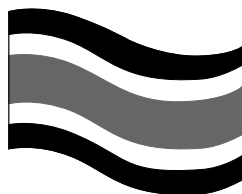


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THE THAI-ASIA FUND LIMITED

(incorporated with limited liability in the Cayman Islands)

(Stock Code: 540)

PROPOSED VOLUNTARY WINDING-UP OF THE COMPANY AND WITHDRAWAL OF LISTING FROM THE STOCK EXCHANGE

On 9 January 2006, the Company announced that all remaining Investment Units had been redeemed and that it would distribute the remaining net proceeds of the Investment Plan to the Shareholders by way of dividend. As the Company has now ceased to carry on any investment activity and has no commercial business, the Board has resolved, in accordance with the Proposal, to convene the EGM on 10 March 2006 to consider resolutions (i) to withdraw the listing of the Company on the Stock Exchange, (ii) to wind up the Company, and (iii) to appoint a liquidator in accordance with Part V of the Companies Law (2004 Revision) of the Cayman Islands. Since the net proceeds realized from the redemption of the remaining Investment Units will have been distributed to the Shareholders by way of dividend distributions before the liquidation, there are unlikely to be any surplus assets available for distribution upon the liquidation of the Company.

Application for the withdrawal of the listing of the Company from the Stock Exchange has been made to the Stock Exchange.

The Company will apply for a suspension of trading of the Shares on the Stock Exchange from 9:30 a.m. on 27 January 2006, following the distribution of the dividends declared on 9 January 2006.

Reference is made to the Circular issued by the Company on 19 June 2003 and to the announcement issued by the Company on 9 January 2006.

The Company, which is incorporated in the Cayman Islands as an exempted company, was until June 2003 a closed-end investment company. The Shares are presently, and have been, listed on the Stock Exchange since 15 November 1989. The Company has been investing in Thai securities through the Fund, established under the laws of Thailand and regulated by the Thai SEC.

The Company had, in its placing memorandum dated 2 November 1989, foreshadowed that it might become 'open ended' after ten years of the Company's establishment. On 10 June 1999, the Shareholders passed a special resolution at the Company's annual general meeting to 'open end' the Company, subject to obtaining all necessary regulatory consents.

On 1 February 2002, the Company announced that it had obtained in principle approval from the Thai SEC to the phased open ending of the Investment Plan over a period of three years. The Fund was formally converted to an open-end fund upon receiving the Thai SEC's formal approval to the open ending of the Investment Plan on 9 June 2003.

On 22 July 2003, an extraordinary general meeting of the Company was convened to consider, among others, the Proposal. On the same day, the Company announced that all the resolutions necessary for approving the Proposal were unanimously passed by the Shareholders present at the extraordinary general meeting. Under the Proposal (as approved by the Shareholders), the Company would commence redeeming its Investment Units and then, following such redemptions, the directors of the Company would effectively cause the Company to return the net proceeds of such redemptions to the Shareholders through the declaration and payment of dividends, from time to time, to the Shareholders thereby allowing Shareholders to realize their investment in the Company. It was also stated in the Circular that, following the distribution of all amounts distributable to the Shareholders under the Proposal, the Company would be wound up and delisted. The timeframe and parameters according to which the Company was authorised by the Thai SEC to effect redemptions of its Investment Units were as follows:–

- Year 1 A maximum of 20% of the Initial Investment Units – redeemable within the first 12 months following 9 June 2003, the date of the formal Thai SEC approval to the open ending of the Investment Plan;
- Year 2 A maximum of 30% of the Initial Investment Units – redeemable within the 12-month period following Year 1, plus any entitlement not used from the previous year; and
- Year 3 The remaining Investment Units – redeemable after Year 2.

In the Circular it was explained that, after the third and final redemption of all remaining Investment Units takes place and the related dividend distributions are made to the Shareholders, the Company would be wound up and withdraw its listing on the Stock Exchange. This is because the Company, being an investment company, will no longer carry on any investment activity and, as such, it will no longer have any commercial business.

In accordance with the Proposal, special dividends were distributed to the Shareholders on or about 14 October 2003 and 14 January 2005 following the Company's announcements made on 19 September 2003 and 22 December 2004. On 9 January 2006, the Company announced that all remaining Investment Units had been redeemed and that it would distribute the remaining net proceeds of the Investment Plan to the Shareholders by way of dividend on or about 27 January 2006. The aggregate dividends declared on 9 January 2006 equals USD11,558,247.68. The special dividend of USD0.2296 per Share will be paid to all Shareholders recorded on the register of members as at the close of business on 26 January 2006.

In accordance with the Proposal, the Board has resolved to convene the EGM to propose for consideration by the Shareholders resolutions (i) to withdraw the listing of the Company on the Stock Exchange, (ii) to wind up the Company, and (iii) to appoint a liquidator in accordance with Part V of the Companies Law (2004 Revision) of the Cayman Islands. This will ensure that the Company can be legally terminated. All Shareholders, at the time when the Company is placed in liquidation, will participate in the liquidation and share in any remaining assets of the Company, after liquidation expenses and all other liabilities have been fully paid. However, since the net proceeds realized from the redemption of the remaining Investment Units will have been distributed to the Shareholders by way of dividend distributions before the liquidation, there are unlikely to be any surplus assets available for distribution upon the liquidation of the Company.

Application for the withdrawal of the listing of the Company from the Stock Exchange has been made to the Stock Exchange. Under the Listing Rules, the proposed withdrawal of listing must be approved by the Shareholders. Such approval must be given by at least 75% of votes held by the Shareholders voting either in person or by proxy at the meeting and the number of votes cast against the resolution must not be more than 10% of the votes held by the voting Shareholders. The Company's directors, controlling Shareholders and their respective associates will abstain from voting on the resolution concerning the proposed withdrawal of listing. In accordance with the requirements of the Listing Rules, the Company has established an independent board committee and appointed an independent financial adviser to, amongst others, advise the Shareholders on how to vote at the EGM in relation to the withdrawal of listing of the Shares on the Stock Exchange.

A circular containing details of the winding-up and withdrawal of listing proposal, advice and recommendations from the independent board committee and the independent financial adviser, and a notice of the EGM to consider and approve the winding-up of the Company and the withdrawal of listing of the Shares on the Stock Exchange, will be dispatched to all Shareholders in advance of the EGM.

A further announcement will be made by the Company shortly after the EGM to confirm the results of the vote on the resolution in respect of the winding-up and withdrawal of listing of the Company.

As the Company will unlikely have any net asset following the distribution of the dividends on or about 27 January 2006, the Company will apply for a suspension of trading of the Shares on the Stock Exchange from 9:30 a.m. on 27 January 2006.

ESTIMATED TIMETABLE FOR WINDING-UP AND WITHDRAWAL OF LISTING

The estimated timetable for the winding-up process and the withdrawal of the listing of the Company is set out below:

| | |
|--------------------------------------|------------------------------|
| Book close period | 24-26 January 2006 |
| Suspension of trading of Shares | 9:30 a.m. on 27 January 2006 |
| EGM | 11:30 a.m. on 10 March 2006 |
| Appointment of Liquidator | 10 March 2006 |
| Withdrawal of listing of the Company | 4:00 p.m. on 13 March 2006 |

Copies of the Circular can be inspected during normal business hours at 32/F, Three Pacific Place, 1 Queen's Road East, 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:

| | |
|----------------------------|--|
| “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 extraordinary general meeting of the Shareholders on 22 July 2003 |
| “Company” | The Thai-Asia Fund Limited, a company incorporated with limited liability in the Cayman Islands, the Shares of which are listed on the Stock Exchange |
| “EGM” | the extraordinary general meeting of the Company to be held at 11:30 a.m. on 10 March 2006 and any adjournment thereof |
| “Fund” | Thai-Asia Open-end Fund, formerly known as The Thai-Asia Fund, established in 1989, all of whose Investment Units were held by the Company |
| “Initial Investment Units” | the Investment Units, of which there were 5,000,000 in issue at the time when the Thai SEC granted formal approval for the conversion of the Investment Plan to an open-end structure |
| “Investment Plan” | the open-end plan for the investment of the Company through the Fund in securities in Thailand |
| “Investment Unit(s)” | investment unit(s) of the Investment Plan |
| “Listing Rules” | Rules Governing the Listing of Securities on the Stock Exchange |
| “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 and paying dividends to Shareholders, as more particularly described in the Circular |
| “Shares” | the ordinary shares of USD0.01 each in the capital of the Company |
| “Shareholders” | holders of the Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Thai SEC” | The Securities and Exchange Commission of Thailand |
| “USD” | United States dollars, the lawful currency of the United States |

By Order of the Board
Jeremy Charles Simpson
Company Secretary

Hong Kong, 16 January 2006

As at the date of this announcement, the executive directors of the Company are Messrs. Andrew Lo Tak Shing, Chaibhondh Osataphan, Dominic Kwok Chung Kwong and Pichit Akrathit, and the independent non-executive directors of the Company are Yod Jin Uahwatanasakul, Narong Chulajata, Heng Kwo Seng and Thomas Ng Tung Ming.

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