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 Management Company of the Fund accepts full responsibility for the accuracy of the information contained in this document and confirm, 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

Luxembourg, 15 November 2021

Dear Shareholder,

Please be informed that the board of directors of the Fund (the "Board") has decided to implement amendments to the Fund's prospectus (the "Prospectus"), as set out below in this information notice (the "Notice").

Capitalized terms not otherwise defined herein shall bear the same meaning as in the Prospectus.

I. Investments in China A and B Shares

For each Sub-Fund listed below, its Investment Policy will be modified to allow each of these Sub-Funds to invest, directly or indirectly, less than 70% of its net assets in aggregate in China A and B Shares:

- Matthews Asia Funds Pacific Tiger Fund;
- Matthews Asia Funds China Fund;
- Matthews Asia Funds Asia Dividend Fund;
- Matthews Asia Funds China Small Companies Fund;
- Matthews Asia Funds China Dividend Fund;
- Matthews Asia Funds Asia Small Companies Fund; and
- Matthews Asia Funds Asia ex Japan Dividend Fund.

Currently the Sub-Funds listed above are only permitted to invest less than 30% of their total net assets in aggregate in China A and B Shares.

The reason for these changes is to provide greater flexibility to the Sub-Funds to access opportunities in the Chinese equity markets given that a growing portion of the companies in the Sub-Funds' investable universe are China A shares companies. As of 31 March 2021, approximately 70% of Chinese companies with a market capitalization greater than US\$1 billion trade on the China A shares market. This comprises more than 1900 companies to invest in, and the market capitalization of stocks listed on the China A Shares market has more than doubled over the last 5 years. In addition, the number of China A Shares companies included in major benchmark indices has increased in the recent years, and is expected to increase substantially over coming years.

By increasing the investment limit in China A and B Shares, the Sub-Funds will be able to access Chinese equities on behalf of Shareholders in a more flexible manner.

Following the changes, the Sub-Funds may be subject to an increased level of risks associated with investment in China A and B Shares, as set out below:

- Risk Associated with Investment in China A Shares Investments in China A Shares may be
 more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or
 regulatory events affecting the PRC. China A Shares may have lower liquidity and their prices
 are more volatile to adverse economic developments than those of securities traded in a more
 developed market.
- Risk Associated with Investment made through QFI Regime The relevant Sub-Fund may suffer
 losses if the approval of the QFI status of the Investment Manager is being revoked, terminated
 or otherwise invalidated as the Sub-Fund may be prohibited from trading of relevant securities
 and repatriation of its monies, or if any of the key operators or parties (including the QFI
 custodian(s) or brokers) is bankrupt, in default, or is disqualified from performing its obligations
 (including execution or settlement of any transaction or transfer of monies or securities).
- Risk Associated with the Stock Connects The relevant rules and regulations on the Stock
 Connects are subject to change which may have potential retrospective effect. The Stock
 Connects are subject to quota limitations. Where a suspension in the trading through the
 program is effected, the relevant Sub-Fund's ability to invest in China A Shares or access the
 PRC market through the program will be adversely affected. In such event, the relevant SubFund's ability to achieve its investment objective could be negatively affected.
- PRC Tax Risk There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains realized via the QFI regime or Stock Connects or access products on the relevant Sub-Fund's investments in the PRC (which may have retrospective effect). Any increased tax liabilities on the relevant Sub-Fund may adversely affect its value. Based on professional and independent tax advice, the relevant Sub-Funds will not make any provisions for tax on gross realized or unrealized capital gains derived from trading China A Shares.
- RMB Currency and Conversion Risk RMB is currently not freely convertible and is subject to exchange controls and restrictions. Non-RMB based investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' base currency (for example HKD) will not depreciate. Any depreciation of RMB could adversely affect the value of investor's investment in the relevant Sub-Fund. Although offshore RMB (CNH) and onshore RMB (CNY) are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely impact investors.

Save as mentioned above, the changes will have no other impact on each of the Sub-Funds' investment objective, strategy or overall risk profile. There will be no impact on the operation and/or manner in which the Sub-Funds are being managed. There will be no change to the level of fees and charges payable by the Sub-Funds or their Shareholders as a result of the changes. The Board believes that the changes will not materially prejudice the rights or interests of the Shareholders of the Sub-Funds.

All costs and expenses resulting from the implementation of the changes mentioned above, estimated to be approximately US\$31,500, will be paid out of the assets of the Sub-Funds.

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These changes will be reflected in a new version of the Prospectus dated and effective from 15 December 2021 ("Effective Date").

Shareholders who do not agree with the changes mentioned above may request the redemption of their shares or switching of their shares into another Sub-Fund, without any charges, up until the Valuation Day before the Effective Date in accordance with the dealing procedures as set out in the Prospectus (i.e. 12:00 p.m. Luxembourg time for both Class A and Class I Shares).

A copy of the Prospectus and revised key investor information documents, as the case may be, will be available free of charge at the registered office of the Fund from the Effective Date.

Yours faithfully,

Board of Directors Matthews Asia Funds