

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. WHEN CONSIDERING WHAT ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK INDEPENDENT FINANCIAL ADVICE FROM YOUR FINANCIAL ADVISER.

If you have sold or otherwise transferred all of your Ordinary Shares in VinaLand Limited (the "**Company**"), please send this document and the accompanying Form of Proxy, as soon as possible, to the purchaser or transferee or to the other person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

**The attention of Shareholders is drawn to the Risk Factors set out in Part 3 of this document.**

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# VINALAND LIMITED

*(an exempted company incorporated in the Cayman Islands with registration number MC-154178)*

## **Shareholder Proposals and Notice of Extraordinary General Meeting**

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Notice of an Extraordinary General Meeting of the Company to be held at 10.00 a.m. (Swiss time) on 21 November 2012 at the Storchen Hotel, Weinplatz 2, 8001 Zurich, Switzerland is set out on pages 16 to 17 of this document.

A Form of Proxy for the purpose of voting **FOR** or **AGAINST** the Resolutions accompanies this document and, to be valid, must be completed and returned in accordance with the instructions set out thereon as soon as possible by mail or by facsimile but in any event so as to reach:

**HSBC Institutional Trust Services (Asia) Limited**

**17/F, Tower 2 & 3, HSBC Centre**

**1 Sham Mong Road**

**Kowloon**

**Hong Kong**

**Attn: Katherine W Y Yiu/Lily W L Leung**

**or**

**by fax on**

**+ (852) 3409 2690**

**Attn: Katherine W Y Yiu/Lily W L Leung**

**By no later than 5.00 p.m. (Hong Kong time) on 19 November 2012**

## CONTENTS

<b>Clause</b>	<b>Page</b>
ACTION TO BE TAKEN BY SHAREHOLDERS	1
EXPECTED TIMETABLE OF PRINCIPAL EVENTS	2
LETTER FROM THE CHAIRMAN	3
FURTHER DETAILS OF THE REORGANISATION	8
RISK FACTORS	11
DEFINITIONS	13
NOTICE OF EXTRAORDINARY GENERAL MEETING	16

**ACTION TO BE TAKEN BY SHAREHOLDERS**

**PLEASE COMPLETE AND RETURN THE FORM OF PROXY TO INDICATE HOW YOU WISH TO VOTE ON THE PROPOSALS.**

**Special Resolution:** that the Company continue as presently constituted. Complete and return the Form of Proxy for the EGM as soon as possible and in any event not later than 5.00 p.m. (Hong Kong time) on 19

**Ordinary Resolution:** (a) to change the Company's investing policy, and (b) to approve the Amended and Restated Investment Management Agreement. November 2012 and/or attend and vote at the EGM on 21 November 2012.

**The Board recommends that Shareholders vote AGAINST Special Resolution no.1 and FOR Ordinary Resolution no. 2.**

Forms of Proxy must be completed and returned in accordance with the instructions set out thereon as soon as possible by mail or by facsimile but in any event so as to reach:

**HSBC Institutional Trust Services (Asia) Limited**

**17/F, Tower 2 & 3, HSBC Centre**

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**by no later than 5.00 p.m. (Hong Kong time) on 19 November 2012**

**If Shareholders have any queries regarding the completion of the Form of Proxy please contact David Blackhall of VinaCapital Investment Management Limited, by telephone on +848 3821 9930 or by e-mail at david.blackhall@vinacapital.com. Please note that the Investment Manager can only give procedural advice and is not authorised to provide investment advice.**

**EXPECTED TIMETABLE OF PRINCIPAL EVENTS**

EGM Record Date	5.00 p.m. (Hong Kong time) on 19 November 2012
Latest time and date for receipt of Forms of Proxy	5.00 p.m. (Hong Kong time) on 19 November 2012
Time and date of Extraordinary General Meeting	10.00 a.m. (Swiss time) on 21 November 2012
Announcement of results of Extraordinary General Meeting	21 November 2012

*If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by announcement through a Regulatory Information Service.*

**PART 1**  
**LETTER FROM THE CHAIRMAN**  
**VINALAND LIMITED**

*(incorporated in the Cayman Islands, with registered company number MC-154178)*

*Directors:*

Nicholas Brooke (*Chairman*)  
Nicholas Allen  
Michael Arnold  
Michel Casselman  
Stanley Chou  
Horst Geicke  
Charles Isaac

*Registered office:*

PO Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

23 October 2012

Dear Shareholders

Proposals in relation to the future of the Company

1. Introduction

The Company's Admission Document dated 16 March 2006 stated that the Board intended to convene an extraordinary general meeting of the Company before 23 March 2013 where a special resolution would be proposed that the Company continue as presently constituted.

Further to the Company's announcement of 10 September 2012 (available at the Company's website: [www.vinacapital.com/vnl](http://www.vinacapital.com/vnl)) and following consultation with the Company's Investment Manager, corporate advisers and major shareholders, the Board is now putting forward the Proposals (more particularly described in paragraphs 2 and 3 below) in order to provide certainty as to the direction of the Company for the next three years.

The purpose of this document is to explain the Proposals and to convene the EGM at which the Resolutions necessary to implement the Proposals will be put to Shareholders.

2. The Continuation Resolution

The Company's Admission Document stated that:

*"shareholders should have the opportunity to review the future of the Company at appropriate intervals. Accordingly, the Board intends to convene an extraordinary general meeting of the Company in 2013 where a special resolution will be proposed that the Company continue as presently constituted."*

The Admission Document also stated that:

*"Shortly before the seventh anniversary of Admission, the Board will convene a Shareholders meeting at which a resolution will be proposed to continue the Company."*

The Continuation Resolution, which shall be proposed as a special resolution, shall be proposed at the EGM. In the event that the Continuation Resolution is passed, the Company will continue as presently constituted and the Company will continue to be managed in accordance with its existing investment objective and investing policy set out in the Admission Document.

Furthermore, a similar continuation resolution will be proposed by the Company before the end of 2015. If the Continuation Resolution is passed, the Reorganisation Resolution (details of which are set out at paragraph 3 below) will not be put to Shareholders at the EGM.

Following the process of consultation noted above, the Board does not believe that continuation of the Company as presently constituted is in Shareholders' best interests and is recommending that Shareholders vote **AGAINST** the continuation of the Company. If, as the Board recommends, the Continuation Resolution is not passed at the EGM, Shareholders will then have the opportunity to vote on the Reorganisation Resolution.

### 3. The Reorganisation

In the event that the Continuation Resolution is not passed, the Board proposes to restructure the Company: including changes to the Company's investment policy; distribution policy; the remuneration structure of the Investment Manager and corporate governance. The Reorganisation is conditional upon the approval of the Reorganisation Resolution at the EGM.

The Reorganisation comprises the following elements:

#### 3.1 Investing policy and distribution policy

For a period of up to three years following the EGM (the "**Cash Return Period**") the Company will make no new investments (save that it may invest in, or advance additional funds to, existing projects within the Company's property portfolio to maximise value and assist in their eventual realisation). The Company will adopt a new realisation strategy whereby the Company's existing property portfolio of assets will be developed (where necessary) and/or divested in a controlled, orderly and timely manner. Further details of the Company's proposed investing policy are set out at paragraph 1 of Part 2 of this document. Board approval will be required for all divestments of property assets to be made by the Company.

During the Cash Return Period the net proceeds of all portfolio realisations will be returned to Shareholders, at the Board's discretion, having regard to requirements to invest further funds in existing projects within the Company's property portfolio to enhance or preserve exit values; the Company's working capital requirements (including the fees payable under the Amended and Restated Investment Management Agreement) and the cost and tax efficiency of individual transactions and/or distributions.

Shareholders will be provided with an opportunity to reassess the investing policy and distribution policy at the end of the Cash Return Period. To that end, a further special resolution for the Company's continuation will be proposed at an extraordinary general meeting to be convened at the end of the Cash Return Period (the "**Second Continuation Vote**").

#### 3.2 Investment Manager's remuneration

The Company and the Investment Manager have, conditionally upon the approval of the Reorganisation Resolution at the EGM, entered into the Amended and Restated Investment Management Agreement which amends the fees payable to the Investment Manager as follows:

- 3.2.1 the management fee shall be reduced from 2 per cent. of the NAV of the Company (calculated on a monthly basis), to fixed annual amounts payable for each year of the Cash Return Period of U.S.\$8.25 million (equal to 1.47 per cent. of the NAV of the Company as at 30 June 2012) in the first year, U.S.\$7.5 million in the second year and U.S.\$6.5 million in the third year. These amounts have been approved by the Board based on operating cost estimates provided by the Investment Manager for each of the years. This will reduce the management fee payable during the first year of the Cash Return Period by approximately U.S.\$3.0 million (reducing the total expense ratio of the Company from approximately 2.35 per cent. per annum to approximately 1.80 per cent. per annum);
- 3.2.2 the Investment Manager's entitlement to future performance fees shall be cancelled; and

- 3.2.3 the payment by the Company to the Investment Manager of the currently accrued but unpaid performance fees, which total approximately U.S.\$28.2 million, is conditional on distributions by the Company to Shareholders. Under the Amended and Restated Investment Management Agreement, the Investment Manager is entitled to receive realisation fees ("**Realisation Fees**") equal to the accrued but deferred performance fees (up to approximately U.S.\$28.2 million), equalling in aggregate 20 per cent. of the net proceeds of realisations distributed during the Cash Return Period or, in certain circumstances, received by the Company within the 12 month period following the expiry of the Cash Return Period. Except in certain limited circumstances, the Investment Manager will be required to use 50 per cent. of each Realisation Fee it receives to make market purchases of Ordinary Shares. The Investment Manager will be restricted from dealing in any Ordinary Shares so acquired for the Restricted Period except in certain standard limited circumstances (including circumstances where the Company consents to such transfer).

The Amended and Restated Investment Management Agreement has also been updated in order to reflect current best practice for investment management agreements. Further details of the Amended and Restated Investment Management Agreement are set out at paragraph 2 of Part 2 of this document.

The Board, having consulted with the Nominated Adviser, believes the entry into of the Amended and Restated Investment Management Agreement is fair and reasonable insofar as the Shareholders are concerned.

#### 4. Corporate governance

The Board recognises the evolution of corporate governance standards since the Company's admission to AIM and, in order to align its arrangements with best practice in this area, following the EGM, the Board will:

- 4.1 publish further details of its policies regarding Board tenure and the appointment of new directors;
- 4.2 convene an annual general meeting in 2013 and in each subsequent year;
- 4.3 rationalise the Board by reducing its membership from seven directors to five on or before the first annual general meeting to be held in 2013; and
- 4.4 review its disclosure policies with a view to enhancing transparency for Shareholders.

#### 5. Illustrative realisation and distribution profile

The Investment Manager has prepared an illustration of the Company's potential realisation and distribution profile over the period to the Second Continuation Vote.

The Investment Manager has estimated that over the three year period to the Second Continuation Vote the Company may be capable of realising gross cash proceeds of approximately U.S.\$250 million. After deduction of estimated management fees, operating expenses, further commitments to current portfolio assets and accrued performance fee, this would equate to approximately U.S.\$140 million being available for distribution to Shareholders. Under the terms of the Amended and Restated Investment Management Agreement, approximately U.S.\$112 million will need to have been distributed to Shareholders in order for the Investment Manager to receive payment of the full approximately U.S.\$28.2 million of its accrued but unpaid performance fees.

The detail of this illustrative analysis, including the specific assumptions used, is set out in the presentation to Shareholders available for viewing on the Company's webpage ([www.vinacapital.com/vnl](http://www.vinacapital.com/vnl)). The presentation also contains further details on the status of current pipeline divestments where negotiations are well advanced. There are five potential transactions

with either signed share purchase agreements or memoranda of understanding with a total estimated divestment value over the next 12 months of approximately U.S.\$40 million.

**These figures, and those in the presentation, are illustrative estimates only. Due to various risks and uncertainties, actual events or results or the actual performance of the Company or any investment discussed in the presentation may differ materially from those reflected or contemplated in such illustrative estimates. Any projections, market outlooks or illustrative estimates are forward-looking statements and are based upon certain assumptions. Other events which were not taken into account may occur and may significantly affect the performance of the Company or any investment. Any outlooks and assumptions should not be construed to be indicative of the actual events which will occur.**

6. Additional information

Your attention is drawn to the information set out in Parts 2 and 3 of this document.

**7. Extraordinary General Meeting**

The Resolutions will be proposed at the EGM to be held at the Storchen Hotel, Weinplatz 2, 8001 Zurich, Switzerland at 10.00 a.m. (Swiss time) on 21 November 2012.

Shareholders are requested to complete and return the accompanying Form of Proxy in accordance with the instructions printed thereon, regardless of whether Shareholders attend the EGM, as soon as possible by mail or by facsimile but in any event so as to reach:

**HSBC Institutional Trust Services (Asia) Limited**

**17/F, Tower 2 & 3, HSBC Centre**

**1 Sham Mong Road**

**Kowloon**

**Hong Kong**

**Attn: Katherine W Y Yiu/Lily W L Leung**

**or**

**by fax on**

**+ (852) 3409 2690**

**Attn: Katherine W Y Yiu/Lily W L Leung**

**by no later than 5.00 p.m. (Hong Kong time) on 19 November 2012**

A holder of Ordinary Shares must be on the Register (or where Ordinary Shares are held in Euroclear and/or Clearstream, otherwise beneficially entitled to such Ordinary Shares, by) not later than 5.00 p.m. (Hong Kong time) on 19 November 2012. Changes to entries in the Register after that time shall be disregarded in determining the rights of any Shareholder to attend and vote at such meeting (or to provide voting instructions to the relevant Euroclear and/or Clearstream nominee(s)).

The quorum for the EGM is two Shareholders present in person or by proxy and entitled to vote at the meeting. In the event that a quorum is not achieved, the EGM will be adjourned until the same time on 28 November 2012, and the adjourned EGM will be held at the same place as the originally scheduled meeting.

If Shareholders have any queries regarding the completion of the Form of Proxy please contact David Blackhall of VinaCapital Investment Management Limited, by telephone on +848 3821 9930



or by e-mail at david.blackhall@vinacapital.com. Please note that the Investment Manager can only give procedural advice and is not authorised to provide investment advice.

## **8. Recommendations**

The Board recommends all Shareholders to vote **AGAINST the Continuation Resolution** to be proposed at the EGM.

If the Continuation Resolution is passed, the Reorganisation Resolution will not be put to Shareholders at the EGM.

In the event that the Continuation Resolution fails, the Board considers the Reorganisation Resolution to be proposed at the EGM to be in the best interests of Shareholders as a whole. Accordingly, if the Continuation Resolution is not passed, the Board recommends all Shareholders to vote **FOR the Reorganisation Resolution** to be proposed at the EGM.

In the event that the Continuation Resolution and the Reorganisation Resolution fail, the Board will formulate new proposals to be put to Shareholders as soon as reasonably practicable and, in any event, within three months of the date of the EGM.

Yours faithfully

**Nicholas Brooke**  
**Chairman**  
**VinaLand Limited**

## PART 2

### FURTHER DETAILS OF THE REORGANISATION

#### 1. Investing policy

During the Cash Return Period, the Company will not make any new investments, unless additional funds are required for existing projects within the Company's property portfolio, with the intention of maximising that particular asset's value and which will assist in its eventual realisation for the highest possible value.

The Company will seek to realise its existing property portfolio at the best possible value and in a reasonable timeframe. The Company will only continue with the development of selected mixed use (which may include retail/commercial use) and residential projects, within its existing portfolio of property assets. This will enable full or partial realisations of those projects and also generate revenue from the sale of the residential property, currently in its property portfolio. The Company will also undertake preliminary infrastructure works on the larger projects in its property portfolio, in particular to expedite the completion of works to comply with statutory requirements. This will enable the Company to realise these assets more quickly and will also increase their realisation value. The completion of work to satisfy regulatory requirements also means that the land on these projects may be split into smaller parcels of land. This creates an opportunity for secondary value and should also increase the realisation value of the asset.

The Company will continue to pursue, where necessary, any licences and/or approvals which are required for a particular asset to continue its development. Once these licences or approvals, as appropriate, have been secured, it will make the asset more attractive to potential purchasers, which will enable a quicker realisation at a higher value.

#### 2. The Amended and Restated Investment Management Agreement

As part of the Proposals, the Company and the Investment Manager have entered into the Amended and Restated Investment Management Agreement which, conditionally upon the approval of the Reorganisation Resolution, makes changes to, inter alia, the fees payable to the Investment Manager.

##### 2.1 *Management Fee*

Under the current investment management agreement, the Investment Manager is paid a fee equal to 2 per cent. per annum of the NAV of the Company. From the Effective Date, the Investment Manager's management fee will be:

- 2.1.1 U.S.\$8,250,000 for the period from the Effective Date to (but excluding) 21 November 2013;
  - 2.1.2 U.S.\$7,500,000 for the period from 21 November 2013 to (but excluding) 21 November 2014; and
  - 2.1.3 U.S.\$6,500,000 for the period from 21 November 2014 to (but excluding) 21 November 2015.
- 2.2 Following the 21 November 2015, the Company's obligation to pay the relevant management fee, applicable at such time, shall continue for a period and shall terminate on the earlier of, (i) the effective date of termination of the Amended and Restated Investment Management Agreement, (ii) date on which a new or amended and restated investment management agreement is entered into between the Company and the Investment Manager, and (iii) 21 May 2016.

##### 2.3 *Accrued Performance Fee*

The Investment Manager was entitled to be paid a performance fee and, as at the Effective Date, the Investment Manager has an accrued but unpaid performance fee of U.S.\$28.2 million (the "**Accrued Performance Fee**"). The parties have agreed under the Amended and Restated Investment Management Agreement that the amounts payable to the Investment Manager described at paragraphs 2.4 to 2.8 below shall be in full and final settlement of the Company's obligation to pay the Accrued Performance Fee to the Investment Manager.

#### 2.4 *Realisation Fee*

For the period from (but excluding) the Effective Date to (and including) 21 November 2015, any Net Proceeds which the Company has resolved to distribute will be distributed or paid by the Company in the following order of priority:

- 2.4.1 first, 100 per cent. shall be distributed to Shareholders until Shareholders have received, since the Effective Date, U.S.\$50 million (in aggregate);
- 2.4.2 second, 50 per cent. shall be distributed to Shareholders and 50 per cent. shall be paid to the Investment Manager as a Realisation Fee until such time as Shareholders and the Investment Manager have received, since the Effective Date, U.S.\$66,666,666.67 (in aggregate) and U.S.\$16,666,666.66 (in aggregate) respectively;
- 2.4.3 third, 80 per cent. shall be distributed to Shareholders and 20 per cent. shall be paid to the Investment Manager as a Realisation Fee until such time as the Investment Manager has been paid, since the Effective Date, an aggregate amount equal to the Accrued Performance Fee; and
- 2.4.4 fourth, 100 per cent. shall be distributed to the Shareholders.

#### 2.5 *Undistributed Net Proceeds and Contracted Payments*

The Company shall use reasonable endeavours to ensure that within three months of 21 November 2015, any Undistributed Net Proceeds that are not to be retained by the Company for follow-on investments in existing projects or other general corporate purposes but which are due to be distributed or paid out by the Company will be distributed or paid out in the manner as set out in paragraph 2.4 above.

For the period from (but excluding) 21 November 2015 to (and including) 21 November 2016, any Contracted Payments that are not to be retained by the Company for follow-on investments in existing projects or other general corporate purposes will, subject as set out below, be distributed or paid by the Company in the same manner as set out in paragraph 2.4 above.

Where any Contracted Payments are received by the Company:

(i) on or before 21 May 2016, 100 per cent. of such Contracted Payment which the Company has resolved to distribute shall be distributed or paid out in the manner as set out in paragraph 2.4 above; or

(ii) after 21 May 2016, 50 per cent. of such Contracted Payment which the Company has resolved to distribute shall be distributed or paid out to Shareholders with the remaining 50 per cent. distributed or paid out in accordance with the manner as set out in paragraph 2.4 above.

#### 2.6 *Performance Fee Shortfall*

If by 21 November 2015 the aggregate value of: (i) all Realisation Fees received by the Investment Manager pursuant to paragraph 2.4; and (ii) the aggregate amount of Net Proceeds payable to the Investment Manager from any Undistributed Net Proceeds pursuant to paragraph 2.5; and (iii) the aggregate amount of Net Proceeds which would be payable to the Investment Manager from Contracted Payments pursuant to paragraph 2.5, is less than the Accrued Performance Fee (such shortfall amount being referred to as the "**Performance Fee Shortfall**") then:

- 2.6.1 if the Performance Fee Shortfall is greater than U.S.\$5 million, the Company shall pay to the Investment Manager U.S.\$5 million; or
- 2.6.2 if the Performance Fee Shortfall is less than U.S.\$5 million, the Company shall pay to the Investment Manager the Performance Fee Shortfall.

The payment of this amount shall be satisfied by the allotment or transfer to the Investment Manager of such number of Ordinary Shares as, when multiplied by the last announced NAV per Ordinary Share most closely equals such amount, with such shares being subject to a lock-up undertaking for a period of twelve months following receipt.

If on the 21 November 2016, the actual Net Proceeds received by the Company from Contracted Payments and/or the timing of such receipts differs to the amounts used to calculate the Performance Fee Shortfall, then the calculation and settlement of the Performance Fee Shortfall shall be recalculated by the Company and adjusted to reflect the timing and actual Net Proceeds received, and if, based on such recalculation, the Performance Fee Shortfall paid:

(i) was too low, the Company shall allot or transfer such number of new Ordinary Shares to the Investment Manager as is required; or

(ii) was too high, the Investment Manager shall transfer back to the Company, for nil value, such number of the Ordinary Shares allotted or transferred to the Investment Manager as is required.

#### 2.7 *Re-investment of the Realisation Fee(s)*

Except in certain limited circumstances, the Investment Manager will be required to use 50 per cent. of each Realisation Fee it receives to make market purchases of Ordinary Shares. The Investment Manager will be restricted from dealing in any Ordinary Shares so acquired for the Restricted Period except in certain standard limited circumstances (including circumstances where the Company consents to such transfer).

Where the Amended and Restated Investment Management Agreement is terminated by the Company (except where termination occurs as a result of the negligence or fraud of the Investment Manager), the restriction on sale of the Ordinary Shares purchased shall cease to apply.

#### 2.8 *Termination Fee*

If, on or prior to 21 November 2015, the Amended and Restated Investment Management Agreement is terminated by the Company (other than where the Company terminates as a result of the negligence or fraud of the Investment Manager), the Company shall pay to the Investment Manager within 20 business days of the date of termination an amount equal to the Accrued Performance Fee less an amount equal to the aggregate Realisation Fees paid to the Investment Manager by the Company after the Effective Date. For the avoidance of doubt, where the Company serves six months notice to terminate the Amended and Restated Investment Management Agreement, in accordance with the termination provisions of the agreement, and the effective date of termination of the agreement is after 21 November 2015, the Investment Manager shall not be entitled to any payment of the termination fee.

#### 2.9 *Other amendments*

Certain other changes will be made to the Amended and Restated Investment Management Agreement to reflect certain legislative changes which have taken place since Admission as well as to reflect what the Company and the Investment Manager believe is current market practice.

## PART 3

### RISK FACTORS

In considering the Proposals set out in this document, Shareholders should have regard to and carefully consider the Risk Factors described below in addition to the other information set out in this document. The following are those Risk Factors which the Board considers to be material as at the date of this document (based on the assumption that the Proposals are approved and implemented). If any of the adverse events described below actually occur, the Company's business, financial condition or results or prospects could be materially and adversely affected. Additional risks and uncertainties which were not known to the Board at the date of this document or that the Board considers at the date of this document to be immaterial based on the assumption that the Reorganisation is approved and implemented) may also materially and adversely affect the Company's business, financial condition or results or prospects.

#### RISKS RELATING TO THE REORGANISATION

##### *Conditionality of the Reorganisation*

Implementation of the Reorganisation will only take effect if the Continuation Resolution is not passed and the Reorganisation Resolution is approved at the EGM. If the Reorganisation Resolution is not passed, the Reorganisation will not succeed.

##### *Realisation*

If the Reorganisation is implemented, this may possibly lead to speculation as to the prospects of the Company and the assets in which it is invested. This in turn may have an adverse effect on the realisable value of the Company's assets, in particular (but not only) in the short and potentially medium term.

The exact timing, form and value of payments to Shareholders is uncertain and will depend, amongst other things, on the speed and price at which each asset of the Company is realised. The sale of some assets may only be possible at prices substantially less than the values used to calculate the NAV per Ordinary Share.

##### *Delays between realisations and distributions*

At any time, a substantial amount of the Company's assets may be denominated in VND which is a currency that is not freely convertible into U.S. dollars. Consequently, VND proceeds cannot be distributed to the Shareholders and there will be a delay, which may be substantial, between the time a VND denominated asset is realised and the time the Company has U.S. dollars available for a distribution to the Shareholders.

##### *Liquidity of the Company's investments*

The Company's investments comprise mainly real estate investments in Vietnam. Some investments may take a substantial length of time to realise. There can be no guarantee that the Company will be able to realise its investments and distribute pro rata net proceeds to the Shareholders within a specific period of time.

##### *Forward looking statements*

This document may contain statements that constitute forward-looking statements that include but are not limited to statements regarding the expected proceeds generated from the divestment of real estate assets owned by the Company. Undue reliance should not be placed on forward-looking statements. Forward-looking statements are based on current expectations, estimates and projections that involve a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated by the Company and described in the forward-looking statements. These risks and uncertainties include but are not limited to delays in receipt of

payments, and unforeseen changes to general economic and business conditions. Forward-looking statements are based on the estimates and opinions of the Company's management at the time the statements are made. The Company assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change, except as required by law.

**In addition to the risks outlined in this Part 3, Shareholders will continue to be subject to the risks as outlined in the Admission Document.**

**The foregoing factors are not exhaustive and do not purport to be a complete explanation of all risks and significant considerations relating to the Reorganisation. Accordingly, additional risks and uncertainties not presently known to the Board may also have an adverse effect on the Reorganisation and/or the Company's business, financial condition or results or prospects.**

## DEFINITIONS

<b>"Accrued Performance Fee"</b>	has the meaning given to that term in paragraph 2.3 of Part 2 of this document;
<b>"Admission Document"</b>	the AIM admission document of the Company dated 16 March 2006;
<b>"Amended and Restated Investment Management Agreement"</b>	the amended and restated investment management agreement dated 23 October 2012 entered into between the Company and the Investment Manager;
<b>"Board"</b>	the board of directors of the Company;
<b>"Cash Return Period"</b>	has the meaning given to that term in paragraph 3.1 of Part 1 of this document;
<b>"Clearstream"</b>	the system of paperless settlement of trades and the holdings of shares without share certificates administered by Clearstream Banking S.A.;
<b>"Company"</b>	VinaLand Limited;
<b>"Continuation Resolution"</b>	resolution no.1 to be proposed as set out in the Notice of EGM;
<b>"Contracted Payments"</b>	<p>Net Proceeds which the Company is contracted to receive between 21 November 2015 and 21 November 2016 in respect of investments where:</p> <p>(a) definitive agreements in respect of their disposal have been entered into, and</p> <p>(b) a deposit has been paid by the prospective purchaser,</p> <p>in each case before 21 November 2015 and that are not to be retained by the Company for follow-on investments in existing projects or other general corporate purposes but which could be distributed or paid out;</p>
<b>"Effective Date"</b>	the date the Reorganisation Resolution is approved by Shareholders;
<b>"Euroclear"</b>	the system of paperless settlement of trades and the holding of shares without share certificates administered by Euroclear Bank SA;
<b>"Extraordinary General Meeting" or "EGM"</b>	the extraordinary general meeting of the Company convened for 10.00 a.m. (Swiss time) on 21 November 2012 at the Storchen Hotel, Weinplatz 2, 8001 Zurich, Switzerland;
<b>"Form of Proxy"</b>	the proxy form for use in connection with the EGM, and which accompanies this document;
<b>"Investment Manager"</b>	VinaCapital Investment Management Limited;

<b>"NAV"</b>	net asset value;
<b>"Net Proceeds"</b>	<p>the aggregate proceeds received by the Company in respect of an investment:</p> <p>(a) by way of capital, dividend, interest, fees or other distribution of any nature paid to the Company by any project vehicle which holds such investment; and/or</p> <p>(b) on the disposal (or part disposal) of the Company's interest in any investment,</p> <p>in all cases, net of applicable expenses (if relevant);</p>
<b>"Nominated Adviser"</b>	Grant Thornton UK LLP;
<b>"Notice of EGM"</b>	the notice of EGM set out on pages 16 to 17 of this document;
<b>"Ordinary Shares"</b>	ordinary shares of U.S.\$0.01 each in the capital of the Company;
<b>"Performance Fee Shortfall"</b>	has the meaning given to that term in paragraph 2.6 of Part 2 of this document;
<b>"Proposals"</b>	the proposals of the Company, more particularly described in Parts 1 and 2 of this document;
<b>"Realisation Fees"</b>	has the meaning given to that term in paragraph 3.2 of Part 1 of this document;
<b>"Register"</b>	the Company's register of Shareholders;
<b>"Reorganisation"</b>	the proposed reorganisation of the Company, as more particularly described at paragraph 3 of Part 1 and Part 2 of this document;
<b>"Reorganisation Resolution"</b>	resolution no.2, as set out in the Notice of EGM;
<b>"Resolutions"</b>	the Continuation Resolution and the Reorganisation Resolution;
<b>"Restricted Period"</b>	<p>in respect of Ordinary Shares acquired pursuant to a re-investment of a Realisation Fee in accordance with paragraph 2.7 of Part 2:</p> <p>(a) in respect of one third of such Ordinary Shares, the twelve month period following the acquisition of such Ordinary Shares;</p> <p>(b) in respect of a further one third of such Ordinary Shares, the eighteen month period following the acquisition of such Ordinary Shares; and</p> <p>(c) in respect of the final one third of such Ordinary Shares, the twenty-four month period following the acquisition of such Ordinary Shares;</p>



"Second Continuation Vote"	has the meaning given to that term in paragraph 3.1 of Part 1 of this document;
"Shareholder"	a holder of Ordinary Shares (or, where Ordinary Shares are held in Euroclear or Clearstream, the persons otherwise beneficially entitled to such Ordinary Shares) and " <b>Shareholders</b> " shall be construed accordingly;
"Undistributed Net Proceeds"	Net Proceeds from a disposal of an investment received by the Company on or before 21 November 2015 that are not to be retained by the Company for follow-on investments in existing projects or other general corporate purposes but which are available to be distributed or paid out, but which have not yet been distributed by such date;
"U.S.\$" or "U.S. dollars"	US dollars; and
"VND"	Vietnamese Dong, the lawfully currency of Vietnam.

## VINALAND LIMITED

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting of the Company will be held at the Storchen Hotel, Weinplatz 2, 8001 Zurich, Switzerland at 10.00 a.m. (Swiss time) on 21 November 2012 for the purpose of considering and, if thought fit, passing the following resolutions which, in the case of resolution no. 1, will be proposed as a special resolution and, in the case of resolution no. 2, as an ordinary resolution:

**SPECIAL RESOLUTION**

1. **THAT** the Company continue as currently constituted.

**ORDINARY RESOLUTION**

2. **THAT**, conditionally upon resolution no.1 above not being passed:
- (a) the text set out under "Investing policy" in paragraph 1 of Part 2 of the circular to Shareholders dated 23 October 2012 (the "**Circular**") be and is hereby adopted as the new investing policy of the Company; and
- (b) the terms of the Amended and Restated Investment Management Agreement (as defined in the Circular) be and are hereby approved.

Dated: 23 October 2012

*Registered Office:*  
PO Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

By Order of the Board  
HSBC Institutional Trust Services (Asia) Limited  
17/F, Tower 2 & 3, HSBC Centre  
1 Sham Mong Road  
Kowloon  
Hong Kong  
*Administrator*

*Notes:*

1. *A Shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him or her. A proxy need not be a member of the Company. A Form of Proxy is enclosed with this notice. Completion and return of the Form of Proxy will not preclude Shareholders from attending or voting at the meeting, if they so wish.*
2. *To be valid, the Form of Proxy, together with the power of attorney or other authority, if any, under which it is executed (or a notarially certified copy of such power of attorney) must be deposited with:*

**HSBC Institutional Trust Services (Asia) Limited**

**17/F, Tower 2 & 3, HSBC Centre**

**1 Sham Mong Road**

**Kowloon**

**Hong Kong**

**Attn: Katherine W Y Yiu/Lily W L Leung**

or

by fax on  
+ (852) 3409 2690  
Attn: Katherine W Y Yiu/Lily W L Leung

**by no later than 5.00 p.m. (Hong Kong time) on 19 November 2012**

3. *A holder of Ordinary Shares (or the beneficial title thereto) must first have his or her name entered on the Register (or where Ordinary Shares are held in Euroclear or Clearstream otherwise be beneficially entitled to such Ordinary Shares by) not later than 5.00 p.m. (Hong Kong time) on 19 November 2012. Changes to entries in that Register after that time shall be disregarded in determining the rights of any holders to attend and vote at such meeting (or to provide voting instructions to the relevant Euroclear or Clearstream nominee).*