



FUND FACTS

	Investor Class	Institutional Class
Ticker	MAINX	MINCX
CUSIP	577125503	577125602
Inception	11/30/11	11/30/11
NAV	\$11.12	\$11.12
Initial Investment	\$2,500	\$100,000
Gross Expense Ratio	1.15%	0.96%
Net Expense Ratio ¹	n.a.	0.90%

Portfolio Statistics

Total # of Positions	39
Net Assets	\$116.7 million
Modified Duration ²	4.9
Portfolio Turnover	82.32% ³

Benchmark

Markit iBoxx Asian Local Bond Index

RISKS

An investment in the Fund is subject to credit, interest rate and currency risks. Credit risk is the change in the value of debt securities reflecting the ability and willingness of issuers to make principal and interest payments. Interest rate risk is the possibility that a Fund's yield will decline due to falling interest rates and the potential for bond prices to fall as interest rates rise. Currency risk is a decline in value of a foreign currency relative to the Fund's base currency which reduces the value of the foreign currency and investments denominated in that currency. The Fund may invest in the following: derivatives which can be volatile and affect Fund performance; high yield bonds (junk bonds) which can subject the Fund to substantial risk of loss; and structured investments which can change the risk or return, or replicate the risk or return of an underlying asset. The Fund is non-diversified and may invest a larger portion of its assets in a single issuer and may entail greater risk than a diversified fund.

Matthews Asia Total Return Bond Fund

(The Fund's name changed from Matthews Asia Strategic Income Fund to Matthews Asia Total Return Bond Fund on January 31, 2020.)

December 31, 2019

Investment Objective

Total return over the long term with an emphasis on income.

Strategy

Under normal market conditions, the Fund seeks to achieve its investment objective by investing at least 80% of its total assets, which include borrowings for investment purposes, in income-producing securities including, but not limited to, debt and debt-related instruments issued by governments, quasi-governmental entities, supranational institutions, and companies in Asia, which consists of all countries and markets in Asia, including developed, emerging, and frontier countries and markets in the Asian region. Investments may be denominated in any currency, and may represent any part of a company's capital structure from debt to equity or with features of both.

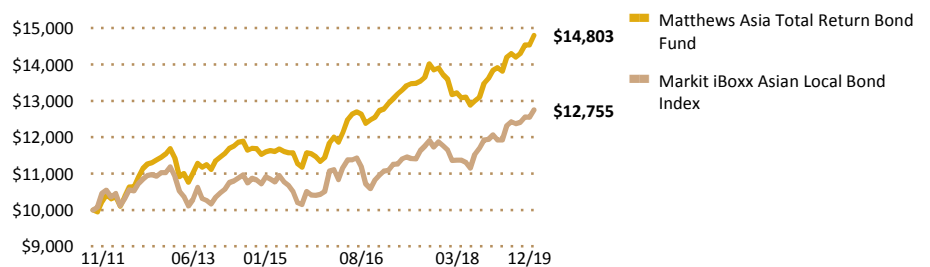
Risks

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.

PERFORMANCE AS OF DECEMBER 31, 2019

	Average Annual Total Returns							Since Inception	Since Inception
	3 Months	YTD	1 Year	3 Years	5 Years	10 Years			
Investor Class	3.53%	13.00%	13.00%	5.85%	5.12%	n.a.	4.97%	11/30/11	
Institutional Class	3.42%	13.20%	13.20%	6.10%	5.37%	n.a.	5.19%	11/30/11	
Markit iBoxx Asian Local Bond Index	2.80%	8.99%	8.99%	6.41%	3.55%	n.a.	3.06%	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., Index data from HSBC, iBoxx (Markit). The Index performance reflects the returns of the discontinued predecessor HSBC Asian Local Bond Index up to December 31, 2012 and the returns of the successor Markit iBoxx Asian Local Bond Index thereafter.

- After contractual fee waiver, expense reimbursement and/or recoupment effective through April 30, 2020.
- Modified duration measures the percent change in value of the fixed income portion of the portfolio in response to a 1% change in interest rates. In a multi-currency denominated portfolio with sensitivities to different interest rate regimes, modified duration will not accurately reflect the change in value of the overall portfolio from a change in any one interest rate regime. Source: FactSet Research Systems, Bloomberg.
- The lesser of fiscal year 2018 long-term purchase costs or sales proceeds divided by the average monthly market value of long-term securities.

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.

Matthews Asia Total Return Bond Fund

December 31, 2019

TOP TEN POSITIONS⁴

	Sector	Currency	% of Net Assets
Sri Lanka Government Bond, 7.850%, 03/14/2029	Foreign Govt Bonds	USD	4.8%
HSBC Holdings PLC, 6.375%, 12/29/2049	Financials	USD	4.6%
Debt and Asset Trading Corp., 1.000%, 10/10/2025	Financials	USD	4.5%
PB Int'l BV, 7.625%, 01/26/2022	Consumer Discretionary	USD	4.5%
Wanda Properties Int'l Co., Ltd., 7.250%, 01/29/2024	Real Estate	USD	4.5%
Network i2i, Ltd., 5.650%, 04/15/2068	Communication Services	USD	4.2%
CIFI Holdings Group Co., Ltd., 6.550%, 03/28/2024	Real Estate	USD	4.0%
ABJA Invnt Co. Pte, Ltd., 5.450%, 01/24/2028	Materials	USD	3.7%
Logan Property Holdings Co., Ltd., 5.250%, 02/23/2023	Real Estate	USD	3.3%
Malaysia Government Bond, 4.642%, 11/07/2033	Foreign Govt Bonds	MYR	3.0%
% OF ASSETS IN TOP TEN			41.1%

COUNTRY ALLOCATION (%)^{5,6*}

By Issuer's country of risk	
China/Hong Kong	43.5
India	14.6
Indonesia	14.6
Vietnam	6.2
Philippines	5.9
Sri Lanka	4.8
Malaysia	4.0
South Korea	0.3
Cash and Other Assets, Less Liabilities	6.0

*A supranational is an international organization in which member states transcend national boundaries, (ex. IMF). Not all countries are included in the benchmark index.

Source: FactSet Research Systems

QUALITY DISTRIBUTION (%)⁷

Rating	
AA-	0.3
A-	4.0
BBB	9.4
BBB-	4.6
BB+	2.0
BB	14.1
BB-	19.5
B+	3.3
B	11.7
Not Rated	25.1

Source: Factset Research Systems, Moody's, S&P and Fitch

CURRENCY (%)^{5,6}

	Weight	Contribution to Duration [†]
U.S. Dollar	53.6	2.6
China Renminbi	10.9	0.2
Indonesian Rupiah	6.0	0.4
Singapore Dollar	5.8	0.1
South Korean Won	5.3	0.0
Indian Rupee	5.1	0.2
Malaysian Ringgit	4.1	0.5
Thai Baht	3.9	0.6
Philippines Peso	3.6	0.2
Vietnam Dong	1.8	0.0

[†]Fixed income portion of the portfolio. Contribution to Duration is defined as the market value of the security in the portfolio multiplied by the security's duration.

Source: FactSet Research Systems

SECTOR ALLOCATION (%)^{5,6}

Real Estate	23.3
Foreign Government Bonds*	20.2
Financials	20.0
Communication Services	10.0
Consumer Discretionary	6.0
Materials	3.7
Energy	3.7
Utilities	2.5
Industrials	2.4
Health Care	2.3
Cash and Other Assets, Less Liabilities	6.0

*Foreign Government Bonds includes supranationals. Sector data (excluding Government Bonds) based on MSCI's revised Global Industry Classification Standards. For more details, visit www.msci.com.

Source: FactSet Research Systems

ASSET TYPE BREAKDOWN (%)^{5,6}

Corporate Bonds	61.7
Government Bonds	24.8
Convertible Bonds	7.5
Cash and Other Assets, Less Liabilities	6.0

Source: FactSet Research Systems

PORTFOLIO MANAGEMENT

Teresa Kong, CFA

Lead Manager

Satya Patel

Co-Manager

Wei Zhang

Co-Manager

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 \$27.3 billion in assets under management as of December 31, 2019, Matthews Asia employs a bottom-up, fundamental investment philosophy with a focus on long-term investment performance.

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.

INDEX DEFINITION

The Markit iBoxx Asian Local Bond Index tracks the total return performance of a bond portfolio consisting of local-currency denominated, high quality and liquid bonds in Asia ex-Japan. The Markit iBoxx Asian Local Bond Index includes bonds from the following countries: China (on- and offshore markets), Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan and Thailand. Index is for comparative purposes only, it is not possible to invest directly in an index. Source: BNY Mellon Investment Servicing (US) Inc., Index data from HSBC, iBoxx (Markit).

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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 Cash and Other Assets may include the mark-to-market value of forward currency exchange contracts and certain derivative instruments.

⁷ Credit quality is provided for the underlying bond holdings of the Fund and does not include common equities, cash and other assets and percentage values will not total 100%. Credit quality rating symbols reflect that of S&P and generally credit ratings range from AAA (highest) to D (lowest). When ratings from Moody's, S&P and Fitch are available for a bond in the Fund, the middle rating of the three is used. When two ratings are available, the lowest rating is used. When only one rating is provided, that one is used. Foreign government bonds without a specific rating are assigned the country rating provided by one of the three agencies. Securities that are not rated by any one of the three agencies are reflected as such.