

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



THE THAI ASSET FUND LIMITED

(Incorporated with limited liability in Guernsey)

(Stock Code: 543)

ANNOUNCEMENT OF REDEMPTION OF PARTICIPATING SHARES

- **The Company is pleased to announce that on 22 December 2004 the Board resolved to redeem a proportion of the Shares, such redemption to be effective on 12 January 2005. The Shares will be redeemed pro-rata among the holders of all the Shares and the total number of Shares to be redeemed will correspond as closely as possible to the proportion that the net proceeds received by the Company from the redemption of Initial Investment Units bears to the net asset value of the Company.**
- **The redemption price will be paid to all Shareholders recorded on the register of members as at the close of business on 11 January 2005. The redemption price, which will be in USD, will be paid by cheque, which is expected to be sent to eligible Shareholders on or about 2 February 2005, provided that relevant Share certificates and/or other documents of title have been delivered to the Company.**
- **The Company gives notice that its register of members will be closed from 6 January 2005 to 11 January 2005, both dates inclusive. During this period, no transfer of Shares can be registered.**
- **The redemption of Shares is made pursuant to the Proposal relating to the implementation of the open-ending of the Company's Investment Plan, namely The Thai Asset Fund, which was unanimously approved by Shareholders present at the EGM held on 22 July 2003.**
- **In accordance with the Proposal, the Company announced that it would redeem a proportion of the Shares on 19 September 2003. Further redemptions of the remaining Investment Units are expected to take place during the third twelve month period following 9 June 2003, which is when such redemptions are permitted by the Thai SEC. A further announcement will be made at the appropriate time.**

The Board refers to the announcement issued by the Company on 22 July 2003 confirming that all resolutions proposed at the EGM in respect of the Proposal were unanimously passed. With the Company's Investment Plan having been converted from a closed end structure into an open end structure, the Company have commenced phased redemption of the Investment Plan's Investment Units. This, in turn, has resulted in the Company being able to commence the phased redemption of its Participating Shares. Having completed the redemption of 30% of the Initial Investment Units held by the Company in The Thai Asset Fund pursuant to the Proposal, the Company is pleased to announce that on 22 December 2004 the Board resolved to redeem a proportion of the Participating Shares, such redemptions to be effective on the Redemption Date. The total number of Shares to be redeemed will be such proportion of the Shares held by the Shareholders as corresponds as closely as possible to the proportion that the net proceeds received by the Company from the redemption of Initial Investment Units bears to the Net Asset Value of the Company on the Valuation Day. As at the date of this announcement, it is not possible to indicate how many Shares will be redeemed since the Net Asset Value of the Company will be determined on the Valuation Date, which is a future date. However, the Shares will be redeemed pro-rata among the holders of all the Shares according to the number of Shares held by each Shareholder, at a price per Share equal to the Net Asset Value Per Share.

The redemption price, which will be in USD, will be paid to all Shareholders recorded on the register of members as at the close of business on 11 January 2005.

A notice of redemption will be sent to all eligible Shareholders on or about 12 January 2005, specifying (i) the number of Shares to be redeemed, (ii) the redemption price per Share and (iii) the Redemption Date. The notice of redemption will also describe the procedure for Shareholders to follow in order to submit their existing Share certificates in exchange for new certificates for Adjusted Shares.

Payment will be made by cheque, which is expected to be sent to eligible Shareholders, at the risk of those entitled thereto, on or about 2 February 2005, provided that if any Shareholder has not delivered his/her relevant Share certificates and/or other documents of title in respect of their redeemed Shares by 10:00 a.m. on the twenty first day following the Redemption Date, the Company will hold the redemption monies on trust for such persons and pay the redemption amount to them upon delivery to the Company of the Share certificates and/or other documents of title.

The Company gives notice that its register of members will be closed from 6 January 2005 to 11 January 2005, both dates inclusive. During this period, no transfer of Shares can be registered. **In order for transferees of Shares to qualify for the redemption and be entitled to the redemption payment, all transfers, accompanied by the relevant Share certificates, must be lodged with the Company's registrars, HSBC Institutional Trust Services (Asia) Limited of 39th Floor, Dorset House, Taikoo Place, 979 King's Road, Hong Kong, for the attention of Investor Services Department, no later than 4:00 pm on 5 January 2005.**

The redemption of Shares is made pursuant to the Proposal relating to the implementation of the opening of the Company's Investment Plan, namely The Thai Asset Fund, which was unanimously approved by Shareholders present at the EGM held on 22 July 2003. Details of the Proposal are contained in the Circular dispatched to Shareholders on 19 June 2003.

The redemption price payable per Share that is redeemed to Shareholders will be the Net Asset Value Per Share. The calculation of the Redemption Amount was determined in accordance with the principles contained in the Circular and the redemption process complies with the laws of Guernsey and the Articles of Association.

In accordance with the Proposal, the Company announced that it would redeem a proportion of the shares on 19 September 2003. Further redemptions of the remaining Investment Units are expected to take place during the third twelve month periods, following 9 June 2003, which is when such redemptions are permitted by the Thai SEC. A further announcement will be made at the appropriate time.

Copies of the Circular can be inspected during normal business hours at 12/F, Three Exchange Square, 8 Connaught Place, Hong Kong or by viewing a copy of the Circular on the Stock Exchange's website: www.hkex.com.hk

DEFINITIONS

In this Announcement, the following terms have the following meanings:

“Adjusted Shares”	such number of Shares remaining after any redemption, from time to time, of Shares
“Articles of Association”	the Memorandum and Articles of Association of the Company, as amended at the EGM
“Board”	the board of directors of the Company
“Circular”	the circular dispatched by the Company on 19 June 2003 to the Shareholders for the purpose of, amongst others, convening the EGM
“Company”	The Thai Asset Fund Limited, a company incorporated with limited liability in Guernsey, the Shares of which are listed on The Stock Exchange of Hong Kong Limited

“EGM”	the extraordinary general meeting of the Company held on Tuesday, 22 July 2003
“Initial Investment Units”	the Investment Units in issue as at the date formal Thai SEC approval was granted for the conversion of the Investment Plan to an open-end structure, of which there were 4,900,000 Investment Units
“Investment Plan”	the open-end plan for the investment of the Company through The Thai Asset Fund in securities in Thailand
“Investment Unit(s)”	investment unit(s) of the Investment Plan
“Net Asset Value of the Company”	the net asset value of the Company from time to time determined in accordance with the Articles of Association
“Net Asset Value Per Share”	the Net Asset Value of the Company divided by the total number of outstanding Shares in issue as at the end of the Valuation Day
“Proposal”	the proposal relating to the implementation of the amendment of the Investment Plan including the implementation of the proposal for redeeming the Company’s Investment Units in the Investment Plan and the Share redemption scheme, as more particularly described in the Circular
“Redemption Date”	9:00 am on 12 January 2005
“Shares” or “Participating Shares”	the Participating Shares of USD0.01 each in the capital of the Company
“Shareholders”	the holders of Shares
“Thai SEC”	The Securities and Exchange Commission of Thailand
“USD”	United States dollars, the lawful currency of the United States
“Valuation Day”	31 December 2004, being the business day determined by the Board

By Order of the Board
Jeremy Charles Simpson
Company Secretary

Hong Kong, 22 December 2004

As at the date of this announcement, the executive directors of The Thai Asset Fund Limited (the “Company”) are Messrs. Andrew Lo Tak Shing, Dominic Kwok Chung Kwong and Pichit Akrathit, the independent non-executive directors of the Company are Messrs. Narong Chulajata, Heng Kwo Seng and Thomas Ng Tung Ming and the non-executive director of the Company is Mr. John Yang Chung Hsiung.

Please also refer to the published version of this announcement in The Standard.