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If you have sold or transferred all your shares in PXP Vietnam Fund Limited, you should immediately hand this Circular to the purchaser or transferee or to the bank, stockbroker or other agent through which the sale or transfer was effected for transmission to the purchaser or transferee.

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## **PXP VIETNAM FUND LIMITED**

(Incorporated in the Cayman Islands)

### **Shareholder Circular**

### **Concerning Proposed Merger with PXP Vietnam Emerging Equity Fund Limited**

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## PART 1 - LETTER FROM THE BOARD OF DIRECTORS

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### PXP VIETNAM FUND LIMITED

(Incorporated under the laws of the Cayman Islands with Limited Liability)

*Directors:*

Philip Smiley (Chairman)  
Christopher Vale  
Urs Bolzern  
Antony Jordan  
Trinh Thanh Mai

*Registered office:*

CARD Corporate Services Ltd.  
Zephyr House  
122 Mary Street  
P.O. Box 709  
Grand Cayman KY1-1107  
Cayman Islands

To the shareholders (the “**Shareholders**”) of PXP Vietnam Fund Limited (“**PXPVF**”)

26 November 2014

Dear Shareholder,

#### PROPOSED MERGER WITH PXP VIETNAM EMERGING EQUITY FUND LIMITED

#### INTRODUCTION

The Investment Manager of PXPVF, PXP Vietnam Asset Management Limited, has submitted a proposal to the Board of Directors of PXPVF (the “**Board**”) that PXPVF merge with PXP Vietnam Emerging Equity Fund Limited (“**VEEF**”), a Cayman Islands open-ended mutual fund which is also managed by the Investment Manager (the “**Merger**”).

The rationale for the proposal is that the shareholders of both constituent entities would benefit from being members of an enlarged fund with the combination of similarly focused investment portfolios, savings from economies of scale and a reduction in concentration risk for shareholders. As the surviving entity in the proposed Merger, VEEF, is an open-ended fund with a monthly subscription and redemption cycle, the Shareholders of PXPVF would benefit after the merger from having the opportunity to subscribe for new shares or redeem their shares at Net Asset Value (less a redemption fee) on a monthly basis.

The consent of Shareholders is required to approve the Merger. The consent of Shareholders is further required under the Listing Rules to cancel the listing of the PXPVF shares on the premium segment of the Official List of the United Kingdom Listing Authority (“**UKLA**”) once the Merger has been implemented.

Shareholders are invited to vote on the Merger proposal, with Shareholders’ consent by the passing of a special resolution in a general meeting being required to approve the Merger.

If the Merger proposals are approved, it is intended that PXPVF will apply to the UKLA for the cancellation of the listing of its shares on the Official List of the UKLA.

#### INFORMATION CONCERNING PXP VIETNAM EMERGING EQUITY FUND LIMITED

VEEF is an open-ended mutual fund which is regulated by CIMA, the Cayman Islands Monetary Authority.

VEEF currently has similar investment policies, objectives and restrictions as those for PXPVF, with the main differences being that VEEF invests in the equity securities of listed companies which either have a capitalisation or net asset value in excess of US\$20 million at the time of investment (PXPVF: US\$5 million); VEEF will not invest more than 20% of its assets at the time of investment in a single issuer (PXPVF: 10% of its Net Asset Value); and VEEF restricts its investments in unlisted companies to no more than 10% of its assets at the time of

investment (PXPVF: 30% of its Net Asset Value). The Merger would have the effect of imposing VEEF's current investment policies, objectives and restrictions on former PXPVF Shareholders once the merger is complete.

The portfolios of both PXPVF and VEEF are managed by the Investment Manager and are currently managed by the same individual, Kevin Snowball, and thus shareholders in the new merged entity would also benefit from centralised portfolio construction.

Participating shares in VEEF may be redeemed at Net Asset Value (less a redemption fee of 3% in the first 12 months after subscription and 1% thereafter) on a monthly basis. The first date for redemption by former PXPVF Shareholders would be 1 April 2015 (assuming the passing of the relevant resolution at the Extraordinary General Meeting to be held on 17 December 2014). Redemption fees are for the benefit of the Fund.

Participating shares in VEEF are non-voting, except on matters that would materially affect or prejudice the rights attached to the shares as specified in the Articles of Association of VEEF.

The current board of directors of VEEF comprises three non-executive directors: Christopher Vale (also a Director of PXPVF), Antony Jordan (also a Director of PXPVF) and Henry "Brook" Tellwright.

The registered office of VEEF up to 31 December 2014 is:

CARD Corporate Services Ltd.  
Zephyr House  
122 Mary Street  
Grand Cayman KY1-1107  
Cayman Islands

With effect from 1 January 2015, the registered office of VEEF will move to:

Harneys Services (Cayman) Limited  
4<sup>th</sup> Floor, Harbour Place  
103 South Church Street  
Grand Cayman KY1-1002  
Cayman Islands

### **PXP Vietnam Emerging Equity Fund - Net Asset Value and Portfolio of Assets**

As at 31 October 2014, VEEF had an unaudited Net Asset Value of US\$40,304,787. With 5,952,473.491 participating shares in issue, this gives an average Net Asset Value per Share of US\$6.771.

The balance sheet of VEEF as at 31 October 2014 comprises:

- 28 listed Vietnamese companies - total unaudited fair value<sup>1</sup> of US\$40,264,778
- Three unlisted Vietnamese companies – total unaudited fair value<sup>2</sup> of US\$551,521
- One Singapore listed company – unaudited fair value<sup>1</sup> of US\$76,247
- Cash (unaudited) – US\$12,672
- Other net liabilities (unaudited) – US\$600,431

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<sup>1</sup> Fair values of listed investments are based on last traded prices on the valuation date. Price sources: Ho Chi Minh City Stock Exchange, Hanoi Stock Exchange and Bloomberg.

<sup>2</sup> Fair value of unlisted investment is based on valuation methodology approved by the directors of VEEF.

The portfolio of VEEF is diversified and is invested across a range of industries, as shown below:

Sector	Number of assets as at 31 October 2014	Unaudited Fair Value as at	% of total assets
		31 October 2014	
		US\$	%
Consumer Staples	2	7,731,195	18.9
Energy	2	3,200,075	7.8
Financials	6	10,527,291	25.7
Healthcare	2	638,787	1.6
Industrials	5	3,983,368	9.7
Information Technology	2	3,505,207	8.6
Materials	7	7,255,958	17.7
Property	4	3,418,489	8.4
Utilities	1	632,175	1.6
Telecommunication Services	1	1	0.0
<b>Total</b>	<b>32</b>	<b>40,892,546</b>	<b>100.0</b>

Source: PXP Vietnam Asset Management Limited (Investment Manager of VEEF)

The portfolio of VEEF includes some of the most sought after blue-chip stocks in Vietnam, such as Vinamilk, Hoa Phat Group and FPT Corporation. The ten largest holdings as at 31 October 2014 were:

	% of Net Assets (unaudited) %
Vietnam Dairy Products JSC (Vinamilk) (VNM)	16.8
Hoa Phat Group JSC (HPG)	12.7
Ho Chi Minh City Securities JSC (HCM)	11.9
FPT Corporation (FPT)	8.5
Petrovietnam Drilling and Well Services JSC (PVD)	7.8
Sai Gon Thuong Tin Commercial JSC (Sacombank) (STB)	7.0
Hoang Anh Gia Lai JSC (HAG)	4.9
Da Nang Rubber JSC (DRC)	3.7
Dong Phu Rubber JSC (DPR)	3.5
Military Commercial Joint Stock Bank (MBB)	2.8

Source: PXP Vietnam Asset Management Limited (Investment Manager of VEEF)

### PXP Vietnam Emerging Equity Fund - Series of Shares

To ensure the equitable allocation of performance fee (if applicable) between shares, VEEF issues a new series of shares each time there is a subscription. The subscription price of new shares issued on the first dealing day of a financial year will be the NAV per Share of the VEEF Lead Series shares after deduction of crystallised performance fee, if any, on the valuation day relating to such dealing day. The subscription price of new shares issued on any other dealing day (usually the first business day of every month) during the year will be the NAV per Share of the VEEF Lead Series shares before deduction of accrued performance fee, if any, on the valuation day relating to such dealing day.

Shares in each series of shares, including the Lead Series, have the same rights as the shares in any other series. Each series may have a different Benchmark and different High Water Mark from other series in issue at any given time. See Appendix I for definitions of the Benchmark, High Water Mark and a worked example of the performance fee calculation.

## **DETAILS OF THE PROPOSED MERGER**

The surviving entity in the Merger would be VEEF. The Merger would be made on the basis of the respective NAV and NAV per Share of each of PXPVF and VEEF (Lead Series).

Pursuant to the Merger, Shareholders in PXPVF will have their PXPVF shares cancelled in return for the issue of new participating shares in VEEF on an NAV basis so as to ensure that the total NAV of the VEEF shares held by each ex-PXPVF Shareholder post-Merger will be equal to that of the PXPVF shares held by each such Shareholder prior to the Merger (subject only to rounding differences). The respective NAV and NAV per Share of each of PXPVF and VEEF for this purpose will be calculated on the valuation date.

The share exchange ratio will be rounded to six decimal places. Entitlements to VEEF shares will be rounded to three decimal places.

The valuation date for the purpose of the Merger will be 31 December 2014. The NAVs of both VEEF and PXPVF will be finalised as soon as possible thereafter, and it is expected that final figures for both funds will be available on 9 January 2015.

The Merger is expected to become effective, following shareholder approval, on 2 February 2015.

For holders of Depository Interests, if the merger is approved, any Depository Interests will automatically be withdrawn from CREST prior to the effective date.

Registered shareholders of PXPVF, including holders of Depository Interests, will be informed of their holdings in VEEF (effective 2 February 2015) by the issue of contract notes on or around 9 February 2015.

VEEF shares are issued in registered form and no share certificates are issued. Ownership of VEEF shares will be recorded in the share register maintained by the Fund Administrator of VEEF.

All PXPVF shares shall be cancelled by operation of the Merger and any certificates or other documents of title in respect of PXPVF shares will be invalid and treated as cancelled.

A draft Plan of Merger is enclosed at Part 2 of this Circular (the “**Plan of Merger**”) and includes a worked example of the Merger mechanism.

### **Calculation of NAV**

The Fund Administrator for both PXPVF and VEEF is HSBC Trustee (Cayman) Limited, with HSBC Institutional Trust Services (Asia) Limited acting as the Administrator’s delegate. The Administrator calculates the NAV per Share for both PXPVF and VEEF on a monthly basis in accordance with their respective valuation policies. As confirmed by the Boards of each fund, the valuations of investments made under the valuation policies of both PXPVF and VEEF are consistent with International Financial Reporting Standards. Summaries of the valuation policies of PXPVF and VEEF are set out in Appendix II.

The NAV per Share for each of PXPVF and VEEF (Lead Series) used for calculating the merger share exchange ratio will be such unadjusted NAV per Share for each of PXPVF and VEEF (Lead Series) as calculated by the Administrator as at the valuation date.

### **Management Fee and Performance Fee**

Effective from 1 January 2015, the monthly management fee payable to the Investment Manager by VEEF will reduce to one-twelfth of 1.5% of the Net Asset Value (currently one-twelfth of 2% of the Net Asset Value) and the performance fee rate will be reduced to 15% over an 8% hurdle with a high water mark (currently 20% over an 8% hurdle with a high water mark).

If the merger is implemented, the initial Benchmark and High Water Mark applicable to the VEEF shares to be issued to former shareholders of PXPVF will be the effective subscription price, which is the NAV per Share of VEEF Lead Series shares (before deduction of performance fee, if any) on the valuation day relating to the dealing day on which the shares are issued. The hurdle rate of 8% per annum will be applied to this subscription price. See Appendix I for definitions of the Benchmark, High Water Mark and a worked example of the performance fee calculation.

## **THE INVESTMENT MANAGER'S RATIONALE FOR MAKING THE PROPOSAL**

PXP Vietnam Asset Management Limited ("PXP"), the Investment Manager of PXPVF and VEEF, has suggested to the Board of Directors of both funds that a proposal be put to shareholders for them to consider a merger of the two funds into a single vehicle with the open-ended structure of VEEF the surviving entity.

PXP has made the recommendation as it feels that a merger would confer significant benefits on the shareholders of both funds, as outlined below.

In general, PXP is of the view that the single country closed-end fund model is no longer functioning effectively as far as Vietnam is concerned. There has been no new issuance for a number of years and wide discounts persist. PXP believes that the main reason for any narrowing of discounts in Vietnam-focused closed-end funds in general in a now three year bull market has been through share buy-backs, and that such share buy-backs have not made substantial or enduring differences to the discounts. This suggests either a lack of interest in the Vietnamese market (which the increase in ETF assets under management over the past two years would refute) or some apathy toward the closed-end structure itself.

PXP believes that under current and reasonably foreseeable market conditions, and without the influence of open-ending opportunities it is unlikely that the discount at which PXPVF shares trade to PXPVF's Net Asset Value would be eliminated in the context of a closed-end fund and that therefore PXPVF Shareholders would benefit from a move to an open-ended structure.

### **BENEFITS OF THE PROPOSED MERGER (IF IMPLEMENTED)**

- PXPVF Shareholders would be moving from a closed-end to an open-ended structure, effective from 2 February 2015. They would have the ability to redeem shares at Net Asset Value less a redemption fee, a minimum of eleven months ahead of schedule (PXPVF Shareholders can vote on open-ending from the 2015 AGM onwards).
- The Merger would create a fund of sufficient size for the shareholders of both constituent entities to enjoy economies of scale. The largest costs of PXPVF are based on NAV – such as management fee, administration fee and custodian fee. The management fee in VEEF will be 1.5% per annum compared to 2% per annum in PXPVF. There will be some economies of scale and savings in fixed costs per share, including directors' fees, auditor's fees and fixed elements of the administration fees and custodian fees. It has been estimated that expenses will reduce from US\$0.164 per share per annum to US\$0.120 per share per annum after the merger (based on 31 October 2014 NAV and adjusted for the merger share exchange ratio). However, PXPVF Shareholders would be moving from a fund with no performance fee to a fund which charges a performance fee at a rate of 15% over an 8% hurdle with a high water mark.
- It is reasonable to expect that the discount at which shares trade to the Net Asset Value will continue to narrow from the 13% level at which the shares of PXPVF were trading before the preliminary announcement on 18 September 2014 to a level equivalent to Net Asset Value less a redemption fee at the time the funds are merged (assuming that the proposals are approved by PXPVF Shareholders).
- The proposed Merger would grant Shareholders the ability to exit their investment at a time of their choosing in accordance with the monthly redemption terms of VEEF, rather than being subject to the vagaries of the market if, for example, the market suffers a liquidity squeeze such as that which happened in 2008.
- The benefits of being invested in a larger fund will be attained without losing focus on the investment objective of PXPVF, through the combination of the portfolio of PXPVF with a portfolio of similarly focused holdings (both portfolios being over 50% exposed to Vietnam-listed stocks at their respective foreign ownership limits).

### **RISKS ARISING FROM THE PROPOSED MERGER**

- The move by PXPVF Shareholders to an open-ended structure presents a risk of substantial withdrawals by shareholders within a short period of time which could require the post-Merger VEEF to liquidate investments more rapidly than would otherwise be desirable, possibly reducing the value of assets and/or disrupting the investment strategy.

- VEEF is currently a Cayman Islands mutual fund and its shares are not listed on any stock exchange. The board of directors of VEEF seeks to comply with the principles and standards set out in The Cayman Islands Monetary Authority Statement of Guidance – Corporate Governance for Regulated Funds. However, VEEF is not subject to the UK Corporate Governance Code and its directors are not required to report to shareholders on the extent to which the fund has complied with a code of corporate governance.
- As the shares of VEEF are not listed on a stock exchange, VEEF is not subject to the Listing and Disclosure and Transparency Rules published by the UK Listing Authority, or any equivalent or similar listing and disclosure and transparency rules. The protections to shareholders which arise from such rules may not be present for shareholders in VEEF. For example, VEEF is not subject to any rules that require major shareholders to disclose their interests in the shares of the company or to rules that require directors and persons discharging managerial responsibilities to disclose their dealings in shares of the company.
- Participating shares in VEEF are non-voting, except on matters that would materially affect or prejudice the rights attached to the shares as specified in the Articles of Association of VEEF. PXPVF Shareholders will no longer have the right to vote on matters affecting the direction and management of the fund in which they are invested.

### **COSTS OF THE PROPOSED MERGER**

The total legal and professional costs to be incurred on the proposed Merger are estimated to be no more than US\$90,000. The Boards of PXPVF and VEEF have agreed that the legal and professional costs will be allocated to the two funds pro-rata to their respective Net Asset Values.

In addition, the transfer of assets from PXPVF to VEEF in Vietnam will incur: (i) central depository transaction charges at 0.1% of the value of the assets transferred, payable by the transferor, and 0.1% of the value of the assets transferred, payable by the transferee, and (ii) taxation at 0.1% of the value of the assets transferred, payable by the transferor. It should be noted, however, that these costs are similar to those that would be incurred if VEEF were to receive a large subscription and invest the proceeds into the market, but without the market impact risk of such an infusion.

### **CONSENTS REQUIRED FOR THE MERGER**

The requirements of the Merger are governed by The Companies Law (2013 Revision) of the Cayman Islands. Pursuant to Section 233(6) thereof, a plan of merger shall be authorised by each constituent company by way of:

- (a) a special resolution of the members of each such constituent company; and
- (b) such other authorisation, if any, as may be specified in such constituent company's articles of association.

For the purpose of the Merger, each of PXPVF and VEEF is a “constituent company”, with VEEF being the surviving entity.

The Articles of Association of PXPVF specify that the requisite majority for a special resolution shall be not less than 75% of votes cast by members at a general meeting.

The Articles of Association of VEEF specify that participating shares in VEEF are non-voting, except on matters that would materially affect or prejudice the rights attached to the shares. The directors of VEEF and holders of the management shares, being PXP Vietnam Asset Management Limited, will take all necessary steps to authorise the Merger on behalf of VEEF, subject to the approval of PXPVF Shareholders at the proposed Extraordinary General Meeting (“EGM”).

### **Dissenting shareholders**

If a special resolution to approve the Merger is passed by the requisite majority of the Shareholders of PXPVF and the Plan of Merger is approved by the Cayman Islands Registrar of Companies, any dissenting PXPVF shareholders will still receive new shares in VEEF in exchange for their shares in PXPVF.

## **SHAREHOLDERS WISHING TO REDEEM THEIR SHARES**

The shares of PXPVF will continue to be traded on the London Stock Exchange's Main Market for listed securities until 30 January 2015.

After the Merger, it will be possible for any former PXPVF Shareholders to redeem their VEEF shares at NAV minus a 3% redemption fee as of 1 April 2015 provided that notice is given by 10 February 2015. The next available redemption dealing day is 4 May 2015, with notice required by 10 March 2015.

The 3% redemption fee is less than the average discount to NAV at which the shares of PXPVF have traded over the 12 months prior to the initial announcement of Merger proposals on 18 September 2014, which was 11.7%. During this period the highest discount to NAV was 19.4% and the lowest discount to NAV was 1.9%.

## **IF THE MERGER IS NOT APPROVED**

If the Merger is not approved by shareholders, PXPVF will continue in the immediate future as a closed-end fund, listed on the London Stock Exchange's Main Market for listed securities.

PXPVF's Articles of Association require PXPVF to put before its annual general meetings in 2015, 2016, 2017 and 2018 a special resolution to consider the conversion of PXPVF to an open-ended mutual fund. If Shareholders do not decide by special resolution to convert PXPVF to an open-ended mutual fund in any such annual general meeting (or to wind up PXPVF) PXPVF will continue to operate until 31 December 2019.

## **TIMELINE FOR THE MERGER**

26 November 2014	Release circular to PXPVF Shareholders including EGM notice and voting forms
15 December 2014	Record date for entitlement to vote at the EGM of Shareholders of PXPVF
17 December 2014	Hold EGM of Shareholders of PXPVF
17 December 2014	Hold EGM of holders of Management Shares of VEEF
18 December 2014	Announcement of the results of the EGMs of PXPVF and VEEF
18 December 2014	Submit draft Plan of Merger to the Cayman Islands Registrar of Companies
31 December 2014	NAV valuation day for Merger share exchange
9 January 2015	Announcement of 31 December 2014 NAVs of PXPVF and VEEF, and share exchange ratio
9 January 2015	Submit Plan of Merger to the Cayman Islands Registrar of Companies for final approval
29 January 2015	Depository Interests to be withdrawn from the Depository Interests register and transferred to Ordinary Shareholders register
30 January 2015 7.30 a.m. UK time	Suspension of the listing of shares of PXPVF
2 February 2015	Effective date of Merger
2 February 2015 6.00 p.m. UK time	PXPVF share register closes
3 February 2015 8.00 a.m. UK time	Cancellation of the listing of shares of PXPVF
9 February 2015	Contract notes issued to former Shareholders of PXPVF informing them of their new holdings in VEEF



## **EXTRAORDINARY GENERAL MEETING**

Notice of an Extraordinary General Meeting of PXP Vietnam Fund Limited to be held at the offices of Harney Westwood & Riegels, Two Exchange Square, 8 Connaught Place, Central, Hong Kong on 17 December 2014 at 5.00 p.m. Hong Kong time is set out on pages 13 to 14 of this document. Shareholders will be asked to consider and, if thought fit, pass a special resolution to approve the Merger and the Plan of Merger, and to cancel the listing of the ordinary shares of the Company on the London Stock Exchange.

### **Voting by Proxy and through Depositories**

Registered Shareholders are requested to complete and return the enclosed Proxy Form for the EGM in accordance with the instructions printed thereon as soon as possible by mail or in person so as to be received by:

#### **Capita Asset Services**

**PXS**

**34 Beckenham Road**

**Beckenham**

**Kent BR3 4TU**

**United Kingdom**

**By no later than 2.00 p.m. GMT on 15 December 2014.**

Completing a Proxy Form will not preclude Shareholders from attending the EGM and voting in person (or by corporate representative) if they wish to do so. A holder of shares must first have his or her name entered on the Register of Members of the Company not later than 6.00 p.m. GMT on 12 December 2014. Changes to entries in that Register after that time shall be disregarded in determining the rights of any holders to attend and vote at the EGM.

Holders of Depository Interests within CREST will need to complete the enclosed Form of Direction instead of a Proxy Form. Alternatively, Depository Interest holders can vote through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual. If you are a holder of Depository Interests and wish to attend and vote at the EGM you must bring to the EGM a Letter of Corporate Representation validly executed on behalf of the Depository, Capita IRG Trustees Limited. A Letter of Corporate Representation can be obtained on request from the Depository.

Depository Interest holders are requested to complete and return the enclosed Form of Direction for the EGM in accordance with the instructions printed thereon as soon as possible by mail, in person or through the CREST Proxy Voting Service so as to reach **Capita Asset Services** at the address above **by no later than 2.00 p.m. GMT on 12 December 2014.**

If you have any queries regarding the EGM please contact PXP Vietnam Asset Management Limited on + (84) 8 3827 6040.

Persons who hold shares through Euroclear or Clearstream Banking, Luxembourg (“**Clearstream**”) should request Euroclear or Clearstream to vote on their behalf in advance of the EGM or arrange for a Letter of Corporate Representation to be issued if attendance and voting in person at the EGM is preferred.

### **DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection free of charge at any time during normal business hours on business days from the date of this Circular up to 5.00 p.m. (Cayman Islands time) on 15 December 2014 at the offices of the Company Secretary for PXPVF:

CARD Corporate Services, Zephyr House, 122 Mary Street, George Town, Cayman Islands

- (a) Memorandum and Articles of Association of VEEF;
- (b) Prospectus of VEEF dated January 2010, updated in September 2011 and in November 2014;
- (c) Audited financial statements of VEEF for the year ended 31 December 2013;
- (d) Draft of the Plan of Merger; and
- (e) The Companies Law (2013 Revision) of the Cayman Islands.

## **RECOMMENDATION**

It is the opinion of the Board that the proposals described are in the best interests of Shareholders as a whole.

The Board recommends that PXPVF Shareholders vote in favour of the Merger and approve the Plan of Merger and the cancellation of the listing of the ordinary shares at the Extraordinary General Meeting to be held on 17 December 2014.

The Directors of PXP Vietnam Fund Limited, whose names appear on page 1, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors of PXP Vietnam Fund Limited (who have taken all reasonable care to ensure this is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Yours faithfully

The Board of Directors  
**PXP Vietnam Fund Limited**

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## PART 2 – PLAN OF MERGER

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[ ] 2014

### PLAN OF MERGER

**For the Merger of**  
**PXP Vietnam Emerging Equity Fund Limited (“VEEF”)**  
**and**  
**PXP Vietnam Fund Limited (“PXPVF”)**  
**(the “Merger”)**

**in accordance with Section 233 of the Companies Law (2013 Revision)**

1. *Name and registered office of each constituent company:*

*Name:* **PXP Vietnam Emerging Equity Fund Limited**

*Registered Office up to 31 December 2014:* **Zephyr House, 122 Mary Street  
George Town  
Grand Cayman KY1-1107  
Cayman Islands**

*Registered Office from 1 January 2015:* **Harneys Services (Cayman) Limited  
4th Floor, Harbour Place  
103 South Church Street  
George Town  
Grand Cayman KY1-1002  
Cayman Islands**

*Name:* **PXP Vietnam Fund Limited**

*Registered Office:* **Zephyr House, 122 Mary Street  
George Town  
Grand Cayman KY1-1107  
Cayman Islands**

2. *Surviving company:* **PXP Vietnam Emerging Equity Fund Limited**

3. *Share Capital in respect of each constituent company:*

(a) **PXP Vietnam Emerging Equity Fund Limited:**

Authorised:

US\$2,000,000 divided into:

100 Management Shares of par value US\$1 each  
39,998,000 Participating Shares of par value US\$0.05 each

Issued:

100 Management Shares of par value US\$1 each  
[5,952,473.491] Participating Shares of par value \$0.05 each

(b) **PXP Vietnam Fund Limited:**

Authorised:

US\$2,500,000 divided into  
50,000,000 Shares of par value US\$0.05 each

Issued:

12,000,000 Shares of par value US\$0.05 each

4. The Merger is intended to take effect on 2 February 2015.
5. *The terms and conditions of the proposed merger or consolidation, including the manner and basis of converting shares in each constituent company into shares in the consolidated or surviving company:*

Pursuant to the Merger, the current shareholders of PXPVF (who all hold shares of the same class) will be issued Participating Shares in VEEF, the surviving company, on a straight line NAV valuation basis.

The valuation date for the purpose of the Merger will be 31 December 2014 (the "Valuation Date").

Shares will not be converted.

Shareholders in PXPVF will have their PXPVF shares cancelled in return for the issue of new Participating Shares in VEEF on a straight line NAV basis so as to ensure that the total NAV of the PXPVF Shares held by each individual PXPVF shareholder immediately prior to the Merger shall have the same NAV as the VEEF Participating Shares held by each such shareholder immediately post-Merger. The respective NAV and NAV per share of each of PXPVF and VEEF for this purpose will be calculated on the Valuation Date.

All PXPVF shares shall be cancelled in the Merger.

#### *Worked example*

By way of example, if the Merger had taken effect as of 31 October 2014:

The NAV (before accrued performance fee) of the VEEF Lead Series was US\$16,256,807 as at 31 October 2014. The total NAV of the other series in issue was US\$24,615,519 as at 31 October 2014.

VEEF Lead Series had 2,397,038.981 Participating Shares in issue at that date, giving a NAV per Participating Share of US\$6.782.

The NAV of PXPVF was US\$86,874,198 as at 31 October 2014.

PXPVF had 12,000,000 Shares in issue at that date, giving a NAV per Share of US\$7.240.

The combined NAV of the merged entity post-Merger (before accrued performance fee in VEEF) would therefore have been US\$127,746,524 as at 31 October 2014.

As PXPVF had a higher NAV per share in this example, on a straight line NAV basis each PXPVF shareholder would receive 1 VEEF Participating Share for every 0.936740 PXPVF Shares.

Thus 12,810,384.952 new VEEF Participating Shares would be issued in return for the cancellation of all issued PXPVF Shares. The NAV per Participating Share of shares issued to PXPVF shareholders would be US\$6.782.

As an example, a shareholder with 100,000 Shares in PXPVF with NAV of US\$724,000 prior to the Merger, would receive  $100,000 / 0.936740 = 106,753.208$  Participating Shares in VEEF with NAV of US\$724,000.

6. The rights and restrictions attaching to the shares in the surviving company in the Merger shall be the same as currently exist, and these are as set out in the Prospectus and Memorandum and Articles of Association of VEEF.

7. The current Memorandum of Association and Articles of Association of VEEF, being the surviving company in the Merger, shall be the Memorandum of Association and Articles of Association of the surviving company after the Merger.
8. No cash sums or any other benefits will be payable to any director of a constituent company or the surviving company consequent on the merger or consolidation.
9. Neither the constituent company nor the surviving company has any secured creditors.
10. The names and addresses of the directors of the surviving company, being PXP Vietnam Emerging Equity Fund Limited, are as follows:

**Christopher Vale      Cranford House, 1 Cranford Rise, Esher, Surrey KT10 9NG, UK**

**Antony Jordan        50 Chester Row, London, SW1W 8JP, UK**

**Henry Tellwright    30/3 Concord Condominium, Sukhumvit 15, Bangkok 10110, Thailand**

11. In accordance with Section 235 of the Companies Law (2013 Revision), this Plan of Merger may be amended by the directors of the constituent companies so that at any time prior to this Plan of Merger becoming effective, it may be
  - (a) terminated; or
  - (b) amended by the directors of the constituent companies to change the effective date of the Merger provided that the new effective date complies with Section 234 of the Companies Law (2013 Revision).
12. Attached to this plan of merger, please find the following documents:
  - (a) Certificates of Good Standing in respect of each of VEEF and PXPVF;
  - (b) A copy of the Memorandum of Association of VEEF;
  - (c) A copy of the Articles of Association of VEEF;
  - (d) A Director's Declaration for each of VEEF and PXPVF that:
    - a. VEEF will be immediately after the Merger able to pay its debts as they fall due;
    - b. the Merger is bona fide and not intended to defraud unsecured creditors of either VEEF or PXPVF;
    - c. no petition or order to wind up either VEEF or PXPVF is outstanding;
    - d. no receiver, trustee, administrator or other similar person has been appointed in any jurisdiction in respect of either VEEF or PXPVF;
    - e. no scheme, order, compromise or other similar arrangement has been entered into in respect of either VEEF or PXPVF;
    - f. a statement of the assets and liabilities of each of VEEF and PXPVF made up to the latest practicable date before the making of the declaration; and
    - g. confirmation that PXPVF has retired from any fiduciary office held immediately prior to the Merger (if any).
  - (e) An undertaking that a copy of the Certificate of Merger will be given to the members and creditors of both VEEF and PXPVF and that notification of the Merger will be published in the Gazette.

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**Henry Tellwright**  
**Director**  
**For and on behalf of**  
**PXP Vietnam Emerging Equity Fund Limited**

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**Philip Smiley**  
**Director**  
**For and on behalf of**  
**PXP Vietnam Fund Limited**

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### PXP VIETNAM FUND LIMITED

(Incorporated in the Cayman Islands with Limited Liability with registration number CR-125492)

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (“**EGM**”) of PXP Vietnam Fund Limited (the “**Company**”) will be held at the offices of Harney Westwood & Riegels, Two Exchange Square, 8 Connaught Place, Central, Hong Kong on 17 December 2014 at 5.00 p.m. Hong Kong time. You will be asked to consider and, if thought fit, pass the following resolution:

#### **SPECIAL RESOLUTION**

1. **THAT** the merger with PXP Vietnam Emerging Equity Fund Limited and the Plan of Merger substantially in the form included in the circular sent by the Company to its shareholders on 26 November 2014, which included the notice convening this meeting, be approved, and **THAT** the listing of the ordinary shares of the Company on the London Stock Exchange’s Main Market for listed securities be cancelled following the merger becoming effective.

Dated: 26 November 2014  
By Order of the Board

#### **Registered Office:**

CARD Corporate Services Ltd.  
Zephyr House, 122 Mary Street  
P.O. Box 709  
Grand Cayman  
Cayman Islands

#### **NOTES**

1. A member entitled to attend and vote at the meeting is entitled to appoint another person(s) (who need not be a member of the Company) to exercise all or any of his rights to attend, speak and vote at the meeting. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.
2. Your proxy could be the Chairman, another Director of the Company or another person who has agreed to attend to represent you. Your proxy will vote as you instruct and must attend the meeting for your vote to be counted. Details of how to appoint the Chairman or another person as your proxy using the proxy form are set out in the notes to the proxy form. Appointing a proxy does not preclude you from attending the meeting and voting in person. If you attend the meeting in person, your proxy appointment will automatically be terminated.
3. An appointment of proxy is provided with this notice and instructions for use are shown on the form. In order to be valid, a completed appointment 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:

**Capita Asset Services**  
**PXS**  
**34 Beckenham Road**  
**Beckenham**  
**Kent BR3 4TU**  
**United Kingdom**

**by no later than 2.00 p.m. GMT on 15 December 2014.**

4. To change your proxy instructions you may return a new proxy appointment to Capita Asset Services. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact Capita Asset Services. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the

relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others.

5. Depository Interest holders must deposit their Form of Direction, together with the power of attorney or other authority, if any, under which it is executed (or a notorially certified copy of such power of attorney) at the address above by no later than 2.00 p.m. GMT on 12 December 2014.
6. Holders of Depository Interests can instruct the Depository, or amend an instruction to a previously submitted direction, via the CREST system. The CREST message must be received by the issuer's agent RA10 by 2.00 p.m. GMT on 12 December 2014. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message. CREST personal members or other CREST sponsored members and those CREST members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with instructing the Depository via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. We may treat as invalid a direction appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. In any case your Form of Direction must be received by the Depository no later than 2.00 p.m. GMT on 12 December 2014.
7. Only those shareholders registered in the Register of Members of the Company as at 6.00 p.m. GMT on 12 December 2014 (or, if the meeting is adjourned, on the date which is two days before the time of the adjourned meeting) shall be entitled to attend and vote at the meeting or adjourned meeting in respect of the number of shares registered in their respective names at that time. Changes to the Register of Members after that time will be disregarded in determining the rights of any person to attend or vote at the meeting or adjourned meeting.
8. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
9. As at 25 November 2014 (being the last business day before the publication of this Notice), the Company's issued share capital consisted of 12,000,000 shares carrying one vote each. Pursuant to a Deed of Waiver, the Investment Manager, PXP Vietnam Asset Management Limited, has irrevocably waived any and all rights attached to one of the shares that it holds, including the right to vote in general meetings of the Company. Therefore the total voting rights in the Company are 11,999,999.

## APPENDIX I - PERFORMANCE FEE CALCULATION

### Basis of performance fee calculation

VEEF will (if applicable) pay to the Investment Manager a performance fee in relation to each Share outstanding at the end of each Performance Period. Such fee is equal to 15% of the amount by which the Net Asset Value per Share (before deduction of performance fee accrual) exceeds the Benchmark (adjusted with the hurdle rate of 8% per annum) for that Share as at the last Valuation Point in each Performance Period.

The Benchmark incorporates a High Water Mark provision, so that no performance fee is charged to a particular Share until any net losses incurred by such Share in a previous Performance Period have been offset by subsequent net profits. Where Shares are realised part way through a year, any performance fee payable in respect of the Shares realised will be calculated as at the Valuation Point relating to the date of realisation. Any performance fee will be payable annually in arrears or upon redemption of the Shares in question.

### Definitions

**Benchmark** Benchmark of a Share in the Performance Period in which the Share is issued is the Subscription Price at the time of issue of that Share. For subsequent Performance Periods, the Benchmark is the greater of: (i) the Net Asset Value per Share of the relevant series (after deduction of performance fee, if any) at the end of the immediately preceding Performance Period, (ii) the current High Water Mark of that Share of the relevant series.

**High Water Mark** High Water Mark per Share is the greater of: (i) the Subscription Price at the time of issue of that Share, (ii) the highest Net Asset Value per Share (after deduction of performance fee) in respect of which a performance fee has been paid at the end of any previous Performance Period (if any) during which such Share was in issue

**Performance Period** The period commencing on the initial date the Share is issued and ending at the close of business on the first to occur of (1) and (2) below, and thereafter, is each period commencing as of the day following the last day of the preceding Performance Period for the Shares and ending as of the close of business on the next to occur of (1) each 31 December or (2) the date the Share is redeemed

### Worked example – performance fee calculation

By way of example, if the NAV per Share of the VEEF Lead Series (before deduction of performance fee, if any) on 30 January 2015 was US\$6.782, this figure will be the effective subscription price of the shares issued to former PXPVF shareholders on the Merger effective date of 2 February 2015.

For the eleven months to 31 December 2015:                      Benchmark = US\$6.782  
High Water Mark = US\$6.782

If the NAV per Share reaches US\$7.600 on 31 December 2015, the performance fee charged to each of the shares is US\$0.048

calculated as follows:

Benchmark + hurdle rate at 8% per annum                       $US\$6.782 + (8\% \times \frac{333}{365} \text{ days}) = US\$7.277$

Performance over hurdle     $US\$7.600 - US\$7.277 = US\$0.323$

Performance fee per Share at 15%                                       $US\$0.323 \times 15\% = US\$0.048$



As performance fee was paid for 2015, for the following year the High Water Mark will be 31 December 2015 NAV per Share less performance fee per Share, which in this example is:

$$\text{US\$7.600} - \text{US\$0.048} = \text{US\$7.552}$$

The Benchmark will be the higher of (i) 31 December 2015 NAV per Share less performance fee per Share, (ii) the current High Water Mark, which in this example is also US\$7.552

The hurdle rate of 8% per annum is added to the Benchmark of US\$7.552 when calculating the performance fee payable in 2016.

## **APPENDIX II - VALUATION POLICIES**

### **Summary of PXPVF Valuation Policy for Assets**

Unless otherwise decided by the Board, the value of the Company's assets shall be determined in accordance with International Financial Reporting Standards (IFRS) as applicable to the Company. To the extent that IFRS permit, the Company will value its assets in accordance with the following provisions:

- (a) Listed securities will be valued at their last traded prices at the last official close of the Vietnam Stock Exchange or other relevant stock exchange on the relevant Valuation Day. There is no assurance that the last traded price will fairly reflect the price that would be achieved by the Company.
- (b) Unlisted bonds, debentures and financial notes, if any, will be valued at cost plus interest accrued, but unpaid, from purchase up to the Valuation Day unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Directors may consider appropriate in such case to reflect the true value thereof.
- (c) Investments in Pre-Listing Companies for which an active "over-the-counter" market exists will be stated at fair value based upon price quotations received from at least two independent brokers.
- (d) Other unlisted shares in Vietnamese companies will be valued at fair value as determined by the Directors in accordance with IFRS.

For the purpose of ascertaining quoted, listed, traded or market dealing prices, the Directors (or any other person to whom they have delegated responsibility for calculating the Net Asset Value) shall be entitled to use and rely upon mechanised and/or electronic systems of valuation dissemination with regard to valuation of investments of the Company and the prices provided by any such system shall be deemed to be the last traded prices for the purpose of paragraph (a) above.

All valuations of assets and liabilities of the Company will be made in U.S. dollars. Profits and gains accruing to the Company are likely to be in Vietnamese Dong or other currencies and, for valuation purposes, the Administrator will use such exchange rate as it determines would best reflect the exchange rate that would be obtained by the Administrator on the relevant Valuation Day after taking into account the exchange rates quoted in Reuters and/or Bloomberg on the Valuation Day and having regard, *inter alia*, to any premium or discount which the Directors consider may be relevant and to any costs of exchange. The realisable value in U.S. dollars of any asset may vary, and the real cost in U.S. dollars of any liability may differ, from that reflected in any valuation so made.

### **Summary of VEEF Valuation Policy for Assets**

Unless otherwise decided by the Board of VEEF, the value of VEEF's assets shall be determined in accordance with International Financial Reporting Standards (IFRS) to the extent possible. VEEF will value its assets in accordance with the following provisions:

- (a) the value of any cash in hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received shall be deemed to be the full amount thereof unless the Investment Manager shall have determined that any such deposit, bill, demand note or account receivable is not worth the full amount thereof in which event the value thereof shall be deemed to be such value as the Investment Manager shall deem to be the reasonable value thereof;
- (b) except in the case of any interest in a unit trust, mutual fund corporation, open-ended investment company or other similar open-ended investment vehicle (a "managed fund") to which paragraph (d) applies and subject as provided in paragraphs (e), (f) and (g) below, all calculations based on the value of investments quoted, listed, traded or dealt in on any stock exchange, commodities exchange, futures exchange or over-the-counter market shall be made by reference to the last traded price on the principal exchange for such investments as at the close of business in such place on the day as of which such calculation is to be made; and where there is no stock exchange, commodities exchange, futures exchange or over-the-counter market all calculations based on the value of investments quoted by any person, firm or institution making a market in that investment (and if there shall be more than one such market maker then such particular market maker as the Investment Manager may designate) shall be made by reference to the price quoted thereon; provided always that if the Investment Manager in its

discretion considers that the prices ruling on an exchange other than the principal exchange provide in all the circumstances a fairer criterion of value in relation to any such investment, it may adopt such prices;

(c) investments in unlisted companies will be valued using valuation techniques, determined by the Investment Manager. VEEF, after consultation with the Investment Manager, may use a variety of methods and will make assumptions that are based on market conditions existing at the balance sheet date. Valuation techniques include the use of comparable recent arm's length transactions, earnings multiples, net asset valuations, discounted cash flow analysis, and other valuation techniques commonly used by market participants.

(d) subject as provided in paragraphs (e), (f) and (g) below, the value of each interest in any managed fund which is valued as at the same day as VEEF shall be the net asset value per unit, share or other interest in such managed fund calculated as at that day or, if the Investment Manager so determine or if such managed fund is not valued as at the same day as VEEF, the last published net asset value per unit, share or other interest in such managed fund (where available) or (if the same is not available) the last published redemption or bid price for such unit, share or other interest.

In particular if there are no price quotations available for the valuation of the managed fund, it shall be calculated in accordance with the values published, or reported in writing to VEEF as at the relevant Valuation Day, by or on behalf of the managed fund, or if the managed fund is not valued as at the relevant Valuation Day, shall be the latest published or reported value. Valuations may in the absolute discretion of the Investment Manager be subject to later adjustment. In performing the calculations, the Investment Manager shall be entitled to rely on the unaudited valuations and reports and estimated valuations received from third parties, including the managed fund and its administrator, agents, investment manager or advisor, or other dealing subsidiary and shall not be responsible for verifying nor shall they be required to verify either the contents or veracity of such valuations and reports;

(e) if no net asset value, bid and offer prices or price quotations are available as provided in paragraphs (b) or (d) above, the value of the relevant asset shall be determined from time to time in such manner as the Investment Manager shall determine;

(f) for the purpose of ascertaining quoted, listed, traded or market dealing prices, the Investment Manager, the administrator or their agents shall be entitled to use and rely upon mechanised and/or electronic systems of valuation dissemination with regard to valuation of investments of VEEF and the prices provided by any such system shall be deemed to be the last traded prices for the purpose of paragraph (b) above;

(g) notwithstanding the foregoing, the Investment Manager may, at its absolute discretion, permit some other method of valuation to be used if it considers that such valuation better reflects the fair value; and

(h) any value (whether of a security or cash) otherwise than in US\$ shall be converted into US\$ at the rate (whether official or otherwise) which the Investment Manager shall in its absolute discretion deem appropriate to the circumstances having regard, inter alia, to any premium or discount which it considers may be relevant and to costs of exchange.

All valuations of assets and liabilities of VEEF will be made in U.S. dollars. The majority of the net assets of VEEF are likely to be in Vietnamese Dong or other currencies and, for valuation purposes, the Company will use such exchange rate as it determines would best reflect the exchange rate that would be obtained by VEEF on the relevant Valuation Point having regard, inter alia, to any premium or discount which the Directors of VEEF consider may be relevant and to any costs of exchange. The realisable value in U.S. dollars of any asset may vary, and the real cost in U.S. dollars of any liability may differ, from that reflected in any valuation so made.

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## FORM OF PROXY

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### PXP VIETNAM FUND LIMITED

(Incorporated in the Cayman Islands with Limited Liability with registration number CR-125492)

Form of proxy for use by shareholders at the Extraordinary General Meeting (the "EGM") of PXP Vietnam Fund Limited (the "Company") to be held at the offices of Harney Westwood & Riegels, Two Exchange Square, 8 Connaught Place, Central, Hong Kong on 17 December 2014 at 5.00 p.m. Hong Kong time.

I/We (note 1) \_\_\_\_\_ of \_\_\_\_\_ being the holder(s) of \_\_\_\_\_ (note 2) shares of US\$0.05 each of the Company hereby appoint THE CHAIRMAN OF THE MEETING or \_\_\_\_\_ of \_\_\_\_\_ (note 3), to act as my/our proxy at the EGM of the Company to be held on 17 December 2014 and at any adjournment thereof and to vote on my/our behalf as directed below.

Please indicate with an "X" in the spaces provided how you wish the proxy to vote on your behalf.

	For	Against	Vote Withheld	Discretionary
<b>Special Resolution 1</b>				
To approve the merger with PXP Vietnam Emerging Equity Fund Limited and the Plan of Merger substantially in the form included in the circular sent by the Company to its shareholders on 26 November 2014, which included the notice convening this meeting, and the cancellation of the listing of the ordinary shares of the Company on the London Stock Exchange's Main Market for listed securities following the merger becoming effective.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated the \_\_\_\_\_ day of \_\_\_\_\_ 2014

Shareholder's Signature: \_\_\_\_\_ (notes 6 and 7).

#### Notes:

1. Full name(s) and address(es) to be inserted in BLOCK CAPITALS. The names of all joint registered holders should be stated.
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. Every holder has the right to appoint some other person(s) of their choice, who need not be a shareholder, as their proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the meeting, provided each proxy is appointed to exercise rights in respect of different shares. The appointment of the chairman as proxy has been included for convenience. If you wish to appoint any other person or persons as proxy or proxies delete the words "THE CHAIRMAN OF THE MEETING" and add the name and address of the proxy or proxies appointed. If you do not delete

such words and you appoint a proxy or proxies, the chairman shall not be entitled to vote as proxy. If your proxy is being appointed in relation to less than your full voting entitlement, the number of shares in respect of which each such proxy is to vote must be specified. In the absence of any specific direction, a proxy shall be deemed to be entitled to vote in respect of all the shares in the relevant holding.

4. This form enables you to instruct your proxy how to vote, whether on a show of hands or on a poll, on the resolutions to be proposed at the meeting. If you want your proxy to vote in a certain way on the resolutions specified please place an 'X' in the relevant boxes. If you select 'discretionary' or fail to select any of the given options your proxy can vote as he or she chooses or can decide not to vote at all. The proxy can also do this on any other resolution that is put to the meeting. The 'Vote Withheld' option is provided to enable you to abstain on any particular resolution; however it should be noted that a 'vote withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
5. To appoint more than one proxy, additional proxy forms may be obtained by contacting the Company's Registrar or you may photocopy this form. The number of shares in respect of which each such proxy is to vote must be specified on the relevant form.
6. A corporation must execute this form either under its common seal or under the hand of an officer or attorney duly authorised in writing.
7. In the case of joint holders, the signature of any one holder will be sufficient but the names of all the joint holders should be stated and the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority will be determined by the order in which the names stand in the register of members in respect of the shares.
8. 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 Registrar: Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, United Kingdom not later than 2.00 p.m. GMT on 15 December 2014.
9. Returning the form of proxy will not prevent you from attending the meeting and voting in person.

**PXP VIETNAM FUND LIMITED**

(Incorporated in the Cayman Islands with Limited Liability with registration number CR-125492)

**“Issuer Company”**

**Form of Direction**

Form of Direction for completion by holders of Depository Interests representing shares on a one for one basis in the Issuer Company in respect of the Extraordinary General Meeting of the Company to be held at the offices of Harney Westwood & Riegels, Two Exchange Square, 8 Connaught Place, Central, Hong Kong on 17 December 2014 at 5.00 p.m. Hong Kong time.

I/We \_\_\_\_\_

Of \_\_\_\_\_

(Please insert full name(s) and address(es) in **BLOCK CAPITALS**)

being a holder of Depository Interests representing shares in the Issuer Company hereby instruct Capita IRG Trustees Limited (“**the Depository**”) to vote for me/us and on my/our behalf in person or by proxy at the Extraordinary General Meeting of the Issuer Company to be held on the above date (and at any adjournment thereof) as directed by an X in the spaces below.

*Please indicate with an “X” in the spaces below how you wish your vote to be cast. If no indication is given, you will be deemed as instructing the Depository to abstain from voting.*

<b>Special Resolution</b>	For	Against	Discretion to Chairman	Vote Withheld
1. To approve the merger with PXP Vietnam Emerging Equity Fund Limited and the Plan of Merger substantially in the form included in the circular sent by the Company to its shareholders on 26 November 2014, which included the notice convening this meeting, and the cancellation of the listing of the ordinary shares of the Company on the London Stock Exchange’s Main Market for listed securities following the merger becoming effective.				

Signature:..... Date: .....

**NOTES:**

1. To be effective, this Form of Direction and the power of attorney or other authority (if any) under which it is signed, or a notorially or otherwise certified copy of such power or authority, must be deposited at Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 2.00 p.m. GMT on 12 December 2014.
2. Any alterations made to this Form of Direction should be initialled.
3. In the case of a corporation this Form of Direction should be given under its Common Seal or under the hand of an officer or attorney duly authorised in writing.

4. Please indicate how you wish your votes to be cast by placing "X" in the box provided. On receipt of this form duly signed, you will be deemed to have authorised the Depository to vote, or to abstain from voting, as per your instructions.
5. Depository Interests held in uncertified form (i.e. in CREST), representing shares on a one for one basis in the Issuer Company, may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual.
6. The "Discretion" option is provided to enable you to give discretion to the proxy appointed by the Depository to vote or abstain from voting as he or she thinks fit on the specified resolution(s).
7. The "Vote Withheld" option is provided to enable you to abstain from voting on the resolutions. However, it should be noted that a "Vote Withheld" is not a vote in law and will not be counted in the calculation of the proportion of the votes "For" and "Against" a resolution.
8. The Depository will appoint the Chairman of the meeting as its proxy to cast your votes. The Chairman may also vote or abstain from voting as he or she thinks fit on any other business (including amendments to resolutions) which may properly come before the meeting.
9. Depository Interest holders wishing to attend the meeting should contact the Depository at Capita IRG Trustees Limited, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or by email at [custodymgmt@capita.co.uk](mailto:custodymgmt@capita.co.uk) by no later than 2.00 p.m. GMT on 12 December 2014.