



Matthews Asia Value Fund

June 30, 2018

Investment Objective

Long-term capital appreciation.

Strategy

Under normal market conditions, the Matthews Asia Value Fund seeks to achieve its investment objective by investing at least 80% of its total assets, which include borrowings for investment purposes, in the common stock, preferred stock and other equity securities, and convertible securities of companies located in Asia. The Fund seeks to create an investable universe of value companies that it believes trade at market positions, have strong management and are oriented to creating value for their shareholders. Matthews assesses companies within this universe according to each of these factors.

Risks

Investments in Asian securities may involve risks such as social and political instability, market illiquidity, exchange-rate fluctuations, a high level of volatility and limited regulation. Investing in emerging and frontier markets involves different and greater risks, as these countries are substantially smaller, less liquid and more volatile than securities markets in more developed markets. Value investing involves the risk that an investment made in undervalued securities may not appreciate in value as anticipated or remain undervalued for long periods of time.

FUND FACTS

	Investor Class	Institutional Class
Ticker	MAVRX	MAVAX
CUSIP	577130693	577130685
Inception	11/30/15	11/30/15
NAV	\$12.45	\$12.37
Initial Investment	\$2,500	\$100,000
Gross Expense Ratio	2.32%	2.08%
Net Expense Ratio ¹	1.50%	1.25%

Portfolio Statistics

Total # of Positions	48
Net Assets	\$35.8 million
Weighted Average Market Cap	\$18.1 billion
Portfolio Turnover	31.93% ²

Benchmark

MSCI All Country Asia ex Japan Index³

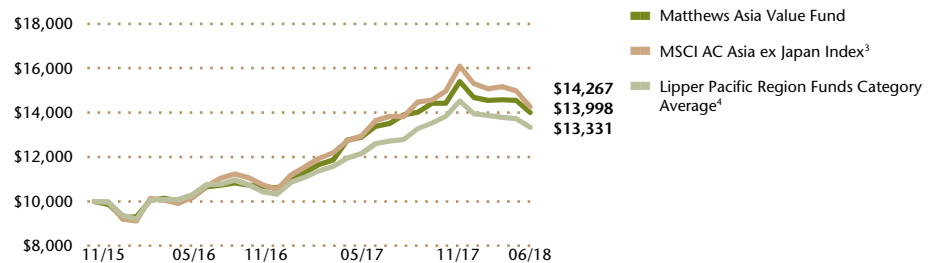
INVESTMENT APPROACH

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 is the largest dedicated Asia-only investment specialist in the United States. With \$33.9 billion in assets under management as of June 30, 2018 Matthews Asia employs a bottom-up, fundamental investment philosophy with a focus on long-term investment performance.

PERFORMANCE AS OF JUNE 30, 2018

	Average Annual Total Returns						Since Inception	Since Inception
	3 Months	YTD	1 Year	3 Years	5 Years	10 Years		
Investor Class	-3.79%	-2.96%	8.64%	n.a.	n.a.	n.a.	13.91%	11/30/15
Institutional Class	-3.74%	-2.83%	8.85%	n.a.	n.a.	n.a.	14.19%	11/30/15
MSCI AC Asia ex Japan Index	-5.31%	-4.65%	10.21%	n.a.	n.a.	n.a.	14.75%	n.a.

GROWTH OF A \$10,000 INVESTMENT SINCE INCEPTION — INVESTOR



The performance data and graph do not reflect the deduction of taxes that a shareholder would pay on dividends, capital gain distributions or redemption of fund shares. Values are in US\$. Source: BNY Mellon Investment Servicing (US) Inc.

- After contractual fee waiver, expense reimbursement and/or recoupment effective through April 30, 2019.
- The lesser of fiscal year 2017 long-term purchase costs or sales proceeds divided by the average monthly market value of long-term securities.
- The MSCI All Country Asia ex Japan Index is a free float—adjusted market capitalization—weighted index of the stock of markets of China, Hong Kong, India, Indonesia, Korea, Malaysia, Pakistan, the Philippines, Singapore, Taiwan and Thailand. Index is for comparative purposes only and it is not possible to invest directly in an index.
- The Lipper Category Average does not reflect sales charges and is based on total return, including reinvestment of dividends and capital gains for the stated period.

Performance 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 visit matthewsasiasia.com.

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TOP TEN HOLDINGS ⁵		
	Country	% of Net Assets
China National Accord Medicines Corp., Ltd.	China/Hong Kong	5.0%
Clear Media, Ltd.	China/Hong Kong	4.3%
MPHB Capital BHD	Malaysia	4.2%
CK Hutchison Holdings, Ltd.	China/Hong Kong	4.1%
Samsung SDI Co., Ltd., Pfd.	South Korea	4.0%
YAMADA Consulting Group Co., Ltd.	Japan	2.9%
Baidu, Inc.	China/Hong Kong	2.6%
Shinyoung Securities Co., Ltd.	South Korea	2.6%
Haw Par Corp., Ltd.	Singapore	2.6%
Kwangju Bank Co., Ltd.	South Korea	2.5%
% OF ASSETS IN TOP TEN		34.8%

COUNTRY ALLOCATION (%) ⁶				SECTOR ALLOCATION (%) ⁶			
	Fund	Benchmark	Difference		Fund	Benchmark	Difference
China/Hong Kong	31.9	48.3	-16.4	Consumer Discretionary	22.8	8.9	13.9
South Korea	28.8	16.5	12.3	Industrials	15.0	6.5	8.5
Japan	10.3	0.0	10.3	Financials	13.0	22.8	-9.8
Malaysia	5.8	2.6	3.2	Information Technology	12.4	31.6	-19.2
Singapore	4.7	3.9	0.8	Health Care	11.8	3.2	8.6
Taiwan	4.2	13.1	-8.9	Consumer Staples	7.1	5.0	2.1
United States	1.9	0.0	1.9	Materials	5.3	4.7	0.6
Switzerland	1.1	0.0	1.1	Telecom Services	1.7	3.7	-2.0
Israel	0.5	0.0	0.5	Real Estate	0.0	6.0	-6.0
India	0.0	9.7	-9.7	Energy	0.0	4.5	-4.5
Thailand	0.0	2.5	-2.5	Utilities	0.0	3.1	-3.1
Indonesia	0.0	2.2	-2.2	Cash and Other Assets, Less Liabilities	10.9	0.0	10.9
Philippines	0.0	1.1	-1.1				
Pakistan	0.0	0.1	-0.1				
Cash and Other Assets, Less Liabilities	10.9	0.0	10.9				

Not all countries are included in the benchmark index.
Source: FactSet Research Systems

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 (%) ^{6,7}				P/E RATIOS ⁸	
	Fund	Benchmark	Difference		
Mega Cap (over \$25B)	14.9	53.2	-38.3	P/E Using FY1 Estimates	10.0x
Large Cap (\$10B-\$25B)	5.5	25.4	-19.9	P/E Using FY2 Estimates	8.7x
Mid Cap (\$3B-\$10B)	11.4	18.1	-6.7		
Small Cap (under \$3B)	57.2	3.4	53.8		
Cash and Other Assets, Less Liabilities	10.9	0.0	10.9		

Source: FactSet Research Systems

Source: FactSet Research Systems (P/E est. as of 06/30/18)

- 5 Holdings may combine more than one security from the same issuer and related depositary receipts.
6 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.
7 Equity market cap of issuer.
8 The P/E figures represent the Weighted Harmonic Average P/E—which measures the price/earnings ratio of the Fund's entire portfolio, excluding negative earners—weighted by the size of the company's position within the portfolio. P/E estimates are forward looking. There is no guarantee that portfolio composition will remain unchanged or P/E estimates will be realized.

PORTFOLIO MANAGEMENT

Beini Zhou, CFA
Lead Manager

Michael B. Han, CFA
Co-Manager

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.

You should carefully consider the investment objectives, risks, charges and expenses of the Matthews Asia Funds before making an investment decision. A prospectus or summary prospectus with this and other information about the Funds may be obtained by visiting matthewsasiasia.com. Please read the prospectus carefully before investing as it explains the risks associated with investing in international and emerging markets.

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