

Company name
Headline

Vietnam Enterprise
Circular to Shareholders

RNS Number : 0346A
Vietnam Enterprise Investments
25 January 2011

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If you have sold or transferred all your shares in Vietnam Enterprise Investments Limited, you should at once hand this document to the purchaser or to the bank, stockbroker or other agent through which the sale was effected for transmission to the purchaser.

VIETNAM ENTERPRISE INVESTMENTS LIMITED
(Incorporated in the Cayman Islands with Limited Liability)

NOTICE OF EXTRAORDINARY GENERAL MEETING

to consider

**AMENDMENTS TO THE ARTICLES OF ASSOCIATION RELATING TO SHARE
REPURCHASE AUTHORITY AND DIRECTORS' REMUNERATION**

25 January, 2011

IMPORTANT NOTICE

The statements, including any forward-looking statements contained in this

document are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set out in this document since such date.

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They include statements regarding the intentions, beliefs or current expectations of the Company or the Investment Manager of the Company concerning, amongst other things, the investment performance prospects of the Company and the markets in which it invests. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements are not guarantees of future performance. The Company's actual investment performance may differ materially from the impression created by the forward-looking statements contained in this document. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of the Company and the environment in which it will operate in the future. All forward-looking statements included in this document are based on information available to the Company on the date of this document. Shareholders should not place undue reliance on such forward looking statements, and the Company does not undertake any obligation to update publicly or revise any forward-looking statements, save as required by the rules of the Irish Stock Exchange or other law or regulation applicable to the Company.

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LETTER FROM THE CHAIRMAN

VIETNAM ENTERPRISE INVESTMENTS LIMITED

(Incorporated in the Cayman Islands with Limited Liability)

*Non-Executive Directors, Independent of
the Investment Manager:*

Richard McKegney (Chairman)
Hartmut Giesecke
Wolfgang Bertelsmeier

Investment Manager:

Enterprise Investment Management
Limited
c/o 1901 Me Linh Point
2 Ngo Duc Ke, District 1
Ho Chi Minh City
Vietnam

Other Non-Executive Directors:
Dominic Scriven

Registered office:
802 West Bay Road
Grand Pavilion Commercial Centre
P.O. Box 2003
Grand Cayman KY1-1104
Cayman Islands

To the shareholders of Vietnam Enterprise Investments Limited (the "Company")

25 January, 2011

Dear Shareholder,

NOTICE OF EXTRAORDINARY GENERAL MEETING

to consider

**AMENDMENTS TO THE ARTICLES OF ASSOCIATION RELATING TO SHARE
REPURCHASE AUTHORITY AND DIRECTORS' REMUNERATION**

INTRODUCTION

I enclose a notice (the "Notice") of an Extraordinary General Meeting of the Company (the "EGM") to be held at 1901 Me Linh Point, 2 Ngo Duc Ke, District 1, Ho Chi Minh City, Vietnam on 24 February 2011 at 10.00 am (Vietnam time).

The business to be considered at the EGM includes a resolution in relation to the ability of the Company to repurchase its own shares to remove the requirement that the shares must be trading at a discount to Net Asset Value ("NAV") of no less than 15%. Shareholders are also requested to consider an increase to the level of the aggregate annual remuneration of directors permitted to be paid pursuant to the Company's articles of association ("Articles").

I now set out further explanation of the proposals that will be put to the Shareholders at the EGM.

1. Background

As shareholders may recall from my letter accompanying the notice of the 2010 Annual General Meeting ("AGM"), the Company's Board has been considering options to enhance the Company's appeal by improving liquidity options and so reducing the discount at which the Company's shares have traded since around mid-2008.

Current Discount

Since the AGM, the Company has made share buy-backs. The discount has reduced from ca 24% (as at 11 June 2010), to ca 15% (as at 18 January 2011) (source: Dragon Capital). Moreover, the discount was even narrower in December 2010 compared to January 2011.

Charts

Discount to NAV

Source: Dragon Capital

2. Share Buy-Back

Currently, Article 13 (f) of the Company's Articles permits the Company to acquire its own shares if they are trading at a discount to NAV of 15% or more. The first resolution to be proposed at the EGM is a special resolution to amend article 13(f) to remove this 15% requirement. This is to provide the Board with more flexibility in managing discounts, with the intention of being able to take action to seek to reduce the discount in appropriate circumstances without the rigid requirement of having to meet the existing percentage threshold. Accordingly, buybacks would be permitted at the complete discretion of the Board at any time, taking into account the best interests of the Company and its shareholders.

3. Board Remuneration

Article 95 of the Company's Articles provides for an aggregate maximum of US\$ 100,000 to be payable in remuneration to the directors of the Company annually. This aggregate figure has been in place since 2002. As a matter of policy, directors not independent of the Investment Manager (at present consisting solely of Dominic Scriven) do not receive directors' fees. Nevertheless, the Board believes the remuneration received by the other directors on an individual basis is now below the market rate for funds of similar size and focus.

Accordingly, an increase in the aggregate limit on the remuneration payable to the Company's directors should assist in ensuring that the Board can maintain and attract independent directors of sufficient calibre.

Shareholders are therefore asked to consider the second resolution being proposed at the EGM which is a special resolution to amend the Company's Articles to increase the aggregate maximum remuneration payable to the directors up to US\$ 200,000 per annum. The actual amount paid and the allocation between directors will remain, as presently, a matter for the discretion of the Board.

RECOMMENDATION

The Directors consider that approval of the resolutions proposed at the EGM is in the Company's best interests and in the best interest of the Company and the shareholders as a whole and recommend that you **VOTE IN FAVOUR** of the resolutions to be proposed at the EGM.

VOTING BY PROXY AND THROUGH DEPOSITORIES

Registered shareholders in the Company should complete, and persons who hold shares through Euroclear or Clearstream Banking, Luxembourg ('Clearstream') should request Euroclear or Clearstream to complete the enclosed form of proxy for the EGM and return it by fax to +852 2263 6427 or by e-mail: shareholder.services@hk.primefundsolutions.com (with original to follow by post) to ABN AMRO Fund Services(Asia) Limited, 30/F Fortis Tower, 77-79 Gloucester Road, Hong Kong (marked for the attention of Shareholder Services Department) as soon as possible and, in any event, so as to arrive not later than 10:00 a.m. (Vietnam time) on 23 February 2011. Completing a form of proxy will not preclude Shareholders from attending the EGM and voting in person (or by corporate representative) if they wish to do so. If any assistance is required, please contact the following help lines:

- Euroclear Help line : +322 224 2199
- Clearstream Help line : +352 2433 8068

Special resolutions will require a 25% quorum of Shareholders to attend and vote (in person or by proxy).

Persons who hold shares through Euroclear or Clearstream should take note of the fact that the date at which Euroclear or Clearstream are expected to have received proper instructions shall be at such time as may be communicated by Euroclear or Clearstream to meet the aforementioned deadline.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Memorandum and Articles of Association of the Company will be available for inspection at the offices of McCann Fitzgerald Listing Services Limited, Riverside One, Sir John Rogerson's Quay, Dublin 2, Ireland; at the offices of ABN AMRO Fund Services(Asia) Limited, 30/F Fortis Tower, 77-79 Gloucester Road, Hong Kong; and at the offices of ABN AMRO Fund Services(Cayman) Limited, Grand Pavilion Commercial Centre, 802 West Bay Road, Grand Cayman, Cayman Islands during normal business hours until 23 February 2011 and at the EGM itself.

Yours faithfully,

Richard McKegney

NOTICE OF EXTRAORDINARY GENERAL MEETING

VIETNAM ENTERPRISE INVESTMENTS LIMITED
(Incorporated in the Cayman Islands with Limited Liability)

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting of Vietnam Enterprise Investments Limited (the "Company") will be held at 1901 Me Linh Point, 2 Ngo Duc Ke, District 1, Ho Chi Minh City, Vietnam on 24 February 2011 at 10.00 am (Vietnam time) to consider and, if thought fit, pass the following resolutions:

AGENDA

- (1) To amend Article 13(f) as follows:-
- 13 (f) Notwithstanding any other provision in this Article 13, but subject to the provisions of the Companies Law, the Company may from time to time repurchase, or enter into an arrangement under which a third party purchases (a "Third Party Purchase"), its shares including fractions of shares, up to a maximum of 1 share less than 15% of the issued and outstanding shares of the Company. The Company may make payment for any shares it repurchases or causes to be purchased in a Third Party Purchase, as the case may be, in any manner authorised by the Companies Law, including out of capital. Neither the Company nor the Board shall be required to select the shares to be repurchased or purchased rateably, or in any other particular manner, as between the holders of shares of the same class, or as between them and the holders of shares of any other class, or in accordance with the rights as to dividends or capital conferred by any class of shares. The Board shall determine if and when to make any such repurchase or purchase, and shall be entitled to effect each and any such repurchase or purchase in the manner in which it would normally be effected, including on any relevant Recognised Stock Exchange. Upon any such repurchase, the shares so repurchased shall be treated as cancelled and shall be classified as authorised but unissued (without, to the extent permitted by law, any further resolution, consent or corporate action being required). In the event of a Third Party Purchase, the Board shall procure that such shares are held for the benefit of the Company.
- (2) To amend Article 95 as follows:-
95. The remuneration of each Director shall be determined by the Board subject to a maximum aggregate amount of US\$200,000 per annum being paid to the Board.

By Order of the Board
ABN AMRO Fund Services (Asia) Limited
Assistant Secretary

25 January, 2011

Registered Office:
Grand Pavilion Commercial Centre
802 West Bay Road, Grand Cayman
Cayman Islands, B.W.I.

Notes:

1. A member entitled to attend and vote at the above Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote on his behalf. A proxy need not be a member of the Company. A form of proxy in respect of the above Meeting is enclosed with this Circular as a separate document for despatch to shareholders of the Company.
2. Forms of proxy and any accompanying powers of attorney must be deposited at ABN AMRO Fund Services (Asia) Limited, 30/F Fortis Tower, 77-79 Gloucester Road, Hong Kong for the attention of Shareholder Services Department (Fax No. +852 2263 6427 or E-mail: shareholder.services@hk.primefundsolutions.com) no later than 24 hours prior to the time specified above for the holding of the Extraordinary General Meeting. If the signed form of proxy or accompanying powers of attorney is sent by fax or by e-mail, the original should be followed by post.

VIETNAM ENTERPRISE INVESTMENTS LIMITED

(Incorporated in the Cayman Islands with Limited Liability)

Form of proxy for use by shareholders at the Extraordinary General Meeting convened to be held at 1901 Me Linh Point, 2 Ngo Duc Ke, District 1, Ho Chi Minh City, Vietnam on 24 February 2011 at 10.00 am (Vietnam time).

I/We _____ (note 1) _____ of _____ being the holder(s) of _____ (note 2) Redeemable Shares of US\$0.01 each of the above-named Company hereby appoint the Chairman of the meeting or, failing whom, _____ of _____ (note 3), to act as my/our proxy at the Extraordinary General Meeting of the Company to be held on 24 February 2011 at 10:00 am (Vietnam time) and at any adjournment thereof and to vote on my/our behalf as directed below.

Special Business:

SPECIAL RESOLUTIONS	*FOR	*AGAINST
THAT Article 13 (f) be amended as follows:- 13 (f) Notwithstanding any other provision in this Article 13, but subject to the provisions of the Companies Law, the Company may from time to time repurchase, or enter into an arrangement under which a third party purchases (a "Third Party Purchase"), its shares including fractions of shares, up to a maximum of 1 share less than 15% of the issued and outstanding shares of the Company. The Company may make payment for any shares it repurchases or causes to be purchased in a Third Party Purchase, as the case may be, in any manner authorised by the Companies Law, including out of capital. Neither the Company nor the Board shall be required to select the shares to be repurchased or purchased rateably, or in any other particular manner, as between the holders of shares of the same class, or as between them and the holders of	<input type="radio"/>	<input type="radio"/>

<p>shares of any other class, or in accordance with the rights as to dividends or capital conferred by any class of shares. The Board shall determine if and when to make any such repurchase or purchase, and shall be entitled to effect each and any such repurchase or purchase in the manner in which it would normally be effected, including on any relevant Recognised Stock Exchange. Upon any such repurchase, the shares so repurchased shall be treated as cancelled and shall be classified as authorised but unissued (without, to the extent permitted by law, any further resolution, consent or corporate action being required). In the event of a Third Party Purchase, the Board shall procure that such shares are held for the benefit of the Company.</p>		
<p>THAT Article 95 be amended as follows:-</p> <p>95. The remuneration of each Director shall be determined by the Board subject to a maximum aggregate amount of US\$200,000 per annum being paid to the Board.</p>	<input type="radio"/>	<input type="radio"/>

* Please indicate how you wish the proxy to vote on your behalf by placing a tick in the appropriate box.

Dated the _____ day of _____, 2011.

Shareholder's Signature: _____ (notes 4 and 5)

Notes:

1. Full name(s) and address(es) to be inserted in BLOCK CAPITALS.
2. Please insert the number of shares registered in your name(s); if no number is inserted, this form of proxy will be deemed to relate to all the shares in the capital of the Company registered in your name(s).
3. A proxy need not be a member of the Company. If any proxy other than the Chairman of the Meeting is appointed, delete the words "the Chairman of the meeting, or failing whom" and insert the name and address of the person appointed as your proxy in the space provided.
4. In the case of joint holders, this form of proxy must be signed by the member whose name stands first on the register of members.
5. This form of proxy must be signed by the appointor, or his attorney duly authorised in writing, or if such appointor is a corporation, either under its common seal or under the hand of an officer or attorney so authorised.
6. If this form is returned duly signed but without a specific direction, the proxy will vote or abstain at his discretion. The proxy will also be entitled to vote at his discretion on resolutions properly put to the meeting other than those referred to in the notice convening the meeting.
7. In order to be valid, this form of proxy together with a power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that authority must be deposited with the office of the Company's Assistant

Secretary, ABN AMRO Fund Services (Asia) Limited, at 30/F Fortis Tower, 77-79 Gloucester Road, Hong Kong for the attention of Shareholder Services Department (Fax No. +852 2263 6427 or by E-mail: shareholder.services@hk.primefundsolutions.com) no later than 24 hours before the time for holding the meeting or adjourned meeting. If the signed form of proxy or power of attorney is sent by fax or e-mail, the original should be followed by post.

8. *Any alterations made to this form should be initialled by the person who signs it.*

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

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