

# Artisan China Post-Venture Strategy



Portfolio Manager  
**TIFFANY HSIAO**

Years of Investment Experience  
19

Years in Asia  
20

Languages Spoken  
Mandarin, Cantonese, Taiwanese

## Investment Philosophy

We believe investing in disruptive, innovative, fast-compounding public and private companies early in their growth life cycles creates asymmetric return opportunities. Our approach revolves around three core tenets:

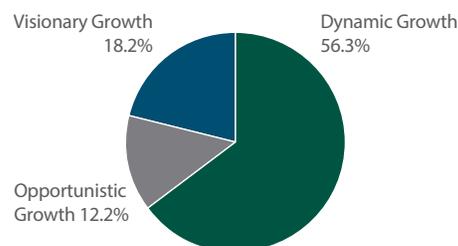
- **Opportunity**—China offers one of the world’s largest, yet underpenetrated, opportunities in both public and private markets with structural inefficiencies allowing for potentially meaningful excess return-generation over time.
- **Expertise**—Accessing and investing in tomorrow’s giants today requires deep, regional investment experience, cultural awareness, and an extensive and highly nurtured network of relationships with China’s entrepreneurial community.
- **Investigative Approach**—The marketplace’s scale makes identifying compelling opportunities critical and requires not only thorough quantitative vetting, but also qualitative—including product, people and process. Corporate engagement is also critical as a means of driving positive overall societal outcomes as well as relationship- and network-building and deepening.

## Portfolio Characteristics

Number of Holdings	20–40
Top-20 Holdings’ Weight	50%–60%
Long-Term Public/Private Mix Target	90%/10%
Cash Weight	Up to 15%
Geography-Flexible Exposure (Primarily Greater China)	Up to 10% Outside Greater China
Primary Benchmark	MSCI China SMID Cap Index

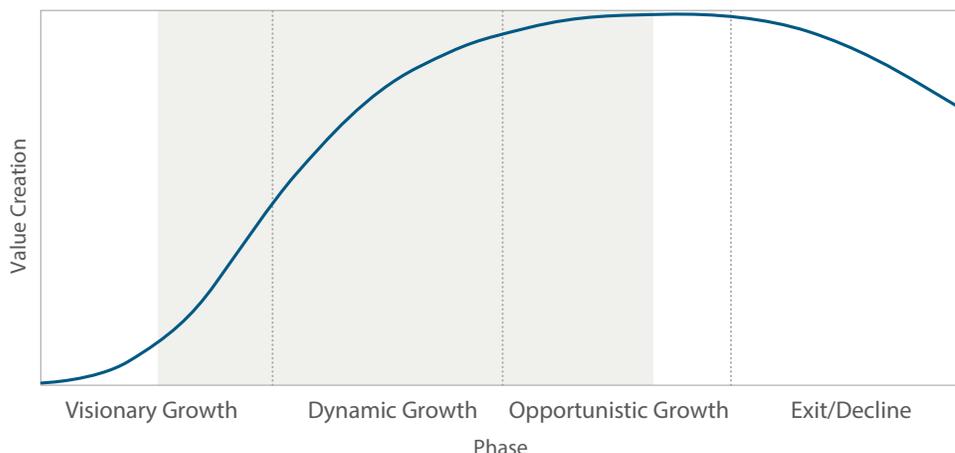
## Exposure by Growth Stages

(% of Public Portfolio as of 30 Sep 2021)



Source: Artisan Partners. Growth Stages for portfolio companies are subject to classification by the investment team and percentages are of the Public Portfolio. Cash and cash equivalents represented <0.1% of the total portfolio.

## Hypothetical Company Life Cycle



For illustrative purposes only. Shaded area represents 5-10 years within our investment time horizon.

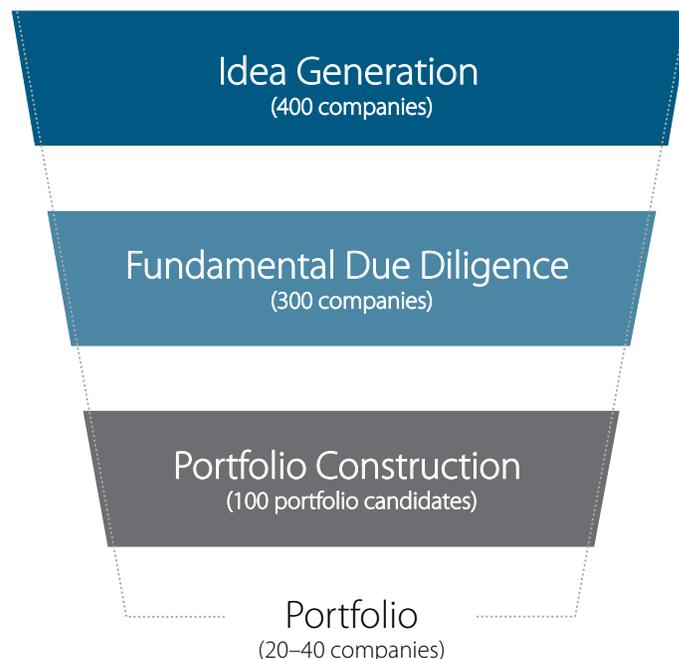


# Artisan China Post-Venture Strategy

## Investment Process Highlights

Our goal is maximizing our value-creation capture by partnering with companies exhibiting strong revenue growth and inflecting ROICs—which our investment process is tailored to identify.

- **Idea Generation**—We start with a broad investment universe of small- and mid-cap public and private companies in Greater China. From there, we screen for high sales growth and ROIC and strong balance sheets. We also perform extensive on-the-ground research and leverage our deep network to gain insight into compelling entrepreneurs and opportunities.
- **Fundamental Due Diligence**—We apply a multi-faceted, venture mindset to ensuring we have identified the entrepreneurs we believe likeliest to disrupt a sizeable existing market or create a new one.
- **Corporate Engagement**—Our goal is establishing deep, strategic relationships with our portfolio companies early in their life cycles, when our influence extends beyond just our capital. We consult with management frequently on business strategy and execution, risk awareness and mitigation, and socially responsible practices.
- **Portfolio Construction**—Once we have narrowed our universe to a pool of candidates, we take a layered approach to identifying asymmetric upside/downside return opportunities, measuring end-market exposures and risks, and analyzing portfolio analytics. The end result is a concentrated portfolio of 20-40 positions across public and private markets.



**Tiffany Hsiao, CFA**, is a managing director of Artisan Partners and the sole portfolio manager for the Artisan China Post-Venture Strategy. Prior to joining Artisan Partners in September 2020, Ms. Hsiao was a portfolio manager for Matthews Asia, where she managed the Matthews China Small Companies Fund from 2015–

2020 and the Matthews Asia Small Companies Fund from 2018–2020 and also served as co-portfolio manager of the Matthews Asia Innovators Fund from 2018–2020. Before that, Ms. Hsiao was a Vice President at Goldman Sachs Investment Partners in Hong Kong and Tokyo with responsibility for Asia Pacific investments with an emphasis on Chinese equities. Prior to that, Ms. Hsiao served as portfolio manager and analyst at Franklin Templeton Investments with responsibility for the Franklin Global Communications Fund. Ms. Hsiao holds a bachelor's degree in economics from the University of California, Berkeley, as well as a master's degree in information technology from Carnegie Mellon University.

### Exposure by Country of Exchange

(% of Public Portfolio as of 30 Sep 2021)

China	16.6	<div style="width: 16.6%;"></div>
Hong Kong	50.8	<div style="width: 50.8%;"></div>
Taiwan	17.4	<div style="width: 17.4%;"></div>
United States	1.9	<div style="width: 1.9%;"></div>

Source: Bloomberg.

### Exposure by Sector

(% of Public Portfolio as of 30 Sep 2021)

Communication Services	0.0	<div style="width: 0.0%;"></div>
Consumer Discretionary	14.0	<div style="width: 14.0%;"></div>
Consumer Staples	3.6	<div style="width: 3.6%;"></div>
Energy	0.0	<div style="width: 0.0%;"></div>
Financials	3.8	<div style="width: 3.8%;"></div>
Health Care	21.5	<div style="width: 21.5%;"></div>
Industrials	16.2	<div style="width: 16.2%;"></div>
Information Technology	22.7	<div style="width: 22.7%;"></div>
Materials	0.0	<div style="width: 0.0%;"></div>
Real Estate	0.0	<div style="width: 0.0%;"></div>
Utilities	0.0	<div style="width: 0.0%;"></div>

Source: Artisan Partners/GICS.

**Investment Risks:** Current and future portfolio holdings are subject to risk. International investments involve special risks, including currency fluctuation, lower liquidity, different accounting methods and economic and political systems, and higher transaction costs. These risks typically are greater in emerging markets. Securities of small- and medium-sized companies tend to have a shorter history of operations, be more volatile and less liquid and may have underperformed securities of large companies during some periods. Growth securities may underperform other asset types during a given period. A portfolio focused on greater China will be closely tied to market, currency, economic, political, environmental, or regulatory conditions and developments in the region, and may fluctuate more than the returns of a more geographically diversified portfolio. Investments will rise and fall with market fluctuations and investor capital is at risk.

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Artisan China-Post Venture Strategy intends to invest in a Public Portfolio, which are typically comprised of publicly traded securities, and Private Investments, which are generally not publicly traded or daily valued, can be illiquid and ideally are held until the resolution of a special event or circumstance. Unless otherwise noted, portfolio statistics shown are based on the Public Portfolio of the Artisan China Post-Venture Representative Account and exclude statistics related to Private Investments.

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