

ASIA VALUE STRATEGY



FUND FACTS

	Investor Class	Institutional Class
Ticker	MAVRX	MAVAX
CUSIP	577130693	577130685
Inception	11/30/15	11/30/15
NAV	\$12.94	\$12.85
Initial Investment		\$100,000
Gross Expense Ratio ¹	11.48%	11.26%
Net Expense Ratio ²	1.50%	1.25%

Portfolio Statistics

Total # of Positions	47
Net Assets	\$35.0 million
Weighted Average Market Cap	\$18.6 billion
Portfolio Turnover	31.93% ³

Benchmark

MSCI All Country Asia ex Japan Index⁴

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 \$35.1 billion in assets under management as of March 31, 2018 Matthews Asia employs a bottom-up, fundamental investment philosophy with a focus on long-term investment performance.

Matthews Asia Value Fund

March 31, 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.

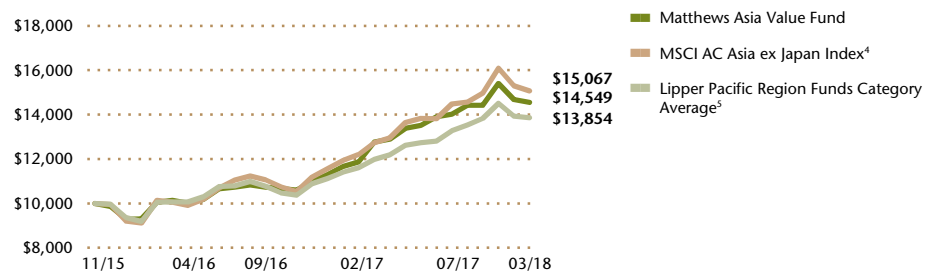
Risks

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.

PERFORMANCE AS OF MARCH 31, 2018

	Average Annual Total Returns						Since Inception	Since Inception
	3 Months	YTD	1 Year	3 Years	5 Years	10 Years		
Investor Class	0.86%	0.86%	24.76%	n.a.	n.a.	n.a.	17.43%	11/30/15
Institutional Class	0.94%	0.94%	25.07%	n.a.	n.a.	n.a.	17.72%	11/30/15
MSCI AC Asia ex Japan Index	0.70%	0.70%	26.16%	n.a.	n.a.	n.a.	19.20%	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.

- 1 Matthews Asia Funds' 12b-1 Plan (the Plan) is inactive. Although the Plan currently is not active, it is reviewed by the Board annually in case the Board decides to re-activate the Plan. The Plan would not be re-activated without prior notice to shareholders and any amounts payable under the Plan would be subject to applicable operating expense limitations. If the Plan were reactivated, the fee would be up to 0.25% for each of the Investor Class and Institutional Class, respectively.
- 2 After contractual fee waiver, expense reimbursement and/or recoupment effective through April 30, 2018.
- 3 The lesser of fiscal year 2017 long-term purchase costs or sales proceeds divided by the average monthly market value of long-term securities.
- 4 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, Malaysia, Philippines, Singapore, South Korea, Taiwan and Thailand. Index is for comparative purposes only and it is not possible to invest directly in an index.
- 5 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 matthewsasia.com.

Matthews Asia Value Fund

March 31, 2018

TOP TEN HOLDINGS ⁶		
	Country	% of Net Assets
China National Accord Medicines Corp., Ltd.	China/Hong Kong	5.1%
Clear Media, Ltd.	China/Hong Kong	5.0%
MPHB Capital BHD	Malaysia	4.5%
Samsung SDI Co., Ltd., Pfd.	South Korea	3.9%
YAMADA Consulting Group Co., Ltd.	Japan	3.8%
CK Hutchison Holdings, Ltd.	China/Hong Kong	3.7%
Haw Par Corp., Ltd.	Singapore	2.6%
DGB Financial Group, Inc.	South Korea	2.5%
Shinyoung Securities Co., Ltd.	South Korea	2.5%
Baidu, Inc.	China/Hong Kong	2.5%
% OF ASSETS IN TOP TEN		36.1%

COUNTRY ALLOCATION (%) ⁷				SECTOR ALLOCATION (%) ⁷			
	Fund	Benchmark	Difference		Fund	Benchmark	Difference
China/Hong Kong	30.5	45.9	-15.4	Consumer Discretionary	21.8	8.9	12.9
South Korea	29.1	17.5	11.6	Industrials	16.0	6.7	9.3
Japan	10.2	0.0	10.2	Financials	13.4	23.5	-10.1
Malaysia	6.2	2.9	3.3	Information Technology	12.1	32.1	-20.0
Taiwan	4.7	13.6	-8.9	Health Care	11.9	2.8	9.1
Singapore	4.4	4.2	0.2	Consumer Staples	7.2	4.6	2.6
United States	1.9	0.0	1.9	Materials	4.9	4.5	0.4
Switzerland	1.2	0.0	1.2	Telecom Services	1.5	3.9	-2.4
Israel	0.5	0.0	0.5	Real Estate	0.0	5.8	-5.8
India	0.0	9.4	-9.4	Energy	0.0	4.4	-4.4
Thailand	0.0	2.8	-2.8	Utilities	0.0	2.9	-2.9
Indonesia	0.0	2.4	-2.4	Cash and Other Assets, Less Liabilities	11.2	0.0	11.2
Philippines	0.0	1.1	-1.1				
Pakistan	0.0	0.1	-0.1				
Cash and Other Assets, Less Liabilities	11.2	0.0	11.2				

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 (%) ^{7,8}				P/E RATIOS ⁹	
	Fund	Benchmark	Difference		
Mega Cap (over \$25B)	13.7	56.5	-42.8	P/E Using FY1 Estimates	10.6x
Large Cap (\$10B-\$25B)	5.4	24.2	-18.8	P/E Using FY2 Estimates	9.3x
Mid Cap (\$3B-\$10B)	11.7	16.9	-5.2		
Small Cap (under \$3B)	58.1	2.5	55.6		
Cash and Other Assets, Less Liabilities	11.2	0.0	11.2		

Source: FactSet Research Systems

Source: FactSet Research Systems (P/E est. as of 03/31/18)

- 6 Holdings may combine more than one security from the same issuer and related depositary receipts.
7 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.
8 Equity market cap of issuer.
9 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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