

Notice of Annual General Meeting

Notice is hereby given that the twelfth Annual General Meeting of Aberdeen Asian Income Fund Limited will be held at 1st Floor, Sir Walter Raleigh House, 48 – 50 Esplanade, St Helier, Jersey JE2 3QB at 10.30 a.m. on 16 May 2018 for the following purposes:

Ordinary Business

To consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive the Directors' Report and financial statements for the year ended 31 December 2017, together with the Auditor's report thereon.
2. To receive and adopt the Directors' Remuneration Report for the year ended 31 December 2017 (other than the Directors' Remuneration Policy).
3. THAT Shareholders approve the Company's Dividend Policy to continue to pay four quarterly interim dividends per year.
4. To re-elect Mr H Young as a Director.
5. To re-elect Mr C Clarke as a Director.
6. To elect Mr M Florance as a Director.
7. To re-appoint Ernst & Young LLP as independent Auditor and to authorise the Audit Committee to agree their remuneration.

Special Business

To consider and, if thought fit, pass the following resolutions, of which resolutions 8 and 9 will be proposed as special resolutions and resolution 10 will be proposed as an ordinary resolution:

8. THAT, the Company be and is hereby generally and unconditionally authorised in accordance with the Articles of Association to make market purchases on a stock exchange of and to cancel or hold in treasury Ordinary Shares of no par value in the capital of the Company ("Ordinary Shares"), provided that:
 - a) the maximum number of Ordinary Shares hereby authorised to be purchased is 14.99% of the issued share capital of the Company as at the date of the passing of this resolution;
 - b) the maximum price which may be paid for an Ordinary Share shall not be more than the higher of (i) an amount equal to 105% of the average of the middle market quotations for an Ordinary Share taken from the Official List for the five business days immediately preceding the day on which the Ordinary Share is purchased; and (ii) the higher of the last independent trade and the current highest independent bid on the trading venue where the purchase is carried out;
 - c) the minimum price which may be paid for an Ordinary Share is 1 pence;
 - d) the Company be authorised to purchase Ordinary Shares out of its unrealised capital or revenue profits less its capital or revenue losses, whether realised or unrealised; and,
 - e) the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company in 2019 or, if earlier, on the expiry of 18 months from the passing of this resolution, unless such authority is renewed prior to such time.
 9. THAT, the Directors be empowered to allot Ordinary Shares for cash (or sell Ordinary Shares held as treasury shares) up to a maximum amount of 18,238,821 Ordinary Shares (or 10% of the total number of Ordinary Shares in issue as at the date of the passing of this resolution) as if Article 10 of the Company's Articles of Association did not apply, provided that such disapplication shall expire (unless and to the extent previously revoked, varied or renewed by the Company in general meeting by Special Resolution) at the earlier of the conclusion of the Annual General Meeting of the Company to be held in 2019 or 18 months from the date of the passing of this resolution but so that this power shall enable the Company to make offers or agreements before such expiry which would or might require Ordinary Shares to be issued after such expiry and the Directors of the Company may issue Ordinary Shares in pursuance of any such offer or agreement as if such expiry had not occurred.
 10. THAT the proposed investment policy set out under the heading "Investment Policy" in the Appendix to the Annual Report and Financial Statements dated 6 April 2018, a copy of which is produced to the meeting and initialled for the purposes of identification by the Chairman of the meeting, be and is hereby approved and adopted with immediate effect as the investment policy of the Company to the exclusion of all previous investment policies of the Company.
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1st Floor, Sir Walter Raleigh House
48 – 50 Esplanade, St Helier, Jersey JE2 3QB
16 April 2018

By order of the Board
Aberdeen Private Wealth Management Limited
Secretaries

Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of him. A proxy need not be a member of the Company. A form of proxy is enclosed.
 2. Instruments of proxy and the power of attorney or other authority, if any, under which they are signed or a notarially certified copy of that power of attorney or authority should be sent to The Registrars, Aberdeen Asian Income Fund Limited, Link Asset Services, PXS, 34 Beckenham Road, Beckenham Kent BR3 4TU so as to arrive not less than forty eight hours before the time fixed for the meeting.
 3. In accordance with Article 40 of the Companies (Uncertificated Securities) (Jersey) Order 1999, to have the right to attend and vote at the meeting referred to above a member must first have his or her name entered in the Company's register of members by not later than forty eight hours before the time fixed for the meeting (or, in the event that the meeting be adjourned, on the register of members forty eight hours before the time of the adjourned meeting). Changes to entries on that register after that time (or, in the event that the meeting is adjourned, on the register of members less than forty eight hours before the time of any adjourned meeting) shall be disregarded in determining the rights of any member to attend and vote at the meeting referred to above.
 4. Notes on CREST Voting.
CREST Members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual, which is available to download from the Euroclear website (www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.
In order for a proxy appointment or instruction made using the CREST system to be valid, the appropriate CREST message (a "CREST proxy instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent RA10 by 10.30am on 14 May 2018. 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 applications Host) from which the issuer's agent is able to retrieve the message.
CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages.
- Normal systems 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 CREST sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s)) takes(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by a particular time. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual.
- The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. In any case, a proxy form must be received by the Company's registrars no later than 10.30am on 14 May 2018.
6. Shareholders are advised that unless otherwise provided, the telephone numbers and website addresses which may be set out in this Notice or the Form of Proxy/Letter of Direction are not to be used for the purpose of serving information or documents on the Company including the service of information or documents relating to proceedings at the Company's Annual General Meeting. If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's Ordinary Shares already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Services Authority. As a result any person holding 3% or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure and Transparency Rules, need not make a separate notification to the Company and the Financial Services Authority.
 7. No Director has a service contract with the Company.
 8. The Register of Directors' interests is kept by the Company and available for inspection.
 9. As at 6 April 2018 (being the last business day prior to the publication of this notice) the Company's issued Ordinary Share capital comprised 182,388,211 Ordinary Shares of no par value and 12,545,178 Treasury shares. Each Ordinary Share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6 April 2018 was 182,388,211.
 10. There are special arrangements for holders of Ordinary Shares through the Aberdeen Share Plan and ISA. These are explained in the 'Letter of Direction' which such holders will have received with this report

Appendix – Proposed Amendments to Investment Policy

Proposed Investment Objective

The Company's current Investment Objective and Investment Policy are disclosed on pages 8 and 9. It is proposed to adopt the investment policy set out under the heading "Investment Policy" below as the investment policy of the Company. The proposed changes are highlighted for ease of identification.

Investment Policy

Asset Allocation

The Company primarily invests in the Asia Pacific region through investment in:

- companies listed on stock exchanges in the Asia Pacific region;
- Asia Pacific securities, such as global depositary receipts (GDRs), listed on other international stock exchanges;
- companies listed on other international exchanges that derive significant revenues or profits from the Asia Pacific region; and
- debt issued by governments or companies in the Asia Pacific region or denominated in Asia Pacific currencies.

The Company's investment policy is flexible, enabling it to invest in all types of securities, including equity shares, preference shares, debt, convertible securities, warrants and other equity-related securities.

The Company is free to invest in any particular market segments or any particular countries in the Asia Pacific region.

The Company invests in small, mid and large capitalisation companies. The Company's policy is not to acquire securities that are unquoted or unlisted at the time of investment (with the exception of securities which are about to be listed or traded on a stock exchange). However, the Company may continue to hold securities that cease to be quoted or listed if the Investment Manager considers this to be appropriate.

Typically, the portfolio will comprise ~~around 50~~ between 40 and 70 holdings (but without restricting the Company from holding a more or less concentrated portfolio in the future).

Risk Diversification

The Company will not invest more than 10%, in aggregate, of the value of its Total Assets in investment trusts or investment companies admitted to the Official List, provided that this restriction does not apply to investments in any such investment trusts or investment companies which themselves have stated investment policies to invest no more than 15% of their Total Assets in other investment trusts or investment companies admitted to the Official List. In any event, the Company will not invest more than 15% of its Total Assets in other investment trusts or investment companies admitted to the Official List.

In addition, the Company will not:

- invest, either directly or indirectly, or lend more than 20% of its Total Assets to any single underlying issuer (including the underlying issuer's subsidiaries or affiliates), provided that this restriction does not apply to cash deposits awaiting investment;
- invest more than 20% of its Total Assets in other collective investment undertakings (open-ended or closed-ended);
- expose more than 20% of its Total Assets to the creditworthiness or solvency of any one counterparty (including the counterparty's subsidiaries or affiliates);
- invest in physical commodities;
- enter into derivative transactions for speculative purposes;
- take legal or management control of any of its investee companies; or
- conduct any significant trading activity.

The Company may invest in derivatives, financial instruments, money market instruments and currencies ~~solely~~ solely for investment purposes (including the writing of put and call options to enhance investment returns) as well as for the purpose of efficient portfolio management (i.e. ~~solely~~ for the purpose of reducing, transferring or eliminating investment risk in the Company's investments, including any technique or instrument used to provide protection against foreign exchange and credit risks).

The Investment Manager expects the Company's assets will normally be fully invested. However, during periods in which changes in economic conditions or other factors so warrant, the Company may reduce its exposure to securities and increase its position in cash and money market instruments.

Gearing Policy

The Board is responsible for determining the gearing strategy for the Company. The Board has restricted the maximum level of gearing to 25% of net assets although, in normal market conditions, the Company is unlikely to take out gearing in excess of 15% of net assets. Gearing is used selectively to leverage the Company's portfolio in order to enhance returns where this is considered appropriate. Borrowings are generally short term, but the Board may from time to time determine to incur longer term borrowings where it is believed to be in the Company's best interests to do so. Particular care is taken to ensure that any bank covenants permit maximum flexibility of investment policy.

The percentage investment and gearing limits set out under this sub-heading "Investment Policy" are only applied at the time that the relevant investment is made or borrowing is incurred.

In the event of any breach of the Company's investment policy, shareholders will be informed of the actions to be taken by the Investment Manager by an announcement issued through a Regulatory Information Service or a notice sent to shareholders at their registered addresses in accordance with the Articles of Association.

The Company may only make material changes to its investment policy (including the level of gearing set by the Board) with the approval of shareholders (in the form of an ordinary resolution). In addition, any changes to the Company's investment objective or policy will require the prior approval of the Financial Conduct Authority as well as prior consent of the Jersey Financial Services Commission ("JFSC") to the extent that the changes materially affect the import of the information previously supplied in connection with its approval under Jersey Funds Law or are contrary to the terms of the Jersey Collective Investment Funds laws.