

MATTHEWS ASIA FUNDS
Société d'Investissement à Capital Variable
Registered office: 80, route d'Esch
L-1470 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg B 151.275
(the "Fund")

This document is important and requires your immediate attention. If in doubt, you should seek independent professional financial advice.

The Board of Directors of the Fund accepts full responsibility for the accuracy of the information contained in this document and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement misleading.

**NOTICE TO THE SHAREHOLDERS OF:
MATTHEWS ASIA FUNDS – ASIA DIVIDEND FUND (THE "ABSORBED SUB-FUND") AND
MATTHEWS ASIA FUNDS – EMERGING MARKETS EQUITY FUND (THE "RECEIVING SUB-FUND")**

Luxembourg, 16 December 2024

Dear Shareholders,

Please be informed that the Board of Directors of the Fund has decided to merge the Absorbed Sub-Fund into the Receiving Sub-Fund with effect as of **24 January 2025** (the "**Effective Date**") in compliance with article 1(20)(a) of the law of 17 December 2010 on undertakings for collective investment as amended (the "**2010 Law**").

This notice describes the implications of the contemplated merger.

Capitalised terms not defined herein shall have the same meaning as in the Prospectus of the Fund. The Absorbed Sub-Fund and the Receiving Sub-Fund will hereinafter be together referred to as the "**Merging Sub-Funds**".

1. Background and rationale for the merger

As part of the ongoing review of the product range competitiveness and client interest assessment, it has been decided to merge the Absorbed Sub-Fund into the Receiving Sub-Fund.

The Board of Directors determined that this merger would allow for a larger size in the Receiving Sub-Fund that should directly benefit Shareholders in both the Absorbed Sub-Fund and the Receiving Sub-Fund.

2. Summary of the merger

- The merger shall become effective and final between the Merging Sub-Funds and vis-à-vis third parties on the Effective Date.
- On the Effective Date, all assets and liabilities of the Absorbed Sub-Fund will be transferred to the Receiving Sub-Fund. The Absorbed Sub-Fund will cease to exist as a result of the merger and thereby will be dissolved on the Effective Date without going into liquidation.

- No general meeting of Shareholders shall be convened in order to approve the merger and Shareholders are not required to vote on the merger. Shareholders in the Merging Sub-Funds may however request the redemption or the conversion of their Shares in the Merging Sub-Funds in accordance with section 4 (*Rights of Shareholders in relation to the merger*) below.
- Shareholders holding Shares in the Absorbed Sub-Fund on the Effective Date will automatically be issued Shares in the corresponding accumulation Share Class of the Receiving Sub-Fund, in the same currency, in exchange for their Shares of the Absorbed Sub-Fund and participate in the results of such Share Class of the Receiving Sub-Fund as from such date.
- Subscriptions, redemptions and/or conversions of Shares of the Absorbed Sub-Fund will be suspended as indicated under section 6 (*Procedural aspects*) below. Subscriptions, redemptions and/or conversions of Shares of the Receiving Sub-Fund will not be suspended during the merger process.
- Other procedural aspects of the merger are set out in section 6 (*Procedural aspects*) below.
- The merger has been authorised by the CSSF.
- The timetable below summarises the key steps of the merger.

Notice sent to Shareholders	16 December 2024
Suspension of subscriptions/conversions into the Absorbed Sub-Fund	10 January 2025
Redemptions closed in the Absorbed Sub-Fund	17 January 2025
Suspension of dealings in the Receiving Sub-Fund	None
Valuation of the Merging Sub-Funds	24 January 2025
Calculation of Share exchange ratios	24 January 2025
Effective Date	24 January 2025

3. Impact of the merger on Shareholders of the Merging Sub-Funds

Upon implementation of the merger, all assets and liabilities of the Absorbed Sub-Fund will be transferred to the Receiving Sub-Fund.

For Shareholders in the Absorbed Sub-Fund, the merger will result in such Shareholders being, from the Effective Date, Shareholders of the Receiving Sub-Fund. Shareholders in the Receiving Sub-Fund will continue to hold the same Shares in the Receiving Sub-Fund as before and there will be no change in the rights attached to such Shares. The implementation of the merger will not affect the investment policy and strategy of the Receiving Sub-Fund nor its fee structure.

The Merging Sub-Funds both are Sub-Funds of the Fund and offer similar investors protection and shareholders rights. The Merging Sub-Funds share similar key features and are serviced by the same service providers, but they differ in some respects notably in terms of available distribution policy and geographic exposure. While the Absorbed Sub-Fund focuses on equity investments in the Asia Pacific region, the Receiving Sub-Fund has a broader investment scope and primarily invests in equities of companies located in or with substantial ties to emerging market countries. This notice includes, in Appendix 1, a detailed schedule comparing the key features of and main differences between the Merging Sub-Funds. Shareholders of the Absorbed Sub-Fund are also invited to carefully read the description of the Receiving Sub-Fund in the Prospectus and relevant KID, which will be available on the following website: <https://global.matthewsasiasia.com/>.

The merger as such is not expected to have any foreseeable material negative impact on Shareholders in the Merging Sub-Funds. Rather, Shareholders in the Merging Sub-Funds should benefit on the longer term from greater levels of operational efficiency and the economies of scale this merger should allow

to achieve, while benefiting from a larger investment size in the Receiving Sub-Fund. In general, funds with larger investment size can be expected to benefit from economies of scale in terms of greater stability by being less impacted by redemptions; larger liquidity available to the fund; potentially lower expense ratios; and generally increased resources available for investment research. Shareholders holding Shares in the distribution Share Classes of the Absorbed Sub-Fund on the Effective Date should however note that they will automatically be issued Shares in the corresponding accumulation Share Class of the Receiving Sub-Fund as a result of the merger. Accumulation Share Classes do not make distributions.

To facilitate the merger, the portfolio of the Absorbed Sub-Fund will be rebalanced during a period of five (5) Business Days prior to the Effective Date so that no rebalancing of the Receiving Sub-Fund's portfolio will be required before or after the merger. During this process, the Absorbed Sub-Fund may temporarily not adhere to its investment objective and policy. As a result, there is a risk that the performance of the Absorbed Sub-Fund may deviate from its expected performance for a short-term period before the Effective Date. The Absorbed Sub-Fund will bear any transaction costs associated with such operation as and when incurred.

The merger will be binding on all the Shareholders of the Merging Sub-Funds who have not exercised their right to request the redemption or the conversion of their Shares in accordance with section 4 (*Rights of Shareholders in relation to the merger*) below.

4. Rights of Shareholders in relation to the merger

Shareholders holding Shares in the Absorbed Sub-Fund on the Effective Date will automatically be issued, in exchange for their Shares in the Absorbed Sub-Fund, a number of Shares of the corresponding accumulation Share Class of the Receiving Sub-Fund equivalent to the number of Shares held in the relevant Share Class of the Absorbed Sub-Fund multiplied by the applicable exchange ratio which shall be calculated on the Effective Date as follows:

- (i) Where the corresponding accumulation Share Class in the Receiving Sub-Fund is already active on the Effective Date, as identified in Appendix 1, the exchange ratio will be determined by dividing the Net Asset Value per Share of the relevant Share Class of the Absorbed Sub-Fund calculated as of the Effective Date by the Net Asset Value per Share of the corresponding accumulation Share Class of the Receiving Sub-Fund as at the same date. Accordingly, while the overall value of their holding should remain the same, Shareholders in the Absorbed Sub-Fund may receive a different number of Shares in such Share Class of the Receiving Sub-Fund than the number of Shares they held in the Absorbed Sub-Fund; or
- (ii) Where a corresponding accumulation Share Class is to be specifically activated within the Receiving Sub-Fund for the purposes of the merger to effect the exchange with the corresponding Share Class of the Absorbed Sub-Fund, as identified in Appendix 1, the exchange ratio will be determined as of the Effective Date on the basis of a 1:1 ratio. Accordingly, for each Share of the relevant Share Class of the Absorbed Sub-Fund held, shareholders will receive a Share of the relevant accumulation Share Class of the Receiving Sub-Fund.

In case the application of the relevant Share exchange ratio does not lead to the issuance of full Shares, the Shareholders of the Absorbed Sub-Fund will receive fractions of Shares up to two (2) decimal places within the Receiving Sub-Fund. No cash payment will be made to the Shareholders of the Absorbed Sub-Fund as a result of the merger.

As the reference currency of the Share Classes of the Absorbed Sub-Fund is the same as the reference currency of the corresponding accumulation Share Classes of the Receiving Sub-Fund, no exchange rate between the reference currencies of the Share Classes shall need to be applied in order to calculate the number of Shares of the Receiving Sub-Fund to be issued on the Effective Date.

No subscription fee will be levied within the Receiving Sub-Fund as a result of the merger.

Shareholders of the Absorbed Sub-Fund will become, and acquire rights, as Shareholders of the Receiving Sub-Fund from the Effective Date and will thus participate in any increase or decrease in the Net Asset Value of the corresponding accumulation Share Class of the Receiving Sub-Fund. Shareholders of the Merging Sub-Funds not agreeing with the merger are given the possibility to request the redemption or the conversion of their Shares in the Merging Sub-Funds in accordance with the provisions of the Prospectus at the applicable Net Asset Value per Share, without any redemption or conversion charges (other than charges retained by the Merging Sub-Funds to meet disinvestment costs, as applicable), until 12:00 noon (Luxembourg time) on 17 January 2025.

5. Criteria for valuation of assets and liabilities of the Merging Sub-Funds

For the purpose of calculating the Share exchange ratios, the rules laid down in the Articles of Incorporation and the Prospectus of the Fund for the calculation of the Net Asset Value will apply to determine the value of the assets and liabilities of the Merging Sub-Funds.

6. Procedural aspects

- No Shareholders vote required

Under article 29 of the Articles of Incorporation, no Shareholders vote is required in order to carry out the merger. Shareholders of the Merging Sub-Funds not agreeing with the merger may however request the redemption or conversion of their Shares in accordance with section 4 (*Rights of Shareholders in relation to the merger*) above.

- Suspensions in dealings

In order to implement the procedures needed for the merger in an orderly and timely manner, the Board of Directors has decided that:

- Subscriptions for or conversions to Shares of the Absorbed Sub-Fund will no longer be accepted or processed as of 10 January 2025; and
- Subscriptions for or conversions to and redemptions of Shares of the Receiving Sub-Fund will not be suspended during the merger process.

- Confirmation of merger

Shareholders in the Merging Sub-Funds will receive a notification confirming that the merger has been carried out. Shareholders in the Absorbed Sub-Fund will also be confirmed the number of Shares of the corresponding accumulation Share Class of the Receiving Sub-Fund that they hold after the merger.

- Merging Sub-Funds registrations

The Receiving Sub-Fund has been notified to market its Shares in all Member States where the Absorbed Sub-Fund is either authorised or has been notified to market its Shares.

- Approval by competent authorities

The merger has been authorised by the CSSF, which is the competent authority supervising the Merging Sub-Funds and the Fund in Luxembourg.

7. Costs of the merger

The Investment Manager will bear the legal, advisory and administrative costs and expenses associated with the preparation and completion of the merger.

8. Taxation

The merger of the Absorbed Sub-Fund into the Receiving Sub-Fund may have tax consequences

for Shareholders. Shareholders should therefore consult their professional advisers about the consequences of this merger on their individual tax position.

9. Additional information

- Merger reports

Deloitte Audit S.à r.l., the authorised auditor of the Fund in respect of the merger, will prepare reports on the merger which shall include a validation of the following items:

- a) the criteria adopted for valuation of the assets and/or liabilities for the purposes of calculating the Share exchange ratios;
- b) the calculation method for determining the Share exchange ratios; and
- c) the final Share exchange ratios.

The merger report regarding items a) to c) above shall be made available at the registered office of the Fund on request and free of charge to the Shareholders of the Merging Sub-Funds from the Effective Date.

- Additional documents available

The following documents are available to the Shareholders of the Merging Sub-Funds at the registered office of the Fund on request and free of charge as from the date of this notice:

- a) the terms of the merger drawn-up by the Board of Directors containing detailed information on the merger (the "**Terms of the Merger**");
- b) a statement by the Depositary of the Fund confirming that they have verified compliance of the Terms of the Merger with the relevant terms of the 2010 Law and the Articles of Incorporation;
- c) the Prospectus of the Fund; and
- d) the KID of the Receiving Sub-Fund.

If you have any questions or concerns about the foregoing, please contact your financial adviser or the registered office of the Fund, Matthews Asia at +1 415 954 4510 or the Shareholder Services Team of Brown Brothers Harriman (Luxembourg) S.C.A. at +352 474 066 7133, or matthewsasiasfunds@bbh.com.

Yours faithfully,

The Board of Directors

Appendix I – Merging Sub-Funds key features and differences

This table compares the relevant information of the Merging Sub-Funds. The main differences between the characteristics of the Merging Sub-Funds are underlined in bold.

	Asia Dividend Fund ("Absorbed Sub-Fund")	Emerging Markets Equity Fund ("Receiving Sub-Fund")
Investment objective	To seek total return through capital appreciation and current income.	To achieve long-term capital appreciation.
Investment policy	<p>Under normal market conditions, the Sub-Fund seeks to achieve its investment objective by investing, directly or indirectly, primarily (i.e., at least 65% of its total net assets) in income-paying publicly traded common stocks, preferred stocks, convertible debt and equity securities of any maturity and in those that are unrated, or would be below investment grade if rated, and other equity-related instruments (including, for example, investment trusts and other financial instruments) of companies Located in or with Substantial Ties to the Asia Pacific region. On an ancillary basis, the Sub-Fund may invest in other permitted assets on a worldwide basis.</p> <p>Because of the Sub-Fund's objective of seeking total return through capital appreciation and current income, the Sub-Fund will primarily invest in companies that exhibit attractive dividend yields and the propensity (in Matthews' judgment) to pay dividends.</p> <p>For the purpose of this Sub-Fund, the Asia Pacific region shall be deemed to consist of all countries and markets in Asia, as well as Australia and New Zealand including all developed, emerging and frontier countries and markets in Asia.</p>	<p>Under normal market conditions, the Sub-Fund seeks to achieve its investment objective by investing, directly or indirectly, primarily (i.e., at least 65% of its total net assets) in equities of companies Located in or with Substantial Ties to emerging market countries. On an ancillary basis, the Sub-Fund may invest in other permitted assets on a worldwide basis.</p> <p>For the purpose of the Sub-Fund, emerging market countries generally include every country in the world except the United States, Australia, Canada, Hong Kong, Israel, Japan, New Zealand, Singapore and most of the countries in Western Europe. Certain emerging market countries may also be classified as "frontier" market countries, which are a subset of emerging market countries with newer or even less developed economies and markets, such as Sri Lanka and Vietnam. The list of emerging market countries and frontier market countries may change from time to time. In addition, the Sub-Fund may also invest in depositary receipts that are treated as emerging markets investments, including American, European and Global Depositary Receipts.</p> <p>The Sub-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,</p>

		<p>adaptability and integrity; product lines; marketing strategies; corporate governance; and financial health.</p> <p>The Investment Manager expects that the companies in which the Sub-Fund invests typically will be of medium or large size, but the Sub-Fund may invest in companies of any size. The Investment Manager measures a company's size with respect to fundamental criteria such as, but not limited to, market capitalization, book value, revenues, profits, cash flow, dividends paid and number of employees.</p> <p>The implementation of the principal investment strategies of the Sub-Fund may result in a significant portion of the Sub-Fund's assets being invested from time to time in one or more sectors, but the Sub-Fund may invest in companies in any sector.</p>
Risk profile	<p>The investments in equity securities and other assets the Sub-Fund may invest in involve risks linked to stock markets, including volatility risk, as described in section "Risk Considerations" of the Prospectus. The Sub-Fund's investments are subject to market fluctuations. No assurance can, therefore, be given that the Sub-Fund's investment objective will be achieved. Neither can it be guaranteed that the value of a Share in the Sub-Fund will not fall below its value at the time of acquisition.</p>	<p>The investment in equity securities and other assets the Sub-Fund may invest in involve risks linked to stock markets, including volatility risk, and risks associated with investments in different countries as described in section "Risk Considerations" of the Prospectus. The Sub-Fund's investments are subject to market fluctuations. No assurance can, therefore, be given that the Sub-Fund's investment objective will be achieved. Neither can it be guaranteed that the value of a Share in the Sub-Fund will not fall below its value at the time of acquisition.</p>
Primary benchmark	MSCI All Country Asia Pacific Index	MSCI Emerging Markets Index
Profile of the typical investor	<p>The Sub-Fund is suitable for investors who wish to gain exposure to Asia-Pacific 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 that is typically 5 years or longer.</p>	<p>The Sub-Fund is suitable for investors who wish to gain exposure to the emerging markets equity market. It is suitable for experienced investors wishing to attain defined investment objectives and accepting volatility that is inherent to equity markets</p>

				with an investment horizon that is typically 5 years or longer.		
Active Share Classes in the Absorbed Sub-Fund and corresponding accumulation Share Classes of the Receiving Sub-Fund	Active Share Classes in the Absorbed Sub-Fund		Corresponding accumulation Share Classes of the Receiving Sub-Fund			
	A Acc GBP (ISIN: LU0594556309)		A Acc GBP (ISIN: LU2922762732)*			
	A Acc USD (ISIN: LU0491817952) A Dist USD (ISIN: LU0491818091)		A Acc USD (ISIN: LU2922762815)*			
	I Acc GBP (ISIN: LU0594556648) I Dist GBP (ISIN: LU0594556721)		I Acc GBP (ISIN: LU2651608163)			
	I Acc USD (ISIN: LU0491818331) I Dist USD (ISIN: LU0491818414)		I Acc USD (ISIN: LU2651608080)			
	I Acc EUR (ISIN: LU0491818174)		I Acc EUR (ISIN: LU2922762906)*			
	<p>By effect of the merger:</p> <ul style="list-style-type: none"> - Shareholders in an accumulation Share Class of the Absorbed Sub-Fund will receive Shares in the accumulation Share Class of the Receiving Sub-Fund, in the same category (A or I) and currency. - Shareholders in a distribution Share Class of the Absorbed Sub-Fund will receive Shares in the accumulation Share Class of the Receiving Sub-Fund, in the same category (A or I) and currency. <p>No distributions will be made in relation to accumulation Share Classes and all interests and other income earned by the Sub-Fund will be reflected in the NAV of the Shares.</p> <p>The Share Classes identified above by the * sign will be specifically activated within the Receiving Sub-Fund for the purposes of the merger to effect the exchange with the corresponding Share Class of the Absorbed Sub-Fund. These Share Classes have been assigned new ISIN codes. For the other Share Classes, the ISIN code currently attributed to the Share Classes of the Receiving Sub-Fund will be maintained.</p>					
	SR(R)I		SRI	SRRI		
A Acc GBP		4	5	A Acc GBP	4	6
A Acc USD		4	6	A Acc USD	4	6
A Dist USD		4	6	I Acc GBP	4	6
I Dist USD		4	6	I Acc USD	4	6
I Acc GBP		4	5	I Acc EUR	4	N/A
I Dist GBP		4	5			
I Acc USD		4	6			

	I Acc EUR	4	N/A	
Unchanged between the Absorbed Sub-Fund and the Receiving Sub-Fund	Base Currency (USD), Investment Manager and Sub-Investment Manager, exposure to China A and B Shares, use of ancillary liquid assets and cash equivalents, use of benchmark, SFDR classification, risk management method, distribution countries, subscription tax, Management Company Fee, Management Fee, Administration Fee, Depositary and Administrative Agent fees, other fees and expenses, Total Expense Ratio, sales charge, redemption fee (None), conversion fee, hedging policy, minimum investment size, dealing frequency and deadline			