

Fund background

VinaLand Limited ('VNL') is a closed-end fund launched in March 2006 and traded on the London Stock Exchange's Alternative Investment Market (AIM).

Investment strategy

The Company is now in a cash return period and will not make any investments, except where funds are required for existing projects. The Company will seek to realise assets in the existing portfolio and continue with the development of selected projects to maximise value.

Valuation policy

Net Asset Value is the value of all VNL assets less all VNL liabilities determined every three months in accordance with the valuation guidelines adopted by the Directors from time to time.

Under VNL's current valuation guidelines:

- The value of any cash in hand and other monetary assets is deemed to be the full amount less any discount determined as appropriate by the Directors;
- Unquoted investments and real estate projects are initially valued at fair value. Once an investment licence is obtained, or by way of other arrangements VNL has a legal entitlement to an investment property, the investment property is revalued. Investment properties greater than USD5 million are revalued at least twice per year and may be revalued more frequently if the investment manager or valuation committee believes there has been a material change in the value of a property. Two independent valuations are obtained for each project at each initial valuation date. An updated independent valuation is then obtained six months after the initial valuation.
- The valuations are reviewed by the valuation committee as the basis for the final valuation approved by the Board of Directors each quarter
- All values other than US dollars are converted into US dollars at the prevailing exchange rate.

Distribution policy

The Directors may make distributions to shareholders from surplus proceeds available from disposals. The method of distribution will be dependent on cash available, share price to NAV discount and prevailing shareholder feedback at the time.

Additional information

The Company currently conducts its affairs so that the shares issued by the Company can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because the returns to investors are predominantly based on shares and/or debentures.

Board of Directors		VinaCapital Investment Management Ltd	
VNL's Board of Directors is composed entirely of independent non-executive directors.			
Member	Role	Member	Role
Michel Casselman	Non-executive Chairman	Don Lam	Chief Executive Officer
Ian Lydall	Non-executive Director	Brook Taylor	Chief Operating Officer
Charles Isaac	Non-executive Director	David Blackhall	Managing Director, VNL
Tran Trong Kien	Non-executive Director	Anthony House	Deputy Managing Director, Real Estate
Fund background			
ISIN		KYG936361016	
Bloomberg		VNL LN	
Reuters		VNL.L	
Fund summary			
Fund launch		22-Mar-06, current term is for a period of approximately 3 years and commenced 22 November 2016	
Term of fund		Originally seven years, but now subject to shareholder vote for continuation, with the next such vote to occur no later than 21 November 2019	
Fund domicile		Cayman Islands	
Legal form		Exempted company limited by shares	
Investment manager		VinaCapital Investment Management Ltd	
Structure		Single class of ordinary shares trading on the AIM market of the London Stock Exchange plc	
Auditor		PricewaterhouseCoopers (Hong Kong)	
Nominated adviser		Grant Thornton UK LLP	
Custodian, Administrator and Transfer Agency		Standard Chartered Bank (Singapore & Vietnam)	
Registrar		Vistra Corporate Services (Cayman) Limited	
Brokers		Numis Securities (Bloomberg: NUMI)	
Lawyers		Gowling WLG (UK), Maples and Calder (Cayman Islands)	
Fee structure		A combination of a Disposal fee and an Alignment fee that incentivises the Investment Manager to divest projects at the highest value in a timely manner. The Disposal fee is calculated as 3% of distributable funds in Year 1, 2.75% in Year 2 and 2.25% in Year 3. The Disposal fee shall commence once the shareholder distribution hurdle of USD101million distributed to shareholders since the 2016 EGM has been achieved. Furthermore, the Alignment fee is calculated on actual distributions to shareholders as follows; 10% of distributions over a hurdle of USD265million, then 15% over a hurdle of USD279million, then 20% over a hurdle of USD313million. A monthly prepayment advance will be paid to the Manager as follows; Year 1: USD200,000, Year 2: USD150,000, and Year 3: USD100,000 and these prepayments will be deducted from the disposal and alignment fees earned above.	
Investment policy		The Fund is now in a cash return period and will not make any investments, except where funds are required for existing projects. The Fund will seek to realise assets in the existing portfolio and continue with the development of selected projects to maximize value.	
Investment objective by geography		All existing investments are located in Vietnam. There will be no new investments during the current cash return period.	

Other VinaCapital LSE-traded funds:

- Vietnam Opportunity Fund (VOF.L)
- Vietnam Infrastructure Limited (AIM:VNI.L)

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