

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.  
IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.**

**PROPOSED MERGER OF FIDELITY MONDE a fund of FIDELITY SICAV (French SICAV)  
(the 'Merging Fund')**

**INTO:**

**FIDELITY FUNDS - WORLD FUND a fund of FIDELITY FUNDS SICAV (Luxembourg SICAV)  
(the 'Receiving Fund')**

**Key Facts**

- Subject to the approval of the Shareholders of FIDELITY SICAV, the Board proposes to merge the Merging Fund into Receiving Fund. Both Merging and Receiving Funds are UCITs Funds, are part of the FIL Group and they are valued each business day.
- The Merging Fund's reference currency is EUR and the reference currency of the Receiving Fund is USD. However the assets of the Merging fund will be invested in the A-ACC-EUR share class of Fidelity Funds - World Fund.
- The impact on you, as a holder of the Receiving Fund, is assessed to be insignificant due to the size of the assets of the Receiving Fund.

**Shareholder Choices**

- If you agree with the changes proposed in this letter, you do not need to take any action
- If you do not agree with the changes, you can either:
  - Switch your existing Shares in the Fidelity Funds - World Fund into any other fund within Fidelity Funds available to you, or,
  - Redeem your existing Shares in the Fidelity Funds - World Fund
- Decisions must be effected by 5pm HK time on 21 January 2019. No switch or redemption charges will apply.

13 December 2018

Dear Shareholder,

The Board of Directors of Fidelity Funds (the "**Board**") constantly aims to adapt their product range to market requirements with aim to provide choice, diversity and value for their investors. To this end, pursuant to Article 21.bis of the Articles of Incorporation of Fidelity Funds (the "**Articles**"), the Board has approved the proposed merger of Fidelity Monde, a fund of FIDELITY SICAV, a French SICAV (the "**Merging Fund**") and specifically the allocation of the assets of the Merging Fund into **Fidelity Funds - World Fund** (the "**Receiving Fund**"), (the "**Merger**").

This Merger has been approved by the Merging Fund's Board. It will occur subject to the approval at the extraordinary general meeting (the "**EGM**") of the shareholders of the Merging Fund, in compliance with French regulation.

The Board of Directors of the Merging Fund targets 28 January 2019 as the effective date of the Merger (the "**Effective Date**").

Our records show that you (the “**Shareholders**” or “**you**”) are a shareholder in the Receiving Fund.

Any terms not defined herein shall have the same meaning as in the Fidelity Prospectus for Hong Kong Investors of Fidelity Funds (the “**Prospectus**”).

### **Impact of the Merger on the Receiving Fund**

The assets of Fidelity Monde will be sold and the cash raised will be re-invested into Fidelity Funds - World Fund. The impact on you of any transactional costs incurred in relation to the re-investment of the cash inflow into the Receiving Fund is assessed to be insignificant due to the size of the assets of the Receiving Fund. In addition, the proposed Merger should not trigger a dilution in the performance of the Receiving Fund.

### **Costs of the Merger**

You will not bear any costs of the Merger. All expenses triggered by the Merger, including any legal, audit, regulatory and mailing charges, will be borne by the Investment Manager of the Merging Fund, FIL GESTION (and/or any of its affiliates within the FIL Group).

Any additional income and expenses attributable to the Merging Fund accruing after 6:00 pm CET on the Effective Date, will be borne by the Receiving Fund.

The Board believes that the Merger is in the best interests of the Shareholders.

### **Next Steps**

The date of this letter is at least 30 days before the Effective Date in order for you to make an informed judgment of the impact of the Merger on your investment.

The merger will proceed subject to approval at the EGM of the shareholders of the Merging Fund.

If you agree with the proposed Merger, you do not need to take any action.

If you are not in agreement with the proposed Merger, we are offering you a free switch into any other fund of Fidelity Funds available to you, or you may choose to redeem your assets from the Receiving Fund free of redemption charge.

Redemptions or switches free of charge can be instructed on any Valuation Date until 5:00 pm HK time<sup>1</sup> as from the date of receipt of this letter until 21 January 2019, which is 5 Business Days before the Effective Date of 28 January 2019, and will normally be dealt with at the next calculated Net Asset Value.

If you wish to switch or redeem, you should contact either your financial adviser or your usual contact at Fidelity. Fidelity will not charge any redemption fee or levy any switch fee if the instruction is received in the conditions set forth above. Different procedures may apply if dealing is made through a financial adviser or other fund distributor. For further information on these arrangements, please contact your usual contact.

Copies of the audit report prepared by the approved statutory auditor of Fidelity Funds in relation to the Merger will be made available free of charge at the registered office of Fidelity Funds post the Merger.

Please note that the redemption or switching of your holding may be deemed as a disposal for tax purposes. Generally, investors will not be subject to any Hong Kong tax on capital gains realised on the redemption or switching of any Shares. However, if any acquisition, switching or redemption of Shares is or forms part of a trade, profession or business carried on in Hong Kong, gains realised may attract Hong Kong profits tax. If you have any concerns about your tax position, we recommend that you seek independent tax advice.

<sup>1</sup> Different procedures and/or cut-off times may apply if dealing in Shares is made through distributors. Please note that some distributors or other intermediaries may charge additional fees (such as switching or transaction fees) or expenses at their own discretion. For further information on these please contact your financial adviser or your usual contact at the distributor / intermediary whom you transact with.

The Board accepts full responsibility for the accuracy of the content of this letter as at the date of the mailing, and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

I would like to thank you for your investment and I look forward to helping you with future requests. If you have any questions related to the Receiving Fund, or if you would like to request for a copy of the current Prospectus, the Product Key Facts Statement ("KFS") of the Receiving Fund, the Articles of Incorporation, the latest audited annual report and accounts and unaudited semi-annual report and accounts of Fidelity Funds (which is also available at [www.fidelity.com.hk](http://www.fidelity.com.hk)<sup>2</sup> or other material agreements relating to Fidelity Funds, please contact your usual Financial Adviser or the Fidelity Investor Hotline at +852 2629 2629<sup>3</sup>, or you can write to the Hong Kong Representative at Level 21, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong. These documents may be inspected by the public at all times during office hours. Copies of the Prospectus, the latest KFS and the latest financial report of the Receiving Fund may be obtained, free of charge.

Yours faithfully,



**Nishith Gandhi**

Permanent Representative, FIL (Luxembourg) S.A.

Corporate Director, Fidelity Funds

<sup>2</sup> This website has not been reviewed by the Securities and Futures Commission (SFC) in Hong Kong.

<sup>3</sup> International Toll-free Number +800 2323 1122, available to calls from Australia, Canada, Japan, South Korea, Malaysia, New Zealand, the Philippines, Singapore, Taiwan, Thailand and USA. Service may not be available for certain mobile carriers. The "+" sign represents the International Access Prefix. China Toll-free Number: 4001 200632. The Fidelity Investor Hotline is available from 9am to 6pm, Monday to Friday (except Hong Kong public holidays).

**Appendix – List of ISIN Codes**

<b>Class of Shares</b>	<b>ISIN Codes</b>
Fidelity Funds - World Fund A-EUR	LU0069449576
Fidelity Funds - World Fund A-ACC-USD	LU1084165304
Fidelity Funds - World Fund A-ACC-HKD	LU1119994496
Fidelity Funds - World Fund Y-ACC-USD	LU1084165486