



Matthews Asia

RATINGS

Overall Morningstar Rating™ ★★☆☆



FUND FACTS (USD)

| | |
|-------------------------------|--------------------|
| Total Fund Assets | \$138.1 million |
| Total # of Positions | 49 |
| Weighted Average Market Cap | \$41.0 billion |
| Benchmark | MSCI Japan Index |
| Management Fee | 0.75% |
| Minimum Initial Investment | \$100,000/£50,000* |
| Minimum Subsequent Investment | \$100/£50* |
| Fund Domicile | Luxembourg |
| Available Share Classes | A, I |
| Base Currency | USD |
| Additional Dealing Currencies | GBP |
| Net Asset Value | |
| I Acc (USD) | \$18.41 |
| I Acc (GBP) | £20.72 |

PORTFOLIO MANAGEMENT

Taizo Ishida
Lead Manager

Shuntaro Takeuchi
Co-Manager

RISKS

The value of an investment in the Fund can go down as well as up and possible loss of principal is a risk of investing. Investments in international and emerging market securities may involve risks such as social and political instability, market illiquidity, exchange-rate fluctuations, a high level of volatility and limited regulation. Fixed income investments are subject to additional risks, including, but not limited to, interest rate, credit and inflation risks. The Fund may invest in the following: derivatives which can be volatile and affect Fund performance; high yield bonds (junk bonds) which can subject the Fund to substantial risk of loss; and structured investments which can change the risk or return, or replicate the risk or return of an underlying asset. The Fund invests in holdings denominated in foreign currencies, and is exposed to the risk that the value of the foreign currency will increase or decrease. These and other risks associated with investing in the Fund can be found in the Prospectus.

MATTHEWS ASIA

Matthews Asia believes in the long-term growth of Asia, one of the world's fastest-growing regions. Since 1991, we have focused our efforts and expertise in these countries, investing through a variety of market environments. Matthews Asia employs a bottomup, fundamental investment philosophy with a focus on long-term investment performance. As of 31 December 2020, Matthews Asia had US\$28.4 billion in assets under management.

Japan Fund

Matthews Asia Funds

Class I Shares

31 December 2020

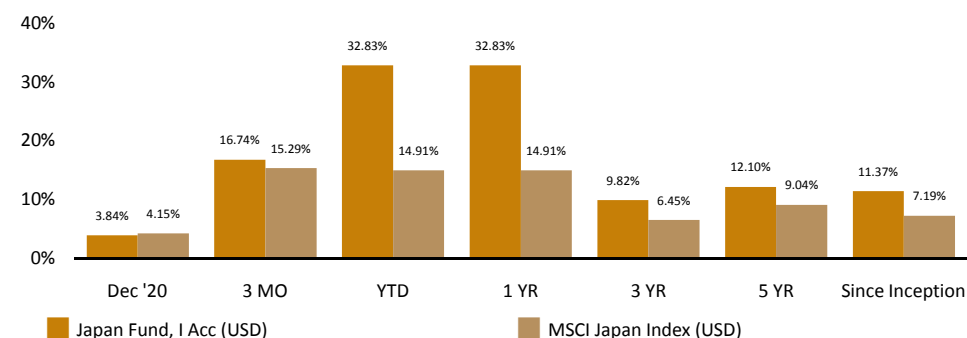
Investment Objective

Long-term capital appreciation.

Available Share Classes

| Share Class | ISIN | SEDOL | CUSIP |
|-------------|--------------|---------|-----------|
| I Acc (USD) | LU1220257130 | BWX5XW8 | L6263Q793 |
| I Acc (GBP) | LU1220257486 | BWX5XY0 | L6263Q819 |

Performance as of 31 December 2020[†]



| Japan Fund | Dec '20 | 3 MO | YTD | 1 YR | 3 YR | 5 YR | Since Inception | Inception |
|------------------------|---------|--------|--------|--------|-------|--------|-----------------|-------------|
| I Acc (USD) | 3.84% | 16.74% | 32.83% | 32.83% | 9.82% | 12.10% | 11.37% | 30 Apr 2015 |
| I Acc (GBP) | 1.27% | 9.57% | 28.30% | 28.30% | 9.36% | 13.88% | 13.71% | 30 Apr 2015 |
| MSCI Japan Index (USD) | 4.15% | 15.29% | 14.91% | 14.91% | 6.45% | 9.04% | 7.19% | n.a. |

Rolling 12 Month Returns (For the period ended 31 December 2020)

| Japan Fund | 2020 | 2019 | 2018 | 2017 | 2016 |
|------------------------|--------|--------|---------|--------|--------|
| I Acc (USD) | 32.83% | 25.54% | -20.58% | 33.40% | 0.19% |
| I Acc (GBP) | 28.30% | 21.61% | -16.16% | 21.57% | 20.43% |
| MSCI Japan Index (USD) | 14.91% | 20.07% | -12.58% | 24.39% | 2.73% |

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

† All returns over 1 year are annualised

All performance quoted represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate with market conditions so that when redeemed, shares may be worth more or less than the original cost. Current performance may be lower or higher than performance shown. Investors investing in Funds denominated in non-local currency should be aware of the risk of currency exchange fluctuations that may cause a loss of principal.

Performance details provided are based on a NAV-to-NAV basis with any dividends reinvested, and are net of management fees and other expenses. Source: Brown Brothers Harriman (Luxembourg) S.C.A.

Due to current market volatility associated with the COVID-19 pandemic, funds may experience significant negative short-term performance.

FE Crown Fund Rating as of 20/07/2020.

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

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

Japan Fund

31 December 2020

TOP TEN HOLDINGS¹

| | Sector | % of Net Assets |
|-------------------------------|------------------------|-----------------|
| Shin-Etsu Chemical Co., Ltd. | Materials | 5.7% |
| Sony Corp. | Consumer Discretionary | 4.4% |
| TDK Corp. | Information Technology | 4.1% |
| SMC Corp. | Industrials | 3.8% |
| SMS Co., Ltd. | Industrials | 3.3% |
| Hoya Corp. | Health Care | 3.0% |
| SoftBank Group Corp. | Communication Services | 2.9% |
| Nidec Corp. | Industrials | 2.9% |
| Recruit Holdings Co., Ltd. | Industrials | 2.8% |
| Advantest Corp. | Information Technology | 2.7% |
| % OF ASSETS IN TOP TEN | | 35.6% |

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

SECTOR ALLOCATION (%)²

| | Fund | Benchmark | Difference |
|---|------|-----------|------------|
| Information Technology | 24.8 | 14.0 | 10.8 |
| Industrials | 20.0 | 20.6 | -0.6 |
| Consumer Discretionary | 16.7 | 18.4 | -1.7 |
| Health Care | 15.0 | 11.3 | 3.7 |
| Communication Services | 7.9 | 9.6 | -1.7 |
| Materials | 7.8 | 5.2 | 2.6 |
| Financials | 7.6 | 8.3 | -0.7 |
| Consumer Staples | 0.0 | 7.6 | -7.6 |
| Real Estate | 0.0 | 3.4 | -3.4 |
| Utilities | 0.0 | 1.2 | -1.2 |
| Energy | 0.0 | 0.5 | -0.5 |
| Cash and Other Assets, Less Liabilities | 0.2 | 0.0 | 0.2 |

Sector data based on MSCI's revised Global Industry Classification Standards. For more details, visit www.msci.com.

Source: FactSet Research Systems

MARKET CAP EXPOSURE (%)^{2,3}

| | Fund | Benchmark | Difference |
|---|------|-----------|------------|
| Mega Cap (over \$25B) | 46.2 | 58.9 | -12.7 |
| Large Cap (\$10B-\$25B) | 28.0 | 22.3 | 5.7 |
| Mid Cap (\$3B-\$10B) | 14.9 | 18.9 | -4.0 |
| Small Cap (under \$3B) | 10.8 | 0.0 | 10.8 |
| Cash and Other Assets, Less Liabilities | 0.2 | 0.0 | 0.2 |

Source: FactSet Research Systems

P/E RATIOS⁴

| | |
|-------------------------|-------|
| P/E Using FY1 Estimates | 28.1x |
| P/E Using FY2 Estimates | 26.0x |

Source: FactSet Research Systems (P/E est. as of 31/12/20)

- Holdings may combine more than one security from the same issuer and related depositary receipts.
- Percentage values in data are rounded to the nearest tenth of one percent; the values may not sum to 100% due to rounding. Percentage values may be derived from different data sources and may not be consistent with other Fund literature.
- Equity market cap of issuer.
- The 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.

The MSCI Japan Index is a free float-adjusted market capitalization—weighted index of Japanese equities listed in Japan. Index is for comparative purposes only and it is not possible to invest directly in an index.

IMPORTANT INFORMATION

The Fund is a sub-fund of Matthews Asia Funds SICAV, an umbrella fund, with segregated liability between sub-funds, established as an open-ended investment company with variable capital and incorporated with limited liability under the laws of Luxembourg. It is authorised by the Commission de Surveillance du Secteur Financier (CSSF) as a UCITS and is only registered for public offer and sale in Finland, France, Germany, Italy, Luxembourg, Spain, Sweden, Switzerland and the United Kingdom. Not all share classes are registered in each jurisdiction. For investors in Singapore, the Matthews Asia Funds (the "Funds") are not authorised or recognised by the Monetary Authority of Singapore, and Shares of the Funds are not allowed to be offered to the retail public. Shares in the Funds may only be offered to (i) to an accredited investor or other relevant person, or (ii) to an institutional investor. **NOT FOR SALE IN THE U.S. OR TO U.S. PERSONS.**

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Investors should consider the Fund's investment objectives, risks, charges, and expenses carefully before investing. The prospectus, Key Investor Information Document or other offering documents ("Offering Documents") contain this and other information about the Fund. To obtain the Offering Documents, please contact Matthews Asia or your financial professional. Please read the Offering Documents carefully before investing. Fees and expenses vary among Funds and share classes.

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

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CONTACT INFORMATION

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

Matthews Global Investors (U.K.) Limited
12 Mason's Avenue
London
EC2V 5BT
Phone: +44 20 3728 2660

Email: globalfunds@matthewsasia.com
Web: global.matthewsasia.com