

THAI FOCUSED EQUITY FUND LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2008



BDO Simpson Xavier
Business & Financial Advisers
Beaux Lane House
Mercer Street Lower
Dublin 2 Ireland

THAI FOCUSED EQUITY FUND LIMITED

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THAI FOCUSED EQUITY FUND LIMITED

ADMINISTRATION

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Douglas E. Barnett
Lau Chung Wei Wayne
James Lyle

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Tortola, British Virgin Islands

Investment Manager

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Auditors

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Ireland

Administrator, Registrar and Company Secretary

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**INDEPENDENT AUDITORS' REPORT
TO THE DIRECTORS OF THAI FOCUSED EQUITY LIMITED**
(incorporated in the British Virgin Islands with limited liability)

We have audited the accompanying financial statements of Thai Focused Equity Fund Limited (the "Fund") which comprise the balance sheet as of 31 December, 2008 and the income statement, statement of changes in net assets attributable to holders of redeemable shares and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Four Michael Street
Limerick

Robert Adams
Maurice Carr
Michael Costello
Liam Dowdall
John Gilmor Gavin
Denis Hanly
Jim Hamilton

Diarmuid Hendrick
Gerard Holliday
Paul Keenan
Neil Kelly
Brian McGann
Stephen McGivern

Kevin McSharry
Colm Nagle
Paul Nestor
John O'Callaghan
Louis O'Neill
Frank Sheedy

Peter Carroll (Managing Partner)
Eddie Doyle
Stewart Dunne
Ivor Feerick
Alan Flynn
David Giles
Derry Gray

Denis Herlihy
Ciarán Medlar
David McCormick
Michelle O'Keefe
Peter O'Neill
Noel Taylor

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Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as of 31 December, 2008, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

30 March 2009

Date

BDO Simpson Xavier

BDO Simpson Xavier
Registered Auditors

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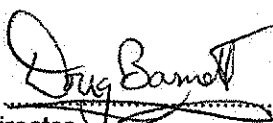
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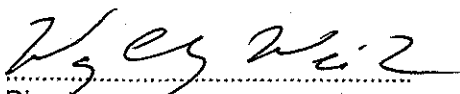
THAI FOCUSED EQUITY FUND LIMITED

**BALANCE SHEET
AS AT 31ST DECEMBER 2008**

	Note	2008 US\$	2007 US\$
Assets			
Financial assets at fair value through profit and loss	6	116,068,293	335,927,469
Cash at broker	2 (f)	14,524,632	17,418,054
Due from broker		-	5,757,858
Dividends receivable		190,726	2,893
Other receivable		253,966	-
Total assets		<u><u>131,037,617</u></u>	<u><u>359,106,274</u></u>
Liabilities			
Financial liabilities at fair value through profit and loss	6	1,212,650	205,254
Due to broker		1,839,459	2,471,239
Incentive allocation payable	4(b)	-	20,386,137
Investment management fee payable	4(a)	122,034	351,734
Administration fees payable	4(e)	50,631	35,253
Other payables		64,500	90,000
Liabilities (excluding net assets attributable to holders of redeemable common shares)		<u><u>3,289,274</u></u>	<u><u>23,539,617</u></u>
Net assets attributable to holders of redeemable common shares (at bid/asking market prices)	8	<u><u>127,748,343</u></u>	<u><u>335,566,657</u></u>
Represented by:			
Net assets attributable to holders of redeemable common shares (at last traded market prices)	8	<u><u>128,041,285</u></u>	<u><u>336,446,152</u></u>
Adjustment from bid/asking market prices to last traded market prices	8	<u><u>292,942</u></u>	<u><u>879,495</u></u>

Approved for issuance on behalf of the board


Director


Director

The accompanying notes are an integral part of these financial statements.

THAI FOCUSED EQUITY FUND LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2008**

	Note	2008 US\$	2007 US\$
Income			
Dividend income	2(d)	12,521,498	14,892,709
Interest income on cash	2(d)	361,399	725,814
Interest income		82,919	369,669
Net change in financial assets and liabilities at fair value through profit or loss	3	(114,024,954)	116,735,424
		<u>(101,059,138)</u>	<u>132,723,616</u>
Expenses			
Investment management fee	4(a)	2,617,627	3,706,747
Transactions handling fee		380,711	39,530
Administration fee	4(e)	293,491	372,730
Other operating expenses		148,758	80,238
Legal and professional fee		35,558	23,340
Auditors' remuneration		27,215	36,000
Directors' fee	4(f)	15,000	5,000
Incentive allocation	4(b)	5,929	22,324,685
		<u>3,524,289</u>	<u>26,588,270</u>
(Loss)/profit before tax		(104,583,427)	106,135,346
Overseas withholding tax	5	(923,180)	(1,149,948)
(Loss)/profit after tax		(105,506,607)	104,985,398
Adjustment from bid/asking market prices to last traded market prices	8	(586,553)	(1,045,733)
(Decrease)/increase in net assets attributable to holders of redeemable common shares from operations		(106,093,160)	103,939,665

The accompanying notes are an integral part of these financial statements.

THAI FOCUSED EQUITY FUND LIMITED

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF
REDEEMABLE COMMON SHARES
FOR THE YEAR ENDED 31ST DECEMBER 2008**

	2008 US\$	2007 US\$
Net assets attributable to holders of redeemable common shares at 1st January	336,446,152	253,881,128
Proceeds from subscription of redeemable common shares	5,308,454	26,904,373
Redemption of redeemable common shares	(107,620,161)	(48,279,014)
Net decrease from share transactions	(102,311,707)	(21,374,641)
(Decrease)/increase in net assets attributable to holders of redeemable common shares from operations	(106,093,160)	103,939,665
Net assets attributable to holders of redeemable common shares at 31st December	<u>128,041,285</u>	<u>336,446,152</u>

The accompanying notes are an integral part of these financial statements.

THAI FOCUSED EQUITY FUND LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2008**

	2008	2007
	US\$	US\$
Cash flows from operating activities		
(Decrease)/increase in net assets attributable to holders of redeemable common shares from operations	(106,093,160)	103,939,665
Adjustments for:		
Overseas withholding tax	923,180	1,149,948
Interest income on cash	(361,399)	(725,815)
Interest income	(82,919)	(369,669)
Dividend income	(12,521,498)	(14,892,709)
	<u>(118,135,796)</u>	<u>89,101,420</u>
Change in financial assets and liabilities at fair value	221,453,127	(114,529,300)
Decrease in amounts receivable on reverse repurchase agreement	-	20,000,000
Net increase in receivables	(339,108)	-
Decrease/(increase) in amounts receivable from brokers	5,757,858	(3,286,619)
Decrease in amounts payable to brokers	(631,780)	-
(Decrease)/increase in incentive allocation payable	(20,728,652)	19,410,679
Increase in other payables	-	119,775
Interest received	444,318	1,095,483
Overseas withholding tax paid	(923,180)	(1,149,948)
Dividends received	12,521,498	14,892,709
	<u>99,418,285</u>	<u>25,654,199</u>
Net cash inflow from operating activities	99,418,285	25,654,199

The accompanying notes are an integral part of these financial statements.

THAI FOCUSED EQUITY FUND LIMITED

**CASH FLOW STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2008**

	2008 US\$	2007 US\$
Cash flows from financing activities		
Proceeds from redeemable common shares	5,308,454	26,904,373
Redemption of redeemable common shares	(107,620,161)	(48,279,014)
Net cash outflow from financing activities	(102,311,707)	(21,374,641)
 (Decrease)/increase in cash and cash equivalents	 (2,893,422)	 4,279,558
Cash and cash equivalents at 1st January	17,418,054	13,138,496
 Cash and cash equivalents 31st December	 14,524,632	 17,418,054

The accompanying notes are an integral part of these financial statements.

THAI FOCUSED EQUITY FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

1 General

Thai Focused Equity Fund Limited (the "Fund") was incorporated in the British Virgin Islands on 5 September 1997 and commenced operations on 21 October 1997. The objective of the Fund is to seek superior long term capital appreciation through investment primarily in corporate equity securities of companies whose principal assets or operations are located in Thailand, or whose income is derived primarily from Thailand. Additionally, the Fund may invest in long or short positions in privately negotiated (or restricted) common stocks of publicly traded companies, preferred stocks, stock warrants and rights, sovereign debts, corporate debts, bonds, notes or other debentures or debt participations, convertible securities swaps and other derivative instruments, partnership interests and other securities including those of investment companies. The Fund may sell securities short and employ leverage when deemed appropriate. The investment manager of the Fund is Quest Management, Inc. (the "Investment Manager"), a British Virgin Islands company. Douglas E. Barnett (the "Principal"), the principal of the Investment Manager and a Director of the Fund, is responsible for making the investment decisions on behalf of the Investment Manager. The Fund has no employees.

All references to net assets throughout these financial statements refer to net assets attributable to holders of redeemable common shares.

2 Principal accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below:

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Fund's accounting policies.

Standards and Interpretations in issue not yet adopted

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

IFRS 8, Operating Segments (effective January 1, 2009)*

IFRS 2, Share-based Payments – Vesting Conditions and Cancellations (effective January 1, 2009) *

IAS 23 (Revised), Borrowing Costs (effective January 1, 2009) *

IAS 1 (Revised), Presentation of Financial Statements (effective January 1, 2009) *

IAS 32 and IAS 1 (Amendment), Puttable Financial Instruments and Obligations Arising on Liquidation (effective January 1, 2009) *

IFRS 3 (Revised), Business Combinations (effective July 1, 2009) *

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

2 Standards and Interpretations in issue not yet adopted (continued)

IAS 27 (Revised), Consolidated and Separate Financial Statements (effective July 1, 2009) *

*Annual reporting periods beginning on or after that date

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material financial impact on the financial statements of the Company

(b) Financial assets and financial liabilities at fair value through profit or loss

(i) Classification

The Fund classifies its investments in debt and equity securities, and related derivatives, as financial assets or financial liabilities at fair value through profit or loss. These financial assets and financial liabilities are classified as held for trading or designated by the Board of Directors at fair value through profit or loss at inception.

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purposes of selling or repurchasing in the short term. Derivatives are also categorised as financial assets or financial liabilities held for trading. The Fund does not classify any derivatives as hedges in a hedging relationship.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Fund's documented investment strategy. The Fund's policy is for the Investment Manager and the Board of Directors to evaluate the information about these financial assets on a fair value basis together with other related financial information. These financial assets are expected to be realised within 12 months of the balance sheet date.

(ii) Recognition/derecognition

Regular-way purchases and sales of investments are recognised on the trade date - the date on which the Fund commits to purchase or sell the investment. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

(iii) Measurement

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed in the income statement. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the income statement in the period in which they arise. Interest income from financial assets at fair value through profit or loss is recognised in the income statement within interest income using the effective interest method. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement within dividend income when the Fund's right to receive payments is established.

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

2 Principal accounting policies (Continued)

(iv) Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Fund is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price. When the Fund holds derivatives with offsetting market risks, it applies the bid or asking price to the net open position, as appropriate.

(c) Foreign currency translation

(i) Functional and presentation currency

Subscriptions and redemptions of the redeemable common shares are denominated in US\$ and the performance of the Fund is measured and reported to the investors in US\$. The Board of Directors considers US\$ as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in US\$, which is the Fund's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Translation differences on non-monetary financial assets and liabilities are recognised in the income statement within the fair value net gain or loss. The prevailing exchange rate from Thailand Baht to United States Dollars as at December 31, 2007 was 33.72 and at December 31, 2008 was 34.74.

(d) Income recognition

Dividends receivable on quoted equity shares are recognised on the ex-dividend dates. Dividends receivable on equity shares where no-dividend date is quoted are brought into account when the Fund's right to receive payment is established.

Interest income is recognised in the income statement on a time proportion basis using the effective interest method and includes interest from fixed interest securities.

(e) Securities borrowing and lending

The securities borrowed and securities loaned are treated as off balance sheet items and the underlying commitments are disclosed in the relevant notes to the accounts. Income or expense arising from securities borrowing or loans is recognized in the financial statements as interest income or interest expense.

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

2 Principal accounting policies (Continued)

(f) Cash and cash equivalents

Cash comprises of bank balances. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant changes in value. As at December 31, 2008 the cash balance at Goldman Sachs International Limited was US\$4,209,188 (2007: US\$12,880,495), the balance at Tisco Securities Company Limited was US\$5,641,561 (2007: US\$3,404,467), the balance at Kasikorn Securities was US\$4,673,883 (2007: US\$0) and the balance at UBS AG was US\$0 (2007: US\$1,133,092).

(g) Redeemable common shares

Redeemable common shares are redeemable at the shareholder's option and are classified as financial liabilities. The common share can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value. The common share is carried at the redemption amount that would be payable at the balance sheet date if the shareholder exercised its right to put the share back to the Fund.

The net asset value per redeemable common share of the Fund is calculated on a monthly basis, by dividing the net assets included in the balance sheet by the number of shares in issue as at that date.

Prices for issues of redeemable common shares are based on the net asset value as of the close of business on the immediate preceding business day in Thailand.

Prices for redemption of redeemable common shares are based on the net asset value as of the last business day in Thailand after deduction of the basic management fees and incentive fees attributable to the shares redeemed.

Proceeds and payments for redeemable common shares issued and redeemed are shown as movements in the statement of changes in net assets attributable to holders of redeemable common shares.

(h) Expenses

Expenses are accounted for on an accruals basis. Expenses arising on disposal of investments are deducted from the disposal proceeds. Dividends on securities sold short are accrued on the ex-date and paid to the brokers on the payable date.

(i) Forward foreign exchange contracts

Forward foreign exchange contracts are recognized at fair value on the date the contracts are entered into and subsequently are re-measured at their fair value representing the difference between the forward rate of exchange as applicable to outstanding terms of the contracts and the spot exchange rate as at the valuation date. Such contracts are carried in assets when net amounts are receivable by the Fund and in liabilities when net amounts are payable by the Fund. Changes in fair values of forward foreign exchange contracts are included in the income statement.

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

2 Principal accounting policies (Continued)

(j) Reverse repurchase agreements

Reverse repurchase agreements entered into by the Fund are functionally equivalent to collateralized lending which involve a purchase of securities with an agreement to sell the same securities at an agreed upon price and date. The securities covered by the reverse repurchase agreement are not recognised as the Fund is both entitled and obligated to sell transferred investments on terms that effectively provide the Fund with a return on the amount lent in exchange for the securities.

The contracted sale amount to be received by the Fund under reverse repurchase agreements are recognized as an asset in the balance sheet and the relevant underlying assets are not recognized as an asset in the balance sheet.

The difference between the amounts paid on such purchase and the amounts contracted to receive under reverse repurchase agreements is recognised as interest income on an effective interest basis.

(k) Derivative financial instruments

Derivative financial instruments, that may include foreign exchange contracts, contracts for difference, stock market index, interest rate futures, forward rate agreements, currency and interest rate swaps and equity options are initially recognized in the balance sheet at fair value and subsequently remeasured at their fair value. Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models as appropriate. All derivatives are carried in assets when amounts are receivable by the Fund and in liabilities when amounts are payable by the Fund.

3 Net change in financial assets and liabilities at fair value through profit or loss

	2008	2007
	US\$	US\$
Net realized gains on investments	40,505,048	72,248,841
Net change in unrealized gains on investments	(158,314,212)	49,252,812
Net realized (losses) on forward foreign exchange contracts	-	(15,262,512)
Net change in unrealized gains / (losses) on cash, cash equivalents, and forward foreign exchange contracts	893,782	4,269,136
Net realized gain on foreign exchange	2,303,875	5,181,414
Adjustment from bid/asking market prices to last traded market prices	586,553	1,045,733
	<u>(114,024,954)</u>	<u>116,735,424</u>

THAI FOCUSED EQUITY FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 (CONTINUED)

4 Fees

(a) Investment management fee

Under the investment management agreement entered into between the Investment Manager and the Fund on 5th September 1997, as amended, the Investment Manager is entitled to receive an investment management fee as follows:

Investor shares (Class A)	1.0% per annum
Manager shares (Class B)	0.0% per annum
Investor shares (Class C)	1.5% per annum
Investor shares (Class D)	2.0% per annum

The investment management fee is calculated by reference to the net asset value and accrued as of the end of each month and is payable on a quarterly basis.

The Investment Manager may, in its sole discretion, waive or rebate the investment management fee paid by certain shareholders affiliated with the Investment Manager or certain large shareholders. For the purpose of administering the waiver/rebate, the Administrator maintains a memo sub-division of each class of shares and classifies them as "Fee paying" shares and "Non-fee paying" shares. Refer to note 7.

Based on the above the Investment Manager was entitled to management fee of US\$2,617,627 (2007: US\$3,706,747) for the year of which US\$122,034 (2007: US\$351,734) remained payable at year end.

(b) Incentive allocation

Pursuant to the Fund's Confidential Explanatory Memorandum, the Investment Manager will be entitled to receive an incentive allocation from the Fund calculated on a share-by-share basis so that each share is charged an incentive allocation which equates precisely with that share's performance.

The Investment Manager is allocated an incentive allocation for each financial year equal to 20% of the net income (including net realized and unrealized gains), if any, during such financial year allocable to each redeemable common share. If a redeemable common share has a loss chargeable to it during any financial year and during a subsequent year there is a profit allocable to the redeemable common share, there will be no incentive allocation with respect to the redeemable common share until the amount of the loss previously allocated to the redeemable common share has been recouped.

When new shareholders subscribe at a net asset value higher than the net asset value at which the incentive allocation was last calculated (the "high water mark"), shares equivalent to the incentive allocation which is included in the subscription price as at the entry date (equalization factor) are returned to the relevant shareholders in the form of new shares as of the year end date. This is done so that (i) the incentive allocation is charged only to those shares which have appreciated in value since their acquisition, (ii) all shareholders will have the same amount per share at risk and (iii) all shares will have the same net asset value.

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

4 Fees (Continued)

(b) Incentive allocation (Continued)

When new shareholders subscribe at a net asset value lower than both the high water mark and the net asset value as at the year-end date following investment, such shareholders would be subject to an additional incentive allocation calculated by reference to the net asset value at which they subscribed and the lower of the high water mark and the net asset value as at the year-end following investment which is effected through the redemption of shares with respect to the relevant shareholders.

When shareholders redeem during the year, such shareholders, according to the Fund's Confidential Explanatory Memorandum, Section 5 - Investment Management Agreement, are liable to the payment of incentive allocation based on the net asset value achieved on the relevant redemption date. Accordingly the Investment Manager was paid US\$5,929 as incentive allocation during the year in respect of shareholders who redeemed during the year (2007: US\$1,938,336).

When shareholders purchase shares during the fiscal year at an offer price lower than year end net asset value per share but below the high water mark, defined at the beginning of the fiscal year as the net asset value per share as at the preceding fiscal year end date, an Incentive Allocation is payable by those particular shareholders to the Investment Manager. Such shareholders will have part of their shareholding redeemed to cover the Incentive allocation payable to the investment manager as at the end of the fiscal year. During the year shares to the value of US\$0 (2007: US\$401,804) were transferred from the particular shareholders to the investment manager to cover the incentive allocation payable as at that date, who subsequently redeemed the transferred shares.

The Investment Manager may, in its sole discretion, in effect waive or reduce the incentive allocation for certain shareholders affiliated with the Investment Manager or certain large shareholders. For the purpose of administering the waiver/rebate, the Administrator maintains a memo sub-division of each class of shares and classifies them as "Fee paying" shares and "Non-fee paying" shares. Refer to note 7.

Based on the above the investment manager was entitled to incentive allocation of US\$5,929 (2007: US\$22,324,685) for the year of which US\$0 (2007: US\$20,386,137) remained payable at year end.

(c) Prime Broker

The Fund has a prime brokerage agreement with Goldman Sachs International ("the Prime Broker"). Fees to the Prime Broker are included under Transactions handling fee and Net change in fair value on investments in the Income Statement.

Under the prime brokerage agreement the Prime Broker is entitled to have recourse to the assets which are being held for the Fund's account by the Prime Broker. Total assets and liabilities held with the Prime Broker amounted to US\$130,885,867 and US\$3,052,109 respectively (2007: US\$354,225,018 and US\$205,254 respectively).

(d) Custodian fees

The Fund has not appointed a custodian and substantially all of the assets of Fund are held by the Prime Broker. The Prime Broker acts as Custodian in this regard.

THAI FOCUSED EQUITY FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 (CONTINUED)

4 Fees (Continued)

(e) Administration fee

Effective from 1st January 2006, the Fund entered into an agreement with Goldman Sachs Bank (Europe) Plc (the "Administrator") to perform general administrative services for the Fund. The fee is payable monthly in arrears and accrued on a monthly basis as calculated based on the monthly net asset value of the Fund at the following annual rates of Fund's monthly net asset value and subject to a minimum fee of US\$50,000 per annum:

- 0.14% per annum on the first US\$100 million of the net asset value
- 0.12% per annum on the next US\$100 million of the net asset value
- 0.10% per annum above US\$200 million of the net asset value

Based on the above the administrator was entitled to administration fee of US\$293,491 (2007: US\$372,730) for the year ended 31st December 2008 of which US\$50,631 (2007: US\$35,253) remained payable at year end.

(f) Directors' fees

The Directors, other than Directors related to the Investment Manager or its affiliates, are entitled to receive a fee with respect to services in their capacity as Directors. Directors' fee for the year ended 31st December 2008 amounted to US\$15,000 (2007: US\$5,000).

5 Taxation

The Fund is domiciled in the British Virgin Islands which is an off-shore jurisdiction and the Fund is exempt from paying income or capital gains taxes of that jurisdiction.

The Fund has elected to be treated as a partnership for United States federal income tax purposes.

Foreign entities such as the fund are generally subject to a 15% withholding tax in Thailand on capital gains. However, the Directors consider that under current Thai tax law and tax treaties, the Fund may structure its investments (either through the use of subsidiaries in jurisdictions covered by tax treaties with Thailand, structured products or otherwise) to eliminate or minimize the withholding tax on capital gains. Accordingly, the Directors consider that they have structured the Fund's investments such that it will not be subject to the 15% withholding tax on capital gains. Nevertheless, it should be recognized that Thai tax laws or applicable tax treaties may change and, even in the absence of such change, the Thai tax authorities may disagree with the conclusion that the withholding tax on capital gains is not applicable to investments structured in the manner implemented by the Fund. Therefore, there is a risk that the Fund will be subject to Thai withholding tax at the rate of 15% on capital gains. The Directors consider that they are satisfied, based on advice received, that the fund is not liable to Thai withholding tax and therefore no provision for taxation has been made.

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

5 Taxation (Continued)

Foreign entities such as the Fund are also generally subject to a 10% withholding tax on dividends with respect to investments in companies whose equity securities are publicly traded on the Stock Exchange of Thailand. Dividend income earned by the Fund from equity securities that are publicly traded on the Stock Exchange of Thailand are generally subject to withholding tax.

6 Financial assets and liabilities

	2008	2007
	US\$	US\$
Financial assets at fair value through profit and loss		
<u>Equities</u>		
Listed securities	74,361,235	256,931,190
Unlisted securities	-	-
	<hr/>	<hr/>
Total Equities	74,361,235	256,931,190
	<hr/>	<hr/>
Treasury bills	42,000,000	49,973,000
	<hr/>	<hr/>
<u>Derivatives</u>		
Warrants	-	29,454,026
Options	-	437,890
Futures	-	10,858
	<hr/>	<hr/>
Total Derivatives	-	29,902,774
	<hr/>	<hr/>
Adjustment from bid/asking market prices to last traded market prices	(292,942)	(879,495)
	<hr/>	<hr/>
Total financial assets at fair value through profit and Loss	116,068,293	335,927,469
	<hr/> <hr/>	<hr/> <hr/>
Financial liabilities at fair value through profit and loss		
<u>Derivatives</u>		
Forward foreign exchange contracts	-	(205,254)
Futures (notional short value = \$58,427,698)	(1,212,650)	-
	<hr/>	<hr/>
Total Derivatives	(1,212,650)	(205,254)
	<hr/>	<hr/>
Total financial liabilities at fair value through profit and loss	(1,212,650)	(205,254)
	<hr/> <hr/>	<hr/> <hr/>

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

7 Redeemable common shares

Authorized shares of the Fund consist of four classes of redeemable common shares - 5,000,000 investor shares (Class A), 50,000 manager shares (Class B), 5,000,000 investor shares (Class C) and 5,000,000 investor shares (Class D) of US\$0.01 each for all classes. The investor shares are subscribed to by investors. The manager shares, are subscribed to solely by the Investment Manager or its affiliates, and are entitled to the incentive allocation as described in note 4(b) to the financial statements.

All issued redeemable common shares are fully paid, entitle them to dividends and voting powers and are identical except for the differences in investment management basic fee charged and redemption notice periods as follows:

	Investment management basic fee	Redemption notice period
Investor share Class A	1%	1 month
Manager share Class B *	0%	1 month
Investor share Class C	1.5%	3 months
Investor share Class D	2.0%	6 months

* Entitles holders to Incentive allocation. Please also refer to note 4.

Class A Non fee paying, Class C Non fee paying, and Class D Non fee paying classes are not liable to pay management fees or incentive allocations.

Redeemable common shares in issue are as follows:

	Class A – Fee paying No. of Shares	Class A - Non fee paying No. of Shares	Class B – Non fee paying No. of Shares
2008 Balance at 31 December	158,709.2110	5,985.7568	19,783.5412
	NAV per share	NAV per share	NAV per share
	<u>382.19</u>	<u>420.35</u>	<u>420.35</u>
	Class C – Fee paying No. of Shares	Class C - Non fee paying No. of Shares	Class D – Fee paying No. of Shares
2008 Balance at 31 December	114,320.8777	3,312.0195	27,999.7405
	NAV per share	NAV per share	NAV per share
	<u>377.23</u>	<u>420.35</u>	<u>373.72</u>

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

7 Redeemable common shares (Continued)

	Class D – Non fee paying No. of Shares			
2008				
Balance at 31 December	3,733.7876			
	NAV per share			
	<u>420.35</u>			
	Class A – Fee paying No. of Shares	Class A - Non fee paying No. of Shares	Class B – Non fee paying No. of Shares	
2007				
Balance at 31 December	259,690.2312	5,957.5840	19,783.5412	
	NAV per share	NAV per share	NAV per share	
	<u>651.45</u>	<u>709.36</u>	<u>709.36</u>	
	Class C – Fee paying No. of Shares	Class C - Non fee paying No. of Shares	Class D – Fee paying No. of Shares	
2007				
Balance at 31 December	188,615.4512	653.9164	33,735.4694	
	NAV per share	NAV per share	NAV per share	
	<u>645.92</u>	<u>709.36</u>	<u>644.08</u>	
	Class D – Non fee paying No. of Shares			
2007				
Balance at 31 December	6,420.0636			
	NAV per share			
	<u>709.36</u>			

THAI FOCUSED EQUITY FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 (CONTINUED)

8 Net Assets Attributable to Holders of Redeemable Common Shares

In accordance with the provisions of the Fund's Confidential Explanatory Memorandum dated June 2006, securities that are listed on an exchange and are freely transferable are stated at the last traded price on the valuation day for the purpose of determining net asset value per redeemable common share for subscriptions and redemptions and for various fee calculations. However, as stated in note 2, the accounting policy of the Fund for the purpose of compliance with IAS 39 and for reporting purposes is to value its investments at the relevant bid market prices for financial assets and relevant asking price for financial liabilities on the Balance Sheet date. As at 31st December 2008, the difference between the accounting policy as stated in note 2 and the valuation methodology indicated in the Fund's Confidential Explanatory Memorandum, results in an adjustment of US\$292,942 being made to the value of investments held by the Fund (2007: US\$879,495).

Net assets attributable to holders of redeemable common shares represent a liability in the balance sheet, carried at the redemption amount that would be payable at the balance sheet date if the shareholder exercised the right to redeem the share to the Fund. Consequently, the difference described above fully adjusts the carrying amount of the net assets attributable to holders of redeemable common shares and the resultant change for the year is included in the Income Statement. The cumulative differences are included as "Adjustment from bid/asking market prices to last traded market prices" on the Balance Sheet.

9 Related party and affiliated transactions

In addition to the related party transactions which were carried out in the normal course of the Fund's business, disclosed in note 4 to the financial statements, the Investment Manager has informed the Fund that at 31 December 2008, the partners of Quest Management, Inc. hold a total investment in the Fund of 32,815 shares (2007: 32,815), equivalent to approximately US\$8,315,994.41 (2007: US\$23,277,621.58).

THAI FOCUSED EQUITY FUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 (CONTINUED)

10 Financial instruments and associated risks

The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

The Fund's objective is to achieve capital growth through investing in equity securities issued by companies included in the Stock Exchange of Thailand index and by hedging through investing in SET 50 futures, over-the-counter swaps, over-the-counter forwards, and over-the-counter options.

(a) Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

The Fund's investments are primarily equities and are predominantly located in Thailand. The Fund is therefore exposed to market risk associated with the economy of Thailand. In the normal course of business, the Fund trades option contracts, financial futures, forward contracts and other derivative financial instruments all of which are carried at market or fair value. Generally, these financial instruments represent future commitments to purchase, sell or exchange other financial instruments on specific terms at specified future dates. The extent of the Fund's involvement in these instruments is determined by the composition of the investment portfolio and the Investment Manager's expectations as to the direction and volatility of interest and foreign exchange rates, as well as other economic factors. These transactions involve a market risk that may be in excess of that amount recognized in the accompanying balance sheet due to future changes in the market values of the securities, commodities or currencies underlying the financial instruments. Details of the Fund's derivative financial instruments are disclosed in the Schedule of Investments.

The Fund trades in financial securities, taking positions in traded and derivative financial instruments with an aim to take advantage of price movements.

All securities investments present a risk of loss of capital. The Investment Manager moderates this risk through a careful selection of securities and other financial instruments. Except for equities sold short, forward currency contracts, futures and written options, maximum risk resulting from financial instruments is determined by the fair value of the financial instruments' possible losses from equities sold short and written options, which can be unlimited. The Fund's overall markets positions are monitored on a daily basis by the Fund's Investment Manager. As at 31 December, 2008 the Fund held no equities short.

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

10 (a) Market price risk (Continued)

The Fund's equity securities and trading derivative financial instruments are susceptible to market price risk arising from uncertainties about future prices of the instruments. The Fund's market price risk is managed through diversification of the investment portfolio ratios by exposures. Between 50% and 95% of the net assets attributable to common shares is invested in equity securities and related derivatives. Between 40% and 95% of this amount is in individual equities and the balance is in traded or over-the-counter options and futures. The equity securities are selected from all listed Thai stocks. The Fund aims to reduce certain risk exposures using Index swaps or short Index Futures.

The table below summarizes the Fund's net market price risk exposure, including the impact of underlying positions held through derivative instruments held by the Fund.

		At 31 December 2008 % of net assets valued at bid/asking market price		At 31 December 2007 % of net assets valued at bid/asking Market price
	Fair value		Fair value	
Securities designated at fair value through profit and loss	74,361,234	58.21%	256,931,190	76.37%
Derivative assets held for trading	-	-	29,902,774	8.89%
Treasury bills	42,000,000	32.88%	49,973,000	14.58%
Derivative liabilities held for trading	(1,212,650)	(0.95%)	(205,254)	(0.06%)
Total financial assets and liabilities at fair value through profit and loss	<u>115,148,584</u>		<u>336,601,710</u>	

At 31 December 2008, the Fund's market risk is affected by three main components: changes in actual market prices, interest rate and foreign currency movements. Interest rate and foreign currency movements are covered in Notes 10 (b) and 10 (e) respectively. The long exposure of the fund consisted of Thai listed stock with an aggregate value of US\$74,361,234. The long exposure was hedged via short SET50 future and short Singapore index futures with an aggregate short value of US\$58,427,698 (we were slightly long). If the SET index at 31 December 2008 had increased by 5% with all other variables held constant, this would have increased the long position by 4.7% (US\$ 3.5 million) and created a loss from the short index position of 5% (US\$ 2.9 million), creating an increase in net assets attributable to holders of redeemable shares by approximately 0.5% (2008: US\$ 0.6 million). Conversely, if the SET index had decreased by 5%, this would have decreased the long position by 4.7% (US\$ 3.5 million) and created a gain from the short index position of 5% (US\$ 2.9 million), creating a loss in net assets attributable to holders of redeemable shares by approximately 0.5% (2008: US\$ 0.6 million).

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

10 (b) Interest rate risk

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates in US Treasury bills with maturities of less than 1 month, so there is no significant interest rate risk.

The Fund's interest-bearing financial assets (it has no interest-bearing liabilities) expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

The table below summarizes the Fund's exposure to interest rate risks. It includes the Fund's assets and trading liabilities at fair values, categorized by the earlier of contractual re-pricing or maturity dates.

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

10 (b) Interest rate risk (Continued)

At 31 December 2008	Up to 1 year US\$	1-5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
Assets					
Financial assets at fair value through profit or loss	42,000,000	-	-	74,361,235	116,361,235
Other receivables and prepayments	-	-	-	444,692	444,692
Cash at bank	14,524,632	-	-	-	14,524,632
Total assets	56,524,632	-	-	74,805,927	131,330,559
Liabilities					
Financial liabilities	-	-	-	1,212,650	1,212,650
Due to brokers	-	-	-	1,839,459	1,839,459
Accrued expenses	-	-	-	237,165	237,165
Total liabilities	-	-	-	3,289,274	3,289,274
At 31 December 2007					
Assets					
Financial assets at fair value through profit or loss	49,973,000	-	-	286,833,964	336,806,964
Due from brokers	-	-	-	5,757,858	5,757,858
Other receivables and prepayments	-	-	-	2,893	2,893
Cash at bank	17,418,054	-	-	-	17,418,054
Total assets	67,391,054	-	-	292,594,715	359,985,769
Liabilities					
Financial liabilities at fair value through profit or loss	-	-	-	205,254	205,254
Due to brokers	-	-	-	2,471,239	2,471,239
Accrued expenses	-	-	-	20,863,124	20,863,124
Total liabilities	-	-	-	23,539,617	23,539,617

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

10 Financial instruments (Continued)

(b) Interest rate risk (Continued)

At 31 December 2008 the Fund has minimum exposure to interest rate movement.

In accordance with the Fund's policy, the Investment Manager monitors the Fund's overall interest sensitivity on a daily basis.

(c) Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. All securities transactions entered into by the Fund are cleared through and held in custody primarily by one major international institution Goldman Sachs International Limited, highly rated by the prominent rating agencies. The Fund is subject to credit risk to the extent that this institution may be unable to fulfil its obligations either to return the Fund's securities or repay amounts owed.

To minimize counterparty risk on the cash portion of the portfolio, the Fund has elected to receive client money protection. Accordingly, cash held or received for the Fund as a prime brokerage client of Goldman Sachs International (and not held as collateral) is treated as client money and is subject to the client money protections conferred by the Client Money Rules of the FSA.

Further, the Fund minimizes the amount of cash held with the Prime Broker, instead investing it in treasury bills.

In addition to Goldman Sachs International, the Fund's other major counterparties at December 2008 were Kasikorn Securities PCL and Tisco Securities Company Limited, both highly rated by the prominent ratings agencies. Notional market value of the Fund's Kasikorn Securities counterparty risk was US\$4,673,883 Notional market value of the Fund's Tisco Securities Company Limited counterparty risk was US\$5,641,561.

For these financial instruments, the maximum credit risk amount at 31 December 2008 is represented by the amount at which they are included in the Balance Sheet.

The Fund has no master netting agreement. The securities held by Goldman Sachs International are all long equities, and the short position is held at a local Thai broker that requires cash collateral. The financial status of this broker is continuously monitored and the Fund has dealings with them on a daily basis.

In accordance with the Fund's policy, the Investment Manager monitors the credit worthiness of Goldman Sachs International.

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

10 Financial instruments (Continued)

(c) Credit risk (Continued)

At the reporting date, the Fund's financial assets exposed to credit risk amounted to the following:

	2008 US\$	2007 US\$
Financial assets at fair value through profit or loss	116,068,293	335,927,469
Cash and cash equivalents	12,685,173	20,704,673
Other receivables	444,692	2,893
Total	129,198,158	356,635,035

The extent of the Fund's exposure to credit risks in respect of these financial assets approximates the carrying values of the assets as outlined above.

Substantially, all assets of the Class are held by Goldman Sachs International (the "prime broker") thereby exposing the fund to concentration of credit risk towards the prime broker. Bankruptcy or insolvency of the prime broker may cause the fund's rights with respect to assets and securities held by the prime broker to be delayed or limited.

However, the Directors are of the view that there is no material risk in relation to this as significant cash balances are not held for prolonged periods. Management also monitors the risk exposure by monitoring the credit quality and financial position of the prime broker on a monthly basis.

	2008 rating	2007 rating
Goldman Sachs International	S&P A	S&P AA

(d) Liquidity risk

Liquidity risk also referred to as funding risk, is the risk that the Fund will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Fund's listed securities are considered readily realizable, as they are listed on the Thailand stock exchange. In some circumstances, investments may be relatively illiquid making it difficult to acquire or dispose of them at the prices quoted on the various exchanges. Accordingly, the Fund's ability to respond to market movements may be impaired and the Fund may experience adverse price movements upon liquidation of its investments. The Fund has the ability to borrow in the short term to ensure settlement. No such borrowings have arisen during the year.

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

10 Financial instruments (Continued)

(d) Liquidity risk (Continued)

The Fund does invest in derivative contracts traded over the counter, which are not traded in an organized market and may be illiquid. As a result, the Fund may not be able to quickly liquidate its investments in these instruments at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

In order to match the liquidity of investors in the Fund to the liquidity of the Fund's underlying portfolio, redemptions of shares in the Fund are controlled via the class of shares held. Redemptions by shareholders will be permitted as of the last business day in Dublin of each month upon written notice received by the Fund before 5:00 p.m. Dublin time on the last day of the applicable month. Class A or Class B shareholders must request such redemptions pursuant to notice which must be received no later than the last day of the month preceding the month in which the redemption occurs. Class C shareholders must request such redemptions pursuant to notice which must be received at least three months prior to the redemption date. Class D shareholders must request such redemptions pursuant to notice which must be received at least six months prior to the redemption date.

In accordance with the Fund's policy, the Investment Manager monitors the Fund's liquidity position on a daily basis.

The table below analyzes the Fund's liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

	Less than 1 month US\$	1-3 months US\$	3-6 months US\$
At December 31, 2008			
Amounts due to brokers	1,839,459	-	-
Financial liabilities at fair value through profit and loss	1,212,650	-	-
Management fee payable	122,034	-	-
Accrued expenses	115,131	-	-
Net assets attributable to holders of redeemable common shares	-	116,007,620	12,033,665
Total liabilities	3,289,274	116,007,620	12,033,665

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

10 Financial instruments (Continued)

(d) Liquidity risk (Continued)

	Less than 1 month US\$	1-3 months US\$	3-6 months US\$
At December 31, 2007			
Amount due to brokers	2,471,239	-	-
Financial liabilities at fair value through profit and loss	205,254	-	-
Management fee payable	351,734	-	-
Incentive allocation payable	20,386,137	-	-
Accrued expenses	125,253	-	-
Net assets attributable to holders of redeemable common shares	-	310,163,621	26,282,531
Total liabilities	23,539,617	310,163,621	26,282,531

(e) Currency risk

The Fund holds assets denominated in currencies other than the USD, the functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. The Fund's policy is generally to enter into currency hedging so as to be exposed only to company-specific risk.

In accordance with the Fund's policy, the Investment Manager monitors the Fund's currency position on a weekly basis.

Concentration of assets and liabilities at 31 December 2008

	<u>Monetary</u>	<u>Non-monetary</u>	<u>Forwards</u>	<u>Total</u>
THB	10,315,445	65,135,190	(49,240,768)	26,209,867
SGD	(220,709)	8,013,394	(11,486,192)	(3,693,507)
EUR	(77)	-	-	(77)
Total	10,094,659	73,148,584	(60,726,960)	22,516,283

THAI FOCUSED EQUITY FUND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2008 (CONTINUED)**

10 Financial instruments (Continued)

(e) Currency risk

At 31 December 2008 the Fund had contracted to buy and sell the following amounts in respect of foreign currencies.

Forward Contracts

Maturity Date	Purchase currency	Amount bought	Sale Currency	Amount sold	Unrealised gain USD
09 April 2009	USD	49,240,768	THB	1,704,740,000	759,232
30 April 2009	USD	11,486,192	SGD	16,346,000	(486,192)
Unrealised gain on open forward currency contracts					273,040

Concentration of assets and liabilities at 31 December 2007

	<u>Monetary</u>	<u>Non-monetary</u>	<u>Forwards</u>	<u>Total</u>
THB	4,408,946	257,405,062	(79,903,846)	181,910,162
SGD	3,173,814	26,111,521	-	29,285,335
IDR	-	2,868,634	-	2,868,634
Total	7,582,760	286,385,217	(79,903,846)	214,064,131

At 31 December 2007 the Fund had contracted to buy and sell the following amounts in respect of foreign currencies.

Forward Contracts

Maturity Date	Purchase currency	Amount bought	Sale Currency	Amount sold	Unrealised loss USD
9 Jan 2008	USD	79,903,846	THB	2,700,750,000	(205,254)
Unrealised loss on open forward currency contracts					(205,254)

As at balance sheet date, if US\$ strengthened or weakened by 5% against the above currencies, the net assets attributable to holders of redeemable shares would have increased or decreased by approximately US\$1,125,814 (2007: US\$10,703,207).

11 Subsequent events

From the period January 1, 2009 to February 28, 2009 the Fund had subscriptions of US\$4,122,034 and redemptions of US\$17,618,403.

12 Approval of financial statements

The financial statements were approved by the Directors for issue on 30 March 2009.

THAI FOCUSED EQUITY FUND LIMITED

**SCHEDULE OF INVESTMENTS (Unaudited)
AS AT 31ST DECEMBER 2008**

	Holding	Fair value US\$	% of net asset
Equities			
Basic Materials			
Indorama Polymers PCL Foreign Share-GSI	18,520,300	2,878,803	2.25
Mcs Steel PCL Foreign Share-GSI	21,780,500	1,109,715	0.87
Padaeng Industry Public Company Limited-GSI	19,634,840	5,482,382	4.28
Padaeng Industry Public Co Ltd Nvdr Cmn-GSI	18,373,260	5,130,127	4.01
Ptt Chemical Public Company Limited For-GSI	278,800	254,804	0.20
		<hr/>	<hr/>
Subtotal		14,855,831	11.60
		<hr/>	<hr/>
Communications			
Advanced Info Service Public Company LI-GSI	168,800	386,287	0.30
Master Ad PCL Foreign Share-GSI	8,827,300	492,947	0.38
True Corp Pub Co Ltd Foreign Share-GSI	100	5	0.00
		<hr/>	<hr/>
Subtotal		879,238	0.69
		<hr/>	<hr/>
Consumer			
Asian Property Development Foreign Share-GSI	8,556,500	586,197	0.46
Goodyear (Thailand) PCL Foreign Share-GSI	57,400	426,287	0.33
Major Cineplex Group Public Company Lim-GSI	12,452,900	2,491,297	1.95
Minor Corp Public Co Ltd Foreign Share-GSI	4,717,800	1,025,313	0.80
Minor International PCL Foreign Share-GSI	4,319,900	982,361	0.77
Somboon Advance Technology PCL Foreign Share-GSI	3,452,900	494,975	0.39
Thai Steel Cable PCL Foreign Share-GSI	4,431,500	523,004	0.41
White Group Ltd Foreign Share-GSI	54,000	61,399	0.05
Dsg International (Thailand) Public Com-GSI	1,410,000	116,891	0.09
Serm Suk Co., Ltd. Nvdr Cmn-GSI	162,200	35,951	0.03
Tks Technology PCL Foreign Share-GSI	11,335,200	61,994	0.05
Thai Union Frozen Products PCL Foreign S-GSI	2,360,800	1,311,556	1.02
		<hr/>	<hr/>
Subtotal		8,117,225	6.34
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THAI FOCUSED EQUITY FUND LIMITED

**SCHEDULE OF INVESTMENTS (Unaudited, continued)
AS AT 31ST DECEMBER 2008**

	Holding	Fair value US\$	% of net assets
Energy			
Banpu Public Company Limited Foreign Sha-GSI	875,804	5,747,936	4.49
Banpu Public Company Ltd Nvdr Cmn-GSI	1,285,500	8,436,788	6.59
Mermaid Maritime Public Company Ltd Cmn-GSI	16,553,000	2,488,564	1.94
Ptt Public Company Limited Foreign Share-GSI	86,600	436,241	0.34
Ptt Exploration And Production Public C-GSI	605,400	1,864,646	1.46
Subtotal		18,974,174	14.82
Financial			
Asia Plus Securities PCL Foreign Share-GSI	3,745,500	123,987	0.10
Bangkok Bank Public Co Ltd Nvdr Cmn-GSI	181,000	359,499	0.28
Bualuang Securities PCL Foreign Share-GSI	110,000	22,006	0.02
Kasikornbank PCL Nvdr Cmn-GSI	605,300	784,067	0.61
Siam Commercial Bank Public Co*Mpany Lim-GSI	6,782,800	9,420,556	7.36
Subtotal		10,710,116	8.36
Industrial			
Asian Insulators PCL Foreign Share-GSI	11,853,300	1,180,553	0.92
Airports Of Thailand PCL Foreign Share-GSI	271,000	141,195	0.11
Delta Electronics (Thailand) Public Com-GSI	4,555,300	1,599,731	1.25
Hana Microelectronics Public Company Li-GSI	1,110,600	319,689	0.25
Innotek Ltd Cmn-GSI	45,687,000	5,750,409	4.49
Polyplex PCL Foreign Share-GSI	1,162,100	114,404	0.09
Regional Container Line Company Ltd For-GSI	1,133,000	200,574	0.16
Snrc Former Public Company Ltd Foreign Sh-GSI	2,863,300	329,683	0.26
Thoresen Thai Agencies PLC Foreign Share-GSI	17,408,800	8,418,763	6.58
Vanachai Group PCL Foreign Share-GSI	35,268,300	1,807,069	1.41
Subtotal		19,862,071	15.51

THAI FOCUSED EQUITY FUND LIMITED

**SCHEDULE OF INVESTMENTS (Unaudited, continued)
AS AT 31ST DECEMBER 2008**

	Holding	Fair value US\$	% of net assets
Utilities			
Thai Tap Water Supply Company Limited F-GSI	8,000,000	962,580	0.75
Subtotal		962,579	0.75
Total Equities		74,361,235	58.08
Treasury Bills			
U.S. Treasury Bill Due 01/08/2009 Off Th-GSI	35,000,000	35,000,000	27.33
U.S. Treasury Bill Due 01/22/2009 Off Th-GSI	7,000,000	7,000,000	5.47
Total Treasury Bills		42,000,000	32.80
Total financial assets at fair value through profit or loss		116,361,235	90.88
Future			
Set50 Fut Mar 09-GSFX	(3,091)	(677,015)	(0.53)
Set50 Fut Mar 09-KAS	(2,763)	(310,057)	(0.24)
Sime/Msci Singapore Idx Future 1/2009-GSF	(210)	(225,579)	(0.18)
Total Futures		(1,212,650)	(0.95)
Total financial liabilities at fair value through profit or loss		(1,212,650)	(0.95)
Total investments, net		115,148,585	89.93
Other net assets attributable to holders of redeemable shares		12,892,700	10.07
Total net assets attributable to holders of redeemable shares		128,041,285	100