

Matthews International Funds
dba Matthews Asia Funds
Four Embarcadero Center, Suite 550
San Francisco, CA 94111

June 1, 2023

Dear Shareholder:

You are receiving this Information Statement/Prospectus because you own shares in the following fund (the “Target Fund”):

- Matthews Korea Fund, a series of Matthews Asia Funds

The Target Fund currently operates as a mutual fund. The Target Fund will be reorganized into an exchange-traded fund (“ETF”) through the reorganization of the Target Fund into a newly-created ETF (the “Acquiring Fund” and together with the Target Fund, the “Funds”) formed for this purpose. ETFs are structurally different from mutual funds in several important aspects:

- A mutual fund may offer multiple share classes with different expenses and/or minimum investments. An ETF will not issue multiple classes of shares.
- A mutual fund investor may purchase and redeem shares directly from the mutual fund (through a distributor or a financial intermediary). Most ETF investors will buy and sell shares in secondary market transactions through brokers.
- A mutual fund will accept purchase and redemption orders from any shareholder on days that the mutual fund is open for business, and those orders will be effected at that day’s net asset value (“NAV”). An ETF will issue or redeem shares at its NAV per share only in one or more blocks of a large specified number of shares called a “Creation Unit,” on days that the ETF is open for business. Only an ETF’s “authorized participants” are permitted to engage in creation or redemption transactions directly with the ETF. All other shareholders will buy and sell shares of the ETF on an exchange at available market prices.

Following the reorganization, the Target Fund will be liquidated (such reorganization and liquidation, the “Reorganization”). The Acquiring Fund will continue to be managed by Matthews International Capital Management, LLC (“Matthews”). The Target Fund and the Acquiring Fund have identical investment objectives and fundamental investment policies and have substantially similar investment strategies and investment risk profiles. The mutual funds and ETFs, however, will have structurally different risk profiles.

The table below sets forth the Acquiring Fund and the anticipated schedule for the Reorganization:

Target Fund	Acquiring Fund	Expected Closing Date
Matthews Korea Fund	Matthews Korea Active ETF	July 14, 2023

The Reorganization will be conducted pursuant to an Agreement and Plan of Reorganization and Liquidation, which is included as Appendix A to these materials. The Reorganization is structured to be a tax-free reorganization under the U.S. Internal Revenue Code of 1986, as amended.

In connection with the Reorganization, shareholders who hold their shares of the Target Fund through a brokerage account that can accept shares of an ETF will receive ETF shares of the Acquiring Fund equal in value

to their investment in the Target Fund, including a cash payment in lieu of fractional shares of the Acquiring Fund, which cash payment for the fractional shares portion may be taxable. As discussed further below, some shareholders may need to take additional action in order to receive shares of the Acquiring Fund in connection with the Reorganization. However, the Reorganization will not dilute the value of your investment.

We believe the Reorganization will provide multiple benefits for investors. These benefits include:

- 1) **Lower Net Expenses:** The total annual fund operating expenses of the Acquiring Fund are expected to be significantly lower than the current net expenses of each share class of the Target Fund.
- 2) **Additional Trading Flexibility:** Unlike mutual fund shares of the Target Fund, which can only be purchased or sold once per day based on the Target Fund's NAV, shares of the Acquiring Fund can be purchased or sold throughout a trading day on an exchange based on market prices. This additional flexibility can give Acquiring Fund shareholders a greater ability to adjust their investment allocations based on developments that may occur throughout a trading day.
- 3) **Increased Transparency:** As a shareholder of the Acquiring Fund, you will gain the benefit of full daily transparency into the underlying portfolio holdings of the Acquiring Fund. The Target Fund does not provide full daily transparency into its underlying portfolio holdings.
- 4) **Enhanced Tax Efficiency:** Reorganizing the Target Fund into the Acquiring Fund may provide some enhanced tax efficiency for the Acquiring Fund, as ETFs generally experience fewer portfolio transactions than mutual funds. This reduction in portfolio transactions is because most investors will purchase and sell shares on the NYSE Arca secondary market through a broker (as explained below) rather than purchasing and redeeming shares with the fund itself, while a mutual fund will generally need to invest cash and/or sell securities to raise cash based on the purchase and redemption activity of all of its investors. Since ETFs only transact with APs and only in large block sizes of Creation Units, the Acquiring Fund's cash transactions are expected to occur less frequently and in a more efficient manner compared to the daily transactions that can occur with mutual funds.
- 5) **Tax-Free Reorganization:** Shareholders of the Target Fund generally will not recognize a taxable gain (or loss) for U.S. tax purposes as a result of the Reorganization (except with respect to cash received, as explained in later sections of this document).

We acknowledge, however, that the Reorganization will subject investors to certain ETF-specific risks, including the risk that shares of the Acquiring Fund will trade at market prices that may be above (premium) or below (discount) the Acquiring Fund's NAV or that the Acquiring Fund's "authorized participants" will not engage in creation or redemption transactions, which could cause the Acquiring Fund's shares to trade at a discount to NAV and possibly face trading halts and/or delisting.

The Board of Trustees of the Funds, including all of the Independent Trustees (i.e., Trustees who are not "interested persons" of the Funds as that term is defined in the Investment Company Act of 1940), approved the Reorganization and determined, with respect to the Reorganization, that participation in the Reorganization is in the best interests of each Fund and the interests of existing shareholders of each Fund, as applicable, would not be diluted as a result of the Reorganization. **No shareholder vote is required to complete the Reorganization. We are not asking you for a proxy and you are requested not to send us a proxy.**

Importantly, in order to receive shares of the Acquiring Fund as part of the Reorganization, you must hold your shares of the Target Fund through a brokerage account that can accept shares of an ETF (the Acquiring Fund). If

you do not hold your shares of the Target Fund through that type of brokerage account, you will not receive shares of the Acquiring Fund as part of the Reorganization. Instead, your investment will be liquidated and you will receive cash equal in value to the NAV of your Target Fund shares. The liquidation of your investment and return of cash may be subject to tax. It may take time for you to receive your cash. The following account types cannot hold shares of ETFs:

- *Non-Accommodating Brokerage Accounts.* If you hold your shares of the Target Fund in a brokerage account with a financial intermediary that only allows you to hold shares of mutual funds in the account, you will need to contact your financial intermediary to set up a brokerage account that permits investments in ETF shares. If such a change is not made before the Reorganization, you will not receive shares of the Acquiring Fund as part of the Reorganization. Instead, your investment will be liquidated and you will receive cash equal in value to the NAV of the Target Fund shares.
- *Non-Accommodating Retirement Accounts.* If you hold your shares of the Target Fund through an IRA or group retirement plan whose plan sponsor does not have the ability to hold shares of ETFs on its platform, you may need to redeem your shares prior to the Reorganization or, if applicable, your financial intermediary may transfer your investment in a Fund to a different investment option prior to the Reorganization. In some cases, this transfer may be subject to tax. Please consult with your financial intermediary for more information on the impact that the Reorganization will have on you and your investments.
- *Fund Direct Accounts.* If you hold shares of the Target Fund through a fund direct account and do not take action prior to the Reorganization, you will receive shares of the Acquiring Fund equal in value to the NAV of your Target Fund shares in your account for approximately one year, and if no action is taken to transfer your Acquiring Fund shares to a brokerage account during that period, the Acquiring Fund shares will be liquidated and you will receive cash in value to the NAV of the Acquiring Fund shares.
- *Fund Direct IRA or Coverdell Savings Accounts.* If you hold shares of the Target Fund through a fund direct individual retirement account (IRA) or Coverdell savings account and do not take action prior to the Reorganization, your Target Fund shares will be exchanged for Wealth shares of Dreyfus Government Cash Management (DGQXX) equal in value to the NAV of your Target Fund shares.

If you do not currently hold your shares of the Target Fund through a brokerage account that can hold shares of the Acquiring Fund, please review the accompanying materials closely for additional actions that you must take to receive shares of the Acquiring Fund as part of the Reorganization. No further action is required for shareholders that hold shares of the Target Fund through a brokerage account that can hold shares of the Acquiring Fund. **If you are unsure about the ability of your account to accept shares of the Acquiring Fund, please call 1-800-789-ASIA (2742) or contact your financial advisor or other financial intermediary.**

If you do not wish to participate in the Reorganization, you can exchange your Target Fund shares for shares of another Matthews Asia Funds mutual fund that is not participating in the Reorganization or redeem your Target Fund shares. Prior to doing so, however, you should consider the tax consequences associated with either action.

The accompanying Information Statement/Prospectus provides more information about the Reorganization. Please carefully review the additional information provided in this document. If you have questions, please call 1-800-789-ASIA (2742).

Sincerely,

John P. McGowan

Vice President and Secretary

Matthews Asia Funds

QUESTIONS AND ANSWERS

Shareholders should read this entire Information Statement/Prospectus carefully.

The following is a brief Q&A that will help explain the Reorganization (as defined below), including the reasons for the Reorganization. A more detailed discussion of the Reorganization follows this section.

Q. What is happening to my investment? Why am I receiving an Information Statement/Prospectus?

A. You are receiving this Information Statement/Prospectus because you own shares in the Matthews Korea Fund (“Target Fund”).

The Target Fund currently operates as a mutual fund. The Target Fund will be reorganized into an exchange-traded fund (“ETF”) through the reorganization of the Target Fund into a newly-created ETF (the “Acquiring Fund” and together with the Target Fund, the “Funds”) formed for this purpose. The Target Fund and the Acquiring Fund have identical investment objectives and fundamental investment policies and have substantially similar investment strategies. Following the Reorganization, the Target Fund will be liquidated (the “Reorganization”). The chart below lists the name of the Target Fund and the Acquiring Fund:

Target Fund	Acquiring Fund
Matthews Korea Fund	Matthews Korea Active ETF

The Reorganization will be accomplished in accordance with an Agreement and Plan of Reorganization and Liquidation (the “Plan”). The Plan provides for the transfer of all of the assets and liabilities of the Target Fund to the Acquiring Fund in exchange for shares of the Acquiring Fund having an aggregate net asset value (“NAV”) equal to the aggregate NAV of the Target Fund followed immediately by the distribution by the Target Fund to its shareholders of the portion of shares of the Acquiring Fund to which the shareholder is entitled, except as noted below.

- If you remain a shareholder of the Target Fund on the Closing Date (as defined below) of the Reorganization, you will receive shares of the Acquiring Fund and, in some cases, cash that combined with the shares have the same value as your shares of the Target Fund on that date. Shares of the Acquiring Fund are not issued in fractional shares, so cash will be paid to some shareholders in lieu of fractional shares of the Acquiring Fund, which cash payment may be taxable.
- If you do not hold your shares of the Target Fund through a brokerage account that can accept shares of the Acquiring Fund on the Closing Date of the Reorganization, you will not receive shares of the Acquiring Fund as part of the Reorganization. Instead, your investment will be liquidated and you will receive cash equal in value to the NAV of your Target Fund shares. The liquidation of your investment and return of cash may be taxable.
- If you hold your shares of the Target Fund through a fund direct account, you will receive shares of the Acquiring Fund equal in value to the NAV of their Target Fund shares in your account for approximately one year, and if no action is taken to transfer your Acquiring Fund shares to a brokerage account during that period, the Acquiring Fund shares will be liquidated and you will receive cash in value to the NAV of your Acquiring Fund shares.
- If you hold your Target Fund shares through a fund direct individual retirement account (“IRA”) or Coverdell savings account and do not take action prior to the Reorganization, your Target Fund shares will be exchanged for Wealth shares of Dreyfus Government Cash Management (DGQXX) equal in value to the NAV of your Target Fund shares.

Q. What are the differences between an ETF and a mutual fund?

A. ETFs are structurally different from mutual funds in several important aspects:

- A mutual fund may offer multiple share classes with different expenses, and/or minimum investments. An ETF will not issue multiple classes of shares.
- A mutual fund investor may purchase and redeem shares directly from the mutual fund (through a distributor or a financial intermediary). Most ETF investors will buy and sell shares in secondary market transactions through brokers.
- A mutual fund will accept purchase and redemption orders from any shareholder on days that the mutual fund is open for business, and those orders will be effected at that day's NAV. An ETF will issue or redeem shares at its NAV per share only in one or more blocks of a large specified number of shares called a "Creation Unit," on days that the ETF is open for business. Only an ETF's "authorized participants" are permitted to engage in creation or redemption transactions directly with the ETF. All other shareholders will buy and sell shares of the ETF on an exchange at available market prices.

As a result of these structural differences, there are certain benefits associated with the ETF structure, such as secondary market liquidity, increased transparency, and the potential for increased tax efficiency. There are, however, certain risks associated with the ETF structure, including the risk that shares of an ETF will trade at market prices that are above (premium) or below (discount) NAV, or that an ETF's "authorized participants" will not engage in creation or redemption transactions which could cause the Acquiring Fund's shares to trade at a discount to NAV and possibly face trading halts and/or delisting.

Q. Has the Board of Trustees of the Target Fund approved the Reorganization?

A. Yes. The Board of Trustees of each Fund are comprised of the same individuals because both Funds are series of the Trust. The Board of Trustees of the Funds (the "Board") approved the Reorganization. The Board, including all of the Independent Trustees (i.e., Trustees who are not "interested persons" of the Funds as defined in the Investment Company Act of 1940 (the "1940 Act")), determined that, for each Fund, the participation in the Reorganization is in the best interests of each Fund and that the interests of existing Fund shareholders will not be diluted as a result of the Reorganization.

Q. Why is the Reorganization occurring?

A. The Target Fund's investment adviser, Matthews International Capital Management, LLC ("Matthews"), proposed that the Target Fund be reorganized into the Acquiring Fund because of certain benefits associated with the ETF structure, which Matthews believes will better serve the interests of Target Fund shareholders. As discussed in more detail below, these shareholder benefits include lower net expenses, additional trading flexibility, increased transparency and the potential for enhanced tax efficiency.

Q. How will the Reorganization affect me as a shareholder?

A. If the Reorganization is consummated, you will cease to be a shareholder of the Target Fund. In order to receive shares of the Acquiring Fund as part of the Reorganization, you must hold your shares of the Target Fund through a brokerage account that can accept shares of an ETF (the Acquiring Fund) on the Closing Date of the Reorganization.

- *Brokerage Account.* If you hold your shares of the Target Fund through a brokerage account that can accept shares of an ETF on the Closing Date of the Reorganization, you will automatically become a shareholder of the Acquiring Fund. As described in more detail above, upon completion of the Reorganization, you will receive shares of the Acquiring Fund and, in some cases, cash having an aggregate NAV equal to the aggregate NAV of the shares of the Target Fund you owned on the Closing Date of the Reorganization. Shares of the Acquiring Fund are not issued in fractional shares. As a result, cash will be paid to shareholders in lieu of fractional shares, which may be taxable.

- *Non-Accommodating Brokerage Accounts.* If you hold your shares of the Target Fund in a brokerage account with a financial intermediary that only allows you to hold shares of mutual funds in the account, you will need to contact your financial intermediary to set up a brokerage account that permits investments in ETF shares. If such a change is not made before the Reorganization, you will not receive shares of the Acquiring Fund as part of the Reorganization. Instead, your investment will be liquidated and you will receive cash equal in value to the NAV of the Target Fund shares.
- *Non-Accommodating Retirement Accounts.* If you hold your shares of the Target Fund through an IRA or group retirement plan whose plan sponsor does not have the ability to hold shares of ETFs on its platform, you may need to redeem your shares prior to the Reorganization or, if applicable, your financial intermediary may transfer your investment in a Fund to a different investment option prior to the Reorganization.
- *Fund Direct Accounts.* If you hold your shares of the Target Fund in an account directly with the Target Fund at its transfer agent, BNY Mellon Investment Servicing (US) Inc. (a “fund direct account”), you should: (i) transfer your shares of the Target Fund to a brokerage account that can accept shares of the Acquiring Fund prior to the Reorganization, or (ii) exchange your shares of the Target Fund for shares in a different Matthews Asia Funds mutual fund. If such a change is not made before the Reorganization, you will receive shares of the Acquiring Fund equal in value to the NAV of your Target Fund shares in your account for approximately one year, and if you take no action to transfer your Acquiring Fund shares to an accommodating brokerage account during that period, your investment will be liquidated and you will receive cash equal in value to the NAV of your Target Fund shares.
- *Fund Direct IRA or Coverdell Savings Accounts.* If you hold your shares of the Target Fund in a Traditional, Roth, or SEP individual retirement account (IRA) or a Coverdell Education Savings Account directly with the Fund’s transfer agent, BNY Mellon Investment Servicing (US) Inc., and do not take action to exchange your Target Fund shares for a different Matthews Asia Funds mutual fund or transfer your investment to a different institution prior to the Reorganization, your Target Fund shares will be exchanged for Wealth shares of Dreyfus Government Cash Management (DGQXX) equal in value to the NAV of your Target Fund shares. In some cases, the liquidation of your investment and return of cash, or the transfer of your investment, may be subject to fees and expenses and may also be subject to tax. It may take time for you to receive your cash. Please consult with your financial intermediary for more information on the impact that the Reorganization will have on you and your investments.

If you do not currently hold your shares of the Target Fund through a brokerage account that can hold shares of the Acquiring Fund, please see the information below, including the separate Q&A that follows, for additional actions that you must take to receive shares of the Acquiring Fund as part of the Reorganization. No further action is required for shareholders that hold shares of the Target Fund through a brokerage account that can hold shares of the Acquiring Fund.

After the Reorganization, individual shares of the Acquiring Fund may only be purchased and sold in the secondary market. Shares of the Acquiring Fund will be listed for trading on the NYSE Arca, Inc. (“NYSE Arca”). Shares of the Acquiring Fund may also be traded on other national securities exchanges, electronic crossing networks, and other alternative trading systems. Should you decide to purchase or sell shares of the Acquiring Fund after the Reorganization, you will need to place a trade through a broker who will execute your trade in the secondary market at prevailing market prices. Because the Acquiring Fund’s shares trade at market prices rather than at NAV, the Acquiring Fund’s shares may trade at a price less than (discount) or greater than (premium) the Acquiring Fund’s NAV. As with all transactions for ETFs, your broker may charge a commission for purchase and sale transactions.

Q. Am I being asked to vote on the Reorganization?

A. No. Shareholders of the Target Fund are not required to approve the Reorganization under state or federal law, the 1940 Act, or the organizational documents governing the Target Fund. We are not asking you for a proxy and you are requested not to send us a proxy.

Q. Will the Reorganization affect the way my investments are managed?

A. No. Matthews is the investment adviser to the Target Fund and will continue to serve as the investment adviser to the Acquiring Fund. The same individuals currently responsible for the day-to-day portfolio management of the Target Fund will continue to be responsible for the day-to-day portfolio management of the Acquiring Fund. The Target Fund and the Acquiring Fund have identical investment objectives and fundamental investment policies and have substantially similar investment strategies.

Q. Will the fees and expenses of the Acquiring Fund be lower than the fees and expenses of the Target Fund?

A. Yes. Following the Reorganization, the Acquiring Fund will have a lower net expense ratio than each share class of the Target Fund. In addition, the Acquiring Fund will be subject to a unitary fee structure, which will require Matthews to pay the Acquiring Fund's ordinary operating expenses without any increase in its fee for advisory services, thus resulting in lower fees and expenses to shareholders.

More information on the effects of the potential expense reductions is available in the Information Statement/Prospectus.

Q. Are there other benefits that I will experience as a shareholder of the Acquiring Fund?

A. Yes. In addition to lower net expenses, as a shareholder of the Acquiring Fund you will also benefit from additional trading flexibility, increased transparency, and the potential for enhanced tax efficiency.

- *Additional Trading Flexibility.* As a shareholder of the Target Fund you can only purchase or redeem your shares of the Target Fund at a price based on the Target Fund's NAV that is next calculated after your order is received by the Target Fund. This NAV is calculated once per business day. As a shareholder of the Acquiring Fund, however, you will be able to purchase and sell shares of the Acquiring Fund throughout a trading day on the secondary market. These trades will occur at market prices, which may be higher or lower than the Acquiring Fund's NAV. This intraday liquidity will give you the opportunity to act on purchase and sale decisions immediately, rather than waiting to transact at the Acquiring Fund's NAV.
- *Increased Transparency.* Currently, the Target Fund only provides periodic disclosure of their complete portfolio holdings. Following the Reorganization, however, the Acquiring Fund will make its complete portfolio holdings public each business day. This holdings information, along with other information about the Acquiring Fund, will be found on the Acquiring Fund's website at www.matthewsasia.com.
- *Enhanced Tax Efficiency.* Shareholders of the Acquiring Fund also are expected to benefit from the potential for greater tax efficiency with the ETF structure, as ETFs generally experience fewer portfolio transactions than mutual funds due to the secondary market liquidity of the ETF structure. Capital gains from securities sales by the Target Fund prior to the Reorganization may be distributed either (i) by the Target Fund prior to the Reorganization or (ii) by the Acquiring Fund after the Reorganization.

Q. Will I be subject to comparable investment risks as a shareholder of the Acquiring Fund?

A. Yes. As noted above, the Target Fund and the Acquiring Fund have identical investment objectives and fundamental investment policies and have substantially similar investment strategies. Therefore, the Acquiring Fund will be subject to substantially similar investment risks as the Target Fund.

For additional discussion of these and other risk factors, please see the section entitled "Description of Investment Risks."

Q. Will I be subject to additional ETF-specific structural risks as a shareholder of the Acquiring Fund?

A. Yes. As a shareholder of the Acquiring Fund, you will be subject to risks related to the Acquiring Fund’s ETF structure. For example, you will be subject to the risk that shares of your Acquiring Fund will trade at market prices that are above (premium) or below (discount) the Acquiring Fund’s NAV. You will also be subject to the risk that your Acquiring Fund’s “authorized participants,” which are the only entities that are permitted to engage in creation or redemption transactions directly with the Acquiring Fund, do not engage in such transactions, which could cause the Acquiring Fund’s shares to trade at a discount to NAV and possibly face trading halts and/or delisting. In addition, unlike many ETFs which may transact with APs on an in-kind basis, the Acquiring Fund’s investment strategy will require it to transact primarily in cash with APs and therefore redeem shares of the Acquiring Fund for cash or to otherwise include cash as part of its redemption proceeds, which could require the Acquiring Fund to sell or unwind portfolio investments at a time when Matthews would otherwise not find it favorable to do so.

For additional discussion of these and other risk factors, please see “ETF Risks” below.

Q. Is there anything else that will be different once I am a shareholder of the Acquiring Fund?

A. Yes. As a shareholder of the Target Fund, you can directly purchase or redeem your shares from the Target Fund (through a distributor or a financial intermediary) at a price based on the Target Fund’s NAV that is next calculated after your order is received by the Target Fund, subject to any applicable fees.

Only “authorized participants” of the Acquiring Fund can directly purchase or redeem shares of the Acquiring Fund at its NAV per share and only in Creation Unit sizes. Individual shares of the Acquiring Fund may only be purchased and sold on the secondary market through a broker at market prices. When you buy or sell shares of the Acquiring Fund through a broker, you may incur a brokerage commission or other charges imposed by the broker.

In addition, the Target Fund operates in a multiple class structure. A multiple class fund is an open-end investment company that issues two or more classes of shares representing interests in the same investment portfolio, but with different availability and eligibility criteria, expenses, dividends and distributions. In contrast, the Acquiring Fund, by virtue of operating in an ETF structure, will not issue multiple classes of shares. Unlike shareholders of the Target Fund, shareholders of the Acquiring Fund will not own a particular class of shares.

Q. Will the Target Fund or Acquiring Fund charge shareholders any sales charges (loads), commissions, or other similar fees in connection with the Reorganization?

A. No. Neither the Target Fund nor the Acquiring Fund will charge shareholders any sales charges (loads), commissions, or other similar fees in connection with the Reorganization.

Q. When is the Reorganization expected to occur?

A. Matthews anticipates that the Reorganization will occur after the close of trading on the following date (the “Closing Date”):

Target Fund	Acquiring Fund	Expected Closing Date
Matthews Korea Fund	Matthews Korea Active ETF	July 14, 2023

The Closing Date may be delayed. The Target Fund will publicly disclose any changes to the applicable Closing Date.

Q. Who will pay the costs in connection with the Reorganization?

A. For certain expenses (e.g., printing and mailing), the Target Fund and the Acquiring Fund will first pay the costs associated with the Reorganization, but Matthews will offset these costs through fee waivers or expense reimbursements. For legal costs, Matthews has determined that it will pay for the costs incurred by the Funds in connection with the Reorganization directly.

Q. Will the Reorganization result in any federal tax liability to me?

A. The Reorganization is intended to be treated as a tax-free Reorganization for U.S. federal income tax purposes. If the Reorganization qualifies for tax-free treatment, Target Fund shareholders would recognize no gain or loss for U.S. federal income tax purposes upon the exchange of Target Fund shares for Acquiring Fund shares pursuant to the Reorganization (except with respect to cash received). Capital gains from securities sales by the Target Fund prior to the Reorganization may be distributed by the Acquiring Fund after the Reorganization.

Different tax considerations apply to you if you hold your shares of the Target Fund through a fund direct IRA or Coverdell savings account and exchange your Target Fund shares for Wealth shares of Dreyfus Government Cash Management (DGQXX). In addition, as described above, you may also experience tax consequences if your investment is liquidated and the cash value of your Target Fund shares is returned to you or if your shares of the Target Fund are transferred by your financial intermediary to a different investment option because you did not hold your shares of the Target Fund through a brokerage account that can accept shares of the corresponding Acquiring Fund on the Closing Date of the Reorganization.

Shareholders should consult their tax advisors about possible state and local tax consequences of the Reorganization, if any, because the information about tax consequences in this document relates to the federal income tax consequences of the Reorganization only.

Q. Can I purchase, redeem, or exchange shares of the Target Fund before the Reorganization takes place?

A. Yes. Purchase orders, exchange orders, and redemption orders must be received by the Target Fund by the dates indicated below:

Target Fund	Final Date to Purchase Target Fund Shares or Exchange Shares of Another Matthews Asia Funds Mutual Fund for Target Fund Shares	Final Date to Redeem Target Fund Shares or Exchange Target Fund Shares for Shares of Another Matthews Asia Funds Mutual Fund
Matthews Korea Fund	July 12, 2023	July 13, 2023

These dates may change if the Closing Date of the Reorganization changes. Any changes to a Closing Date of the Reorganization will be communicated to shareholders.

If you redeem or exchange your Target Fund shares, you may recognize a taxable gain or loss based on the difference between your tax basis in the shares and the amount you receive for them.

Q. Whom do I contact for further information?

A. If you have questions, please call 1-800-789-ASIA (2742). You can also find information online at www.matthewsasia.com.

Important additional information about the Reorganization is set forth in the accompanying Information Statement/Prospectus. Please read it carefully.

IMPORTANT NOTICE ABOUT YOUR TARGET FUND ACCOUNT QUESTIONS AND ANSWERS

The following is a brief Q&A that provides information to help you to determine if you need to take action with respect to your shareholder account prior to the Reorganization in order to receive shares of the Acquiring Fund.

Q. What types of shareholder accounts can receive shares of the Acquiring Fund as part of the Reorganization?

A. If you hold your shares of the Target Fund in a brokerage account that permits you to purchase securities traded in the stock market, such as ETFs or other types of stocks, then you will be eligible to receive shares of the Acquiring Fund in the Reorganization. No further action is required.

Q. What types of shareholder accounts cannot receive shares of the Acquiring Fund as part of the Reorganization?

A. The following account types cannot hold shares of ETFs:

Non-Accommodating Brokerage Accounts. If you hold your shares of the Target Fund in a brokerage account with a financial intermediary that only allows you to hold shares of mutual funds in the account, you will need to contact your financial intermediary to set up a brokerage account that permits investments in ETF shares.

Non-Accommodating Retirement Accounts. If you hold your shares of the Target Fund through an IRA or group retirement plan whose plan sponsor does not have the ability to hold shares of ETFs on its platform, you may need to redeem your shares prior to the applicable Reorganization or, if applicable, your financial intermediary may transfer your investment in the Target Fund to a different investment option prior to the Reorganization.

Fund Direct Accounts. If you hold your shares of the Target Fund in an account directly with the Target Fund at its transfer agent, the BNY Mellon Investment Servicing (US) Inc. (a “fund direct account”), prior to the Reorganization you should: (i) transfer your shares of the Target Fund to a brokerage account that can accept shares of the corresponding Acquiring Fund or (ii) exchange your Target Fund shares for shares in a different Matthews Asia Funds mutual fund. You have a fund direct account if you receive quarterly account statements directly from the Target Fund and not from a third-party broker-dealer.

Fund Direct IRA or Coverdell Savings Accounts. If you hold your shares of the Target Fund in a Traditional, Roth, or SEP individual retirement account (IRA) or a Coverdell Education Savings Account directly with the Fund’s transfer agent, BNY Mellon Investment Servicing (US) Inc., and do not take action prior to the Reorganization, your Target Fund shares will be exchanged for Wealth shares of Dreyfus Government Cash Management (DGQXX) equal in value to the NAV of your Target Fund shares.

If you are unsure about the ability of your account to accept shares of the Acquiring Fund, please call 1-800-789-ASIA (2742) or contact your financial advisor or other financial intermediary.

Q. How do I transfer my Target Fund shares from a fund direct account to a brokerage account that will accept Acquiring Fund shares?

A. Transferring your shares from a fund direct account to a brokerage account that can accept shares of the Acquiring Fund should be a simple process. If you have a brokerage account or a relationship with a brokerage firm, please talk to your broker and inform the broker that you would like to transfer a mutual fund position that you hold directly with the Target Fund into your brokerage account. Also inform your broker that such an account will need to be set up to accept shares of an ETF, such as the Acquiring Fund. If you don’t have a brokerage account or a relationship with a brokerage firm, you will need to open an account.

We suggest you provide your broker with a copy of your quarterly statement from the Target Fund. Your broker will require your account number with the Target Fund, which can be found on your statement. Your broker will help you complete a form to initiate the transfer. Once you sign that form, your broker will submit the form to the transfer agent directly, and the shares will be transferred into your brokerage account. *The sooner you initiate the transfer, the better.*

Q. How do I transfer my Target Fund shares from a non-accommodating brokerage account to a brokerage account that will accept Acquiring Fund shares?

A. The broker where you hold your Target Fund shares should be able to assist you in changing the characteristics of your brokerage account to an account that is permitted to invest in ETF shares. Contact your broker right away to make the necessary changes to your account.

Q. What will happen if I do not have a brokerage account that can accept Acquiring Fund shares at the time of the Reorganization?

A. In order to receive shares of the Acquiring Fund as part of the Reorganization, you must hold your shares of the Target Fund through a brokerage account that can accept shares of an ETF (the corresponding Acquiring Fund) on the Closing Date of the Reorganization.

- *Non-Accommodating Brokerage Accounts.* If you hold your shares of the Target Fund in a brokerage account with a financial intermediary that only allows you to hold shares of mutual funds in the account, you will need to contact your financial intermediary to set up a brokerage account that permits investments in ETF shares. If such a change is not made before the Reorganization, you will not receive shares of the Acquiring Fund as part of the Reorganization. Instead, your investment will be liquidated and you will receive cash equal in value to the NAV of your Target Fund shares.
- *Non-Accommodating Retirement Accounts.* If you hold your shares of the Target Fund through an IRA or group retirement plan whose plan sponsor does not have the ability to hold shares of ETFs on its platform, you may need to redeem your shares prior to the Reorganization or, if applicable, your financial intermediary may transfer your investment in a Fund to a different investment option prior to the Reorganization.
- *Fund Direct Accounts.* If you hold your shares of the Target Fund in a fund direct account, prior to the Reorganization you should (i) transfer your shares of the Target Fund to a brokerage account that can accept shares of the Acquiring Fund or (ii) exchange your Target Fund shares for shares in a different Matthews Asia Funds mutual fund. If such a change is not made before the Reorganization, you will receive shares of the Acquiring Fund equal in value to the NAV of your Target Fund shares in your account for approximately one year, and if you take no action to transfer your Acquiring Fund shares to a brokerage account during that period, investment will be liquidated and you will receive cash equal in value to the NAV of your Target Fund shares.
- *Fund Direct IRA or Coverdell Savings Accounts.* If you hold your shares of the Target Fund in a Traditional, Roth, or SEP individual retirement account (IRA) or a Coverdell Education Savings Account directly with the Fund's transfer agent, BNY Mellon Investment Servicing (US) Inc., and do not take action to exchange your Target Fund shares for a different Matthews Asia Funds mutual fund or transfer your investment to a different institution prior to the Reorganization, your Target Fund shares will be exchanged for Wealth shares of Dreyfus Government Cash Management (DGQXX) equal in value to the NAV of your Target Fund shares.

In some cases, the liquidation of your investment and return of cash, or the transfer of your investment, may be subject to fees and expenses and may also be subject to tax. It may take time for you to receive your cash. Please consult with your financial intermediary for more information on the impact that the Reorganization will have on you and your investments.

Q. What if I do not want to own shares of the Acquiring Fund?

A. If you do not want to receive shares of the Acquiring Fund in connection with the Reorganization, you can exchange your Target Fund shares for shares of another Matthews Asia Funds mutual fund that is not participating in the Reorganization or redeem your Target Fund shares prior to the Closing Date of the Reorganization as further described below. Prior to doing so, however, you should consider the tax consequences associated with either action. Redemption of your Target Fund shares will be a taxable event if you hold your shares in a taxable account. The last date to redeem your shares or exchange them into another Matthews Asia Funds mutual fund prior to the Reorganization is listed below:

Target Fund	Final Date to Redeem Target Fund Shares or Exchange Target Fund Shares for Shares of Another Matthews Asia Funds Mutual Fund
Matthews Korea Fund	July 13, 2023

These dates may change if the Closing Date of the Reorganization changes. Any changes to a Closing Date of the Reorganization will be communicated to shareholders.

INFORMATION STATEMENT/PROSPECTUS

Dated June 1, 2023

**Matthews International Funds
dba Matthews Asia Funds
Four Embarcadero Center, Suite 550
San Francisco, CA 94111**

This Information Statement/Prospectus is being furnished to shareholders of the Matthews Korea Fund (the “Target Fund”), a series of Matthews International Funds (dba Matthews Asia Funds) (the “Trust”) to inform them of a plan to reorganize the Target Fund into an exchange-traded fund (“ETF”), which will continue to be managed by Matthews.

The Target Fund will be reorganized into a newly-created ETF (the “Acquiring Fund” and together with the Target Fund, the “Funds”) that is a series the Trust, and the Target Fund will subsequently be liquidated (the “Reorganization”). The Reorganization is set forth in the table below.

Target Fund	Acquiring Fund
Matthews Korea Fund	Matthews Korea Active ETF

The Board of Trustees of each Fund are comprised of the same individuals because both Funds are series of the Trust. The Board of Trustees of the Funds (the “Board”) approved the Reorganization. The Board, including all of the Independent Trustees (i.e., Trustees who are not “interested persons” of the Funds as defined in the Investment Company Act of 1940 (the “1940 Act”)), determined that, for each Fund, participation in the Reorganization is in the best interests of the Fund and that the interests of existing Fund shareholders will not be diluted as a result of the Reorganization.

The Reorganization will be accomplished in accordance with an Agreement and Plan of Reorganization and Liquidation (the “Plan”). The Plan provides for the transfer of all of the assets and liabilities of the Target Fund to the Acquiring Fund in exchange for shares of the Acquiring Fund having an aggregate net asset value (“NAV”) equal to the aggregate NAV of the Target Fund followed immediately by the distribution by the Target Fund to its shareholders of the portion of shares of the Acquiring Fund to which the shareholder is entitled (including cash in lieu of fractional shares of the Acquiring Fund) in complete liquidation of the Target Fund, except as noted below. A copy of the form of the Plan pertaining to the Reorganization is included as Appendix A to this Information Statement/Prospectus.

For federal income tax purposes, the Reorganization is intended to be structured as a tax-free transaction for the Target Fund, the Acquiring Fund, and the shareholders of the Target Fund. If you remain a shareholder of the Target Fund on the Closing Date (as defined below) of the Reorganization, you will receive shares of the corresponding Acquiring Fund and, in some cases, cash that combined with the shares have the same value as your shares of the Target Fund on that date. Shares of the Acquiring Fund, however, are not issued in fractional shares. As a result, cash will be paid to shareholders in lieu of fractional shares of the Acquiring Fund, which may be taxable. If you do not hold your shares of the Target Fund through a brokerage account that can accept shares of the Acquiring Fund on the Closing Date of the Reorganization, you will not receive shares of the Acquiring Fund as part of the Reorganization. Instead, your investment will be liquidated and you will receive cash equal in value to the NAV of your Target Fund shares. If you hold shares of the Target Fund through a fund direct individual retirement account (“IRA”) or Coverdell savings account and do not take action prior to the Reorganization, your Target Fund shares will be exchanged for Wealth shares of Dreyfus Government Cash Management (DGQXX) equal in value to the NAV of your Target Fund shares. Alternatively, if you hold your shares of the Target Fund through an account with a financial intermediary that is not able to hold shares of the Acquiring Fund, like many group retirement plans, your financial intermediary may transfer your investment in

the Target Fund to a different investment option prior to the Reorganization. In some cases, the liquidation of your investment and return of cash, or the transfer of your investment, may be subject to fees and expenses and may also be subject to tax. It may take time for you to receive your cash. Please consult with your financial intermediary for more information on the impact that the Reorganization will have on you and your investments.

THIS INFORMATION STATEMENT/PROSPECTUS IS FOR INFORMATION PURPOSES ONLY, AND YOU DO NOT NEED TO DO ANYTHING IN RESPONSE TO RECEIVING IT EXCEPT TO CHECK FOR WHETHER YOU HAVE A BROKERAGE ACCOUNT THAT CAN ACCEPT SHARES OF AN ETF.

WE ARE NOT ASKING YOU FOR A PROXY, AND YOU ARE NOT REQUESTED TO SEND US A PROXY.

The Target Fund and the Acquiring Fund have identical investment objectives and fundamental investment policies and have substantially similar investment strategies. The principal executive offices of the Trust are located at Four Embarcadero Center, Suite 550, San Francisco, CA 94111.

Shares of the Matthews Korea Active ETF (MKOR) will be listed for trading on the NYSE Arca, Inc. (“NYSE Arca”).

The Reorganization is anticipated to occur after the close of trading on the following dates (the “Closing Date”):

Expected Closing Date
July 14, 2023

The Closing Date may be delayed. The Target Fund in which you hold shares will publicly disclose any changes to the Closing Date.

In preparation for the closing of the Reorganization, purchase orders, exchange orders, and redemption orders must be received by the Target Fund by the dates indicated below:

Target Fund	Final Date to Purchase Target Fund Shares or Exchange Shares of Another Matthews Asia Funds Mutual Fund for Target Fund Shares	Final Date to Redeem Target Fund Shares or Exchange Target Fund Shares for Shares of Another Matthews Asia Funds Mutual Fund
Matthews Korea Fund	July 12, 2023	July 13, 2023

These dates may change if the Closing Date of the Reorganization changes. Any changes to the Closing Date of the Reorganization will be communicated to shareholders.

Any shares of the Target Fund that you hold after the final redemption dates listed above will be reorganized into shares of the corresponding Acquiring Fund as a result of the Reorganization.

The Acquiring Fund is expected to begin trading on the following date:

Acquiring Fund	Expected First Date for Trading
Matthews Korea Active ETF	July 17, 2023

This Information Statement/Prospectus, which you should read carefully and retain for future reference, sets forth concisely the information that you should know before investing. This Information Statement/Prospectus, which constitutes part of a Registration Statement filed by the Trust with the Securities and Exchange Commission (“SEC”) under the Securities Act of 1933, as amended, does not include certain information contained elsewhere in such Registration Statement. Reference is hereby made to the Registration Statement and to the exhibits and amendments thereto for further information with respect to the Acquiring Fund and the shares offered. Statements contained herein concerning the provisions of documents are necessarily summaries of such documents.

A statement of additional information relating to this Information Statement/Prospectus and the proposed Reorganization (the “Statement of Additional Information”), dated June 1, 2023, is available upon request and without charge by contacting the Funds. This Statement of Additional Information also is incorporated herein by reference and is legally deemed to be part of this Information Statement/Prospectus.

The following additional materials are incorporated herein by reference and are legally deemed to be part of this Information Statement/Prospectus.

- Target Fund prospectus dated April 28, 2023, as supplemented, which is on file with the SEC (File No. 811-08510) (Accession No. 0001193125-23-127376);
- Acquiring Fund prospectus dated April 28, 2023, as supplemented, which is on file with the SEC (File No. 811-08510) (Accession No. 0001193125-23-127520);

The Target Fund can be reached by calling 1-800-789-ASIA (2742) or by writing to:

Matthews Asia Funds
Four Embarcadero Center, Suite 550
San Francisco, CA 94111

The Target Fund’s prospectus and statement of additional information are available at <https://www.matthewsasia.com/resources/docs/fund-documents>. The Target Fund’s Annual Reports and Semi-Annual Reports are available at <https://www.matthewsasia.com/resources/docs/shareholder-reports>.

You may request free copies of the Target Fund’s prospectus and statement of additional information (including any supplement thereto), the Acquiring Fund’s prospectus and statement of additional information (including any supplement thereto) and the Statement of Additional Information by calling at 1-800-789-ASIA (2742), or by writing to Matthews Asia Funds, Four Embarcadero Center, Suite 550, San Francisco, CA 94111.

The Acquiring Fund’s prospectus is available at <https://www.sec.gov/ix?doc=/Archives/edgar/data/0000923184/000119312523127520/d469647d485bpos.htm>.

Because the Acquiring Fund has not yet commenced operations, no shareholder reports are available for it.

All available materials have been filed with the SEC.

Each Fund also files proxy materials, information statements, reports, and other information with the SEC in accordance with the informational requirements of the Securities Exchange Act of 1934, as amended, and

the 1940 Act. These materials can be obtained electronically from the EDGAR database on the SEC's Internet site (<http://www.sec.gov>) or, after paying a duplicating fee, by electronic request at the following e-mail address: publicinfo@sec.gov.

This Information Statement/Prospectus dated June 1, 2023, is expected to be mailed to shareholders of the Target Fund on or about June 1, 2023.

AN INVESTMENT IN THE FUNDS IS NOT A DEPOSIT OF ANY BANK AND IS NOT INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY. AN INVESTMENT IN THE FUNDS INVOLVES INVESTMENT RISK, INCLUDING THE POSSIBLE LOSS OF PRINCIPAL.

LIKE ALL FUNDS, THE U.S. SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED OR DISAPPROVED THESE SECURITIES OR PASSED UPON THE ADEQUACY OF THIS INFORMATION STATEMENT/PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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SUMMARY

This is only a summary of certain information contained in this Information Statement/Prospectus. Shareholders should carefully read the more complete information in the rest of this Information Statement/Prospectus, including the Plan relating to the Reorganization, a form of which is attached to this Information Statement/Prospectus in Appendix A, and the applicable Acquiring Fund prospectus(es), which accompanies this Information Statement/Prospectus. For purposes of this Information Statement/Prospectus, the terms “shareholder”, “you”, and “your” refer to shareholders of the Target Fund.

What is happening to the Target Fund?

The Target Fund currently operates as a mutual fund. The Target Fund will be reorganized into an ETF through the reorganization of the Target Fund into a newly-created Acquiring Fund formed for this purpose. The Target Fund and the Acquiring Fund have identical investment objectives and fundamental investment policies and have substantially similar investment strategies. The Reorganization of the Target Fund into the Acquiring Fund, along with the subsequent liquidation of the Target Fund, is referred to in this Information Statement/Prospectus as the “Reorganization,” and the Reorganization will be accomplished in accordance with an Agreement and Plan of Reorganization and Liquidation (the “Plan”). For reference purposes, the Target Fund and the Acquiring Fund are listed in the chart below.

Target Fund	Acquiring Fund
Matthews Korea Fund	Matthews Korea Active ETF

Shares of the Acquiring Fund will be listed for trading on the NYSE Arca, Inc. (“NYSE Arca”).

How will the Reorganization be implemented?

The Plan provides for the transfer of all of the assets and liabilities of the Target Fund to the Acquiring Fund in exchange for shares of the Acquiring Fund having an aggregate net asset value (“NAV”) equal to the aggregate net asset value of the Target Fund followed immediately by the distribution by the Target Fund to its shareholders of the portion of shares of the Acquiring Fund to which the shareholder is entitled in complete liquidation of the Target Fund, except as noted below.

Before the closing of the Reorganization, on or about June 20, 2023, Investor Class shares of the Target Fund will be converted to Institutional Class shares of the Target Fund, so that only Institutional Class shares of the Target Fund will exist before effecting the Reorganization. On or about June 23, 2023, the Target Fund will effect a reverse split at a ratio of approximately of 1-for-6 to 1-for-9, with the exact ratio to be determined at the time of the Reorganization (the “Reverse Split”), in order increase the NAV per share of the Institutional Class shares of the Target Fund to a more desirable ETF share price to help facilitate better secondary market quality of the ETF. Upon the closing of the Reorganization, shares of the Acquiring Fund will be transferred to each shareholder’s brokerage account. If a shareholder does not hold their shares of the Target Fund through a brokerage account that can accept shares of the corresponding Acquiring Fund on the Closing Date of the Reorganization, the shareholder will not receive shares of the Acquiring Fund as part of the Reorganization. Instead, the shareholder’s investment will be liquidated and the shareholder will receive cash equal in value to the NAV of their Target Fund shares. If a shareholder holds shares of the Target Fund through a fund direct IRA or Coverdell savings account, the shareholder’s Target Fund shares will be exchanged for Wealth shares of Dreyfus Government Cash Management (DGQXX) equal in value to the NAV of the shareholder’s Target Fund shares unless the shareholder provides alternative direction prior to the Reorganization. Alternatively, if a shareholder holds their shares of the Target Fund through an account with a financial intermediary that is not able to hold shares of the Acquiring Fund, like many group retirement plans, a financial intermediary may transfer the shareholder’s investment in the Target Fund to a different investment option prior to the Reorganization. In some cases, this transfer may be subject to fees and expenses and may also be subject to tax. In some cases, the liquidation of your investment and return of cash, or the transfer of your investment, may be subject to fees and expenses and may also be subject to tax. It may take time for you to receive your cash.

After shares of the Acquiring Fund are distributed to the Target Fund’s shareholders, the Target Fund will be completely liquidated and dissolved. As a result of the Reorganization, you will cease to be a shareholder of the Target Fund and will become a shareholder of the Acquiring Fund. This exchange will occur after the close of business on the Closing Date of the Reorganization, which is the specific date on which the Reorganization takes place. The expected Closing Date of the Reorganization is indicated below:

Expected Closing Date
July 14, 2023

The Closing Date may be delayed. The Target Fund in which you hold shares will publicly disclose any changes to the Closing Date.

Why is the Reorganization happening and did the Board approve the Reorganization?

After consideration of all relevant factors, including the potential impact of the Reorganization on different subsets of the Target Fund’s shareholders, the Target Fund’s investment adviser, Matthews International Capital Management, LLC (“Matthews”), proposed that the Target Fund be reorganized into the Acquiring Fund because of certain benefits associated with the ETF structure, which Matthews believes will better serve the interests of Target Fund shareholders. As discussed in more detail below, these benefits include lower net expenses, additional trading flexibility, increased transparency, and the potential for enhanced tax efficiency.

Current shareholders of each class of the Target Fund are expected to benefit directly from the reduced net expense ratio of the Acquiring Fund. In addition, the Acquiring Fund will be subject to a unitary fee structure, which will require Matthews to pay the Acquiring Fund’s ordinary operating expenses without any increase in its fee for advisory services, thus resulting in lower fees and expenses to shareholders. This obligation to bear Acquiring Fund expenses is part of the Acquiring Fund’s investment management agreement and cannot be changed without a vote of a majority of the voting securities of the Acquiring Fund.

As a shareholder of the Target Fund you can only purchase or redeem your shares of the Target Fund at a price based on the Target Fund’s NAV that is next calculated after your order is received by the Target Fund. This NAV is calculated once per business day. As a shareholder of the Acquiring Fund, however, you will be able to purchase and sell shares of the Acquiring Fund throughout a trading day on the secondary market. These trades will occur at market prices, which may be higher or lower than the Acquiring Fund’s NAV. This intraday liquidity will give you the opportunity to act on purchase and sale decisions immediately, rather than waiting to transact at the Acquiring Fund’s NAV.

Currently, the Target Fund only provides periodic disclosure of their complete portfolio holdings. Following the Reorganization, however, the Acquiring Fund will make its complete portfolio holdings public each business day. This holdings information, along with other information about the Acquiring Fund, will be found on the Acquiring Fund’s website at www.matthewsasia.com.

Current shareholders of each class of the Target Fund also are expected to benefit from the potential for greater tax efficiency with the ETF structure, as ETFs generally experience fewer portfolio transactions than mutual funds due to the secondary market liquidity of the ETF structure. While the tax treatment of ETFs and mutual funds is the same, the mechanics of the creation and redemption process for ETFs allow ETFs to acquire securities in-kind and redeem securities in-kind, which generally allows shareholders of an ETF to defer the realization of capital gains as the result of the ETF’s portfolio transactions. However, it is intended that the Acquiring Fund will create and redeem entirely or in part on a cash basis.

The Target Fund and the Acquiring Fund have identical investment objectives and fundamental investment policies and have substantially similar investment strategies. The Acquiring Fund, however, will have

the benefits of operating in the ETF structure, in addition to being exposed to certain ETF-specific risks. Matthews will continue as the investment adviser of the Acquiring Fund after the Reorganization and no change in portfolio managers will result from the Reorganization. As shareholders of an ETF after the Reorganization, shareholders may bear certain costs with respect to maintaining brokerage accounts and buying and selling Acquiring Fund shares in the secondary market that the shareholders do not experience as shareholders of the Target Fund. However, shareholders of an ETF after the Reorganization will not bear expenses specific to mutual funds, such as the higher net expense ratio borne by shareholders of the Target Fund.

The Board, including all of the Trustees who are not “interested persons” (as defined in the Investment Company Act of 1940, as amended (the “1940 Act”)) (together, the “Independent Trustees”), determined that, with respect to the Reorganization, participation in the Reorganization is in the best interests of each Fund and the interests of the existing shareholders of the Funds, as applicable, will not be diluted as a result of the Reorganization. The Board made this determination based on various factors that are discussed in this Information Statement/Prospectus, under the discussion of the Reorganization in the section entitled “Reasons for the Reorganization.”

How will the Reorganization affect me?

When your Reorganization is consummated, you will cease to be a shareholder of the Target Fund and will become a shareholder of the Acquiring Fund. As described in more detail above, upon completion of the Reorganization, you will receive shares of the Acquiring Fund and in certain cases, cash, having an aggregate NAV equal to the aggregate NAV of the shares of the Target Fund you owned on the Closing Date of the Reorganization. Shares of the Acquiring Fund are not issued in fractional shares. As a result, cash will be paid to shareholders in lieu of fractional shares, which may be taxable.

However, in order to receive shares of the Acquiring Fund as part of the Reorganization, you must hold your shares of the Target Fund through a brokerage account that can accept shares of the corresponding Acquiring Fund on the Closing Date of the Reorganization. If you do not currently hold your shares of the Target Fund through a brokerage account that can hold shares of the Acquiring Fund, please see the separate Q&A that accompanies this Information Statement/Prospectus on page x, for additional actions that you must take to receive shares of the Acquiring Fund as part of the Reorganization. No further action is required for shareholders that hold shares of the Target Fund through a brokerage account that can hold shares of the Acquiring Fund.

In addition, after the Reorganization, individual shares of the Acquiring Fund may only be purchased and sold in the secondary market. Should you decide to purchase or sell shares of the Acquiring Fund after the Reorganization, you will need to place a trade through a broker who will execute your trade in the secondary market at prevailing market prices. Because the Acquiring Fund’s shares trade at market prices rather than at NAV, the Acquiring Fund’s shares may trade at a price less than (discount) or greater than (premium) the Acquiring Fund’s NAV. As with all ETFs, your broker may charge a commission for purchase and sales transactions.

In addition, the Target Fund operates in a multiple class structure. A multiple class fund is an open-end investment company that issues two or more classes of shares representing interests in the same investment portfolio, but with different availability and eligibility criteria, expenses, dividends and distributions. In contrast, the Acquiring Fund, by virtue of operating in an ETF structure, will not issue multiple classes of shares. Unlike shareholders of the Target Fund, shareholders of the Acquiring Fund will not own a particular class of shares.

Who will bear the costs associated with the Reorganization?

For certain expenses (e.g., printing and mailing), the Target Fund and the Acquiring Fund will first pay the costs associated with the Reorganization, but Matthews will offset these costs through fee waivers or expense reimbursements. For legal costs, Matthews has determined that it will pay for the costs incurred by the Funds in connection with the Reorganization directly.

What are the federal income tax consequences of the Reorganization?

As a condition to the closing of the Reorganization, the Target Fund and the Acquiring Fund must receive an opinion of Paul Hastings LLP to the effect that the Reorganization will constitute a “reorganization” within the meaning of Section 368 of the Internal Revenue Code of 1986, as amended (the “Code”). Accordingly, it is expected that neither you nor, in general, the Target Fund will recognize gain or loss as a direct result of the Reorganization of the Target Fund (except with respect to cash received by a shareholder, if any), and the holding period and aggregate tax basis for the Acquiring Fund shares that you receive will be the same as the holding period and aggregate tax basis of the Target Fund shares that you surrender in the Reorganization. Capital gains from securities sales by the Target Fund prior to the Reorganization may be distributed by the Acquiring Fund after the Reorganization. Prior to the consummation of the Reorganization, you may redeem your Target Fund shares, generally resulting in the recognition of gain or loss for U.S. federal income tax purposes based on the difference between your tax basis in the shares and the amount you receive for them. Different tax considerations apply to you if you hold your shares of the Target Fund through a fund direct IRA or Coverdell savings account and exchange your Target Fund shares for shares of a different Matthews Asia Funds mutual fund or Wealth shares of Dreyfus Government Cash Management (DGQXX), or if you do not hold your Target Fund shares via a brokerage account that can accept shares of the corresponding Acquiring Fund on the Closing Date and therefore have your investment liquidated.

You should consult your tax advisor regarding the effect, if any, of the Reorganization, in light of your individual circumstances. You should also consult your tax advisor about state and local tax consequences. For more information about the tax consequences of the Reorganization, please see the section entitled “Information about the Plan—What are the tax consequences of the Reorganization?”

How do the Funds’ investment objectives, investment strategies, and fundamental investment policies compare?

The Target Fund and the Acquiring Fund have identical investment objectives and fundamental investment policies and have substantially similar investment strategies. Since the Acquiring Fund has not yet commenced operations, the information below will be accurate as of the time of this Information Statement/Prospectus.

For additional discussion regarding structural differences between the Target Fund and the Acquiring Fund, please see the separate Q&A titled “What are the differences between an ETF and a mutual fund?”

Investment Objectives and Investment Strategies

The Reorganization

Matthews Korea Fund and Matthews Korea Active ETF have the same investment objective. Each Fund seeks long-term capital appreciation. The investment objective of each Fund is fundamental, which means that it cannot be changed without a vote of a majority of the voting securities of the applicable Fund.

Under normal circumstances, each Fund seeks to achieve its investment objective by investing at least 80% of its net assets, which include borrowings for investment purposes, in the common and preferred stocks of companies located in South Korea. A company or other issuer is considered to be “located” in a country or a region, and a security or instrument is deemed to be an Asian (or specific country) security or instrument, if it has substantial ties to that country or region. Matthews currently makes that determination based primarily on one or more of the following criteria: (A) with respect to a company or issuer, whether (i) it is organized under the laws of that country or any country in that region; (ii) it derives at least 50% of its revenues or profits from goods produced or sold, investments made, or services performed, or has at least 50% of its assets located, within that country or region; (iii) it has the primary trading markets for its securities in that country or region; (iv) it has its

principal place of business in or is otherwise headquartered in that country or region; or (v) it is a governmental entity or an agency, instrumentality or a political subdivision of that country or any country in that region; and (B) with respect to an instrument or issue, whether (i) its issuer is headquartered or organized in that country or region; (ii) it is issued to finance a project that has at least 50% of its assets or operations in that country or region; (iii) it is at least 50% secured or backed by assets located in that country or region; (iv) it is a component of or its issuer is included in the Korea Composite Stock Price Index, the Fund's primary benchmark index; or (v) it is denominated in the currency of an Asian country and addresses at least one of the other above criteria. The term "located" and the associated criteria listed above have been defined in such a way that Matthews has latitude in determining whether an issuer should be included within a region or country. Each Fund may also invest in depositary receipts, including American, European and Global Depositary Receipts.

Each 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, adaptability and integrity; product lines; marketing strategies; corporate governance; and financial health. Matthews expects that the companies in which each Fund invests typically will be of medium or large size, but each Fund may invest in companies of any size. Matthews 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. The implementation of the principal investment strategies of each Fund may result in a significant portion of each Fund's assets being invested from time to time in one or more sectors, but each Fund may invest in companies in any sector.

Fundamental Investment Policies

The Target Fund and the Acquiring Fund have adopted the same fundamental investment policies, which may not be changed without prior shareholder approval. The fundamental investment policies for the Acquiring Fund are listed in its statement of additional information dated April 28, 2023, as supplemented. The Target Fund's fundamental investment policies are listed in its statement of additional information dated April 28, 2023, as supplemented. These materials are incorporated by reference into the Statement of Additional Information, and are available upon request.

What are the principal risks of an investment in the Acquiring Fund?

An investment in the Acquiring Fund involves risks common to most open-end funds. There is no guarantee against losses resulting from investments in the Funds, nor that the Funds will achieve their investment objectives. You may lose money if you invest in the Funds. The risks associated with an investment in the shares of the Acquiring Fund and the Target Fund are substantially similar, except that the Acquiring Fund is an ETF, and, as a result of an ETF's structure, an investment in the shares of the Acquiring Fund is exposed to the following ETF-specific risks:

ETF Risks:

Authorized Participants, Market Makers, and Liquidity Providers Limitation Risk: Only an Authorized Participant ("AP") may engage in creation or redemption transactions directly with the Fund. The Fund has a limited number of financial institutions that may act as APs, and none of these APs are or will be obligated to engage in creation or redemption transactions. In addition, there may be a limited number of market makers and/or liquidity providers in the marketplace with respect to the Fund's shares. To the extent either of the following events occur, shares of the Fund may trade at a material discount to NAV and possibly face trading halts and/or delisting (that is, investors would no longer be able to trade the Fund's shares in the secondary market): (i) APs exit the business or otherwise become unable to process creation and/or redemption orders (including in situations where APs have limited or diminished access to capital required to post collateral), and no other APs step forward to perform these services, or (ii) market makers and/or liquidity providers exit the business or significantly reduce their business activities and no other entities step forward to perform their functions.

Cash Redemption Risk: Unlike many ETFs, the Fund's investment strategy may require it to redeem shares of the Fund for cash or to otherwise include cash as part of its redemption proceeds. The Fund may be required to sell or unwind portfolio investments to obtain the cash needed to distribute redemption proceeds. This may cause the Fund to recognize a capital gain that it might not have recognized if it had made a redemption in-kind. As a result, the Fund may pay out higher annual capital gain distributions than if the in-kind redemption process was used. Cash redemptions may also entail higher transaction costs than in-kind redemptions, which costs may be passed on to redeemers of creation units of Fund shares in the form of redemption transaction fees. The cost of cash redemptions could also reduce the Fund's NAV to the extent that those costs are not fully offset by the redemption transaction fee charged to the redeeming Authorized Participant.

Costs of Buying or Selling Shares: Due to the costs of buying or selling, including brokerage commissions imposed by brokers and bid/ask spreads, frequent trading of shares of the Fund may significantly reduce investment results and an investment in Fund shares may not be advisable for investors who anticipate regularly making small investments. The bid/ask spread of the Fund's shares varies over time based on the Fund's trading volume and market liquidity and may increase if the Fund's trading volume, the spread of the Fund's underlying securities, or market liquidity decrease. In times of severe market disruption, including when trading of the Fund's holdings may be halted, the bid/ask spread may increase significantly. This means that Fund shares may trade at a discount to the Fund's NAV, and the discount is likely to be greatest during significant market volatility. During such periods, you may be unable to sell your shares or may incur significant losses if you sell your shares. There are various methods by which investors can purchase and sell shares of the Fund and various orders that may be placed. Investors should consult their financial intermediary before purchasing or selling shares of the Fund.

Shares May Trade at Prices Other Than NAV: As with all ETFs, shares of the Fund may be bought and sold in the secondary market at market prices. Although the creation/redemption feature is designed to help the market price of Fund shares approximate the Fund's NAV, market prices are not expected to correlate exactly to the Fund's NAV and there may be times when the market price of Fund shares is more than the intra-day value of the Fund's holdings (premium) or less than the intra-day value of the Fund's holdings (discount) due to supply and demand of the Fund's shares, during periods of market volatility or for other reasons. This risk is heightened in times of market volatility and volatility in the Fund's portfolio holdings, periods of steep market declines, and periods when there is limited trading activity for Fund shares in the secondary market, in which case such premiums or discounts may be significant. If an investor purchases shares of the Fund at a time when the market price is at a premium to the NAV of the shares or sells at a time when the market price is at a discount to the NAV of the shares, then the investor may sustain losses that are in addition to any losses caused by a decrease in NAV. Given the nature of the relevant markets for certain of the securities for the Fund, shares may trade at a larger premium or discount to NAV than shares of other kinds of ETFs. In addition, certain securities held by the Fund trade in markets that close at a different time than the exchange on which the shares are listed. Liquidity in those securities may be reduced after the applicable closing times. Accordingly, during the time when the exchange is open but after the applicable market closing, fixing or settlement times, bid/ask spreads and the resulting premium or discount to the NAV of Fund shares may widen.

Trading: Although shares of the Fund are listed for trading on a national securities exchange, and may be traded on other U.S. exchanges, there can be no assurance that the shares will trade with any volume, or at all, on any stock exchange. In stressed market conditions, the liquidity of shares may begin to mirror the liquidity of the Fund's underlying portfolio holdings, which can be significantly less liquid than shares of the Fund. Trading in Fund shares on the exchange may be halted due to market conditions or for reasons that, in the view of the exchange, make trading in shares inadvisable. In addition, trading in Fund shares on the exchange is subject to trading halts caused by extraordinary market volatility

pursuant to the exchange “circuit breaker” rules. If a trading halt or unanticipated early closing of the exchange occurs, a shareholder may be unable to purchase or sell shares of a Fund. There can be no assurance that the requirements of the Exchange necessary to maintain the listing of the Fund will continue to be met or will remain unchanged.

For further information about the risks of investments in the Funds, see the section entitled “Comparison of the Funds’ Risks” below.

How will the Reorganization affect my fees and expenses?

Following the Reorganization, the Acquiring Fund will have a lower net expense ratio than each share class of the Target Fund. In addition, the Acquiring Fund will be subject to a unitary fee structure, which will require Matthews to pay the Acquiring Fund’s ordinary operating expenses without any increase in its fee for advisory services, thus resulting in lower fees and expenses to shareholders. This obligation to bear Acquiring Fund ordinary expenses is part of the Acquiring Fund’s investment management agreement and cannot be changed without a vote of a majority of the voting securities of the Acquiring Fund. A comparison of the fees and expenses of the Target Fund and Acquiring Fund is provided below under the heading, “What are the fees and expenses of the Funds and what might they be after the Reorganization?”

What are the distribution arrangements for the Funds?

The Target Fund and Acquiring Fund are distributed by Foreside Funds Distributors LLC (the “Distributor”), which serves as the principal underwriter for the shares of the Funds. The Distributor is registered with the SEC as a broker-dealer and is a member of the Financial Industry Regulatory Authority. The Distributor distributes Creation Units (as defined below) for the Acquiring Fund on an agency basis and does not maintain a secondary market in shares of the Acquiring Fund. The Distributor has no role in determining the investment policies of the Acquiring Fund or the securities that are purchased or sold by the Funds. The Distributor’s principal address is Three Canal Plaza, Suite 100, Portland, ME 04101.

What are the Funds’ arrangements for purchases, exchanges, and redemptions

The Target Fund and the Acquiring Fund have different procedures for purchasing, exchanging, and redeeming shares, which are summarized below. You may refer to the applicable Acquiring Fund prospectus accompanying this Information Statement/Prospectus under the section entitled “Purchase and Sale of Fund Shares” for the procedures applicable to purchases and redemptions of the shares of the Acquiring Fund. The Target Fund prospectus provides information under the section entitled “Purchasing Shares,” “Exchanging Shares,” and “Selling (Redeeming) Shares” with respect to the procedures applicable to purchases, exchanges, and sales of the shares of the Target Fund.

Acquiring Fund

Shares of the Acquiring Fund are listed and trade on the NYSE Arca (“NYSE Arca”). Individual shares of the Acquiring Fund may only be bought and sold on NYSE Arca through a broker or dealer at market prices, rather than at net asset value (“NAV”). Because shares of the Acquiring Fund trade at market prices rather than at NAV, Acquiring Fund shares may trade at a price greater than NAV (premium) or less than NAV (discount). Investors may also incur costs attributable to the difference between the highest price a buyer is willing to pay to purchase shares (bid) and the lowest price a seller is willing to accept for shares (ask) when buying or selling shares of the Acquiring Fund in the secondary market (the “Bid-Ask Spread”).

The Acquiring Fund issues and redeems shares at NAV only in large blocks known as “Creation Units.” The Acquiring Fund generally issues and redeems Creation Units in exchange for a designated amount of U.S. cash and/or a portfolio of securities (the “Deposit Securities”). Only Authorized Participants (“APs”) may

acquire Creation Units directly from the Acquiring Fund, and only APs may tender Creation Units for redemption directly to the Acquiring Fund, at NAV. APs must be a member or participant of a clearing agency registered with the SEC and must execute a Participant Agreement that has been agreed to by the Acquiring Fund's distributor, and that has been accepted by the Acquiring Fund's transfer agent, with respect to purchases and redemptions of Creation Units. Once created, Acquiring Fund shares trade in the secondary market in quantities less than a Creation Unit.

Most investors buy and sell individual shares of the Acquiring Fund in secondary market transactions through brokers. Shares of the Acquiring Fund are listed for trading on NYSE Arca and can be bought and sold throughout the trading day like other publicly traded securities.

When buying or selling Acquiring Fund shares through a broker, you will incur customary brokerage commissions and charges, and you may pay some or all of the spread between the bid and the offer price in the secondary market on each leg of a round trip (purchase and sale) transaction. In addition, because secondary market transactions occur at market prices, you may pay more than NAV when you buy shares of the Acquiring Fund, and receive less than NAV when you sell those shares.

The Acquiring Fund does not provide for the exchange of shares of another Matthews-advised fund for Acquiring Fund shares or the exchange of Acquiring Fund shares for another Matthews-advised fund.

Target Fund

Purchasing Target Fund Shares

The Target Fund is open for business each day the New York Stock Exchange ("NYSE") is open. You may purchase Investor Class or Institutional Class shares of the Target Fund directly from the Target Fund by mail, by telephone, online or by wire without paying any sales charge. The price for each share you buy will be the NAV calculated after your order is received in good order by the Target Fund. "In good order" means that payment for your purchase and all the information needed to complete your order must be received by the Target Fund before your order is processed. If your order is received before the close of regular trading on the NYSE (generally 4:00 PM Eastern Time) on a day the Target Fund's NAV is calculated, the price you pay will be that day's NAV. If your order is received after the close of regular trading on the NYSE, the price you pay will be the next NAV calculated.

You may purchase Investor Class or Institutional Class shares of the Target Fund directly through the Target Fund's transfer agent by calling 800.789.ASIA (2742). Investor Class or Institutional Class shares of the Target Fund may also be purchased through various securities brokers and benefit plan administrators or their sub-agents ("Third-Party Intermediaries"). These Third-Party Intermediaries may charge you a commission or other service or transaction fee for their services. Another share class may have a different or no such commission or fee. You should contact them directly for information regarding how to invest or redeem through them. If you purchase or redeem shares through the Target Fund's transfer agent or a Third-Party Intermediary, you will receive the NAV calculated after receipt of the order by it on any day the NYSE is open. A Fund's NAV is calculated as of the close of regular trading on the NYSE (generally, 4:00 PM Eastern Time) on each day that the NYSE is open. If your order is received by the Target Fund or a Third-Party Intermediary after that time, it will be purchased or redeemed at the next-calculated NAV.

The Target Fund may reject for any reason, or cancel as permitted or required by law, any purchase order at any time.

Brokers and benefit plan administrators who perform transfer agency and shareholder servicing for the Target Fund may receive fees from the Target Fund for these services. Brokers and benefit plan administrators who also provide distribution services to the Target Fund may be paid by Matthews (out of its own resources) for providing these services.

You may purchase Investor Class or Institutional Class shares of the Target Fund by mail, by telephone, online or by wire. New accounts may be opened online (for Investor Class shares only) or by mailing a completed application.

The Target Fund does not accept third-party checks, temporary (or starter) checks, bank checks, cash, credit card checks, traveler’s checks, cashier’s checks, official checks or money orders. If the Target Fund receives notice of insufficient funds for a purchase made by check, the purchase will be cancelled and the shareholder will be liable for any related losses or fees the Target Fund or its transfer agent incurs. The Target Fund may reject any purchase order or stop selling shares of the Target Fund at any time. Also, the Target Fund may vary or waive the initial investment minimum and minimums for additional investments.

Additionally, if any transaction is deemed to have the potential to adversely impact the Target Fund, the Target Fund reserves the right to, among other things, reject any purchase order or exchange request, limit the amount of any exchange, or revoke a shareholder’s privilege to purchase Target Fund shares (including exchanges).

<u>Minimum Investments in Shares of The Target Fund (U.S. Residents*)</u>	
<u>Investor Class</u>	
<i>Non-retirement plan accounts</i>	
Initial Investment:	\$2,500
Subsequent Investment:	\$100
<i>Retirement and Coverdell plan accounts**</i>	
Initial Investment:	\$500
Subsequent Investment:	\$50
<u>Institutional Class</u>	
Initial Investment:	\$100,000
Subsequent Investment:	\$100

* Generally, non-U.S. residents may not invest in the Target Fund.

** Retirement plan accounts include IRAs and 401(k) plans.

If you invest in Institutional Class shares of the Target Fund through a financial intermediary, the minimum initial investment requirement may be met if that financial intermediary aggregates investments of multiple clients to meet the minimum. Additionally, different minimums may apply for retirement plans and model-based programs that invest through a single account, subject to criteria set by Matthews. Financial intermediaries or plan record keepers may require retirement plans to meet certain other conditions, such as plan size or a minimum level of assets per participant, in order to be eligible to purchase Institutional Class shares of the Target Fund.

The minimum investment requirements do not apply to Trustees, officers and employees of the Target Fund and Matthews, and their immediate family members.

Exchanging Target Fund Shares

You may exchange your Investor Class or Institutional Class shares of one mutual fund within the Matthews Asia Funds for the same Class of shares of another mutual fund within the Matthews Asia Funds. If you exchange your shares, minimum investment requirements apply. To receive that day's NAV, any request must be received by the close of regular trading on the NYSE that day (generally, 4:00 PM Eastern Time). Such exchanges may be made by telephone or online if you have so authorized on your application. Because excessive exchanges can harm a mutual fund's performance, the exchange privilege may be terminated if the Matthews Asia Funds believe it is in the best interest of all shareholders to do so.

The Matthews Asia Funds may reject for any reason, or cancel as permitted or required by law, any purchase order or exchange request at any time. Additionally, if any transaction is deemed to have the potential to adversely impact any of the Matthews Asia Funds, the Matthews Asia Funds reserve the right to, among other things, reject any exchange request or limit the amount of any exchange. In the event that a shareholder's exchange privilege is terminated, the shareholder may still redeem his, her or its shares. An exchange is treated as a taxable event on which gain or loss may be recognized.

Selling (Redeeming) Target Fund Shares

You may redeem shares of the Target Fund on any day the NYSE is open for business. To receive a specific day's NAV, your request must be received by the Target Fund's agent before the close of regular trading on the NYSE that day (generally, 4:00 PM Eastern Time). If your request is received after the close of regular trading on the NYSE, you will receive the next NAV calculated.

In extreme circumstances, such as the imposition of capital controls that substantially limit repatriation of the proceeds of sales of portfolio holdings, the Target Fund may suspend shareholders' redemption privileges for a period of not more than seven days unless otherwise permitted by applicable law.

If you are redeeming shares of the Target Fund recently purchased by check, the Target Fund may delay sending your redemption proceeds until your check has cleared. This may take up to 15 calendar days after we receive your check.

If any transaction is deemed to have the potential to adversely impact any of the Matthews Asia Funds, the Matthews Asia Funds reserve the right to, among other things, delay payment of immediate cash redemption proceeds for up to seven calendar days.

You may redeem your shares by telephone or online.

What are the Funds' arrangements for payments to broker-dealers and other financial intermediaries?

If you purchase Target Fund shares through a broker-dealer or other financial intermediary (such as a bank), Matthews may pay the intermediary for the sale of Target Fund shares and related services. Shareholders who purchase or hold Target Fund shares through an intermediary may inquire about such payments from that intermediary. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Target Fund over another investment.

If you purchase Acquiring Fund shares through a broker-dealer or other financial intermediary (such as a bank), Matthews may pay the intermediary for the sale of Acquiring Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Acquiring Fund over another investment.

Ask your salesperson or visit your financial intermediary's website for more information.

COMPARISON OF SOME IMPORTANT FEATURES OF THE FUNDS

How do the performance records of the Funds compare?

The Acquiring Fund is a newly-formed “shell” fund that has not yet commenced operations, and therefore will have no performance history prior to the Reorganization. The Acquiring Fund has been organized solely in connection with the Reorganization to acquire all of the assets and liabilities of the Target Fund and continue the business of the Target Fund. Therefore, after the Reorganization, the Target Fund will be the “accounting survivor.” This means that the Acquiring Fund will continue to show the historical investment performance and returns of the Target Fund (even after liquidation of the Target Fund).

What are the fees and expenses of the Funds and what might they be after the Reorganization?

Shareholders of the Funds pay various fees and expenses, either directly or indirectly. The tables below show the fees and expenses that you would pay if you were to buy, hold and sell shares of each Fund. The fees and expenses in the tables appearing below are based on the expenses paid by the Target Fund as of December 31, 2022 (the end of the Fund’s most recently completed fiscal year) and the anticipated expenses of the Acquiring Fund during its first year of operation.

The tables show the pro forma expenses of the Acquiring Fund after giving effect to the Reorganization, based on pro forma net assets as of December 31, 2022, as if the Reorganization were in effect for the applicable 12-month period. The fee tables do not reflect the costs associated with the Reorganization. There is no separate pro forma combined column because the Acquiring Fund pro forma tables show the fees and expenses that will apply going forward; the Acquiring Fund is not operational and does not currently have investment assets. Pro forma numbers are estimated in good faith and are hypothetical. Pro forma numbers do not reflect any potential liquidation of shareholders associated with the Reorganization or cash paid in lieu of fractional Acquiring Fund shares. Actual expenses may vary significantly.

Fees

SHAREHOLDER FEES (Fees paid directly from your investment)			
	Target Fund – Matthews Korea Fund		<i>Pro-Forma – Acquiring Fund – Matthews Korea Active ETF</i>
	Investor Class	Institutional Class	ETF Shares
Maximum Account Fee on Redemptions (for wire redemptions only)	\$9	\$9	N/A

ANNUAL FUND OPERATING EXPENSES (Expenses that you pay each year as a percentage of the value of your investment)			
	Target Fund – Matthews Korea Fund		<i>Pro-Forma – Acquiring Fund – Matthews Korea Active ETF</i>
	Investor Class	Institutional Class	ETF Shares
Management Fees	0.67%	0.67%	0.79%
Distribution (Rule 12b-1) Fees	0.00%	0.00%	0.00%
Other Expenses ¹	0.55%	0.41%	None
Administration and Shareholder Servicing Fees	0.16%	0.16%	None
Total Annual Fund Operating Expenses	1.22%	1.08%	0.79%

¹ “Other Expenses” for Matthews Korea Active ETF are based on estimated amounts for the current fiscal year and calculated as a percentage of the Fund’s assets.

Expense Example

The Example is meant to help you compare the cost of investing in the Acquiring Fund with the cost of investing in the Target Fund.

The Example assumes that you invest \$10,000 in the Funds for the time periods indicated. The Example also assumes that your investment has a 5% return each year and that a Fund’s operating expenses are equal to the total annual fund operating expenses. There is no separate pro forma combined row because the Acquiring Fund pro forma row shows the estimated costs after giving effect to the Reorganization; the Acquiring Fund is not operational and does not currently have investment assets. Pro forma numbers are estimated in good faith and are hypothetical. Pro forma numbers do not reflect any potential liquidation of shareholders associated with the

Reorganization or cash paid in lieu of fractional Acquiring Fund shares. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

	1 Year	3 Years	5 Years	10 Years
Matthews Korea Fund — Target Fund				
Investor Class	\$124	\$387	\$670	\$1,477
Institutional Class	\$110	\$343	\$595	\$1,317
Pro Forma — Matthews Korea Active ETF — Acquiring Fund	\$81	\$252	\$439	\$978

Matthews has contractually agreed to a fee waiver agreement with respect to the Acquiring Fund, dated as of April 28, 2023 (the “ETF Fee Waiver Agreement”). Pursuant to the ETF Fee Waiver Agreement, Matthews has agreed to waive a portion of the management fee with respect to the Acquiring Fund if and to the extent that the total annual operating expense ratio of the lowest cost share class of any “Family-Priced Fund” is less than the applicable management fee rate for the Acquiring Fund. The Family-Priced Funds are the series of the Trust that are operated as mutual funds, other than the Matthews Emerging Markets Small Companies Fund and the Matthews China Small Companies Fund. The ETF Fee Waiver Agreement will remain in effect until terminated by the Board and the Independent Trustees, upon giving 60 days’ prior written notice to Matthews. Based on the currently applicable expense ratios for the Family-Priced Funds, it is not expected that a waiver under the ETF Fee Waiver Agreement will occur in the foreseeable future. Any amounts waived by Matthews pursuant to the ETF Fee Waiver Agreement cannot be recouped by Matthews.

What are the Funds’ income and capital gain distribution policies?

The distribution policies of the Target Fund are the same as the Acquiring Fund with respect to the timing of distributions. Each Fund generally distributes net investment income once annually in December. With respect to each Fund, any net realized gain from the sale of portfolio securities and net realized gains from foreign currency transactions are distributed at least once each year unless they are used to offset losses carried forward from prior years.

What are the Funds’ pricing and valuation arrangements?

The Target Fund and the Acquiring Fund have similar, but not identical, procedures for valuing their portfolio securities. For each Fund, NAV is computed once daily as of the close of regular trading on the NYSE, generally 4:00 PM Eastern Time, on each day that NYSE is open for trading. In addition to Saturday and Sunday, NYSE is closed on the days that the following holidays are observed: New Year’s Day, Martin Luther King, Jr. Day, Washington’s Birthday, Good Friday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Thanksgiving and Christmas Day.

The NAV of each Class of the Target Fund is computed by adding the value of all securities and other assets of the Target Fund, attributable to the applicable Class, deducting any liabilities of the Target Fund attributable to the applicable Class, and dividing by the total number of outstanding applicable Class shares of the Target Fund. The Target Fund’s Class-specific expenses are generally accounted for by estimating the total expenses for the year and applying each day’s estimated expense when the NAV calculation is made. The NAV of the Acquiring Fund is computed by adding the value of all securities and other assets of the Acquiring Fund, deducting any liabilities of the Acquiring Fund, and dividing by the total number of outstanding shares of the Acquiring Fund.

Each Fund's portfolio securities and other assets for which market quotations are readily available are valued at market value. A market quotation is readily available only when that quotation is a quoted price (unadjusted) in active markets for identical investments that the Fund can access at the measurement date, provided that a quotation will not be readily available if it is not reliable. Market value is generally determined on the basis of last reported sales prices. For exchange-traded securities, market value also may be determined on the basis of NYSE's official closing price or settlement price instead of the last reported sales prices. Market quotations are provided by pricing sources that are independent of the Funds and Matthews. Foreign exchange-traded securities are valued as of the close of trading of the primary exchange on which they trade. Securities that trade in over-the-counter markets, including most debt securities (bonds), may be valued using indicative bid quotations from bond dealers or market makers, or other available market information, or on their fair value as determined under the direction of Matthews as the valuation designee ("Valuation Designee") for the applicable Fund, as designated by the Board pursuant to Rule 2a-5 under the Investment Company Act of 1940, as amended. The Funds may also utilize independent pricing sources to assist it in determining a current market value for each security based on sources believed to be reliable.

Foreign values of a Fund's securities are converted to U.S. dollars using exchange rates determined as of the close of trading on the NYSE (for the Target Fund) or 4 p.m. London time (for the Acquiring Fund) and in accordance with the Funds' Pricing and Valuation Policy and Procedures. The Funds generally use the foreign currency exchange rates deemed to be most appropriate by a foreign currency pricing service that is independent of the Funds and Matthews.

When market quotations are not readily available or are believed by Matthews to be unreliable, a Fund's investments are valued at fair value. A Fund values any exchange-traded security for which market quotations are unavailable (e.g., when trading of a security is suspended) or have become unreliable, and any over-the-counter security for which indicative quotes are unavailable, at that security's fair market value. In general, the fair value of such securities is determined, in accordance with the Funds' Pricing and Valuation Policy and Procedures and subject to the determination of the Valuation Designee and the oversight of the Board, by a pricing source retained by Valuation Designee that is independent of the Funds and Matthews. There may be circumstances in which an independent pricing service is unable to provide a reliable price of a security held by a Fund.

In addition, when establishing a security's fair value, the independent pricing source may not take into account events that occur after the close of Asian and other foreign markets but prior to the time the Fund calculates its NAV. Similarly, there may be circumstances in which a foreign currency exchange rate is deemed inappropriate for use by a Fund or multiple appropriate rates exist. In such circumstances, the Valuation Designee will make fair value determinations. In these circumstances, the Valuation Designee will determine the fair value of a security, or a fair exchange rate, in good faith, in accordance with the Funds' Pricing and Valuation Policy and Procedures and subject to the oversight of the Board. When fair value pricing is employed, the prices of a security used by a Fund to calculate its NAV typically differ from quoted or published prices for the same security for that day. The Target Fund generally fair values securities daily on a systematic basis. However, due to differences in the structure and trading of mutual funds as compared to ETFs, the Acquiring Fund will not utilize systematic fair valuations for foreign equity securities. Changes in a Fund's NAV may not track changes in published indices of, or benchmarks for, Asia Pacific and other foreign market securities. Similarly, changes in the Target Fund's NAV may not track changes in the value of closed-end investment companies, exchange-traded funds or other similar investment vehicles such as the Acquiring Fund.

Foreign securities held by a Fund may be traded on days and at times when the NYSE is closed, and the NAV is therefore not calculated. Accordingly, the NAV of a Fund may be significantly affected on days when shareholders have no access to the Fund. For valuation purposes, quotations of foreign portfolio securities, other assets and liabilities, and forward contracts stated in foreign currency are translated into U.S. dollar equivalents at the prevailing market rates.

Further information about the Funds' pricing and valuation arrangements is contained in the prospectuses and statements of additional information of the Target Fund and Acquiring Fund, respectively.

Who manages the Funds?

The Target Fund and Acquiring Fund are each series of the Trust. The Trust is governed by the Board, which is responsible for overseeing all business activities of the Funds.

Matthews is the investment adviser to the Target Fund and the Acquiring Fund. Matthews is located at Four Embarcadero Center, Suite 550, San Francisco, CA 94111. Matthews was founded in 1991 by G. Paul Matthews. Since its inception, Matthews has specialized in managing portfolios of Asian securities.

The Funds' portfolio management teams are composed as follows:

Fund	Portfolio Managers
Matthews Korea Fund Matthews Korea Active ETF	Michael J. Oh, Lead Manager Elli Lee, Lead Manager Sojung Park, Co-Manager

Further information on the Funds' portfolio management teams is available in the Funds' respective prospectuses and statements of additional information.

Matthews may delegate certain portfolio management activities with respect to the Funds to a wholly owned subsidiary based outside of the United States. Any such participating affiliate would enter into a participating affiliate agreement with Matthews related to the Funds, and Matthews would remain fully responsible for the participating affiliate's services as if Matthews had performed the services directly. Any delegation of services in this manner would not increase the fees or expenses paid by the Funds, and would normally be used only where a portfolio manager or other key professional is located in the country where the subsidiary is based.

As discussed above, following the Reorganization, the Acquiring Fund will have a lower net expense ratio than each share class of the Target Fund. However, the contractual agreements related to each Fund's net expense ratio are different, as discussed below. In addition, unlike the Target Fund, the Acquiring Fund will be subject to a unitary fee structure, which will require Matthews to pay the Acquiring Fund's ordinary operating expenses without any increase in its fee for advisory services, thus resulting in lower fees and expenses to shareholders. This obligation to bear Acquiring Fund expenses is part of the Acquiring Fund's investment management agreement and cannot be changed without a vote of a majority of the voting securities of the Acquiring Fund.

Target Fund

Matthews invests the Target Fund's assets, manages the Target Fund's business affairs, supervises the Target Fund's overall day-to-day operations, and provides the personnel needed by the Target Fund with respect to Matthews' responsibilities pursuant to an Investment Advisory Agreement dated as of February 1, 2016 between Matthews and the Trust, on behalf of the Target Fund (as amended from time to time, the "Advisory Agreement").

Pursuant to the Advisory Agreement, the Target Fund, along with certain other mutual funds comprising the Matthews Asia Funds (such as Matthews Asia Funds, together with the Target Fund, the "Family-Priced Funds"), in the aggregate, pay Matthews 0.75% of the aggregate average daily net assets of the Family-Priced Funds up to \$2 billion, 0.6834% of the aggregate average daily net assets of the Family-Priced Funds over \$2 billion up to \$5 billion, 0.65% of the aggregate average daily net assets of the Family-Priced Funds over \$5 billion up to \$25 billion, 0.64% of the aggregate average daily net assets of the Family-Priced Funds over \$25 billion up to \$30 billion, 0.63% of the aggregate average daily net assets of the Family-Priced Funds over \$30 billion up to \$35 billion, 0.62% of the aggregate average daily net assets of the Family-Priced Funds over \$35 billion up to \$40 billion, 0.61% of the aggregate average daily net assets of the Family-Priced Funds over

\$40 billion up to \$45 billion, and 0.60% of the aggregate average daily net assets of the Family-Priced Funds over \$45 billion. The Family-Priced Funds shall pay to Matthews a monthly fee at the annual rate using the applicable management fee calculated based on the actual number of days of that month and based on such Family-Priced Funds' average daily net assets for the month.

For the fiscal year ended December 31, 2022, the Target Fund paid investment management fees to Matthews as follows (as a percentage of average net assets):

Target Fund	
Matthews Korea Fund	0.67%

A discussion regarding the basis for the Board's approval of the Advisory Agreement with respect to the Target Fund is available in the Target Fund's Annual Report to Shareholders for the fiscal year ended December 31, 2022.

Matthews also furnishes the Target Fund with office space and provides certain administrative, clerical and shareholder services to the Target Fund pursuant to an administration and shareholder services agreement dated as of August 13, 2004 (as amended from time to time, the "Services Agreement"). Pursuant to the Services Agreement, the mutual funds comprising the Matthews Asia Funds (for purposes of this paragraph, the "Matthews Asia Funds") in the aggregate pay Matthews 0.25% of the aggregate average daily net assets of the Matthews Asia Funds up to \$2 billion, 0.1834% of the aggregate average daily net assets of the Matthews Asia Funds over \$2 billion up to \$5 billion, 0.15% of the aggregate average daily net assets of the Matthews Asia Funds over \$5 billion up to \$7.5 billion, 0.125% of the aggregate average daily net assets of the Matthews Asia Funds over \$7.5 billion up to \$15 billion, 0.11% of the aggregate average daily net assets of the Matthews Asia Funds over \$15 billion up to \$22.5 billion, 0.10% of the aggregate average daily net assets of the Matthews Asia Funds over \$22.5 billion up to \$25 billion, 0.09% of the aggregate average daily net assets of the Matthews Asia Funds over \$25 billion up to \$30 billion, 0.08% of the aggregate average daily net assets of the Matthews Asia Funds over \$30 billion up to \$35 billion, 0.07% of the aggregate average daily net assets of the Matthews Asia Funds over \$35 billion up to \$40 billion, 0.06% of the aggregate average daily net assets of the Matthews Asia Funds over \$40 billion up to \$45 billion, and 0.05% of the aggregate average daily net assets of the Matthews Asia Funds over \$45 billion. Matthews receives this compensation for providing certain administrative and shareholder services to the Matthews Asia Funds and current shareholders of the Matthews Asia Funds, including overseeing the activities of the Matthews Asia Funds' transfer agent, accounting agent, custodian and administrator; assisting with the daily calculation of the Matthews Asia Funds' net asset values; overseeing each Matthews Asia Funds' compliance with its legal, regulatory and ethical policies and procedures; assisting with the preparation of agendas and other materials drafted by the Matthews Asia Funds' third-party administrator and other parties for Board meetings; coordinating and executing fund launches and closings (as applicable); general oversight of the vendor community at large as well as industry trends to ensure that shareholders are receiving quality service and technology; responding to shareholder communications including coordinating shareholder mailings, proxy statements, annual reports, prospectuses and other correspondence from the Matthews Asia Funds to shareholders; providing regular communications and investor education materials to shareholders, which may include communications via electronic means, such as electronic mail; providing certain shareholder services not handled by the Matthews Asia Funds' transfer agent or other intermediaries (such as fund supermarkets); communicating with investment advisors whose clients own or hold shares of the Matthews Asia Funds; and providing such other information and assistance to shareholders as may be reasonably requested by such shareholders.

Pursuant to an operating expenses agreement, dated as of November 4, 2003 (as amended from time to time, the "Operating Expenses Agreement"), for the Target Fund, Matthews has agreed (i) to waive fees and

reimburse expenses to the extent needed to limit total annual operating expenses (excluding Rule 12b-1 fees, taxes, interest, brokerage commissions, short sale dividend expenses, expenses incurred in connection with any merger or reorganization or extraordinary expenses such as litigation) of the Institutional Class to 1.20%, first by waiving class specific expenses (e.g., shareholder service fees specific to a particular class) of the Institutional Class and then, to the extent necessary, by waiving non-class specific expenses (e.g., custody fees) of the Institutional Class, and (ii) if any non-class specific expenses of the Institutional Class are waived for the Institutional Class, Matthews has also agreed to waive an equal amount of non-class specific expenses for the Investor Class. Because certain expenses of the Investor Class may be higher than those of the Institutional Class and because no class specific expenses will be waived for the Investor Class, the total annual operating expenses after fee waiver and expense reimbursement for the Investor Class would be 1.20% plus the sum of (i) the amount (in annual percentage terms) of the class specific expenses incurred by the Investor Class that exceed those incurred by the Institutional Class; and (ii) the amount (in annual percentage terms) of the class specific expenses reduced for the Institutional Class and not the Investor Class. In turn, if the Target Fund's expenses fall below the expense limitation within three years after Matthews has made such a waiver or reimbursement, the Target Fund may reimburse Matthews up to an amount not to cause the expenses for that year to exceed the lesser of (i) the expense limitation applicable at the time of that fee waiver and/or expense reimbursement or (ii) the expense limitation in effect at the time of recoupment. Matthews will not have the ability to recoup previous expenses waived for the Target Fund from the Acquiring Fund after the Reorganization closes. For the Target Fund, this agreement will continue through April 30, 2024 and may be extended for additional periods not exceeding one year, and may be terminated at any time by the Board on behalf of the Target Fund on 60 days' written notice to Matthews. Matthews may decline to renew this agreement by written notice to the Trust at least 30 days before its annual expiration date.

Pursuant to a fee waiver letter agreement (the "Fee Waiver Agreement"), effective as of September 1, 2014, as amended, between the Trust, on behalf of the Family-Priced Funds, and Matthews, for each Family-Priced Fund, Matthews has contractually agreed to waive a portion of the fee payable under the Advisory Agreement and a portion of the fee payable under the Services Agreement, if any Family-Priced Fund's average daily net assets are over \$3 billion, as follows: for every \$2.5 billion average daily net assets of a Family-Priced Fund that are over \$3 billion, the fee rates under the Advisory Agreement and the Services Agreement for such Family-Priced Fund with respect to such excess average daily net assets will be each reduced by 0.01%, in each case without reducing such fee rate below 0.00%. Matthews may not recoup fees waived pursuant to the Fee Waiver Agreement. The Board has approved the Fee Waiver Agreement for an additional one-year term through April 30, 2024 and may terminate the agreement at any time upon 60 days' written notice to Matthews. Matthews may decline to renew the Fee Waiver Agreement by providing written notice to the Trust at least 60 days before its annual expiration date.

Pursuant to an amended and restated intermediary platform fee subsidy letter agreement (the "Subsidy Agreement"), effective March 1, 2015, between the Trust, on behalf of the mutual funds comprising the Matthews Asia Funds, and Matthews, with respect to each intermediary platform that charges the Matthews Asia Funds 10 basis points (0.10%) or more for services provided with respect to Institutional Class shares of the mutual funds comprising the Matthews Asia Funds through such platform, Matthews has voluntarily agreed to reimburse the Institutional Class of such Matthews Asia Funds a portion of those service fees in an amount equal to 2 basis points (0.02%), and with respect to each intermediary platform that charges the Matthews Asia Funds 5 basis points (0.05%) or more but less than 10 basis points (0.10%) for the offer and sale of Institutional Class shares of the mutual funds comprising the Matthews Asia Funds through such platform, Matthews has voluntarily agreed to reimburse the Institutional Class of the Matthews Asia Funds a portion of those service fees in an amount equal to 1 basis point (0.01%). Matthews may not recoup amounts reimbursed pursuant to the Subsidy Agreement. The Subsidy Agreement may be terminated at any time by the Board upon 60 days' written notice to Matthews, or by Matthews upon 60 days' written notice to the Board.

Acquiring Fund

Matthews invests the Acquiring Fund's assets, manages the Acquiring Fund's business affairs, supervises the Acquiring Fund's overall day-to-day operations, provides the personnel needed by the Acquiring Fund with respect to Matthews' responsibilities, and furnishes the Acquiring Fund with office space and provides certain administrative, clerical and shareholder services to the Acquiring Fund pursuant to an Investment Management Agreement dated as of June 30, 2022 between Matthews and the Trust, on behalf of the Acquiring Fund (as amended from time to time, the "Management Agreement").

Pursuant to the Management Agreement, the Acquiring Fund pays Matthews 0.79% of the aggregate average daily net assets of the Acquiring Fund. The Acquiring Fund shall pay to Matthews a monthly fee at the annual rate using the applicable management fee calculated based on the actual number of days of that month and based on the Acquiring Fund's average daily net assets for the month. In addition, pursuant to a fee waiver agreement with respect to the Acquiring Fund, dated as of April 28, 2023 (the "ETF Fee Waiver Agreement"), Matthews has contractually agreed to waive a portion of this management fee rate if and to the extent that the total annual operating expense ratio of the lowest cost share class of any Family-Priced Fund is less than the applicable management fee rate for the Acquiring Fund. That waiver agreement will remain in effect until terminated by the Board and the Independent Trustees, upon giving 60 days' prior written notice to Matthews. Based on the currently applicable expense ratios for the Family-Priced Funds, it is not expected that a fee waiver under that agreement will occur in the foreseeable future. Any amounts waived by Matthews pursuant to the ETF Fee Waiver Agreement cannot be recouped by Matthews.

Pursuant to the Management Agreement, in addition to investment advisory services, Matthews also provides certain administrative and shareholder services to the Acquiring Fund, including overseeing the activities of the Acquiring Fund's transfer agent, accounting agent, custodian and administrator; assisting with the daily calculation of the Acquiring Fund's net asset values; overseeing the Acquiring Fund's compliance with its legal, regulatory and ethical policies and procedures; assisting with the preparation of agendas and other materials drafted by the Acquiring Fund's third-party administrator and other parties for Board meetings; coordinating and executing fund launches and closings (as applicable); general oversight of the vendor community at large as well as industry trends to ensure that shareholders are receiving quality service and technology; preparing, printing and mailing of certain shareholder documents and coordinating shareholder communications including ordinary proxy statements, semiannual and annual reports, prospectuses and other correspondence from the Acquiring Fund to shareholders; providing regular communications and investor education materials to shareholders, which may include communications via electronic means, such as electronic mail; providing certain shareholder services not handled by the Acquiring Fund's transfer agent or other intermediaries; communicating with investment advisors whose clients own or hold shares of the Acquiring Fund; and providing such other information and assistance to shareholders as may be reasonably requested by such shareholders.

A discussion regarding the basis for the Board's approval of the Management Agreement with respect to the Acquiring Fund will be available in the Acquiring Fund's Annual Report to Shareholders for the period ending December 31, 2023.

INFORMATION ABOUT THE REORGANIZATION

Reasons for the Reorganization

After consideration of all relevant factors, including the potential impact of the Reorganization on different subsets of the Target Fund's shareholders and because of certain benefits associated with the ETF structure, which Matthews believes will better serve the interests of shareholders, Matthews proposed that the Target Fund be reorganized into the Acquiring Fund. The Target Fund and the Acquiring Fund have identical investment objectives and investment restrictions and have substantially similar investment strategies. The

Acquiring Fund, however, will have the benefits of operating in the ETF structure. Matthews will continue as the investment adviser of the Acquiring Fund after the Reorganization and no change in portfolio managers will result from the Reorganization.

As shareholders of an ETF after the Reorganization, shareholders may bear certain costs associated with maintaining brokerage accounts and buying and selling Acquiring Fund shares in the secondary market, including commissions, spreads and other transactions costs, that the shareholders do not experience as shareholders of the Target Fund.

Considerations of the Board in Approving the Reorganizations

The Board considered Matthews' recommendation to approve the Reorganization at a meeting held on February 22-23, 2023. Prior to approving the Reorganization, the Board reviewed substantial information and other materials provided prior to and during the meeting and at other meetings throughout the past year. Among other things, the Board reviewed, with the assistance of independent legal counsel, the overall proposal for the Reorganization, the principal terms and conditions of the Plan, including that the Reorganization be consummated on a tax-free basis. Prior to acting to approve the Reorganization, the Board considered Matthews' views that:

Current shareholders of each class of the Target Fund are expected to benefit directly from the reduced net expense ratio of the Acquiring Fund. Following the Reorganization, the Acquiring Fund will have a lower net expense ratio than each share class of the Target Fund. In addition, the Acquiring Fund will be subject to a unitary fee structure, which will require Matthews to pay the Acquiring Fund's ordinary operating expenses without any increase in its fee for advisory services, thus resulting in lower fees and expenses to shareholders. This obligation to bear Acquiring Fund expenses is part of the Acquiring Fund's investment management agreement and cannot be changed without a vote of a majority of the voting securities of the Acquiring Fund.

Current shareholders of each class of the Target Fund also are expected to benefit from the potential for greater tax efficiency with the ETF structure, as ETFs generally experience fewer portfolio transactions than mutual funds due to the secondary market liquidity of the ETF structure.

ETFs, like the Acquiring Fund, that use their creation and redemption process to acquire securities in-kind and redeem securities in-kind are generally able to externalize certain transaction costs (brokerage fees, commissions, spreads) that mutual funds incur in the ordinary course of their investment activities. These transaction costs can impact a fund's performance. Accordingly, shareholders of the Acquiring Fund may also benefit from a reduction in certain transaction costs that are incurred by the Target Fund.

In addition, shareholders are expected to benefit from the secondary market liquidity of the Acquiring Fund. Shareholders of the Target Fund can only purchase or redeem shares of the Target Fund at a price based on the Target Fund's NAV that is next calculated after your order is received by the Target Fund. This NAV is calculated once per business day. Shareholders of the Acquiring Fund, however, will be able to purchase and sell shares of the Acquiring Fund throughout a trading day on the secondary market. These trades will occur at market prices, which may be higher or lower than the Acquiring Fund's NAV. This flexibility will give shareholders the opportunity to act on purchase and sale decisions immediately, rather than once a day.

The Reorganization presents attractive opportunities for growth for the Acquiring Fund in light of its expected positioning as an ETF in its investment category, and is intended to expand

Matthews' ability to deliver more of its investment capabilities in the ETF vehicle. Matthews believes that there is the potential for enhanced growth for the Acquiring Fund based on Matthews' assessment of the ETF market for this strategy, taking into account, among other factors, peers, trends and demands in the applicable investment category, and the benefits of such growth, such as the potential for cost savings from economies of scale.

In considering the Reorganization, the Board also took into account a number of additional factors. Some of the more prominent considerations are discussed further below. The Board considered the following matters, among others and in no order of priority:

- The small size of the Target Fund and its limited shareholder base;
- The fact that there are no differences in investment objective, investment restrictions or portfolio management and substantially similar principal investment strategies and principal risks between the Target Fund and the Acquiring Fund, with the exception of ETF-specific risks;
- The Acquiring Fund has the same investment adviser and portfolio managers responsible for day-to-day management as the Target Fund and the Board will continue to oversee the Acquiring Fund;
- The substantially lower fees and expenses of the Acquiring Fund as compared to the Target Fund
- The fact that Matthews has agreed to waive a portion of its management fee for the Acquiring Fund in certain extraordinary circumstances to the extent necessary to ensure that the advisory fee payable by the Acquiring Fund is not more than the advisory fee that would have been payable by the Target Fund if the Reorganization had not occurred;
- The benefits of the ETF structure, including increased flexibility to buy and sell shares at current prices, the transparency of portfolio holdings as well as the tax advantages of the ETF structure as discussed above;
- The Reorganization, as contemplated by the Plan, will be a tax-free reorganization;
- The costs of the Reorganization, as set forth in the Plan, will be borne by the Advisor;
- The interests of the current shareholders of the Target Fund and the Acquiring Fund will not be diluted as a result of the Reorganization;
- The Target Fund shareholders will receive Acquiring Fund shares with the same aggregate net asset value as their Target Fund shares (adjusted for distributions to redeem fractional shares, if any); and
- After the Reorganization, the Acquiring Fund shareholders will be able to purchase and sell shares throughout the trading day at the then-prevailing market price on NYSE Arca.

The Board, including all of the Independent Trustees, concluded that the Reorganization of the Target Fund into the Acquiring Fund was in the best interests of the Target Fund and its shareholders, and that the Target Fund's shareholders would not have their interests diluted as a result of the Reorganization. The determinations on behalf of the Fund were made on the basis of each Board member's business judgment after consideration of all of the factors taken as a whole, though individual Board members may have placed different weight on various factors and assigned different degrees of materiality to various conclusions.

INFORMATION ABOUT THE PLAN

This is only a summary of the Plan. You should read the form of the Plan, which is attached as Appendix A to this Information Statement/Prospectus, for complete information about the Reorganization.

How will the Reorganization be implemented?

The Reorganization will take place after various conditions are satisfied, including the preparation of certain documents. The Trust will determine the Closing Date on which the Reorganization will take place.

The Plan provides for the transfer of all of the assets and liabilities of the Target Fund to the Acquiring Fund in exchange for shares of the Acquiring Fund having an aggregate net asset value (“NAV”) equal to the aggregate NAV of the Target Fund followed immediately by the distribution by the Target Fund to its shareholders of the portion of shares of the Acquiring Fund to which the shareholder is entitled in complete liquidation of the Target Fund except as noted below.

Before the closing of the Reorganization, on or about June 20, 2023, Investor Class shares of the Target Fund will be converted to Institutional Class shares of the Target Fund, so that only Institutional Class shares of the Target Fund will exist before the Reorganization. On or about June 23, 2023, the Target Fund will effect a reverse split at a ratio of approximately 1-for-6 to 1-for-9, with the exact ratio to be determined at the time of the Reorganization (the “Reverse Split”), in order increase the NAV per share of the Institutional Class shares of the Target Fund to a more desirable ETF share price to help facilitate better secondary market quality of the ETF. Upon the closing of the Reorganization, shares of the Acquiring Fund will be transferred to each shareholder’s brokerage account. If a shareholder does not hold their shares of the Target Fund through a brokerage account that can accept shares of the corresponding Acquiring Fund on the Closing Date of the Reorganization, the shareholder will not receive shares of the Acquiring Fund as part of the Reorganization. Instead, the shareholder’s investment will be liquidated and the shareholder will receive cash equal in value to the NAV of their Target Fund shares. If a shareholder holds shares of the Target Fund through a fund direct account, they will receive shares of the Acquiring Fund equal in value to the NAV of their Target Fund shares in their account for approximately one year, and if no action is taken to transfer their Acquiring Fund shares to a brokerage account during that period, the Acquiring Fund shares will be liquidated and the shareholder will receive cash in value to the NAV of their Acquiring Fund shares. If a shareholder holds their Target Fund shares through a fund direct IRA or Coverdell savings account, the shareholder’s Target Fund shares will be exchanged for Wealth shares of Dreyfus Government Cash Management (DGQXX) equal in value to the NAV of the shareholder’s Target Fund shares unless the shareholder provides alternative direction prior to the Reorganization. Alternatively, if a shareholder holds their shares of the Target Fund through an account with a financial intermediary that is not able to hold shares of the Acquiring Fund, like many group retirement plans, a financial intermediary may transfer the shareholder’s investment in the Target Fund to a different investment option prior to the Reorganization. In some cases, the liquidation of your investment and return of cash, or the transfer of your investment, may be subject to fees and expenses and may also be subject to tax. It may take time for you to receive your cash.

After shares of the Acquiring Fund are distributed to the Target Fund’s shareholders, the Target Fund will be completely liquidated and dissolved. As a result of the Reorganization, you will cease to be a shareholder of the Target Fund and will become a shareholder of the Acquiring Fund. This exchange will occur on the Closing Date of the Reorganization, which is the specific date on which the Reorganization takes place. The expected Closing Date of the Reorganization is indicated below:

Expected Closing Date
July 14, 2023

The Closing Date may be delayed. The Target Fund in which you hold shares will publicly disclose any changes to the Closing Date.

The parties may agree to amend the Plan to the extent permitted by law. If the Trust determines, the Plan may be terminated or abandoned at any time before the Reorganization.

The Trust has made representations and warranties in the Plan that are customary in matters such as the Reorganization. The Plan contains a number of conditions precedent that must occur before the Target Fund or Acquiring Fund is obligated to proceed with the Reorganization. One of these conditions requires that the Trust shall have received a tax opinion from Paul Hastings LLP as described below that the consummation of the Reorganization will not result in the recognition of gain (other than gain from cash received in lieu of fractional Acquiring Fund shares or cash received for certain Target Fund shareholders whose investment is liquidated) or loss for federal income tax purposes for the Target Fund, the Acquiring Fund or their shareholders. Different tax considerations apply to you if you hold your shares of the Target Fund through a fund direct IRA or Coverdell savings account and exchange your Target Fund shares for shares of a different Matthews Asia Funds mutual fund or Wealth shares of Dreyfus Government Cash Management (DGQXX), or if you do not hold your shares of the Target Fund via a brokerage account that can accept shares of the corresponding Acquiring Fund on the Closing Date and will therefore have your investment liquidated.

Although shareholder approval of the Reorganization is not required and Matthews does not anticipate that the Reorganization will be terminated, if the Reorganization is terminated, shareholders of the Target Fund would be notified of the change and the Target Fund would continue to operate as a mutual fund as a series of the Trust.

Who will pay the expenses of the Reorganization?

For certain expenses (e.g., printing and mailing), the Target Fund and the Acquiring Fund will first pay the costs associated with the Reorganization, but Matthews will offset these costs through fee waivers or expense reimbursements. For legal costs, Matthews has determined that it will pay for the costs incurred by the Funds in connection with the Reorganization directly.

The costs of the Reorganization shall include, but not be limited to, costs associated with obtaining any necessary order of exemption from the 1940 Act, preparation and filing of the Registration Statement and printing and distribution of the Information Statement/Prospectus, legal fees, accounting fees, and securities registration fees. Brokerage fees and expenses related to the disposition and acquisition of assets (including any disposition to raise cash to pay redemption proceeds) that are incurred in the ordinary course of business will not be covered by Matthews. Notwithstanding any of the foregoing, expenses will in any event be paid by the party directly incurring such expenses if and to the extent that the payment by another person of such expenses would result in the disqualification of such party as a “regulated investment company” within the meaning of Section 851 of the Code.

The following estimated expenses represent management’s estimate of the professional fees, charges by service providers, and any costs related to the printing and mailing of this Information Statement/Prospectus, as measured in terms of total expenses and as a percentage of the Target Fund’s net assets.

These expenses associated with the Reorganization are estimated to equal \$270,000. The estimated expenses for the Reorganization are expected to equal 0.4% of the net assets of the Target Fund as of April 28, 2023.

Management estimates that the Funds will not incur any transaction costs associated with the Reorganization.

What are the tax consequences of the Reorganization?

The following is a general summary of some of the important U.S. federal income tax consequences of the Reorganization, and is based upon the current provisions of the Code, the existing U.S. Treasury Regulations

thereunder, current administrative rulings of the U.S. Internal Revenue Service (“IRS”) and published judicial decisions, all of which are subject to change, possibly with retroactive effect. These considerations are general in nature and apply with respect to Target Fund shareholders that have their Target Fund shares exchanged for Acquiring Fund Shares. Individual shareholders should consult their own tax advisors as to the federal, state, local, and foreign tax considerations applicable to them and their individual circumstances. These same considerations generally do not apply to shareholders who hold their shares in a tax-advantaged account, such as an individual retirement account (“IRA”) or qualified retirement plan and to the IRA shareholders whose Target Fund shares are exchanged for Wealth shares of Dreyfus Government Cash Management (DGQXX), or shareholders who do not hold their shares of the Target Fund via a brokerage account that can accept shares of the corresponding Acquiring Fund on the Closing Date and will therefore have their investment liquidated.

The Reorganization is intended to be a tax-free “reorganization” within the meaning of Section 368 of the Code for federal income tax purposes. As a condition to the consummation of the Reorganization, Paul Hastings LLP will deliver an opinion (“Tax Opinion”) to the Trust to the effect that, based on the facts and assumptions stated therein (as well as certain representations made on behalf of the Target Fund and the Acquiring Fund) and the existing federal income tax law, and conditioned on the Reorganization being completed in accordance with the Plan, for federal income tax purposes:

- The Reorganization will qualify as a “reorganization” (as defined in Section 368(a)(1) of the Code), and each Fund will be a “party to the Reorganization” (within the meaning of Section 368(b) of the Code);
- No Fund will recognize any gain or loss as a direct result of the Reorganization;
- The Target Fund’s shareholders will not recognize any gain or loss on the exchange of their Target Fund shares for Acquiring Fund shares, except with respect to cash received, if any;
- The aggregate tax basis in Acquiring Fund shares that the Target Fund shareholder receives pursuant to the Reorganization will be the same as the aggregate tax basis in the Target Fund shares the shareholder holds immediately before the Reorganization (reduced by the amount of any tax basis allocable to a fractional share for which cash is received, if any). The holding period for Acquiring Fund shares that the Target Fund shareholder receives pursuant to the Reorganization will include the holding period for the Target Fund shares the shareholder holds immediately before the Reorganization, provided that the shareholder holds the shares as capital assets at the time of the Reorganization;
- The Acquiring Fund’s tax basis in each asset the Target Fund transfers to it will be the same as the Target Fund’s tax basis therein immediately before the Reorganization, and the Acquiring Fund’s holding period for each such asset will include the Target Fund’s holding period therefore immediately after the Reorganization; and
- The Target Fund’s tax attributes enumerated in Section 381(c) of the Code will be taken into account by the Acquiring Fund without limitation.

Notwithstanding the foregoing, no opinion will be expressed as to the tax consequences of the Reorganization on contracts or securities on which gain or loss is recognized upon the transfer of an asset regardless of whether such transfer would otherwise be a nonrecognition transaction under the Code, as to the IRA shareholders exchanging their Target Fund shares for Wealth shares of Dreyfus Government Cash Management (DGQXX), and as to the shareholders who do not hold their Target Fund shares via a brokerage account that can accept shares of the corresponding Acquiring Fund on the Closing Date. None of the Funds have requested or will request an advance ruling from the IRS as to the U.S. federal income tax consequences of the Reorganization.

The Tax Opinion is not binding on the IRS or the courts and is not a guarantee that the tax consequences of the Reorganization will be as described above. If the Reorganization were consummated but the IRS or the

courts were to determine that the Reorganization did not qualify as a tax-free reorganization under the Code, and thus was taxable, the Target Fund would recognize gain or loss on the transfer of its assets to the Acquiring Fund, and each shareholder of the Target Fund that held shares in a taxable account would recognize a taxable gain or loss equal to the difference between its tax basis in its Target Fund shares and the fair market value of the shares of the Acquiring Fund it received.

The tax year of the Target Fund is expected to continue with its Acquiring Fund, and the capital gains, if any, resulting from portfolio turnover prior to the Reorganization will be carried over to the Acquiring Fund. If the Reorganization were to end the tax year of the Target Fund (which is not the intended or expected plan as of the date of this Information Statement/Prospectus), it would accelerate distributions to shareholders from the Target Fund for its short tax year ending on the Closing Date. Such distributions may be taxable and would include any capital gains resulting from portfolio turnover prior to the Reorganization. If determined necessary by the Funds, the Target Fund will declare a distribution to shareholders, which together with all previous distributions, will have the effect of distributing to shareholders all of its investment company taxable income (computed without regard to the deduction for dividends paid), net tax-exempt income, if any, and net realized capital gains, if any, through the closing of the Reorganization. In addition, even if its tax year is expected to continue with its Acquiring Fund, the Target Fund, if determined to be preferable, may declare a distribution to shareholders prior to Reorganization. Capital gains from securities sales by the Target Fund prior to the Reorganization may be distributed by the Acquiring Fund after the Reorganization.

General Limitation on Losses. Assuming the Reorganization qualifies as tax-free Reorganization, as expected, the Acquiring Fund will succeed to the tax attributes of the Target Fund upon the closing of the Reorganization, including any capital loss carryovers that could have been used by the Target Fund to offset its future realized capital gains, if any, for federal income tax purposes. The capital loss carryovers of the Target Fund will be available to offset future gains recognized by the combined Acquiring Fund. Capital losses of the Target Fund may be carried forward indefinitely to offset future capital gains. As of December 31, 2022, the Target Fund had capital loss carryforwards of \$4,223,076 that are not subject to expiration.

If, as is anticipated, at the time of the closing of the Reorganization, the Acquiring Fund has either no assets or de minimis assets incident to its organization, there will be no change of ownership of the Target Fund as a result of the Reorganization.

Thus, the Reorganization of the Target Fund into the Acquiring Fund is not expected to result in any limitation on the use by the Acquiring Fund of the Target Fund's capital loss carryovers, if any. However, the capital losses of the Acquiring Fund, as the successor in interest to the Target Fund, may subsequently become subject to an annual limitation as a result of sales of the Acquiring Fund shares or other reorganization transactions in which the Acquiring Fund might engage post-Reorganization.

The foregoing description of the U.S. federal income tax consequences of the Reorganization applies generally to shareholders who are not tax-exempt investors and does not take into account your particular facts and circumstances. Consult your own tax advisor about the effect of state, local, foreign, and other tax laws because this discussion only relates to U.S. federal income tax laws.

CAPITAL STRUCTURE AND SHAREHOLDER RIGHTS

The Target Fund and the Acquiring Fund are each series of the Trust, which was formed on April 13, 1994 under the laws of the State of Delaware, as a Delaware statutory trust, pursuant to a Trust Instrument dated April 8, 1994, as amended on June 27, 2022. The Trust is registered under the 1940 Act as an open-end management investment company. The operations of the Trust are governed by its Trust Instrument, By-Laws, and state law. The Trust also must adhere to the 1940 Act, the rules and regulations promulgated by the SEC thereunder, and any applicable state securities laws.

What are the capitalizations of the Funds?

The following tables set forth the capitalization of the Target Fund and the Acquiring Fund as of December 31, 2022, and the unaudited pro forma combined capitalization of the Acquiring Fund as adjusted to give effect to the proposed Reorganization. The following are examples of the number of shares of the Acquiring Fund that would have been exchanged for the shares of the corresponding Target Fund if the Reorganization had been consummated, and do not reflect the number of shares or value of shares that would actually be received if the Reorganization, as described, occurs. Pro forma numbers are estimated in good faith and are hypothetical. Pro forma numbers do not reflect any potential liquidation of shareholders associated with the Reorganization or cash paid in lieu of fractional Acquiring Fund shares.

	Target Fund—Matthews Korea Fund		Acquiring Fund—Matthews Korea Active ETF ⁽¹⁾	Pro Forma Adjustments	Pro Forma—Acquiring Fund after Reorganization (estimated)
	Class ⁽²⁾				
	Investor	Institutional			
Net assets (thousands)	\$70,857	\$9,166	N/A	\$0 ⁽³⁾	\$80,023 ⁽⁴⁾
Total shares outstanding (thousands)	18,559	2,374	N/A	3,201 ⁽³⁾⁽⁶⁾	3,201
Net asset value per share [^]	\$3.82	\$3.86	N/A	\$25.00 ⁽⁵⁾	\$25.00

- (1) The Acquiring Fund is a shell fund without any shares outstanding and, therefore, no estimated capitalization is available.
- (2) Before the closing of the Reorganization, on or about June 20, 2023, Investor Class shares of the Target Fund will be converted to Institutional Class shares of the Target Fund. On or about June 23, 2023, the Target Fund will effect a reverse split at a ratio of approximately 1-for-6 to 1-for-9, with the exact ratio to be determined on that date (the “Reverse Split”), in order increase the NAV per share of the Institutional Class shares of the Target Fund to a more desirable ETF share price to help facilitate better secondary market quality of the ETF. Upon the closing of the Reorganization, shareholders of the Target Fund will receive shares of the Acquiring Fund. The Acquiring Fund does not offer multiple share classes.
- (3) No adjustments have been made with respect to the cost of the Reorganization because Matthews will pay legal costs incurred with respect to the Reorganization directly and will waive its fees and/or reimburse the Funds in an amount sufficient to offset the other costs incurred by the Funds, as applicable, relating to the Reorganization. The costs of the Reorganization shall include, but not be limited to, costs associated with obtaining any necessary order of exemption from the 1940 Act, preparation and filing of the Registration Statement and printing and distribution of the Information Statement/Prospectus, legal fees, accounting fees, and securities registration fees. Brokerage fees and expenses related to the disposition and acquisition of assets (including any disposition to raise cash to pay redemption proceeds) that are incurred in the ordinary course of business will not be covered by Matthews. Notwithstanding any of the foregoing, expenses will in any event be paid by the party directly incurring such expenses if and to the extent that the payment by another person of such expenses would result in the disqualification of such party as a “regulated investment company” within the meaning of Section 851 of the Code.

- (4) Since shares of the Acquiring Fund are not issued in fractional shares and, as a result, cash will be paid to shareholders in connection with the Reorganization in lieu of fractional shares, the NAV of the Acquiring Fund upon consummation of the Reorganization may be less than that of the Target Fund.
 - (5) It is the intent of Matthews for the Acquiring Fund to have a starting NAV of approximately \$25 per share.
 - (6) Figure represents the number of shares that would be issued by the Acquiring Fund in order to have a starting NAV of \$25 per share.
- ^ Per share amounts may not recalculate due to rounding of net assets and/or shares outstanding.

The information in the capitalization tables above is for informational purposes only. There is no assurance that the Reorganization will be consummated. Moreover, if consummated, the capitalization of the Target Fund and Acquiring Fund is likely to be different at the Closing Date as a result of daily share purchase and redemption activity in the Target Fund. Accordingly, the foregoing should not be relied upon to reflect the number of shares of the Acquiring Fund that actually will be received on or after such date.

ADDITIONAL INFORMATION ABOUT THE ACQUIRING FUND AND THE TARGET FUND

Comparison of the Funds' Investment Objectives and Principal Investment Strategies

The following summarizes the investment objectives and principal investment strategies of the Target Fund and the Acquiring Fund. Further information about the Target Fund's and Acquiring Fund's investment objectives and strategies are contained in the prospectuses and statements of additional information of the Target Fund and Acquiring Fund, respectively, which are on file with the SEC. The prospectus of the Target Fund and the prospectus of the Acquiring Fund are also incorporated herein by reference.

The Reorganization

Matthews Korea Fund and Matthews Korea Active ETF have the same investment objective. Each Fund seeks long-term capital appreciation. The investment objective of each Fund is fundamental, which means that it cannot be changed without a vote of a majority of the voting securities of the applicable Fund.

Under normal circumstances, each Fund seeks to achieve its investment objective by investing at least 80% of its net assets, which include borrowings for investment purposes, in the common and preferred stocks of companies located in South Korea. A company or other issuer is considered to be "located" in a country or a region, and a security or instrument is deemed to be an Asian (or specific country) security or instrument, if it has substantial ties to that country or region. Matthews currently makes that determination based primarily on one or more of the following criteria: (A) with respect to a company or issuer, whether (i) it is organized under the laws of that country or any country in that region; (ii) it derives at least 50% of its revenues or profits from goods produced or sold, investments made, or services performed, or has at least 50% of its assets located, within that country or region; (iii) it has the primary trading markets for its securities in that country or region; (iv) it has its principal place of business in or is otherwise headquartered in that country or region; or (v) it is a governmental entity or an agency, instrumentality or a political subdivision of that country or any country in that region; and (B) with respect to an instrument or issue, whether (i) its issuer is headquartered or organized in that country or region; (ii) it is issued to finance a project that has at least 50% of its assets or operations in that country or region; (iii) it is at least 50% secured or backed by assets located in that country or region; (iv) it is a component of or its issuer is included in the Korea Composite Stock Price Index, the Fund's primary benchmark index; or (v) it is denominated in the currency of an Asian country and addresses at least one of the other above criteria. The term "located" and the associated criteria listed above have been defined in such a way that Matthews has latitude in determining whether an issuer should be included within a region or country. Each Fund may also invest in depositary receipts, including American, European and Global Depositary Receipts.

Each 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, adaptability and integrity; product lines; marketing strategies; corporate governance; and financial health. Matthews expects that the companies in which each Fund invests typically will be of medium or large size, but each Fund may invest in companies of any size. Matthews 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. The implementation of the principal investment strategies of each Fund may result in a significant portion of each Fund’s assets being invested from time to time in one or more sectors, but each Fund may invest in companies in any sector.

Comparison of the Funds’ Risks

The risks associated with an investment in the Target Fund and the Acquiring Fund are substantially similar, except that, as a shareholder of the Acquiring Fund you will be subject to risks related to the Acquiring Fund’s ETF structure; all other differences between the risks of the Acquiring Fund and those of the Target Fund, as described below, reflect only a tailoring or clarification of the risks of the Target Fund, and such differences do not reflect (and should not be interpreted to reflect) any difference in the way the Acquiring Fund will be managed as compared to the Target Fund. In the below discussion, the risks for the Target Fund and Acquiring Fund are identified, followed by a description of each risk.

Principal Risk - ●		
Additional Risk - ○	Target Fund	Acquiring Fund
Active Management Risk	●	●
Asia Pacific Region—Regional and Country Risks	●	●
Convertible Securities Risk	●	○
Credit Risk	●	○
Currency Risk	●	●
Cybersecurity Risk	●	●
Depository Receipts Risk	●	●
Emerging Market Country Risk	●	●
Equity Securities Risk	●	●
ETF Risks Authorized Participant Risk Trading Risk Cash Redemption Risk		●
General Risks	●	●
General Risks Associated with Public Health Emergencies; Impact of the Coronavirus (COVID-19)	●	●
Growth Stock Risk	●	●
Information Technology Sector Risk	●	●
Initial Public Offerings (“IPOs”) Risk	○	○
Interest Rate Risk	●	○
Passive Foreign Investment Companies Risk		○
Preferred Stock Risk	●	●
Risks Associated with Developments in Global Credit and Equity Markets	●	○
Risks Associated with Foreign Investments	●	●

Risks Associated with Investment in a Smaller Number of Companies or Industries	○	○
Risks Associated with Matthews' Investment Approach	●	●
Risks Associated with Smaller and Medium-Size Companies	●	●
Risks Associated with South Korea	●	●
U.S. Securities Risk	○	○
Volatility Risk	●	●

Description of Investment Risks

There is no guarantee that your investment in the Fund will increase in value. The value of your investment in the Fund could go down, meaning you could lose some or all of your investment.

General Risks

There is no guarantee that the Fund's investment objective will be achieved or that the value of the investments of the Fund will increase. If the value of the Fund's investments declines, the net asset value per share ("NAV") of the Fund will decline, as may the market price of the Fund's shares, and investors may lose some or all of the value of their investments.

Foreign securities held by the Fund may be traded on days and at times when the New York Stock Exchange (the "NYSE") is closed, and the NAV of the Fund is therefore not calculated. Accordingly, the NAV of the Fund may be significantly affected on days when shareholders are not able to buy or sell shares of the Fund.

Your investment in the Fund is exposed to different risks, many of which are described below. Because of these risks, your investment in the Fund should constitute only a portion of your overall investment portfolio, not all of it. We recommend that you invest in a Fund only for the long term (typically five years or longer), so that you can better manage volatility in the Fund's NAV (as described below). Investing in regionally concentrated, single-country or small company funds may not be appropriate for all investors.

The Acquiring Fund is an actively managed ETF and, therefore, does not seek to replicate the performance of a specified index. Accordingly, the management team has discretion on a daily basis to manage the Acquiring Fund's portfolio in accordance with the Acquiring Fund's investment objective.

ETFs are funds that trade like other publicly-traded securities. Similar to shares of a mutual fund, each share of the Acquiring Fund represents an ownership interest in an underlying portfolio of securities and other instruments. Unlike shares of a mutual fund, which can be bought and redeemed from the issuing fund by all shareholders at a price based on NAV, shares of the Acquiring Fund may be purchased or redeemed directly from the Acquiring Fund at NAV solely by Authorized Participants and only in aggregations of a specified number of shares ("Creation Units"). Also unlike shares of a mutual fund, shares of the Acquiring Fund are listed on a national securities exchange and trade in the secondary market at market prices that change throughout the day.

Risks Associated with Matthews' Investment Approach

Matthews is an active manager, and its investment process does not rely on passive or index strategies. For this reason, you should not expect that the composition of the Fund's portfolio will closely track the composition or weightings of market indices (including the Fund's benchmark index) or of the broader markets generally. As a result, investors should expect that changes in the Fund's NAVs and performance (over short and longer periods) will vary from the performance of such indices and of broader markets. Use of fair value prices and certain current market valuations could result in a difference between the prices used to calculate the Fund's NAV and the prices used by any index (or the markets generally), which, in turn, could result in a difference between the Fund's performance and the performance of the index.

Risks Associated with Foreign Investments

Investments in foreign securities may involve greater risks than investing in U.S. securities. As compared to U.S. companies, foreign issuers generally disclose less financial and other information publicly and are subject to less

stringent and less uniform accounting, auditing and financial reporting standards. Foreign countries typically impose less thorough regulations on brokers, dealers, stock exchanges, corporate insiders and listed companies than does the United States, and foreign securities markets may be less liquid and more volatile than U.S. markets. Investments in foreign securities generally involve higher costs than investments in U.S. securities, including higher transaction and custody costs as well as additional taxes imposed by foreign governments. In addition, security trading practices abroad may offer less protection to investors such as the Fund. Political or social instability, civil unrest, acts of terrorism, regional economic volatility, and the imposition of sanctions, confiscations, trade restrictions (including tariffs) and other government restrictions by the U.S. and/or other governments are other potential risks that could impact an investment in a foreign security. Settlement of transactions in some foreign markets may be delayed or may be less frequent than in the United States, which could affect the liquidity of the Fund's portfolio.

In addition, foreign securities may be subject to the risk of nationalization or expropriation of assets, imposition of currency exchange controls or restrictions on the repatriation of foreign currency, confiscatory taxation, political or financial instability and diplomatic developments which could affect the value of the Fund's investments in certain foreign countries. Governments of many countries have exercised and continue to exercise substantial influence over many aspects of the private sector through the ownership or control of many companies, including some of the largest in these countries. As a result, government actions in the future could have a significant effect on economic conditions which may adversely affect prices of certain portfolio securities. There is also generally less government supervision and regulation of stock exchanges, brokers, and listed companies than in the United States. Dividends or interest on, or proceeds from the sale of, foreign securities may be subject to foreign withholding taxes, and special U.S. tax considerations may apply. Moreover, foreign economies may differ favorably or unfavorably from the U.S. economy in such respects as growth of gross national product, rate of inflation, capital reinvestment, resource self-sufficiency and balance of payments position.

Many foreign countries are heavily dependent upon exports and, accordingly, have been and may continue to be adversely affected by trade barriers, managed adjustments in relative currency values, and other protectionist measures imposed or negotiated by the United States and other countries with which they trade. These economies also have been and may continue to be negatively impacted by economic conditions in the United States and other trading partners, which can lower the demand for goods produced in those countries.

Currency Risk

When a Fund conducts securities transactions in a foreign currency, there is the risk of the value of the foreign currency increasing or decreasing against the value of the U.S. dollar. The value of an investment denominated in a foreign currency will decline in U.S. dollar terms if that currency weakens against the U.S. dollar. While the Fund is permitted to hedge currency risks, Matthews does not anticipate doing so at this time. Additionally, Asian and emerging market countries may utilize formal or informal currency-exchange controls or "capital controls." Capital controls may impose restrictions on the Fund's ability to repatriate investments or income. Such controls may also affect the value of the Fund's holdings.

Emerging Market Country Risk

Investing in emerging market countries involves substantial risk due to, among other factors, different accounting standards; thinner trading markets as compared to those in developed countries; the possibility of currency transfer restrictions; and the risk of expropriation, nationalization or other adverse political, economic or social developments. Political and economic structures in some emerging market countries may be undergoing significant evolution and rapid development, and such countries may lack the social, political and economic stability characteristics of developed countries. Some of these countries have in the past failed to recognize private property rights and have nationalized or expropriated the assets of private companies.

Among other risks of investing in less developed markets are the variable quality and reliability of financial information and related audits of companies. In some cases, financial information and related audits can be unreliable and not subject to verification. Auditing firms in some of these markets are not subject to independent

inspection or oversight of audit quality. This can result in investment decisions being made based on flawed or misleading information. Additionally, investors may have substantial difficulties bringing legal actions to enforce or protect investors' rights, which can increase the risks of loss.

The securities markets of emerging market countries can be substantially smaller, less developed, less liquid and more volatile than the major securities markets in the United States and other developed nations. The limited size of many securities markets in emerging market countries and limited trading volume in issuers compared to the volume in U.S. securities or securities of issuers in other developed countries could cause prices to be erratic for reasons other than factors that affect the quality of the securities. In addition, emerging market countries' exchanges and broker-dealers are generally subject to less regulation than their counterparts in developed countries. Brokerage commissions, custodial expenses and other transaction costs are generally higher in emerging market countries than in developed countries. As a result, funds that invest in emerging market countries generally have operating expenses that are higher than funds investing in other securities markets. Securities markets in emerging markets may also be susceptible to manipulation or other fraudulent trade practices, which could disrupt the functioning of these markets or adversely affect the value of investments traded in these markets, including investments of the Fund. The Fund's rights with respect to its investments in emerging markets will generally be governed by local law, which may make it difficult or impossible for the Fund to pursue legal remedies or to obtain and enforce judgments in local courts.

Many emerging market countries have a greater degree of economic, political and social instability than the United States and other developed countries. Such social, political and economic instability could disrupt the financial markets in which the Fund invests and adversely affect the value of its investment portfolio. In addition, currencies of emerging market countries experience devaluations relative to the U.S. dollar from time to time. A devaluation of the currency in which investment portfolio securities are denominated will negatively impact the value of those securities in U.S. dollar terms. Emerging market countries have and may in the future impose foreign currency controls and repatriation controls.

The emerging market countries in which the Fund invests may become subject to economic and trade sanctions or embargoes imposed by the United States, foreign governments or the United Nations. These sanctions or other actions could result in the devaluation of a country's currency or a decline in the value and liquidity of securities of issuers in that country. In addition, sanctions could result in a freeze on an issuer's securities, which would prevent the Fund from selling securities it holds. The value of the securities issued by companies that operate in, or have dealings with, these countries may be negatively impacted by any such sanction or embargo and may reduce Fund returns.

Volatility Risk

The smaller size and lower levels of liquidity in emerging markets, as well as other factors, may result in changes in the prices of Asian and emerging market securities that are more volatile than those of companies in more developed regions. This volatility can cause the price of the Fund's shares to go up or down dramatically. Because of this volatility, this Fund is better suited for long-term investors (typically five years or longer).

General Risks Associated with Public Health Emergencies; Impact of the Coronavirus (COVID-19)

Pandemics and other local, national, and international public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 Flu, the Avian Flu, Ebola and the current outbreak of the novel coronavirus ("COVID-19"), can result, and in the case of COVID-19 is resulting, in market volatility and disruption, and any similar future emergencies may materially and adversely impact economic production and activity in ways that cannot be predicted, all of which could result in substantial investment losses.

This outbreak has caused a worldwide public health emergency, straining healthcare resources and resulting in extensive and growing numbers of infections, hospitalizations and deaths. In an effort to contain COVID-19, local, regional, and national governments, as well as private businesses and other organizations, have imposed and continue to impose severely restrictive measures, including instituting local and regional quarantines,

restricting travel (including closing certain international borders), prohibiting public activity (including “stay-at-home,” “shelter-in-place,” and similar orders), and ordering the closure of a wide range of offices, businesses, schools, and other public venues. Consequently, COVID-19 has significantly diminished and disrupted global economic production and activity of all kinds and has contributed to both volatility and a severe decline in financial markets.

The longer-term impact of COVID-19 (and of the resulting precipitous decline and disruption in economic and commercial activity across many of the world’s economies) on global economic conditions, and on the operations, financial condition, and performance of any particular market, industry or business, is impossible to predict. However, continuing and potential additional materially adverse effects, including further global, regional and local economic downturns (including recessions) of indeterminate duration and severity, are possible. The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact on the Fund’s investments and result in significant investment losses.

Equity Securities Risk

Equity securities may include common stock, preferred stock or other securities representing an ownership interest or the right to acquire an ownership interest in an issuer. Equity risk is the risk that stocks and other equity securities generally fluctuate in value more than bonds and may decline in value over short or extended periods. The value of stocks and other equity securities may be affected by changes in an issuer’s financial condition, factors that affect a particular industry or industries, such as labor shortages or an increase in production costs and competitive conditions within an industry, or as a result of changes in overall market, economic and political conditions that are not specifically related to a company or industry, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or generally adverse investor sentiment.

Preferred Stock Risk

Preferred stock normally pays dividends at a specified rate and has precedence over common stock in the event the issuer is liquidated or declares bankruptcy. However, in the event a company is liquidated or declares bankruptcy, the claims of owners of bonds take precedence over the claims of those who own preferred and common stock. If interest rates rise, the dividend on preferred stocks may be less attractive, causing the price of such stocks to decline. Preferred stock may have mandatory sinking fund provisions, as well as provisions allowing the stock to be called or redeemed, which can limit the benefit of a decline in interest rates. Preferred stock is subject to many of the risks to which common stock and debt securities are subject.

Depository Receipts Risk

Although depository receipts have risks similar to the securities that they represent, they may also involve higher expenses and may trade at a discount (or premium) to the underlying security. In addition, depository receipts may not pass through voting and other shareholder rights, and may be less liquid than the underlying securities listed on an exchange.

Active Management Risk

Because the Fund is actively managed, its investment return depends on the ability of Matthews to manage its portfolio successfully. There is the risk that Matthews may select securities that underperform the relevant stock market(s), the Fund’s benchmark index or other funds with similar investment objectives and investment strategies.

ETF Risks (Acquiring Fund only)

- **Authorized Participant Risk**

The Fund may directly engage in creation or redemption transactions only with Authorized Participants (“APs”). The Fund may have a limited number of intermediaries acting as APs, and none are, or will be, obligated to engage in creation or redemption transactions. It is possible that these intermediaries may

choose to exit the business or not proceed with a creation or redemption order with respect to the Fund. In such a case, and if no other AP creates or redeems, Fund shares may trade at a discount and be subject to the risk of potential trading halts and/or delisting.

- **Trading Risk**

Absence of Active Market. Although shares of the Fund are listed for trading on one or more stock exchanges, there can be no assurance that an active trading market for such shares will develop or be maintained by market makers or APs.

Risk of Secondary Listings. The Fund's shares may be listed or traded on U.S. and non-U.S. stock exchanges other than the U.S. stock exchange where the Fund's primary listing is maintained, and may otherwise be made available to non-U.S. investors through funds or structured investment vehicles similar to depositary receipts. There can be no assurance that the Fund's shares will continue to trade on any such stock exchange or in any market or that the Fund's shares will continue to meet the requirements for listing or trading on any exchange or in any market. The Fund's shares may be less actively traded in certain markets than in others, and investors are subject to the execution and settlement risks and market standards of the market where they or their broker direct their trades for execution. Certain information available to investors who trade Fund shares on a U.S. stock exchange during regular U.S. market hours may not be available to investors who trade in other markets, which may result in secondary market prices in such markets being less efficient.

Secondary Market Trading Risk. Secondary market trading in shares of the Fund may be halted by a stock exchange because of market conditions or for other reasons. In addition, trading in shares of the Fund on a stock exchange may be subject to trading halts caused by extraordinary market volatility pursuant to "circuit breaker" rules on the stock exchange or market.

Shares of the Fund, similar to shares of other issuers listed on a stock exchange, may be sold short and are therefore subject to the risk of increased volatility and price decreases associated with being sold short.

Shares of the Fund May Trade at Prices Other Than NAV. Shares of the Fund trade on stock exchanges at prices at, above or below the Fund's most recent NAV. The NAV of the Fund is calculated at the end of each business day and fluctuates with changes in the market value of the Fund's holdings. The market price of the Fund's shares fluctuates continuously throughout trading hours based on both market supply of and demand for Fund shares and the underlying value of the Fund's portfolio holdings or NAV. As a result, the market prices of the Fund's shares may deviate significantly from NAV during periods of market volatility, including during periods of significant redemption requests or other unusual market conditions. **ANY OF THESE FACTORS, AMONG OTHERS, MAY LEAD TO THE FUND'S SHARES TRADING AT A PREMIUM OR DISCOUNT TO NAV.**

However, because shares can be created and redeemed in Creation Units at NAV, Matthews believes that large discounts or premiums to the NAV of the Fund are not likely to be sustained over the long term (unlike shares of many closed-end funds, which frequently trade at appreciable discounts from, and sometimes at premiums to, their NAVs). While the creation/redemption feature is designed to make it more likely that the Fund's shares normally will trade on stock exchanges at prices close to the Fund's next calculated NAV, exchange prices are not expected to correlate exactly with the Fund's NAV due to timing reasons, supply and demand imbalances and other factors. In addition, disruptions to creations and redemptions, including disruptions at market makers, APs, or other market participants, and during periods of significant market volatility, may result in market prices for shares of the Fund that differ significantly from its NAV. APs may be less willing to create or redeem Fund shares if there is a lack of an active market for such shares or its underlying investments, which may contribute to the Fund's shares trading at a premium or discount to NAV.

Costs of Buying or Selling Fund Shares. Buying or selling Fund shares on an exchange involves two types of costs that apply to all securities transactions. When buying or selling shares of the Fund through

a broker, you will likely incur a brokerage commission and other charges. In addition, you may incur the cost of the “spread”; that is, the difference between what investors are willing to pay for Fund shares (the “bid” price) and the price at which they are willing to sell Fund shares (the “ask” price). The spread, which varies over time for shares of the Fund based on trading volume and market liquidity, is generally narrower if the Fund has more trading volume and market liquidity and wider if the Fund has less trading volume and market liquidity. In addition, increased market volatility may cause wider spreads. There may also be regulatory and other charges that are incurred as a result of trading activity. Because of the costs inherent in buying or selling Fund shares, frequent trading may detract significantly from investment results and an investment in Fund shares may not be advisable for investors who anticipate regularly making small investments through a brokerage account.

- **Cash Redemption Risk**

Unlike many ETFs, the Fund will issue and redeem entirely in cash or partially in cash. As a result, an investment in the Fund may be less tax-efficient than an investment in an ETF that distributes portfolio securities in-kind. If the Fund effects a portion of redemptions for cash, the Fund may be required to sell portfolio securities to obtain the cash needed to distribute the redemption proceeds. Such sales may cause the Fund to incur transaction costs. The Fund may recognize gains on these sales it might not otherwise have recognized if it were to distribute portfolio securities in-kind, or to recognize the gain sooner than would otherwise be required. Cash redemptions may also entail higher transaction costs than in-kind redemptions, which costs may be passed on to redeemers of creation units of Fund shares in the form of redemption transaction fees. The cost of cash redemptions could also reduce the Fund’s NAV to the extent that those costs are not fully offset by the redemption transaction fee charged to the redeeming Authorized Participant.

Risks Associated with Smaller and Medium-Size Companies

The Fund may invest in securities of smaller and medium-size companies. Smaller and medium size companies may offer substantial opportunities for capital growth; they also involve substantial risks, and investments in smaller and medium-size companies may be considered speculative. Such companies often have limited product lines, markets or financial resources. Smaller and medium-size companies may be more dependent on one or few key persons and may lack depth of management. Larger portions of their stock may be held by a small number of investors (including founders and management) than is typical of larger companies. Credit may be more difficult to obtain (and on less advantageous terms) than for larger companies. As a result, the influence of creditors (and the impact of financial or operating restrictions associated with debt financing) may be greater on such companies than that on larger or more established companies. Both of these factors may dilute the holdings, or otherwise adversely impact the rights of the Fund and smaller shareholders in corporate governance or corporate actions. Smaller and medium-size companies also may be unable to generate funds necessary for growth or development, or may be developing or marketing new products or services for which markets are not yet established and may never become established. The Fund may have more difficulty obtaining information about smaller and medium-size companies, making it more difficult to evaluate the impact of market, economic, regulatory and other factors on them. Informational difficulties may also make valuing or disposing of their securities more difficult than it would for larger companies. Securities of smaller and medium-size companies may trade less frequently and in lesser volume than more widely held securities, and securities of smaller and medium-size companies generally are subject to more abrupt or erratic price movements than more widely held or larger, more established companies or the market indices in general. Among the reasons for the greater price volatility are the less certain growth prospects of smaller and medium-size companies, the lower degree of liquidity in the markets for securities of such companies, and the greater sensitivity of such companies to changing economic conditions. For these and other reasons, the value of securities of smaller and medium-size companies may react differently to political, market and economic developments than the markets as a whole or than other types of stocks.

Growth Stock Risk

Growth stocks may be more volatile than other stocks because they are more sensitive to investor perceptions of the issuing company's growth potential. Growth stocks may go in and out of favor over time and may perform differently than the market as a whole.

Information Technology Sector Risk

The Fund may invest a significant portion of its assets in the information technology sector, and therefore the performance of the Fund could be negatively impacted by events affecting this sector. Information technology companies may be significantly affected by aggressive pricing as a result of intense competition and by rapid product obsolescence due to rapid development of technological innovations and frequent new product introduction. Other factors, such as short product cycle, possible loss or impairment of intellectual property rights, and changes in government regulations, may also adversely impact information technology companies.

Cybersecurity Risk

With the increased use of technologies such as the internet to conduct business, the Fund is susceptible to operational, information security, and related risks. Cyber incidents affecting the Fund or its service providers may cause disruptions and impact business operations, potentially resulting in financial losses, interference with the Fund's ability to calculate its NAV, impediments to trading, the inability of shareholders to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs.

Risks Associated with Asian Regions and Countries

Asia Pacific Region—Regional and Country Risks. In addition to the risks discussed above and elsewhere in this prospectus, there are specific risks associated with investing in the Asia Pacific region, including the risk of severe economic, political or military disruption. The Asia Pacific region comprises countries in all stages of economic development. Some Asia Pacific economies may experience overextension of credit, currency devaluations and restrictions, rising unemployment, high inflation, underdeveloped financial services sectors, heavy reliance on international trade and prolonged economic recessions. Deflationary factors could also reemerge in certain Asian markets, the potential effects of which are difficult to forecast. While certain Asian governments will have the ability to offset deflationary conditions through fiscal or budgetary measures, others will lack the capacity to do so. Many Asia Pacific countries are dependent on foreign supplies of energy. A significant increase in energy prices could have an adverse impact on these economies and the region as a whole. In addition, some countries in the region are competing to claim or develop regional supplies of energy or other natural resources. This competition could lead to economic, political or military instability or disruption. Any military action or other instability could adversely impact the ability of a Fund to achieve its investment objective.

The economies of many Asia Pacific countries (especially those whose development has been export-driven) are dependent on the economies of the United States, Europe and other Asian countries, and, as seen in the developments in global credit and equity markets in 2008 and 2009, events in any of these economies could negatively impact the economies of Asia Pacific countries.

Currency fluctuations, devaluations and trading restrictions in any one country can have a significant effect on the entire Asia Pacific region. Increased political and social instability in any Asia Pacific country could cause further economic and market uncertainty in the region, or result in significant downturns and volatility in the economies of Asia Pacific countries. As an example, in the late 1990s, the economies in the Asian region suffered significant downturns and increased volatility in their financial markets.

The development of Asia Pacific economies, and particularly those of China, Japan and South Korea, may also be affected by political, military, economic and other factors related to North Korea. Negotiations to ease tensions and resolve the political division of the Korean peninsula have been carried on from time to time producing sporadic and inconsistent results. There have also been efforts to increase economic, cultural and humanitarian contacts among North Korea, South Korea, Japan and other nations. There can be no assurance that

such negotiations or efforts will continue or will ease tensions in the region. Any military action or other instability could adversely impact the ability of the Fund to achieve its investment objective. Lack of available information regarding North Korea is also a significant risk factor.

Some companies in the region may have less established shareholder governance and disclosure standards than in the U.S. Some companies are controlled by family and financial institutional investors whose investment decisions may be hard to predict based on standard U.S.-based equity analysis. Consequently, investments may be vulnerable to unfavorable decisions by the management or shareholders. Corporate protectionism (*e.g.*, the adoption of poison pills and restrictions on shareholders seeking to influence management) appears to be increasing, which could adversely impact the value of affected companies. Emerging market countries may also impose capital controls, nationalize a company or industry, place restrictions on foreign ownership and on withdrawing sale proceeds of securities from the country, and/or impose punitive taxes that could adversely affect the prices of securities. Additionally, there may be less publicly available information about companies in many Asian countries, and the stock exchanges and brokerage industries in many Asian countries typically do not have the level of government oversight as do those in the United States. Securities markets of many Asian countries are also less mature, substantially smaller, less liquid and more volatile than securities markets in the U.S., and as a result, there may be increased settlement risks for transactions in local securities.

Economies in this region may also be more susceptible to natural disasters (including earthquakes and tsunamis), or adverse changes in climate or weather. The risks of such phenomena and resulting social, political, economic and environmental damage (including nuclear pollution) cannot be quantified. Economies in which agriculture occupies a prominent position, and countries with limited natural resources (such as oil and natural gas), may be especially vulnerable to natural disasters and climatic changes.

There are specific risks associated with the Fund's concentration of its investments in a country or group of countries within the Asia Pacific region. Provided below are risks of investing in various countries within the Asia Pacific region and are principal risks of the Fund to the extent the Fund's portfolio is concentrated in such country or countries.

South Korea. Investing in South Korean securities has special risks, including those related to political, economic and social instability in South Korea and the potential for increased militarization in North Korea (see Regional and Country Risks above). Securities trading on South Korean securities markets are concentrated in a relatively small number of issuers, which results in potentially fewer investment opportunities for the Fund. South Korea's financial sector has shown certain signs of systemic weakness and illiquidity, which, if exacerbated, could prove to be a material risk for investments in South Korea. South Korea is dependent on foreign sources for its energy needs. A significant increase in energy prices could have an adverse impact on South Korea's economy.

There are also a number of risks to the Fund associated with the South Korean government. The South Korean government has historically exercised and continues to exercise substantial influence over many aspects of the private sector. The South Korean government from time to time has informally influenced the prices of certain products, encouraged companies to invest or to concentrate in particular industries and induced mergers between companies in industries experiencing excess capacity.

Additional Risks

The following additional or non-principal risks also apply to investments in the Fund.

Risks Associated with Developments in Global Credit and Equity Markets

Developments in global credit and equity markets, such as the credit and valuation problems experienced by the global capital markets in 2008 and 2009, may adversely and significantly impact the Fund's investments. Although market conditions may start to improve relatively quickly, many difficult conditions may remain for an extended period of time or may return. Because the scope of these conditions may be, and in the past have been, expansive, past investment strategies and models may not be able to identify all significant risks that the Fund

may encounter, or to predict the duration of these events. These conditions could prevent the Fund from successfully executing its investment strategies, result in future declines in the market values of the investment assets held by the Fund, or require the Fund to dispose of investments at a loss while such adverse market conditions prevail.

U.S. Securities Risk

The Fund may invest to a limited extent in stocks issued by U.S. companies. U.S. stocks have certain risks similar to equity securities issued in other countries, such as declines in value over short or extended periods as a result of changes in a company's financial condition or the overall market as well as economic and political conditions. Although U.S. stocks have enjoyed many years of favorable returns, they have more recently experienced volatility based on political and economic events such as trade disputes. In addition, interest rate increases in the U.S. may adversely affect stocks.

Convertible Securities Risk

As part of its investment strategy, the Fund may invest in convertible preferred stocks and bonds and debentures of any maturity and quality, including those that are unrated, or would be below investment grade (referred to as "junk bonds") if rated. Convertible securities may, under specific circumstances, be converted into the common or preferred stock of the issuing company and may be denominated in U.S. dollars, euros or a local currency. The value of convertible securities varies with a number of factors, including the value and volatility of the underlying stock, the level and volatility of interest rates, the passage of time, dividend policy and other variables.

The risks of convertible bonds and debentures include repayment risk and interest rate risk. Repayment risk is the risk that a borrower does not repay the amount of money that was borrowed (or "principal") when the bond was issued. This failure to repay the amount borrowed is called a "default" and could result in losses for the Fund. Interest rate risk is the risk that market rates of interest may increase over the rate paid by a bond held by the Fund. When interest rates increase, the market value of a bond paying a lower rate generally will decrease. If the Fund were to sell such a bond, the Fund might receive less than it originally paid for it.

Investing in a convertible security denominated in a currency different from that of the security into which it is convertible may expose the Fund to currency risk as well as risks associated with the level and volatility of the foreign exchange rate between the security's currency and the underlying stock's currency. Convertible securities are subject to greater liquidity risk than many other securities and may trade less frequently and in lower volumes, or have periods of less frequent trading. Lower trading volume may also make it more difficult for the Fund to value such securities.

Credit Risk

Credit risk refers to the risk that an issuer may default in the payment of principal and/or interest on an instrument. Financial strength and solvency of an issuer are the primary factors influencing credit risk. In addition, lack or inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk. Credit risk may change over the life of an investment and securities that are rated by rating agencies are often reviewed periodically and may be subject to downgrade.

Interest Rate Risk

Interest rate risk refers to the risks associated with market changes in interest rates. Interest rate changes may affect the value of a debt instrument indirectly (especially in the case of fixed rate securities) and directly (especially in the case of instruments whose rates are adjustable). In general, rising interest rates will negatively impact the price of a fixed rate debt instrument and falling interest rates will have a positive effect on price. Adjustable rate instruments also react to interest rate changes in a similar manner although generally to a lesser degree (depending, however, on the characteristics of the reset terms, including, without limitation, the index chosen, frequency of reset and reset caps or floors). Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules.

Risks Associated with Investment in a Smaller Number of Companies or Industries

From time to time, a relatively small number of companies and industries may represent a large portion of the total stock market in a particular country or region, and these companies and industries may be more sensitive to adverse social, political, economic or regulatory developments than funds whose portfolios are more diversified. Events affecting a small number of companies or industries may have a significant and potentially adverse impact on your investment in the Fund, and the Fund's performance may be more volatile than that of funds that invest globally.

Passive Foreign Investment Companies Risk

The Fund may invest in PFICs. Investments in PFICs may subject the Fund to taxes and interest charges that cannot be avoided, or that can be avoided only through complex methods that may have the effect of imposing a less favorable tax rate or accelerating the recognition of gains and payment of taxes.

Initial Public Offerings ("IPOs") Risk

IPOs of securities issued by unseasoned companies with little or no operating history are risky, and their prices are highly volatile, but they can result in very large gains in their initial trading. Attractive IPOs are often oversubscribed and may not be available to the Fund or may be available only in very limited quantities. Thus, when a fund's size is smaller, any gains or losses from IPOs may have an exaggerated impact on the fund's performance than when it is larger. The Fund's portfolio managers are permitted to engage in short-term trading of IPOs. Although IPO investments have had a positive impact on the performance of some funds, there can be no assurance that the Fund will have favorable IPO investment opportunities in the future or that the Fund's investments in IPOs will have a positive impact on its performance.

How do the fundamental investment policies of the Funds compare?

The fundamental investment policies of the Target Fund and the Acquiring Fund are the same.

Where can I find more financial and performance information about the Funds?

Additional information is available in the Funds' prospectuses, statements of additional information, and the most recent annual and semi-annual shareholder reports, as applicable. Because the Acquiring Fund has not yet commenced operations, no annual report is available for it.

The Target Fund's prospectus, as well as the Acquiring Fund's prospectus, are incorporated herein by reference and are legally deemed to be part of this Information Statement/Prospectus. A copy of the Target Fund's and Acquiring Fund's prospectuses are available upon request from Matthews, free of charge.

The Statement of Additional Information also is incorporated herein by reference and is legally deemed to be part of this Information Statement/Prospectus. The Target Fund's statement of additional information, as well as the Acquiring Fund's statement of additional information, are incorporated herein by reference, and are available upon request.

The applicable prospectuses, statements of additional information, and the most recent annual and semi-annual shareholder reports have been filed with the SEC and are available, free of charge, by (i) calling Matthews toll-free at 1-800-789-ASIA (2742), (ii) accessing the documents at the Funds' website at <https://www.matthewsasias.com/resources/docs/fund-documents/>, or (iii) writing to the Funds at the address listed above. In addition, these documents may be obtained from the EDGAR database on the SEC's Internet site at <http://www.sec.gov>. You also may obtain this information upon payment of a duplicating fee, by e-mailing the SEC at the following address: publicinfo@sec.gov.

PRINCIPAL SHAREHOLDERS

As of the date hereof, the Acquiring Fund was not operational and, therefore, had no shareholders. As of May 5, 2023, the officers and Trustees of the Trust, as a group, owned or controlled less than 1% of the

outstanding shares of the Target Fund. As of May 5, 2023, the below shareholders owned of record, or to the knowledge of the Target Fund, beneficially, 5% or more of the outstanding shares of the class identified of the Target Fund. Pro forma numbers are estimated in good faith and are hypothetical. Pro forma numbers do not reflect any potential liquidation of shareholders associated with the Reorganization or cash paid in lieu of fractional Acquiring Fund shares.

Class of Shares	Name and Address of Record or Beneficial Owner	Percentage of Class of Shares	Percentage of Target Fund	Percentage of Acquiring Fund After Reorganization[^]
Matthews Korea Fund-Investor Class	National Financial Services Corp (FBO) Our Customers Attn Mutual Funds Department 4th Fl 499 Washington Blvd Fl 5 Jersey City NJ 07310-2010	29.27	26.32	26.32
	Charles Schwab & Co Inc FBO Special Custody Acct For Exclusive Benefit Of Customers Attn Mutual Funds 101 Montgomery St San Francisco CA 94104-4122	19.72	17.73	17.73
	TD Ameritrade Inc For The Exclusive Benefit Of Our Clients PO Box 2226 Omaha NE 68103-2226	8.92	8.02	8.02
Matthews Korea Fund-Institutional Class	Morgan Stanley Smith Barney LLC For The Exclusive Benefit Of Its Customers 1 New York Plaza Fl 12 New York NY 10004-1901	44.54	4.48	4.48
	Andrew Rosenthal New York NY 10024-3015	19.45	1.96	1.96
	National Financial Services Corp (FBO) Our Customers Attn Mutual Funds Department 4th Fl 499 Washington Blvd Fl 5 Jersey City NJ 07310-2010	19.02	1.91	1.91
	Charles Schwab & Co Inc FBO Special Custody Acct For Exclusive Benefit Of Customers Attn Mutual Funds 101 Montgomery St San Francisco CA 94104-4122	8.50	0.86	0.86

[^] On a pro forma basis assuming the value of the shareholder’s interest in the Target Fund on the date of the Reorganization, during which all share classes of the Target Fund will be reorganized into ETF shares of the Acquiring Fund, is the same as on the Record Date.

OTHER SERVICE PROVIDERS

Administrator. Bank of New York Mellon (“BNY Mellon”), 240 Greenwich St. New York, NY 10007, serves as the administrator for the Funds.

Distributor. Foreside Funds Distributors LLC (“Foreside”), Three Canal Plaza, Suite 100, Portland, ME 04101, is the Distributor of the Funds’ shares.

Transfer Agent. BNY Mellon, 240 Greenwich St. New York, NY 10007, serves as transfer agent for the Funds.

Custodian. Brown Brothers Harriman & Co., 50 Post Office Square, Boston, MA 02110, is custodian of the Target Fund’s investments. BNY Mellon, 240 Greenwich St. New York, NY 10007, is custodian of the Acquiring Fund’s investments.

Trust Counsel. Paul Hastings LLP, 101 California Street, 48th Floor, San Francisco, CA 94111, is counsel to the Trust.

Independent Registered Public Accounting Firm. PricewaterhouseCoopers LLP (“PwC”), 405 Howard Street, Suite 600, San Francisco, CA 94105, serves as the independent registered public accounting firm to the Funds.

Additional Compensation to Financial Intermediaries.

The operating expenses of the Target Fund include the cost of maintaining shareholder accounts, generating shareholder statements, providing taxpayer information, and performing related recordkeeping and administrative services. For shareholders who open accounts directly with the Target Fund, BNY Mellon Investment Servicing (US) Inc. (“BNY Mellon”), the Target Fund’s transfer agent, performs these services as part of the various services it provides to the Target Fund under an agreement between the Trust, on behalf of the Target Fund and BNY Mellon. For shareholders who purchase shares through a broker or other financial intermediary, some or all of these services may be performed by that intermediary. For performing these services, the intermediary seeks compensation from the Target Fund or Matthews. In some cases, the services for which compensation is sought may be bundled with services not related to shareholder servicing, and may include distribution fees. The Board has made a reasonable allocation of the portion of bundled fees, and Matthews pays from its own resources that portion of the fees that the Board determines may represent compensation to intermediaries for distribution services.

Matthews, out of its own resources and without additional cost to a Fund or its shareholders, may provide additional cash payments or non-cash compensation to intermediaries who sell shares of a Fund. With respect to the Target Fund, such payments and compensation are in addition to service fees or sub-transfer agency fees paid by the Target Fund. The level of payments will vary for each particular intermediary. These additional cash payments generally represent some or all of the following: (a) payments to intermediaries to help defray the costs incurred to educate and train personnel about a Fund; (b) marketing support fees for providing assistance in promoting the sale of Fund shares; (c) access to sales meetings, sales representatives and management representatives of the intermediary; and (d) inclusion of a Fund on the sales list, including a preferred or select sales list, or other sales program of the intermediary. A number of factors will be considered in determining the level of payments, including the intermediary’s sales, assets and redemption rates, as well as the nature and quality of the intermediary’s relationship with Matthews. Aggregate payments may change from year to year and Matthews will, on an annual basis, determine the advisability of continuing these payments. Shareholders who purchase or hold shares through an intermediary may inquire about such payments from that intermediary.

ADDITIONAL INFORMATION

Shareholders Sharing the Same Address. Normally, if two or more shareholders share the same address and last name, only one copy of the Information Statement/Prospectus is being delivered to that address, unless the Target Fund has received contrary instructions from one or more of the shareholders at that shared address.

Upon written or oral request, the Acquiring Fund will deliver promptly a separate copy of the Information Statement/Prospectus to a shareholder at a shared address. Please call Matthews toll-free at 1-800-789-ASIA (2742) if you would like to receive a separate copy of the Information Statement/Prospectus.

FINANCIAL HIGHLIGHTS

The financial highlights are intended to help you understand each Fund's financial performance for the past five years or, if shorter, the period of that Fund's operations, as indicated by the table.

The Acquiring Fund is new and has no performance history as of the date of this Information Statement/Prospectus. The Acquiring Fund will adopt the financial history, including the financial highlights, of the Institutional Class of the Target Fund following the Reorganization.

For the Target Fund, the financial highlights are included in the Target Fund's prospectus, which is incorporated by reference herein. The financial highlights for the Target Fund have been audited by PricewaterhouseCoopers LLP, whose report, along with the Target Fund's audited annual financial statements, are included in the Target Fund's annual report.

Further information about the Target Fund's performance is contained in the Annual and Semi-annual Reports. The Target Fund will furnish, without charge, a copy of its most recent Annual and Semi-annual Report to any shareholder upon request.

APPENDIX A

AGREEMENT AND PLAN OF REORGANIZATION AND LIQUIDATION

THIS AGREEMENT AND PLAN OF REORGANIZATION AND LIQUIDATION (“Agreement”) is made as of this 25th day of May, 2023, by Matthews International Funds (dba Matthews Asia Funds), a Delaware statutory trust (“Trust”), on behalf of its series Matthews Korea Fund (the “Target Fund”) and Matthews Korea Active ETF (the “Acquiring Fund”), and, with respect to paragraph 10.2 of this Agreement, Matthews International Capital Management, LLC (“Matthews”).

WHEREAS, each of the Target Fund and the Acquiring Fund is a series of an open-end, investment company of the management type registered pursuant to the Investment Company Act of 1940, as amended (“1940 Act”);

WHEREAS, the contemplated reorganization and liquidation will consist of (1) the sale, assignment, conveyance, transfer, and delivery of all of the property and assets (“Assets”) of the Target Fund to the Acquiring Fund in exchange for shares of beneficial interest of the Acquiring Fund (“Acquiring Fund Shares”) equal in aggregate net asset value to the outstanding shares of beneficial interest of the Target Fund (“Target Fund Shares”), as described herein, (2) the assumption by the Acquiring Fund of all liabilities (“Liabilities”) of the Target Fund, (3) the distribution of the Acquiring Fund Shares to the shareholders of the Target Fund (“Target Fund Shareholders”) who hold Target Fund Shares through a brokerage account or transfer agent account that can accept Acquiring Fund Shares, (4) the distribution of cash to Target Fund Shareholders in lieu of fractional Acquiring Fund Shares, (5) with respect to Target Fund Shareholders who do not hold Target Fund Shares through a brokerage account or transfer agent account that can accept Acquiring Fund Shares, the distribution of cash equal to the net asset value of the Target Fund Shares held by such Target Fund Shareholders, and (6) with respect to Target Fund Shareholders who hold Target Fund Shares through a fund direct individual retirement account (“IRA”) or Coverdell savings account (together, “Direct Qualified Shareholders”), the exchange of Target Fund Shares for Wealth shares of Dreyfus Government Cash Management (DGQXX), equal in value to the net asset value of such Target Fund Shares held by such Target Fund Shareholders, in complete liquidation of the Target Fund, as provided herein (“Reorganization”), all upon the terms and conditions hereinafter set forth in this Agreement. The Acquiring Fund is, and will be immediately prior to Closing (defined in paragraph 3.1), a shell series, without Assets or Liabilities, created for the purpose of acquiring the Assets and Liabilities of the Target Fund;

WHEREAS, the Board of Trustees of the Trust has determined (i) with respect to the Target Fund, that the Reorganization is in the best interests of the Target Fund and that the interests of the existing Target Fund Shareholders will not be diluted as a result of the Reorganization and (ii) with respect to the Acquiring Fund, that the Reorganization is in the best interests of the Acquiring Fund;

NOW, THEREFORE, in consideration of the premises and of the covenants and agreements hereinafter set forth, the parties hereto covenant and agree as follows:

1. REORGANIZATION

1.1. Subject to the requisite approvals and the other terms and conditions herein set forth and on the basis of the representations and warranties contained herein, the Trust, on behalf of the Target Fund, agrees to sell, assign, convey, transfer and deliver all of its Assets, as set forth in paragraph 1.2, to the Acquiring Fund, and the Trust, on behalf of the Acquiring Fund, agrees in exchange therefor:

- (a) to deliver to the Target Fund a number of full shares of beneficial interest of the Acquiring Fund having an aggregate net asset value equal to the value of the Assets of the Target Fund attributable to the Target Fund Shares on such date, less:
 - i. the value of cash to be distributed to Target Fund Shareholders in lieu of fractional Acquiring Fund Shares;

- ii. the value of cash to be distributed to Target Fund Shareholders who do not hold Target Fund Shares through a brokerage account or transfer agent that can accept Acquiring Fund Shares (“Cash-Out Shareholders”), who shall not receive a distribution of such Acquiring Fund Shares and in lieu thereof shall receive a distribution of cash equal to the net asset value of their Target Fund Shares;
- iii. the value of the Target Fund Shares of Target Fund Shareholders whose Target Fund Shares are held through Direct Qualified Shareholders, which shall be exchanged for Wealth shares of Dreyfus Government Cash Management (DGQXX) equal in value to the net asset value of such Target Fund Shares; and
- iv. the value of the Liabilities of the Target Fund attributable to those Target Fund Shares as of the time and date set forth in paragraph 3.1;

with the number of full shares to be delivered determined by dividing the value of such Target Fund’s net Assets (computed in the manner and as of the time and date set forth in paragraph 2.1), except for the sum of the values in subparagraph (a)(i)-(iv) of this paragraph 1.1, by the net asset value of one share of Acquiring Fund Shares (as computed in the manner and as of the time and date set forth in paragraph 2.2); and

- (b) to assume all Liabilities of the Target Fund, as set forth in paragraph 1.3. Such transactions shall take place on the date of the closing provided for in paragraph 3.1 (“Closing Date”).

1.2. The Assets of the Trust attributable to the Target Fund to be sold, assigned, conveyed, transferred and delivered to the Trust, on behalf of the Acquiring Fund, shall consist of all assets of the Target Fund, including, without limitation, all rights, cash, securities, commodities and futures interests and dividends or interests receivable that are owned by the Target Fund and any deferred or prepaid expenses shown as an asset on the books of the Target Fund on the Valuation Date as defined in paragraph 2.1, except for assets having a value equal to the sum of the values in subparagraph (a)(i)-(iv) of paragraph 1.1. The Target Fund will sell, assign, convey, transfer and deliver to the Acquiring Fund any rights, stock dividends, or other securities received by the Target Fund after the Closing Date as stock dividends or other distributions on or with respect to the Assets transferred, which rights, stock dividends, and other securities shall be deemed included in the Assets transferred to the Acquiring Fund at the Closing Date and shall not be separately valued, in which case any such distribution that remains unpaid as of the Closing Date shall be included in the determination of the value of the Assets of the Target Fund acquired by the Acquiring Fund.

1.3. The Trust, on behalf of the Acquiring Fund, shall assume all of the Liabilities of the Target Fund, whether accrued or contingent, known or unknown, existing at the Valuation Date.

1.4. Immediately following the actions contemplated by paragraph 1.1, the Trust shall take such actions necessary to complete the liquidation of the Target Fund. To complete the liquidation, the Trust, on behalf of the Target Fund, shall (a) distribute to the Target Fund Shareholders of record (other than Cash-Out Shareholders and Direct Qualified Shareholders) as of the Closing Date, as defined in paragraph 3.1, on a pro rata basis, the Acquiring Fund Shares received by the Trust, on behalf of the Target Fund, pursuant to paragraph 1.1, (b) distribute cash, as provided in paragraph 1.1 to the Cash-Out Shareholders, and, with respect to Direct Qualified Shareholders, initiate the exchange of Target Fund Shares for Wealth shares of Dreyfus Government Cash Management (DGQXX), equal in value to the net asset value of such Target Fund Shares by such Target Fund Shareholders, and (c) completely liquidate. Such liquidation shall be accomplished, with respect to the Target Fund Shares, by the transfer of the corresponding Acquiring Fund Shares then credited to the account of the Target Fund on the books of the Acquiring Fund to open accounts on the share records of the Acquiring Fund in the names of the Target Fund Shareholders. The aggregate

net asset value of Acquiring Fund Shares to be so credited to Target Fund Shareholders shall be equal to the aggregate net asset value of the Target Fund Shares owned by Target Fund Shareholders on the Closing Date less: (i) the value of cash to be distributed to Target Fund Shareholders in lieu of fractional Acquiring Fund Shares; (ii) the value of cash to be distributed to Cash-Out Shareholders, who shall not receive a distribution of such Acquiring Fund Shares and in lieu thereof shall receive a distribution of cash equal to the net asset value of their Target Fund Shares; and (iii) the value of the Target Fund Shares of Direct Qualified Shareholders, which shall be exchanged for Wealth shares of Dreyfus Government Cash Management (DGQXX) equal in value to the net asset value of such Target Fund Shares. All issued and outstanding Target Fund Shares will be canceled on the books of the Target Fund. The Acquiring Fund shall not issue certificates representing Acquiring Fund Shares in connection with such exchange. For the avoidance of doubt: (1) in connection with the above-provided liquidation and distribution of Acquiring Fund Shares, if a Target Fund Shareholder does not hold their Target Fund Shares in a brokerage account or transfer agent account that can accept the Acquiring Fund Shares being distributed, then such Target Fund Shareholder shall not receive a distribution of such Acquiring Fund Shares and in lieu thereof shall receive a distribution of cash equal to the net asset value of their Target Fund Shares; and (2) Target Fund Shareholders who hold Target Fund Shares through a fund direct IRA or Coverdell savings account will have their shares exchanged for Wealth shares of Dreyfus Government Cash Management (DGQXX) equal in value to the NAV of their Target Fund shares, unless such a Target Fund Shareholder provides alternative direction prior to the Reorganization.

- 1.5. Ownership of Acquiring Fund Shares will be shown on the books of the Acquiring Fund's transfer agent.
- 1.6. Any reporting responsibility of the Target Fund, including, but not limited to, the responsibility for filing regulatory reports, tax returns, or other documents with the Securities and Exchange Commission ("Commission"), any state securities commission, and any federal, state or local tax authorities or any other relevant regulatory authority, is and shall remain the responsibility of the Target Fund.

2. VALUATION

- 2.1. The value of the Assets of the Target Fund shall be determined as of the close of business of the New York Stock Exchange ("NYSE"), usually 4:00 p.m. Eastern Time, and after the declaration of any dividends by the Target Fund, on the Closing Date (such time and date being hereinafter called the "Valuation Date"), computed using the valuation procedures which the Acquiring Fund would use in determining the fair market value of its Assets and Liabilities. The Target Fund will not treat an intraday unscheduled disruption or closure in NYSE trading on the Valuation Date as a closure of the NYSE and will calculate net asset value as of 4:00 p.m., Eastern Time, if the particular disruption or closure directly affects only the NYSE.
- 2.2. The aggregate net asset value of the Acquiring Fund's Acquiring Fund Shares shall be determined to four decimal places on the Valuation Date, using the valuation procedures which the Acquiring Fund would use in determining its net asset value.
- 2.3. The number of Acquiring Fund Shares to be issued in exchange for the Assets shall be determined with respect to the Target Fund by dividing the value of the net assets with respect to the Target Fund Shares, determined as set forth in paragraph 2.1, except for the sum of the values in subparagraph (a)(i)-(iv) of paragraph 1.1, by the net asset value per share of the Acquiring Fund Shares, determined as set forth in paragraph 2.2. For the avoidance of doubt, the Acquiring Fund shall not issue fractional shares.

3. CLOSING AND CLOSING DATE

- 3.1. The Closing Date shall be July 14, 2023, or such other date as the parties may agree. All acts taking place at the closing of the transactions provided for in this Agreement (“Closing”) shall be deemed to take place simultaneously as of the close of business on the Closing Date unless otherwise agreed to by the parties. The “close of business” on the Closing Date shall be as of 5:00 p.m., Eastern Time. The Closing shall be held at the offices of Matthews or at such other time and/or place, including by virtual means, as the parties may agree.
- 3.2. The Trust shall direct Brown Brothers Harriman & Co., as custodian for the Target Fund (“Target Fund Custodian”), to deliver to the Trust, on behalf of the Acquiring Fund, at the Settlement Date, as defined below, a certificate of an authorized officer stating that (i) all Assets, cash and other financial interests of the Target Fund held by the Target Fund Custodian on behalf of the Target Fund pursuant to the Target Fund’s custody agreement with the Target Fund Custodian have been delivered to the Acquiring Fund, as of the settlement date which is expected to be July 18, 2023 (the “Settlement Date”), (ii) the Target Fund Custodian has paid any and all taxes with respect to the Target Fund that the Target Fund has specifically and properly instructed the Target Fund Custodian to pay, and agrees to notify the Acquiring Fund in the event it receives notification of any additional taxes that would be due with respect to the Target Fund, and (iii) all income that is received by the Target Fund Custodian after the Settlement Date for the account of the Target Fund will be credited to the Acquiring Fund in accordance with the Custodian Agreement dated July 20, 2007, between the Trust and the Target Fund Custodian, as amended from time to time. The Target Fund Custodian shall deliver to Bank of New York Mellon, as the custodian for the Acquiring Fund (the “Acquiring Fund Custodian”), as of the Settlement Date by book entry, in accordance with the customary practices of the Target Fund Custodian and of each securities depository, as defined in Rule 17f-4 under the 1940 Act, the Assets of the Target Fund deposited with such depositories. The cash to be transferred by the Target Fund shall be delivered to the Acquiring Fund Custodian on the Settlement Date.
- 3.3. The Trust shall direct Bank of New York Mellon, in its capacity as transfer agent for the Target Fund (“Transfer Agent”), to deliver to the Trust, on behalf of the Acquiring Fund at the Closing a certificate of an authorized officer stating that its records contain the name and address of each Target Fund Shareholder and the number and percentage ownership of Target Fund Shares owned by each such Shareholder immediately prior to the Closing. The Acquiring Fund shall deliver to the Secretary of the Target Fund a confirmation evidencing that (a) the appropriate number of Acquiring Fund Shares have been credited to the Target Fund’s account on the books of the Acquiring Fund pursuant to paragraph 1.1 prior to the actions contemplated by paragraph 1.4 and (b) the appropriate number of Acquiring Fund Shares have been credited to the accounts of the Target Fund Shareholders on the books of the Acquiring Fund pursuant to paragraph 1.4. At the Closing each party shall deliver to the other party such bills of sale, checks, assignments, share certificates, if any, receipts or other documents as the other party or its counsel may reasonably request.
- 3.4. In the event that at the Valuation Date (a) the NYSE or another primary trading market for portfolio securities of the Acquiring Fund or the Target Fund (each an “Exchange”) shall be closed to trading or trading thereupon shall be restricted, or (b) trading or the reporting of trading on such Exchange or elsewhere shall be disrupted so that accurate appraisal of the value of the net Assets of the Target Fund or the Acquiring Fund is impracticable (in the judgment of the Trustees of the Trust, with respect to the Target Fund and of the Trustees of the Trust with respect to the Acquiring Fund), the Closing Date shall be postponed until the first Friday (that is also a business day) after the day when trading shall have been fully resumed and reporting shall have been restored.

4. REPRESENTATIONS AND WARRANTIES

4.1. Except as has been fully disclosed in Schedule 4.1 to this Agreement, the Trust, on behalf of the Target Fund, represents and warrants as follows:

- (a) The Target Fund is duly established as a series of the Trust, which is a statutory trust duly organized, existing and in good standing under the laws of the State of Delaware, with power under its Certificate of Trust and Trust Instrument (collectively, the “Charter”), as amended, to own all of its Assets and to carry on its business as it is being conducted as of the date hereof. The Trust is not required to qualify as a foreign trust or association in any jurisdiction, except for any jurisdiction in which it has so qualified or in which a failure to so qualify would not have a material adverse effect. The Trust has all necessary federal, state and local authorization to carry on its business as now being conducted and to fulfill the terms of this Agreement, except as set forth in Schedule 4.1.
- (b) The Trust is a registered investment company classified as a management company of the open-end type, and its registration with the Commission as an investment company under the 1940 Act, and the registration of the Target Fund Shares under the Securities Act of 1933, as amended (“1933 Act”), is in full force and effect.
- (c) No consent, approval, authorization, or order of any court or governmental authority is required for the consummation by the Target Fund of the transactions contemplated herein, except such as may be required under the 1933 Act, the Securities Exchange Act of 1934, as amended (“1934 Act”), the 1940 Act, state securities laws and the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the “Hart-Scott-Rodino Act”).
- (d) The current prospectuses and statement of additional information of the Target Fund conform in all material respects to the applicable requirements of the 1933 Act and the 1940 Act and the rules and regulations of the Commission thereunder and does not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not materially misleading.
- (e) On the Closing Date, the Trust, on behalf of the Target Fund, will have good and marketable title to the Assets and full right, power, and authority to sell, assign, convey, transfer and deliver such Assets hereunder free of any liens or other encumbrances, and upon delivery and payment for the Assets, the Trust, on behalf of the Acquiring Fund, will acquire good and marketable title thereto, subject to no restrictions on the full transfer thereof, including such restrictions as might arise under the 1933 Act.
- (f) The Target Fund is not engaged currently, and the execution, delivery and performance of this Agreement will not result in, (i) a material violation of the Charter or by-laws of the Trust, as applicable, or of any agreement, indenture, instrument, contract, lease or other undertaking to which the Trust, on behalf of the Target Fund, is a party or by which it is bound, or (ii) the acceleration of any material obligation, or the imposition of any material penalty, under any agreement, indenture, instrument, contract, lease, judgment or decree to which the Trust, on behalf of the Target Fund, is a party or by which it is bound.
- (g) All material contracts or other commitments of the Target Fund (other than this Agreement, contracts listed in Schedule 4.1 and certain investment contracts, including options, futures, and forward contracts) will terminate without liability to the Target Fund on or prior to the Closing Date. Each contract listed in Schedule 4.1 is a valid, binding and enforceable obligation of each party thereto (assuming due authorization, execution and delivery by the other party thereto) and the assignment by the Target Fund to the Acquiring Fund of each

such contract will not result in the termination of such contract, any breach or default thereunder or the imposition of any penalty thereunder.

- (h) No litigation or administrative proceeding or investigation of or before any court or governmental body is presently pending or, to the Trust's knowledge, threatened against the Trust, with respect to the Target Fund or any of the Target Fund's properties or assets, that, if adversely determined, would materially and adversely affect its financial condition or the conduct of its business. Except as disclosed on Schedule 4.1, the Trust, on behalf of the Target Fund, knows of no facts which might form the basis for the institution of such proceedings and is not a party to or subject to the provisions of any order, decree or judgment of any court or governmental body which materially and adversely affects its business or its ability to consummate the transactions herein contemplated.
- (i) The Statement of Assets and Liabilities, Statements of Operations and Changes in Net Assets, and Schedule of Investments of the Target Fund at December 31, 2022 have been audited by PricewaterhouseCoopers LLP, Independent Registered Public Accounting Firm, and are in accordance with accounting principles generally accepted in the United States of America ("GAAP") consistently applied. Such statements (true and correct copies of which have been furnished to the Trust, on behalf of the Acquiring Fund) present fairly, in all material respects, the financial condition of the Target Fund as of such date in accordance with GAAP, and there are no known contingent, accrued or other Liabilities of the Target Fund required to be reflected on a balance sheet (including the notes thereto) in accordance with GAAP as of such date that are not disclosed therein.
- (j) Since December 31, 2022, there has not been any material adverse change in the Target Fund's financial condition, Assets, Liabilities or business, other than changes occurring in the ordinary course of business, or any incurrence by the Target Fund of indebtedness, other than the incurrence of indebtedness in the ordinary course of business in accordance with the Target Fund's investment policies. For the purposes of this subparagraph (j), a decline in net asset value per share of Target Fund Shares due to declines in market values of securities held by the Target Fund, the discharge of Target Fund Liabilities, or the redemption of Target Fund Shares by Target Fund Shareholders shall not constitute a material adverse change.
- (k) On the Closing Date, all federal and other tax returns, dividend reporting forms, and other tax-related reports of the Target Fund required by law to have been filed by such date (including any extensions) shall have been filed and are or will be correct in all material respects, and all federal and other taxes shown as due or required to be shown as due on said returns and reports shall have been paid or provision shall have been made for the payment thereof and, to the best of the Trust's knowledge, no such return is currently under audit and no assessment has been asserted with respect to such returns.
- (l) For each taxable year of its operation (including with respect to the taxable year that includes the Closing Date the portion of such taxable year up to the Closing date), the Target Fund has met or meets the requirements of Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"), for qualification as a regulated investment company, and has been or is eligible to and has computed or will compute its federal income tax under Section 852 of the Code. In that regard, the Target Fund has declared and distributed as of the Closing Date substantially all amounts required to have been declared and distributed by such Closing Date of (i) its investment company taxable income (computed without regard to any deduction for dividends paid), (ii) the excess, if any, of (x) its investment income excludible from gross income under Section 103 of the Code over (y) its deductions disallowed under Sections 265 and 171 of the Code ("net tax-exempt income"), and (iii) any net capital gain (after reduction for any capital loss carryforward) (as defined in the Code).

- (m) All issued and outstanding Target Fund Shares are, and on the Closing Date will be, duly authorized and validly and legally issued and outstanding, fully paid and non-assessable by the Trust, on behalf of the Target Fund, and will have been offered and sold in every state, territory and the District of Columbia in compliance in all material respects with applicable registration requirements of all applicable federal and state securities laws. All of the issued and outstanding Target Fund Shares will, at the time of Closing, be held by the persons and in the amounts set forth in the records of the Transfer Agent, on behalf of the Target Fund, as provided in paragraph 3.3. The Target Fund does not have outstanding any options, warrants or other rights to subscribe for or purchase any of the Target Fund Shares, nor is there outstanding any security convertible into any of the Target Fund Shares. The Target Fund will review its Assets to ensure that at any time prior to the Closing Date its Assets do not include any assets that the Acquiring Fund is not permitted, or reasonably believes to be unsuitable for it, to acquire, including without limitation any security that, prior to its acquisition by the Target Fund, is unsuitable for the Acquiring Fund to acquire.
 - (n) The execution, delivery and performance of this Agreement, and the transactions contemplated herein, have been duly authorized by all necessary trust action on the part of the Board of Trustees of the Trust, on behalf of the Target Fund, as described in paragraph 8.1, and this Agreement constitutes a valid and binding obligation of the Trust, on behalf of the Target Fund, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights and to general equity principles.
 - (o) The combined information statement and prospectus ("Information Statement/Prospectus") to be included in the Registration Statement (as defined in paragraph 5.5), insofar as it relates to the Target Fund and the Trust, will from the effective date of the Registration Statement through the Closing Date (i) not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which such statements were made, not materially misleading (provided that this representation and warranty shall not apply to statements in or omissions from the Information Statement/Prospectus made in reliance upon and in conformity with information that was furnished by the Acquiring Fund for use therein) and (ii) comply in all material respects with the provisions of the 1933 Act, the 1934 Act and the 1940 Act and the rules and regulations thereunder. The information to be furnished by the Target Fund for use in supplements to registration statements and other documents filed or to be filed with any federal, state or local regulatory authority (including the Financial Industry Regulatory Authority ("FINRA")), which may be necessary in connection with the transactions contemplated hereby, shall be accurate and complete in all material respects and shall comply in all material respects with federal securities and other laws and regulations thereunder applicable thereto.
- 4.2. Except as has been fully disclosed in Schedule 4.2 to this Agreement, the Trust, on behalf of the Acquiring Fund, represents and warrants as follows:
- (a) The Acquiring Fund is duly established as a series of the Trust, which is a statutory trust duly organized, existing and in good standing under the laws of the State of Delaware, with power under its Charter, to own all of its Assets and to carry on its business as it is being conducted as of the date hereof. The Trust is not required to qualify as a foreign trust or association in any jurisdiction, except for any jurisdiction in which it has so qualified or in which a failure to so qualify would not have a material adverse effect. The Trust has all necessary federal, state and local authorization to carry on its business as now being conducted and to fulfill the terms of this Agreement, except as set forth in Schedule 4.2.

- (b) The Trust is a registered investment company classified as a management company of the open-end type, and its registration with the Commission as an investment company under the 1940 Act and the registration of the Acquiring Fund Shares under the 1933 Act will be in full force and effect as of the Closing Date.
- (c) No consent, approval, authorization, or order of any court or governmental authority is required for the consummation by the Acquiring Fund of the transactions contemplated herein, except such as may be required under the 1933 Act, the 1934 Act, the 1940 Act, state securities laws and the Hart-Scott-Rodino Act.
- (d) The current prospectus and statement of additional information of the Acquiring Fund conforms in all material respects to the applicable requirements of the 1933 Act and the 1940 Act and the rules and regulations of the Commission thereunder and does not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not materially misleading.
- (e) The Acquiring Fund is not engaged currently, and the execution, delivery and performance of this Agreement will not result, in (i) a material violation of the Charter or by-laws of the Trust, as applicable, or of any agreement, indenture, instrument, contract, lease or other undertaking to which the Trust, on behalf of the Acquiring Fund, is a party or by which it is bound, or (ii) the acceleration of any material obligation, or the imposition of any material penalty, under any agreement, indenture, instrument, contract, lease, judgment or decree to which the Trust, on behalf of the Acquiring Fund, is a party or by which it is bound.
- (f) No litigation or administrative proceeding or investigation of or before any court or governmental body is presently pending or, to the Trust's knowledge, threatened against the Trust, with respect to the Acquiring Fund or any of the Acquiring Fund's Assets, that, if adversely determined, would materially and adversely affect the Acquiring Fund's financial condition or the conduct of its business. Except as disclosed in Schedule 4.2 to this Agreement, the Trust, on behalf of the Acquiring Fund, knows of no facts which might form the basis for the institution of such proceedings and is not a party to or subject to the provisions of any order, decree or judgment of any court or governmental body which materially and adversely affects the Acquiring Fund's business or its ability to consummate the transactions herein contemplated.
- (g) As the Acquiring Fund has not yet commenced operations, there has not been any material adverse change in the Acquiring Fund's financial condition, Assets, Liabilities or business, other than changes occurring in the ordinary course of business, or any incurrence by the Acquiring Fund of indebtedness, other than the incurrence of indebtedness in the ordinary course of business in accordance with the Acquiring Fund's investment policies. For the purposes of this subparagraph (g), a decline in net asset value per share of Acquiring Fund Shares due to declines in market values of securities held by the Acquiring Fund, the discharge of Acquiring Fund Liabilities, or the redemption of Acquiring Fund Shares by shareholders of the Acquiring Fund shall not constitute a material adverse change.
- (h) On the Closing Date, all federal and other tax returns, dividend reporting forms, and other tax-related reports of the Acquiring Fund required by law to have been filed by such date (including any extensions), if any, shall have been filed and are or will be correct in all material respects, and all federal and other taxes shown as due or required to be shown as due, if any, on said returns and reports shall have been paid or provision shall have been made for the payment thereof and, to the best of the Trust's knowledge, no such return is currently under audit and no assessment has been asserted with respect to such returns.

- (i) The Acquiring Fund intends to meet the requirements of Subchapter M of the Code for qualification as a regulated investment company and to be eligible to and will intend to compute its federal income tax under Section 852 of the Code for each taxable year.
- (j) All of the issued and outstanding Acquiring Fund Shares are, and on the Closing Date will be, duly authorized and validly and legally issued and outstanding, fully paid and non-assessable by the Trust, on behalf of the Acquiring Fund, and will have been offered and sold in every state, territory and the District of Columbia in compliance in all material respects with applicable registration requirements of all applicable federal and state securities laws. The Acquiring Fund does not have outstanding any options, warrants or other rights to subscribe for or purchase any Acquiring Fund Shares, nor is there outstanding any security convertible into any Acquiring Fund Shares. All of the Acquiring Fund Shares to be issued and delivered to the Target Fund, for the account of the Target Fund Shareholders, pursuant to this Agreement will on the Closing Date have been duly authorized and, when so issued and delivered, will be duly and validly and legally issued Acquiring Fund Shares and be fully paid and non-assessable by the Trust, on behalf of the Acquiring Fund.
- (k) The execution, delivery and performance of this Agreement, and the transactions contemplated herein, have been duly authorized by all necessary action on the part of the Trustees of the Trust, on behalf of the Acquiring Fund, and this Agreement constitutes a valid and binding obligation of the Trust, on behalf of the Acquiring Fund, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights and to general equity principles.
- (l) The Information Statement/Prospectus to be included in the Registration Statement, insofar as it relates to the Acquiring Fund, the Trust and the Acquiring Fund Shares, will from the effective date of the Registration Statement through the Closing Date (i) not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which such statements were made, not materially misleading (provided that this representation and warranty shall not apply to statements in or omissions from the Information Statement/Prospectus made in reliance upon and in conformity with information that was furnished by the Target Fund for use therein) and (ii) comply in all material respects with the provisions of the 1933 Act, the 1934 Act and the 1940 Act and the rules and regulations thereunder. The information to be furnished by the Acquiring Fund for use in supplements to registration statements and other documents filed or to be filed with any federal, state or local regulatory authority (including FINRA), which may be necessary in connection with the transactions contemplated hereby, shall be accurate and complete in all material respects and shall comply in all material respects with federal securities and other laws and regulations thereunder applicable thereto.

5. COVENANTS

The Trust, on behalf of the Acquiring Fund, and the Trust, on behalf of the Target Fund, hereby further covenant as follows:

- 5.1. The Target Fund will operate its business in the ordinary course between the date hereof and the Closing Date, it being understood that such ordinary course of business will include the declaration and payment of customary dividends and distributions, and any other distribution that may be advisable. The Acquiring Fund is not currently operational.

- 5.2. The Target Fund covenants that the Acquiring Fund Shares to be issued hereunder are not being acquired for the purpose of making any distribution thereof, other than in accordance with the terms of this Agreement.
- 5.3. The Target Fund will assist the Acquiring Fund in obtaining such information as the Acquiring Fund reasonably requests concerning the beneficial ownership of the Target Fund Shares.
- 5.4. Subject to the provisions of this Agreement, the Acquiring Fund and the Target Fund covenant to take, or cause to be taken, all action, and do or cause to be done, all things reasonably necessary, proper or advisable to consummate and make effective the transactions contemplated by this Agreement.
- 5.5. The Trust, on behalf of the Acquiring Fund, shall prepare and file a registration statement on Form N-14 in compliance with the 1933 Act, the 1934 Act and the 1940 Act and the rules and regulations thereunder with respect to the Reorganization (“Registration Statement”). The Target Fund will provide to the Acquiring Fund such information regarding the Target Fund as may be reasonably necessary for the preparation of the Registration Statement.
- 5.6. Each of the Acquiring Fund and the Target Fund covenant to use its reasonable best efforts to fulfill or obtain the fulfillment of the conditions precedent to effect the transactions contemplated by this Agreement as promptly as practicable.
- 5.7. The Trust, on behalf of the Target Fund, covenants that it will execute and deliver or cause to be executed and delivered all such assignments and other instruments and will take or cause to be taken such further action as the Trust, on behalf of the Acquiring Fund, may reasonably deem necessary or desirable in order to vest in and confirm (a) the Trust’s, on behalf of the Target Fund, title to and possession of the Acquiring Fund Shares to be delivered hereunder and (b) the Trust’s, on behalf of the Acquiring Fund, title to and possession of all the Assets and otherwise to carry out the intent and purpose of this Agreement.
- 5.8. The Acquiring Fund covenants to use all reasonable efforts to obtain the approvals and authorizations required by the 1933 Act, the 1940 Act and such of the state blue sky or securities laws as may be necessary in order to continue its operations after the Closing Date.
- 5.9. The Acquiring Fund shall not change its Charter, prospectus or statement of additional information prior to closing so as to restrict permitted investments for the Acquiring Fund prior to the closing, except as required by the Commission.

6. CONDITIONS PRECEDENT TO OBLIGATIONS OF THE TARGET FUND

The obligations of the Trust, on behalf of the Target Fund, to consummate the transactions provided for herein shall be subject, at the election of the Trust, to the performance by the Trust, on behalf of the Acquiring Fund, of all the obligations to be performed by it hereunder on or before the Closing Date, and, in addition thereto, the following further conditions:

- 6.1. All representations and warranties of the Trust, on behalf of the Acquiring Fund, contained in this Agreement shall be true and correct in all material respects as of the date hereof and, except as they may be affected by the transactions contemplated by this Agreement, as of the Closing Date, with the same force and effect as if made on and as of the Closing Date.
- 6.2. The Trust, on behalf of the Acquiring Fund, shall have performed all of the covenants and complied with all of the provisions required by this Agreement to be performed or complied with by the Trust, on behalf of the Acquiring Fund, on or before the Closing Date.
- 6.3. The Trust, on behalf of the Acquiring Fund, shall have executed and delivered an assumption of the Liabilities (the “Assumption Instrument”) and all such other agreements and instruments as the

Trust, on behalf of the Target Fund, may reasonably deem necessary or desirable in order to vest in and confirm (a) the Trust, on behalf of the Target Fund, has title to and possession of the Acquiring Fund Shares to be delivered hereunder and (b) the Trust's, on behalf of the Acquiring Fund, assumption of all of the Liabilities and otherwise to carry out the intent and purpose of this Agreement.

- 6.4. The Trust, on behalf of the Acquiring Fund, shall have delivered to the Target Fund a certificate executed in its name by its President or Vice President and the Treasurer or Assistant Treasurer of the Trust, in a form reasonably satisfactory to the Trust, on behalf of the Target Fund, and dated as of the Closing Date, as to the matters set forth in paragraphs 6.1 and 6.2 and as to such other matters as the Trust shall reasonably request.
- 6.5. The Target Fund and the Acquiring Fund shall have agreed on the number of full Acquiring Fund Shares to be issued in connection with the Reorganization after such number has been calculated in accordance with paragraph 1.1. For the avoidance of doubt, the Acquiring Fund shall not issue fractional shares, and cash shall be distributed to Target Fund Shareholders in connection with this Reorganization in lieu of fractional Acquiring Fund Shares.

7. CONDITIONS PRECEDENT TO OBLIGATIONS OF THE ACQUIRING FUND

The obligations of the Trust, on behalf of the Acquiring Fund, to consummate the transactions provided for herein shall be subject, at the election of the Trust, to the performance by the Trust, on behalf of the Target Fund, of all of the obligations to be performed by it hereunder on or before the Closing Date and, in addition thereto, the following further conditions:

- 7.1. All representations and warranties of the Trust, on behalf of the Target Fund, contained in this Agreement shall be true and correct in all material respects as of the date hereof and, except as they may be affected by the transactions contemplated by this Agreement, as of the Closing Date, with the same force and effect as if made on and as of the Closing Date.
- 7.2. The Trust, on behalf of the Target Fund, shall have performed all of the covenants and complied with all of the provisions required by this Agreement to be performed or complied with by the Trust, on behalf of the Target Fund, on or before the Closing Date.
- 7.3. The Trust, on behalf of the Target Fund, shall have delivered to the Acquiring Fund a statement of the Assets and Liabilities, as of the Closing Date, including a schedule of investments, certified by the Treasurer of the Trust, on behalf of the Target Fund. The Trust shall have executed and delivered all such assignments and other instruments of transfer (the "Transfer Instruments") as the Trust, on behalf of the Acquiring Fund, may reasonably deem necessary or desirable in order to vest in and confirm (a) the Trust's, on behalf of the Target Fund, title to and possession of the Acquiring Fund Shares to be delivered hereunder and (b) the Trust's, on behalf of the Acquiring Fund, title to and possession of all the Assets and otherwise to carry out the intent and purpose of this Agreement.
- 7.4. The Trust, on behalf of the Target Fund, shall have delivered to the Acquiring Fund a certificate executed in the name of the Target Fund by the President or Vice President and the Treasurer or Assistant Treasurer of the Trust, in a form reasonably satisfactory and dated as of the Closing Date, as to the matters set forth in paragraphs 7.1 and 7.2 and as to such other matters as the Trust, on behalf of the Acquiring Fund, shall reasonably request.
- 7.5. The Target Fund and the Acquiring Fund shall have agreed on the number of full Acquiring Fund Shares to be issued in connection with the Reorganization after such number has been calculated in accordance with paragraph 1.1. For the avoidance of doubt, the Acquiring Fund shall not issue fractional shares, and cash shall be distributed to Target Fund Shareholders in connection with this Reorganization in lieu of fractional Acquiring Fund Shares.

8. FURTHER CONDITIONS PRECEDENT TO OBLIGATIONS OF THE ACQUIRING FUND AND THE TARGET FUND

If any of the conditions set forth below have not been satisfied on or before the Closing Date with respect to the Trust, on behalf of the Target Fund, or the Trust, on behalf of the Acquiring Fund, the other party to this Agreement shall be entitled, at its option, to refuse to consummate the transactions contemplated by this Agreement:

- 8.1. This Agreement and the transactions contemplated herein shall have been approved by the Trustees of the Trust, on behalf of the Target Fund, and the Trust, on behalf of the Acquiring Fund, in accordance with the provisions of the Charter and by-laws of the Trust, applicable state law and the 1940 Act, and certified copies of the resolutions evidencing such approval shall have been delivered to the Acquiring Fund. Notwithstanding anything herein to the contrary, the Trust may not waive the condition set forth in this paragraph 8.1.
- 8.2. On the Closing Date, no action, suit or other proceeding shall be pending or, to the knowledge of the Trust, threatened before any court or governmental agency in which it is sought to restrain or prohibit, or obtain damages or other relief in connection with, this Agreement or the transactions contemplated herein.
- 8.3. All consents of other parties and all other consents, orders and permits of federal, state and local regulatory authorities deemed necessary by the Trust to permit consummation, in all material respects, of the transactions contemplated hereby shall have been obtained, except where failure to obtain any such consent, order or permit would not involve a risk of a material adverse effect on the Assets of the Acquiring Fund or the Target Fund, provided that either party hereto may for itself waive any of such conditions.
- 8.4. The Registration Statement shall have become effective under the 1933 Act, and no stop orders suspending the effectiveness thereof shall have been issued and, to the best knowledge of the parties hereto, no investigation or proceeding for that purpose shall have been instituted or be pending, threatened or contemplated under the 1933 Act.
- 8.5. With respect to the Reorganization, the Acquiring Fund and the Target Fund shall have received an opinion of Paul Hastings LLP, substantially to the effect that for U.S. federal income tax purposes:
 - (a) The Reorganization will constitute a “reorganization” within the meaning of Section 368(a)(1)(F) of the Code, and the Acquiring Fund and Target Fund each will be “a party to a reorganization” within the meaning of Section 368(b) of the Code;
 - (b) Under Section 1032 of the Code, no gain or loss will be recognized by the Acquiring Fund upon the receipt of the Assets of the Target Fund solely in exchange for the assumption of the Liabilities of the Target Fund and issuance of the Acquiring Fund Shares;
 - (c) Under Sections 361 and 357(a) of the Code, no gain or loss will be recognized by the Target Fund upon the transfer of the Assets of the Target Fund to the Acquiring Fund solely in exchange for the assumption by the Acquiring Fund of the Target Fund’s Liabilities and the Acquiring Fund Shares or upon the distribution (whether actual or constructive) of the Acquiring Fund Shares to Target Fund Shareholders in exchange for their Target Fund Shares;
 - (d) Under Section 354 of the Code, no gain or loss will be recognized by any Target Fund Shareholder upon the exchange of its Target Fund Shares solely for Acquiring Fund Shares (except with respect to cash received in lieu of fractional shares);

- (e) Under Section 358 of the Code, the aggregate tax basis of the Acquiring Fund Shares received by each Target Fund Shareholder pursuant to the Reorganization will be the same as the aggregate tax basis of the Target Fund Shares exchanged in the Reorganization (reduced by any amount of tax basis allocable to fractional shares for which cash is received);
- (f) Under Section 1223(1) of the Code, the holding period of the Acquiring Fund Shares received by each Target Fund Shareholder will include the period during which the Target Fund Shares exchanged therefor were held by such shareholder, provided the Target Fund Shares are held as capital assets at the time of the Reorganization;
- (g) Under Section 362(b) of the Code, the tax basis of the Assets of the Target Fund acquired by the Acquiring Fund will be the same as the tax basis of such Assets to the Target Fund immediately prior to the Reorganization;
- (h) Under Section 1223(2) of the Code, the holding period of the Assets of the Target Fund in the hands of the Acquiring Fund will include the period during which those Assets were held by the Target Fund; and
- (i) The Target Fund's tax attributes enumerated in Section 381(c) of the Code will be taken into account by the Acquiring Fund without limitation.

The opinion will be subject to receipt of and based on certain factual certifications made by officers of the Acquiring Fund and the Target Fund and will also be based on customary assumptions. It is possible that the Internal Revenue Service could disagree with Paul Hastings LLP's opinion. Notwithstanding anything herein to the contrary, the Trust may not waive the conditions set forth in this paragraph 8.5.

- 8.6. The Trust shall have received the opinion of Paul Hastings LLP dated the Closing Date (subject to customary assumptions, qualifications and limitations and in form and substance reasonably acceptable to the Trust, on behalf of the Acquiring Fund, and the Trust, on behalf of the Target Fund), substantially to the effect that, based upon certain facts and certifications made by the Trust, on behalf of the Acquiring Fund, and the Trust, on behalf of the Target Fund, and their authorized officers, (a) the Trust is duly organized and validly existing under the laws of Delaware and has power to own all of its Assets and to carry on its business as presently conducted, and the Acquiring Fund is a series thereof duly constituted in accordance with the applicable provisions of the 1940 Act and the Charter and by-laws of the Trust; (b) the Trust is duly organized and validly existing under the laws of the State of Delaware and has power to own all of its Assets and to carry on its business as presently conducted, and the Target Fund is a series thereof duly constituted in accordance with the applicable provisions of the 1940 Act and the Charter and by-laws of the Trust; (c) the Acquiring Fund has the power to assume the Liabilities to be assumed by it hereunder and, upon consummation of the transactions contemplated hereby in accordance with the terms of this Agreement and the execution and delivery to the Target Fund by the Trust, on behalf of the Acquiring Fund, of the Assumption Instrument, the Acquiring Fund will have duly assumed such Liabilities; (d) the Target Fund has the power to sell, assign, transfer and deliver the Assets to be transferred by it hereunder, and, upon consummation of the transactions contemplated hereby in accordance with the terms of this Agreement and the execution and delivery to the Acquiring Fund by the Trust, on behalf of the Target Fund, of the Transfer Instruments against payment therefor, the Target Fund will have duly transferred such Assets to the Acquiring Fund; (e) this Agreement has been duly authorized, executed and delivered on behalf of the Acquiring Fund and the Target Fund and, assuming the Registration Statement and Information Statement/Prospectus comply with applicable federal securities laws, constitutes the valid and binding obligation of the Acquiring Fund and Target Fund, enforceable against the Acquiring Fund and Target Fund in accordance with its terms, subject to bankruptcy, insolvency,

moratorium reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles (regardless of whether enforceability is considered in a proceeding in equity or at law); (f) the Acquiring Fund Shares to be issued for transfer to the Target Fund Shareholders as provided by this Agreement are duly authorized for issuance and, when issued and delivered by the Acquiring Fund against delivery of all of the Assets of the Target Fund as set forth in this Agreement, will be validly issued and outstanding and fully paid and nonassessable shares in the Acquiring Fund, and no shareholder of the Acquiring Fund has any preemptive right of subscription or purchase in respect thereof; (g) the execution and delivery of this Agreement did not, and the consummation of the transactions contemplated thereby will not, violate the Charter or by-laws of the Trust, or result in a violation of the terms and provision of the agreements to which the Trust, the Acquiring Fund or the Target Fund is a party or by which the Trust, the Acquiring Fund or the Target Fund is bound that are listed in an annex to such opinion and, to the knowledge of such counsel, no consent, approval, authorization or order of any United States federal, Delaware state court or governmental body is required for the consummation by the Trust and the Acquiring Fund and the Target Fund of the transactions contemplated by the Agreement, except such as have been obtained; (h) to the knowledge of such counsel, based on discussions with officers of the Trust but without other independent investigation, there is no litigation or administrative proceeding or investigation of or before any court or governmental body presently pending or threatened as to the Trust, with respect to the Acquiring Fund, or the Trust, with respect to the Target Fund, or any of their respective Assets, that, if adversely determined, would materially and adversely affect their respective financial conditions or the conduct of their respective businesses; to the knowledge of such counsel, based on discussions with officers of the Trust but without other independent investigation, neither the Trust nor the Acquiring Fund or Target Fund is a party to or subject to the provisions of any order, decree or judgment of any court or governmental body, which materially and adversely affects either of their respective businesses; and, to the knowledge of such counsel, based on discussions with officers of the Trust but without other independent investigation, there is no legal or governmental proceeding relating to the Trust, the Acquiring Fund, or the Target Fund pending on or before the date of mailing of the Information Statement/ Prospectus or the date hereof which is required to be disclosed in the Registration Statement which is not disclosed therein; (i) the Trust is registered with the Commission as an investment company under the 1940 Act; and (j) the Registration Statement has become effective under the 1933 Act and, to the knowledge of such counsel, (1) no stop order suspending the effectiveness of the Registration Statement has been issued under the 1933 Act and (2) no proceedings for that purpose have been instituted or threatened by the Commission.

- 8.7. The Assets of the Target Fund will include no assets which the Acquiring Fund, by reason of limitations contained in its Charter or of investment policies disclosed in its current prospectus and statement of additional information, as supplemented, in effect on the Closing Date, may not properly acquire.

9. INDEMNIFICATION

- 9.1. The Acquiring Fund, solely out of its Assets (including any amounts paid to the Target Fund pursuant to any applicable liability insurance policies or indemnification agreements), agrees to indemnify and hold harmless the Trust and its Trustees and officers from and against any and all losses, claims, damages, Liabilities or expenses (including, without limitation, the payment of reasonable legal fees and reasonable costs of investigation) to which the Target Fund may become subject, insofar as such loss, claim, damage, liability or expense (or actions with respect thereto) arises out of or is based on (a) any breach by the Acquiring Fund, as applicable of any of its representations, warranties, covenants or agreements set forth in this Agreement or (b) any act,

error, omission, neglect, misstatement, materially misleading statement, breach of duty or other act wrongfully done or attempted to be committed by the Trust or its Trustees or officers prior to the Closing Date, provided that such indemnification by the Acquiring Fund is not (i) in violation of any applicable law or (ii) otherwise prohibited as a result of any applicable order or decree issued by any governing regulatory authority or court of competent jurisdiction.

- 9.2. The Target Fund, solely out of its Assets (including any amounts paid to the Acquiring Fund pursuant to any applicable liability insurance policies or indemnification agreements), agrees to indemnify and hold harmless the Trust and its Trustees and officers from and against any and all losses, claims, damages, Liabilities or expenses (including, without limitation, the payment of reasonable legal fees and reasonable costs of investigation) to which the Acquiring Fund may become subject, insofar as such loss, claim, damage, liability or expense (or actions with respect thereto) arises out of or is based on (a) any breach by the Target Fund of any of its representations, warranties, covenants or agreements set forth in this Agreement or (b) any act, error, omission, neglect, misstatement, materially misleading statement, breach of duty or other act wrongfully done or attempted to be committed by the Trust or its Trustees or officers prior to the Closing Date, provided that such indemnification by the Target Fund is not (i) in violation of any applicable law or (ii) otherwise prohibited as a result of any applicable order or decree issued by any governing regulatory authority or court of competent jurisdiction.

10. BROKERAGE FEES AND BROKERAGE EXPENSES; REORGANIZATION COSTS

- 10.1. The Trust, on behalf of the Acquiring Fund, and the Trust, on behalf of the Target Fund, represent and warrant that there are no brokers or finders entitled to receive any payments in connection with the transactions provided for herein.
- 10.2. Matthews will pay for the legal costs incurred by the Funds associated with the Reorganization directly and will pay for other costs incurred by the Funds associated with the Reorganization (including printing and mailing expenses) by waiving fees or reimbursing expenses to offset the costs incurred by the Target Fund and Acquiring Fund associated with the Reorganization. The costs of the Reorganization shall include, but not be limited to, costs associated with obtaining any necessary order of exemption from the 1940 Act, preparation and filing of the Registration Statement and printing and distribution of the Information Statement/Prospectus, legal fees, accounting fees, and securities registration fees. Brokerage fees and expenses related to the disposition and acquisition of Assets (including any disposition to raise cash to pay redemption proceeds) that are incurred in the ordinary course of business will not be covered by Matthews. Notwithstanding any of the foregoing, expenses will in any event be paid by the party directly incurring such expenses if and to the extent that the payment by another person of such expenses would result in the disqualification of such party as a “regulated investment company” within the meaning of Section 851 of the Code.

11. ENTIRE AGREEMENT; SURVIVAL OF WARRANTIES

- 11.1. Each of the Trust, on behalf of the Acquiring Fund, and the Trust, on behalf of the Target Fund, agrees that it has not made any representation, warranty nor covenant, on behalf of either the Target Fund or the Acquiring Fund, not set forth herein and that this Agreement constitutes the entire agreement between the parties.
- 11.2. The representations, warranties and covenants contained in this Agreement or in any document delivered pursuant hereto or in connection herewith shall survive the consummation of the transactions contemplated hereunder. The covenants to be performed after the Closing shall survive the Closing.

12. TERMINATION

This Agreement may be terminated and the transactions contemplated hereby may be abandoned by resolution of the Trustees of the Trust with respect to either the Acquiring Fund or the Target Fund at any time prior to the Closing Date, if circumstances should develop that, in the opinion of that Board, make proceeding with the Agreement inadvisable with respect to the Acquiring Fund or the Target Fund, respectively.

13. AMENDMENTS

This Agreement may be amended, modified or supplemented in such manner as may be deemed necessary or advisable by the authorized officers of the Trust.

14. NOTICES

Any notice, report, statement or demand required or permitted by any provisions of this Agreement shall be in writing and shall be given by facsimile, electronic delivery (i.e., e-mail) personal service or prepaid or certified mail addressed as follows:

Target Fund:

Matthews Korea Fund
4 Embarcadero Center, Suite 550
San Francisco, CA 94111

Acquiring Fund:

Matthews Korea Active ETF
4 Embarcadero Center, Suite 550
San Francisco, CA 94111

Matthews:

Matthews International Capital Management, LLC:
4 Embarcadero Center, Suite 550
San Francisco, CA 94111

15. HEADINGS; GOVERNING LAW; SEVERABILITY; ASSIGNMENT; LIMITATION OF LIABILITY

- 15.1. The Article and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
- 15.2. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to its principles of conflicts of laws.
- 15.3. This Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and assigns, but no assignment or transfer hereof or of any rights or obligations hereunder shall be made by any party without the written consent of the other party. Nothing herein expressed or implied is intended or shall be construed to confer upon or give any person, firm or corporation, other than the parties hereto and their respective successors and assigns, any rights or remedies under or by reason of this Agreement.

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IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed as of the date and year first above written.

**Matthews International Funds, on behalf of
Target Fund**

By: /s/ John P. McGowan

Name: John P. McGowan

Title: Vice President and Secretary

**Matthews International Funds, on behalf of
Acquiring Fund**

By: /s/ John P. McGowan

Name: John P. McGowan

Title: Vice President and Secretary

With respect to paragraph 10.2 of this Agreement, Accepted and Acknowledged by:

Matthews International Capital Management, LLC

By: /s/ James Cooper Abbott

Name: James Cooper Abbott

Title: Chief Executive Officer

Schedule 4.1
Disclosure Form – Target Fund

None

Schedule 4.2
Disclosure Form – Acquiring Fund

None

MATTHEWS INTERNATIONAL FUNDS
Matthews Korea Fund
Matthews Korea Active ETF

PART B

STATEMENT OF ADDITIONAL INFORMATION

June 1, 2023

This Statement of Additional Information (the “SAI”) relates to the reorganization (“Reorganization”) of the Matthews Korea Fund (the “Target Fund”), a series of Matthews International Funds, d/b/a Matthews Asia Funds (the Trust”), into a newly-created ETF, to be named the Matthews Korea Active ETF (the “Acquiring Fund” and together with the Target Fund, the “Funds”), also a series of the Trust.

This SAI contains information which may be of interest to shareholders of the Target Fund relating to the Reorganization, but which is not included in the Combined Prospectus/Information Statement dated June 1, 2023 (the “Combined Prospectus/Information Statement”). As described in the Combined Prospectus/Information Statement, the Reorganization would involve the transfer of the assets and all of the liabilities of the Target Fund in exchange for shares of the Acquiring Fund. The Target Fund will distribute the Acquiring Fund shares it receives to its shareholders in complete liquidation of the Target Fund.

This SAI is not a prospectus, and should be read in conjunction with the Combined Prospectus/Information Statement. The Combined Prospectus/Information Statement has been filed with the Securities and Exchange Commission, and is available upon request and without charge by writing to the Target Fund or the Acquiring Fund, c/o Matthews International Funds, Four Embarcadero Center, Suite 550, San Francisco, CA 94111, or by calling 800.789.ASIA (2742).

Capitalized terms used in this SAI and not otherwise defined herein have the meanings given them in the Combined Prospectus/Information Statement.

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ADDITIONAL INFORMATION ABOUT THE TARGET FUND AND THE ACQUIRING FUND

For the Target Fund: Incorporated by reference is the Statement of Additional Information included in the Trust’s Registration Statement on Form N-1A dated April 28, 2023, as supplemented, which is on file with the U.S. Securities and Exchange Commission (the “SEC”) (SEC Accession No. 0001193125-23-127376).

For the Acquiring Fund: Incorporated by reference is the Statement of Additional Information included in the Trust’s Registration Statement on Form N-1A dated April 28, 2023, as supplemented, which is on file with the SEC (SEC Accession No. 0001193125-23-127520).

FINANCIAL STATEMENTS

This SAI incorporates by reference the Annual Report to Shareholders of the Target Fund for the fiscal year ended December 31, 2022, filed March 8, 2023 (SEC Accession No. 0001193125-23-064470), and the Semi-Annual Report to Shareholders of the Target Fund for the period ended June 30, 2022, filed September 7, 2022 (SEC Accession No. 0001193125-22-239970), each as filed with the SEC. The Annual Report and the Semi-Annual Report contain historical financial information regarding the Target Fund. The Acquiring Fund is recently organized and, as such, there are no financial statements for the Acquiring Fund.

SUPPLEMENTAL FINANCIAL INFORMATION

A table showing the fees of the Acquiring Fund and the Target Fund, and the fees and expenses of the Acquiring Fund on a pro forma basis after giving effect to the proposed Reorganization, is included in the section entitled “Summary – Fees and Expenses” of the Combined Prospectus/Information Statement.

The Reorganization will not result in a material change to the Target Fund’s investment portfolio due to investment restrictions. As a result, a schedule of investments of the Target Portfolio modified to show the effects of the change is not required and is not included. Notwithstanding the foregoing, changes may be made to the Target Fund in advance of the Reorganization and/or the Acquiring Fund following the Reorganization.

There are no material differences in accounting policies of the Target Fund as compared to those of the Acquiring Fund.