

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this Circular or the action you should take, you are recommended to seek immediately your own personal financial advice from your independent financial adviser, stockbroker, bank manager, solicitor, accountant or from an appropriately qualified and duly authorised independent adviser.

If you have sold or transferred all of your Shares in Aberdeen Emerging Markets Investment Company Limited, you should pass this Circular, together with the accompanying documents (excluding the personalised Tender Form or Savings Scheme Tender Form (as applicable)), as soon as possible, to the purchaser or transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee. This Circular and all accompanying documents should not, however, be forwarded or transmitted in or into any of the Restricted Territories.

The Tender Offer is not being made to Excluded Shareholders. In particular, the Tender Offer is not being made, directly or indirectly, in or into or by the use of mails by any means or instrumentality (including, without limitation, facsimile transmission, internet, telex and telephone) of interstate or foreign commerce, or any facility of a national securities exchange of the United States, nor is it being made directly or indirectly in or into Canada, Australia, Japan or any other Restricted Territory and the Tender Offer cannot be accepted by any such use, means, instrumentality or facility or from within the United States, Canada, Australia, Japan or any other Restricted Territory.

Stockdale Securities Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Aberdeen Emerging Markets Investment Company Limited and no-one else in connection with the Tender Offer set out in this Circular and will not be responsible to any other person for providing the protections afforded to its clients or for providing advice in relation to the Tender Offer or to any other matter referred to herein. Nothing in this paragraph shall serve to exclude or limit any responsibilities which Stockdale may have under the FSMA or the regulatory regime established thereunder.

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# ABERDEEN EMERGING MARKETS INVESTMENT COMPANY LIMITED

*(a closed-ended investment company incorporated with limited liability under the laws of the  
Island of Guernsey with registration number 50900)*

## Proposal for a Tender Offer for up to 10 per cent. of the Shares in issue Notice of Annual General Meeting and Notice of Extraordinary General Meeting

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**This Circular should be read as a whole and your attention is drawn to the Risk Factors set out on page 4. Your attention is also drawn to the section entitled "Action to be taken by Shareholders" on page 10 of this Circular which includes a recommendation from the Board that you vote in favour of the Resolutions to be proposed at the Annual General Meeting and at the Extraordinary General Meeting.**

**Capitalised terms used in this Circular shall have the meanings set out in the section entitled "Definitions" on page 33 of this Circular.**

The Tender Offer will close at 1.00 p.m. on 9 April 2018 and will only be available to Eligible Shareholders on the Register at the close of business on 20 February 2018.

The Tender Offer described in this Circular is conditional on the passing of the Continuation Resolution at the Annual General Meeting and the Tender Resolution at the Extraordinary General Meeting. The notices of the AGM and of the EGM, which will be held at 11 New Street, St Peter Port, Guernsey, GY1 2PF on 12 April 2018, are set out at the end of this Circular.

Shareholders are requested to return the Forms of Proxy, and Savings Scheme Participants are requested to complete the Forms of Direction, accompanying this Circular for use at the AGM and EGM. To be valid, the Forms of Proxy must be completed and returned in accordance with the instructions printed thereon so as to be received by Link Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible and in any event not later than 48 hours (excluding weekends and any bank holiday) before the time of the meeting to which the Form of Proxy relates. To be valid Forms of Direction must be completed and returned in accordance with the instructions printed thereon so as to be received by Link Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible and in any event not later than 48 hours (excluding weekends and any bank holiday) before the time of the meeting to which the Form of Direction relates.

Eligible Shareholders who hold their Shares in certificated form (that is, not in CREST) who wish to tender their Shares under the Tender Offer will find enclosed with this Circular a Tender Form for use in connection with the Tender Offer which should be completed and returned with their share certificate(s) either by post or by hand to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU before 1.00 p.m. on 9 April 2018. A reply-paid envelope (for use in the UK only) is enclosed for your convenience.

Eligible Shareholders who hold their Shares in uncertificated form (that is, in CREST) who wish to tender their Shares under the Tender Offer should follow the procedure set out in the paragraph 4 in Part IV of this Circular, which can be found on page 20 and should ensure that their TTE Instruction(s) settles not later than 1.00 p.m. on 9 April 2018.

Savings Scheme Participants who wish to tender their Shares under the Tender Offer will find enclosed with this Circular a Savings Scheme Tender Form for use in connection with the Tender Offer which should be completed and returned by post or by hand (during normal business hours only) to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU so as to arrive by no later than 1.00 p.m. on 26 March 2018.

**IF YOU DO NOT WISH TO TENDER ANY OF YOUR SHARES PURSUANT TO THE TENDER OFFER, DO NOT COMPLETE OR RETURN A TENDER FORM AND DO NOT SUBMIT A TTE INSTRUCTION.**

## CONTENTS

	<i>Page</i>
EXPECTED TIMETABLE .....	3
RISK FACTORS.....	4
PART I – LETTER FROM THE CHAIRMAN .....	5
PART II – LETTER FROM STOCKDALE SECURITIES LIMITED.....	13
PART III – ACTION TO BE TAKEN BY SAVINGS SCHEME PARTICIPANTS.....	16
PART IV – TERMS AND CONDITIONS OF THE TENDER OFFER.....	18
PART V – TAXATION.....	31
DEFINITIONS .....	33
NOTICE OF ANNUAL GENERAL MEETING .....	36
NOTICE OF EXTRAORDINARY GENERAL MEETING .....	39

## EXPECTED TIMETABLE

Record Date for Tender Offer	Close of business on 20 February 2018
Posting of this Circular, Tender Form, Savings Scheme Tender Form, Forms of Proxy and Forms of Direction	13 March 2018
<b>Latest time and date for receipt of Savings Scheme Tender Forms</b>	<b>1.00 p.m. on 26 March 2018</b>
Latest time and date for receipt of Forms of Direction for the Annual General Meeting	12.00 noon on 5 April 2018
Latest time and date for receipt of Forms of Direction for the Extraordinary General Meeting	12.15 p.m. on 5 April 2018
<b>Latest time and date for receipt of Tender Forms and TTE Instructions</b>	<b>1.00 p.m. on 9 April 2018</b>
Latest time and date for receipt of Forms of Proxy for the Annual General Meeting	12.00 noon on 10 April 2018
Latest time and date for receipt of Forms of Proxy for the Extraordinary General Meeting	12.15 p.m. on 10 April 2018
Annual General Meeting	12.00 noon on 12 April 2018
Extraordinary General Meeting	12.15 p.m. on 12 April 2018 (or as soon thereafter as the AGM shall have concluded or been adjourned)
Announcement of results of Annual General Meeting and Extraordinary General Meeting	12 April 2018
Calculation Date	Close of business on 12 April 2018
Announcement of results of Tender Offer and Tender Price	16 April 2018
Distribution of Tender Consideration and crediting of CREST accounts and despatch of cheques	Week commencing 23 April 2018
Despatch of balancing Share certificates and TFE messages in respect of any unpurchased Eligible Shares	Week commencing 23 April 2018

**All times are UK times. Times and dates are subject to change.**

If you have any enquiries in relation to the Tender Offer, please contact Link Asset Services on +44 (0)371 664 0321. 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. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

## RISK FACTORS

In considering the proposals set out in this Circular, Shareholders should have regard to and carefully consider the Risk Factors described below in addition to the other information set out in this Circular. The following are those Risk Factors which the Board considers to be material as at the date of this Circular (based on the assumption that the Tender Resolution is approved and the Tender Offer is implemented). If any of the adverse events described below actually occur, the Company's business, financial condition or results or prospects could be materially and adversely affected. Additional risks and uncertainties which were not known to the Board at the date of this Circular or that the Board considers at the date of this Circular to be immaterial (based on the assumption that the Tender Resolution is approved and the Tender Offer is implemented) may also materially and adversely affect the Company's business, financial condition or results or prospects.

- The proposed Tender Offer is subject to certain conditions (principally the need for Shareholder approval), the non-fulfilment of which would mean that the Tender Offer could not be implemented and that the Company would have to bear the abortive costs associated with the proposed Tender Offer.
- In order to pay the consideration to which Shareholders are entitled pursuant to valid tenders of Eligible Shares accepted by Stockdale (which the Company is obliged to repurchase from Stockdale), the Company may use a significant amount of its available cash and other liquid funds and through the realisation of some of the more liquid elements of its investment portfolio. As a result, the implementation of the Tender Offer will temporarily reduce the liquidity of the Company's portfolio.
- As a result of the Tender Offer, the number of Shares in issue will be reduced and the Company will reduce in size. As a result, the Company's fixed costs will be spread over fewer Shares. Certain of the Company's current investments may also represent a larger proportion of the Company's portfolio after the Tender Offer.
- The value of, and the income derived from, the Shares can fluctuate and may go down as well as up and there is no guarantee that the market price of the Shares will fully reflect their underlying Net Asset Value.
- Shareholders tendering Eligible Shares for sale under the Tender Offer will receive the Tender Price for each Tendered Share, which may be less than the price at which they bought their Shares.
- There can be no guarantee that the investment objective of the Company will be achieved or that any appreciation of the Company's assets will occur.
- The Company's past investment performance is not a reliable indicator of its future investment performance.
- Changes in economic conditions (including, for example, changes in interest rates, rates of inflation, industry conditions and competition), political, diplomatic, social and demographic events and trends, tax laws and other factors could substantially and adversely affect the values of the Company's portfolio investments and, as a consequence, the Company's investment performance, Share price, and prospects.
- Any change in the Company's tax status, or in taxation legislation or in the interpretation or application of taxation legislation, could affect the value of investments held by the Company, the Company's ability to achieve its investment objective, the ability of the Company to provide returns to Shareholders and/or to alter the post-tax returns of Shareholders.
- Tender Forms and TTE Instructions, once submitted, are irrevocable. The price of Shares and the Company's NAV may rise or fall following submission of a Tender Form.

**The foregoing factors are not exhaustive and do not purport to be a complete explanation of all risks and significant considerations relating to the Tender Offer and the Company. Accordingly, additional risks and uncertainties not presently known to the Board may also have an adverse effect on the Tender Offer and/or the Company's business, financial condition, results or prospects.**

**PART I**

**LETTER FROM THE CHAIRMAN**

**ABERDEEN EMERGING MARKETS INVESTMENT COMPANY LIMITED**

*(a closed-ended investment company incorporated with limited liability under the laws of the Island of Guernsey with registration number 50900)*

(the “Company”)

*Directors:*

Mark Hadsley-Chaplin (Chairman)  
Mark Barker  
William Collins  
Helen Green  
John Hawkins

*Registered office:*

11 New Street  
St. Peter Port  
Guernsey  
GY1 2PF

13 March 2018

**PROPOSAL FOR A TENDER OFFER FOR UP TO 10 PER CENT. OF THE SHARES IN ISSUE**

**NOTICE OF ANNUAL GENERAL MEETING**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

Dear Shareholder,

**1. INTRODUCTION**

On 19 February 2018, the Company announced its results for the financial year ended 31 October 2017. This Circular includes the notice of the Company’s Annual General Meeting, at which it will be proposed, alongside various other business described in this Circular, that the Company adopt the financial statements contained in the 2017 Annual Report. Additionally, the Company is required under its Articles to propose a continuation resolution every five years, and this will be put to Shareholders at the AGM.

In the announcement of its results, the Board also announced a proposal to make a Tender Offer for up to 10 per cent. of the Shares in issue.

Accordingly, this Circular includes the notice of the Annual General Meeting, including the Continuation Resolution, details of the Tender Offer and the notice of the Extraordinary General Meeting to be convened to approve the arrangements for the Tender Offer.

**1.1 Background**

As stated in the annual results announcement, the Board is pleased with the progress made by the Company with regard to revised management arrangements, the diligent implementation of the investment process and the improved performance that has resulted. In the three years to 31 October 2017 the Company has:

- outperformed its benchmark index, with a NAV total return of 44.2 per cent. compared to the 42.3 per cent. return from the benchmark index;
- outperformed its Direct Peer Group of global emerging market investment companies with the NAV total return of 44.2 per cent. being comfortably ahead of the Direct Peer Group average of 33.7 per cent.; and
- delivered a share price total return in excess of any of its Direct Peer Group (share price total return of 45.1 per cent. compared to the Direct Peer Group average of 28.0 per cent.).

(All numbers quoted are in sterling terms and sourced from Bloomberg.)

The Board believes that strong corporate earnings growth and a marked improvement in sentiment towards the emerging markets sector has supported recent significant gains and, with emerging market equities trading at reasonable valuations, the Company's prospects remain encouraging.

The Shares ended the year trading at a discount of 10.4 per cent. to the NAV per Share, compared to a 11.9 per cent. discount at the beginning of the year. As at 12 March 2018, being the latest practicable date prior to publication of this Circular, the Shares were trading at a 12.3 per cent. discount to the NAV per Share. Although the discount is not out of line with most of the Direct Peer Group, the Board is cognisant of the discount at which the Shares trade, despite the improving trend in performance. Accordingly, the Board has taken a number of measures with the objective of fully utilising the benefits of the closed-ended structure whilst also seeking to ensure that the Company is made appealing and accessible to as wide an audience of investors as possible. The measures adopted are listed below and are described in more detail in the 2017 Annual Report:

- the introduction of a dividend policy;
- the use of gearing through the introduction of a £25 million credit facility;
- a reduction in the rate of the base management fee;
- the removal of performance fee arrangements;
- the use of share buyback powers in accordance with the Company's stated discount management policy; and
- participation in the Savings Scheme and the Investment Manager's promotional programme.

## 1.2 Continuation Resolution

Under the Articles, the Board is required to propose the Continuation Resolution at the forthcoming Annual General Meeting. If the Continuation Resolution is passed by Shareholders, the Company will continue to operate in accordance with its investment objective and strategy for a further five years. There will then be a further continuation vote at the Company's annual general meeting in 2023 and, if that is passed, at every fifth annual general meeting thereafter.

If the Continuation Resolution is not passed then, within four months of the vote failing, the Board is required to formulate proposals relating to the future of the Company and put those to the Shareholders. In doing so, the Board will have regard to, among other things, prevailing market conditions and applicable law and regulations.

## 1.3 Tender Offer

In the run up to announcing the Tender Offer, the Board undertook a consultation exercise, covering Shareholders which own over 80 per cent. of the issued Shares. As a result of this exercise, the Board understands that, whilst the large majority of Shareholders by total number of Shares held are supportive both of the measures taken to make an investment in the Shares more appealing and of the continuation of the Company, there is potentially some appetite for the liquidity that can be provided by a tender offer.

Accordingly, Shareholders are also being asked to approve the Tender Offer for up to 10 per cent. of the Shares in issue at a price reflecting a discount of 3.5 per cent. to NAV (calculated after taking account of the accrued expenses of the Tender Offer). The Board believes that the Tender Offer strikes a fair balance between those Shareholders who wish to realise part of their investment in the Company at a value close to the NAV per Share and those who wish to maintain their investment in the Company. Assuming it is fully subscribed, the costs of the Tender Offer are anticipated to be more than offset by the small uplift in NAV for continuing Shareholders once the relevant Shares have been purchased by the Company.

The Tender Resolution to be proposed at the EGM is conditional upon the passing of the Continuation Resolution at the AGM.

Tenders of Eligible Shares by an Eligible Shareholder in excess of their 10 per cent. Basic Entitlement will be satisfied (on a pro rata basis) to the extent that other Eligible Shareholders tender less than the aggregate of their Basic Entitlements.

Set out below are:

- further details and the terms of the Tender Offer, including an explanation of how Eligible Shareholders may tender their Eligible Shares should they wish to do so;
- further details of the business to be conducted at the AGM;
- notice of the Annual General Meeting at which the Company will seek Shareholders' approval for, among other things, the Continuation Resolution; and
- notice of the Extraordinary General Meeting at which the Company will seek Shareholders' approval for the Tender Offer.

**This letter is not a recommendation for Shareholders to tender their Shares pursuant to the Tender Offer. Whether Shareholders choose to tender their Shares will depend on, among other things, their view of the Company's prospects and their own individual circumstances, including their tax position, in relation to which they should seek their own independent advice.**

## **2. TENDER OFFER**

### **2.1 General**

The Board proposes to make available a Tender Offer by Stockdale for up to 10 per cent. of the Shares in issue (excluding treasury shares) on the Record Date to enable those Shareholders (other than Excluded Shareholders) who wish to realise a portion of their holding of Eligible Shares, to do so. The Tender Price will be calculated as described in paragraph 3 of Part IV of this Circular and will reflect a 3.5 per cent. discount to the Net Asset Value per Share as at the Calculation Date. The Tender Price has been set at this level, in consultation with Shareholders, to allow Shareholders who wish to realise a portion of their holding of Eligible Shares to do so at a price close to NAV whilst providing for a small uplift to NAV per Share for continuing Shareholders.

The Company intends to fund the Tender Offer through its available cash, and other liquid funds and through the realisation of a portion of its investment portfolio.

The Record Date for the Tender Offer is the close of business on 20 February 2018.

Under the terms of the Tender Offer, Shareholders (other than Excluded Shareholders) will be entitled to tender up to their Basic Entitlement, being 10 per cent. of the Eligible Shares they held as at the Record Date rounded down to the nearest whole number of Shares. Shareholders will also be able to tender additional Eligible Shares, but any such excess tenders will only be satisfied on a pro rata basis, to the extent that other Shareholders tender less than their Basic Entitlement. Tender applications will be rounded down to the nearest whole number of Shares.

The results of the Tender Offer are expected to be announced on 16 April 2018.

### **2.2 Conditions of the Tender Offer**

The Tender Offer is subject to (i) the Continuation Resolution being passed at the AGM, (ii) the Tender Resolution being passed at the EGM, and (iii) certain other conditions set out in paragraph 2 of Part IV of this Circular. In addition, the Tender Offer may be suspended or terminated in certain circumstances as set out in paragraph 6 of Part IV of this Circular.

The Tender Offer is also conditional upon Stockdale having received payment from the Company in respect of the aggregate Tender Consideration in accordance with the Repurchase Agreement.

### 2.3 Further details of the Tender Offer

Eligible Shareholders are invited to tender for sale some or all of their Eligible Shares (subject to the overall limits of the Tender Offer) to Stockdale who, as principal, will purchase the Eligible Shares validly tendered (subject to the overall limits of the Tender Offer) at the Tender Price and, following the completion of all those purchases, sell the relevant Tendered Shares on to the Company at the Tender Price by way of an on-market transaction, in accordance with the terms of the Repurchase Agreement. All transactions will be carried out on the London Stock Exchange.

The Tender Offer is subject to certain conditions, and may be terminated in certain circumstances as set out in paragraph 6 of Part IV of this Circular. Further details of the calculation of the Tender Price are set out in paragraph 3 of Part IV of this Circular. Shareholders' attention is drawn to the letter from Stockdale set out in Part II of this Circular and, for Shareholders who hold their Shares in certificated form, to the Tender Form and for Savings Scheme Participants, to the Savings Scheme Tender Form, whichever is applicable, which together constitute the terms and conditions of the Tender Offer.

Details of how to tender Eligible Shares can be found in paragraph 4 of Part IV of this Circular. Shareholders should note that, once tendered, Shares may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer.

### 2.4 City Code

Under Rule 9 of the City Code, any person who acquires an interest (as defined in the City Code) in shares which, taken together with shares in which he is already interested and in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any further interests in shares are acquired by any such person.

Under Rule 37.1 of the City Code, when a company redeems its own voting shares, a resulting increase in the percentage of shares carrying voting rights in which a person or a group of persons acting in concert is interested will be treated as an acquisition for the purposes of Rule 9.

However, a person not acting, or presumed not to be acting, in concert with any one or more of the directors will not normally incur an obligation to make a mandatory offer under Rule 9 if, as a result of the redemption of shares by a company, they come to exceed the percentage limits set out in Rule 9.

Consequently, Shareholders should be aware that following implementation of the Tender Offer it is possible that certain Shareholder(s) will be interested in Shares carrying 30 per cent. or more of the voting rights in the Company without their having to make a mandatory offer under Rule 9 of the City Code to acquire the Shares of all other Shareholders.

**Shareholders are not obliged to tender their Shares and, if they do not wish to participate in the Tender Offer, Shareholders should not complete or return their Tender Form or send a TTE Instruction.**

**Shareholders who are in any doubt as to the contents of this Circular or as to the action to be taken should immediately consult their stockbroker, bank manager, solicitor, accountant**



**or other independent professional adviser authorised under the Financial Services and Markets Act 2000 or other appropriately qualified adviser.**

**Shareholders' attention is also drawn to the Risk Factors set out on page 4 of this Circular.**

### **3. ANNUAL GENERAL MEETING**

Notice of the Annual General Meeting of the Company, to be held at 11 New Street, St Peter Port, Guernsey, GY1 2PF at 12.00 noon on 12 April 2018, is set out on pages 36 and 37 of this Circular.

Resolutions 1 to 8, which cover the adoption of the financial statements for the year ended 31 October 2017, the approval of the directors' remuneration report, the approval of the Company's policy to declare four dividends per year, the election of Mark Barker as a director of the Company, the re-election of William Collins and John Hawkins as directors of the Company, the reappointment of KPMG Channel Islands Limited as auditors of the Company and the authorisation of the Company to determine the auditors' remuneration, will be proposed as Ordinary Resolutions.

Resolution 9, the Continuation Resolution, will also be proposed as an Ordinary Resolution. Shareholders are given the opportunity to vote on the future of the Company every five years and, as referred to above, in light of this resolution the Board consulted with Shareholders in the autumn of 2017.

Resolution 10, which is the renewal of the Company's annual general authority to make ad hoc market repurchases of Shares of up to 14.99 per cent. of the Shares in issue, will be proposed as an Ordinary Resolution. This general authority does not relate to, or form part of, the Tender Offer and the Tender Offer is not conditional upon the passing of Resolution 10 at the AGM. The Board monitors the discount to the NAV per Share at which the Shares trade and considers it desirable that in normal market conditions the Shares should trade at a price which on average represents a discount of less than 10 per cent. to the NAV per Share. To assist the Board in acting to deal with any material increase in this discount, it seeks this authority annually from Shareholders to buy back Shares. Shares may be repurchased by the Company when, in the Board's opinion, the Shares are trading at a discount to their NAV that is higher than desirable and Shares are available to purchase in the market. In exercising this discretion, the Board will consider factors such as market conditions and the discounts to the NAV per share at which the shares of comparable companies are trading. The Board is of the view that it is a fundamental premise that Share repurchases enhance the NAV per Share for the remaining Shareholders, although they may also assist in addressing the imbalance between the supply and demand for the Shares and thereby reduce the scale and volatility of the discount at which the Shares trade in relation to the NAV per Share. During the year ended 31 October 2017, the discount to NAV per Share averaged 13.45 per cent. and the Company repurchased 551,450 Shares, representing 1.1 per cent. of the Shares in issue at the start of the year.

Resolution 11 is the customary annual authority to allot a number of Shares equivalent to up to five per cent. of the Share capital without further authority from Shareholders and will be proposed as an Ordinary Resolution.

Resolution 12 is the customary annual authority to disapply pre-emption rights and will be proposed as a Special Resolution.

### **4. EXTRAORDINARY GENERAL MEETING**

The Tender Offer is subject to Shareholder approval of both the Continuation Resolution to be proposed at the AGM and of the Tender Resolution to be proposed at the EGM. The EGM Notice convening the Extraordinary General Meeting, to be held at 12.15 p.m. on 12 April 2018 (or as soon thereafter as the AGM shall have concluded or been adjourned) at 11 New Street, St Peter Port, Guernsey, GY1 2PF, is set out on page 39 of this Circular. The EGM Notice includes the full text of the Tender Resolution, which will be proposed as an Ordinary Resolution.

The authority conferred by the Tender Resolution, if such is approved by the Shareholders at the EGM, will be in addition to the share buy back authority conferred by Resolution 10, if such is approved at the AGM.

## **5. QUORUM FOR AGM AND EGM**

The quorum for the Annual General Meeting and for the Extraordinary General Meeting is two or more Shareholders present in person or by proxy. If the Annual General Meeting or the Extraordinary General Meeting needs to be adjourned because it is not quorate, it will be adjourned to the same time and place on the fifteenth calendar day following the adjourned AGM or EGM (or, if that day is not a business day, to the next business day), whereupon those Shareholders then present, in person or by proxy, shall form the quorum. In the event of any such adjournment the Company will announce the adjournment via an RIS but no notification will be sent directly to Shareholders.

## **6. REPURCHASE AGREEMENT WITH STOCKDALE**

On the date of this Circular, the Company and Stockdale entered into the Repurchase Agreement, which imposes a binding obligation on Stockdale to sell the Tendered Shares to the Company and on the Company to buyback such Tendered Shares at the Tender Price.

All purchases of Shares by the Company shall be effected on the London Stock Exchange in on-market transactions.

Stockdale warrants to the Company that it is a member of the London Stock Exchange and the Company shall be entitled to terminate the Repurchase Agreement if such membership expires, is suspended, revoked or withdrawn at any time prior to the completion of the Tender Offer.

## **7. COSTS AND EXPENSES ASSOCIATED WITH THE TENDER OFFER**

The fixed costs and expenses payable by the Company are estimated to amount to approximately £260,000. This includes estimated portfolio realisation costs and commission payable to Stockdale. All costs and expenses in relation to the Tender Offer will be borne by the Company.

## **8. TAXATION**

Shareholders who sell Eligible Shares in the Tender Offer may, depending on their individual circumstances and subject to the availability of any exemption or relief, incur a liability to taxation. The attention of Shareholders is drawn to Part V of this Circular, which sets out a general guide and is not exhaustive. Shareholders should seek advice in relation to their own specific circumstances.

Shareholders who are in any doubt as to their tax position should seek advice from an appropriately qualified professional.

## **9. EXCLUDED SHAREHOLDERS AND OVERSEAS SHAREHOLDERS**

The Tender Offer is not being made to Excluded Shareholders. Shareholders who are resident in, or citizens of, a Restricted Territory are excluded from the Tender Offer to avoid breaching local laws relating to the implementation of the Tender Offer. Accordingly, copies of this Circular, the Tender Form, the Savings Scheme Tender Form and any related documents are not being and must not be mailed or otherwise distributed in or into any of the Restricted Territories.

Shareholders who are not Excluded Shareholders but who have a registered or mailing addresses outside the United Kingdom or who are citizens or nationals of, or resident in, a jurisdiction other than the United Kingdom should read paragraph 9 of Part IV of this Circular and the relevant provisions of the Tender Form.

## **10. ACTION TO BE TAKEN BY SHAREHOLDERS**

### **10.1 Forms of Proxy**

Whether or not they wish to tender Eligible Shares and regardless of whether they intend to be present at the AGM or EGM, Shareholders (other than Savings Scheme Participants) are requested to complete and return the accompanying Forms of Proxy in accordance with the instructions printed thereon, so as to be received by Link Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible and in any event not later than 12 noon on 10 April 2018 in respect of the Form of Proxy for the AGM and 12.15 p.m. on 10 April 2018 in respect of the Form of Proxy for the EGM.

The completion of Forms of Proxy will not prevent a Shareholder from attending the AGM or the EGM and voting in person should they wish to do so.

## 10.2 **Tender Offer**

**Shareholders who wish to continue with their existing investment in the Company should not tender their Eligible Shares through CREST or return a Tender Form.**

### ***Shares held in uncertificated form (i.e. in CREST)***

Eligible Shareholders who hold their Eligible Shares in uncertificated form (that is in CREST) and who wish to participate in the Tender Offer do not need to complete a Tender Form. Such Shareholders should take the appropriate action in CREST to tender their Eligible Shares and should arrange for the relevant Eligible Shares to be transferred to escrow by no later than 1.00 p.m. on 9 April 2018, as described in Part IV of this Circular.

### ***Shares held in certificated form***

Eligible Shareholders who hold their Eligible Shares in certificated form (other than Savings Scheme Participants) and who wish to participate in the Tender Offer should complete the Tender Form in accordance with the instructions set out therein and return the completed Tender Form by post or by hand (during normal business hours only) to the Receiving Agent, Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU by no later than 1.00 p.m. on 9 April 2018. They should also return the valid share certificate(s) and/or other documents of title in respect of the Eligible Shares tendered. A reply-paid envelope (for use within the United Kingdom only) is enclosed for your convenience.

## 11. **ACTION TO BE TAKEN BY SAVINGS SCHEME PARTICIPANTS**

### 11.1 **Forms of Direction**

Whether or not they wish to tender Eligible Shares and regardless of whether they intend to be present at the AGM or the EGM, Savings Scheme Participants are requested to complete and return the accompanying Forms of Direction in accordance with the instructions printed thereon, so as to be received by Link Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible and in any event not later than 12.00 (noon) on 5 April 2018 in respect of the Form of Direction for the AGM and 12.15 p.m. on 5 April 2018 in respect of the Form of Direction for the EGM.

The completion of Forms of Direction will not prevent a Shareholder from attending the AGM or the EGM and voting in person should they wish to do so.

### 11.2 **Savings Scheme Tender Forms**

**Savings Scheme Participants who wish to continue with their existing investment in the Company should not return a Savings Scheme Tender Form.**

Savings Scheme Participants who wish to participate in the Tender Offer should complete the Savings Scheme Tender Form in accordance with the instructions set out therein and return it to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU so as to be received as soon as possible and in any event by no later than 1.00 p.m. on 26 March 2018. A reply paid envelope (for use within the United Kingdom only) is enclosed with the Savings Scheme Tender Form for your convenience.

## 12. **DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of this Circular, the Company's memorandum of incorporation, the Articles, and the 2017 Annual Report, will be available for inspection at the registered office of the Company during normal business hours on any Business Day from the date of this Circular until the conclusion of the Extraordinary General Meeting and at the place of the AGM and EGM for at least 15 minutes prior to, and during, the relevant meeting.

A copy of this Circular has been submitted to the National Storage Mechanism and will shortly be available for inspection at [www.morningstar.co.uk/uk/NSM](http://www.morningstar.co.uk/uk/NSM). This Circular will also be available on the Company's website: [www.aberdeenemergingmarkets.co.uk](http://www.aberdeenemergingmarkets.co.uk).

### **13. RECOMMENDATION**

With respect to the AGM, the Board considers that the proposals are in the best interests of the Company and of the Shareholders. Accordingly, the Board recommends that Shareholders vote in favour of the Resolutions to be proposed at the AGM, including the Continuation Resolution, as the Directors intend to do in respect of their own beneficial holdings.

With respect to the EGM, the Board considers that the Tender Offer is in the best interests of the Company and of Shareholders. Accordingly, the Board recommends that Shareholders vote in favour of the Tender Resolution to be proposed at the EGM as the Directors intend to do in respect of their own beneficial holdings.

The Directors' beneficial holdings, in aggregate, amount to 47,000 Shares, representing 0.09 per cent. of the issued Shares as at the latest practicable date prior to the issue of this Circular.

**The Board makes no recommendation to Shareholders as to whether they should tender their Eligible Shares in the Tender Offer. The Directors will not tender any of their own Shares. Whether Shareholders decide to tender their Eligible Shares will depend on their view of the Company's prospects and their own individual circumstances including their own tax position.**

Yours faithfully

Mark Hadsley-Chaplin  
**Chairman**

## PART II

### LETTER FROM STOCKDALE SECURITIES LIMITED



Stockdale Securities Limited  
100 Wood Street  
London EC2V 7AN

13 March 2018

Dear Shareholder,

#### 1. TENDER OFFER

As explained in the Letter from the Chairman, Eligible Shareholders are being given the opportunity to tender some or all of their Eligible Shares for purchase in the Tender Offer. The purpose of this letter is to summarise the principal terms and conditions of the Tender Offer.

Stockdale hereby invites Eligible Shareholders to tender up to 100 per cent. of their Eligible Shares for purchase by Stockdale for cash at the Tender Price. Shareholders are entitled to tender up to 100 per cent. of their Eligible Shares but tenders will only be accepted subject to the overall limits of the Tender Offer, which include that no more than 10 per cent. of Eligible Shares in aggregate will be purchased.

Any Tendered Shares will be repurchased from Stockdale by the Company pursuant to the Repurchase Agreement (details of which are set out in paragraph 6 of Part I of this Circular). All transactions will be carried out on the London Stock Exchange.

Shareholders should note that under no circumstances will Stockdale be liable to pay the Tender Consideration to Tendering Shareholders in respect of their Tendered Shares unless and until the Company has paid the aggregate Tender Consideration to, or to the order of, Stockdale in consideration for the purchase of the Tendered Shares from Stockdale pursuant to the Repurchase Agreement.

This letter is not a recommendation to Eligible Shareholders to sell or tender their Eligible Shares and Eligible Shareholders are not obliged to tender any of their Eligible Shares. Eligible Shareholders who wish to continue their investment in the Company should not return their Tender Form or Savings Scheme Tender Form or submit a TTE Instruction in CREST.

The Tender Offer is made on the terms and subject to the conditions set out in Part IV of this Circular and, in the case of Eligible Shareholders holding their Eligible Shares in certificated form and Savings Scheme Participants, in the accompanying Tender Form and Savings Scheme Tender Form (whichever is applicable), the terms of which will be deemed to be incorporated in this Circular and form part of the Tender Offer.

Stockdale is acting exclusively for the Company and no-one else in connection with the Tender Offer and will not be responsible to any other persons for providing the protections afforded to its clients or for providing advice in relation to the Tender Offer or to any matter referred to herein. Nothing in this paragraph shall serve to exclude or limit any responsibilities which Stockdale may have under the FSMA or the regulatory regime established thereunder.

#### 2. PROCEDURE FOR TENDERING ELIGIBLE SHARES

The procedure for tendering your Eligible Shares depends on whether your Eligible Shares are held in certificated or uncertificated form and is summarised below.

##### Shares held in certificated form

Eligible Shareholders who hold Eligible Shares in certificated form and wish to tender Eligible Shares should complete the Tender Form in accordance with the instructions set out therein and return the completed Tender Form by post or by hand (during normal business hours only) to Link Asset

Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU to arrive by no later than 1.00 p.m. on 9 April 2018.

Eligible Shareholders who hold Eligible Shares in certificated form should also return the Share certificate(s) and/or other document(s) of title in respect of the Eligible Shares tendered with their Tender Form.

### **Shares held in uncertificated form (i.e. CREST)**

Eligible Shareholders who hold Eligible Shares in uncertificated form (i.e. in CREST) and who wish to tender some or all of their Eligible Shares should not complete a Tender Form and should instead arrange for their Eligible Shares to be transferred to escrow by sending a TTE Instruction in respect of such Eligible Shares, and follow the procedures set out in Part IV of this Circular, as soon as possible and in any event so as to settle by no later than 1.00 p.m. on 9 April 2018.

### **Savings Scheme Participants**

Savings Scheme Participants who wish to tender some or all of their Eligible Shares should complete the Savings Scheme Tender Form in accordance with the instructions set out therein and return the completed form by post or by hand (during normal business hours only) to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU to arrive by no later than 1.00 p.m. on 26 March 2018. Savings Scheme Participants are referred to the information contained in Part III of this Circular.

Once a Tender Form or Savings Scheme Tender Form has been returned, or TTE Instruction has been submitted, a Shareholder is deemed to accept that such tender application may not be withdrawn or cancelled, save with the consent of the Company, before the completion of the Tender Offer.

Further, Eligible Shareholders should note that, once tendered, Eligible Shares may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer.

Full details of the procedure for tendering Eligible Shares are set out in Part IV of this Circular and, in the case of Eligible Shares held in certificated form, on the Tender Form and, in the case of Savings Scheme Participants, on the Savings Scheme Tender Form (whichever is applicable).

## **3. VALIDITY OF TENDERS**

Tender Forms and TTE Instructions which are received by the Receiving Agent after 1.00 p.m. on 9 April 2018 and Savings Scheme Tender Forms which are received by the Receiving Agent after 1.00 p.m. on 26 March 2018 or which at that time are incorrectly completed or not accompanied by all relevant documents or instructions may be rejected and returned to Shareholders or their appointed agent, together with any accompanying Share certificate(s) and/or other document(s) of title.

Stockdale reserves the right to treat as valid Tender Forms, Savings Scheme Tender Forms or TTE Instructions received by the Receiving Agent by the deadline specified above, which are not entirely in order and which are not accompanied (in the case of Eligible Shares held in certificated form) by the relevant Share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof and shall be entitled (in its sole discretion) to accept late Tender Forms, Savings Scheme Tender Forms or TTE Instructions.

## **4. SHAREHOLDERS IN RESTRICTED TERRITORIES AND OTHER OVERSEAS SHAREHOLDERS**

The Tender Offer is not available to Shareholders with registered or mailing addresses in Restricted Territories, or who are citizens or nationals of, or resident in, a Restricted Territory and such Shareholders should read paragraph 9 of Part IV of this Circular and the relevant provisions of the Tender Form or Savings Scheme Tender Forms.

Overseas Shareholders (not being Shareholders in Restricted Territories or the UK) who wish to accept the Tender Offer should also read paragraph 9 of Part IV and satisfy themselves that they have fully observed any applicable legal requirements under the laws of the relevant jurisdiction.

## **5. CONDITIONS**

The Tender Offer is conditional on the terms specified in paragraph 2 of Part IV of this Circular.

## **6. TERMINATION OF TENDER OFFER**

The Tender Offer may be terminated in the circumstances described in paragraph 6 of Part IV of this Circular.

## **7. CALCULATION OF TENDER PRICE**

The Tender Price will be calculated as described in paragraph 3 of Part IV of this Circular.

## **8. SETTLEMENT**

Settlement of any consideration to which any Eligible Shareholder is entitled pursuant to valid tenders accepted by the Company will be made as follows:

### **8.1 Shares held in certificated form**

Where an accepted tender relates to Eligible Shares held in certificated form, cheques for the consideration due will be dispatched by Link Asset Services, by first class post to the person or agent whose name and address is set out in Box 2 (or, if relevant, Box 3 of the Tender Form), or if none is set out, to the registered address of the Tendering Shareholder shown above Box 1 or, in the case of joint holders, the address of the first named. All cash payments will be made in sterling by cheque drawn on a branch of a UK clearing bank.

### **8.2 Shares held in uncertificated form (that is, in CREST)**

Where an accepted tender relates to Eligible Shares held in uncertificated form in CREST, the consideration due will be paid by means of CREST by Link Asset Services procuring the creation of a CREST payment obligation in favour of the Tendering Shareholder's payment bank in accordance with the CREST payment arrangements.

The payment of any consideration to Tendering Shareholders for Eligible Shares accepted for purchase by the Company pursuant to the Tender Offer will be made only after the relevant TTE Instruction has settled or (as the case may be) timely receipt by the Receiving Agent of certificates and/or other requisite documents evidencing such Eligible Shares, a properly completed and duly executed Tender Form and any other documents required by the Tender Offer or this Part II

### **8.3 If only part of a holding of Shares is sold pursuant to the Tender Offer:**

8.3.1 where the Shares are held in certificated form, the relevant Tendering Shareholder will be entitled to receive a certificate in respect of the balance of the remaining Shares; or

8.3.2 where the Shares are held in uncertificated form (that is, in CREST) the unsold Shares will be transferred by Link Asset Services by means of a TFE Instruction to the original available balance from which those Shares came.

Settlement of any Tender Consideration to which Savings Scheme Participants are due will be made as set out in Part III.

## **9. FURTHER INFORMATION**

Your attention is drawn to the information contained in the rest of this Circular, including, in particular, the terms and conditions of the Tender Offer in Part IV of this Circular.

Yours faithfully,

**Robert Finlay, Head of Corporate Finance**

*For and on behalf of Stockdale Securities Limited*

## PART III

### ACTION TO BE TAKEN BY SAVINGS SCHEME PARTICIPANTS

#### 1. YOUR ENTITLEMENT

- 1.1 If you are a UK participant in any of the Aberdeen Investment Trusts ISA, the Savings Plan or the Children's Plan you will have the opportunity to participate in the Tender Offer on the same basis as Eligible Shareholders. The purpose of this section is to provide you with information that is specific to Savings Scheme Participants.
- 1.2 **You only need to complete the Savings Scheme Tender Form if you wish to participate in the Tender Offer.** The Savings Scheme Tender Form contains instructions as to how to complete and return it by the latest time of 1.00 p.m. on 26 March 2018.
- 1.3 Savings Scheme Participants should note that, once tendered, Eligible Shares may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer.

#### 2. OPTIONS

- 2.1 Where a Savings Scheme Participant tenders Eligible Shares in the Tender Offer, the proceeds of the Tender Offer due to that Savings Scheme Participant will be paid to their nominee on their behalf in accordance with the terms and conditions of the applicable Savings Scheme. As a result, the accounts of Savings Scheme Participants may be credited later than any times and dates specified in this Circular for Shareholders generally.
- 2.2 The nominee will then follow your instructions as to what you wish to do with the proceeds. Your options, which depend on the terms and conditions of the particular Savings Scheme in which you are a participant, are set out below. You should note that some of these options may have taxation consequences, further information on which is set out in Part V of this Circular.
- 2.3 Savings Scheme Participants can either:
  - 2.3.1 receive a cheque for their Tender Consideration; or
  - 2.3.2 elect to place their Tender Consideration in a cash holding facility pending further instruction (it should be noted that this cash holding facility does not pay interest); or
  - 2.3.3 re-invest their Tender Consideration into one of the other participating investment companies, free of charge in accordance with the terms and conditions of the Savings Plan in respect of each distribution.
- 2.4 Regular savers who elect to participate in the Tender Offer may stop future regular investments in the Company within their ISA or Savings Plan by ticking Box 2 on the Savings Scheme Tender Form. Participants who tick Box 2 will have their direct debits to acquire Shares cancelled. If their direct debit contributions are made into more than one investment company the contributions into the other investment companies will continue as normal.
- 2.5 Unless you wish to receive a cheque, you must instruct the nominee on your Savings Scheme Tender Form how you wish the cash to be reinvested. As far as the ISA is concerned, none of the above options would incur a charge to tax but any cash paid out of the ISA would lose its tax efficient wrapper. If you have already invested up to your ISA limit for the relevant tax year, you will not be able to re-invest the proceeds in another ISA. For Savings Scheme Participants who hold their Shares through the Savings Plan, the disposal may give rise to a tax liability depending on the holder's specific circumstances.

#### 3. OVERSEAS PARTICIPANTS

Savings Scheme Participants who are resident in, or citizens of, a jurisdiction outside the United Kingdom that is not a Restricted Territory and who wish to accept the Tender Offer should read



paragraph 9 of Part IV of this Circular and satisfy themselves that they have fully observed any applicable legal requirements under the laws of the relevant jurisdiction.

#### **4. OTHER FEES**

You should note that, notwithstanding the terms and conditions for each Savings Scheme, no fees or charges will be payable by Savings Scheme Participants in respect of the investment of any realisation proceeds from their Eligible Shares tendered in the Tender Offer.

## PART IV

### TERMS AND CONDITIONS OF THE TENDER OFFER

#### 1. GENERAL

- 1.1 All Eligible Shareholders on the Register on the Record Date may tender Eligible Shares for purchase by Stockdale on the terms and subject to the conditions set out in this Circular and, in the case of certificated Shareholders, the accompanying Tender Form, or, in the case of Savings Scheme Participants, on the Savings Scheme Tender Form (whichever is applicable), which together with this Circular, constitute the Tender Offer to such Shareholders. **Eligible Shareholders are not obliged to tender any of their Eligible Shares.**

**Shareholders who wish to continue their existing investment in the Company at the same level should not return a Tender Form, Savings Scheme Tender Form or tender their Eligible Shares through CREST.**

- 1.2 The maximum number of Shares that will be purchased by Stockdale under the Tender Offer will not exceed 10 per cent. of the Company's issued share capital (excluding Shares held in treasury) as at the Record Date.
- 1.3 The Tender Offer is made at the Tender Price calculated in accordance with paragraph 3 below. The calculations approved by the Directors will be conclusive and binding on all Eligible Shareholders.
- 1.4 The consideration for each Tendered Share acquired by Stockdale pursuant to the Tender Offer will be paid in accordance with the settlement procedures set out in paragraph 4 below.
- 1.5 Upon the Tender Offer becoming unconditional, and unless the Tender Offer has lapsed or terminated in accordance with the provisions of paragraph 2 or paragraph 6 below, Stockdale will, subject to the limit described in paragraph 1.2 and to the terms and conditions of the Tender Offer as set out in this Part IV, accept the offers of Eligible Shareholders validly made in accordance with this Part IV.

#### 2. CONDITIONS OF THE TENDER OFFER

- 2.1 The Tender Offer is conditional on the following (together, the "Conditions"):
- 2.1.1 the passing of the Continuation Resolution at the AGM on 12 April 2018 or by such later date (being not later than 30 Business Days after the date of the AGM) as the Company may determine;
- 2.1.2 the passing of the Tender Resolution at the EGM on 12 April 2018 or by such later date (being not later than 30 Business Days after the date of the EGM) as the Company may determine;
- 2.1.3 valid tenders being received in respect of at least three per cent. of the Shares (excluding Shares held in treasury) by 1.00 p.m. on 9 April 2018;
- 2.1.4 the Repurchase Agreement having been entered into, and Stockdale having received payment of the aggregate Tender Consideration from the Company;
- 2.1.5 the Tender Offer not having been terminated in accordance with paragraph 6 of Part IV of this Circular prior to the fulfilment of the conditions referred to in paragraphs 2.1.1 and 2.1.2 above;
- 2.1.6 the conditions being satisfied for the Board to approve a solvency certificate pursuant to the Companies Law in relation to the Tender Offer, confirming that, immediately following completion of the Tender Offer, the Company will be able to pay its debts as they become due and that the value of the Company's assets is greater than the value of its liabilities; and

- 2.1.7 the Tender Offer not having been terminated in accordance with paragraph 6 below prior to the fulfilment of the conditions referred to above.
- 2.2 Stockdale will not purchase (or enter into any commitment or contract to purchase) any Eligible Shares pursuant to the Tender Offer unless the Conditions have been satisfied in full (or, where applicable, waived). If the Conditions are not satisfied (or, where applicable, waived) prior to the close of business on the date of the AGM and EGM or any adjournment thereof, the Company or Stockdale may postpone the completion of the Tender Offer until 60 Business Days after the date of the AGM and EGM, after which time the Tender Offer, if not then completed, will lapse.
- 2.3 If the Company (acting through the Directors) shall, at any time prior to 12 noon on 12 April 2018 (or, if the AGM or the EGM are adjourned, 12 noon on the date of the adjourned AGM and EGM), notify Stockdale in writing that, in its reasonable opinion, the completion of the purchase of the Tendered Shares by the Company from Stockdale under the Tender Offer would have unexpected adverse fiscal consequences (by reason of a change in legislation, practice or otherwise) for the Company or its Shareholders if the Tender Offer were to proceed, then the Company may either exercise powers to terminate the Tender Offer in accordance with paragraph 6 below or may postpone the Calculation Date and the completion of the Tender Offer until 60 Business Days after the date of the AGM and EGM, after which the Tender Offer, if not then completed by reason of the postponement circumstances continuing, will lapse.
- 2.4 If the Conditions are not satisfied or waived the Tender Offer will lapse and neither Stockdale nor the Company will purchase any Eligible Shares pursuant to the Tender Offer.

### **3. THE TENDER PRICE**

The Tender Price will be calculated as described below.

- 3.1 The Company will take the unaudited Net Asset Value per Share as at the Calculation Date.
- 3.2 The Net Asset Value per Share shall be multiplied by the number of Tendered Shares to produce the aggregate Net Asset Value of the Tendered Shares.
- 3.3 A 3.5 per cent. discount shall then be applied to the aggregate Net Asset Value of the Tendered Shares (calculated in accordance with paragraph 3.2 above). The resulting sum will then be divided by the total number of Tendered Shares and the quotient, given to four decimal places (with 0.00005 pence being rounded down), shall be the Tender Price.
- 3.4 In determining the unaudited Net Asset Value per Share, investments in open-ended funds will be valued using their latest available net asset values.
- 3.5 Except as otherwise stated above, in determining the unaudited Net Asset Value per Share, all assets and liabilities of the Company will be taken into account and valued in accordance with the accounting policies of the Company outlined in its audited accounts for the year ended 31 October 2017. For the avoidance of doubt, the liabilities of the Company will include the accrued costs of the Tender Offer.

### **4. ACTION TO BE TAKEN IN CONNECTION WITH THE TENDER OFFER**

#### **Certificated Shareholders**

- 4.1 Enclosed with this Circular is a Tender Form for use by Eligible Shareholders who hold their Shares in certificated form (that is, not in CREST) (each a “**Certificated Shareholder**”) (please see paragraph 4.2 below for full details) and who wish to participate in the Tender Offer.
- 4.2 If you are an Eligible Shareholder and hold your Shares in Certificated Form and you wish to participate in the Tender Offer you should read the Tender Form carefully, complete it and return it with the share certificate(s) in respect of the total number of Shares you wish to tender under the Tender Offer and such other evidence as the Directors may reasonably require to prove your title and the due execution by you of the Tender Form or, if the Tender Form is

executed by someone other than you, the authority of that other person to do so either by post or by hand to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU **before 1.00 p.m. on 9 April 2018.**

- 4.3 You may request to have all or part of your Eligible Shares to be tendered under the Tender Offer. A Tender Form may only be submitted in respect of a number of Eligible Shares, rather than in respect of a certain value of Eligible Shares.

### **CREST Shareholders**

- 4.4 If you are an Eligible Shareholder and hold your Shares in uncertificated form (that is, in CREST) (a “**CREST Shareholder**”) and you wish to participate in the Tender Offer you do not need to complete or return a Tender Form. You should, however, take (or procure to be taken) the action set out below to transfer (by means of TTE Instruction(s)) the total number of Shares you wish to tender under the Tender Offer to an escrow balance, specifying Link Asset Services in its capacity as escrow agent under its participant ID referred to below, as soon as possible, and in any event **so that the transfer to escrow settles not later than 1.00 p.m. on 9 April 2018.**

- 4.5 You should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear UK & Ireland Limited for the Shares that you wish to tender under the Tender Offer which must be properly authenticated in accordance with its specifications. Each TTE Instruction must contain, in addition to the other information that is required for the TTE Instruction to settle in CREST, the following details:

- the number of Eligible Shares to be transferred to an escrow balance;
- your CREST participant ID;
- your CREST member account ID;
- the participant ID of the escrow agent (Link Asset Services) in its capacity as a CREST receiving agent, which is RA10;
- the member account ID for the relevant Eligible Shares of the escrow agent (Link Asset Services), which will be 29593ABE in respect of the Eligible Shares;
- the corporate action ISIN which is GG00B45L2K95;
- the corporate action number for the Tender Offer, which is allocated by Euroclear UK & Ireland Limited and can be found by viewing the relevant corporate actions details in CREST;
- contact name and number to be inserted in the shared note field;
- the intended settlement date for the transfer to escrow which should be as soon as practicable in any event no later than 1.00 p.m. on 9 April 2018; and
- input with the standard delivery instruction priority of 80.

- 4.6 You may request to have all or part of your Eligible Shares to be tendered under the Tender Offer. A TTE Instruction may only be submitted in respect of a number of Eligible Shares, rather than in respect of a certain value of Shares.

### **Savings Scheme Participants**

- 4.7 Enclosed with this Circular is a Savings Scheme Tender Form for use by Savings Scheme Participants. The completed and signed Savings Scheme Tender Forms should be delivered either by post or by hand (during normal business hours only) to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, so as to arrive by no later than 1.00 p.m. on 26 March 2018. No acknowledgement of receipt will be given. Reply-paid envelopes are enclosed with the Savings Scheme Tender Forms.

## **General**

- 4.8 Stockdale, in its absolute discretion, reserves the right to accept Tender Forms or TTE Instructions received after 1.00 p.m. on 9 April 2018 and Savings Scheme Tender Forms received after 1.00 p.m. on 26 March 2018.
- 4.9 Shareholders should note that once a Tender Form or Savings Scheme Tender Form has been served on the Company or a TTE Instruction(s) has been submitted, they will be unable to access or otherwise deal in those Shares pending completion of the Tender Offer.
- 4.10 **Eligible Shareholders who wish to remain invested in the Company in respect of their entire holding of Shares should not complete or return a Tender Form, Savings Scheme Tender Form or arrange for a TTE Instruction to be submitted.**

## **Scale back**

- 4.11 Subject to obtaining Shareholder approval at the Extraordinary General Meeting and satisfaction of the Conditions, each Eligible Shareholder will be entitled to tender and have repurchased up to 10 per cent. of the Eligible Shares registered in such Shareholder's name on the Record Date rounded down to the nearest whole number (the "**Basic Entitlement**").
- 4.12 Each Eligible Shareholder will also be entitled to tender additional Eligible Shares held by them on the Record Date in excess of their Basic Entitlement. To the extent that other Eligible Shareholders tender Eligible Shares in respect of less, in the aggregate, than the whole of their Basic Entitlement, any such excess tenders will (subject to the overall 10 per cent. limit on the number of Shares which may be purchased by Stockdale pursuant to the Tender Offer) be satisfied pro rata in proportion to the aggregate number of Eligible Shares tendered by Eligible Shareholders in excess of their Basic Entitlements (rounded down to the nearest whole number of Shares).
- 4.13 The Basic Entitlement will apply to each Eligible Shareholder. Eligible Shareholders who hold for multiple beneficial owners may decide the allocation between such beneficial owners in their own discretion.
- 4.14 Stockdale will notify Tendering Shareholders of the number of Eligible Shares in respect of which their Tender Form has been successful and, in the case of Tendering Shareholders who have tendered Eligible Shares in excess of their Basic Entitlements, either the extent to which such excess tenders will be scaled back or the number of Eligible Shares tendered in excess of those Shareholders' Basic Entitlements which will be purchased by Stockdale.
- 4.15 The results of the Tender Offer will be announced by the Company on 12 April 2018 via an RIS announcement.

## **Settlement**

- 4.16 Settlement of any consideration to which any Eligible Shareholder is entitled pursuant to valid tenders accepted by Stockdale will be made as follows:

### **4.16.1 *Shares held in certificated form***

Where an accepted tender relates to Eligible Shares held in certificated form, cheques for the consideration due will be dispatched by Link Asset Services, by first class post to the person or agent whose name and address is set out in Box 2 (or, if relevant, Box 3 of the Tender Form), or if none is set out, to the registered address of the Tendering Shareholder shown above Box 1 or, in the case of joint holders, the address of the first named. All cash payments will be made in sterling by cheque drawn on a branch of a UK clearing bank.

### **4.16.2 *Shares held in uncertificated form (that is, in CREST)***

Where an accepted tender relates to Eligible Shares held in uncertificated form in CREST, the consideration due will be paid by means of CREST by Link Asset Services

procuring the creation of a CREST payment obligation in favour of the Tendering Shareholder's payment bank in accordance with the CREST payment arrangements.

The payment of any consideration to Eligible Shareholders for Eligible Shares accepted for purchase by the Company pursuant to the Tender Offer will be made only after the relevant TTE Instruction has settled or (as the case may be) timely receipt by the Receiving Agent of certificates and/or other requisite documents evidencing such Shares, a properly completed and duly executed Tender Form and any other documents required by the Tender Offer or this Part II.

4.17 If only part of a holding of Shares is sold pursuant to the Tender Offer:

4.17.1 where the Shares are held in certificated form, the relevant Shareholder will be entitled to receive a certificate in respect of the balance of the remaining Shares; or

4.17.2 where the Shares are held in uncertificated form (that is, in CREST) the unsold Shares will be transferred by Link Asset Services by means of a TFE Instruction to the original available balance from which those Shares came.

Settlement of any consideration to which savings Share Participant are due will be made as set out in Part III.

## **5. TENDER OFFER RESTRICTED FOR OVERSEAS SHAREHOLDERS**

5.1 Overseas laws and regulations may restrict the making of the Tender Offer to Shareholders in certain jurisdictions outside the United Kingdom without compliance by the Company with any unfulfilled filing, reporting or other requirements. It is the responsibility of each Overseas Shareholder to satisfy themselves that the Tender Offer may be made to them and that, if relevant, they may accept such Tender Offer, and that in accepting the Tender Offer, they have complied with all relevant overseas filing, exchange control and other requirements and paid all taxes and fees which may be payable.

5.2 The Tender Offer is not being made in or into, or to any Shareholder with registered addresses in any of the Restricted Territories.

## **6. TERMINATION OF THE TENDER OFFER**

6.1 The Company shall be entitled at its complete discretion to withdraw or postpone the Tender Offer (in which case the Tender Offer shall cease and determine absolutely), if the Company (acting through the Directors) shall, at any time prior to the Tender Offer becoming unconditional determine that:

6.1.1 the Board in its reasonable discretion concludes that the Tender Offer would no longer be in the best interests of the Company and/or the Shareholders as a whole;

6.1.2 as a result of any change in national or international financial, economic, political or market conditions, the cost of realisation of assets to fund the Tender Offer has become significantly more expensive since the date of this Circular;

6.1.3 in its reasonable opinion, there shall occur any material adverse change in the national or international, financial, economic, political or market conditions and/or in the financial position or prospects and/or circumstances of the Company which renders the Tender Offer temporarily or permanently impractical or inadvisable;

6.1.4 in its reasonable opinion, the Company will not satisfy the statutory solvency test prescribed under the Companies Law immediately following completion of the Tender Offer;

6.1.5 in its reasonable opinion, the completion of the purchase of Shares pursuant to the Tender Offer could have unexpected adverse fiscal or other consequences (whether by reason of a change in legislation or practice or otherwise) for the Company or its Shareholders if the Tender Offer were to proceed; or

- 6.1.6 Stockdale's membership of the London Stock Exchange expires, is suspended, is revoked or is withdrawn.
- 6.2 If the Directors decide to withdraw or postpone the Tender Offer, the Company will notify Stockdale in writing and as soon as practicable thereafter and in any event, before Stockdale has purchased the Tendered Shares as principal, and the Company shall announce such termination through an RIS and notify Shareholders in writing.

## **7. REPRESENTATIONS AND WARRANTIES**

### **7.1 Tender Form – Representations and Warranties**

Each Eligible Shareholder by whom, or on whose behalf, a Tender Form or a Savings Scheme Tender Form is executed, irrevocably undertakes, represents, warrants and agrees to and with Stockdale (for itself and as a trustee for the Company) (so as to bind it, its personal representatives, heirs, successors and assigns) that:

- 7.1.1 the execution of the Tender Form or Savings Scheme Tender Form shall constitute an offer to sell to Stockdale, as principal, that Eligible Shareholder's Basic Entitlement or the number of Eligible Shares inserted in Box 1B or Box 1C (as applicable) of the Tender Form Savings Scheme Tender Form, on and subject to the terms and conditions set out or referred to in this Circular and the Tender Form or Savings Scheme Tender Form and that, once lodged, such offer shall be irrevocable;
- 7.1.2 such Shareholder has full power and authority to tender, sell, assign or transfer the Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by Stockdale, Stockdale, as principal, will acquire such Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the Settlement Date, including the right to receive all dividends and other distributions declared, paid or made after that date and such representation and warranty shall be deemed repeated at the time that the Company purchases such Shares and shall not be extinguished by such purchase;
- 7.1.3 the execution of the Tender Form or Savings Scheme Tender Form will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of Stockdale as such Shareholder's attorney and/or agent, and an irrevocable instruction to the attorney to complete and execute all or any instruments of transfer and/or other documents at the attorney's discretion in relation to the Shares referred to in paragraph 7.1.1 above in favour of Stockdale or such other person or persons as Stockdale may direct and to deliver such instrument(s) of transfer and/or other documents at the discretion of the attorney, together with the share certificate(s) and/or other document(s) relating to such Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in Stockdale or its nominee(s) (or such other person(s) as Stockdale may direct) such Shares;
- 7.1.4 such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by Stockdale or any of its directors or any person nominated by Stockdale in the proper exercise of its or his or her powers and/or authorities hereunder;
- 7.1.5 such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Stockdale to be desirable, in each case to complete the purchase of the Shares and/or to perfect any of the authorities expressed to be given hereunder;
- 7.1.6 such Shareholder holding Shares in certificated form will deliver to Link Asset Services the share certificate(s) and/or other document(s) of title in respect of the Shares referred

to in sub-paragraph 7.1.1 above, or an indemnity acceptable to Stockdale in lieu thereof, or will procure the delivery of such document(s) to such person as soon as possible thereafter and, in any event, not later than 1.00 p.m. on 9 April 2018;

- 7.1.7 the provisions of the Tender Form or Savings Scheme Tender Form shall be deemed to be incorporated into the terms and conditions of the Tender Offer;
- 7.1.8 such Shareholder, if an Overseas Shareholder: (1) is not in a Restricted Territory or in any territory in which it is unlawful to make or accept the Tender Offer or to use the Tender Form or Savings Scheme Tender Form in any manner in which the person has or will use it; (2) has fully observed any applicable legal and regulatory requirements of the territory in which such Overseas Shareholder is resident or located; and (3) may receive and accept the invitation under the Tender Offer under the laws of the relevant jurisdiction;
- 7.1.9 such Shareholder has not received or sent copies or originals of this Circular, the Tender Form, the Savings Scheme Tender Form or any related documents in or into any of the Restricted Territories and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, internet, telex and telephone) of interstate or foreign commerce, or of any facility of a national, state or other securities exchange, of any of the Restricted Territories, and the Tender Form or Savings Scheme Tender Form has not been mailed or otherwise sent in, into or from any of the Restricted Territories and such Shareholder is not accepting the Tender Offer from any of the Restricted Territories;
- 7.1.10 the provisions of the Tender Form or Savings Scheme Tender Form shall be deemed to be incorporated into the terms and conditions of the Tender Offer;
- 7.1.11 the execution of the Tender Form or Savings Scheme Tender Form constitutes such Shareholder's submission to the jurisdiction of the courts of the Island of Guernsey in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form or Savings Scheme Tender Form;
- 7.1.12 the execution of the Tender Form or Savings Scheme Tender Form shall constitute a warranty by such Shareholder that the information given by or on behalf of the Shareholder in the Tender Form or Savings Scheme Tender Form will be true in all respects at the time the Company purchases the Shares referred to in paragraph 7.1.1 above as if it had been given afresh at such time and shall not be extinguished by such purchase;
- 7.1.13 the execution of the Tender Form or Savings Scheme Tender Form constitutes the irrevocable authority for and instruction to the Company or its agents to procure the despatch by post of a cheque drawn at a branch of a UK clearing bank for the cash consideration to which a Tendering Shareholder is entitled (and, if part only of a holding comprised in the share certificate(s) is purchased pursuant to the Tender Offer, a new share certificate for the balance) to the person or agent whose name and address (outside the Restricted Territories) is set out in the Tender Form or Savings Scheme Tender Form, or if no name and address is set out to the first-named holder at its registered address (outside the Restricted Territories);
- 7.1.14 the despatch of cheques or other appropriate form of payment in respect of the Tender Consideration to a Shareholder at their registered address or such other address as is specified in the Tender Form or Savings Scheme Tender Form in accordance with paragraph 7.1.13 above will constitute a complete discharge by Stockdale of its obligation to pay such Shareholder the cash consideration to which they are entitled under the Tender Offer; and
- 7.1.15 if the appointment of attorney provision under paragraph 7.1.3 above shall be unenforceable or invalid or shall not operate so as to afford to Stockdale the benefit or authority expressed to be given therein, the Shareholder shall with all practicable



speed do all such acts and things and execute all such documents that may be required to enable Stockdale to secure the full benefits of paragraph 7.1.3 above.

A reference in this paragraph 7.1 to a Shareholder includes a reference to the person or persons executing the Tender Form or Savings Scheme Tender Form and in the event of more than one person executing a Tender Form or Savings Scheme Tender Form, the provisions of this paragraph will apply to them jointly and to each of them.

## 7.2 Tenders through CREST – Representations and Warranties

Each Shareholders who holds Shares in uncertificated form (i.e. in CREST) and by whom, or on whose behalf, a tender through CREST is made, irrevocably undertakes, represents and warrants and agrees to and with Stockdale (for itself and as a trustee for the Company) (so as to bind him, her or its and his, her or its personal representatives, heirs, successors and assigns) that:

- 7.2.1 the input of a TTE instruction shall constitute an offer to sell to Stockdale, as principal, the number of Shares specified in the TTE instruction on and subject to the terms and conditions set out or referred to in this Circular, and that once the TTE Instruction has settled such tender shall be irrevocable;
- 7.2.2 such Shareholder has full power and authority to tender, sell, assign or transfer the Shares in respect of which such offer is accepted together with all rights attaching thereto) and, when the same are purchased by Stockdale, as principal, Stockdale will acquire such Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the Settlement Date, including the right to receive all dividends declared, paid or made after that date;
- 7.2.3 the input of the TTE Instruction will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of Link Asset Services as escrow agent and an irrevocable instruction and authority to the escrow agent to transfer to itself by means of CREST, and then to transfer to Stockdale (or such person or persons as Stockdale may direct) by means of CREST, all Relevant Shares (as defined below) in respect of which the Tender Offer is accepted or deemed to be accepted (but not exceeding the number of Shares which have been tendered pursuant to the Tender Offer) and in the event that any Shares tendered are not accepted as a result of scaling back to give instructions to Euroclear to transfer such Relevant Shares not accepted to the original balances to which they relate. **“Relevant Shares”** means Shares in uncertificated form and in respect of which a transfer or transfers to escrow has or have been effected pursuant to the procedures described in paragraph 4.5 above;
- 7.2.4 such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by Stockdale or Link Asset Services or any of their respective directors or officers or any person nominated by Stockdale or Link Asset Services in the proper exercise of its or his or her powers and/or authorities hereunder;
- 7.2.5 such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Stockdale to be desirable, in each case to complete the purchase of the Shares and/or to perfect any of the authorities expressed to be given hereunder;
- 7.2.6 such Shareholder, if an Overseas Shareholder: (a) is not in a Restricted Territory or in any territory in which it is unlawful to make or accept the Tender Offer in any manner in which the person has or will use it; (b) has fully observed any applicable legal and regulatory requirements of the territory in which such Overseas Shareholder is resident or located; and (c) may receive and accept the invitation under the Tender Offer under the laws of the relevant jurisdiction;

- 7.2.7 such Shareholder has not received or sent copies or originals of this Circular or any related documents in or into any of the Restricted Territories and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, internet, telex and telephone) of interstate or foreign commerce, or of any facility of a national, state or other securities exchange, of any of the Restricted Territories, and such Shareholder is not accepting the Tender Offer from any of the Restricted Territories;
- 7.2.8 the creation of a CREST payment by Link Asset Services in accordance with paragraph 4.16.2 above in favour of such Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in paragraph 4.5 above will, to the extent of the obligations so created, discharge fully any obligation of Stockdale to pay to such Shareholder the cash consideration to which he, she or it is entitled in the Tender Offer;
- 7.2.9 the input of the TTE Instruction constitutes such Shareholder's submission to the jurisdiction of the courts of the Island of Guernsey in relation to all matters arising out of or in connection with the Tender Offer;
- 7.2.10 if, for any reason, any Shares in respect of which a transfer to an escrow balance has been effected are converted to certificated form, the holder will immediately deliver or procure the delivery of the share certificate(s) or other documents of title in respect of all Shares so converted to Link Asset Services;
- 7.2.11 if the appointment of escrow agent provision under paragraph 7.2.3 above shall be unenforceable or invalid or shall not operate so as to afford Stockdale or Link Asset Services the benefit or authority expressed to be given therein, the Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable Stockdale or Link Asset Services to secure the full benefits of paragraph 7.2.3 above; and
- 7.2.12 such Shareholder shall not take any action which would prevent the Company or Link Asset Services from cancelling the Shares to which the TTE Instruction relates.

## **8. ADDITIONAL PROVISIONS**

- 8.1 Shares acquired by Stockdale under the Tender Offer will be purchased by Stockdale as principal and will, following the completion of the Tender Offer, be acquired from Stockdale by the Company on the London Stock Exchange pursuant to the Repurchase Agreement. Once acquired by the Company, the Shares will be held in treasury until resold or cancelled. Such purchases will be on-market purchases in accordance with the rules of the London Stock Exchange and the Listing Rules.
- 8.2 Unless suspended or terminated in accordance with the provisions of Part IV of this Circular, the Tender Offer will close for Eligible Shareholders at 1.00 p.m. on 9 April 2018 and for Savings Scheme Participants at 1.00 p.m. on 26 March 2018 and no Tender Forms, Savings Scheme Tender Forms, share certificates and/or documents of title or indemnities or TTE Instructions received after that time will be accepted, save pursuant to the exercise of any discretions conferred on Stockdale, Link Asset Services and/or the Company under these conditions.
- 8.3 Each Eligible Shareholder who tenders or procures the tender of Eligible Shares will thereby be deemed to have agreed that, in consideration of Stockdale agreeing to process its tender, such Shareholder will not revoke its tender or withdraw its Shares. Shareholders should note that, once tendered, Shares may not be sold, transferred, charged or otherwise disposed of, pending completion of the Tender Offer.
- 8.4 Unless terminated in accordance with the provisions of paragraph 6 of Part IV of this Circular, the Tender Offer will close for Shareholders at 1.00 p.m. on 9 April 2018 and for Savings Scheme Participants at 1.00 p.m. on 26 March 2018. Subject to the Conditions being satisfied, it is expected that, on 12 April 2018, the Company will make a public announcement of the total number of Eligible Shares tendered pursuant to the Tender Offer and, if applicable, either

the extent to which tenders will be scaled back, or the number of Shares in excess of the Basic Entitlement which will be purchased by Stockdale from Eligible Shareholders who have tendered Eligible Shares in excess of their Basic Entitlement.

- 8.5 Delivery of cash to Tendering Shareholders for the Tendered Shares will be made by Link Asset Services in its capacity as Receiving Agent. Link Asset Services will act as agent for Tendering Shareholders for the purpose of receiving the cash and transmitting such cash to Tendering Shareholders. Under no circumstances will interest be paid on the cash to be paid by the Company or Link Asset Services regardless of any delay in making such payment.
- 8.6 If any Shares are not purchased because of an invalid tender, the termination of the Tender Offer or otherwise, relevant certificates evidencing any such Shares and other documents of title, if any, will be returned or sent as promptly as practicable, without expense to, but at the risk of, the Tendering Shareholder, or in the case of Shares held in uncertificated form (that is, in CREST), Link Asset Services will provide instructions to Euroclear to transfer all Shares held in escrow balances by TFE Instruction to the original available balances to which those Shares relate.
- 8.7 Any omission to despatch this Circular, the Tender Form, Savings Scheme Tender Form or any notice required to be despatched under the terms of the Tender Offer to, or any failure to receive the same by, any person entitled to participate in the Tender Offer shall not invalidate the Tender Offer in any way or create any implication that the Tender Offer has not been made to any such person.
- 8.8 No acknowledgement of receipt of any Tender Form or Savings Scheme Tender Form will be given. All documents and remittances sent by or to Shareholders will be sent at their own risk. If the Tender Offer does not become unconditional or is terminated, all documents lodged pursuant to the Tender Offer will be returned promptly by post, within 14 Business Days of the Tender Offer terminating or lapsing, to the person or agent whose name and address is set out in Box 2 of the Tender Form or, if none is set out, to the Tendering Shareholder or, in the case of joint holders, the first named at his/her registered address. No such documents will be sent to an address in the Restricted Territories. In the case of Shares held in uncertificated form, Link Asset Services, in its capacity as escrow agent will, within 14 Business Days of the Tender Offer lapsing, give instructions to Euroclear UK to transfer all Shares held in escrow balances and in relation to which it is the escrow agent for the purposes of the Tender Offer by TFE Instruction to the original available balances from which those Shares came. In any of these circumstances, Tender Forms and Savings Scheme Tender Forms will cease to have any effect.
- 8.9 All powers of attorney and authorities on the terms conferred by or referred to in this Part IV of this Circular, and in the Tender Form or in the Savings Scheme Tender Form (as applicable), are given by way of security for the performance of the obligations of the Shareholders concerned and are irrevocable.
- 8.10 All tenders in respect of Shares held in certificated form must be made on the relevant prescribed Tender Form or Savings Scheme Tender Form, duly completed in accordance with the instructions set out thereon, which constitute part of the terms of the Tender Offer. A Tender Form or Savings Scheme Tender Form will only be valid when the procedures contained in these terms and conditions and in the Tender Form or Savings Scheme Tender Form are complied with.
- 8.11 The Tender Offer and all tenders will be governed by and construed in accordance with the law of the Island of Guernsey. Delivery or posting of a Tender Form or Savings Scheme Tender Form or the Transmission of a TTE Instruction in CREST will constitute submission to the jurisdiction of the courts of the Island of Guernsey.
- 8.12 The instructions, terms, provisions and authorities contained in or deemed to be incorporated in the Tender Form or Savings Scheme Tender Form shall constitute part of the terms of the Tender Offer. The definitions set out in this Circular apply to the terms and conditions set out in this Part IV

- 8.13 Subject to paragraph 5 above and paragraph 9 below, the Tender Offer is open to Eligible Shareholders on the Register on the Record Date, and will close at 1.00 p.m. on 9 April 2018 for Shareholders other than Savings Scheme Participants and at 1.00 p.m. on 26 March 2018 for Savings Scheme Participants. Subject to paragraph 4.8 above, no Tender Form or TTE Instruction received after 1.00 p.m. on 9 April 2018 will be accepted, and no Savings Scheme Tender Form will be accepted after 1.00 p.m. on 26 March 2018.
- 8.14 The decision of Stockdale (in consultation with the Company) as to which Eligible Shares have been successfully tendered shall be conclusive and binding on all Shareholders.
- 8.15 Further copies of this Circular, the Tender Form and the Savings Scheme Tender Form may be obtained on request from Link Asset Services at the address set out on page 1 of the Tender Form or of the Savings Scheme Tender Form.

## **9. EXCLUDED SHAREHOLDERS AND PERSONS OUTSIDE THE UNITED KINGDOM**

- 9.1 The making of the Tender Offer in, or to persons who are citizens or nationals of, or resident in, jurisdictions outside the United Kingdom or custodians, nominees or agents for citizens, nationals or residents of jurisdictions outside the United Kingdom may be prohibited or affected by the laws of the relevant overseas jurisdiction. Shareholders who are citizens or nationals of, or resident in, such jurisdictions should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such Shareholder wishing to tender Shares to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any such Shareholder will be responsible for payment of any such transfer or other taxes or other requisite payments due by whomsoever payable and any discretion or determination by Stockdale for the purposes of any paragraph of this Part IV shall be final and binding on all of the Shareholders and none of Stockdale, the Directors or the Company shall have any liability in relation thereto and the Company and any person acting on their behalf shall be fully indemnified and held harmless by such Shareholder for any such transfer or other taxes or other requisite payments such person may be required to pay. No steps have been taken to qualify the Tender Offer or to authorise the extending of the Tender Offer or the distribution of this Circular or any of the accompanying documents in any territory outside the United Kingdom.
- 9.2 In particular, the Tender Offer is not being made, directly or indirectly, in or into, or by use of mails or by any means or instrumentality (including, without limitation, the internet, facsimile transmission, telex and telephone) of interstate or foreign commerce, or any facility or a national securities exchange, of any Restricted Territory and the Tender Offer cannot be accepted by any such use, means, instrumentality or facility or from within any Restricted Territory. Accordingly, copies of this Circular and the accompanying documents are not being, and must not be mailed or otherwise distributed or sent in or into any Restricted Territory, including to Shareholders with registered addresses in a Restricted Territory or to persons whom are known to be custodians, nominees, agents or trustees holding Shares for persons in a Restricted Territory. Receipt of this Circular and any accompanying document will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and in those circumstances this Circular and any accompanying document will be deemed to have been sent for information only and should not be copied or redistributed. Persons receiving such documents (including, without limitation, custodians, nominees, agents and trustees) or wishing to accept the Tender Offer should not distribute or send them in, into or from any Restricted Territory or use such mails or any such means, instrumentality or facility in connection with the Tender Offer, and so doing will render invalid any related purported acceptance of the Tender Offer. All accepting Shareholders must provide addresses outside the Restricted Territories for the remittance of cash or the return of documents lodged pursuant to the Tender Offer.

- 9.3 A Shareholder will be deemed not to have accepted the Tender Offer if:
- 9.3.1 such Shareholder is unable to make the representations and warranties set out in paragraphs 7.1.8 or 7.1.9 (in respect of Shares held in certificated form) or paragraphs 7.1.6 or 7.1.7 (in respect of Shares held in uncertificated form) of this Part IV;
  - 9.3.2 such Shareholder has a registered address in a Restricted Territory and in such case such Shareholder does not insert in Box 3 of the Tender Form the name and address of a person or agent outside a Restricted Territory to whom he wishes the consideration to which he is entitled under the Tender Offer to be sent, subject to the provisions of this paragraph and the applicable laws;
  - 9.3.3 such Shareholder inserts in Box 3 of the Tender Form the name and address of a person or agent in a Restricted Territory to whom he wishes the consideration to which such Shareholder is entitled under the Tender Offer to be sent;
  - 9.3.4 such Shareholder inserts in Box 3 of the Tender Form a new/correct registered address in a Restricted Territory; or
  - 9.3.5 the Tender Form or Savings Scheme Tender Form received from him is in an envelope postmarked in, or which otherwise appears to Stockdale or its agents to have been sent from, a Restricted Territory.
- 9.4 Stockdale reserves the right, in its absolute discretion, to investigate, in relation to any acceptance, whether the representations and warranties referred to in paragraphs 7.1.8 or 7.1.9 (in respect of Shares held in certificated form) or paragraphs 7.1.6 or 7.1.7 (in respect of Shares held in uncertificated form) of this Part IV given by any Shareholder are correct and, if such investigation is undertaken and as a result Stockdale or its agent determines (for any reason) that such representation and warranty is not correct, such acceptance shall not be valid.
- 9.5 If, in connection with making the Tender Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees, agents and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this Circular, the Tender Form, the Savings Scheme Tender Form or any related offering documents in, into or from any Restricted Territory or uses the mails, any means or instrumentality (including, without limitation, the internet, facsimile transmission, telex and telephone) of interstate or foreign commerce or any facility of a national securities exchange, of any Restricted Territory in connection with such forwarding, such persons should inform the recipient of such fact; explain to the recipient that such action may invalidate any purported acceptance by the recipient; and draw the attention of the recipient to this paragraph 9.
- 9.6 The provisions of this paragraph 9 and any other terms of the Tender Offer relating to Excluded Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by Stockdale in its absolute discretion but only if Stockdale is satisfied that such waiver, variance or modification will not constitute or give rise to a breach of applicable securities or other legal or regulatory requirements.
- 9.7 The provisions of this paragraph 9 supersede any terms of the Tender Offer inconsistent herewith.
- 9.8 Shareholders resident or located outside the United Kingdom should inform themselves about and observe any applicable legal or regulatory requirements. The comments set out in this Circular are intended to be a general guide only. Shareholders who are in any doubt about their position should consult their professional adviser in the relevant territory.

## **10. MISCELLANEOUS**

- 10.1 The terms of the Tender Offer shall have effect subject to such non-material modifications or additions as the Company and Stockdale from time to time approve in writing. The times and dates referred to in this Circular may be amended by agreement between the Company and Stockdale.

- 10.2 Any changes to the terms, or any suspension, extension or termination of the Tender Offer will be followed as promptly as practicable by a public announcement thereof no later than close of business on the Business Day following the date of such changes. Such an announcement will be released via an RIS. References to the making of an announcement by the Company includes the release of an announcement on behalf of the Company by Stockdale to the press and delivery of or telephone or facsimile or other electronic transmission of such announcement via an RIS.
- 10.3 Except as contained in this Circular, no person has been authorised to give any information or make any representations with respect to the Company, Stockdale or the Tender Offer, and, if given or made, such other information or representations should not be relied on as having been authorised by Stockdale or the Company. Under no circumstances should the delivery of this Circular or the delivery of any consideration pursuant to the Tender Offer create any implication that there has been no change in the assets, properties, business or affairs of the Company since the date of this Circular.
- 10.4 Stockdale reserves the absolute right to inspect (either itself or through its agents) all Tender Forms and Savings Scheme Tender Forms and may consider void and reject any tender that does not, in Stockdale's sole judgement, meet the requirements of the Tender Offer. Stockdale also reserves the absolute right to waive any defect or irregularity in the tender of any Shares, including any Tender Form or Savings Scheme Tender Form (in whole or in part) which is not entirely in order or which is not accompanied (in the case of Shares held in certificated form) by the related share certificate(s) and/or other document(s) of title or an indemnity acceptable to Stockdale in lieu thereof. In that event, for Shares held in certificated form, however, the consideration under the Tender Offer will only be dispatched when the Tender Form or Savings Scheme Tender Form is entirely in order and the share certificate(s) or other document(s) of title or indemnities satisfactory to Stockdale has/have been received. None of Stockdale, the Company, Link Asset Services or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification.
- 10.5 Without prejudice to the generality of paragraph 10.4 above, in relation to any discretion or determination exercised by Stockdale and/or the Company for the purposes of the Tender Offer, none of Stockdale, the Directors or the Company shall have any liability.

## **PART V**

### **TAXATION**

#### **UNITED KINGDOM TAXATION**

The following comments are intended only as a general guide to certain aspects of current United Kingdom tax law and HM Revenue & Customs' published practice, both of which are subject to change, possibly with retrospective effect. The comments are not exhaustive, are of a general nature and do not constitute tax advice and apply only to Shareholders who (except where indicated) are resident for tax purposes in the United Kingdom, who hold their Shares beneficially as an investment and who, if they are individuals, are domiciled for tax purposes in the United Kingdom. They do not address the position of certain classes of Shareholders such as dealers in securities, insurance companies, collective investment schemes, or persons who have, or who are deemed to have, acquired their shares by reason of or in connection with an office or employment. Shareholders who are in any doubt as to their tax position are encouraged to seek independent professional advice.

#### **THE COMPANY**

The Directors have been advised that, following certain changes to the United Kingdom tax rules regarding "alternative investment funds" implemented by the Finance Act 2014 and contained in section 363A of the Taxation (International and other Provisions) Act 2010, the Company should not be resident in the United Kingdom for United Kingdom tax purposes. Accordingly, and provided that the Company does not carry on a trade in the United Kingdom (whether or not through a branch, agency or permanent establishment situated there), the Company will not be subject to United Kingdom income tax or corporation tax other than on any United Kingdom sourced income.

#### **OFFSHORE FUND RULES**

The treatment described in the following paragraphs is based on the Company not being an "offshore fund" for United Kingdom tax purposes, and any gain arising on a disposal of a Shareholder's Shares not being taxed as income under the rules applicable to "offshore funds".

#### **REPURCHASE OF SHARES UNDER TENDER OFFER**

##### **UK resident individuals**

An individual Shareholder may, depending on that Shareholder's personal circumstances, be subject to United Kingdom capital gains tax in respect of any gain arising on the repurchase of his/her Shares under the Tender Offer. For such individuals, capital gains are taxed at a rate of 10 per cent. (for basic rate taxpayers) or 20 per cent. (for higher or additional rate taxpayers). Individuals may, depending on their personal circumstances, benefit from certain reliefs and allowances (including an annual exemption from capital gains which is £11,700 for the tax year 2018/2019). Shareholders who are not resident in the United Kingdom for taxation purposes will not normally be liable to United Kingdom taxation on chargeable gains arising from the disposal of their Shares unless those Shares are held for the purposes of a trade, profession or vocation through a UK branch, agency or permanent establishment, although they may be subject to foreign taxation depending on their own particular circumstances. Individual Shareholders who are temporarily not resident in the United Kingdom for tax purposes may be liable to United Kingdom capital gains tax under anti-avoidance legislation.

##### **UK resident companies**

Shareholders within the charge to United Kingdom corporation tax may be subject to corporation tax on chargeable gains in respect of any gain arising on a disposal of Shares. The amount of any chargeable gain may be reduced by indexation allowance (but such allowance may not create or increase an allowable loss).

## **Transactions in Securities**

The attention of Shareholders is drawn to section 684 of the Income Tax Act 2007 (for individuals) and section 731 of the Corporation Tax Act 2010 (for companies), and associated provisions, pursuant to which in certain circumstances HM Revenue & Customs may seek to cancel tax advantages from certain transactions in securities. In the event that such rules were successfully applied, Shareholders may be assessed to tax on a basis different from that set out above, including being taxed on an income basis as opposed to a chargeable gains basis in respect of their disposal of Shares.

## **GUERNSEY TAXATION**

The following information is general in nature and relates only to Guernsey taxation applicable to the Company and the anticipated tax treatment in Guernsey that applies to persons holding Shares in the Company as an investment. The summary does not constitute legal or tax advice and is based on taxation law and practice at the date of this Circular. Shareholders should be aware that the level and bases of taxation may change from those described and should consult their own professional advisors on the implications of acquiring, holding, disposing of, transferring or redeeming Shares in the Company under the laws of the countries in which they are liable to taxation.

## **THE COMPANY**

The Company has been granted tax exempt status by the Director of Income Tax in Guernsey pursuant to the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989. The Company will need to reapply annually for exempt status, an application that currently incurs a fee of £1,200 per annum. It is expected that the Company will continue to apply for exempt status annually.

Once exempt status has been granted, the Company will not be considered resident in Guernsey for Guernsey income tax purposes and will be exempt from tax in Guernsey on both bank deposit interest and any income that does not have its source in Guernsey. It is not anticipated that any income other than bank deposit interest will arise in Guernsey and therefore the Company is not expected to incur any additional liability to Guernsey tax. In the absence of exemption, the Company would be treated as resident in Guernsey and subject to the standard company rate of income tax, currently zero per cent.

Consistent with its ongoing commitment to meeting international standards, the States of Guernsey concluded a review of Guernsey's corporate regime and agreed to abolish deemed distributions with effect from 1 January 2013. This did not affect collective investment schemes such as the Company, which can continue to apply for Guernsey tax exempt status.

## **SHAREHOLDERS**

Non-Guernsey resident Shareholders will not be subject to any income tax in Guernsey in respect of or in connection with the acquisition, holding or disposal of any Shares owned by them. Such shareholders will receive dividends without deduction of Guernsey income tax.

Any Shareholders who are resident in Guernsey will be subject to Guernsey income tax on any dividends paid to such persons but will not suffer any deduction of tax by the Company from any such dividends payable where the Company is granted tax exempt status. The Company is however required to provide to the Director of Income Tax the names, addresses and gross amount of any income paid to Guernsey resident Shareholders during the previous year when renewing the Company's exempt tax status each year.

At present Guernsey does not levy taxes upon capital inheritances, capital gains, gifts, capital transfer, wealth, sales or turnover (unless the varying of investments and turning of such investments to account is a business or part of a business) nor are there any estate duties save for registration fees and an ad valorem duty for a Guernsey grant of representation where the deceased dies leaving assets in Guernsey which require presentation of such a grant. No stamp duty is chargeable in Guernsey on the issue, transfer, switching or redemption of Shares in the Company.

13 March 2018



## DEFINITIONS

The following definitions apply throughout this Circular and in the accompanying Form of Proxy and Tender Form, unless the context otherwise requires:

<b>“2017 Annual Report”</b>	the annual report and accounts of the Company for the year ended 31 October 2017
<b>“Annual General Meeting”</b> or <b>“AGM”</b>	the annual general meeting of the Shareholders convened for 12 April 2018 at 12.00 noon (or any adjournment thereof)
<b>“AGM Notice”</b>	the notice convening the Annual General Meeting, as set out at the end of this Circular
<b>“Articles”</b>	the articles of incorporation of the Company in force from time to time
<b>“Basic Entitlement”</b>	means, with respect to each Eligible Shareholder, 10 per cent. of their Eligible Shares rounded down to the nearest whole number
<b>“Board”</b> or <b>“Directors”</b>	the board of directors of the Company whose names are set out on page 5 of this Circular
<b>“Business Day”</b>	a day on which the London Stock Exchange and banks in Guernsey are normally open for business
<b>“Calculation Date”</b>	has the meaning given in the Expected Timetable on page 3 of this Circular
<b>“certificated”</b> or <b>“in certificated form”</b>	not in uncertificated form
<b>“Certificated Shareholder”</b>	has the meaning ascribed to it in paragraph 4.1 in Part IV of this Circular
<b>“Circular”</b>	this document
<b>“City Code”</b>	the City Code on Takeovers and Mergers
<b>“Companies Law”</b>	the Companies (Guernsey) Law, 2008, as amended from time to time
<b>“Company”</b>	Aberdeen Emerging Markets Investment Company Limited
<b>“Conditions”</b>	has the meaning ascribed to it in paragraph 2 in Part IV of this Circular
<b>“Continuation Resolution”</b>	Resolution 9 to be proposed at the AGM
<b>“CREST Shareholder”</b>	has the meaning ascribed to it in paragraph 4.4 in Part IV of this Circular
<b>“CREST”</b>	the facilities and procedures, for the time being, of the relevant system of which Euroclear has been approved as operator
<b>“Direct Peer Group”</b>	the direct peer group of investment companies with a similar investment strategy to the Company, including Fundsmith Emerging Equities Trust plc, Genesis Emerging Markets Fund Limited, J.P.Morgan Emerging Markets Investment Trust plc, J.P.Morgan Global Emerging Markets Income Trust plc and Templeton Emerging Markets Investment Trust plc
<b>“EGM Notice”</b>	the notice convening the Extraordinary General Meeting, as set out at the end of this Circular
<b>“Eligible Shareholders”</b>	Shareholders who are not Excluded Shareholders

<b>“Eligible Shares”</b>	Shares registered on the Record Date in an Eligible Shareholder’s name, or, in the case of a Savings Scheme Participant, in the name of the Nominee but beneficially owned by the Saving Scheme Participant
<b>“Euroclear”</b>	means Euroclear UK and Ireland Limited
<b>“Excluded Shareholder”</b>	a Shareholder who has an address in a Restricted Territory
<b>“Extraordinary General Meeting” or “EGM”</b>	extraordinary general meeting of the Shareholders convened for 12 April 2018 at 12.15 p.m. (or any adjournment thereof)
<b>“Forms of Direction”</b>	the forms of direction for use by Shareholders who are Savings Scheme Participants at the AGM and EGM
<b>“Forms of Proxy”</b>	the forms of proxy for use by Shareholders at the AGM and EGM
<b>“FSMA”</b>	the Financial Services and Markets Act 2000
<b>“HMRC”</b>	HM Revenue & Customs
<b>“Investment Manager”</b>	Aberdeen Fund Managers Limited
<b>“Listing Rules”</b>	the listing rules made by the UKLA under section 74 of the FSMA
<b>“NAV” or “Net Asset Value”</b>	the total assets of the Company less its total liabilities (including accrued but unpaid fees) valued in accordance with the Company’s accounting policies adopted by the Company from time to time
<b>“Nominee”</b>	Harewood Nominees Limited
<b>“Ordinary Resolution”</b>	a resolution of the Company passed at a duly convened meeting by a show of hands or on a poll, as the case may be, by a simple majority of the votes cast
<b>“Overseas Shareholders”</b>	those holders of Shares with registered addresses outside the United Kingdom and the Channel Islands
<b>“Panel”</b>	The Panel on Takeovers and Mergers
<b>“Receiving Agent”</b>	Link Asset Services, a trading name of Link Market Services Limited
<b>“Record Date”</b>	20 February 2018
<b>“Register”</b>	the register of Shareholders
<b>“Registrar”</b>	Link Market Services Limited
<b>“Regulatory Information Service” or “RIS”</b>	means a primary information provider service approved to disseminate regulatory information to the market by the United Kingdom Financial Conduct Authority
<b>“Repurchase Agreement”</b>	the agreement dated on or around 13 March 2018 entered into between the Company and Stockdale for the repurchase by the Company of any Tendered Shares
<b>“Resolution” or “Resolutions”</b>	any or all of the resolutions to be put forward at the Annual General Meeting or the Extraordinary General Meeting or both
<b>“Restricted Territories”</b>	any of the following territories: Australia, Canada, Japan, South Africa and the United States
<b>“Savings Scheme(s)”</b>	the Aberdeen Investment Trusts Share Plan, the Aberdeen Investment Plan for Children and/or the Aberdeen Investment Trusts Individual Savings Account
<b>“Savings Scheme Participant”</b>	a holder of Shares through the Savings Schemes

<b>“Savings Scheme Tender Form”</b>	the tender form accompanying this Circular for use by the Savings Scheme Participants who wish to participate in the Tender Offer
<b>“Settlement Date”</b>	the date by which the consideration for Shares purchased in the Tender Offer will be settled by CREST payment or despatched by cheque to the Shareholders entitled thereto
<b>“Shareholder”</b>	a holder of Shares
<b>“Shares”</b>	shares in the ordinary share capital of the Company with a nominal value of 1 pence per share
<b>“Special Resolution”</b>	a resolution of the Company passed at a duly convened meeting by a show of hands or on a poll, as the case may be, by a majority of not less than 75 per cent. of the votes cast
<b>“Sterling” or “£”</b>	United Kingdom pounds sterling
<b>“Stockdale”</b>	Stockdale Securities Limited
<b>“Tender Consideration”</b>	the amount of cash to be paid to a Shareholder in consideration for their Tendered Shares, calculated by multiplying the number of such Shareholder’s Tendered Shares by the Tender Price
<b>“Tender Form”</b>	the Tender Form accompanying this Circular for use by Shareholders holding Shares in certificated form who wish to participate in the Tender Offer
<b>“Tender Offer”</b>	the invitation by the Company to Eligible Shareholders to tender Shares for purchase on the terms and subject to the conditions set out in this Circular, the Tender Form and the Savings Scheme Tender Form
<b>“Tender Price”</b>	the price per Share at which Stockdale will acquire Tendered Shares from Tendering Shareholders, and at which the Company shall acquire Tendered Shares from Stockdale pursuant to the Repurchase Agreement, calculated as described in paragraph 3 of Part IV of this Circular
<b>“Tender Resolution”</b>	the Ordinary Resolution to be proposed at the EGM to authorise the Company to undertake the Tender Offer
<b>“Tendered Shares”</b>	the Eligible Shares successfully tendered pursuant to the Tender Offer and to be purchased by Stockdale and then sold to the Company
<b>“Tendering Shareholders”</b>	a Shareholder who has tendered Shares pursuant to the Tender Offer
<b>“TFE Instruction”</b>	a transfer from escrow instruction (as described in the CREST manual issued by Euroclear)
<b>“TTE Instruction”</b>	a transfer to escrow instruction (as described in the CREST manual issued by Euroclear) containing the details set out on page 20 of this Circular
<b>“UKLA”</b>	the UK Listing Authority
<b>“uncertificated” or in “uncertificated form”</b>	a Share recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of The Uncertificated Securities (Guernsey) Regulations 2009, may be transferred by means of CREST
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“United States” or “US”</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia

# **ABERDEEN EMERGING MARKETS INVESTMENT COMPANY LIMITED**

*(a closed-ended investment company incorporated with limited liability under the laws of the Island of Guernsey with registration number 50900)*

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Company will be held at 11 New Street, St Peter Port, Guernsey, GY1 2PF at 12.00 noon on 12 April 2018 for the purpose of considering and, if thought fit, passing the following Resolutions:

### **ORDINARY RESOLUTIONS**

#### **IT IS HEREBY RESOLVED:**

1. To receive and adopt the financial statements for the year ended 31 October 2017, with the reports of the directors and auditors thereon.
2. To approve the directors' remuneration report included in the annual report for the year ended 31 October 2017.
3. To approve and adopt a dividend policy to declare four interim dividends each year and to authorise the directors to declare such dividends subject to compliance with applicable law.
4. To elect Mr M. Barker as a director of the Company.
5. To re-elect Mr W. Collins as a director of the Company, who retires by rotation.
6. To re-elect Mr J. Hawkins as a director of the Company, who retires by rotation.
7. To re-appoint KPMG Channel Islands Limited as auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company at which audited accounts are laid before the Company.
8. To authorise the directors to determine KPMG Channel Islands Limited's remuneration as auditors of the Company.
9. THAT the Company shall continue in existence as an investment company.
10. THAT the Company be and is hereby authorised in accordance with section 315 of the Companies Law, to make market purchases (within the meaning of section 316 of the Companies Law of its Shares, provided that:
  - a) the maximum number of Shares hereby authorised to be acquired is 14.99 per cent. of the issued ordinary share capital of the Company (excluding treasury shares) as at the date of this Annual General Meeting;
  - b) the minimum price (exclusive of expenses) which may be paid for a Share is £0.01;
  - c) the maximum price to be paid per Share shall be the higher of: (a) 105 per cent of the average of the closing market value of the Shares for the five business days immediately preceding the date of the relevant purchase; (b) the price of the last independent trade; and (c) the highest current independent bid on the trading venues where the purchase is carried out;
  - d) the authority hereby conferred shall expire at the earlier of the conclusion of the annual general meeting of the Company to be held in 2019 and the date being 18 months from the date of this resolution, unless previously renewed, varied or revoked by the Company in general meeting; and
  - e) the Company may make a contract to purchase its Shares under the authority hereby conferred prior to the expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority, and may purchase its Shares in pursuance of any such contract.

11. THAT the Directors be and are hereby generally and unconditionally authorised pursuant to Article 5 of the Articles to allot and issue up to 2,559,836 Shares or, if less, the number of Shares representing 5 per cent. of the issued ordinary share capital of the Company as at the date of the passing of this resolution. This authority shall expire at the conclusion of the annual general meeting of the Company to be held in 2019 (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may before such expiry make any offer or agreement which would or might require Shares to be allotted or issued after such expiry and the Directors may allot and issue Shares in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

### **SPECIAL RESOLUTION**

#### **IT IS HEREBY RESOLVED:**

12. THAT the Shareholders hereby waive, with respect to any allotment and issue of Shares pursuant to the authority granted by Resolution 11, any and all rights of pre-emption or similar rights which they may have, whether under the Articles (including, without limitation, Article 6.2(a)) or otherwise. This waiver will expire at the conclusion of the annual general meeting in 2019.

**Terms defined in the Company's circular to its Shareholders dated 13 March 2018 shall have the same meanings in these Resolutions and this AGM Notice, save where the context otherwise requires.**

**By the order of the Board**

13 March 2018

Registered Office:

11 New Street  
St. Peter Port  
Guernsey  
GY1 2PF

**Notes:**

1. A Shareholder entitled to attend and vote may appoint a proxy to attend, speak and vote instead of him/her. A Shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by the Shareholder. A proxy need not be a Shareholder of the Company.
2. To appoint more than one proxy to vote in relation to different Shares within your holding you may photocopy the Form of Proxy. Please indicate the proxy holder's name and the number of Shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of Shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All Forms of Proxy must be signed and should be returned together in the same envelope.
3. Forms of Proxy duly completed, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be deposited with the Company's registrar, Link Asset Services at PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, not later than 12 noon on 10 April 2018 or not less than forty eight hours before the time appointed for the holding of any adjourned AGM or, in the case of a poll taken more than 48 hours after it was demanded, 24 hours before the time appointed for the taking of a poll or in the case of a poll taken not more than 48 hours after it was demanded, the time at which the poll was demanded.
4. A Form of Proxy is included for use by Shareholders to complete, sign and return. Completion and return of the Form of Proxy will not prevent a Shareholder from subsequently attending the AGM or any adjournments and voting in person if he/she so wishes.
5. Savings Scheme Participants are entitled to attend and vote at the AGM if the Form of Direction which is enclosed with this Circular is correctly completed and returned in accordance with the instructions thereon.
6. Entitlement to attend and vote at the AGM (or any adjournment thereof) and the number of votes which may be cast thereat will be determined by reference to the Company's register of Shareholders as at close of business on 10 April 2018.
7. To allow effective continuation of the meeting, if it is apparent to the Chairman that no Shareholders will be present in person or by proxy, other than by proxy in the Chairman's favour, the Chairman may appoint a substitute to act as proxy in his stead for any Shareholder provided that such substitute proxy shall vote on the same basis as the Chairman.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM to be held on the above date and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's Registrar (CREST ID is RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's agent is liable to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
10. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take, (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor's or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST systems and timings.
11. The Company may treat as invalid a CREST Proxy Instructions in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
12. The Special Resolution requires a majority of 75 per cent. of the votes cast to be in favour of it to be passed.
13. Capitalised terms used in the AGM Notice and the Resolutions have the same meanings as given to them in the Circular.

## **ABERDEEN EMERGING MARKETS INVESTMENT COMPANY LIMITED**

*(a closed-ended investment company incorporated with limited liability under the laws of the Island of Guernsey with registration number 50900)*

### **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting of the Company will be held at 11 New Street, St Peter Port, Guernsey, GY1 2PF at 12.15 p.m. (or as soon thereafter as the AGM shall have concluded or been adjourned) on 12 April 2018.

Subject to the approval of the Continuation Resolution at the Annual General Meeting of the Company, the purpose of the EGM shall be to consider and, if thought fit, pass the following Resolution, which will be proposed as an Ordinary Resolution.

### **ORDINARY RESOLUTION**

#### **IT IS HEREBY RESOLVED THAT:**

the Company be and is hereby authorised in accordance with section 315 of the Companies Law, to make market acquisitions (within the meaning of section 316 of the Companies Law) of its Shares pursuant to the Tender Offer to Eligible Shareholders to be made by Stockdale Securities Limited on the terms set out in the Company's circular to its Shareholders dated 13 March 2018 (the "**Circular**"), a copy of which has been produced to the Extraordinary General Meeting and signed for the purposes of identification by the Chairman, provided that:

- (a) the maximum number of Shares hereby authorised to be acquired is 5,119,672 representing 10 per cent. of the issued ordinary share capital of the Company as at the Record Date;
- (b) the maximum and minimum price which may be paid for a Share is the Tender Price, as defined in the Circular;
- (c) the authority hereby conferred by this paragraph (a) shall expire nine months after the date of this Extraordinary General Meeting, unless previously renewed, varied or revoked by the Company in general meeting; and
- (d) the Company may make a contract to purchase its Shares under the authority hereby conferred prior to the expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority, and may purchase its Shares in pursuance of any such contract, and

the authority hereby conferred in this Resolution is in addition to, and not in substitution for, any existing authority of the Company to repurchase its Shares including, in particular, the authority conferred by Resolution 10 in the AGM Notice, if such is approved by the Shareholders at the AGM.

**Terms defined in the Circular shall have the same meanings in this Resolution and this EGM Notice, save where the context otherwise requires.**

**By the order of the Board**

13 March 2018

Registered Office:

11 New Street  
St. Peter Port  
Guernsey  
GY1 2PF

**Notes:**

1. A Shareholder entitled to attend and vote may appoint a proxy to attend, speak and vote instead of him/her. A Shareholder may appoint more than one proxy in relation to the EGM provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by the Shareholder. A proxy need not be a Shareholder of the Company.
2. To appoint more than one proxy to vote in relation to different Shares within your holding you may photocopy the Form of Proxy. Please indicate the proxy holder's name and the number of Shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of Shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All Forms of Proxy must be signed and should be returned together in the same envelope.
3. Forms of Proxy duly completed, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be deposited with the Company's registrar, Link Asset Services at PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, not later than 12.15 p.m, on 10 April 2018 or not less than forty eight hours before the time appointed for the holding of any adjourned EGM or, in the case of a poll taken more than 48 hours after it was demanded, 24 hours before the time appointed for the taking of a poll or in the case of a poll taken not more than 48 hours after it was demanded, the time at which the poll was demanded.
4. A Form of Proxy is included for use by Shareholders to complete, sign and return. Completion and return of the Form of Proxy will not prevent a Shareholder from subsequently attending the EGM or any adjournments and voting in person if he/she so wishes.
5. Savings Scheme Participants are entitled to attend and vote at the EGM if the Form of Direction which is enclosed with this Circular is correctly completed and returned in accordance with the instructions thereon.
6. Entitlement to attend and vote at the EGM (or any adjournment thereof) and the number of votes which may be cast thereat will be determined by reference to the Company's register of Shareholders as at close of business on 10 April 2018.
7. To allow effective continuation of the meeting, if it is apparent to the Chairman that no Shareholders will be present in person or by proxy, other than by proxy in the Chairman's favour, the Chairman may appoint a substitute to act as proxy in his stead for any Shareholder provided that such substitute proxy shall vote on the same basis as the Chairman.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the EGM to be held on the above date and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's Registrar (CREST ID is RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's agent is liable to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
10. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take, (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor's or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST systems and timings.
11. The Company may treat as invalid a CREST Proxy Instructions in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
12. Capitalised terms used in the EGM Notice and the Resolution have the same meanings as given to them in the Circular.