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Fidelity Asian Values PLC (the “Company”)

Proposed Bonus Issue of 13,497,642 Subscription Shares

26 October 2016

The Board of Fidelity Asian Values PLC announces today that it intends to publish a prospectus setting out details of a proposed bonus issue of Subscription Shares to existing Shareholders (the “Prospectus”) on the basis of one Subscription Share for every five Existing Ordinary Shares held on the Record Date (the “Bonus Issue”).

Implementation of the Bonus Issue requires amendments to the Articles to provide for the rights of the Subscription Shares and authority to be obtained to allot the Subscription Shares (the “New Articles”). The Bonus Issue is conditional on the passing of resolution 15 intended to be proposed at the Annual General Meeting of the Company to be held on 2 December 2016, as well as on the admission of the Subscription Shares to the standard segment of the Official List and to trading on the main market of the London Stock Exchange. A Circular containing notice of the Annual General Meeting will also shortly be published and will be available at www.fidelityinvestmenttrusts.com and will be posted to Shareholders together with the Company’s annual results.

The Bonus Issue

The Company is proposing to issue Subscription Shares to Qualifying Shareholders on the basis of one Subscription Share for every five Existing Ordinary Shares held on the Record Date, subject to the passing of resolution 15 to be set out in the Notice of Annual General Meeting. The Subscription Shares will be issued by way of a bonus issue to Qualifying Shareholders and will be listed and tradable on the standard segment of the main market for listed securities of the London Stock Exchange. The ISIN of the Subscription Shares is GB00BDQZFV55 and the ticker is FASS.

Each Subscription Share will confer the right (but not the obligation) to subscribe for one Ordinary Share upon exercise of the Subscription Share Rights and on payment of the Subscription Price, as set out below.

The Subscription Share Rights may be exercised on an annual basis by notice to the Company in the 25 days preceding the last business day in November in 2017, 2018 and 2019. The Subscription Price will be equal to the published NAV per Ordinary Share as at 5.00 p.m. on 2 December 2016, plus a premium depending upon the year in which they are exercised, as follows:

<i>Subscription Date</i>	<i>Premium - Percentage of NAV</i>
Last Business Day in November 2017	1%
Last Business Day in November 2018	4%
Last Business Day in November 2019	7%

rounded up to the nearest quarter penny.

The NAV for the purpose of calculating the Subscription Price will be the unaudited value of the Company’s assets calculated in accordance with the Company’s accounting policies (including revenue

items for the current financial year) less all prior charges and other creditors at their fair value (including the costs of the Bonus Issue).

The New Articles provide that the Subscription Price is subject to adjustment upon the occurrence of certain corporate events by or affecting the Company before the last business day in November 2019. The relevant corporate events include consolidations or sub-divisions of share capital, pre-emptive offers of securities to Ordinary Shareholders, takeover offers and the liquidation of the Company. Such adjustments serve to protect either the intrinsic value or the time value of the Subscription Shares or both.

The percentage premia applying upon exercise and the resulting Subscription Price reflect the Board's confidence in the Company's medium to long term prospects and its hope that holders of Subscription Shares will be able to exercise their Subscription Share Rights and acquire Ordinary Shares on favourable terms in the future.

It is expected that an announcement setting out the Subscription Price will be made on 5 December 2016. Fractions of Subscription Shares will not be allotted or issued and entitlements will be rounded down to the nearest whole number of Subscription Shares.

The Ordinary Shares arising on exercise will be allotted within ten Business Days of the relevant Subscription Date. To be exercised, a notice of exercise must be received by the Registrars during such periods, and no later than 5.00 p.m. on the relevant Subscription Date.

Qualifying Shareholders' entitlements will be assessed against the register of members on the Record Date, which is expected to be 5.00 p.m. on 2 December 2016.

Subscription Shares will rank equally with each other and will not carry the right to receive any dividends from the Company or the right to attend and vote at general meetings of the Company (although the holders of the Subscription Shares have the right to vote in certain circumstances where there is a variation of the rights attached to the Subscription Shares).

Following the final exercise date in 2019, the Subscription Share Rights will lapse unless a trustee appointed by the Company determines that the net proceeds of sale of the Ordinary Shares that would arise on the exercise of such rights after deduction of all the costs and expenses of sale would exceed the costs of exercise of such rights. In such circumstances, the trustee would either exercise all or some of the outstanding Subscription Share Rights and sell the Ordinary Shares issued on such exercise in the market, or, if it appears to the trustee that doing so is likely to raise greater net proceeds, it may accept any offer available to the Subscription Shareholders for the purchase of all or some of the outstanding Subscription Shares (or the Ordinary Shares resulting from the exercise of the Subscription Share Rights of those Subscription Shares). The net proceeds of any such sale (after deducting the costs of exercising the Subscription Share Rights, if applicable, and any other costs and expenses incurred in relation to such sale) will be remitted to the Subscription Shareholders unless the amount to which a Subscription Shareholder is entitled is less than £5 in which case such sum shall be retained for the benefit of the Company.

Advantages of the Bonus Issue

The Directors believe that the Bonus Issue of Subscription Shares will have the following advantages:

- (a) Subscription Shares should represent an attractive way for investors to participate in any future NAV growth of the Company through conversion into Ordinary Shares at a predetermined price;
- (b) Qualifying Shareholders will receive securities with a monetary value which may be traded in a similar fashion to their Existing Ordinary Shares or converted into Ordinary Shares;
- (c) on any exercise of the Subscription Share Rights, the capital base of the Company will increase, allowing operating costs to be spread across a larger number of Ordinary Shares, and this may cause the ongoing charges as a percentage of net assets to fall;

- (d) following the exercise of any Subscription Share Rights, the Company will have an increased number of Ordinary Shares in issue which may improve the liquidity in the market for its Ordinary Shares;
- (e) Qualifying Shareholders will receive securities which are qualifying investments for the purposes of an ISA and permitted investments for the purposes of a SIPP; and
- (f) the Bonus Issue may broaden the Company's Shareholder base as the Subscription Shares are dispersed in the market, attracting new investors and improving liquidity for Shareholders.

Implementation of Bonus Issue

Implementation of the Bonus Issue requires Shareholders to approve resolution 15 to be proposed at the Annual General Meeting. If passed, the resolution will:

- (a) approve the adoption of New Articles containing the rights attaching to the Subscription Shares;
- (b) authorise the Directors to allot the Subscription Shares pursuant to the Bonus Issue and Ordinary Shares pursuant to the Subscription Share Rights;
- (c) authorise the capitalisation of sums standing to the credit of the Company's share premium account, capital redemption reserve and any other applicable reserve in paying up the Subscription Shares to be issued pursuant to the Bonus Issue;
- (d) authorise the consolidation, sub-division or redemption of any share capital in connection with the exercise of the Subscription Share Rights so as to enable conversion of the Subscription Shares into Ordinary Shares in accordance with the Subscription Share Rights; and
- (e) authorise the repurchase of up to 14.99% of the number of Subscription Shares in issue immediately following Admission.

Continuation Vote

Under the Articles, the Company is required to propose a continuation vote as an ordinary resolution at every fifth AGM. If a continuation vote is not passed the Directors are required to convene a general meeting within three months, at which proposals for the winding up or other reconstruction of the Company would be considered.

The last continuation vote took place at the AGM held in 2011 and the next is due at the AGM on 2 December 2016, prior to the issue of the Subscription Shares. There would not therefore be any Subscription Share Rights outstanding at the time of the next continuation vote. The full rights attaching to the Subscription Shares are set out in Part IV of the Prospectus.

Admission and Dealings

The Subscription Shares will be in registered form and may be issued either in certificated or uncertificated form. No temporary documents of title will be issued. Pending despatch of definitive certificates, transfers of Subscription Shares in certificated form will be certified against the Register. All documents or remittances sent by or to Shareholders will be sent through the post at the risk of the Shareholder.

Applications will be made to the UK Listing Authority for the Subscription Shares to be admitted to the standard segment of the Official List and to the London Stock Exchange for such shares to be admitted to trading on its market for listed securities. It is expected that Admission will occur, and that dealings will commence on 6 December 2016. On Admission, the Subscription Shares will confer rights to subscribe for new Ordinary Shares representing, in aggregate, up to 20% of the then issued ordinary share capital of the Company.

The Ordinary Shares resulting from the exercise of the Subscription Share Rights will rank *pari passu* with the Ordinary Shares then in issue (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment of the relevant Ordinary Shares).

Overseas Shareholders

The issue of the Subscription Shares to persons who have a registered or mailing address in countries outside the EEA may be affected by the law or regulatory requirements of the relevant jurisdiction.

The Subscription Shares to be issued under the Bonus Issue are not being issued to Overseas Shareholders. The Board will allot any Subscription Shares due under the Bonus Issue to Overseas Shareholders to a market maker who will sell such Subscription Shares promptly at the best price obtainable. The proceeds of sale will be paid to the Overseas Shareholders entitled to them save that entitlements of less than £5 per Overseas Shareholder will be retained by the Company for its own account.

Notwithstanding any other provision of this Prospectus the Company reserves the right to permit any Overseas Shareholder to take up Subscription Shares under the Bonus Issue if the Company, in its sole and absolute discretion, is satisfied at any time prior to the Annual General Meeting that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who believe that they are entitled to take up Subscription Shares under the Bonus Issue should contact the Company as soon as possible to discuss the matter.

Any Shareholder who is in any doubt as to his position should consult an appropriate independent professional adviser without delay.

ISAs/SIPPs

The Subscription Shares will be a qualifying investment for an ISA and shall constitute permitted investments for SIPPs, including qualifying to be held through the Fidelity Platform. The Subscription Shares acquired pursuant to the Bonus Issue are expected to be eligible for inclusion in SIPPs and SSASs, although this should be confirmed independently by Shareholders with their professional tax or financial advisers after taking into account the rules of their scheme.

Annual General Meeting

Shareholders will be posted a Prospectus, Circular and a Form of Proxy and/or Voting Instruction Form(s) for use at the Annual General Meeting.

Whether or not you intend to be present at the Annual General Meeting in person, it is important that you complete and return the Form of Proxy and/or Voting Instruction.

Please read the Circular for further details on attending and voting at the Annual General Meeting.

Voting Intention of the Manager

Certain Shareholders have chosen to hold their Existing Ordinary Shares through the Fidelity Platform, which are held by FIL Nominee Shareholdings Limited as nominee. As at 21 October 2016, 10,433,259 Ordinary Shares (representing approximately 15.46% of the issued capital of the Company) were held in this way. Shareholders who hold their Existing Ordinary Shares through the Fidelity Platform are being given the opportunity to vote on the Proposals and will find enclosed a voting instruction form. Where voting instruction forms are not received, the Existing Ordinary Shares will be voted in favour of the Resolutions by FIL Nominee Shareholdings Limited, as directed by Financial Administration Services Limited in line with the terms and conditions of the Platform.

Expected Timetable of Principal Events

Annual General Meeting	11.00 a.m. on 2 December 2016
Record Date for the Bonus Issue	5.00 p.m. on 2 December 2016
Subscription Price of Subscription Shares calculated	Close of business on 2 December 2016
Announcement of the Subscription Price	5 December 2016
Admission of the Subscription Shares to the Official List and dealings in the Subscription Shares commence	8.00 a.m. on 6 December
Crediting of CREST stock accounts in respect of the Subscription Shares	6 December 2016
Share certificates despatched in respect of the Subscription Shares	Week commencing 19 December

Notes:

- (1) The times and dates set out in the Expected Timetable of Principal Events above and mentioned throughout the Prospectus may be adjusted by the Company, in which event details of the new times and dates will be notified, as required, to the UK Listing Authority and the London Stock Exchange and, where appropriate, to Shareholders.
- (2) All references to time in the Prospectus are references to London time.

Publication of the Prospectus

The Prospectus is due to be approved by the UK Listing Authority today. A copy of the Prospectus will be published for inspection in due course at the National Storage Mechanism which is located at www.morningstar.co.uk/uk/NSM. Copies will also be available for collection, free of charge during normal business hours from the registered office of the Company up to and including the date of Admission. The Prospectus will also shortly be available to view on the Company's website at www.fidelityinvestmenttrusts.com

Capitalised terms used in this announcement shall have the same meaning ascribed to them in the Prospectus and the Circular published by the Company.

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