

Company name **Vietnam Enterprise**
Headline **Merger between the Company&Vietnam Growth Fund Ltd**

RNS Number : 9577Y
Vietnam Enterprise Investments
14 September 2015

COMPANY ANNOUNCEMENT

**For Immediate Release
September 2015**

14

Vietnam Enterprise Investments Limited (the "Company")

Re: Merger between the Company and Vietnam Growth Fund Limited ("VGF")

The Company wishes to announce that the Board of the Company is considering proposals to reorganise the Company by merging it with VGF, an investment fund also managed by the Dragon Capital group ("Dragon Capital") (the "Merger"). The Company has been informed that the Board of VGF is considering similar proposals. The Merger will be subject to the approval of the shareholders of both the Company and VGF.

The Company is an investment fund that was established in 1995 in the Cayman Islands, whose shares are listed on the Irish Stock Exchange. The Company is managed by Enterprise Investment Management Limited, a member of Dragon Capital. VGF is also an investment fund, incorporated in the Cayman Islands, whose shares are listed on the Irish Stock Exchange, and which is managed by Dragon Capital Management Limited, also a member of Dragon Capital. The Net Asset Value ("NAV") of the Company and VGF, as at 31 August 2015 is US\$ 498.5 million and US\$ 269.6 million, respectively. Both funds invest predominantly in Vietnamese listed equities.

The Board of the Company is supportive of the envisaged Merger. The Board believes that the larger combined market presence in the Vietnamese equities market following the Merger is likely to see improved economies of scale and better access to investment opportunities.

The Board has authorised Dragon Capital to develop a detailed proposal for the Merger, and to agree the structure with VGF. The Company, as surviving entity under the Merger, intends to pay a consideration for the outstanding shares in VGF equal to the adjusted Net Asset Value of those shares on or just prior to the date of Merger.

Timetable

The Company intends to convene an Extraordinary General Meeting of Shareholders before the end of 2015 to consider the Merger.

If approved, the Company would intend the Merger to take effect as soon as possible after both companies have so approved.

A shareholder circular containing further details of the reorganisation and of the Extraordinary Meeting of shareholders itself will be sent to shareholders in due course.

Additional steps

The Board of the Company is also considering applying to redomicile the Company from the Cayman Islands to an EU jurisdiction, and for the submission of the Company to the Alternative Investment Fund Managers Directive, Directive 2011/61/EU, published by the European Union on 1 July 2011 ("AIFMD"), as part of the reorganisation. If the Merger proceeds, this application is envisaged to be made after the Merger.

The Board believes that the submission of the Company to the AIFMD would be beneficial to investors as the Company would become an EU Alternative Investment Fund for purposes of the AIFMD and could therefore benefit from the AIFMD passport. The Board expects that this would modernise the regulatory framework applicable to the Company and improve liquidity for its shareholders.

The Board's intention would be for the Company to continue with an investment mandate and commercial terms similar to those under the current structure.

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