



**Fidelity**<sup>TM</sup>  
INTERNATIONAL

# FIDELITY ASIAN VALUES PLC

Half-Yearly Report for the  
6 months ended 31 January 2020

## Investment Objective and Overview

The Company's objective is to achieve capital growth principally from the stockmarkets of the Asian Region excluding Japan.

With effect from 1 February 2020, the Company's performance will be measured against the return of the MSCI All Countires Asia ex Japan Small Cap Index (net) total return (in Sterling terms).

Fidelity Asian Values PLC provides shareholders with a differentiated equity exposure to Asian markets. The Portfolio Manager, Nitin Bajaj, achieves this differentiation by favouring undervalued small and medium sized companies as this allows him to find mispriced businesses, the "winners of tomorrow", before they become well known. Asia is the world's fastest-growing economic region and the Portfolio Manager looks to capitalise on this by finding strong businesses, run by trustworthy people and buying them at a sensible price.

Kate Bolsover, Chairman,  
Fidelity Asian Values PLC





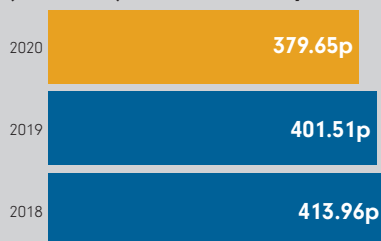
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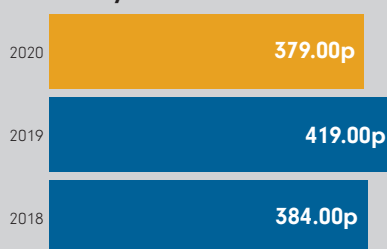
## Portfolio Manager's Review

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## Net Asset Value per Ordinary Share (undiluted) as at 31 January



## Ordinary Share Price as at 31 January



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# At a Glance

Six months ended 31 January 2020

**Net Asset Value per Ordinary Share total return – undiluted<sup>1,2</sup>**

**-13.2%**

(31 January 2019: -2.8%)

**Ordinary Share Price total return<sup>1,2</sup>**

**-15.0%**

(31 January 2019: +3.3%)

**MSCI All Countries Asia ex Japan Index (net) total return (in Sterling terms)<sup>1,3</sup>**

**-3.6%**

(31 January 2019: -4.6%)

1 Includes reinvested income.

2 Alternative Performance Measures (see Glossary of Terms on page 34).

3 The Company's Comparative Index. From 1 February 2020, this will change to the MSCI All Countries Asia ex Japan Small Cap Index (net) total return (in Sterling terms).

## As at 31 January 2020

### Total Shareholders' Funds

**£286.9m**

### Market Capitalisation

**£286.5m**

### Capital Structure

Ordinary Shares of 25 pence each in issue

**75,580,889**

## Summary of the key aspects of the Investment Policy

The Portfolio Manager invests in securities of companies which he considers to have fundamental value that has not been recognised by the market.

The Company is not restricted in terms of size or industry of companies included in the portfolio and may invest in unlisted securities.

The Company may also invest into other transferable securities, collective investment schemes, money market instruments, cash and deposits and is also able to use derivatives for efficient portfolio management and investment purposes.

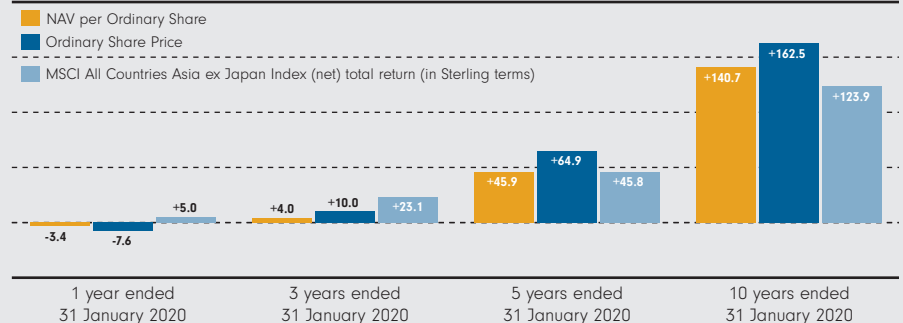
The Company operates a variable management fee arrangement and the performance element is calculated by reference to its Comparative Index.

# Financial Highlights

	31 January 2020	31 July 2019
<b>Assets</b>		
Gross Asset Exposure <sup>1</sup>	£304.0m	£347.4m
Total Shareholders' Funds	£286.9m	£323.0m
Net Asset Value ("NAV") per Ordinary Share – undiluted	379.65p	447.16p
NAV per Ordinary Share – diluted <sup>2</sup>	–	439.91p
Gearing/(net cash position) <sup>3,4</sup>	6.0%	7.5%
<b>Share Price and Discount Data</b>		
Ordinary Share Price at the period end	379.00p	455.50p
Period high	457.50p	457.00p
Period low	379.00p	356.00p
(Discount)/Premium to NAV per Ordinary Share at period end – undiluted	(0.2%)	1.9%
Premium period high	5.3%	5.7%
(Discount) period high	(2.9%)	(4.8%)
Premium to NAV per Ordinary Share at period end – diluted	–	3.5%
Subscription Share Price at period end	–	53.00p
<b>Results for the six months ended 31 January</b>		
	<b>2020</b>	<b>2019</b>
Revenue Return per Ordinary Share	2.75p	2.00p
Capital Loss per Ordinary Share	(61.15p)	(13.94p)
Total Loss per Ordinary Share	(58.40p)	(11.94p)

- 1 The value of the portfolio exposed to market price movements.
- 2 There was no diluted NAV per Ordinary Share as all the subscription shares had been exercised or cancelled. For more information, see Note 10 on page 28.
- 3 Gross Asset Exposure less Total Shareholders' Funds expressed as a percentage of Total Shareholders' Funds.
- 4 Alternative Performance Measure (see Glossary of Terms on page 34).

## Standardised Performance Total Return<sup>1</sup> (%)



<sup>1</sup> Includes reinvested income.

Sources: Fidelity and Datastream  
Past performance is not a guide to future returns

# Portfolio Manager's Half-Yearly Review

## Performance Review

Over the six-month period ended 31 January 2020, the net asset value ("NAV") of Fidelity Asian Values PLC (the Company) fell by 13.2%, compared with a decline of 3.6% for the MSCI All Countries Asia ex Japan Index (net) total return (in Sterling terms) (the Company's "Comparative Index"). Over the same period, the Company's share price decreased by 15.0%. (All figures are on a total return basis).

Six months is a relatively short period, and I do not consider short-term returns to be the most important measure; it is returns over the long-term that are key. That said, I am conscious that the Company's NAV has underperformed the Comparative Index for all periods except for the time since I took over the management of the portfolio.

The foremost reason for this underperformance is that in the last three years the Company's value style and bias towards small caps has been out of favour, as large growth stocks have strongly outperformed small cap value stocks.

As a reminder, my investment philosophy is focused on owning good quality businesses, run by competent management and buying them at a price which leaves enough margin of safety. Whenever markets get infatuated with a certain theme, it becomes harder for investors like me who focus primarily on intrinsic value. During my decade of managing money, I have been through a few cycles of under performance but this one has been more prolonged.

## Company and Comparative Index returns (as at 31 January 2020)

	Fidelity Asian Values PLC NAV total return (%)	Comparative Index total return (%)
<b>Tenure (since 1 April 2015)</b>	+48.7	+47.2
<b>3 Years</b>	+4.0	+23.1
<b>2 Years</b>	-4.9	-3.0
<b>1 Year</b>	-3.4	+5.0
<b>6 Months</b>	-13.2	-3.6

Source: Fidelity International.

**Key Contributors and Detractors over six months (as at 31 January 2020):**

Order	Security	Average Active Weight (%)	Gain/Loss (%)	Contribution to Relative Returns (%)
<b>Top 5 Contributors</b>				
1	China Yongda Automobile Services Holdings	+1.1	+8.4	+0.3
2	Huaneng Renewables	+0.4	+38.3	+0.2
3	Zhongsheng Group	+0.6	+27.2	+0.2
4	AIA Group	-2.5	-9.6	+0.2
5	Granules India	+0.4	+25.6	+0.1
<b>Total</b>				<b>+1.0</b>
<b>Top 5 Detractors</b>				
1	PNB Housing Finance	+1.7	-43.6	-0.9
2	Samsung Electronics	-4.9	+16.4	-0.8
3	Taiwan Semiconductor Manufacturing Co.	-4.0	+28.7	-0.8
4	Alibaba Group	-5.5	+10.5	-0.7
5	Power Grid Corporation of India	+3.6	-20.1	-0.6
<b>Total</b>				<b>-3.8</b>

Source: Fidelity International.

Looking at the biggest five detractors, three of them are stocks we did not have a major holding in and their stock prices increased significantly (they show up as detractors because they are a large part of the index). This will always be the case with my index agnostic style. Historically, these errors of omission have been offset by stocks that we own which generate better returns. As the market has been focused on growth stocks during the last two years, it has meant that the businesses we own have continued to get cheaper.

The two stocks that I do own in the top five detractors deserve an explanation:

- **PNB Housing Finance:** It is the third largest housing finance company in India. I have had a significant position in non-banking finance companies in India with PNB

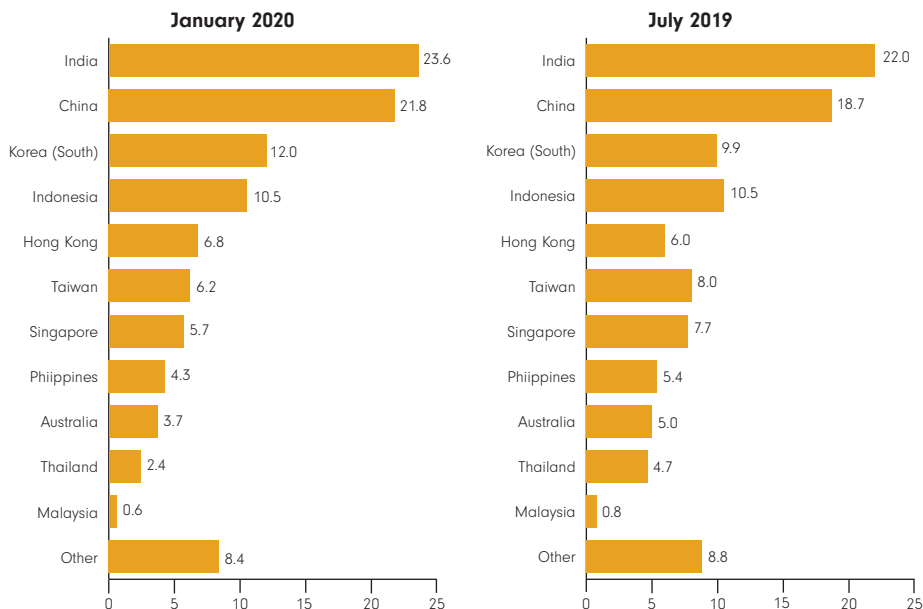
Housing Finance being one of them. It is a well-run company trading at around 4 times price-earnings ratio as the business is facing some issues due to a slowdown in the housing market in India. I continue to believe these issues will be transient, and we own a stake in a well-run company at a very attractive price.

- **Power Grid Corporation of India:** Power Grid is India's largest electricity transmission utility and earns a regulated return on equity of close to 15%. The company has grown earnings for the last 20 years, and in my opinion, it will continue to grow in the next 10 years. The market has ignored the stock as a boring utility company. I like this growth company as it trades at 7 times price-earnings ratio and it continues to be our largest position in the portfolio.

# Portfolio Manager's Half-Yearly Review continued

## Distribution of the Portfolio by Country

(Gross Asset Exposure expressed as a percentage of Total Shareholders' Funds)



Source: Fidelity International, 31 January 2020. MSCI classification.

### Thoughts on the Coronavirus (COVID-19)

This is an unprecedented event for everyone, and investors are having to opine on a topic for which they are not trained. Even scientists and epidemiologists are not certain in terms of how things will unfold over the next few months. Having said that, undoubtedly the economic impact will be quite severe in the short-term on both demand and supply. Looking at current earnings forecasts is pointless given the fluidity of the situation. We can model scenarios but frankly the dispersion in outcomes makes them meaningless. There are a number of unknown factors. For example, as China emerges from its lockdown measures, could we have a second wave of infections? Factories cannot "work from home" so the risk of a resurgence in cases certainly exists. For the rest of the world, we do not know how long the lockdown must last and,

once lockdowns are lifted, the degree of freedom of movement that will be allowed. It's very difficult to forecast when the recovery will begin and whether it will be quick or long drawn.

My working assumptions are listed below. I would take these views with a pinch of salt as forecasting a pandemic is obviously beyond my core competence. I am by no means a trained epidemiologist.

- Short-term:** The disease has now spread globally, and I would expect governments to be conservative in easing restrictions. I would expect a few waves or a continued (but controlled) flow of cases in most countries. This implies that the world economy will be on a hand brake until a medical remedy is found or nature takes a different course.



- **Long-term:** I think this will be contained – through natural causes or a vaccine. In two years' time, it's unlikely that there will be a significant impact on how the world functions. Some industries will change, some companies will fold; but on the whole the world should be able to return to normal.
- Economically, I expect earnings to get downgraded materially across most sectors. There will be disruption of both production and demand. Weak balance sheets should worsen, and we may see some bankruptcies of weak businesses.
- Unemployment rates will rise and will take time to bring back down. This will dampen the pace of recovery.
- Falling mortgage rates and low oil prices will boost consumer spending as we recover. However, overall I expect heightened volatility until such time as things start to improve. Markets will react (maybe overreact) to every data point as forecasting disease patterns is beyond our circle of competence and every data point gets extrapolated.

The new economic reality due to COVID-19 has had an impact on our portfolio as well. Businesses we own will be impacted either due to lack of demand and/or due to lockdown of their facilities. Most businesses that we own have low levels of debt (actually most have net cash on their balance sheets) and will be able to weather the storm. They should come out in a stronger position (as weaker competitors either shut shop or are unable to invest in the business) as the economy stabilises. However, there are a few businesses which cannot endure zero revenues. As a result, I have made the following changes to the portfolio:

- Sold out businesses which, even though they had reasonable balance sheets, will not be

able to endure the fixed cost burden during a lockdown. These were a small part of the portfolio (at about 1-2% of total assets).

- Increased the average quality of businesses that we own. There are businesses which I have known and admired for a long time, but which were historically not available at attractive prices. During this sell down, they came to prices which made sense to me and I have decided to invest in them. I have funded some of these by selling some existing holdings where I felt the stock market had not reflected the damage caused by COVID-19. I am taking this opportunity to increase the quality of the portfolio without sacrificing our value discipline.

### Investment Strategy and Outlook

The Company's performance over the last nine months has been subdued and worse than the market returns. I am unable to explain market sentiment of many stocks – both in the portfolio and the market in general. There has been a dominance of growth companies, momentum strategy and stocks that fit a narrative (Technology, Bio-tech, Chinese Consumer, etc).

Stocks which are ignored or cheap, have become even more ignored. At times, the narrative of the stock market is different from the reality of business. This is true for value equities currently and cheap stocks have underperformed severely, with the valuation dispersion expanding further in the last few months. On a relative basis, the last time small cap value stocks were this cheap was in 1999!

My process of focusing on undiscovered stocks which have good underlying businesses, are well managed and available on cheap prices has been out of fashion and a headwind for performance. This is not an excuse but a reflection of how investment sentiment has worked over recent years.

## Portfolio Manager's Half-Yearly Review continued

Having said that, I have the utmost faith in my process. The most time-tested way of investing is to own good businesses, run by competent and honest managements and buy them at attractive prices. Avoiding bubbles and unsustainable valuations is key to long-term compounding, no matter how painful it is in the short-term.

Over time, the quality of business and valuations will matter.

The long-term value of any business will be driven by the cash flow it generates. Short-term market opinion on the value of a business should be meaningless except its impact on investor psychology (mine and yours) and unless we are forced to transact at these depressed valuations.

I am happy with the portfolio of companies we own – both the quality and price at which we own them. **On average, we own vastly superior businesses versus the market and at significantly cheaper prices.** This gives me confidence of robust returns in the future.

It has been a testing nine months in terms of performance, but market fashions should not drive an investment philosophy. I look forward to what markets have to offer over the next three to five years and, in the meantime continue to work to find good businesses, run by good management teams and try to buy them at good prices.

# Interim Management Report

## Comparative Index

As mentioned in the Chairman's Statement in the Annual Report for the year ended 31 July 2019, and effective from 1 February 2020, the Company has changed its Comparative Index from the MSCI All Countries Asia ex Japan Index (net) total return (in Sterling terms) to the MSCI All Countries Asia ex Japan Small Cap Index (net) total return (in Sterling terms). The Company is able to invest in companies of any size of capitalisation in order to achieve its objective of long-term capital growth principally from the stockmarkets of the Asian Region excluding Japan. The Portfolio Manager, Nitin Bajaj, looks to find investments in strong businesses which are run by trustworthy people and available to buy at a reasonable price. Therefore, the universe of investments available is not constrained by the size of a company or by its weighting in any comparative index. However, smaller companies are favoured by the Portfolio Manager as they provide an opportunity to find mispriced businesses, the "winners of tomorrow", before they become well-known. Therefore, the Board considered that adopting a smaller companies Comparative Index was more appropriate. This change was approved by the shareholders at the Annual General Meeting held on 6 December 2019.

## Association of Investment Companies ("AIC") Sector Classification

With the change in the Comparative Index, the Company is now part of the AIC's Asia Pacific Smaller Companies sub-sector. The Board believes that this is the most appropriate peer group for the Company against which performance is measured.

## Board Changes and Succession Planning

It has been agreed that Philip Smiley will retire from the Board with effect from 30 April 2020. The Board would like to thank him for his excellent

contribution to the Company during his tenure and wish him well in the future. Tim Scholefield will succeed him as Senior Independent Director with effect from 1 May 2020.

## Management Fee

The Company has had a variable management fee structure in place since 1 August 2018. It uses a Comparative Index against which the variable element of the management fee is calculated. The change to the Comparative Index from the MSCI All Countries Asia ex Japan Index (net) total return (in Sterling terms) to the MSCI All Countries Asia ex Japan Small Cap Index (net) total return (in Sterling terms) from 1 February 2020 has no impact to any fees accrued until the date of the change. However, any over or under performance will be measured against the new Comparative Index with effect from 1 February 2020 (the start of the second half of the Company's reporting year). The performance of the portfolio is expected to correspond more closely to the new Comparative Index over time, which should lead to reduced volatility in the amount of the variable management fee.

## Bonus Issue of Subscription Shares

The Company issued 3,081,455 ordinary shares of 25 pence on 2 December 2019 (effective date of 29 November 2019) in respect of shares arising on the exercise of the conversion rights attached to subscription shares. Following the final exercise date of 29 November 2019, the conversion rights attached to 8,021,575 subscription shares remained unexercised and as per paragraph 8(f) of Part 4 of the Prospectus published by the Company on 26 October 2016, a Final Subscription Trustee was appointed. The Final Subscription Trustee determined that the net proceeds of sale after deduction of all costs and expenses incurred by, and any fee payable to, the Final Subscription Trustee would

## Interim Management Report continued

not have exceeded the costs of exercising the outstanding 8,021,575 subscription share rights. Therefore, these outstanding subscription share rights lapsed on 13 December 2019 with nil value. The Final Subscription Trustee's decision in this respect is final and binding on all holders of outstanding subscription shares.

### Shares Issued

The Company's shares have mostly traded at a premium in the six months to 31 January 2020 and the Board authorised the issue of 265,981 ordinary shares from the Company's existing block listing facility over the reporting period. Since then and as at the date of this report, no additional ordinary shares have been issued. Issuing shares increases the size of the Company, making it more liquid and allowing for costs to be spread out over a larger asset base.

### Share Repurchases and Treasury Shares

Repurchases of ordinary shares are made at the discretion of the Board and within guidelines set by it from time to time and in light of prevailing market conditions. Shares will only be repurchased when it results in an enhancement to the NAV of the ordinary shares for the remaining shareholders. In order to assist in managing the discount, the Board has shareholder approval to hold in Treasury any ordinary shares repurchased by the Company, rather than cancelling them. Any shares held in Treasury would only be re-issued at NAV per ordinary share or at a premium to NAV per ordinary share.

As the Company's shares have mostly been trading at a premium in the six months to 31 January 2020, no ordinary shares were repurchased for cancellation or for holding in Treasury in the reporting period. However, since mid February 2020, there has been an unprecedented level of turmoil in the world's financial markets and the Company's premium/discount has been extremely volatile in

reaction to such market conditions. As a result, the Board took the decision to repurchase 41,294 shares into Treasury on 27 March 2020. This was the first buyback the Company has undertaken in nearly 6 years. At the time of writing, the Board is pleased to report that the discount to NAV per ordinary share has narrowed considerably and, at times, since 27 March 2020, the Company has been trading at a small premium.

### Principal Risks and Uncertainties

The Board, with the assistance of the Alternative Investment Fund Manager (FIL Investment Services (UK) Limited/the "Manager"), has developed a risk matrix which, as part of the risk management and internal controls process, identifies the key risks and uncertainties faced by the Company.

The Board considers that the principal risks and uncertainties faced by the Company continue to fall to the following categories: market, economic and political risk; investment performance risk; key person risk; discount control risk; gearing risk; derivatives risk; currency risk; and cybercrime risk. Other risks facing the Company include tax and regulatory risks; and operational (service providers) risks. Information on each of these risks can be found in the Strategic Report section of the Annual Report for the year ended 31 July 2019 and can be found on the Company's pages of the Manager's website at [www.fidelityinvestmenttrusts.com](http://www.fidelityinvestmenttrusts.com).

These principal risks and uncertainties have not materially changed in the six months to 31 January 2020. However, since mid February 2020, the wide spread of the Coronavirus (COVID-19) has had a significant impact on markets and is clearly an additional uncertainty, the implications of which the Board is actively considering both for the short and longer-term.

Investors should be prepared for market fluctuations and remember that holding shares in the Company should be considered to be a long-term investment. These risks are somewhat mitigated by the investment trust structure which means no forced sales of any portfolio holdings will need to take place in order to deal with any redemptions. Therefore, investments can be held over a longer time horizon.

The Board has received confirmation from the Manager that in light of the Coronavirus (COVID-19) outbreak, its contingency plans have so far operated effectively and remain under continual review. The Manager has, in line with Government rules, mandated work from home arrangements, implemented split team working for those whose work is deemed necessary to be carried out in the office, and imposed self-isolation arrangements on staff as appropriate. The Company's other third-party service providers have also confirmed the implementation of similar measures to ensure business disruption is minimised to the extent possible.

### **Transactions with the Manager and Related Parties**

The Manager has delegated the Company's portfolio management and the role of Company Secretary to FIL Investments International. Transactions with the Manager and related party transactions with the Directors are disclosed in Note 12 to the Financial Statements on page 29.

### **Going Concern**

The Directors have considered the Company's investment objective, risk management policies, liquidity risk, credit risk, capital management policies and procedures, the nature of its portfolio (being mainly securities which are readily realisable) and its expenditure and cash flow projections and have concluded

that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these Financial Statements. This conclusion also takes into account the Board's assessment of the risks arising from the Coronavirus (COVID-19).

Continuation votes are held every five years and the next continuation vote will be put to shareholders at the Annual General Meeting in 2021.

By order of the Board.

**FIL Investments International**

28 April 2020



## Directors' Responsibility Statement

The Disclosure and Transparency Rules ("DTR") of the UK Listing Authority require the Directors to confirm their responsibilities in relation to the preparation and publication of the Interim Management Report and Financial Statements.

The Directors confirm to the best of their knowledge that:

- a) the condensed set of Financial Statements contained within the Half-Yearly Report has been prepared in accordance with the Financial Reporting Council's Standard, FRS 104: Interim Financial Reporting; and
- b) the Interim Management Report, together with the Portfolio Manager's Half-Yearly Review on pages 4 to 8, includes a fair review of the information required by DTR 4.2.7R and 4.2.8R.

The Half-Yearly Report has not been audited or reviewed by the Company's Independent Auditor.

The Half-Yearly Report was approved by the Board on 28 April 2020 and the above responsibility statement was signed on its behalf by Kate Bolsover, Chairman.

## Twenty Largest Holdings

as at 31 January 2020

The Gross Asset Exposures shown below measure exposure to market price movements as a result of owning shares and derivative instruments. The Balance Sheet Value is the actual value of the portfolio. Where a contract for difference ("CFD") is held, the Balance Sheet Value reflects the profit or loss on the contract since it was opened and is based on how much the share price of the underlying share has moved.

	Gross Asset Exposure		Balance Sheet Value
	£'000	% <sup>1</sup>	£'000
<b>Long Exposures – shares unless otherwise stated</b>			
<b>Power Grid Corporation of India</b>			
Operator of the Indian national electricity grid	10,107	3.5	10,107
<b>Shriram Transport Finance</b>			
Provider of hire purchase and lease finance for medium and heavy commercial vehicles	8,534	3.0	8,534
<b>Redington India</b>			
Distributor of information technology products, mobile handsets and accessories	7,817	2.7	7,817
<b>Fufeng Group (shares and long CFD)</b>			
Bio-fermentation products manufacturer	5,800	2.0	5,571
<b>Cromwell European Real Estate Investment Trust</b>			
Real estate investment company	5,489	1.9	5,489
<b>BOC Aviation (shares and long CFD)</b>			
Global aircraft operating leasing company	5,188	1.8	3,721
<b>Cebu Air</b>			
Airline operator	5,126	1.8	5,126
<b>Xingda International Holdings</b>			
Manufacturer and producer of radial tire cords, bead wires and other wires	5,111	1.8	5,111
<b>China Yongda Automobiles Services Holdings</b>			
Investment holding company engaged in the sale of passenger vehicles and provision of related services	5,053	1.8	5,053
<b>Tianneng Power International</b>			
Manufacturer of storage batteries	4,854	1.7	4,854

## Twenty Largest Holdings continued

as at 31 January 2020

	Gross Asset Exposure		Balance Sheet Value
	£'000	% <sup>1</sup>	£'000
<b>Sinopec Kantons Holdings</b>			
Operator of crude oil loading and unloading, storage and transportation facilities, oil and petrochemical trading	4,816	1.7	4,816
<b>Shriram City Union Finance</b>			
Financial service provider specialising in retail finance	4,713	1.6	4,713
<b>Shinhan Financial Group</b>			
Financial holding company	4,314	1.5	4,314
<b>Cikarang Listrindo</b>			
Electric power distribution company	4,190	1.5	4,190
<b>Arwana Citramulia</b>			
Ceramics manufacturer	4,113	1.4	4,113
<b>Dream International</b>			
Toy designer, manufacturer and seller	3,913	1.4	3,913
<b>Convenience Retail Asia</b>			
Convenience store chain operator	3,852	1.3	3,852
<b>Cognizant Technology Solutions</b>			
Provider of information technology, digital and technology services	3,629	1.3	3,629
<b>PTC India</b>			
Provider of power trading solutions in India	3,549	1.2	3,549
<b>Daewon Pharmaceutical</b>			
Manufacturer and seller of pharmaceutical products	3,484	1.2	3,484
<b>Twenty largest long exposures</b>	<b>103,652</b>	<b>36.1</b>	<b>101,956</b>
Other long exposures	180,914	63.1	169,469
<b>Total long exposures before hedges (145 holdings)</b>	<b>284,566</b>	<b>99.2</b>	<b>271,425</b>

	Gross Asset Exposure		Balance Sheet Value
	£'000	% <sup>1</sup>	£'000
<b>Add: long futures</b>			
MSCI All Countries Asia ex Japan Index Future March 2020	9,062	3.2	(512)
<b>Add: hedging exposures</b>			
Forward Currency Contracts	33	–	33
<b>Total long exposures after the netting of hedges</b>	<b>293,661</b>	<b>102.4</b>	<b>270,946</b>
<b>Add: short exposures</b>			
Short CFDs (10 holdings)	9,261	3.2	1,827
Short Futures (1 holding)	1,119	0.4	1
<b>Gross Asset Exposure<sup>2</sup></b>	<b>304,041</b>	<b>106.0</b>	
<b>Portfolio Fair Value<sup>3</sup></b>			<b>272,774</b>
Net current assets (excluding derivative assets and liabilities)			14,171
<b>Total Shareholders' Funds/Net Assets</b>			<b>286,945</b>

1 Gross Asset Exposure is expressed as a percentage of Total Shareholders' Funds.

2 Gross Asset Exposure comprises market exposure to investments of £272,307,000 plus market exposure to derivative instruments of £31,734,000.

3 Portfolio Fair Value comprises Investments of £272,307,000 plus derivative assets of £2,230,000 less derivative liabilities of £1,763,000 (per the Balance Sheet on page 20).

# Income Statement

for the six months ended 31 January 2020

		six months ended 31 January 2020		
		unaudited		
	Notes	revenue £'000	capital £'000	total £'000
(Losses)/gains on investments		-	(46,281)	(46,281)
Gains/(losses) on derivative instruments		-	1,786	1,786
Income	4	4,206	-	4,206
Investment management fees	5	(1,063)	55	(1,008)
Other expenses		(440)	-	(440)
Foreign exchange (losses)/gains		-	(528)	(528)
<b>Net return/(loss) on ordinary activities before finance costs and taxation</b>		<b>2,703</b>	<b>(44,968)</b>	<b>42,265</b>
Finance costs		(358)	-	(358)
<b>Net return/(loss) on ordinary activities before taxation</b>		<b>2,345</b>	<b>(44,968)</b>	<b>(42,623)</b>
Taxation on return/(loss) on ordinary activities	6	(324)	8	(316)
<b>Net return/(loss) on ordinary activities after taxation for the period</b>		<b>2,021</b>	<b>(44,960)</b>	<b>(42,939)</b>
<b>Basic return/(loss) per ordinary share</b>	7	<b>2.75p</b>	<b>(61.15p)</b>	<b>(58.40p)</b>
<b>Diluted return/(loss) per ordinary share</b>	7	<b>-</b>	<b>-</b>	<b>-</b>

The Company does not have any other comprehensive income. Accordingly the net return/(loss) on ordinary activities after taxation for the period is also the total comprehensive income for the period and no separate Statement of Comprehensive Income has been presented.

The total column of this statement represents the Income Statement of the Company. The revenue and capital columns are supplementary and presented for information purposes as recommended by the Statement of Recommended Practice issued by the AIC.

No operations were acquired or discontinued in the period and all items in the above statement derive from continuing operations.



six months ended 31 January 2019			year ended 31 July 2019		
unaudited			audited		
revenue £'000	capital £'000	total £'000	revenue £'000	capital £'000	total £'000
-	(10,742)	(10,742)	-	16,606	16,606
-	1,159	1,159	-	(573)	(573)
3,350	-	3,350	11,481	-	11,481
(982)	(97)	(1,079)	(2,030)	(232)	(2,262)
(363)	-	(363)	(772)	(39)	(811)
-	51	51	-	879	879
2,005	(9,629)	(7,624)	8,679	16,641	25,320
(349)	-	(349)	(678)	-	(678)
1,656	(9,629)	(7,973)	8,001	16,641	24,642
(272)	-	(272)	(492)	4	(488)
1,384	(9,629)	(8,245)	7,509	16,645	24,154
2.00p	(13.94p)	(11.94p)	10.70p	23.71p	34.41p
1.99p	(13.84p)	(11.85p)	10.58p	23.46p	34.04p

# Statement of Changes in Equity

for the six months ended 31 January 2020

	Notes	share capital £'000	share premium account £'000
<b>Six months ended 31 January 2020 (unaudited)</b>			
<b>Total shareholders' funds at 31 July 2019</b>		<b>18,058</b>	<b>38,073</b>
Net (loss)/return on ordinary activities after taxation for the period		-	-
Issue of ordinary shares on the exercise of rights attached to subscription shares	10	770	11,332
Issue of new ordinary shares	10	67	1,096
Dividend paid to shareholders	8	-	-
<b>Total shareholders' funds at 31 January 2020</b>		<b>18,895</b>	<b>50,501</b>
<b>Six months ended 31 January 2019 (unaudited)</b>			
<b>Total shareholders' funds at 31 July 2018</b>		17,167	24,316
Net (loss)/return on ordinary activities after taxation for the period		-	-
Issue of ordinary shares on the exercise of rights attached to subscription shares	10	303	4,327
Dividend paid to shareholders	8	-	-
<b>Total shareholders' funds at 31 January 2019</b>		17,470	28,643
<b>Year ended 31 July 2019 (audited)</b>			
<b>Total shareholders' funds at 31 July 2018</b>		17,167	24,316
Net return on ordinary activities after taxation for the year		-	-
Issue of ordinary shares on the exercise of rights attached to subscription shares	10	303	4,327
Issue of new ordinary shares	10	588	9,430
Dividend paid to shareholders	8	-	-
<b>Total shareholders' funds at 31 July 2019</b>		<b>18,058</b>	<b>38,073</b>

capital redemption reserve £'000	other non-distributable reserve £'000	other reserve £'000	capital reserve £'000	revenue reserve £'000	total shareholders' funds £'000
3,197	7,367	8,613	237,954	9,737	322,999
-	-	-	(44,960)	2,021	(42,939)
-	-	-	-	-	12,102
-	-	-	-	-	1,163
-	-	-	-	(6,380)	(6,380)
3,197	7,367	8,613	192,994	5,378	286,945
3,197	7,367	8,613	221,309	6,005	287,974
-	-	-	(9,629)	1,384	(8,245)
-	-	-	-	-	4,630
-	-	-	-	(3,777)	(3,777)
3,197	7,367	8,613	211,680	3,612	280,582
3,197	7,367	8,613	221,309	6,005	287,974
-	-	-	16,645	7,509	24,154
-	-	-	-	-	4,630
-	-	-	-	-	10,018
-	-	-	-	(3,777)	(3,777)
3,197	7,367	8,613	237,954	9,737	322,999

# Balance Sheet

as at 31 January 2020

Company number 3183919

	Notes	31.01.20 unaudited £'000	31.07.19 audited £'000	31.01.19 unaudited £'000
<b>Fixed assets</b>				
Investments	9	272,307	312,681	270,518
<b>Current assets</b>				
Derivative instruments	9	2,230	1,537	1,846
Debtors		718	3,325	2,427
Amounts held at futures clearing houses and brokers		1,670	2,905	1,944
Cash at bank		13,286	5,796	5,537
		17,904	13,563	11,754
<b>Creditors</b>				
Derivative instruments	9	(1,763)	(2,192)	(886)
Other creditors		(1,503)	(1,053)	(804)
		(3,266)	(3,245)	(1,690)
<b>Net current assets</b>		14,638	10,318	10,064
<b>Net assets</b>		286,945	322,999	280,582
<b>Capital and reserves</b>				
Share capital	10	18,895	18,058	17,470
Share premium account		50,501	38,073	28,643
Capital redemption reserve		3,197	3,197	3,197
Other non-distributable reserve		7,367	7,367	7,367
Other reserve		8,613	8,613	8,613
Capital reserve		192,994	237,954	211,680
Revenue reserve		5,378	9,737	3,612
<b>Total shareholders' funds</b>		286,945	322,999	280,582
<b>Net asset value per ordinary share</b>	11	379.65p	447.16p	401.51p
<b>Diluted net asset value per ordinary share</b>	11	–	439.91p	400.31p

# Notes to the Financial Statements

## 1 Principal Activity

Fidelity Asian Values PLC is an Investment Company incorporated in England and Wales with a premium listing on the London Stock Exchange. The Company's registration number is 3183919, and its registered office is Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey, KT20 6RP. The Company has been approved by HM Revenue & Customs as an Investment Trust under Section 1158 of the Corporation Tax Act 2010 and intends to conduct its affairs so as to continue to be approved.

## 2 Publication of Non-statutory Accounts

The Financial Statements in this half-yearly financial report have not been audited by the Company's Independent Auditor and do not constitute statutory accounts as defined in section 434 of the Companies Act 2006 (the "Act"). The financial information for the year ended 31 July 2019 is extracted from the latest published Financial Statements of the Company. Those Financial Statements were delivered to the Registrar of Companies and included the Independent Auditor's Report which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Act.

## 3 Basis of Preparation

The Company prepares its Financial Statements on a going concern basis and in accordance with UK Generally Accepted Accounting Practice ("UK GAAP") and FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland, issued by the Financial Reporting Council. The Financial Statements are also prepared in accordance with the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts ("SORP") issued by the Association of Investment Companies ("AIC") in October 2019. FRS 104: Interim Financial Reporting has also been applied in preparing this condensed set of Financial Statements. The accounting policies followed are consistent with those disclosed in the Company's Annual Report and Financial Statements for the year ended 31 July 2019.



## Notes to the Financial Statements continued

## 4 Income

	six months ended 31.01.20 unaudited £'000	six months ended 31.01.19 unaudited £'000	year ended 31.07.19 audited £'000
<b>Investment income</b>			
Overseas dividends	3,889	3,243	10,694
Overseas scrip dividends	45	-	370
	3,934	3,243	11,064
<b>Derivative income</b>			
Dividends received on long CFDs	143	16	126
Interest received on short CFDs	97	55	201
	240	71	327
<b>Other interest</b>			
Deposit interest	32	36	90
<b>Total income</b>	<b>4,206</b>	<b>3,350</b>	<b>11,481</b>

No special dividends have been recognised in capital during the period (six months ended 31 January 2019 and year ended 31 July 2019: £nil).

## 5 Investment Management Fees

	<b>six months ended 31.01.20 unaudited £'000</b>	six months ended 31.01.19 unaudited £'000	year ended 31.07.19 audited £'000
Investment management fees – base (charged to revenue)	<b>1,063</b>	982	2,030
Investment management fees – variable (charged to capital)	<b>(55)</b>	97	232
	<b>1,008</b>	1,079	2,262

FIL Investment Services (UK) Limited is the Company's Alternative Investment Fund Manager and has delegated portfolio management to FIL Investments International ("FIL"). Both companies are Fidelity group companies.

From the 1 August 2018, the Company adopted a new fee arrangement which reduced the base management fee from 0.90% on the first £200 million of gross assets and 0.85% on gross assets over £200 million to 0.70% of net assets per annum. In addition, with effect from 1 November 2018, there is +/- 0.20% variation fee based on the NAV per share performance relative to the Comparative Index. Fees are payable monthly in arrears and are calculated on a daily basis.

## 6 Taxation on Return/(Loss) on Ordinary Activities

	<b>six months ended 31.01.20 unaudited £'000</b>	six months ended 31.01.19 unaudited £'000	year ended 31.07.19 audited £'000
Revenue – taxation on overseas dividends	<b>324</b>	272	492
Capital – Indian capital gains tax received in the period	<b>(8)</b>	–	(4)
Total taxation charge for the period	<b>316</b>	–	488

# Notes to the Financial Statements continued

## 7 Return/(Loss) per Ordinary Share

	six months ended 31.01.20 unaudited	six months ended 31.01.19 unaudited	year ended 31.07.19 audited
Revenue return per ordinary share – basic	2.75p	2.00p	10.70p
Capital (loss)/return per ordinary share – basic	(61.15p)	(13.94p)	23.71p
Total (loss)/return per ordinary share – basic	(58.40p)	(11.94p)	34.41p
Revenue return per ordinary share – diluted	–	1.99p	10.58p
Capital (loss)/return per ordinary share – diluted	–	(13.84p)	23.46p
Total (loss)/return per ordinary share – diluted	–	(11.85p)	34.04p

The basic return/(loss) per ordinary share is based on the net return/(loss) on ordinary activities after taxation for the period divided by the weighted average number of ordinary shares in issue during the period.

	£'000	£'000	£'000
Net revenue return on ordinary activities after taxation for the period	2,021	1,384	7,509
Net capital (loss)/return on ordinary activities after taxation for the period	(44,960)	(9,629)	16,645
Net total (loss)/return on ordinary activities after taxation for the period	(42,939)	(8,245)	24,154

	number	number	number
Weighted average number of ordinary shares in issue during the period	73,529,470	69,084,724	70,193,856

There is no diluted return/(loss) per ordinary share for the current period as all the subscription shares were exercised or cancelled (see Note 10 for further details).

In the prior period, the diluted return/(loss) per ordinary share reflected the notional dilutive effect that would have occurred if the rights attached to subscription shares had been exercised and additional ordinary shares had been issued. The net return/(loss) on ordinary activities after taxation for the period used in the diluted calculation was the same as those for the basic return/(loss) above. These returns/(losses) were divided by the notional weighted average number of ordinary shares in issue during the period – 31 January 2019: 69,592,203 and 31 July 2019: 70,964,574. The number of shares reflected the additional number of ordinary shares that could

have been purchased at the average ordinary share price for the period with the proceeds from the excess of the subscription share rights exercise price over the average ordinary share price.

## 8 Dividends Paid to Shareholders

	six months ended 31.01.20 unaudited £'000	six months ended 31.01.19 unaudited £'000	year ended 31.07.19 audited £'000
Dividend of 8.80 pence per ordinary share paid for the year ended 31 July 2019	6,380	-	-
Dividend of 5.50 pence per ordinary share paid for the year ended 31 July 2018	-	3,777	3,777
	6,380	3,777	3,777

No dividend has been declared in respect of the six months ended 31 January 2020.

## 9 Fair Value Hierarchy

The Company is required to disclose the fair value hierarchy that classifies its financial instruments measured at fair value at one of three levels, according to the relative reliability of the inputs used to estimate the fair values.

Classification	Input
<b>Level 1</b>	Valued using quoted prices in active markets for identical assets
<b>Level 2</b>	Valued by reference to valuation techniques using observable inputs other than quoted prices included within level 1
<b>Level 3</b>	Valued by reference to valuation techniques using inputs that are not based on observable market data

# Notes to the Financial Statements continued

## 9 Fair Value Hierarchy continued

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset. The table below sets out the Company's fair value hierarchy:

31 January 2020 (unaudited)	level 1 £'000	level 2 £'000	level 3 £'000	total £'000
<b>Financial assets at fair value through profit or loss</b>				
Investments	270,739	1,052	516	272,307
Derivative instrument assets	–	2,230	–	2,230
	270,739	3,282	516	274,537
<b>Financial liabilities at fair value through profit or loss</b>				
Derivative instrument liabilities	(511)	(1,252)	–	(1,763)

31 July 2019 (audited)	level 1 £'000	level 2 £'000	level 3 £'000	total £'000
<b>Financial assets at fair value through profit or loss</b>				
Investments	311,753	386	542	312,681
Derivative instrument assets	85	1,194	258	1,537
	311,838	1,580	800	314,218
<b>Financial liabilities at fair value through profit or loss</b>				
Derivative instrument liabilities	(463)	(1,729)	–	(2,192)

31 January 2019 (unaudited)	level 1 £'000	level 2 £'000	level 3 £'000	total £'000
<b>Financial assets at fair value through profit or loss</b>				
Investments	270,063	51	404	270,518
Derivative instrument assets	395	1,451	–	1,846
	270,458	1,502	404	272,364
<b>Financial liabilities at fair value through profit or loss</b>				
Derivative instrument liabilities	(186)	(700)	–	(886)



## 10 Share Capital

	31 January 2020 unaudited		31 July 2019 audited		31 January 2019 unaudited	
	number of shares	£'000	number of shares	£'000	number of shares	£'000
<b>Issued, allotted and fully paid</b>						
<b>Ordinary shares of 25 pence each held outside Treasury</b>						
<b>Beginning of the period</b>	<b>72,233,453</b>	<b>18,058</b>	68,669,402	17,167	68,669,402	17,167
Ordinary shares issued on the exercise of rights	<b>3,081,455</b>	<b>770</b>	1,213,003	303	1,213,003	303
New ordinary shares issued	<b>265,981</b>	<b>67</b>	2,351,048	588	-	-
<b>End of the period</b>	<b>75,580,889</b>	<b>18,895</b>	72,233,453	18,058	69,882,405	17,470
<b>Issued, allotted and fully paid</b>						
<b>Subscription shares of 0.001 pence</b>						
<b>Beginning of the period</b>	<b>11,103,030</b>	<b>-</b>	12,316,033	-	12,316,033	-
Cancellation of subscription shares on the exercise of rights	<b>(3,081,455)</b>	<b>-</b>	(1,213,003)	-	(1,213,003)	-
Cancellation of subscription shares	<b>(8,021,575)</b>	<b>-</b>	-	-	-	-
<b>End of the period</b>	<b>-</b>	<b>-</b>	11,103,030	-	11,103,030	-
<b>Total share capital</b>		<b>18,895</b>		18,058		17,470

# Notes to the Financial Statements continued

## 10 Share Capital continued

A bonus issue of subscription shares to ordinary shareholders on the basis of one subscription share for every five ordinary shares held took place on 5 December 2016. Each subscription share gave the holder the right, but not the obligation, to subscribe for one ordinary share upon payment of the subscription price. The subscription price was based on the published unaudited NAV per ordinary share at 2 December 2016, plus a premium (rounded to the nearest quarter penny) depending upon the year in which the right was exercised. The subscription share rights could have been exercised annually in the 25 business days prior to the relevant subscription date (on which the exercise would take effect). The subscription dates, subscription prices and premiums were as follows:

	Exercise date	Exercise price	Premium
First exercise date	30 November 2017	370.75p	1%
Second exercise date	30 November 2018	381.75p	4%
Final exercise date	29 November 2019	392.75p	7%

After the final exercise date of 29 November 2019, the Company appointed a trustee to exercise any rights remaining that were not exercised by shareholders, providing that by doing so a profit could be realised. To realise a profit, the sale proceeds from selling the resulting ordinary shares in the market needed to be in excess of the 392.75 pence per share price of exercising the rights, plus any related expenses and fees. On 13 December 2019, the Board announced that the Trustee had not exercised any of the unexercised subscription rights of the 8,021,575 outstanding subscription shares. The Trustee determined that the net proceeds of the sale, after deduction of all costs and expenses, would not have exceeded the costs of exercising the subscription share rights. Therefore, all subscription share rights for the outstanding subscription shares lapsed with nil value.

During the period, the Company issued 3,081,455 ordinary shares (year ended 31 July 2019 and six months ended 31 January 2019: 1,213,003 shares) on the exercise of rights attached to subscription shares. The subscription share price of 392.75 pence per ordinary share issued represented a premium of 367.75 pence per share over the 25 pence nominal value of each share. The total premium received in the period on the issue of ordinary shares of £11,332,000 (year ended 31 July 2019 and six months ended 31 January 2019: £4,327,000) was credited to the share premium account.

The Company issued 265,981 new ordinary shares during the period (year ended 31 July 2019: 2,351,048 shares and six months ended 31 January 2019: nil). The total premium received in the period on the issue of new ordinary shares of £1,096,000 (year ended 31 July 2019: £9,430,000 and six months ended 31 January 2019: £nil) was credited to the share premium account.

## 11 Net Asset Value per Ordinary Share

The net asset value per ordinary share is based on net assets of £286,945,000 (31 July 2019: £322,999,000 and 31 January 2019: £280,582,000) and on 75,580,889 (31 July 2019: 72,233,453 and 31 January 2019: 69,882,405) ordinary shares, being the number of ordinary shares of 25 pence each held outside of Treasury at the end of the period.

There is no diluted net asset value per ordinary share as all the subscription shares were exercised or cancelled during the period (see Note 10 for further details).

The diluted net asset value per ordinary share at 31 January 2019 and 31 July 2019 reflect the potential dilution in the net asset value per ordinary share if the rights of the 11,103,030 subscription shares in issue had been exercised at the next exercise date price of 392.75 pence per share. The basis of the calculation is in accordance with the guidelines laid down by the AIC.

## 12 Transactions with the Manager and Related Parties

FIL Investment Services (UK) Limited is the Company's Alternative Investment Fund Manager and has delegated portfolio management and the role of Company Secretary to FIL Investments International ("FIL"). Both companies are Fidelity group companies.

Details of the fee arrangements are given in Note 5 above. During the period, management fees of £1,008,000 (six months ended 31 January 2019: £1,079,000 and year ended 31 July 2019: £2,262,000) and secretarial and administration fees of £38,000 (six months ended 31 January 2019: £38,000 and year ended 31 July 2019: £75,000) were payable to FIL. At the Balance Sheet date, management fees of £130,000 (31 January 2019: £202,000 and 31 July 2019: £217,000) and secretarial and administration fees of £6,000 (31 January 2019: £6,000 and 31 July 2019: £6,000) were accrued and included in other creditors. FIL also provides the Company with marketing services. The total amount payable for these services during the period was £64,000 (six months ended 31 January 2019: £64,000 and year ended 31 July 2019: £146,000). At the Balance Sheet date, marketing services of £24,000 (31 January 2019: £8,000 and 31 July 2019: £20,000) were accrued and included in other creditors.

As at 31 January 2020, the Board consisted of six non-executive Directors (as shown in the Directory on page 32), all of whom are considered to be independent by the Board. None of the Directors have a service contract with the Company. The Chairman receives an annual fee of £36,000, the Audit Committee Chairman an annual fee of £30,000 and each other Director an annual fee of £26,000. As at the date of this report, the following members of the Board held shares in the Company: Kate Bolsover 15,452 ordinary shares, Clare Brady 2,500 ordinary shares, Timothy Scholefield 12,000 ordinary shares, Philip Smiley 2,500 ordinary shares, Grahame Stott 25,000 ordinary shares and Michael Warren, 10,000 ordinary shares.

# Shareholder Information

## Investing in Fidelity Asian Values PLC

Fidelity Asian Values PLC is a company listed on the London Stock Exchange and you can buy its shares through a platform, stockbroker, share shop or bank. Fidelity also offers a range of options, so that you may invest in a way that is best for you. Details of how to invest and the latest Key Information Document can be found on Fidelity's website at

**[www.fidelityinvestmenttrusts.com](http://www.fidelityinvestmenttrusts.com)**

## CONTACT INFORMATION

Shareholders and Fidelity Platform Investors should contact the appropriate administrator using the contact details given below. Links to the websites of major platforms can be found online at

**[www.fidelityinvestmenttrusts.com](http://www.fidelityinvestmenttrusts.com)**

## Shareholders on the main share register

Contact Link Asset Services, Registrar to Fidelity Asian Values PLC, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

Email: **[enquiries@linkgroup.co.uk](mailto:enquiries@linkgroup.co.uk)**

Telephone: **0371 664 0300** (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 9:00 – 17:30, Monday to Friday, excluding public holidays in England and Wales).

Details of individual shareholdings and other information can also be obtained online from the Registrar's Share Portal at

**[www.signalshares.com](http://www.signalshares.com)**. Shareholders are able to manage their shareholding online by registering for the Share Portal, a free and secure online access service. Facilities include:

**Account Enquiry** – Shareholders can access their personal shareholding, including share transaction history, dividend payment history and obtain an up-to-date shareholding valuation.

**Amendment of Standing Data** – Shareholders can change their registered postal address and add, change or delete dividend mandate instructions. Shareholders can also download forms such as change of address, stock transfer and dividend mandate forms as well as buy and sell shares in the Company.

Should you have any queries in respect of the Link Share Portal, contact the helpline on **0371 664 0391** (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 9:00 – 17:30, Monday to Friday excluding public holidays in England and Wales).

## Link Share Dealing Service

Link Asset Services offer a low cost share dealing service to buy or sell shares. Further information is available at **[www.linksharedeal.com](http://www.linksharedeal.com)**, or by telephoning **0371 664 0445** (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 8:00 – 16:30, Monday to Friday excluding public holidays in England and Wales). The Link Share Dealing Service allows you to deal in the shares of other companies for which Link Asset Services acts as Registrar, provided you are already a shareholder in the relevant company, and that company offers the Share Deal facility to its shareholders.

**Fidelity Platform Investors**

Contact Fidelity, using the freephone numbers given below, or by writing to: UK Customer Service, Fidelity International, Oakhill House, 130 Tonbridge Road, Hildenborough, Tonbridge, Kent TN11 9DZ.

Website: **[www.fidelity.co.uk/shares/investment-trusts/](http://www.fidelity.co.uk/shares/investment-trusts/)**

**Private investors:** call free on **0800 41 41 10**, 9:00 – 18:00 Monday to Saturday.

**Financial advisers:** call free on **0800 41 41 81**, 8:00 – 18:00, Monday to Friday.

**General enquiries**

General enquiries should be made to the Secretary, at the Company’s registered office: FIL Investments International, Investment Trusts, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

Telephone: **01737 837846**

Email: **[investmenttrusts@fil.com](mailto:investmenttrusts@fil.com)**

Website: **[www.fidelityinvestmenttrusts.com](http://www.fidelityinvestmenttrusts.com)**

If you hold Fidelity Asian Values PLC shares in an account provided by Fidelity International, you will receive a report every six months detailing all of your transactions and the value of your shares.

Financial Calendar 2020	
31 January 2020	Half-Year End
April 2020	Announcement of the Half-Yearly results
April 2020	Publication of the Half-Yearly Report
31 July 2020	Financial Year End
October 2020	Publication of the Annual Report
December 2020	Annual General Meeting

# Directory

## Board of Directors

Kate Bolsover (Chairman)  
Philip Smiley (Senior Independent Director)  
Grahame Stott (Chairman of the Audit Committee)  
Timothy Scholefield  
Michael Warren  
Clare Brady

## Alternative Investment Fund Manager (AIFM/the Manager)

FIL Investment Services (UK) Limited  
Oakhill House  
130 Tonbridge Road  
Hildenborough  
Tonbridge  
Kent  
TN11 9DZ

## Portfolio Manager, Secretary and Registered Office

FIL Investments International  
Beech Gate  
Millfield Lane  
Lower Kingswood  
Tadworth  
Surrey  
KT20 6RP  
Email: [investmenttrusts@fil.com](mailto:investmenttrusts@fil.com)

## Banker and Custodian

JPMorgan Chase Bank (London Branch)  
125 London Wall  
London  
EC2Y 5AJ

## Depository

J.P. Morgan Europe Limited  
25 Bank Street  
London  
E14 5JP

## Financial Adviser and Stockbroker

Stifel Nicolaus Europe Ltd  
150 Cheapside  
London  
EC2V 6ET

## Independent Auditor

Ernst & Young LLP  
25 Churchill Place  
London  
E14 5EY

## Lawyer

Charles Russell Speechlys LLP  
5 Fleet Place  
London  
EC4M 7RD

## Registrar

Link Asset Services  
The Registry  
34 Beckenham Road  
Beckenham  
Kent  
BR3 4TU

## General Data Protection Regulation (“GDPR”)

### What personal data is collected and how it is used

The Company is an investment trust which is a public limited company and has certain regulatory obligations such as the requirement to send documents to its shareholders, for example, the Annual Report and other documents that relate to meetings of the Company. The Company will therefore collect shareholders’ personal data such as names, addresses and identification numbers or investor codes and will use this personal data to fulfil its statutory obligations.

Any personal data collected will be kept securely on computer systems and in some circumstances on paper. Personal information is kept secure in line with Fidelity’s Information Security policies and standards. If you are unhappy with how we have used your personal data, you can complain by contacting the UK Data Protection Officer, Fidelity International, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

### Sharing personal data

In order to assist the Company in meeting its statutory requirements, the Company delegates certain duties around the processing of this data to its third party service providers, such as the Company’s Registrar and Printers. The Company has appointed Fidelity to undertake marketing activities for the Company and their privacy statement can be found on the Company’s website at <https://investment-trusts.fidelity.co.uk/privacy-policy/>

The Company’s agreements with the third party service providers have been updated to be compliant with GDPR requirements. The Company confirms to its shareholders that their data will not be shared with any third party for any other purpose, such as for marketing purposes. In some circumstances, it may be necessary to transfer shareholders’ personal data across national borders to Fidelity Group entities operating in the European Economic Area (“EEA”). Where this does occur, the European standard of protections will be applied to the personal data that is processed. Where personal data is transferred within the Fidelity group, but outside of the EEA, that data will subsequently receive the same degree of protection as it would in the EEA.

### How long will personal data be kept for?

We will keep the personal data for as long as is necessary for these purposes and no longer than we are legally permitted to do so.

### Requesting access, making changes to your personal data and other important information

Shareholders can access the information that the Company holds about them or ask for it to be corrected or deleted by contacting Fidelity’s UK Data Protection Officer, Fidelity International, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

# Glossary of Terms

## AIF

Alternative Investment Fund ("AIF"). The Company is an [AIF](#).

## AIFM

Alternative Investment Fund Manager ("AIFM"). The Board has appointed FIL Investment Services (UK) Limited to act as the Company's [AIFM](#) (the [Manager](#)).

## AIFMD

The Alternative Investment Fund Managers Directive ("AIFMD") is a European Union Directive and was implemented on 22 July 2014.

## Alternative Performance Measures

The Company uses the following [Alternative Performance Measures](#) which are all defined in this Glossary of Terms:

- Discount/Premium;
- Gearing;
- Ongoing Charges;
- Revenue, Capital and Total Returns; and
- Total Return Performance (Net Asset Value Total Return or Share Price Total Return).

## Collateral

Assets provided as security.

## Comparative Index

MSCI All Countries Asia ex Japan Index (net) total return (in Sterling terms) up to 31 January 2020. From 1 February 2020, this changed to the MSCI All Countries Asia ex Japan Small Cap Index (net) total return (in Sterling terms).

## Contract for Difference (CFD)

A [contract for difference](#) is a [derivative](#). It is a contract between the Company and an investment house at the end of which the parties exchange the difference between the opening price and the closing price of an underlying asset of the specified financial instrument. It does not involve the Company buying or selling the underlying asset, only agreeing to receive or pay the movement in its share price. A [contract for difference](#) allows the Company to gain access to the movement in the share price by depositing a small amount of cash known as margin. The Company may reason that the asset price will rise, by buying ("long" position) or fall, by selling ("short" position). If the Company trades long, dividends are received and interest is paid. If the Company trades short, dividends are paid and interest is received.

## Custodian

An entity that holds (as intermediary) the Company's assets, arranges the settlement of transactions and administers income, proxy voting and corporate actions. The Company's [Custodian](#) is JPMorgan Chase Bank.

## Depository

An entity that oversees the custody, cash arrangements and other [AIFM](#) responsibilities of the Company. J.P. Morgan Europe act as the Company's [Depository](#).

## Derivatives

Financial instruments (such as [futures](#), [options](#) and [contracts for difference](#)) whose value is derived from the value of an underlying asset.



### Diluted Net Asset Value per Ordinary Share

The diluted net asset value per ordinary share reflects what the net asset value per ordinary share would have been if there were any outstanding rights attached to subscription shares and had they been exercised at the period end date. A dilution occurs when the exercise price of the subscription share rights is less than the net asset value per ordinary share. At the reporting date, the Company had no more subscription shares remaining.

### Discount

If the share price of the Company is lower than the net asset value per ordinary share, the Company's shares are said to be trading at a discount. The discount is shown as a percentage of the net asset value per ordinary share.

### Fair Value

The fair value is the best measure of the realisable value of the investments, including derivatives, at a point in time and this is measured as:

- **Listed investments** – valued at bid prices or last market prices, as available, otherwise at published price quotations;
- **Unlisted investments** – valued using an appropriate valuation technique in the absence of an active market;
- **Contracts for difference** – valued as the difference between the settlement price of the contract and the underlying shares in the contract (unrealised gains or losses);
- **Futures and Options** – valued at the quoted trade price for the contract; and
- **Forward currency contracts** – valued at the appropriate quoted forward foreign exchange rate ruling at the Balance Sheet date.

### Forward Currency Contract

Agreement to buy or sell a currency at a specified future date and at a pre-agreed price.

### Futures

Agreements to buy or sell a stated amount of a security at a specific future date and at a pre-agreed price.

### Gearing

Gearing describes the level of the Company's exposure and is expressed as a percentage of shareholders' funds. It reflects the amount of exposure the Company uses to invest in the market. It can be obtained through the use of bank loans, bank overdrafts and derivatives, in order to increase the Company's exposure to investments. If assets rise in value, gearing magnifies the return to shareholders. Correspondingly, if assets fall in value, gearing magnifies the fall. Derivatives are used as a way of gaining exposure to the price movements of shares without buying the underlying shares directly.

### Gearing Percentage

In a simple example, if a company has £100 million of net assets and a total portfolio of £108 million, with £8 million of borrowings (either via bank loans or derivatives), then the shareholders' funds are 8% geared. Normally, the higher the gearing percentage, the more sensitive the Company's shares will be to the movements up and down in the value of the investment portfolio.

### Gross Asset Exposure

A measure of the Company's total equity exposure. It is calculated as the sum of all long exposures, after taking account of hedging positions and the absolute value of all short exposures.

## Glossary of Terms continued

### Hedging

A strategy aimed at minimising or eliminating the risk or loss through adverse movements normally involving taking a position in a [derivative](#) such as [future](#) or [option](#).

### Manager

FIL Investment Services (UK) Limited is the appointed [Manager](#) under the Alternative Investment Fund Managers' Directive ("AIFMD") and it has delegated the portfolio management of assets to FIL Investments International.

### Net Asset Value (NAV)

[Net asset value](#) is sometimes also described as "shareholders' funds" and represents the total value of the Company's assets less the total value of its liabilities. For valuation purposes it is common to express the [net asset value](#) on a per ordinary share basis.

### Net Asset Value per Ordinary Share

The [net asset value](#) divided by the number of ordinary shares in issue.

### Net Market Exposure

A measure of the Company's net equity exposure. It is calculated as the total of all long exposures (less the total of any exposures [hedging](#) the portfolio) less the total of all short exposures.

### Ongoing Charges

Total operating expenses (excluding finance costs and taxation) incurred by the Company as a percentage of the average daily [net asset values](#) for the reporting year.

### Options

An [option](#) is a contract which gives the right but not the obligation to buy or sell an underlying asset at an agreed price on or before an agreed date. [Options](#) may be calls (buy) or puts (sell) and are used to gain or reduce exposure to the underlying asset on a conditional basis.

### Portfolio Manager

Nitin Bajaj is the appointed [Portfolio Manager](#) for the Company and is responsible for managing the Company's assets.

### Premium

If the share price of the Company is higher than the [net asset value per ordinary share](#), the Company is said to be trading at a [premium](#). The [premium](#) is shown as a percentage of the [net asset value per ordinary share](#).

### Registrar

An entity that manages the Company's shareholders register. The Company's [Registrar](#) is Link Asset Services.

### Return/(Loss)

The [return/\(loss\)](#) generated in the period from the investments:

- **Revenue Return** – reflects the dividends and interest from investments and other income net of expenses, finance costs and taxation;
- **Capital Return/(Loss)** – reflects the return on capital, excluding any revenue return; and
- **Total Return/(Loss)** – reflects the aggregate of revenue and capital returns.

### Shareholders' Funds

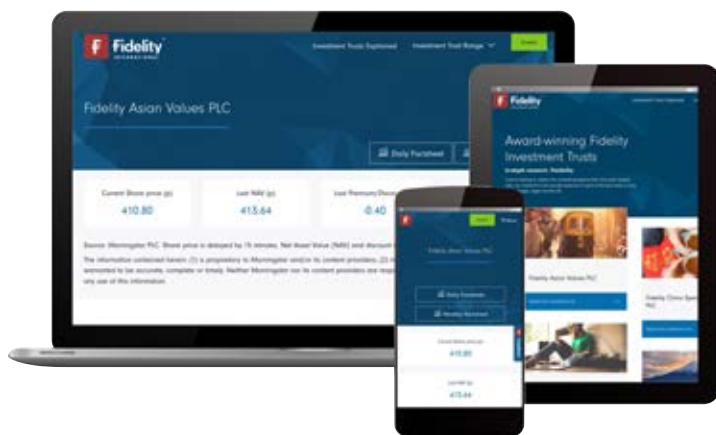
Shareholders' funds are also described as **net asset value** and represent the total value of the Company's assets less the total value of its liabilities.

### Total Return Performance

The return on the share price or **net asset value per ordinary share** taking into account the rise and fall of share prices and dividends paid to shareholders. Any dividends received by the shareholder are assumed to have been reinvested in additional shares (for share price total return) or the Company's assets (for **net asset value** total return).

### Treasury Shares

Ordinary shares of the Company that have been repurchased by the Company and not cancelled but held in Treasury. These shares do not receive dividends, have no voting rights and are excluded from the **net asset value per ordinary share** calculation.



To find out more about Fidelity Asian Values PLC visit our website **[www.fidelityinvestmenttrusts.com](http://www.fidelityinvestmenttrusts.com)** where you can read articles and watch videos on the Company.



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