



FUND FACTS

	Investor Class	Institutional Class
Ticker	MCRDX	MICPX
CUSIP	577130677	577130669
Inception	04/29/16	04/29/16
NAV	\$10.27	\$10.27
Initial Investment	\$2,500	\$100,000
Gross Expense Ratio	1.24%	1.07%
Net Expense Ratio ¹	1.12%	0.90%
30 Day SEC Yield ³	6.13%	6.42%
30 Day SEC Yield (excluding expense waiver) ³	6.21%	6.30%

Portfolio Statistics

Total # of Positions	31
Net Assets	\$91.1 million
Modified Duration ²	2.9
Portfolio Turnover	81.08% ⁴

Benchmark

J.P. Morgan Asia Credit Index

RISKS

An investment in the Fund is subject to credit, interest rate and currency risks. Credit risk is the change in the value of debt securities reflecting the ability and willingness of issuers to make principal and interest payments. Interest rate risk is the possibility that a Fund's yield will decline due to falling interest rates and the potential for bond prices to fall as interest rates rise. Currency risk is a decline in value of a foreign currency relative to the Fund's base currency which reduces the value of the foreign currency and investments denominated in that currency. 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 is non-diversified and may invest a larger portion of its assets in a single issuer and may entail greater risk than a diversified fund.

Matthews Asia Credit Opportunities Fund

December 31, 2020

Investment Objective

Seeks total return over the long term.

Strategy

Under normal circumstances, the Fund seeks to achieve its investment objective by investing at least 80% of its net assets, which include borrowings for investment purposes, in debt and debt-related instruments issued by companies as well as governments, quasigovernmental entities, and supranational institutions in Asia. Debt and debt-related instruments typically include bonds, debentures, bills, securitized instruments (which are vehicles backed by pools of assets such as loans or other receivables), notes, certificates of deposit and other bank obligations, bank loans, senior secured bank debt, convertible debt securities, credit-linked notes, inflation-linked instruments, repurchase agreements, payment-in-kind securities and derivative instruments with fixed income characteristics.

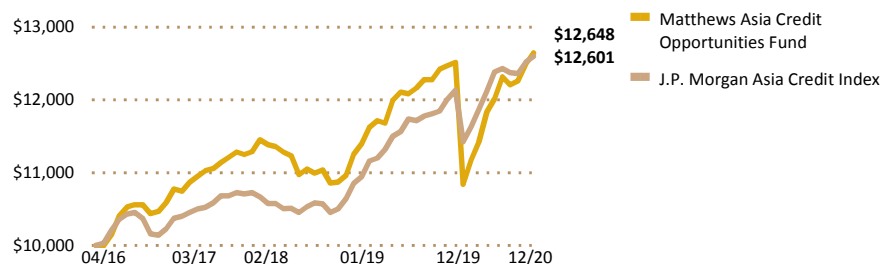
Risks

All investments involve risks, including possible loss of principal. Investing in international and emerging markets may involve additional risks, such as social and political instability, market illiquidity, exchange-rate fluctuations, a high level of volatility and limited regulation.

PERFORMANCE AS OF DECEMBER 31, 2020

	Average Annual Total Returns						
	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Investor Class	3.61%	1.80%	1.80%	3.86%	n.a.	n.a.	5.16%
Institutional Class	3.68%	2.05%	2.05%	4.11%	n.a.	n.a.	5.41%
J.P. Morgan Asia Credit Index	1.82%	6.33%	6.33%	5.52%	n.a.	n.a.	5.07%

GROWTH OF A HYPOTHETICAL \$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, 2021.
- Modified duration measures the percent change in value of the fixed income portion of the portfolio in response to a 1% change in interest rates. In a multi-currency denominated portfolio with sensitivities to different interest rate regimes, modified duration will not accurately reflect the change in value of the overall portfolio from a change in any one interest rate regime. Source: FactSet Research Systems, Bloomberg.
- The 30 Day SEC Yield represents net investment income earned by the Fund over the 30-day period ended December 31, 2020, expressed as an annual percentage rate based on the Fund's share price at the end of the 30-day period. The 30 Day SEC Yield should be regarded as an estimate of the Fund's rate of investment income, and it may not equal the Fund's actual income distribution rate. Source: BNY Mellon Investment Servicing (US) Inc.
- The lesser of fiscal year 2019 long-term purchase costs or sales proceeds divided by the average monthly market value of long-term securities.

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 matthewsasias.com.

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

Matthews Asia Credit Opportunities Fund

December 31, 2020

TOP TEN POSITIONS⁵

	Sector	Currency	% of Net Assets
Network i2i, Ltd., 5.650%, 04/15/2068	Communication Services	USD	6.1%
Indika Energy Capital III Pte, Ltd., 5.875%, 11/09/2024	Energy	USD	5.6%
Viet Nam Debt & Asset Trading Corp., 1.000%, 10/10/2025	Financials	USD	5.4%
Honghua Group, Ltd., 6.375%, 08/01/2022	Energy	USD	5.2%
Sino-Ocean Land Treasure III, Ltd., 4.900%, 03/21/2068	Real Estate	USD	5.2%
King Talent Management, Ltd., 5.600%, 06/04/2068	Financials	USD	5.0%
Tata Motors, Ltd., 5.875%, 05/20/2025	Consumer Discretionary	USD	4.8%
Luye Pharma Group, Ltd., Cnv., 1.500%, 07/09/2024	Health Care	USD	4.3%
Poseidon Finance 1, Ltd., Cnv., 0.000%, 02/01/2025	Financials	USD	4.1%
Times China Holdings, Ltd., 6.200%, 03/22/2026	Real Estate	USD	3.9%
% OF ASSETS IN TOP TEN			49.6%

COUNTRY ALLOCATION (%)^{6,7*}

By Issuer's country of risk	
China/Hong Kong	44.0
Indonesia	17.3
India	14.2
Vietnam	6.8
Switzerland	3.1
Australia	2.6
Philippines	2.5
South Korea	1.7
Cash and Other Assets, Less Liabilities	7.8

*A supranational is an international organization in which member states transcend national boundaries, (ex. IMF). Not all countries are included in the benchmark index.

Source: FactSet Research Systems

QUALITY DISTRIBUTION (%)⁸

Rating	
BBB	2.6
BBB-	3.1
BB+	2.9
BB	15.4
BB-	17.0
B+	17.2
B	5.2
B-	1.6
CCC+	3.8
Not Rated	23.6
Cash and Other Assets, Less Liabilities	7.8

Source: FactSet Research Systems, Moody's, S&P and Fitch

⁵ Holdings may combine more than one security from the same issuer and related depository 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 Cash and Other Assets may include the mark-to-market value of forward currency exchange contracts and certain derivative instruments.

⁸ Credit quality is provided for the underlying bond holdings of the Fund and does not include common equities, cash and other assets and percentage values will not total 100%. Credit quality rating symbols reflect that of S&P and generally credit ratings range from AAA (highest) to D (lowest). When ratings from Moody's, S&P and Fitch are available for a bond in the Fund, the middle rating of the three is used. When two ratings are available, the lowest rating is used. When only one rating is provided, that one is used. Foreign government bonds without a specific rating are assigned the country rating provided by one of the three agencies. Securities that are not rated by any one of the three agencies are reflected as such.

CURRENCY (%)^{6,7}

	Weight	Contribution to Duration ⁷
U.S. Dollar	100.0	2.9

⁷Fixed income portion of the portfolio. Contribution to Duration is defined as the market value of the security in the portfolio multiplied by the security's duration. Source: FactSet Research Systems

SECTOR ALLOCATION (%)^{6,7}

Real Estate	23.9
Financials	17.0
Consumer Discretionary	16.6
Energy	13.8
Communication Services	7.8
Materials	6.5
Health Care	4.3
Foreign Government Bonds*	1.5
Industrials	0.9
Cash and Other Assets, Less Liabilities	7.8

*Foreign Government Bonds includes supranationals.

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

Source: FactSet Research Systems

ASSET TYPE BREAKDOWN (%)^{6,7}

Corporate Bonds	72.4
Convertible Bonds	13.1
Government Bonds	6.8
Cash and Other Assets, Less Liabilities	7.8

Source: FactSet Research Systems

PORTFOLIO MANAGEMENT

Teresa Kong, CFA

Lead Manager

Satya Patel

Lead Manager

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 \$28.4 billion in assets under management as of December 31, 2020 Matthews Asia employs a bottom-up, fundamental investment philosophy with a focus on long-term investment performance.

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.

INDEX DEFINITION

The J.P. Morgan Asia Credit Index (JACI) tracks the total return performance of the Asia fixed-rate dollar bond market. JACI is a market cap-weighted index comprising sovereign, quasi-sovereign and corporate bonds and is partitioned by country, sector and credit rating. JACI includes bonds from the following countries: China, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, South Korea and Thailand. Index is for comparative purposes only it is not possible to invest directly in an index. Source: BNY Mellon Investment Servicing (US) Inc., Index data from J.P. Morgan.

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