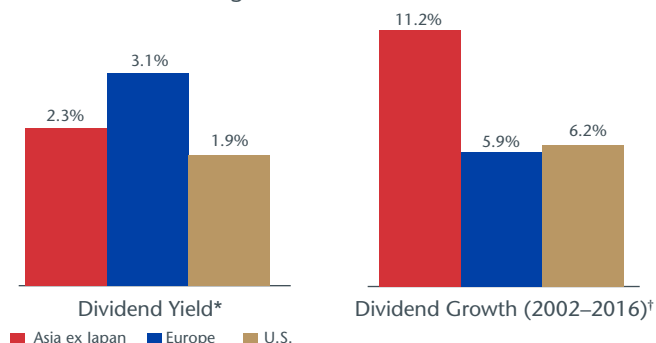




Why Invest in the Matthews Asia ex Japan Dividend Fund?

1. Asia: An Attractive Source of Yield and Dividend Growth


The portfolio seeks to blend stable dividend “payers” with attractive dividend “growers.”



There is no guarantee any estimates or projections will be realized.
 *Trailing dividend yield estimates for 2017, as of 31/3/18, based on Factset Aggregates.
 †Compound annual growth rate (CAGR) based on index constituents of Europe (Bloomberg European 500 Index), Asia ex Japan (MSCI AC Asia ex Japan Index), U.S. (S&P 500 Index), as of 31/12/02, excluding those that are no longer in existence as of calendar year 2016.
 Source: FactSet Research Systems, MSCI, S&P, Bloomberg


2. Uncover the Next Generation of Sustainable Dividend-Paying Companies

Structural reform efforts and an increasing emphasis on shareholder returns support better corporate governance practices.

South Korea
 A shift in government policies or family ownership structures are encouraging a higher dividend payout and higher shareholder returns.

China
 Deeper capital markets and opening of the A-share market are expanding investible universe of dividend-paying companies.

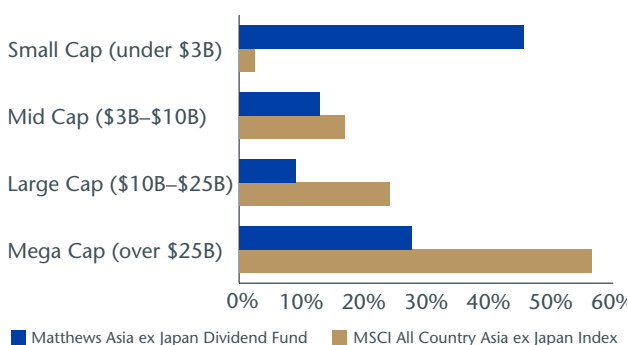
Taiwan
 Tax regimes encourage companies to pay higher dividends.

ASEAN
 Family-owned businesses are common where largest shareholders have incentive to extract value via dividends as income.

Source: Matthews Asia

3. Unconstrained All-Cap Approach

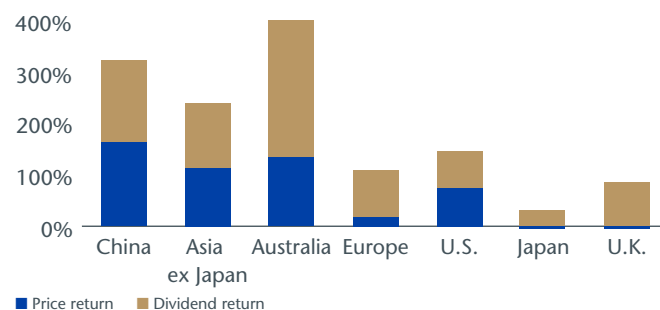
The portfolio has a strategic focus on small- to mid-cap stocks to capitalize on Asia’s domestic consumption story and the burgeoning middle class.



Source: FactSet Research Systems, Data as of 31/3/18; Equity market cap of issuer.

4. Dividends—Important Contributor to Total Return

From 2000–2017, more than 60% of the total return of the MSCI Asia ex Japan Index was derived from dividends received and reinvested.



Breakdown of total returns chart in US\$ currency returns.
 Time period: 31 December 1999–31 December 2017.
Past performance is no guarantee of future results.
 Sources: MSCI Barra, Matthews Asia, FactSet Research Systems

Annual returns for the 12 month period ended 31 March	2018	2017	2016	2015	2014
MSCI China Index	39.15%	19.93%	-18.66%	24.34%	2.51%
MSCI Asia ex Japan Index	25.95%	17.82%	-11.59%	11.02%	3.32%
MSCI Australia Index	1.61%	21.37%	-10.64%	-5.82%	1.34%
MSCI Europe Index	15.13%	10.47%	-7.96%	-4.42%	25.20%
MSCI USA Index	14.03%	17.44%	0.90%	12.85%	22.05%
MSCI Japan Index	19.20%	14.82%	-6.75%	12.39%	7.68%
MSCI U.K. Index	11.99%	7.51%	-8.79%	-5.47%	16.81%

All performance quoted represents past performance and is no guarantee of future results. Indexes are unmanaged and it is not possible to invest directly in an index.
 Source: MSCI Barra

The value of an investment in the Fund can go down as well as up and possible loss of principal is a risk of investing. Investments in international and emerging market securities may involve risks such as social and political instability, market illiquidity, exchange-rate fluctuations, a high level of volatility and limited regulation. The Fund invests in holdings denominated in foreign currencies, and is exposed to the risk that the value of the foreign currency will increase or decrease. The Fund invests primarily in equity securities, which may result in increased volatility. There is no guarantee that the Fund or the companies in its portfolio will pay or continue to pay dividends. These and other risks associated with investing in the Fund can be found in the Prospectus.

Strategy Highlights

✿ Total Return Approach

The portfolio blends stable dividend yielders with attractive dividend growers in seeking to provide both capital growth and a sustainable dividend yield.

✿ Dividends Validate Corporate Governance

Dividends are a useful lens through which we assess a company's earnings, cash flow and commitment to minority shareholders.

✿ Highly Experienced Team*

Yu Zhang, CFA, is the Lead Manager. Robert Horrocks, PhD, and Sherwood Zhang, CFA, are Co-Managers of the Fund. The team has over 50 years of combined investment experience.

*As of April 30, 2018

Why Matthews Asia?

✿ 25 years of Experience Investing in Asian Equity Markets

We have invested in dividend-paying equity income strategies since 1994 and have offered a dedicated Asia Dividend Strategy since 2006.

✿ 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	\$19.1 million	ISIN	LU1311311358 (USD)	Benchmark	MSCI All Country Asia ex Japan Index
Class I (ACC) Shares	Total # of Positions	57		LU1311311515 (GBP)		
	Inception	30 November 2015				

Important Information

For Institutional/Professional Investors Only

The Fund is a sub-fund of Matthews Asia Funds SICAV, an umbrella fund, with segregated liability between sub-funds, established as an open-ended investment company with variable capital and incorporated with limited liability under the laws of Luxembourg.

Investment involves risk. Past performance is no guarantee of future results. The value of an investment in the Fund can go down as well as up. This document is not a Prospectus/Offering Document and does not constitute an offer to the public. No public offering or advertising of investment services or securities is intended to have taken effect through the provision of these materials. This is not intended for distribution or use in any jurisdiction in which such distribution, publication, issue or use is not lawful. Investors should not invest in a Fund solely based on the information in this document. An investment in Matthews Asia Funds may be subject to risks, such as social and political instability, market illiquidity, exchange-rate fluctuations, a high level of volatility and limited regulation. The current prospectus, Key Investor Information Document or other offering documents ("Offering Documents") contain this and other information and can be obtained by visiting global.matthewsasia.com. Please read the Offering Documents carefully before investing as they explain the risks associated with investing in international and emerging markets. It is the responsibility of any persons wishing to subscribe for shares to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdictions. Prospective investors should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile and place of business with respect to the acquisition, holding or disposal of shares, and any foreign exchange restrictions that may be relevant thereto.

An investment in the Matthews Asia Funds is not available in all jurisdictions. The Fund's shares may not be sold to citizens or residents of the United States or in any other state, country or jurisdiction where it would be unlawful to offer, solicit an offer for, or sell the shares. No securities commission or regulatory authority has in any way passed upon the merits of an investment in the Fund or the accuracy or adequacy of this information or the material contained herein or otherwise.

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Matthews International Capital Management is the Investment Manager to the Matthews Asia Funds, and is a U.S.-based investment adviser registered with the U.S. Securities and Exchange Commission who has not represented and will not represent that it is otherwise registered with any other regulator or regulatory body.

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The S&P 500 Index is a broad market-weighted index dominated by blue-chip stocks in the U.S. The Bloomberg European 500 Index is a free float capitalization-weighted index of the 500 most highly capitalized European companies. The MSCI All Country Asia ex Japan Index is a free float-adjusted market capitalization-weighted index of the stock markets of China, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan and Thailand. The MSCI Europe Index is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of the developed markets in Europe. The MSCI Europe Index consists of the following 15 developed market country indexes: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. The MSCI Japan Index is a float-adjusted market capitalization-weighted index of Japanese equities listed in Japan. The MSCI Australia Index is a float-adjusted market capitalization-weighted index of equity market performance in Australia. The MSCI China Index is a free float-adjusted market capitalization-weighted index of Chinese equities that include China-affiliated corporations and H shares listed on the Hong Kong exchange, and B shares listed on the Shanghai and Shenzhen exchanges. The MSCI USA Index is a free float-adjusted market capitalization index that is designed to measure large and mid-cap US equity market performance. The MSCI United Kingdom Index is a free float-adjusted market capitalization index that is designed to measure large and mid-cap UK equity market performance.

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

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