd	2.38	0.09
Orion Corp	2.35	0.09

Largest Distinct Holdings

	Fund %
Vietnam Dairy Products JSC	2.99
Kotak Mahindra Bank Ltd	2.73
Central Pattana PCL Shs Foreign Registered	2.72
DKSH Holding Ltd	2.56
China Mobile Ltd ADR	2.28

Portfolio Holdings 30/06/16

Previous Portfolio Date	Equity Holdings	Bond Holdings	Other Holdings	Assets in Top 10 Holdings	Turnover Ratio (Reported)
31/03/16	57	0	2	26%	-68%

Top 10 Equity Holdings	Country	Assets % 30/06/16	Assets % 31/03/16	Proxy % 30/06/16	First Bought	Days Trading	Economic Moat	Sector	1-Yr Total Ret %
Vietnam Dairy Products JSC	VNM	2.99	3.08	—	12/10	1		Consumer Defensive	76.16
⊕ Baidu Inc ADR	CHN	2.75	2.86	1.41	09/10	<1	Wide	Technology	32.50
Kotak Mahindra Bank Ltd	IND	2.73	2.44	—	09/10	<1		Financial Services	18.27
Central Pattana PCL Shs Foreign Registered	THA	2.72	2.54	—	12/10	18,933		Real Estate	39.88
⊖ NAVER Corp	KOR	2.69	3.36	0.55	12/13	<1		Technology	85.48
DKSH Holding Ltd	CHE	2.56	2.92	—	06/13	1		Industrials	18.86
Tata Power Co Ltd	IND	2.51	2.45	0.04	09/11	2		Utilities	16.42
Dongbu Insurance Co Ltd	KOR	2.38	2.84	0.09	09/10	1		Financial Services	22.46
Orion Corp	KOR	2.35	2.48	0.09	03/14	<1		Consumer Defensive	-4.83
AIA Group Ltd	HKG	2.30	1.98	2.26	05/15	<1	No	Financial Services	30.44

Change since previous portfolio: ⊕ Increase ⊖ Decrease ✱ New

New Holdings Largest Purchases

% Assets Sector

Eliminated Holdings Largest Sales

% Assets Sector

Largest Position Changes

Current % Prior %

Thermax Ltd	1.22	⚙️	⊖ NAVER Corp	2.69	3.36
			⊕ China Mobile Ltd ADR	2.28	1.75
			⊕ China Resources Beer (Holdings) Co Ltd	2.16	1.22
			✱ China Vanke Co Ltd H	0.27	1.05
			⊖ Thermax Ltd	0.00	1.22

Matthews Asia Funds Pacific Tiger A USD

LU0491815824

Morningstar Analyst Rating



30 Jan 2014
23:56, UTC-0600

Performance

Morningstar Category
Asia ex Japan Equity

Category Index
MSCI AC Asia Ex Japan
NR USD

Solid since its inception in 2010.

Performance Pillar + Positive

13 Oct, 2016 | This fund has delivered an annualised return of 5.9% since launch, which is ahead of its MSCI AC Asia ex Japan benchmark and category peers (August 2010 to September 2016).

The process can lead to returns that are quite different to both the benchmark and category peers. For instance, in the down market of

2011, the fund outperformed significantly thanks to positive stock selection within financials and consumer staples. The overweight exposure to the latter also boosted returns. However, in the following year, although it delivered a solid gain of 18%, it lagged the index and peer group--a small cash position and stock selection within consumer discretionary and in Hong Kong/China detracted from performance.

Returns in 2013 were in line with the category but ahead of the index, while 2014 saw strong returns against both comparators. By coun-

try, selection was particularly strong in South Korea and India. Performance was again good in 2015, with stock selection in South Korea and China contributing particularly positively, while performance to the end of September 2016 has shown weakness as selection in both countries turned negative.

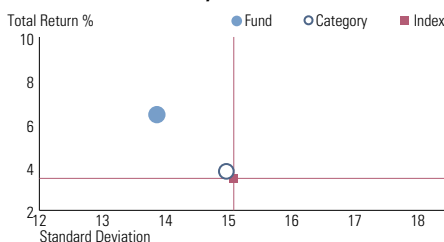
The team also runs a US-domiciled fund, which is managed along similar lines and has a longer history. It has outpaced its peer group average and benchmark over three-, five-, and 10-year periods.

Morningstar Rating and Risk 30/09/16

Period	Morningstar Ret vs Cat	Morningstar Risk vs Cat	Morningstar Rating
3 Years	Avg	Below Avg	★★★★
5 Years	Avg	Low	★★★★★
10 Years	—	—	—
Overall Rating			★★★★★

Risk Analysis 30/09/16

3-Year Return and Risk Analysis



3-Year Risk Measures

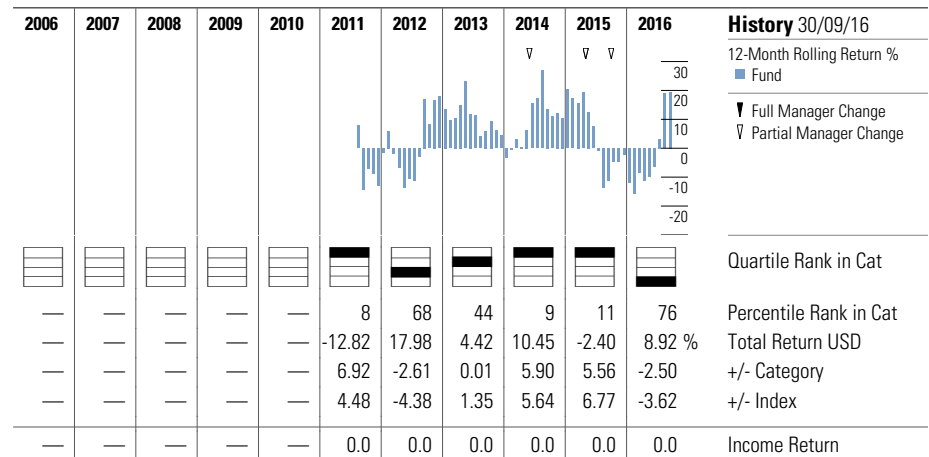
	Fund	Category	Index
Standard Deviation	13.86	14.96	15.08
Sharpe Ratio	0.51	0.32	0.29
R-Squared	89.61	89.65	—
Beta	0.87	0.94	—
Alpha	3.22	0.54	—

Maximum Drawdown

	Fund	Category	Index
Max Drawdown (%)	-20.38	-25.95	-26.10
Peak Date	05/15	05/11	05/15
Valley Date	02/16	09/11	02/16
Max Drawdown (Months)	10	5	10

Upside/Downside

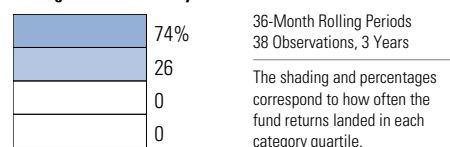
	Fund	Category	Index
Upside Capture Ratio	92.7	94.2	—
Downside Capture Ratio	76.4	91.9	—



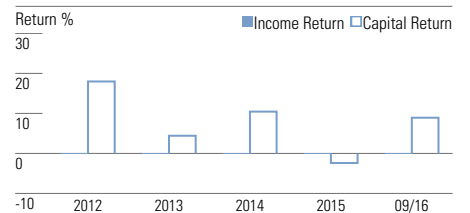
Returns 30/09/16

	Total Ret %	Investor Ret %	Rank in Cat	Cat Ret %	Index Ret %
1 Year	19.39	15.40	25	16.16	16.84
3 Years	6.42	-4.23	20	3.80	3.48
5 Years	8.38	-4.07	24	6.60	6.90
10 Years	—	—	—	5.01	5.91
Tenure 04/10	5.87	—	—	4.06	4.27
Inception 08/10	5.87	—	—	4.68	4.72

Rolling-Returns Summary



Income and Capital Returns



Year	Income Ret %	Income % Rank in Cat	Capital Ret %	Capital % Rank in Cat
2012	0.00	100	17.98	64
2013	0.00	54	4.42	38
2014	0.00	11	10.45	8
2015	0.00	14	-2.40	11
09/16	0.00	44	8.92	73

Matthews Asia Funds Pacific Tiger A USD

LU0491815824

Morningstar Analyst Rating



30 Jan 2014
23:56, UTC-0600

People

Morningstar Category
Asia ex Japan Equity

Category Index
MSCI AC Asia Ex Japan
NR USD

The manager provides continuity.

People Pillar

Positive

13 Oct, 2016 | Matthews is a US-based equity manager with a history of investing in Asia since the 1990s. The investment team of 35 portfolio managers and analysts is based in San Francisco. The team is organised along product lines where each strategy typically has a lead portfolio manager, comanager, and dedicated analysts. Dedic-

ated analysts can progress to portfolio management but retain analyst responsibilities.

Lead portfolio manager Sharat Shroff joined Matthews in 2005 as a research analyst, having previously worked at Morgan Stanley as an equity research associate. He manages the firm's Pacific Tiger strategy and comanages the Asia Growth, India, and Asia Focus strategies. Shroff has been on this strategy since 2008, but the team supporting him has seen significant change. Richard Gao was co-lead manager with Shroff until April 2014 when he stepped down to

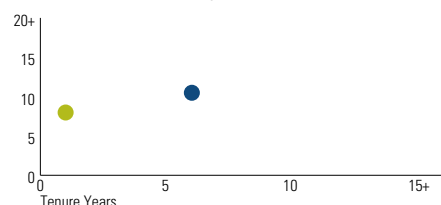
comanager. He then became an analyst on the team before leaving to go on sabbatical at the end of 2015. In-Bok Song left the group in September 2015, having started as an analyst in 2007 and progressing to co-portfolio manager, while a further analyst left in 2016.

Rahul Gupta joined in 2014 and was promoted to co-portfolio manager in April 2015. Analysts Raymond Deng and Elli Lee joined in 2014 and 2016, respectively.

Management Team

Experience and Asset Load

Total AUM Bil USD in Funds Managed



Number of Managers	Longest Tenure	Manager Retention Rate	Average Manager Tenure
2	6.50 Years	5-Year —%	4.00 Years

Advisor

Matthews Global Investors S.à.r.l.

Subadvisor

—

Sharat Shroff 04/10 to Present

Years on Managed Funds	Years on Fund
10	6

Fund AUM	Current Funds Managed
10,485.60 Mil USD	8

Largest Funds Managed	Tenure Dates	Role	Fund Size Bil USD	Investment Mil USD	Tenure Ret %	Index Ret %
Matthews Pacific Tiger Fund	01/08 to Present	1 of 2	7.57	<0.5	5.23	-0.52
Matthews India Fund	06/06 to Present	1 of 2	1.69	<0.5	11.53	2.96
Matthews Asia Growth Fund	01/07 to Present	1 of 2	0.69	<0.05	6.00	1.12
Matthews Asia Funds Pacific Tiger	04/10 to Present	1 of 2	0.41	—	6.73	4.27
Matthews Asia Funds India	06/11 to Present	1 of 2	0.11	—	9.05	0.92

Rahul Gupta 04/15 to Present

Years on Managed Funds	Years on Fund
22	1

Fund AUM	Current Funds Managed
7,977.40 Mil USD	2

Largest Funds Managed	Tenure Dates	Role	Fund Size Bil USD	Investment Mil USD	Tenure Ret %	Index Ret %
Matthews Pacific Tiger Fund	04/15 to Present	1 of 2	7.57	—	-2.10	-6.43
Matthews Asia Funds Pacific Tiger	04/15 to Present	1 of 2	0.41	—	-2.68	-7.05

Matthews Asia Funds Pacific Tiger A USD

LU0491815824

Morningstar Analyst Rating



30 Jan 2014
23:56, UTC-0600

Parent

Morningstar Category
Asia ex Japan Equity

Category Index
MSCI AC Asia Ex Japan
NR USD

Matthews is an expert in Asia-Pacific equity.

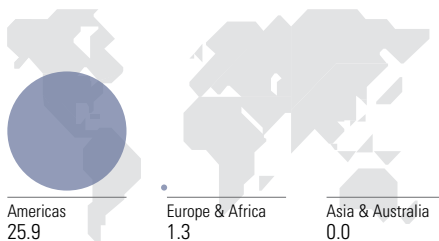
Parent Pillar + Positive

03 Dec, 2015 | Matthews International Capital Management has a solid 20-year reputation when it comes to investing in the Pacific Rim and the surrounding regions. The San Francisco-based firm has a dozen funds focusing exclusively on Asia including country-specific funds and pan-Asian offerings. The firm's decision to operate in its

circle of competency has helped deliver solid records across the market cycle for most of its offerings. Considering the firm manages niche-market funds, it's pleasing to note that individual managers invest reasonable amounts of their personal wealth in the funds they run. Matthews' board of directors that oversees its US-sold funds is experienced and has effectively negotiated reasonable fees on behalf of the fundholders it serves in that market. The firm's Luxembourg range, however, is overseen by a different, nonindependent board and has higher fees. In ad-

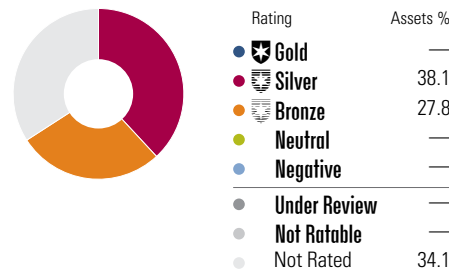
dition, the firm has been proactive in closing funds when their strategies have neared capacity. The one caveat to Matthews' boutique structure is key-man risk. Andrew Foster, one of the firm's longest-serving managers, left to start his own firm in 2011, leaving Jesper Madsen on duty for several strategies. Although the crossover nature of Matthews' funds made Madsen's workload manageable, we were pleased to see new hires coming on board at the end of last year.

Assets By Region, By Domicile Bil USD



Fund Family Details Europe (*)

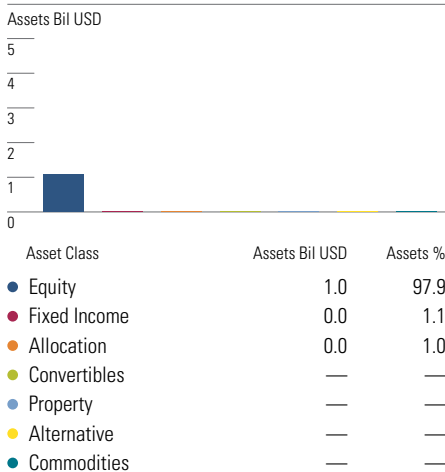
Morningstar Analyst Rating Breakdown



Morningstar Rating Breakdown



Asset Class Breakdown Europe (ex Money Mkt)



Fund Family Details Europe

Top Performing Funds		Category Name	Fund Size Mil USD	Return % 3-Year	Rank in Cat 3-Year
Matthews Asia Funds China Dividend Fund A USD Acc	China Equity	4.3	7.69	14	
Matthews Asia Funds Pacific Tiger I USD	Asia ex Japan Equity	407.9	7.02	14	
Matthews Asia Funds Asia Dividend I USD	Asia-Pacific inc. Japan Equity	297.6	4.71	12	
Largest Funds		Category Name	Fund Size Mil USD	Return % 3-Year	Rank in Cat 3-Year
Matthews Asia Funds Pacific Tiger I USD	Asia ex Japan Equity	407.9	7.02	14	
Matthews Asia Funds Asia Dividend I USD	Asia-Pacific inc. Japan Equity	297.6	4.71	12	
Matthews Asia Funds - India Fund A GBP	India Equity	113.2	20.17	31	
Recent Fund Launches		Category Name	Fund Size Mil USD	Return % Inception	Inception Date
Matthews Asia Funds Asia Ex Japan Dividend Fund A USE Acc	Asia ex Japan Equity	1.4	13.90	30/11/15	
Matthews Asia Funds - Asia Credit Opportunities Fund A USD Inc	Asia Bond	12.0	13.57	30/09/15	
Matthews Asia Funds - Japan Fund A USD Acc	Japan Large-Cap Equity	102.5	8.00	30/04/15	

(*) All data is based on Branding name and refers to funds domiciled in Europe.

©2016 Morningstar, Inc. All rights reserved. The information, data, analyses, and opinions contained herein (1) include the confidential and proprietary information of Morningstar, Inc., (2) may not be copied or redistributed, (3) do not constitute investment advice offered by Morningstar, Inc., (4) are provided solely for informational purposes and therefore are not an offer to buy or sell a security, and (5) are not warranted to be correct, complete or accurate. Morningstar, Inc. shall not be responsible for any trading decisions, damages, or other losses resulting from, or related to, this information, data, analyses or opinions or their use. Analyst Ratings are subjective in nature and should not be used as the sole basis for investment decisions. Analyst Ratings are based on Morningstar current expectations about future events; therefore involves unknown risks and uncertainties that may cause Morningstar expectations not to occur or to differ significantly from what was expected. Morningstar does not represent its Analyst Ratings to be guarantees nor should they be viewed as an assessment of a fund or the fund underlying securities creditworthiness.



Matthews Asia Funds Pacific Tiger A USD

LU0491815824

Morningstar Analyst Rating



30 Jan 2014
23:56, UTC-0600

Price

Morningstar Category
Asia ex Japan Equity

Category Index
MSCI AC Asia Ex Japan
NR USD

The fund is reasonably priced.

Price Pillar ● Neutral

13 Oct, 2016 | The retail share class' ongoing charge is below average in the Asia ex-Japan Equity Morningstar Category, while the clean share class is close to the median of a peer group of similarly priced share classes.

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Expense History
										TER/OGC	■ TER/OGC
					1.99	1.99	2.00	2.00	1.86	1.77	TER/OGC
					3.2	9.7	64.7	476.7	355.5	408.2	Net Assets Mil USD
					-5.9	5.4	54.7	375.8	-53.7	18.1	Net Flows Mil USD

Expense Breakdown

Ongoing charge	
Ongoing charge 01/08/16	1.77

Selected Components

Max Management Fee	1.25
Performance Fee	—

Fee Level

Fee Level	Peer Group
Below Avg	Asia ex Japan Equity Retail Broad

Fee Level Breakpoints

High	>2.41
Above Average	2.05-2.41
Average	1.90-2.05
Below Average	1.54-1.90
Low	<1.54
◀ Fund	1.77
◀ Peer Median	1.95

Share Class Information

Share Class	Identifier	Morningstar Category	TER/OGC	Max Mgmt Fee	Performance Fee	Maximum Initial Charge	Minimum Initial Inv	Assets Bil USD
Matthews Asia Funds Pacific Tiger A USD	LU0491815824	Asia ex Japan Equity	1.77	1.25	—	5.00	1,000	0.02
Matthews Asia Funds Pacific Tiger I USD	LU0491816475	Asia ex Japan Equity	1.20	0.75	—	5.00	1,000,000	0.22
Matthews Asia Funds Pacific Tiger I GBP	LU0594555756	Asia ex Japan Equity	1.25	1.25	—	5.00	500,000	0.11
Matthews Asia Fds Pacific Tiger I GBP D	LU0594555830	Asia ex Japan Equity	1.25	0.75	—	5.26	500,000	0.02
Matthews Asia Fds Pacific Tiger I USD D	LU0491816558	Asia ex Japan Equity	1.19	1.00	—	5.00	500,000	0.01
Matthews Asia Funds Pacific Tiger A GBP	LU0594555590	Asia ex Japan Equity	1.81	0.75	—	5.00	500	0.00

Morningstar Global Fund Report

Disclosure

The Morningstar Global Fund Report ("Report") is for informational purposes, intended for financial professionals and/or qualified investors ("Users") and should not be the sole piece of information used by such Users or their clients in making an investment decision.

The analysis within this report is prepared by the person(s) noted in their capacity as an analyst for Morningstar. The opinions expressed within the Report are given in good faith, are as of the date of the Report and are subject to change without notice. Neither the analyst nor Morningstar commits themselves in advance to whether and in which intervals updates to the Report are expected to be made. The written analysis and Morningstar Analyst Rating within this Report are statements of opinions; they are not statements of fact.

Morningstar believes its analysts make a reasonable effort to carefully research information contained in their analysis. The information on which the analysis is based has been obtained from sources which are believed to be reliable such as, for example, the fund's prospectus and shareholder reports (or their equivalents), fund company website, interviews with fund company personnel, and relevant and appropriate press sources as well as data, statistics and information within Morningstar's own database. Morningstar does not perform an audit or seek independent verification of any of the data, statistics, and information it receives.

Unless otherwise provided in a separate agreement, Users accessing this Report may only use it in the country in which the Morningstar distributor is based. Unless stated otherwise, the original distributor of the report is Morningstar Inc., a U.S.A. domiciled financial institution.

This Report is for informational purposes only and has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient. This publication is intended to provide information to assist institutional investors in making their own investment decisions, not to provide investment advice to any specific investor. Therefore, investments discussed and recommendations made herein may not be suitable for all investors; Users and User clients must exercise their own independent judgment as to the suitability of such investments and recommendations in the light of their own investment objectives, experience, taxation status and financial position.

The information, data, analyses and opinions presented herein are not warranted to be accurate, correct, complete or timely. Unless otherwise provided in a separate agreement, Morningstar makes no representation that the Report contents meet all of the presentation and/or disclosure standards applicable in the jurisdiction the recipient is located.

Except as otherwise required by law or provided for in a separate agreement, the analyst, Morningstar and its officers, directors and employees will not be responsible or liable for any trading decisions, damages or other losses resulting from, or related to, the information, data, analyses or opinions within the report. Morningstar encourages Users and User clients to read all relevant issue documents (e.g., prospectus) pertaining to the security concerned, including without limitation, information relevant to its investment objectives, risks, and costs before making an investment decision and when deemed necessary, to seek the advice of a legal, tax, and/or accounting professional.




The Report and its contents are not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject Morningstar or its affiliates to any registration or licensing

requirements in such jurisdiction.

Where this report is made available in a language other than English and in the case of inconsistencies between the English and translated versions of the report, the English version will control and supersede any ambiguities associated with any part or section of a report that has been issued in a foreign language. Neither the analyst, Morningstar, or Morningstar affiliates guarantee the accuracy of the translations.

This Report may be distributed in certain localities, countries and/or jurisdictions ("Territories") by independent third parties or independent intermediaries ("Distributors"). Such Distributors are not acting as agents or representatives of the analyst or Morningstar. In Territories where a Distributor distributes our Report, the Distributor, and not the analyst or Morningstar, is solely responsible for complying with all applicable regulations, laws, rules, circulars, codes and guidelines established by local and/or regional regulatory bodies, including laws in connection with the distribution third-party research reports.

Morningstar Analyst Rating

	2014	2015	2016
 Gold			
 Silver			
 Bronze			
Neutral			
Negative			
Under Review			
Not Notable			

For a list of funds which Morningstar currently covers and provides written analysis on please contact your local Morningstar office. For information on the historical Morningstar Analyst Rating for this fund or any Fund Morningstar covers, please contact your local Morningstar office.

Please note that investments in securities (including mutual funds) are subject to market and other risks and there is no assurance or guarantee that the intended investment objectives will be achieved. Past performance of a security may or may not be sustained in future and is no indication of future performance. A security investment return and an investor's principal value will fluctuate so that, when redeemed, an investor's shares may be worth more or less than their original cost. A security's current investment performance may be lower or higher than the investment performance noted within the report. Morningstar's Risk, Return and Star Rating serves as useful data points with respect to evaluating a fund's risk profile.

A current yield percentage is not a reflection of the actual return an investor will receive in all cases as market prices for securities are constantly changing due to such things as market factors. Where a security is denominated in a different currency than the currency of the User or User's clients, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment.

Indexes noted within the report are unmanaged, their returns do not include payment of any sales charges or fees an investor would pay to purchase securities, and cannot be invested in directly.

In certain jurisdictions, the Report contents, except for the Morningstar Analyst Rating and key analysis/opinions, may be shared with the fund company prior to publication. In the unlikely event that Morningstar would change their analysis/opinions and/or the Morningstar Analyst Rating based on feedback as result of such review, the Report would disclose such a fact.

Conflicts of Interest:

- Analysts may own (actual or beneficial) interests in the financial products that are the subject of the Report. No material interests are held by Morningstar, the analyst or their immediate family in the financial products that are the subject of the Report.*
- Analysts' compensation is derived from Morningstar's overall earnings and consists of salary, bonus and in some cases restricted stock. Analysts' receive no compensation or material benefits from product issuers or third parties in connection with the Report.#
- Morningstar does not receive commissions for providing research and does not charge financial product issuers to be rated.
- Analysts may not pursue business and employment opportunities outside Morningstar within the investment industry (including but not limited to, working as a financial planner, an investment adviser or investment adviser representative, a broker-dealer or broker-dealer agent, a financial writer, reporter, or analyst).
- Morningstar may provide the product issuer or its related entities with services or products for a fee and on an arms' length basis including software products and licenses, research and consulting services, data services, licenses to republish our ratings and research in their promotional material, event sponsorship and website advertising.
- Morningstar affiliates (i.e., its investment management group) may have arrangements with a fund company's affiliate to provide investment consulting advice some of which an analyst may issue an investment research reports on one or more of the fund company's funds. However, analysts do not have authority over Morningstar's investment management group's business arrangements nor allow employees from the investment management group to participate or influence the analysis or opinion prepared by them.
- Morningstar, Inc. is a publically traded company (Ticker Symbol: MORN) and thus a fund which is the subject of this Report may own more than 5% of Morningstar, Inc.'s total outstanding shares. Please access Morningstar, Inc.'s proxy statement, "Security Ownership of Certain Beneficial Owners and Management" section <http://investorrelations.morningstar.com/sec.cfm?doctype=Proxy&year=&x=12>. A fund's holding of Morningstar stock has no bearing on and is not a requirement for funds Morningstar determines to cover.

Analysts do not have any other material conflicts of interest at the time of publication. Users wishing to obtain further information should contact their local Morningstar office or refer to

<https://corporate.morningstar.com/us/asp/subject.aspx?xmlfile=540.xml>

The Morningstar Analyst Rating™ for Funds

The Morningstar Analyst Rating™ for Funds is a forward-looking analysis of a fund. The Analyst Rating does not express a view on a given asset class or peer group; rather, it seeks to evaluate each fund within the context of its objective, an appropriate benchmark, and peer group.

The Five (5) Pillars

Morningstar has identified five key areas that we believe are crucial to predicting the future success of funds: People, Parent, Process, Performance, and Price. Each pillar is evaluated when assessing a fund as well as the interaction between the pillars, which we believe is crucial to understanding a fund's overall merit.

People

The overall quality of a fund's investment team is a significant key to its ability to deliver superior performance relative to its benchmark and/or peers. Evaluating a fund's investment team requires that analysts assess several relevant items including how key decisions are made.

Parent

We believe the parent organization is of utmost importance in evaluating funds. The fund's management set the tone for key elements of our evaluation, including capacity management, risk management, recruitment and retention of talent, and incentive pay. Beyond these operational areas, we prefer firms that have a culture of stewardship and put investors first to those that are too heavily weighted to salesmanship.

Process

We look for funds with a performance objective and investment process (for both security selection and portfolio construction) that is sensible, clearly defined, and repeatable. In addition, the portfolio should be constructed in a manner that is consistent with the investment process and performance objective.

Performance

We do not believe past performance is necessarily predictive of future results, and this factor accordingly receives a relatively small weighting in our evaluation process. In particular, we strive not to anchor on short-term performance. However, we do believe that the evaluation of long-term return and risk patterns is vital to determining if a fund is delivering to our expectations.

Price

To reflect actual investor experience, price is evaluated within the context of the relevant market or cross-border region—for example, the United States, Australia, Canada, or Europe. In recognition of differences in scale and distribution costs in various markets, the level at which a fund is penalised for high fees or rewarded for low fees can vary with region. In Europe, for example, funds are penalised if they land in the most expensive quintile of their Morningstar category and are rewarded if they land in the cheapest quintile. The assessment is made using annual expense ratios, but in the case of funds with performance fees, expenses are evaluated excluding any performance fees and then the structure of the performance fee is evaluated separately.

Morningstar Analyst Ratings

Morningstar Analyst Ratings are assigned on a five-tier scale running from Gold to Negative. The top three ratings, Gold, Silver, and Bronze, all indicate that our analysts think highly of a fund; the difference between them corresponds to differences in the level of analyst conviction in a fund's ability to outperform its benchmark and peers through time, within the context of the level of risk taken.

Gold

Represents funds that our analyst has the highest-conviction in for that given investment mandate. By giving a fund a Gold rating, we are expressing an expectation that it will outperform its relevant performance benchmark and/or peer group within the context of the level of risk taken over the long term (defined as a full market cycle or at least five years). To earn a Gold rating, a fund must distinguish itself across the five pillars that are the basis for our analysis.

Silver

Represents funds our analyst has high-conviction in, but not in all of the five pillars. With those fundamental strengths, we expect these funds will outperform their relevant performance benchmark and/or peer group within the context of the level of risk taken over the long term (defined as a full market cycle or at least five years).

Bronze

Represents funds that have advantages that clearly outweigh any disadvantages across the pillars, giving analyst the conviction to award them a positive rating. We expect these funds to beat their relevant performance benchmark and/or peer group within the context of the level of risk taken over a full market cycle (or at least five years).

Neutral

Represents funds in which our analysts don't have a strong positive or negative conviction. In our judgment, these funds are not likely to deliver standout returns, but they aren't likely to seriously underperform their relevant performance benchmark and/or peer group either.

Negative

Represents funds that possess at least one flaw that our analysts believe is likely to significantly hamper future performance, such as high fees or an unstable management team. Because of these faults, we believe these funds are inferior to most competitors and will likely underperform their relevant performance benchmark and/or peer group, within the context of the level of risk taken, over a full market cycle.

Morningstar may also use two other designations in place of a rating:

Under Review

This designation means that a change that occurred with the fund or at the fund company requires further review to determine the impact on the rating.

Not Ratable

This designation is used only where we are providing a report on a new strategy or on a strategy where there are no relevant comparators, but where investors require information as to suitability.

For more information about our Analyst Rating methodology please go to <http://corporate1.morningstar.com/ResearchLibrary/>

Morningstar Star Rating

The Morningstar Star Rating is a proprietary data point that is quantitatively driven. Funds are rated from one to five stars based on how well the fund performed (after adjusting for risk and accounting for sales charges) in comparison to similar funds. Within each Morningstar Category, the top 10% of funds receive five-stars and the bottom 10% receives one-star. Funds are rated for up to three time periods—three-, five-, and ten-years—and these ratings are combined to produce an overall star rating, which is noted within the Report. Funds with less than three years of history are not rated. Morningstar Star Ratings are based entirely on a mathematical evaluation of past performance. Morningstar Star Ratings are in no way to be considered a buy or sell signal nor should be viewed as a statement of fact.

Equity-Related Data Points

The Report lists the fund's top ten holdings as of the dated noted. For each underlying holding, a series of data points is provided including, where applicable, that security's Morningstar Star Rating for Stocks and Economic Moat as of the date noted.

Morningstar Star Rating for Stocks

The Morningstar Star Rating for Stocks is determined by comparing the fair value estimate to the stock's market price. The Rating is calculated on a daily basis at the market close on every day the market on which the stock is listed is open.

Please note, there is no predefined distribution of stars. That is, the percentage of stocks that earn 5 stars can fluctuate daily, so the star ratings, in the aggregate, can serve as a gauge of the broader market's valuation. When there are many 5-star stocks, the stock market as a whole is more undervalued, in our opinion, than when very few companies garner our highest rating.

We expect that if our base-case assumptions are true the market price will converge on our equity analyst's fair value estimate over time, generally within three years (although it is impossible to predict the exact time frame in which market prices may adjust).

Our star ratings are guideposts to a broad audience and individuals

must consider their own specific investment goals, risk tolerance, tax situation, time horizon, income needs, and complete investment portfolio, among other factors.

The Morningstar Star Ratings for stocks are defined below:

★★★★★ We believe appreciation beyond a fair risk-adjusted return is highly likely over a multiyear time frame. Scenario analysis developed by our analysts indicates that the current market price represents an excessively pessimistic outlook, limiting downside risk and maximizing upside potential.

★★★★ We believe appreciation beyond a fair risk-adjusted return is likely.

★★★ Indicates our belief that investors are likely to receive a fair risk-adjusted return (approximately cost of equity).

★★ We believe investors are likely to receive a less than fair risk-adjusted return.

★ Indicates a high probability of undesirable risk-adjusted returns from the current market price over a multiyear time frame, based on our analysis. Scenario analysis by our analysts indicates that the market is pricing in an excessively optimistic outlook, limiting upside potential and leaving the investor exposed to Capital loss.

Economic Moat

The concept of an economic moat plays a vital role in our equity analyst's qualitative assessment of a firm's long-term investment potential, but also in the actual calculation of its fair value estimate. An economic moat is a structural feature that allows a firm to sustain excess profits over a long period of time. We define economic profits as returns on invested capital (or ROIC) over and above our estimate of a firm's cost of capital, or weighted average cost of capital (or WACC). Without a moat, profits are more susceptible to competition. We have identified five sources of economic moats: intangible assets, switching costs, network effect, cost advantage, and efficient scale.

Companies with a *narrow moat* are those we believe are more likely than not to achieve normalized excess returns for at least the next 10 years. *Wide-moat* companies are those in which we have very high confidence that excess returns will remain for 10 years, with excess returns more likely than not to remain for at least 20 years. The longer a firm generates economic profits, the higher its intrinsic value. We believe low-quality, *no-moat* companies will see their normalized returns gravitate toward the firm's cost of capital more quickly than companies with moats.

For more information about methodology in analysing stocks, please go to <http://global.morningstar.com/equitydisclosures>.

For Recipients in Australia: This Report has been issued and distributed in Australia by Morningstar Australasia Pty Ltd (ABN: 95 090 665 544; ASFL: 240892). Morningstar Australasia Pty Ltd is the provider of the general advice ('the Service') and takes responsibility for the production of this report. The Service is provided through the research of investment products. To the extent the Report contains general advice it has been prepared without reference to an investor's objectives, financial situation or needs. Investors should consider the advice in light of these matters and, if applicable, the relevant Product Disclosure Statement before making any decision to invest. Refer to our Financial Services Guide (FSG) for more information at www.morningstar.com.au/fsg.pdf.

For Recipients in Hong Kong: The Report is distributed by Morningstar Investment Management Asia Limited, which is regulated by the Hong Kong Securities and Futures Commission to provide services to professional investors only. Neither Morningstar Investment Management Asia Limited, nor its representatives, are acting or will be deemed to be acting as an investment advisor to any recipients of this information unless expressly agreed to by Morningstar Investment Management Asia Limited. For enquiries regarding this research, please contact a Morningstar Investment Management Asia Limited Licensed Representative at <http://global.morningstar.com/equitydisclosures>.

For Recipients in India: This Investment Research is issued by Morningstar Investment Adviser India Private Limited. Morningstar Investment Adviser India Private Limited is registered with the Securities and Exchange Board of India (Registration number INA000001357) and provides investment advice and research. Morningstar Investment Adviser India Private Limited has not been the subject of any disciplinary action by SEBI or any other legal/regulatory body. Morningstar Investment Adviser India Private Limited is a wholly owned subsidiary of Morningstar Investment Management LLC. In India, Morningstar Investment Adviser India Private Limited has one associate, Morningstar India Private Limited, which provides data related services, financial data analysis and software development.

The Research Analyst has not served as an officer, director or employee of the fund company within the last 12 months, nor has it or its associates engaged in market making activity for the fund company.

*The Conflicts of Interest disclosure above also applies to relatives and associates of Manager Research Analysts in India

#The Conflicts of Interest disclosure above also applies to associates of Manager Research Analysts in India. The terms and conditions on which Morningstar Investment Adviser India Private Limited offers Investment Research to clients, varies from client to client, and are detailed in the respective client agreement.

For recipients in Japan: The Report is distributed by Ibbotson Associates Japan, Inc., which is regulated by Financial Services Agency. Neither Ibbotson Associates Japan, Inc., nor its representatives, are acting or will be deemed to be acting as an investment advisor to any recipients of this information.

For recipients in Singapore: For Institutional Investor audiences only. Recipients of this report should contact their financial adviser in Singapore in relation to this report. Morningstar, Inc., and its affiliates, relies on certain exemptions (Financial Advisers Regulations, Section 32B and 32C) to provide its investment research to recipients in Singapore.