



Matthews Asian Growth and Income Fund

June 30, 2021

Investment Objective

Long-term capital appreciation. The Fund also seeks to provide some current income.

Strategy

Under normal circumstances, the Matthews Asian Growth and Income Fund seeks to achieve its investment objective by investing at least 80% of its total net assets, which include borrowings for investment purposes, in dividend-paying common stock, preferred stock and other equity securities, and convertible securities as well as fixed-income securities, of any duration or quality, of companies located in Asia, which consists of all countries and markets in Asia, including developed, emerging, and frontier countries and markets in the Asian region. The Fund attempts to offer investors a relatively stable means of participating in a portion of the Asian region's growth prospects, while providing some downside protection, in comparison to a portfolio that invests purely in common stocks. The strategy of owning convertible bonds and dividend-paying equities is designed to help the Fund to meet its investment objective while helping to reduce the volatility of its portfolio.

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.

FUND FACTS

| | Investor Class | Institutional Class |
|---------------------|----------------|---------------------|
| Ticker | MACSX | MICSX |
| CUSIP | 577130206 | 577130842 |
| Inception | 09/12/94 | 10/29/10 |
| NAV | \$18.70 | \$18.67 |
| Initial Investment | \$2,500 | \$100,000 |
| Gross Expense Ratio | 1.09% | 0.96% |

Portfolio Statistics

| | |
|-----------------------------|--------------------|
| Total # of Positions | 57 |
| Net Assets | \$1.5 billion |
| Weighted Average Market Cap | \$142.5 billion |
| Portfolio Turnover | 36.3% ¹ |

Benchmark

MSCI All Country Asia ex Japan Index²

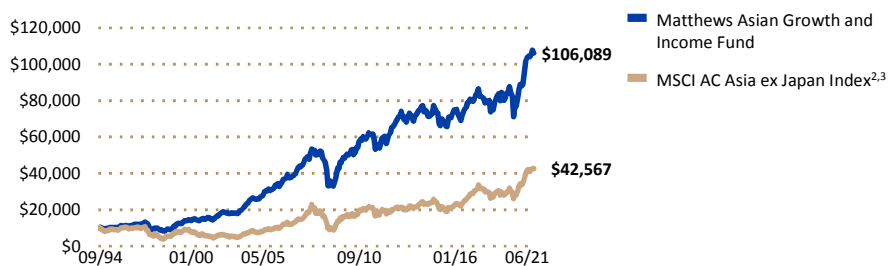
INVESTMENT APPROACH

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 \$31.9 billion in assets under management as of June 30, 2021 Matthews Asia employs a bottom-up, fundamental investment philosophy with a focus on long-term investment performance.

PERFORMANCE AS OF JUNE 30, 2021

| | Average Annual Total Returns | | | | | | | Since Inception | Since Inception |
|-----------------------------|------------------------------|-------|--------|---------|---------|----------|--------------------|-----------------|-----------------|
| | 3 Months | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | | |
| Investor Class | 2.03% | 4.29% | 30.01% | 10.43% | 7.82% | 5.64% | 9.21% | 09/12/94 | |
| Institutional Class | 2.10% | 4.37% | 30.13% | 10.59% | 7.97% | 5.80% | 5.84% | 10/29/10 | |
| MSCI AC Asia ex Japan Index | 3.66% | 6.51% | 40.03% | 12.54% | 14.82% | 7.34% | 5.55% 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.

- The lesser of fiscal year 2020 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, Malaysia, Pakistan, Philippines, Singapore, South Korea, Taiwan and Thailand. Index is for comparative purposes only and it is not possible to invest directly in an index.
- Calculated from 8/31/94.

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.

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TOP TEN HOLDINGS⁴

| | Country | % of Net Assets |
|--|-----------------|-----------------|
| Taiwan Semiconductor Manufacturing Co., Ltd. | Taiwan | 7.2% |
| Tencent Holdings, Ltd. | China/Hong Kong | 5.8% |
| Samsung Electronics Co., Ltd. | South Korea | 4.1% |
| AIA Group, Ltd. | China/Hong Kong | 3.8% |
| Macquarie Korea Infrastructure Fund | South Korea | 2.4% |
| Housing Development Finance Corp., Ltd. | India | 2.2% |
| Techtronic Industries Co., Ltd. | China/Hong Kong | 2.0% |
| JD.com, Inc. | China/Hong Kong | 1.9% |
| Yum China Holdings, Inc. | China/Hong Kong | 1.9% |
| Topsports International Holdings, Ltd. | China/Hong Kong | 1.8% |
| % OF ASSETS IN TOP TEN | | 33.1% |

COUNTRY ALLOCATION (%)⁵

| | Fund | Benchmark | Difference |
|---|------|-----------|------------|
| China/Hong Kong | 48.6 | 50.3 | -1.7 |
| South Korea | 11.7 | 15.1 | -3.4 |
| Taiwan | 10.2 | 15.7 | -5.5 |
| India | 7.7 | 11.3 | -3.6 |
| Singapore | 6.5 | 2.4 | 4.1 |
| France | 2.9 | 0.0 | 2.9 |
| Australia | 2.6 | 0.0 | 2.6 |
| Indonesia | 2.5 | 1.3 | 1.2 |
| United States | 1.6 | 0.0 | 1.6 |
| Philippines | 1.4 | 0.7 | 0.7 |
| Malaysia | 1.2 | 1.4 | -0.2 |
| Thailand | 1.1 | 1.8 | -0.7 |
| Cash and Other Assets, Less Liabilities | 2.0 | 0.0 | 2.0 |

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

SECTOR ALLOCATION (%)⁵

| | Fund | Benchmark | Difference |
|---|------|-----------|------------|
| Consumer Discretionary | 18.8 | 18.5 | 0.3 |
| Information Technology | 18.7 | 23.2 | -4.5 |
| Financials | 18.6 | 17.6 | 1.0 |
| Communication Services | 10.4 | 11.2 | -0.8 |
| Industrials | 9.2 | 6.0 | 3.2 |
| Consumer Staples | 6.2 | 4.8 | 1.4 |
| Real Estate | 6.1 | 3.8 | 2.3 |
| Health Care | 5.9 | 5.3 | 0.6 |
| Utilities | 3.0 | 2.3 | 0.7 |
| Materials | 1.1 | 4.8 | -3.7 |
| Energy | 0.0 | 2.5 | -2.5 |
| Cash and Other Assets, Less Liabilities | 2.0 | 0.0 | 2.0 |

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 (%)^{5,6}

| | Fund | Benchmark | Difference |
|---|------|-----------|------------|
| Mega Cap (over \$25B) | 53.0 | 65.7 | -12.7 |
| Large Cap (\$10B-\$25B) | 14.4 | 19.4 | -5.0 |
| Mid Cap (\$3B-\$10B) | 23.1 | 14.2 | 8.9 |
| Small Cap (under \$3B) | 6.3 | 0.7 | 5.6 |
| Unassigned | 1.2 | 0.0 | 1.2 |
| Cash and Other Assets, Less Liabilities | 2.0 | 0.0 | 2.0 |

Source: FactSet Research Systems

ASSET TYPE BREAKDOWN (%)^{5,7}

| | |
|---|------|
| Common Equities and ADRs | 86.0 |
| Convertible Bonds | 10.9 |
| Preferred Equities | 1.1 |
| Cash and Other Assets, Less Liabilities | 2.0 |

Bonds are not included in the benchmark index.

Source: FactSet Research Systems

- 4 Holdings may combine more than one security from the same issuer and related depository 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 Bonds are not included in the MSCI All Country Asia ex Japan Index.

PORTFOLIO MANAGEMENT

Robert J. Horrocks, PhD

Lead Manager

Kenneth Lowe, CFA

Lead Manager

Satya Patel

Co-Manager

Siddharth Bhargava

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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