

Company name **Vietnam Enterprise**
Headline **Re: Conversion of C share etc**

COMPANY ANNOUNCEMENT

For Immediate Release

19 May 2004

Vietnam Enterprise Investments Limited (the “Company”)

Re: Conversion of ‘C’ Shares to Redeemable Shares

In accordance with the Company’s Placing Memorandum dated 30 September 2002, as supplemented (the “Placing Memorandum”), and the Restated Articles dated 17 December 2003 (the “Articles”), respectively, regarding procedures for the conversion of its ‘C’ Shares into Redeemable Shares, the board of directors of the Company (the “Board” or the “Directors”) has declared that at least 70% of the assets attributable to the ‘C’ Shares had been invested directly or indirectly in Vietnam in accordance with the investment policy of the Company on 9 April 2004. Accordingly, the Calculation Date for conversion of the Company’s ‘C’ Shares into Redeemable Shares has been determined by the Board to be 9 April 2004.

In accordance with the conversion procedures stipulated in the Placing Memorandum and the Articles respectively, KPMG Limited in Vietnam has been appointed to act as the independent valuer of the Company’s unlisted investments. A copy of KPMG Limited’s valuation report was tabled for consideration by the Directors of the Company on 17 May 2004.

After taking into consideration the independent valuer’s valuations of unlisted investments and having considered the opinions of the Board members who are also directors of the Investment Manager and the opinions of the Board’s conflicts and valuations committee, the Board has adopted what it considers to be the appropriate valuations of the unlisted investments underlying each class of Shares as at the Calculation Date. Such valuations were utilised in the calculation of the Conversion Net Asset Value of assets attributable to each of the ‘C’ Shares and Redeemable Shares, respectively, as at 9 April 2004.

The Conversion Net Asset Value per share, Conversion Ratio and the Number of New Redeemable Shares to be issued are as follows:

Conversion Net Asset Value per share

(1) ‘C’ Shares	:	US\$1.064339
(2) Redeemable Shares	:	US\$1.254578
Conversion Ratio	:	0.84836
Number of New Redeemable Shares to be issued to the existing ‘C’ Shareholders	:	50,901,600
Number of Deferred Shares to be issued to the existing ‘C’ Shareholders	:	9,098,400

As required, the Company’s auditors have reported to the Directors that, in their opinion, the Conversion Ratio and the number of New Redeemable Shares have been calculated in accordance with the terms of the Placing Memorandum. After completion of the Conversion, the total number of Redeemable Shares in issue by the Company will be 99,175,462 (being the sum of 48,273,862 existing Redeemable Shares and 50,901,600 New Redeemable Shares).

As provided by the Articles, fractions of New Redeemable Shares will not be issued. The aggregate value of the fractional New Redeemable Shares has been determined to be less than US\$10.00 per former ‘C’ Shareholder.

Deferred Shares have been issued as the Conversion Net Asset Value per share of the 'C' Shares is less than that of the Redeemable Shares. In accordance with the Placing Memorandum, the Company will redeem the Deferred Shares on 20 May 2004 as part of the conversion process, for an aggregate consideration of US\$0.01 per holding of Deferred Shares. The Company will not be obliged to issue share certificates to the Deferred Shareholders in respect of the Deferred Shares and will not be obliged to account to any Deferred Shareholder for the redemption monies in respect of such Deferred Shares unless the relevant holder applies to the Company in writing requesting payment of the said redemption monies, in which case the Deferred Shareholder will receive US\$0.01.

The Conversion Date will be 20 May 2004, being a day falling within 28 business days after the Calculation Date as stipulated in the Placing Memorandum and the Articles.

The Directors have requested the Irish Stock Exchange to delist the "C" Shares from the Official List following the Conversion Date.

The Irish Stock Exchange has agreed to remove the "C" Shares from the Official List with effect from 20 May 2004.

Enquiries:

Vietnam Enterprise Investments Limited

John Shrimpton

Phone: + 84 8 823 9356 /

+ 84 8 823 9355

Fax: + 84 8 823 9366

Fortis Fund Services (Asia) Limited

Sennes Kwong

Phone: + 852 2847 9151

Ernst & Young

Listing Sponsor

Michelle O'Neill

Phone: + 353 1 475 0555

This announcement has been issued through the Companies Announcement Service of The Irish Stock Exchange

END

Close window