

Matthews Asia Funds Pacific Tiger Fund

30 September 2018



Matthews Asia

★★★★
Morningstar Overall Morningstar Rating™ (30/9/18)*

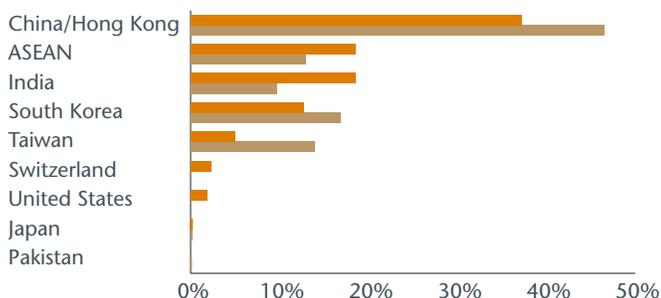
Risk Considerations

Investment involves risk. It is possible to lose the principal capital of your investment. | The Fund invests primarily in Asian countries and economies. Investment in such emerging markets may be subject to increased risks such as political, tax, economic, market, liquidity, custody and settlement, currency, legal and regulatory risks. | The Fund may, at its discretion, pay dividends out of the capital or effectively out of capital in respect of the distribution shares. Payment of dividends out of capital and/or effectively out of capital represents a return or withdrawal of part of an investor's original investment, or from any capital gains attributable to that original investment. Such dividends may result in an immediate reduction of the net asset value per share of the Fund. | The Fund invests primarily in equity securities, which may result in increased volatility. | The Fund may invest in smaller companies, which are likely to carry higher risks than larger companies. | The Fund does not hedge to attempt to offset certain market risks. This may expose the Fund to the risk of full losses resulting from a decline in a security's value. | Investors should not invest in the Fund solely based on the information in this material alone. Please contact Matthews Global Investors (Hong Kong) Limited for further details of the risk factors.

Why Invest in the Matthews Pacific Tiger Fund?

1. Capitalize on Asia's Faster Growing Economies

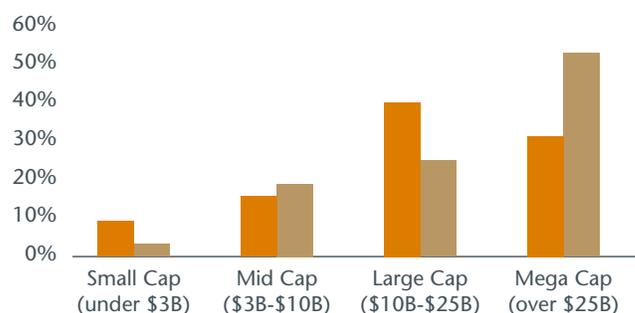
The portfolio captures opportunities for long-term growth in Asia's emerging economies while underweight export-oriented economies.



■ Matthews Pacific Tiger Fund ■ MSCI All Country Asia ex Japan Index
Source: FactSet Research Systems, Data as of 30/9/18

2. All-Cap Approach to Benefit from Asia's Entrepreneurial Culture

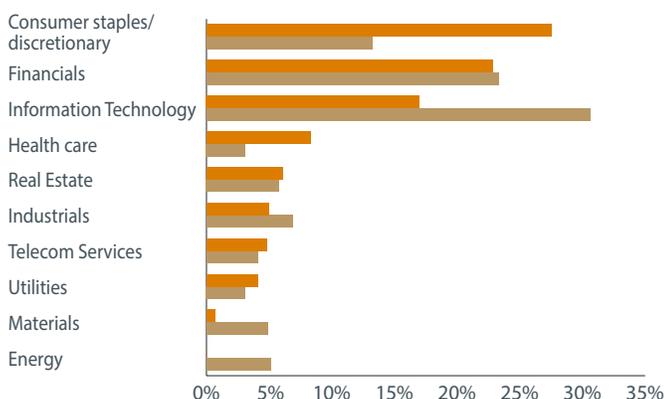
The portfolio is strategically focused on small- to mid-cap stocks as we believe they offer a strong runway for long-term growth.



■ Matthews Pacific Tiger Fund ■ MSCI All Country Asia ex Japan Index
Source: FactSet Research Systems, Data as of 30/9/18; Equity market cap of issuer.

3. Tap into Asia's Growing Domestic Demand

The portfolio provides significant exposure to service-oriented businesses that cater to domestic demand in Asia, and limits exposure to commodities and materials businesses.

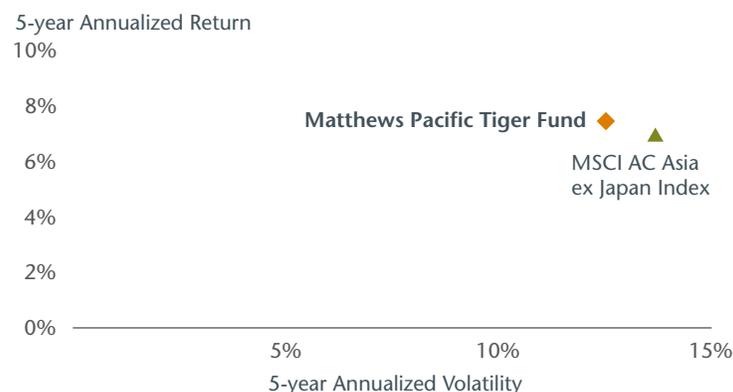


■ Matthews Pacific Tiger Fund ■ MSCI All Country Asia ex Japan Index

Source: FactSet Research Systems, Data as of 30/9/18

4. Track Record of Attractive Returns Over the Long Term

The Matthews Pacific Tiger Fund has outperformed its benchmark over 5 year and since inception periods†.



†As of 30/9/18. Inception date: 30/4/10, annualized. Data as of 30/9/18. Performance reflects Class I (ACC) Shares, USD.

Source: Morningstar

Annual returns for the 12 month period ended 31 December	2017	2016	2015	2014	2013
Matthews Pacific Tiger Fund (I Acc, USD)	39.47%	-0.29%	-1.91%	11.22%	4.86%
MSCI All Country Asia ex Japan Index	42.08%	5.76%	-8.90%	5.11%	3.34%

Source: Brown Brothers Harriman (Luxembourg) S.C.A.

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 the original cost. Current performance may be lower or higher than performance shown. Investors investing in funds denominated in non-local currency should be aware of the risk of currency exchange fluctuations that may cause a loss of principal.

Additional performance, attribution, liquidity, value at risk (VaR), security classification and holdings information is available on request for certain time periods.

Performance details provided are based on a NAV-to-NAV basis with any dividends reinvested, and are net of management fees and other expenses. Performance data has been calculated in the respective currencies stated above, including ongoing charges and excluding subscription fee and redemption fee you might have to pay. Volatility is the standard deviation of returns.

MATTHEWS ASIA PACIFIC TIGER FUND

Strategy Highlights

☼ **Survivability and Sustainability**

The portfolio seeks to invest in companies that can deliver above average growth over multiple periods, with a focus on the durability rather than just the rate of growth.

☼ **Long-term Investment Horizon**

The portfolio aims to invest in businesses for at least 3–5 years. This is reflected in a portfolio with low turnover.

☼ **Highly Experienced Team**

Sharat Shroff, CFA, is Lead Manager and Rahul Gupta is Co-Manager of the Fund. They have over 30 years of combined industry experience.

Why Matthews Asia?

☼ **25 years of Experience Investing in Asia Equity Markets**

We have invested in Asian equity markets since 1991 through multi-year market cycles, and we have offered our Pacific Tiger Strategy since 1994.

☼ **Specialist Firm Focused Solely on Investing in Asia**

Independent and privately owned, Matthews Asia has a 45+ person investment team dedicated to investing in Asia.

☼ **Clear Investment Philosophy**

We believe that a long-term investment horizon and benchmark-agnostic approach provides value creation opportunities for our clients. This is reflected in a portfolio with low turnover and high active share.

☼ **Research-driven, Bottom-up Approach**

Our disciplined process is anchored in an active, bottom up approach to stock picking. Our dedicated investment team holds over 2,500 company meetings per year.

FUND FACTS (USD)	Total Fund Assets	\$810.9 million	Inception	30 April 2010	Benchmark	MSCI All Country Asia
Class I (ACC) Shares	Total # of Positions	63	ISIN	LU0491816475 (USD) LU0594555756 (GBP)		ex Japan Index

Important Information

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Indexes are unmanaged and for comparative purposes only. It is not possible to invest directly in an index.