

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

14 April 2015

Dear Shareholder,

**Important Changes to Fidelity Funds
Merger of Fidelity Funds – European Aggressive Fund into Fidelity Funds –
European Dynamic Growth Fund**

We are writing to notify you of the decision taken by the Board of Directors of Fidelity Funds (the “**Board**”) to merge Fidelity Funds – European Aggressive Fund (the “**Merging Fund**”) into Fidelity Funds – European Dynamic Growth Fund (the “**Receiving Fund**”) with effect from 20 July 2015 (the “**Effective Date**”). Our records show that you are a shareholder (the “**Shareholders**” or “**you**”) in one or both of these funds. All subscriptions of new Shares in the Merging Fund will be suspended from the date of this letter and the Merging Fund will no longer be marketed to the public in Hong Kong.

The reason why the Board has decided to take this action is because the portfolio manager of the Receiving Fund recently took over the management of the Merging Fund. The Merging Fund and the Receiving Fund have similar investment objectives. As such, in view of the Board’s constant aim to rationalize Fidelity Funds’ range, and in order to avoid having two funds under the Equity Funds category running strategies that are nearly identical, the Board has decided to merge the assets of the Merging Fund into those of the Receiving Fund. Both funds have the same annual management charge and we anticipate no impact for Shareholders in the Receiving Fund. As at 31 December 2014, the fund size of the Merging Fund and Receiving Fund was US\$432,720,000 and US\$516,725,000 respectively.

The Board believes that the proposed merger (the “**Merger**”) is in the best interests of Shareholders and will be conducted in accordance with Article 21.bis of the Articles of Incorporation of Fidelity Funds (the “**Articles**”).

Further details on the Merger are provided below and if you agree with the changes resulting from the Merger (as set out below) there is no need for you to take any action. However, Shareholders who do not wish to participate in the Merger may switch into another fund offered by Fidelity available to you or redeem your holdings, both free of charge (please see further details in the paragraph headed ‘Next Steps’ below).

Comparison of investment objectives, risk profiles and ongoing charges of the Merging Fund and the Receiving Fund

The investment objective of the Merging Fund is as follows:

Invests principally in equity securities of European companies. Following an aggressive approach, the manager is free to select any company regardless of size or industry. Typically, the fund will concentrate its investments in a more limited number of companies and therefore the resulting portfolio will be less diversified. This will suit investors prepared to accept the higher risk associated with this type of investment.

The investment objective of the Receiving Fund is as follows:

The fund aims to achieve long-term capital growth, principally through investment in an actively managed portfolio of companies that have their head office or exercise a predominant part of their activity in Europe. The fund will typically have a bias towards medium sized companies with a market capitalisation of between 1 and 10 billion Euros.

The risk profiles of the Merging Fund and of the Receiving Fund are similar and are described in the table below:

| | Applicable Risk Factors* | | | |
|---|---------------------------------------|---------------------|---|---------------------------|
| | GENERAL RISKS THAT APPLY TO ALL FUNDS | EQUITY RELATED RISK | COUNTRY, CONCENTRATION AND STYLE RELATED RISK | DERIVATIVES RELATED RISKS |
| Fidelity Funds - European Aggressive Fund | √ | √ | √ | √ |
| Fidelity Funds - European Dynamic Growth Fund | √ | √ | √ | √ |

* For further information on these risk categories, please refer to the section 1.2. "Risk Factors" in the latest Fidelity Funds Prospectus.

You should read the Key Facts Statement of the Receiving Fund, as well as the Hong Kong Prospectus of Fidelity Funds (the "**Prospectus**") for further information (available at the registered office of Fidelity Funds or at www.fidelity.com.hk).

As at 30 April 2014, the Ongoing Charges Figure (the "**OCF**") of the existing Share classes in the Merging Fund and the corresponding Share classes in the Receiving Fund were as follows:

| Classes of Shares | OCF¹ of Fidelity Funds – European Aggressive Fund | OCF¹ of Fidelity Funds – European Dynamic Growth Fund |
|--------------------------|---|---|
| A-Euro | 1.94% | 1.93% |
| A-ACC-Euro | 1.94% | 1.93% |
| Y-ACC-Euro | 1.19% | 1.18% |

The Board believes that the Merger will not trigger a dilution in the performance of the Receiving Fund.

¹ The ongoing charge figure for each class of shares is based on ongoing expenses chargeable to the relevant class for the year ended 30 April 2014 expressed as a percentage of the average net asset value of the relevant class for the same period. This figure may vary from year to year.

Costs of the Merger

All expenses triggered by the Merger, including any legal, audit, regulatory and mailing charges (amounting to approximately US\$50,000), will be borne by FIL Fund Management Limited, the Investment Manager of Fidelity Funds. There are no unamortised preliminary expenses outstanding in respect of the Merging Fund. Any additional liabilities attributable to the Merging Fund, accruing after 6.00 p.m. CET (4:00 p.m. Hong Kong time) on the Effective Date, will be borne by the Receiving Fund. The proposed Merger will have no tax implications for the Merging Fund or the Receiving Fund.

Next Steps

If you agree with these changes you do not need to take any action. The Merger will proceed and the Prospectus and Key Facts Statement will be updated accordingly. If you are not in agreement with these changes, we are offering you a free switch into any other fund offered by Fidelity as available to you, or you may choose to redeem your assets from the Merging Fund or the Receiving Fund free of charge.

If you wish to redeem or switch, you should contact either your financial adviser or Fidelity Investor Hotline[^] +852 2629 2629, or you can write to the Hong Kong Representative at Level 21, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong. Redemptions or switches free of charge can be instructed on any Valuation Date until 6.00 p.m. CET (4.00 p.m. Hong Kong time) on 13 July 2015, and will normally be dealt with at the next calculated Net Asset Value.

All subscriptions of Shares in the Merging Fund (other than by existing Shareholders) will be suspended from the date of this letter and the Merging Fund will no longer be marketed to the public in Hong Kong. Switches and redemptions of Shares in the Merging Fund will be suspended from 6.00 p.m. CET (4.00 p.m. Hong Kong time) on 13 July 2015. Shareholders of the Merging Fund may deal in their newly issued Shares in the Receiving Fund from open of business on 21 July 2015. Any accrued income on investments in the Merging Fund at the time of the Merger will be included in the final Net Asset Value per Share and such accrued income will be accounted for on an on-going basis after the Merger in the Net Asset Value per Share of the Receiving Fund. If Shareholders of the Merging Fund have not redeemed or switched their Shares by 13 July 2015, their existing Shares will be automatically converted into Shares of the corresponding Share class in the Receiving Fund.

The exchange ratio for Share classes in the Merging Fund to be merged into the corresponding Share classes in the Receiving Fund will be calculated as at the close of business on 17 July 2015 by dividing the latest available Net Asset Value of the Share classes of the Merging Fund by the latest available Net Asset Value of the corresponding Share classes of the Receiving Fund. In order to calculate how many Shares in the Receiving Fund each Shareholder would receive, the exchange ratio will be multiplied by the number of Shares of the Merging Fund held by each Shareholder. There will be no impact on the value, and number, of Shares held by existing Shareholders of the Receiving Fund as a result of the Merger.

Upon request, copies of the audit report prepared by the approved statutory auditor of Fidelity Funds in relation to the Merger as well as copies of the Articles may both be obtained free of charge at the registered office of Fidelity Funds.

In relation to redemptions, payment of proceeds will normally be made within three business days of receipt of completed redemption/sale documentation. Unless such payment or proceeds are subject to legal or regulatory hurdles which render payment impracticable, the maximum interval between the receipt of completed redemption/sale documentation and the payment of proceeds may not exceed one calendar month. For more details regarding switching and redemption, please refer to the “Dealing Procedures” section in the “Appendix: Important Information for Investors in Hong Kong” section of the Prospectus.

Please note that different procedures may apply if dealing in Shares is made through distributors or other intermediaries. 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.

Please also 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.

The Board accepts full responsibility for the accuracy of the content of this letter 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.

Any terms not defined in this letter shall have the same meaning as in the Prospectus.

If you have any questions related to this proposal please contact your usual financial adviser or Fidelity Investor Hotline[^] +852 2629 2629, or you can write to the Hong Kong Representative at Level 21, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong.

Yours sincerely,



Marc Wathelet
Director, FIL (Luxembourg) S.A.
Corporate Director, Fidelity Funds

[^] 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 and 9am to 1pm, Saturday (except Hong Kong public holidays).