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VietNam Holding Limited - VNH Notice of AGM and EGM
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VietNam Holding Limited

("VNH" or the "Company")

Notice of AGM and EGM

The Company announces that its Annual General Meeting ('AGM') will be held at the offices of finnCap Limited, 60 New Broad Street, London EC2M 1JJ at 10.00 am on Wednesday, 31 October 2018 with the Extraordinary General Meeting ('EGM') to follow at 10.30 a.m.

Highlights

In summary, in addition to the usual business to be conducted at the AGM, the various Resolutions to be voted upon at the AGM and EGM propose:

- the continuation of the Company;
- renewal of the Company's share buyback power for a further year;
- a tender for up to 15 per cent. of the Company's issued share capital at a 2% discount to Tender NAV;
- the migration of the Company's domicile from the Cayman Islands to Guernsey; and
- the adoption of new articles of incorporation effective on migration

The expected timetable of principal events along with key information from the circular is summarised below.

The circular and notices of the AGM and the EGM, together with Forms of Proxy and Forms of Instruction, will be dispatched to all Shareholders and depository interest holders today.

Electronic copies of the circular and notices are also available on the Company's website www.vietnamholding.com.

More information on the Company is available at

www.vietnamholding.com

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Sean Hurst, Chairman

finnCap Ltd

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Stuart Andrews/William Marle/Giles Rolls,
Nominated Adviser and Broker

The information contained within the announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). Upon the publication of this announcement via Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Tender Record Date	6.00 p.m. on 4 October 2018
Tender Offer opens	8.00 a.m. on 8 October 2018
Latest time and date for receipt of Forms of Instruction for the AGM	10.00 a.m. on 26 October 2018
Latest time and date for receipt of Forms of Proxy for the AGM	10.00 a.m. on 29 October 2018
Latest time and date for receipt of Forms of Instruction for the EGM	10.30 a.m. on 26 October 2018
Latest time and date for receipt of Forms of Proxy for the EGM	10.30 a.m. on 29 October 2018
Last time and date for receipt of Tender Form, settlement of TTE Instruction(s) from CREST and Tender Closing Date	1.00p.m. on 30 October 2018
Time and date of AGM	10.00 a.m. on 31 October 2018
Time and date of EGM	10.30 a.m. on 31 October 2018
Result of AGM and EGM expected to be announced	31 October 2018

Calculation Date	31 October 2018
Announcement of the results of Tender Offer	31 October 2018
Realisation of Tender Pool commences	1 November 2018
Interim payment under Tender Offer announced: Cheques despatched and payments made through CREST	w/c 26 November 2018
Balancing Share certificates despatched and CREST accounts settled in respect of the Tender Offer	w/c 26 November 2018
Tender Price announced: final payment under Tender Offer of assets in Tender Pool announced; cheques despatched and payments through CREST made	As soon as practicable after EGM but expected end-December 2018
Migration to Guernsey becomes effective	As soon as practicable after EGM but expected end-December 2018
Shares admitted to trading on the premium segment of the Main Market	As soon as practicable after Migration but expected end-December 2018

The times and dates set out in the expected timetable and mentioned throughout this document may, in certain circumstances, be adjusted by the Company, in which event details of the new times and dates will be notified, as required, to the London Stock Exchange and, where appropriate, Shareholders and an announcement will be made through a Regulatory Information Service.

All references to times in this document are to London time unless otherwise stated.

The Continuation Vote

The Directors recommend the continuation of the Company. If approved, the Company will continue for a period of a further five years (in the event the Migration of the Company to Guernsey proceeds) or for a period of a further three years (in the event the Migration does not proceed), with the Company's continuation thereafter being subject to a further continuation vote to be held at the 2023 or 2021 annual general meeting (as applicable).

The Continuation Resolutions being proposed at the AGM as an ordinary resolution (AGM Resolution 8). The Directors strongly believe that continuation of VNH is in the best interests of shareholders as a whole because:

- Vietnam still represents an attractive market for portfolio investors which is best accessed through a closed ended fund such as VNH;
- VNH is a successful fund with a long term record of outperformance against its benchmark index, the VNAS;
- VNH's Shares typically trade on the narrowest discount of the three London listed Vietnam funds;
- the most recent Vietnamese economic indicators and the policy measures of the Vietnamese government are all broadly in conformity with a more sustainable growth pattern for the country; and
- the Board and the Investment Manger are enthusiastic about the content of the Company's portfolio and the opportunities it presents in a promising market. The entire team is focused on maximising the Company's NAV and Shareholder value.

The Migration and Main Market Move

In seeking to promote the Company it has become apparent that the Company's place of domicile and its quotation on AIM are barriers to certain potential new investors. The Directors considered a number of alternatives for the domicile of the Company and selected Guernsey for the following reasons:

- the Company can maintain its existing tax-efficient structure;
- Guernsey has a well-established infrastructure for the administration of closed-ended funds listed in London, with a large number of funds already utilising this route;
- Guernsey has a robust regulatory and compliance regime;
- the process of changing domicile from the Cayman Islands to Guernsey is relatively straightforward as the existing corporate entity can migrate with no change in legal identity; and
- Shareholders will benefit from improved protections as the Company will fall within the remit of the UK Takeover Code.

Together with the proposed Migration, the Company intends to seek to change its trading venue from AIM to a premium listing on the Official List and to trading on the premium segment of the Main Market. Shareholders should note, however, that the change of trading venue to the premium list is not guaranteed and is subject to, *inter alia*, the publication of a prospectus approved by the UK Listing Authority.

From the time when the Shares commence trading on the Main Market, they will be eligible to be and will be quoted and traded in UK pounds Sterling rather than US Dollars. The Company expects its Shares to be eligible to qualify for inclusion in the FTSE Indices in due course. The Company will continue to prepare its financial statements in US\$ and will report its net asset value in US Dollars and pounds Sterling. The nominal value of the Shares will remain as US\$1 per Share.

The Directors believe that a Main Market Move will:

- provide a more appropriate platform for the continued growth of the Company and further raise its profile and status as a growth business focused on Vietnam;
- place the Company in a better position to improve liquidity and increase the valuation of its Shares because of the larger number of institutional investors who regularly trade in shares of companies admitted to the Main Market and the higher profile of such companies;
- benefit Shareholders due to the more rigorous corporate governance, regulatory and reporting requirements imposed on Main Market companies; and
- provide a more appropriate market for a company of the size and maturity of VNH, given its growth since it was admitted to trading on AIM in 2006.

Discount control and Share Buyback Programme

The Company established a Share Buyback Programme in 2010. Following the Company's 2017 annual general meeting and the appointment of new directors, the Board undertook a review, *inter alia*, of the Company's share buyback powers and their use. In particular, the Board concluded that while the Company's Shares trade at a significant discount to NAV per Share, it was in the circumstances a beneficial use of the Company's capital to repurchase Shares at a discount to NAV for immediate cancellation (or, if the Directors determine, to be held in treasury to be available for subsequent re-issue) to enhance the NAV per share.

Since the 2017 annual general meeting, the Company has purchased a total of 7,836,916 Shares at a weighted average discount of 15.0 per cent. This is equal to 10.8 per cent. of the Company's Shares in issue at the 2017 annual general meeting. The aggregate benefit to the Company of these buybacks, in the form of NAV accretion less the costs effecting the buybacks, was approximately US\$0.06 per Share.

The Board remains of the view that the ongoing Share Buyback Programme is an important factor in narrowing, and keeping narrow the Company's Share price discount to NAV per Share, both in absolute terms and relative to that of the Company's London listed peers. Furthermore, the pursuit of the Share Buyback Programme has reduced the volatility of the Company's discount to NAV per Share and provides a certain, near immediate and potentially substantial return to the Company on the capital used, accreting value to NAV per share. Therefore, the Board believes that maintaining the availability of the Share Buyback Programme is in the best interests of Shareholders as a whole and should continue to allow the Company to manage the Share price discount to NAV per Share where the Board considers this to be appropriate.

The Board is proposing the renewal of the buyback authority which will allow for the repurchase of up to 14.99 per cent. of the Company's issued share capital as at the date of the AGM. Shareholder approval will be sought at each subsequent annual general meeting of the Company to renew such authority, and potentially more frequently if such authority is likely to be fully utilised sooner.

The Tender Offer

The Board has arranged for finnCap to conduct the Tender Offer on behalf of the Company for up to 15 per cent. of the Company's Shares in issue as a discount of 2 per cent. to the Tender NAV. Further details of the Tender Offer are set out in Part 5 and 6 of the circular. The Tender Price will be calculated by splitting all of the Company's assets and liabilities, pro rata, in accordance with the level of successful tenders, into a Tender Pool and a Continuing Pool. The Tender Pool assets will be realised and the liabilities settled and the net cash proceeds paid to Shareholders who successfully tender their Shares. The Board has determined that splitting the assets and liabilities of the Company into a Tender Pool and a Continuing Pool, as described above, is the most equitable method for determining the Tender Price. However, the Board may, in its absolute discretion, determine that the Company will pay the Tender Price in cash calculated as the Tender Offer FAV per Exit Share. The Board may determine that a cash payment would represent better value for all Shareholders in circumstances where, for example, the Company receives elections to tender a relatively low number of Shares.

The maximum number of Shares to be acquired under the Tender Offer is 9,711,664 Shares, representing 15 per cent. of the Shares in issue as at the Latest Practicable Date.

By way of illustration, assuming that the maximum number of Shares was acquired under the Tender Offer and that the Tender Price was calculated by reference to the NAV per Share as at 3 October 2018 (being the Latest Practicable Date), the purchase of Shares under the Tender Offer would be expected to cause an uplift in NAV per Share for Shareholders who continue with their investment in the Company.

The Tender Offer will only be open to Shareholders on the register at the close of business on 4 October 2018 (the Tender Record Date) in respect of Shares continually held from that date until the Tender Closing Date. The Tender Offer is subject to certain conditions set out in paragraph 2 of Part 6 of the circular. In addition, the Tender Offer may be suspended or terminated in certain circumstances, as set out in paragraphs 8 and 9 of Part 6 of the circular.

An Eligible Shareholder tendering up to its Basic Entitlement will have its tender satisfied in full. Any Eligible Shareholder tendering more than its Basic Entitlement will have its Excess Application satisfied if there are sufficient remaining Available Shares. Such Available Shares shall be apportioned to Eligible Shareholders pro rata to their Excess Applications should other Eligible Shareholders not tender the full amount of their Basic Entitlement and as a result of certain Overseas Shareholders not being permitted to participate in the Tender Offer.

Shares which are tendered for acceptance under the Tender Offer may not be sold, transferred, charged or otherwise disposed of. Shares which are tendered for acceptance under the Tender Offer may not be withdrawn without the absolute discretion of the Board.

In making the Tender Offer, finnCap will purchase the Shares which have been validly tendered as principal by means of an on-market purchase from tendering Shareholders and will sell the tendered Shares acquired by it on to the Company pursuant to the terms of the Repurchase Agreement. All Shares acquired by the Company from finnCap under the Repurchase Agreement will be cancelled.

The New Articles

In order to give effect to the Migration to Guernsey and to apply for Admission of the Shares to a premium listing on the Official List, the Company must make certain changes to its articles of association. Accordingly, if Resolution 2 to be proposed at the EGM is approved, the New Articles will be adopted to replace the existing articles of association of the Company with effect from the effective date of the Migration.

The New Articles have been prepared in a standard form with a view to compliance with applicable Guernsey law and regulation and with the Listing Rules as they apply to the Company as a closed-end listed investment company. The New Articles are materially similar to the existing articles of association. In particular, the Board has determined, on advice, that the protections afforded to Shareholders under the existing articles of association have, in substance, been transposed into the New Articles or are conferred on to Shareholders under the Listing Rules and other rules that will be applicable to the Company as a premium listed investment company.

The key differences between the existing articles of association of the Company and the New Articles are:

- The introduction of pre-emption rights on the issue of new Shares and the sale of Shares from treasury. The New Articles provide that, save in certain circumstances, the Company shall not issue any Shares (including a sale from treasury) on any terms to a person unless it has first made an offer in writing to each person who holds Shares of the same class in the Company to issue to him on the same or more favourable terms a proportion of those Shares which is as nearly as practicable equal to the proportion in number held by him of the share capital of the Company of that class. However, the New Articles further provide that such provisions may be disapplied by the Company if approved by Shareholders by way of a special resolution of the Company. The Existing Articles do not contain any rights of pre-emption.
- The introduction of a Shareholder interests disclosure process to assist the Company in complying with its obligations pursuant to the Disclosure Guidance and Transparency Rules. The Company may, by notice in writing (a "**Disclosure Notice**"), require a person whom the Company knows to be or has reasonable cause to believe is or, at any time during the three years immediately preceding the date on which the Disclosure Notice is issued, to have been interested in any Shares to, within the prescribed period, confirm that fact or (as the case may be) to indicate whether or not it is the case and to give such further information as may be required in accordance with the New Articles, including as to that persons status, domicile, nationality and residency. In the event of non-compliance, the Board may require the disenfranchisement of the defaulting Shareholder.
- Changes designed to facilitate the electronic settlement of transfers in Shares.
- The extension of the period before the Company's next continuation vote. As described in paragraph 5 above, if the Continuation Vote is passed at the AGM and EGM Resolution 2 is also passed, the New Articles will provide that the next continuation resolution will be proposed at the annual general meeting of the Company to be held in 2023.

A full summary of the New Articles is set out at Part 2 of the circular.

Annual General Meeting

The business of the AGM will consist of the following Resolutions, each of which is explained in the circular.

- Resolution 1 to receive the Directors' report and audited accounts of the Company for the year ended 30 June 2018.
- Resolutions 2 to 5 to re-elect the Board of Directors.

(inclusive)

- Resolution 6 to re-appoint KPMG LLP, Singapore as the Company's auditors and authorise the Directors to determine their remuneration in respect of such appointment.
- Resolution 7 to give the Directors authority to buyback up to 14.99 per cent. of the Company's issued share capital.
- Resolution 8 to continue the Company for a further five years.

The board recommends that shareholders vote in favour of all 8 resolutions to be proposed at the AGM.

Extraordinary General Meeting

The implementation of certain of the Proposals requires the approval of Shareholders. A notice convening an EGM of the Company, which is to be held at 10.30 a.m. on 31 October 2018 at the offices of finnCap, 60 New Broad Street, London, EC2M 1JJ, is set out in the circular.

The EGM Resolutions (including the implementation of the Tender Offer and the Migration) are conditional upon the Continuation Resolution having first been passed at the AGM.

EGM Resolution 1 would allow the Company to effect the Tender Offer so as to permit those Eligible Shareholders who wish to realise their investment (whether in whole or in part) to do so, subject to the terms and conditions of the Tender Offer and the extent to which Eligible Shareholders tender their Shares.

EGM Resolution 2 would allow the Company to implement the Migration and the adoption of the New Articles.

EGM Resolution 3 would, following the implementation of the Migration, allow the Board to issue further Shares, up to a maximum that is equivalent to 10 per cent. of the Company's share capital as at the date of this announcement plus any Shares that may be held in treasury from time to time, without being subject to the pre-emption provisions set out in the New Articles.

Recommendation

The board considers that the proposals are in the best interests of shareholders as a whole. The board has received financial advice from finnCap and in giving that financial advice, finnCap has placed reliance on the board's commercial assessments.

Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolutions to be proposed at each of the AGM and EGM.

DEFINITIONS

"Admission" admission of the Shares to listing on the premium listing segment of the Official List and to trading on the premium segment of the London Stock Exchange's Main Market;

"AGM Resolutions" the resolutions to be proposed at the AGM in relation to

	the proposals as set out in the notice of the AGM;
"Available Shares"	9,711,664 Shares to be acquired under the Tender Offer representing 15 per cent. of the Shares in issue as at the date of the circular;
"Basic Entitlement"	15 per cent. of Shareholders (other than certain Overseas Shareholders) Shares registered in their name on the Register as at the Tender Record Date;
"Business Day"	any day other than a Saturday, Sunday or public holiday in the UK on which clearing banks in the UK are open for general banking business;
"Calculation Date"	6.00 p.m. on 31 October 2018;
"Company" or "VNH"	Vietnam Holding Limited, a company incorporated under the laws of Cayman Islands with registration number 166182;
"Continuation Pool"	the pool of stocks, cash and assets to be created in accordance with the terms of the Tender Offer and relating to Continuing Shareholders;
"Continuation Resolution" or "Continuation Vote"	Resolution 8 of the AGM pertaining to the continuation of the Company for a further five years;
"Continuing Shareholders"	Shareholders who retain Shares in the Company after the Tender Offer is implemented;
"Directors" or "Board"	the directors of the Company;
"Disclosure Guidance and Transparency Rules"	the disclosure guidance and transparency rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000, as amended;
"EGM Resolutions"	the resolutions to be proposed at the EGM in relation to the proposals as set out in the notice of the EGM;
"Eligible Shareholders"	Shareholders on the Register at the Tender Record Date;
"Excess Application"	an Eligible Shareholder tendering more than its Basic Entitlement;
"Final Tender Offer Asset Value"	the unaudited net asset value of the Tender Pool on the Tender Pool Determination Date less the Tender Offer Costs plus any monies paid to Exiting Shareholders by way of interim payment;
"finnCap"	the Company's sponsor for the purposes of the transaction, Nomad and Broker;
"Forms of Instruction"	the forms of instruction received in connection with the AGM and EGM;
"Forms of Proxy"	the forms of proxy received in connection with the AGM and EGM;

"Investment Manager"	Dynam Capital Management, Ltd., a company incorporated under the laws of the Cayman Islands with registration number 337406;
"Latest Practicable Date"	3 October 2018, being the latest practicable date prior to the publication of the circular;
"Listing Rules"	the listing rules made by the UK Financial Conduct Authority under section 73A of the Financial Services and Markets Act 2000 (as amended);
"London Stock Exchange"	London Stock Exchange Plc;
"Main Market"	the Main Market of the London Stock Exchange;
"Main Market Move"	the proposed change of listing venue of the Company from AIM to the premium segment of the Main Market;
"Migration"	the de-registration of the Company in the Cayman Islands and the registration of the Company under Guernsey law;
"NAV"	the net asset value of the Company determined in accordance with the Company's normal accounting policies after adding back any Tender Offer Costs that have already been expensed;
"New Articles"	the new memorandum and articles of incorporation of the Company to be adopted at the EGM with effect from the date of the Migration;
"Official List"	the Official List of the UK Listing Authority;
"Overseas Shareholders"	Shareholders who are resident in or citizens of, territories outside the UK and not resident in, or citizens of, any of the Restricted Territories;
"Proposals"	the proposals for the Company's future described in the circular;
"Register"	the register of members of the Company;
"Regulatory Information Service"	a service approved by the London Stock Exchange for the distribution to the public of announcements;
"Repurchase Agreement"	the repurchase agreement dated 8 October 2018 between the Company and finnCap;
"Resolutions"	the AGM Resolutions and/or the EGM Resolutions, as the context requires;
"Restricted Shareholders"	Shareholders who are resident in, or citizens of, one of the Restricted Territories;
"Restricted Territory"	any and all of the United States, Australia, Canada, Japan and the Republic of South Africa;

"Share Buyback Programme"	the programme of Share buybacks, operated at the discretion of the Directors, pursuant to the authority of the Company to buyback Shares in the market periodically granted by Shareholders and next to be sought at the AGM;
"Shareholder"	holders of Shares;
"Shares"	ordinary shares of nominal value US\$1.00 each in the capital of the Company;
"Sterling"	the lawful currency of the United Kingdom;
"Tender" or "Offer"	an invitation by finnCap to Shareholders (other than Restricted Shareholders) to tender their Shares on the terms and subject to the conditions set out in the circular;
"Tender Closing Date"	1.00 p.m. on 30 October 2018 being the final date on which the Tender Form may be received and the date on which the Tender Offer closes to UK Registered Shareholders;
"Tender Form"	the tender form accompanying this document for use by Shareholders who hold their Shares in certificated form in connection with the Tender Offer;
"Tender Offer Formula Asset Value" or "Tender Offer FAV"	the formula asset value as calculated in accordance with Part 5 of the circular;
"Tender Offer Resolution"	the ordinary resolution to approve the Tender Offer proposed at the EGM set out in resolution one of Notice of EGM;
"Tender Offer"	the invitation by finnCap to Eligible Shareholders (other than certain Overseas Shareholders) to tender Shares on the terms and subject to the conditions set out in the circular and, in the case of Shares held in certificated form, the Tender Form;
"Tender Pool Determination Date"	the date specified by the Directors as being as soon as practicable following the date on which all assets in the Tender Pool have been realised and settled and liabilities (other than stamp duty to be payable) have been paid and on which the Final Tender Offer Asset Value attributable to the Tender Pool will be calculated;
"Tender Pool"	the pool of stocks, cash and assets to be created in accordance with the terms of the Tender Offer and relating to Existing Shareholders;
"Tender Price"	the price at which Shares will be purchased pursuant to the Tender Offer as determined in accordance with the terms and conditions of the Tender Offer;
"Tender Record Date"	the close of business on 4 October 2018;
"UK"	the United Kingdom of Great Britain and Northern Ireland;
"UK Listing Authority"	the UK Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the

UK Financial Services and Markets Act 2000 (as amended);
and

"US Dollars" or "US\$"

the lawful currency of the United States of America.

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