



*A New Way to Invest in the Future of Emerging
Markets and Asia: **Active ETFs***

Matthews Emerging Markets Discovery Active ETF (MEMS)

Matthews | Q2 2024



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Access the Potential of Asia and Emerging Markets in Active ETFs



We believe

- these markets **offer investors the best opportunities for long-term growth**
- **Active management is required** to successfully invest in these regions

We have

- An investment team with the **experience and expertise needed to navigate these markets**
- A **time-tested process**, proven through market cycles
- **More than 30 years' experience** investing in these regions

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**



**Proven Active
Performance
30+ Years**

invested in
Emerging Markets & Asia



**Outcomes
& Tailored
Solutions**

Customization,
Sustainability



**Global
Perspective**

San Francisco, London,
Hong Kong, New Jersey



**Responsible
Investment &
Sustainability
Expertise**



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Matthews Capabilities

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

Firm Facts (As of June 30, 2024)

120+ employees
 30+ investment professionals
 – 10 years average firm tenure
 – 18 years average EM & Asia investing
 4,500+ company meetings in 2023

Assets Under Management

Total	US\$8.0B
Regional	US\$4.8B
Single-Country	US\$3.2B

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

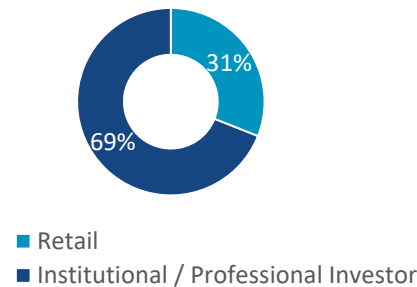
Office Locations



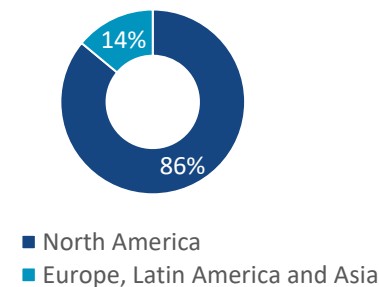
A History of Innovation

- 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

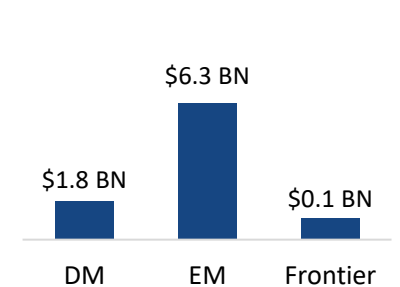
Client AUM by Type, US\$



Client AUM by Domicile, US\$



AUM by Markets Invested, US\$



Note: AUM by type, domicile and markets invested data as of March 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 proven 33 years track record of generating excess returns in complex markets that demand deep expertise, operational skill and risk acumen

● Proven Active Management

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

● 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

● Operational Expertise

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

● Aligned With You

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

Active ETFs Based on Signature Strategies

MEM

Matthews Emerging Markets Equity Active ETF

Invest in companies from some of the world's most dynamic economies

EMSF

Matthews Emerging Markets Sustainable Future Active ETF

Access the sustainable future growth potential of Emerging Markets

MEMX

Matthews Emerging Markets ex China Active ETF

Look beyond China for the next growth opportunities

ASIA

Matthews Pacific Tiger Active ETF

Access high quality growth companies in Asia (ex Japan)

MINV

Matthews Asia Innovators Active ETF

Seeks to ride the next wave of innovation in Asia

INDE

Matthews India Active ETF

Seeks to invest in innovative and entrepreneurial businesses of the next global powerhouse

MCH

Matthews China Active ETF

Participate in the growth potential of Asia's largest economy

JPAN

Matthews Japan Active ETF

Access the domestic, regional and global leaders of Japan

MKOR

Matthews Korea Active ETF

Access the innovation of Korean companies

ADVE

Matthews Asia Dividend Active ETF

Invest in dividend payers and growers from the Asia Pacific region

MCHS

Matthews China Discovery Active ETF

Seek alpha from China's small, entrepreneurial companies

MEMS

Matthews Emerging Markets Discovery Active ETF

Invest in innovative, entrepreneurial companies in emerging markets



MEMS

Matthews Emerging Markets Discovery Active ETF

Invest in **innovative, entrepreneurial
companies** in emerging markets



Fund Profile | Emerging Markets Discovery Active ETF (MEMS)

FUND FACTS

Inception Date

January 10, 2024

Ticker

MEMS

Number of Holdings

40 to 80

Benchmark

MSCI Emerging Markets Small Cap Index

Investment Objective

Long-term capital appreciation

Approach

Invest in small companies located in emerging markets countries that are capable of sustainable growth based on the fundamental characteristics of those companies. Focus on quality companies across the market capitalization in emerging markets excluding the U.S., Australia, Canada, Hong Kong, Israel, Japan, New Zealand, Singapore and most of the countries in Western Europe. Certain emerging market countries may also be classified as “frontier” market countries, which are a subset of emerging market countries with newer or even less developed economies and markets, such as Sri Lanka and Vietnam. The list of emerging market countries and frontier market countries may change from time to time.

Lead Manager



VIVEK TANNEERU

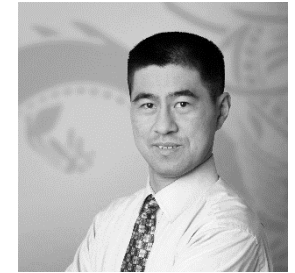
Co-Managers



JEREMY SUTCH, CFA



ALEX ZARECHNAK



HARDY ZHU

Seasoned Small Companies Team with a Long-Term Track Record

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

○ Located in Asia
○ Knowledge Platform Lead

EMERGING MARKETS TEAM

Portfolio Managers



Vivek Tanneeru
Lead Manager
19 years of exp.



Jeremy Sutch, CFA
Co Manager
30 years of exp.



Alex Zarechnak
Co Manager
29 years of exp.



Hardy Zhu
Co Manager
17 years of exp.

LatAm/CE/Africa Knowledge Platform



Alex Zarechnak
Portfolio Manager
29 years of exp.



Jeremy Sutch, CFA
Portfolio Manager
30 years of exp.

China Knowledge Platform



Andrew Mattock, CFA
Portfolio Manager
31 years of exp.



Winnie Chwang
Portfolio Manager
20 years of exp.



Hardy Zhu
Portfolio Manager
17 years of exp.



Sherwood Zhang, CFA
Portfolio Manager
23 years of exp.



Jason Ng
Research Analyst
13 years of exp.

India Knowledge Platform



Peeyush Mittal, CFA
Portfolio Manager
15 years of exp.



Siddharth Bhargava
Portfolio Manager
19 years of exp.



Jeremy Sutch, CFA
Portfolio Manager
30 years of exp.



Swagato Ghosh
Portfolio Manager
11 years of exp.



Jason Ng
Research Analyst
13 years of exp.

Taiwan/ ASEAN Knowledge Platform



InBok Song
Portfolio Manager
20 years of exp.



Alex Zarechnak
Portfolio Manager
29 years of exp.



Jeremy Sutch, CFA
Portfolio Manager
30 years of exp.



Jason Ng
Research Analyst
13 years of exp.

Korea Knowledge Platform



Elli Lee
Portfolio Manager
21 years of exp.



Sojung Park
Portfolio Manager
15 years of exp.

Innovation Knowledge Platform



InBok Song
Portfolio Manager
20 years of exp.



Elli Lee
Portfolio Manager
21 years of exp.



Sojung Park
Portfolio Manager
15 years of exp.



Jason Ng
Research Analyst
13 years of exp.



Michael Oh, CFA
Portfolio Manager
24 years of exp.



Alex Zarechnak
Portfolio Manager
29 years of exp.



Donghoon Han
Portfolio Manager
14 years of exp.



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Note: Years of industry experience as of January 2024

Small and Mid-Caps May Present Attractive Long-term Alpha Generation Opportunities in Emerging Markets

- * Small companies in Emerging Markets (EM) may provide **direct access** to the region's higher-growth domestic consumption sectors that typically cater to fast growing and resilient middle class
- * Small companies can provide an opportunity to invest in **EM's innovation edge** and partner with minority shareholder-friendly **entrepreneurs** at early stages by
 - Tapping innovative companies with a potential ability to **compound growth** over the long term
 - Researching and investing in high quality companies (including at IPO and also pre-IPO stages, where possible) with particular focus on IP-driven sectors such as technology and healthcare
- * Focus on identifying **inefficiently priced opportunities and P/E expansion potential**

Parameters set by Matthews Asia are subject to change and may differ from the fundamental policy of the Fund.

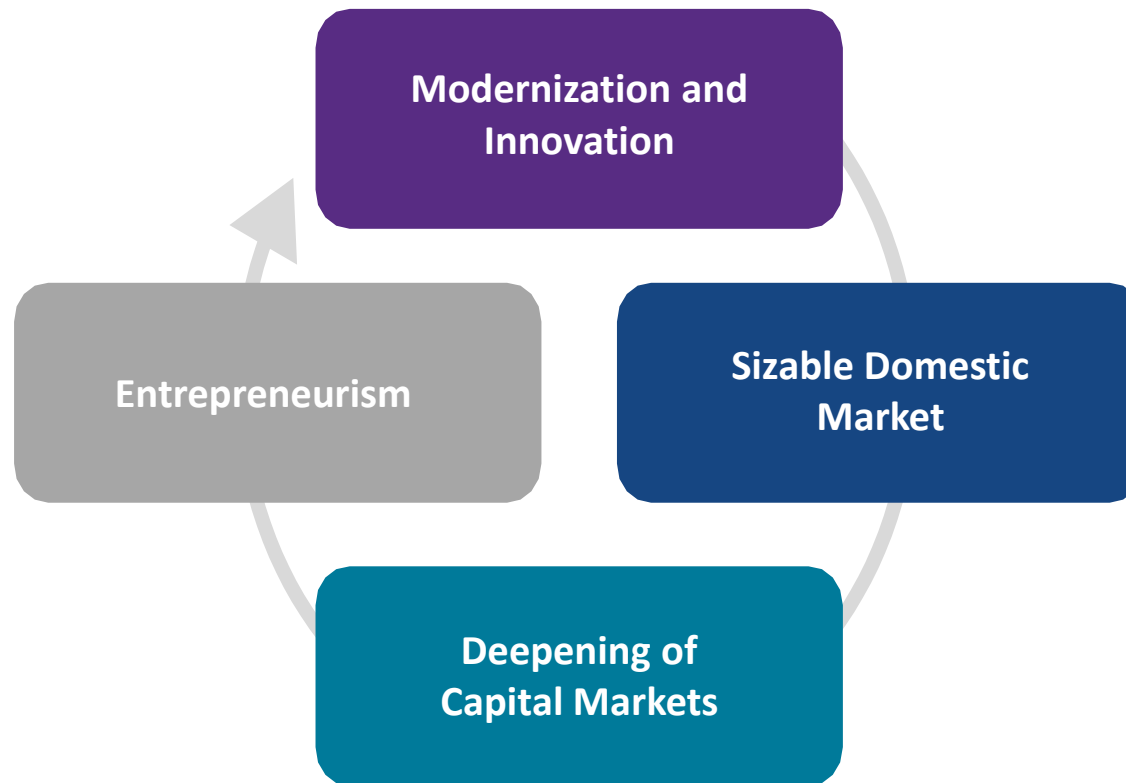
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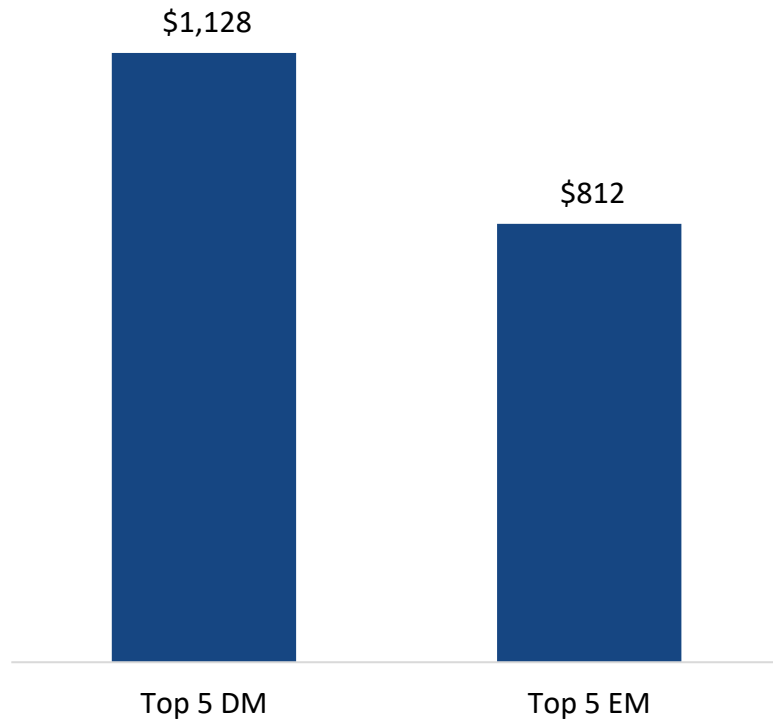
Small and Mid-Caps May Present Attractive Long-Term Alpha Generation Opportunities in Emerging Markets

Driven by four key structural growth drivers

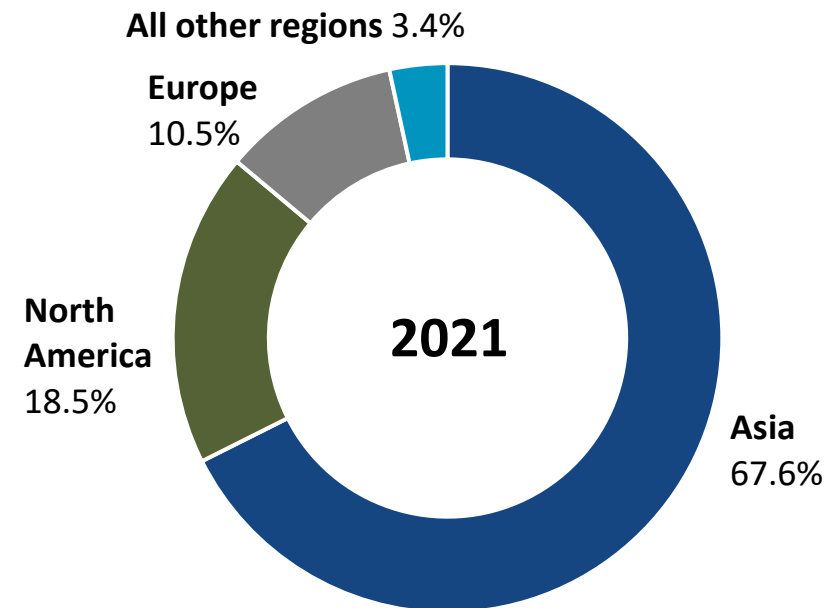


Not Your Older Sibling's Emerging Markets: Strong R&D Spend Drives a Robust Innovation Ecosystem in Emerging Markets

2022 R&D SPEND – US\$ BILLIONS



PATENT APPLICATION BY REGION



Note: R&D Chart: Developed Markets (DM) includes U.S., Japan, Germany, France and U.K. Emerging Markets (EM) includes China, India, South Korea, Russia and Brazil.

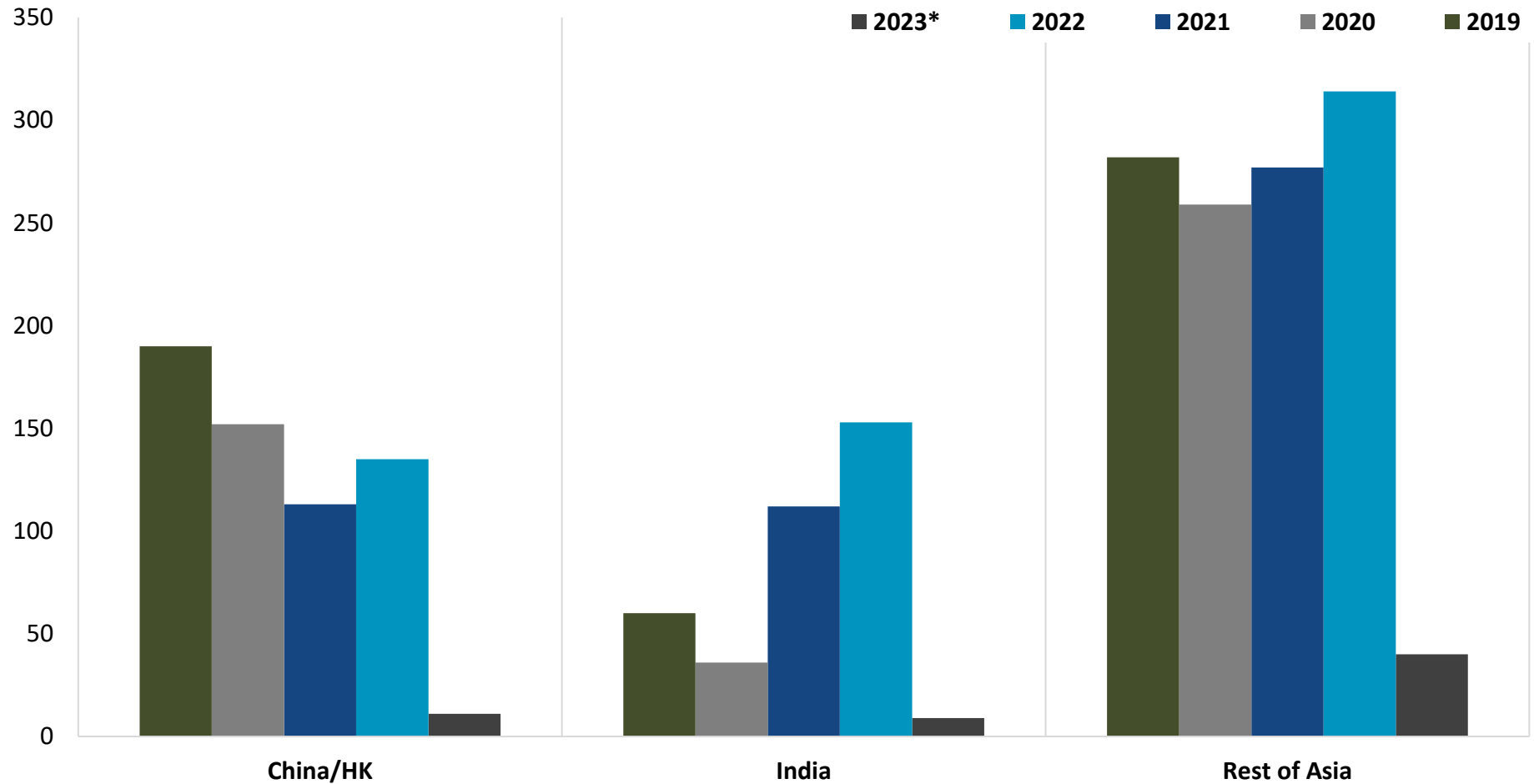
Sources: Statista; data as of December 2022. Patent Application from World Intellectual Property Organization (WIPO) Database, Dec 2022

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IPOs Feed Asia's Growing Small-Cap Universe

IPOs from companies with under US\$3 billion market cap, excluding China A-Shares



*Note: 2023 data for the January 1, 2023 through February 20, 2023 time period
Source: Bloomberg, data as of February 2023

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Semiconductor Supply Chain Localization is a Secular Trend

China's integrated circuits imports were 2x its crude imports in 2020

Rank	China's Import Product	2020 Value (US\$)	Change from 2019
1	Integrated circuits/microassemblies	\$350.8 billion	+14.7%
2	Crude oil	\$176.3 billion	-26.1%
3	Iron ores, concentrates	\$118.9 billion	+19.1%
4	Cars	\$44.9 billion	-4.5%
5	Phone system devices, including smartphones	\$43.5 billion	+2.3%

Source: World's Top Exports using data from CIA The World FactBook and International Monetary Fund, World Economic Outlook Database, data accessed April 2021

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Emerging Markets Health Care Takes an Innovation Leap



Source: CHINA PLUS

Article "Jiangsu hospital cures US man's cancer with experimental cell therapy" as of on September 3, 2017

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Emerging Markets Lead the World in Scaling Up Financial Inclusion

THE GLOBAL CHALLENGE

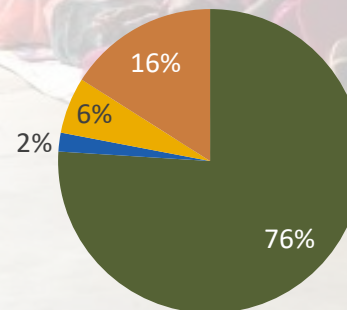
3.4 Billion

people in EM have never borrowed from formal sources

THE EMERGING MARKETS SOLUTION

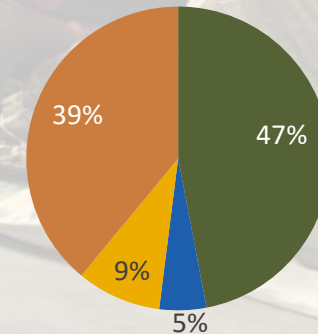
MICRO FINANCE BORROWERS

Number of Borrowers, Millions



■ Asia
■ Middle East / Africa

Portfolio Size



■ Eastern Europe & Central Asia
■ Latam & Caribbean

Small Caps: Lack of Analyst Coverage Enables Potential Alpha Generation

ANALYST COVERAGE OF EMERGING MARKET SMALL CAP STOCKS

	# Companies	% Uncovered
Middle East Northern Africa	454	50%
Central & Eastern Europe	603	50%
Latin America	477	28%
Asia	9,958	47%
Total	11,492	47%

Criteria used includes stocks in Emerging Markets small companies universe with a market cap from \$100MN to \$6.2BN.

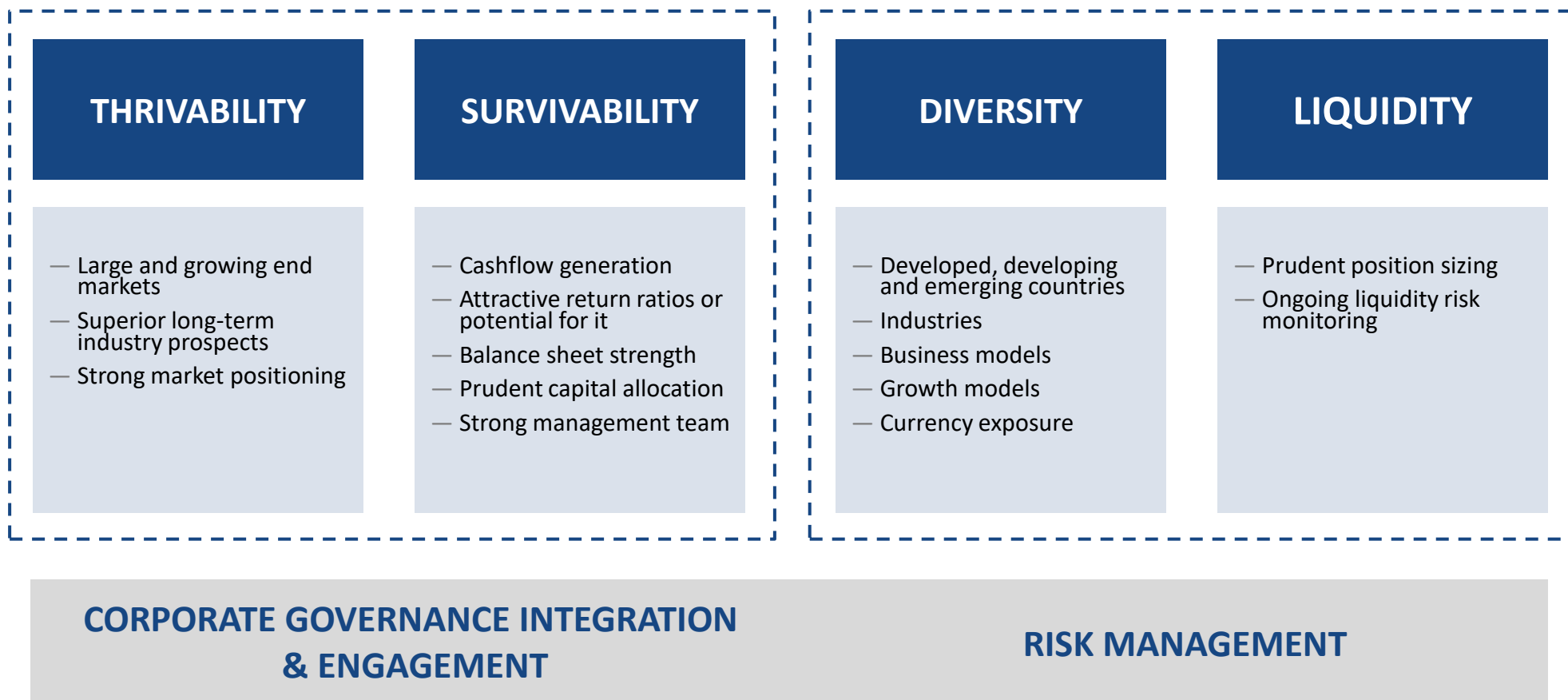
Source: FactSet Research Systems; Data as of December 29, 2022

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Emerging Markets Discovery Investing Framework



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What Types of Companies Do We Look For?

Actionable investment universe



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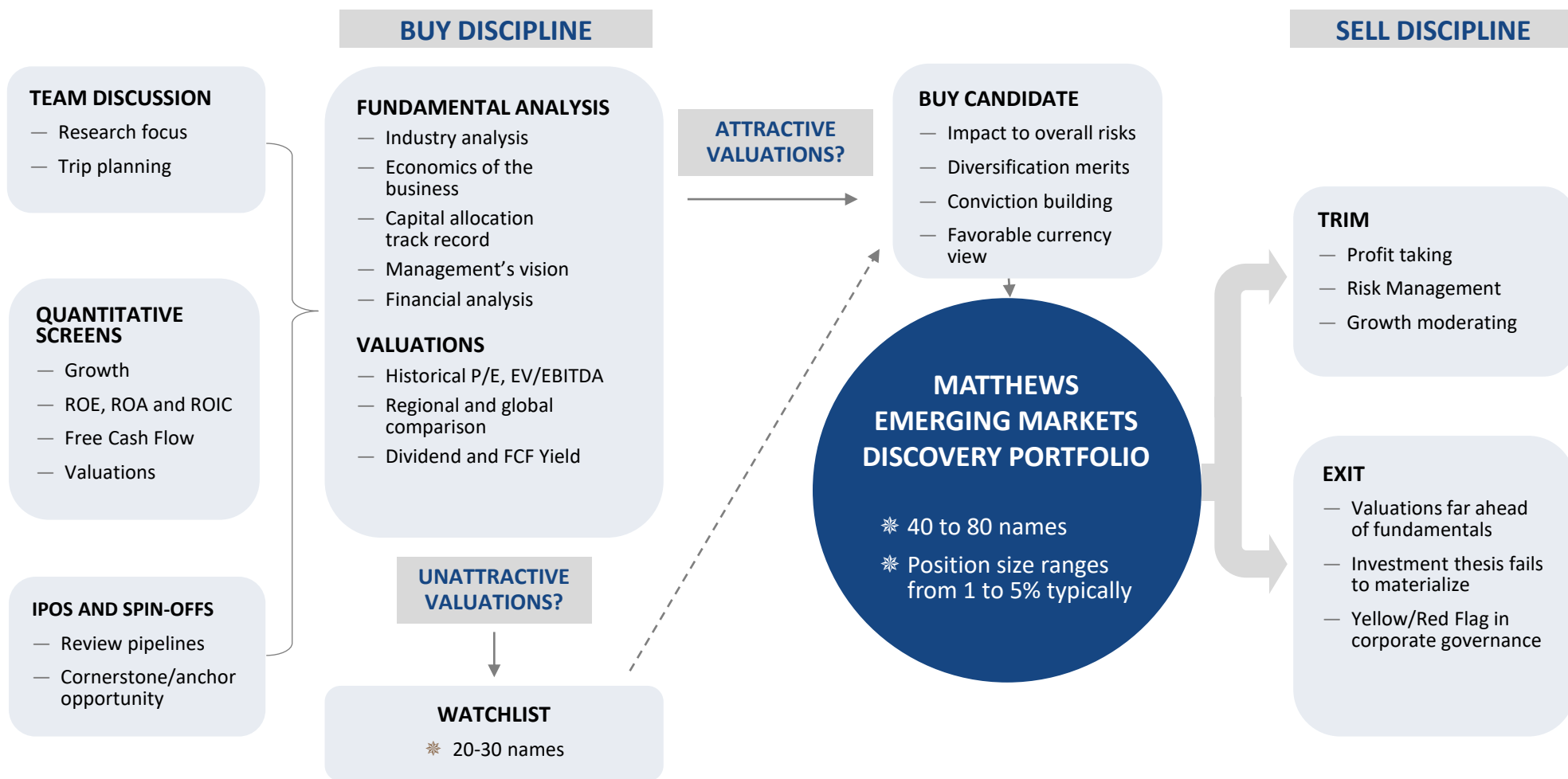
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Matthews

How Do We Make Investment Decisions?



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Portfolio Construction

* COUNTRY BIASES:

- **China + India** holdings will continue to be the bedrock of the portfolio due to large opportunities sets
- Weighting **in frontier markets** such as Vietnam and Bangladesh
- Diversified country exposure

* SECTOR BIASES:

- **Information technology and health care** companies will be of **strategic importance** due to their domestic, secular growth nature
- **Underweight in capital intensive sectors** such as energy and commodity/basic materials

* OTHER PORTFOLIO CHARACTERISTICS

- 40 to 80 names
- Position size: between 1% to 5% but dynamic due to a) valuations b) fundamentals c) trading liquidity
- Cash position: <10%

* MARKET CAPITALIZATION

- Minimum US\$100 million market cap and a maximum US\$5 billion market cap, or a maximum of the market cap of the largest company included in the Fund's benchmark

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Emerging Markets Discovery Active ETF: Risks and Mitigating Steps

Kissing frogs and kicking tires—no shortcuts

✧ **Style rotation:**

- Growth style outperformance reverses sharply
- Diversifying alpha sources by buying into beaten down consumer cyclicals and financials; in addition to secular growth names. Also, diversifying geographically

✧ **A second wave of COVID-19 in emerging markets:** Health care and consumer names, alongside work-from-home names should provide some cover

✧ **General risk of significant capital loss:**

- Due diligence:
 - Investigate management background and incentives
 - Always validate the product
 - Check with upstream suppliers and downstream customers
 - Check corporate governance activist sites/Understand the short seller's side of the story

✧ **Culture:** Avoid serial acquirers and companies with material related-party transactions

✧ **Liquidity:** Actively monitoring liquidity risk in frontier markets holdings

✧ **Correlations:** Periodic reports

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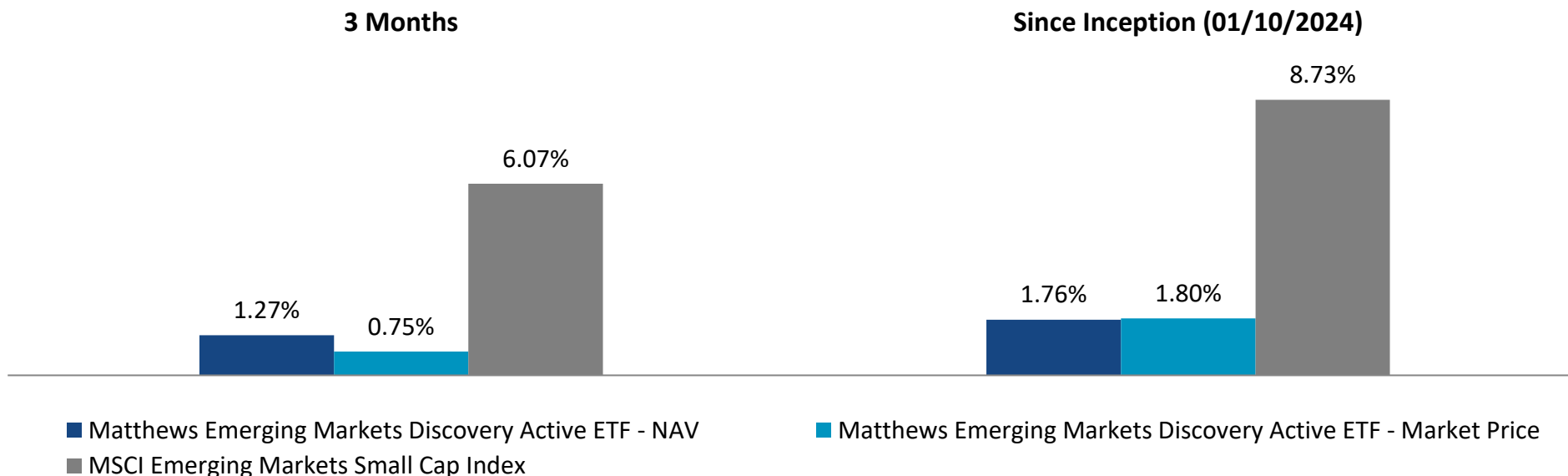
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Investment Returns | Matthews Emerging Markets Discovery Active ETF

As of June 30, 2024

ACTUAL RETURNS, NOT ANNUALIZED



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, please visit matthewsasiasia.com. Indexes are unmanaged and it is not possible to invest directly in an index. Please refer to disclosures for index definition.

Net asset value ("NAV") returns are based on the dollar value of a single share of the ETF, calculated using the value of the underlying assets of the ETF minus its liabilities, divided by the number of shares outstanding. The NAV is typically calculated at 4:00 pm Eastern time on each business day the New York Stock Exchange is open for trading. Market returns are based on the trade price at which shares are bought and sold on the NYSE Arca, Inc. using the last share trade. Market performance does not represent the returns you would receive if you traded shares at other times. Total Return reflects the reinvestment of distributions on ex-date for NAV returns and payment date for Market Price returns. The market price of the ETF's shares may differ significantly from their NAV during periods of market volatility.

ETFs may trade at a premium or discount to NAV. Shares of any ETF are sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns.

Source: BNY Mellon Investment Servicing (US) Inc.



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Top Ten Holdings | Matthews Emerging Markets Discovery Active ETF

As of June 30, 2024

Company	Sector	Country	%
Shriram Finance, Ltd.	Financials	India	6.7
Bandhan Bank, Ltd.	Financials	India	5.7
M31 Technology Corp.	Information Technology	Taiwan	4.1
Full Truck Alliance Co., Ltd.	Industrials	China/Hong Kong	4.1
Wiwynn Corp.	Information Technology	Taiwan	4.0
Hugel, Inc.	Health Care	South Korea	3.9
Phoenix Mills, Ltd.	Real Estate	India	3.8
Legend Biotech Corp.	Health Care	China/Hong Kong	3.3
Saudi Tadawul Group Holding Co.	Financials	Saudi Arabia	2.7
Finolex Cables, Ltd.	Industrials	India	2.4
Total for Top 10			40.7%

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 Asia

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Portfolio Characteristics | Matthews Emerging Markets Discovery Active ETF

As of June 30, 2024

COUNTRY ALLOCATION (%)

	Fund	Benchmark	Difference
China/Hong Kong	26.6	8.3	18.3
India	26.3	28.7	-2.4
Taiwan	14.3	22.7	-8.4
Brazil	8.4	3.6	4.8
South Korea	8.2	12.3	-4.1
Chile	4.0	0.7	3.3
Saudi Arabia	3.4	3.9	-0.5
Poland	2.1	1.4	0.7
Philippines	1.9	0.7	1.2
South Africa	1.2	3.1	-1.9
Vietnam	1.0	0.0	1.0
Indonesia	0.9	1.6	-0.7
Thailand	0.8	2.7	-1.9
Mexico	0.7	1.6	-0.9
Bangladesh	0.4	0.0	0.4
Turkey	0.3	2.4	-2.1
Other	0.0	6.4	-6.4
Liabilities In Excess of Cash and Other Assets	-0.4	0.0	-0.4

SECTOR BREAKDOWN (%)

	Fund	Benchmark	Difference
Industrials	22.1	19.1	3.0
Information Technology	20.6	17.9	2.7
Financials	18.9	10.8	8.1
Consumer Discretionary	16.2	11.9	4.3
Health Care	10.7	8.3	2.4
Real Estate	6.0	5.8	0.2
Materials	2.3	11.3	-9.0
Consumer Staples	1.7	6.1	-4.4
Communication Services	1.4	3.6	-2.2
Utilities	0.5	3.3	-2.8
Energy	0.0	1.8	-1.8
Liabilities In Excess of Cash and Other Assets	-0.4	0.0	-0.4

Benchmark: MSCI Emerging Markets Small Cap Index

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Sources: FactSet Research Systems, Inc., Matthews Asia

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Matthews

Portfolio Characteristics | Matthews Emerging Markets Discovery Active ETF

As of June 30, 2024

MARKET CAP EXPOSURE (%)

	Fund	Benchmark	Difference
Mega Cap (over \$25B)	0.0	0.0	0.0
Large Cap (\$10B-\$25B)	11.1	0.1	11.0
Mid Cap (\$3B-\$10B)	39.5	20.6	18.9
Small Cap (under \$3B)	49.8	79.2	-29.4
Liabilities In Excess of Cash and Other Assets	-0.4	0.0	-0.4

PORTFOLIO CHARACTERISTICS

	Fund
Assets	\$8.1 million
Weighted Average Market Cap	\$4.7 billion
P/E using FY1 Estimates*	16.0x
P/E using FY2 Estimates*	13.0x

Benchmark: MSCI Emerging Markets Small Cap 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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Sources: FactSet Research Systems, Inc., Bloomberg, Matthews Asia



Matthews Emerging Markets Discovery Active ETF Investment Team

VIVEK TANNEERU

Vivek Tanneeru is a Portfolio Manager at Matthews and manages the firm's Emerging Markets Sustainable Future, Emerging Markets Small Companies, Emerging Markets Discovery, Asia Small Companies and Asia Sustainable Future Strategies. Prior to joining Matthews in 2011, Vivek was an Investment Manager on the Global Emerging Markets team of Pictet Asset Management in London. While at Pictet, he also worked on the firm's Global Equities team, managing Japan and Asia ex-Japan markets. Before earning his MBA from the London Business School in 2006, Vivek was a Business Systems Officer at The World Bank and served as a Consultant at Arthur Andersen Business Consulting and Citicorp Infotech Industries. He interned at Generation Investment Management while studying for his MBA. Vivek received his Master's in Finance from the Birla Institute of Technology & Science in India. He is fluent in Hindi and Telugu.

JEREMY SUTCH, CFA

Jeremy Sutch is a Portfolio Manager at Matthews and manages the firm's Emerging Markets ex China Strategy and co-manages the firm's Emerging Markets Equity, Emerging Markets Small Companies, Emerging Markets Discovery, Asia Small Companies, Asia ex Japan Total Return Equity and Pacific Tiger Strategies. Prior to joining Matthews in 2015, he was Director and Global Head of Emerging Companies at Standard Chartered Bank in Hong Kong from 2012 to 2015, responsible for the fundamental analysis of companies in Asia, with a particular focus on small- and mid-capitalization companies. From 2009 to 2012, he was Managing Director at MJP Capital in Hong Kong, which he co-founded. His prior experience has included managing small-cap equities at Indus Capital Advisors and serving as Head of Hong Kong Research for ABN AMRO Asia Securities. Jeremy earned an M.A. in French and History from the University of Edinburgh.

ALEX ZARECHNAK

Alex Zarechnak is a Portfolio Manager at Matthews and manages the firm's Emerging Markets Equity and Emerging Markets ex China Strategies and co-manages the Emerging Markets Small Companies, Emerging Markets Discovery, and Emerging Markets Sustainable Future Strategies. Prior to joining the firm in 2020, he spent a total of 15 years (1998 – 2006 and 2012 – 2019) at Wellington Management as an analyst for the firm's flagship Emerging Markets Equity fund as a generalist first covering CEEMEA, then Latin America. From 2006-2012, he was a regional equity analyst at Capital Group, covering Emerging Markets with a focus on energy, telecoms and consumer sectors in Latin America and CEEMEA. Alex began his Emerging Markets career as a Russia equity analyst with Templeton Emerging Markets, based in Moscow. He earned a B.A. in Economics and Government from the College of William & Mary. Alex is fluent in Russian.

HARDY ZHU

Hardy Zhu is a Portfolio Manager at Matthews and co manages the firm's China, China Small Companies, China Dividend, China Discovery, China A-Share, Emerging Markets Small Companies and Emerging Markets Discovery Strategies. Prior to joining the firm in 2011, Hardy was an Equity Analyst with Delaware Investments researching Chinese equities. Before earning his MBA from Duke University in 2007, Hardy was a senior accountant at PNC Global Investment Servicing from 2000 to 2005. Hardy began his career at China National Nonferrous Metals Import & Export Co., one of the largest state-owned international trading companies in China. He received a Master of Accounting degree from the Virginia Polytechnic Institute and State University and a B.S. in Industrial Foreign Trade from Shenyang Polytechnic University in China. Hardy is fluent in Mandarin.



Key Takeaways

- Matthews has been invested in emerging markets for more than 30 years, and has an experienced investment team with the regional knowledge needed to uncover companies with the potential to deliver long-term growth
- Matthews' active ETFs benefit from the same investment management experience as our actively managed mutual funds do, with access to additional benefits that an ETF structure provides
- Active management allows for greater flexibility to adapt to changing market environments
- Active ETFs allow investors a choice in how to invest, while providing benefits such as lower cost and potential tax efficiency, along with active security selection from our experienced portfolio managers

[Learn more at matthewsasiasia.com/ETFs](https://matthewsasiasia.com/ETFs)

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- Investment team with the expertise needed to successfully navigate these regions
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To learn more about Matthews or how our strategies can complement globally diversified portfolios, please contact the Matthews Client Services Team

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Disclosure

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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.

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.

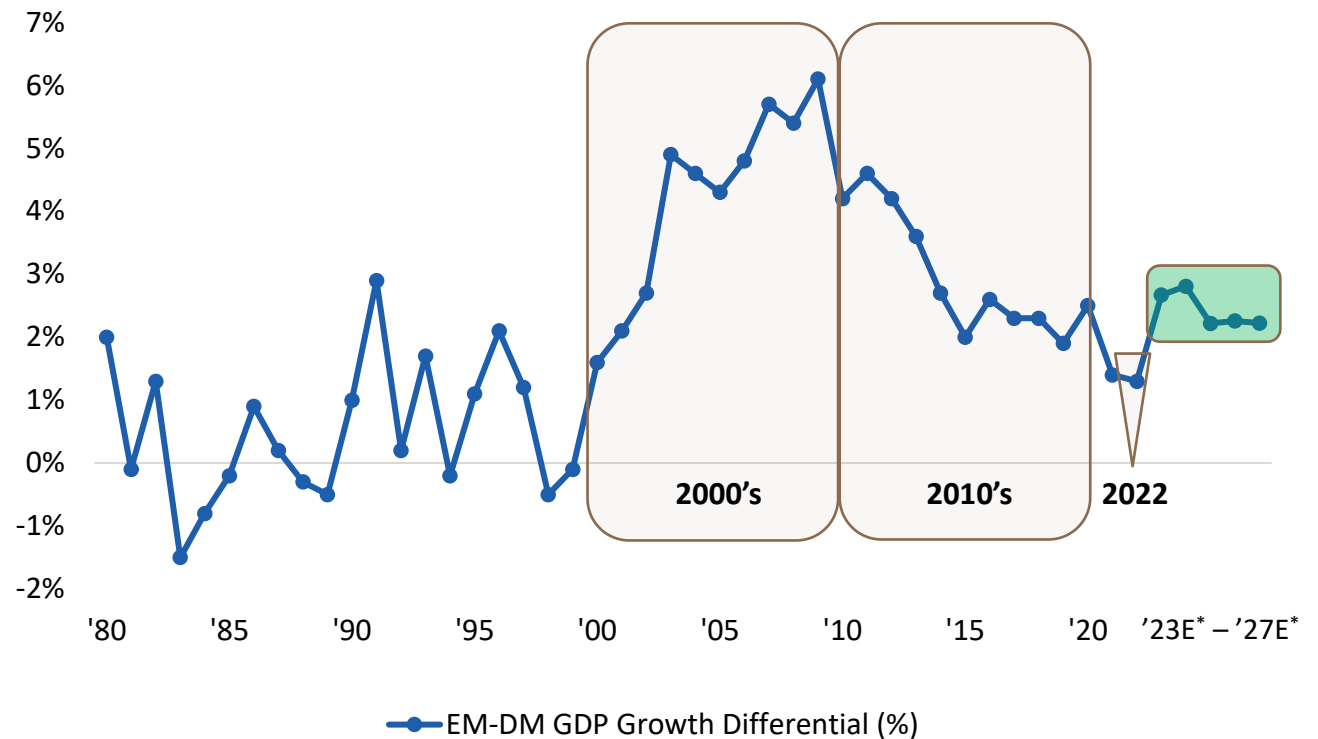
Appendix

Emerging Markets Look Attractive on Both Structural and Cyclical Basis

Structural

- 2022: Lowest growth differential between emerging economies (EM) and developed economies (DM) since 1999
- GDP growth rate differential between EM and DM expected to widen over the next five years, according to IMF

EM-DM GDP GROWTH DIFFERENTIAL: SET TO WIDEN AGAIN



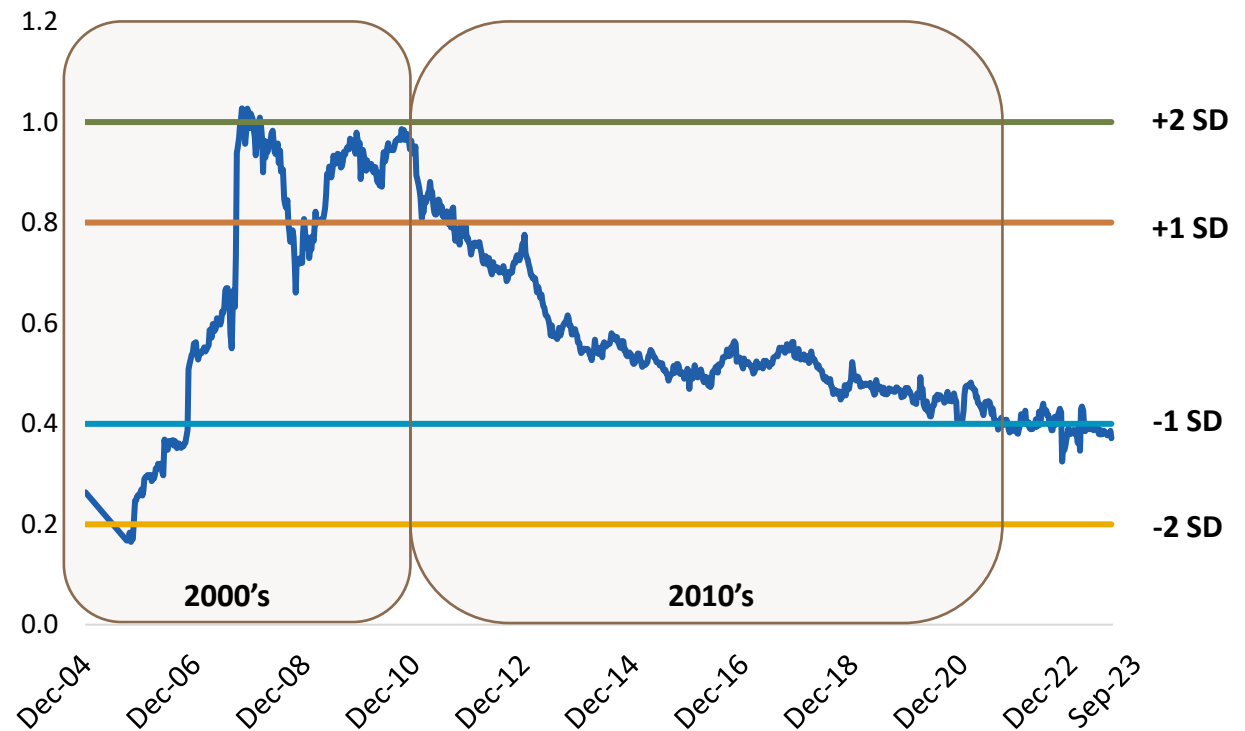
*Note: Data are estimates and there is no guarantee projections or estimates will be realized.
Sources: International Monetary Fund (IMF), World Economic Outlook April 2023

Emerging Markets Look Attractive on Both Structural and Cyclical Basis

Cyclical

- Attractive relative valuations in favor of EM
- Relatively benign inflation and attractive real rates in EM

EM VS. US: ATTRACTIVE PRICE-BOOK RELATIVE VALUATION



Sources: IMF; Bloomberg; data as of September 22, 2023

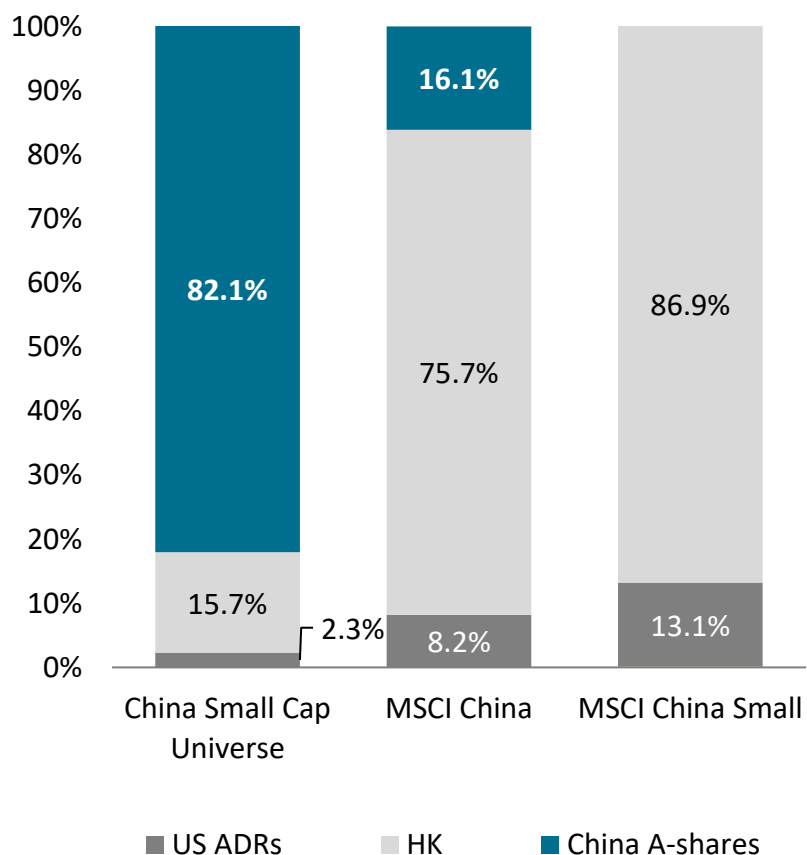
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We Believe the China Small Cap Universe is Inefficient and Undiscovered

A large percentage of the universe is not represented in leading benchmarks

CHINA SMALL UNIVERSE



THIRD-PARTY ANALYST COVERAGE OF CHINESE STOCKS

Percent of companies covered by third-party analysts within China's broader stock universe	Number of third-party analysts providing coverage
35%	5+ analysts
61%	5 or fewer analysts
55%	4 or fewer analysts
48%	3 or fewer analysts
40%	2 or fewer analysts
31%	1 or zero analysts
19%	Zero analysts

China Small Universe defined as companies within US\$1-\$5bn in market cap, totaling 1700 companies
 Source: Data from Bloomberg as of September 30, 2023

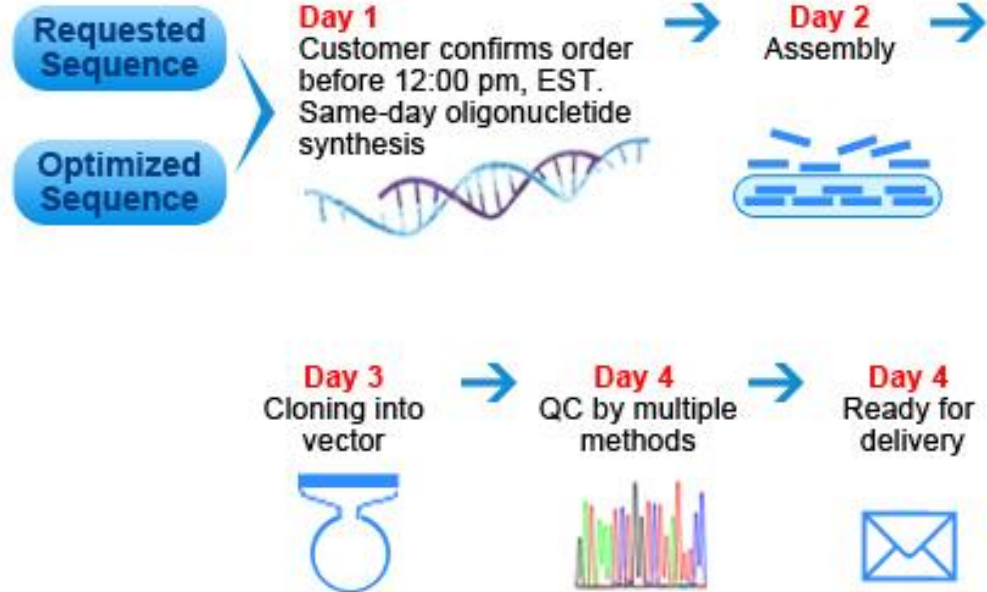
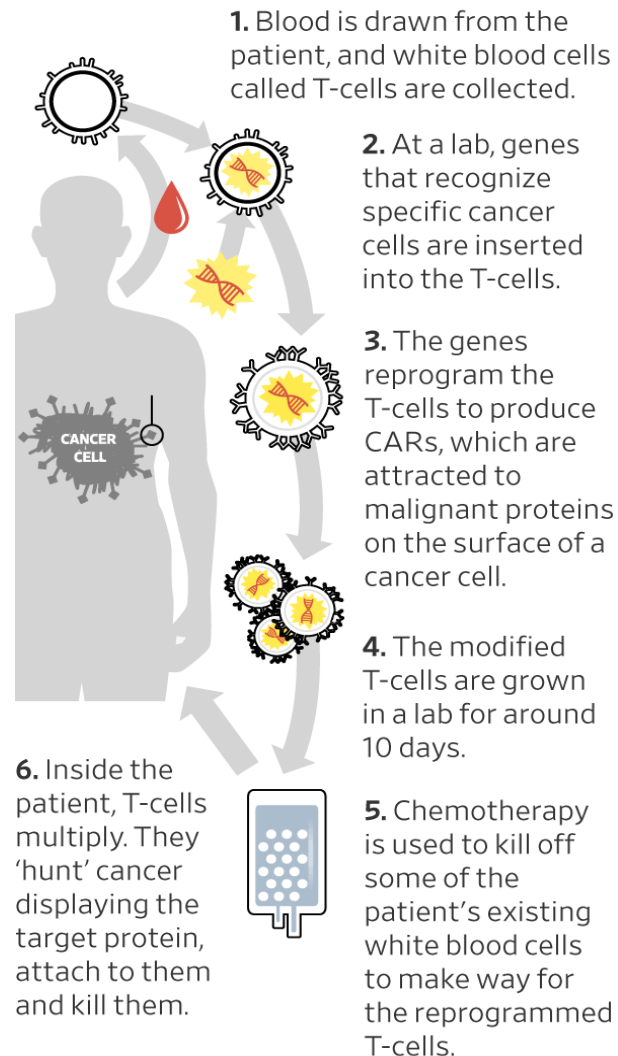
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In Our View, China Will be the Next Biotech and Innovation Powerhouse

Cell and Gene Therapy Companies are Gaining Momentum



P/E Multiple Expansion Potential in Emerging Markets Small Companies

Sources of Price Inefficiencies

* Lack of analyst coverage



- * Broad Matthews Asia investment team with breadth and depth of knowledge across market cap spectrum; 4,500+ company meetings in 2023
- * Factory/store/site visits, channel checks with supply chain and competition

* Short-term market focus



- * Long-term growth projections
- * Multiple year holding period and conviction building
- * Low portfolio turnover

* Underappreciated intangible asset value



- * Regional/global perspective and assessments
- * In-depth due diligence and analysis
- * Experience looking beyond the obvious

* Perception of inferior quality/high risks



- * Emphasis on sustainability of business model and profitable growth
- * Quality of financials, e.g. balance sheet strength, cash flow generation and return on invested capital
- * Focus on corporate governance

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