



FUND FACTS

	Investor Class	Institutional Class
Ticker	MJFOX	MJFX
CUSIP	577130800	577130792
Inception	12/31/98	10/29/10
NAV	\$25.27	\$25.32
Initial Investment	\$2,500	\$100,000
Gross Expense Ratio	0.93%	0.88%

Portfolio Statistics

Total # of Positions	49
Net Assets	\$1.7 billion
Weighted Average Market Cap	\$43.5 billion
Portfolio Turnover	25.42% ¹

Benchmark

MSCI Japan Index²

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.

Matthews Japan Fund

December 31, 2020

Investment Objective

Long-term capital appreciation.

Strategy

Under normal circumstances, the Matthews Japan 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 and preferred stocks of companies located in Japan. The Fund seeks to invest in companies capable of sustainable growth based on the fundamental characteristics of those companies, including balance sheet information; number of employees; size and stability of cash flow; management's depth, adaptability and integrity; product lines; marketing strategies; corporate governance; and financial health.

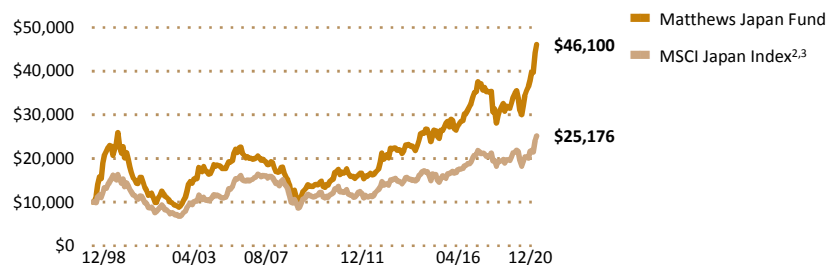
Risks

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. In addition, single-country and sector funds may be subject to a higher degree of market risk than diversified funds because of concentration in a specific industry, sector or geographic region.

PERFORMANCE AS OF DECEMBER 31, 2020

	3 Months	YTD	1 Year	Average Annual Total Returns				Since Inception	Since Inception
				3 Years	5 Years	10 Years	Since Inception		
Investor Class	15.87%	29.82%	29.82%	9.32%	11.80%	10.66%	7.19%	12/31/98	
Institutional Class	15.87%	29.85%	29.85%	9.38%	11.87%	10.76%	11.73%	10/29/10	
MSCI Japan Index	15.29%	14.91%	14.91%	6.45%	9.04%	6.80%	4.29% ³	n.a.	

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.

- 1 The lesser of fiscal year 2019 long-term purchase costs or sales proceeds divided by the average monthly market value of long-term securities.
- 2 The MSCI Japan Index is a free float-adjusted market capitalization—weighted index of Japanese equities listed in Japan. Index is for comparative purposes only and it is not possible to invest directly in an index.
- 3 Calculated from 12/31/98.

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 Japan Fund

December 31, 2020

TOP TEN HOLDINGS ⁴			
	Sector	% of Net Assets	
Shin-Etsu Chemical Co., Ltd.	Materials	5.3%	
Sony Corp.	Consumer Discretionary	4.8%	
TDK Corp.	Information Technology	3.9%	
SMC Corp.	Industrials	3.6%	
M3, Inc.	Health Care	3.0%	
Keyence Corp.	Information Technology	3.0%	
Hoya Corp.	Health Care	2.8%	
SoftBank Group Corp.	Communication Services	2.8%	
Recruit Holdings Co., Ltd.	Industrials	2.7%	
PeptiDream, Inc.	Health Care	2.7%	
% OF ASSETS IN TOP TEN		34.6%	

SECTOR ALLOCATION (%) ⁵				MARKET CAP EXPOSURE (%) ^{5,6}			
	Fund	Benchmark	Difference		Fund	Benchmark	Difference
Information Technology	22.3	14.0	8.3	Mega Cap (over \$25B)	49.3	58.9	-9.6
Industrials	19.7	20.6	-0.9	Large Cap (\$10B-\$25B)	27.7	22.3	5.4
Consumer Discretionary	16.8	18.4	-1.6	Mid Cap (\$3B-\$10B)	13.9	18.9	-5.0
Health Care	16.8	11.3	5.5	Small Cap (under \$3B)	7.9	0.0	7.9
Financials	8.5	8.3	0.2	Cash and Other Assets, Less Liabilities	1.2	0.0	1.2
Communication Services	7.7	9.6	-1.9				
Materials	7.0	5.2	1.8				
Consumer Staples	0.0	7.6	-7.6				
Real Estate	0.0	3.4	-3.4				
Utilities	0.0	1.2	-1.2				
Energy	0.0	0.5	-0.5				
Cash and Other Assets, Less Liabilities	1.2	0.0	1.2				

P/E RATIOS ⁷	
P/E Using FY1 Estimates	27.9x
P/E Using FY2 Estimates	25.4x

Sector data based on MSCI's revised Global Industry Classification Standards. For more details, visit www.msci.com.
Source: FactSet Research Systems

Source: FactSet Research Systems (P/E est. as of 12/31/20)

4 Holdings may combine more than one security from the same issuer and related depositary receipts.
5 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.
6 Equity market cap of issuer.
7 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

Taizo Ishida
Lead Manager

Shuntaro Takeuchi
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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