



Matthews Asia Funds | India Fund

SIMPLIFIED PROSPECTUS

December 2011

Important Information

This simplified prospectus contains key information about Matthews Asia Funds—India Fund (the “Fund”). **If you would like more information before you invest, please consult the most recent full prospectus (the “Full Prospectus”) of Matthews Asia Funds** (hereinafter the “Company”). Unless defined in this document, defined terms shall bear the same meaning as in the Full Prospectus. For details about the Fund’s holdings, please see the most recent financial report.

The rights and duties of the investor as well as the legal relationship with the Company are laid down in the Full Prospectus. The Full Prospectus and the most recent financial reports may be obtained free of charge from the Company.

All references herein to times and hours are to Luxembourg local time unless otherwise indicated.

Investment Objective

The investment objective of the Fund is to achieve long-term capital appreciation.

Investment Policy

Under normal market conditions, the Fund seeks to achieve its investment objective by investing, directly or indirectly, at least 80% of its total net assets, in publicly traded common stocks, preferred stocks and convertible securities of companies located in India. On an ancillary basis, the Fund may invest in other permitted assets on a worldwide basis.

For the purpose of this Fund, a company is considered to be “located” in India if it (i) is organised under the laws of India; (ii) derives at least 50% of its revenues or profits from goods produced or sold, investments made, services performed, or has at least 50% of its assets located within India; (iii) has the primary trading markets for its securities in India or (iv) is a governmental entity or an agency, instrumentality or political subdivision of India.

Fund Currency

USD

Fund’s Risk Profile

The investments in equity securities and other assets involve risks linked to stock markets, including volatility risk, and risks associated with investments in different countries, as described in the Full Prospectus. The Fund’s investments are subject to market fluctuations. No assurance can, therefore, be given that the Fund’s investment objective will be achieved. It can not be guaranteed either that the value of a Share in the Fund will not fall below its value at the time of acquisition.

For full details of the risks applicable to investing in this Fund, please refer to section 3 “Risk Considerations” of the Full Prospectus.



Matthews Asia®

global.matthewsasia.com

Matthews Asia Funds | India Fund

Performance of the Fund

No performance data for this Fund is available at this time.

Performance Disclaimer

Past performance is not necessarily a guide to future performance. Investors may not get back the full amount invested, as prices of shares and the income from them may fall as well as rise.

Profile of the Typical Investor

The Fund is suitable for investors who wish to gain exposure to Indian equity markets. It is suitable for experienced investors wishing to attain defined investment objectives and accepting volatility that is inherent to equity markets with an investment horizon of at least 5 years.

Treatment of Income

In relation to Shares referenced as "Acc" Shares, no distributions will be made and all interests and other income earned by the Fund will be reflected in the Net Asset Value of the Shares. In relation to Shares referenced as "Dist" Shares, it is the intention of the Board of Directors to periodically distribute substantially all the net income earned on investment.

Fund Expenses

	Class A Shares*	Class I Shares*
Management Fee	1.25%	0.75%
Administration Fee	up to 0.25%	up to 0.25%
Custodian and Administrative Agent Fee	up to 2%	up to 2%

* These Share Classes are available in EUR, USD and GBP.

Shareholders Expenses

Sales Charge

A Shares	up to 5% of the subscription proceeds (representing up to 5.26% of the Net Asset Value per Share)
I Shares	up to 5% of the subscription proceeds (representing up to 5.26% of the Net Asset Value per Share)

Conversion Charge

A Shares	up to 1% of the Net Asset Value per Share
I Shares	up to 1% of the Net Asset Value per Share

Taxation of the Fund

The Company is not subject to any Luxembourg tax on profits or income. However, as at the date of publication of the Full Prospectus, the Company is liable in Luxembourg to a *taxe d'abonnement* of 0.05% per annum of its NAV, such tax being payable quarterly on the basis of the value of the net assets of the Company at the end of the relevant calendar quarter. Such tax rate is reduced to a rate of 0.01% in respect of the net assets attributable to such Classes of Shares that are reserved for Institutional Investors or to such funds that invest exclusively in money market instruments within the meaning of, and as provided for in, article 174 of the law of 17 December 2010 on undertakings for collective investment. No such tax will be payable in respect of the portion of the assets of the Fund invested in other undertakings for collective investment that fulfill the criteria of article 175 of the law of 17 December 2010 on undertakings for collective investment. No stamp duty or other tax is payable in Luxembourg on the issue of Shares.

No Luxembourg tax is payable on the realised or unrealised capital appreciation of the assets of the Company. Income received from the Company on its investments may be subject to non-recoverable withholding and other taxes in the countries of origin. Neither the Investment Manager nor the Administrative Agent will obtain receipts for such taxes either for individual or for all Shareholders. However, the Company may benefit from certain double-tax treaties and be able in these cases to recover the withholding taxes in the country of origin.

Shareholders should ascertain from their professional advisers the consequences to them of acquiring, holding, redeeming, transferring, selling or converting Shares under the relevant laws of the jurisdictions to which they are subject, including the tax consequences and any exchange control requirement.

Further details are provided in the Full Prospectus.

Price Information

The Net Asset Value per Share of all Share Classes and the issue and redemption prices thereof are available at the registered office of the Company.

How to Buy/Sell/Convert Shares

Instructions to buy, switch or redeem Shares must be received by the Administrative Agent on any Valuation Day by 12:00 noon to be executed at the relevant Net Asset Value per Share on that day. Instructions received after 12:00 noon will normally be executed on the immediately following Valuation Day.

Further details on how to buy, switch or redeem Shares are available in the chapter “Issue, Redemption and Conversion of Shares” of the Full Prospectus.

Subscription/Holding Information

The Fund contains Class A and Class I Shares which are each available in EUR, USD, and GBP and with such minimum initial investment, minimum subsequent investment and minimum holding amounts as described in the table below:

	Minimum Initial Investment*	Minimum Holding*	Minimum Subsequent Investment*
Class A Shares	USD 1,000	USD 1,000	USD 500
Class I Shares	USD 1,000,000	USD 1,000,000	USD 250,000

* or its equivalent in the currency of the relevant Class.

The Board of Directors may, at its entire discretion, (i) waive the minimum initial investment, minimum subsequent investment and minimum holding amounts, if any, or (ii) compulsorily redeem any shareholding with a value below the minimum holding amount, if any, or such other amounts as the Board of Directors may decide.

Specific Features of Share Classes

Class A Shares are available to all investors.

Class I Shares are only available to investors qualifying as Institutional Investors within the meaning of article 174 of the law of 17 December 2010 on undertakings for collective investment.

Class A and Class I Shares are available in the base currency of the Fund as well as such other currencies as may be determined by the Directors from time to time.

In order to protect Shareholders of Classes not denominated in USD from the impact of currency movements, the relevant currencies may be, at the entire discretion of the Board of Directors, hedged, in full or in part, actively or passively, back to the USD. The Board of Directors shall have no obligation to hedge. The costs and effects of this hedging will be reflected in the NAV and in the performance of these Classes.¹

¹ As from 10 February 2012, this paragraph shall read as follows: Although it does not currently intend to do so, the Board of Directors, in its entire discretion, may seek to reduce currency risk from portfolio holdings denominated in local currency by hedging such risk to USD or the currency of a share class. The Board of Directors may also seek, in its entire discretion, to reduce currency risk of non USD denominated share classes by hedging USD to the currency of a relevant share class. Any such hedging may be, in full or in part, and may be active or passive. Moreover, the Board of Directors shall have no obligation to hedge. The costs and effects of any such hedging will be reflected in the NAV and in the performance of these classes.

Matthews Asia Funds | India Fund

Additional Information

Legal structure:

This Fund is a fund of the Company. The Company is an open-ended Luxembourg investment fund with multiple funds organised as a “société anonyme” incorporated on 5 February 2010. The Company is organised under Part I (UCITS) of the Luxembourg law of 17 December 2010 on undertakings for collective investment, as a “Société d’Investissement à Capital Variable”, for an unlimited period.

Registered Office:

6, route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg

Custodian:

J.P. Morgan Bank Luxembourg S.A., European Bank & Business Centre, 6C, route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg

Administrative Agent:

J.P. Morgan Bank Luxembourg S.A., European Bank & Business Centre, 6C, route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg

Investment Manager:

Matthews International Capital Management, LLC, Four Embarcadero Center, Suite 550, San Francisco, CA 94111, United States of America

Investment Advisor:

Matthews Global Investors S.à.r.l., 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg

Global Distributor:

Matthews International Capital Management, LLC, Four Embarcadero Center, Suite 550, San Francisco, CA 94111, United States of America

Auditor:

Deloitte S.A., 560, rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg

Supervisory Authority:

Commission de Surveillance du Secteur Financier, Grand Duchy of Luxembourg

Launch Date:

The Fund was launched on 30 June 2011 at an initial issue price of USD 10 and GBP 10 respectively.

Further Information

Matthews International Capital Management, LLC, Four Embarcadero Center, Suite 550, San Francisco, CA 94111, United States of America

Tel: +1-415-954-4510

Fax: +1-415-788-4804

Email: globalfunds@matthewsasia.com



Matthews Asia®

global.matthewsasia.com