



THE THAI ASSET FUND LIMITED

(Incorporated with limited liability in Guernsey)

**INTERIM REPORT (UNAUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2002**

DISCUSSION AND ANALYSIS OF PERFORMANCE

RESULTS

During the first half of 2002, the Company recorded a loss after tax of US\$335,301 (compared with a loss of US\$138,003 during the previous corresponding period). During the period, the Company's dividends income and interest income from investments and bank deposits amounted to US\$164,065. Such revenue was, however, set off by a US\$342,518 realised loss on disposal of investments.

The net asset value of the Company, as at June 30, 2002, was US\$9,764,285. The net asset value per share was US\$1.95, compared with US\$1.38 as at December 31, 2001, an increase over the period of 41.30% in US\$ terms. Over the same period, the SET Index increased by 35.56% in US\$ terms (and by 28.06% in Baht terms), making the Thai stock market relatively strong when compared with the other markets in Southeast Asia. The Company, in turn, outperformed the market by 5.74%.

During the period under review, the Thai market's outperformance relative to elsewhere in Southeast Asia is attributable to (i) improved domestic market sentiment towards equity investment; (ii) high domestic liquidity; (iii) low interest rate policy; and (iv) favourable low market valuations in both absolute and relative terms. The Company's outperformance of the SET Index is attributable to the exposures in the finance and securities sectors, property sector and building material sector which benefited from the increased domestic demand.

As at June 30, 2002, the Company was 98.15% invested in Thai equities, with the balance being held in the form of bank deposits.

The Company's underlying investments are denominated in Baht and the Company is therefore exposed to fluctuations in Baht/US\$ exchange rates. During the period under review, the Baht appreciated by 5.86% against the US dollar, which supported the performance.

OUTLOOK

Economic and Market Outlook

The low interest rate environment, which has been the underlying driver of economic recovery in Thailand, is likely to remain. The Thai stock market should be supported by continued improvement in corporate earnings, particularly those corporates benefiting from strong domestic demand, and by attractive market valuations relative to other markets. External developments would be risk factors, such as the impact of declining confidence in U.S. corporate governance on U.S. stock markets and the flow on effect on global equity markets.

Company

Further to the Company's February 2002 announcement regarding the possible open ending of The Thai Asset Fund (the "Fund") over a three year period, the Company is making progress in the matter and is also considering options for returning value of the Fund to shareholders. Shareholders will be notified of developments.

CURRENT INVESTMENT AND ACTIVITIES REPORT

FOR THE SIX MONTHS ENDED JUNE 30, 2002

1. ACTIVITIES

The Company's principal activity in Thai securities is through a special investment vehicle, The Thai Asset Fund (the "Fund"). The Fund was established in 1989 under the terms of an investment plan authorized by the Bank of Thailand and the Company is the sole unitholder in the Fund.

As at June 30, 2002, the total net asset value of the Company was US\$9,764,285 with a net asset value of US\$1.95 per share .

No interim dividend was declared or paid for the six months ended June 30, 2002 (2001: NIL).

2. CURRENT INVESTMENTS

The Company is the sole unitholder in the Fund. All investments comprising the Fund are considered as investments held by the Company.

As at June 30, 2002, the Company was 98.15% invested in Thai equity, with the remaining balance being held in the form of bank deposits.

As at June 30, 2002, the ten largest investments held by the Company through its investment in the Fund were:—

	Stock Weighting (%)	
	Company	SET Index
1. Bangkok Bank	9.14	4.13
2. Thai Farmers Bank	8.37	3.34
3. Advanced Info Service	7.46	5.80
4. PTT Exploration & Production	7.19	3.84
5. Siam City Cement	6.06	2.82
6. Land & House	5.88	2.38
7. Siam Cement	5.49	5.74
8. Shin Corporations	4.94	2.07
9. BEC World	4.15	2.42
10. Banpu	2.52	0.43
	<hr/>	<hr/>
TOTAL	<u>61.20</u>	<u>32.97</u>

An analysis by industry of the equity investments held by the Company as at June 30, 2002, together with a comparison with the composition of the SET, is as follows:—

Industry	No. of Stocks in		Sector Weightings (%)	
	Company	SET	Company	SET Index
1. Agribusiness	1	20	0.48	2.09
2. Banking	4	14	19.18	20.51
3. Building & Furnishing	3	20	12.25	10.79
4. Chemicals & Plastics	1	12	1.79	2.18
5. Commerce	1	13	1.17	2.55
6. Communication	4	12	13.79	10.47
7. Electrical Product & Computer	0	10	0.00	0.96
8. Electronic Components	3	8	1.58	2.86
9. Energy	5	11	16.46	13.18
10. Entertainment	2	9	4.24	4.31
11. Finance & Securities	7	22	10.44	5.09
12. Food & Beverages	1	22	1.60	2.18
13. Health Care Services	0	10	0.00	0.25
14. Hotel & Travel Services	0	11	0.00	1.49
15. Household Goods	0	7	0.00	0.53
16. Insurance	0	21	0.00	1.27
17. Jewelry & Ornaments	0	2	0.00	0.07
18. Machinery & Equipment	0	3	0.00	0.07
19. Mining	0	1	0.00	0.15
20. Packaging	0	13	0.00	0.66
21. Pharmaceutical Products	0	2	0.00	0.03
22. Printing & Publishing	0	8	0.00	0.44
23. Professional Services	0	2	0.00	0.04
24. Property Development	6	26	10.01	6.60
25. Pulp & Paper	0	4	0.00	2.57
26. Textiles	0	24	0.00	1.17
27. Transportation	1	8	2.20	3.88
28. Vehicles & Parts	0	8	0.00	0.74
29. Warehouse & Silo	0	4	0.00	0.09
30. Others	2	5	0.74	0.25
31. Unit Trust	0	12	0.00	0.00
32. Warrants and Debentures	4	46	2.16	0.00
33. Covered Warrants	0	2	0.00	0.00
34. Preferred Shares	0	7	0.00	0.00
35. Co. under Rehabilitation	0	52	0.00	2.53
36. Unlisted Securities	8	0	0.06	0.00
TOTAL	53	451	98.15	100.00

3. TRANSACTIONS

For the six months ended June 30, 2002, total listed investments purchased by the Company amounted to US\$1.23 million, while total sales amounted to US\$1.19 million. The net realized loss for the period amounted to US\$0.34 million.

A summary of purchases and sales by the Company during the six months ended June 30, 2002 is as follows:—

Month	<i>(US\$ Millions)</i>		
	Purchase	Sales	Realised Gain/(Loss)
January	0.20	0.46	-0.06
February	0.15	0.12	-0.07
March	0.24	0.17	-0.01
April	0.07	0.02	-0.05
May	0.15	0.12	-0.19
June	<u>0.42</u>	<u>0.30</u>	<u>0.04</u>
Total	<u>1.23</u>	<u>1.19</u>	<u>-0.34</u>

* Using an averaged exchange rate US\$1.00 = Baht 43.057

4. PERFORMANCE

	Jun 30, 2002	Dec 31, 2001	% Change
NAV/Share (US\$)	1.95	1.38	+41.30%
Baht/US\$ Exchange Rate	41.652	44.092	+5.86%
SET Index (<i>Baht</i>)	389.10	303.85	+28.06%
(US\$)	9.34	6.89	+35.56%
Performance to SET Index			+5.74%

During the six months ended June 30, 2002, the net asset value per share of the Company increased by 41.30% in US\$ terms. Over the same period, the SET Index increased by 35.56% in US\$ terms. The Company outperformed the market by 5.74%.

	Jun 30, 2002	Dec 1, 1989	% Change since inception
NAV/Share (US\$)	11.02*	10.00	+10.20%
Baht/US\$ Exchange Rate	41.652	25.765	-38.14%
SET Index (<i>Baht</i>)	389.10	769.14	-49.41%
(US\$)	9.34	29.85	-68.71%
Performance to SET Index			+78.91%

* *After adjusting for dividend of US\$9.07 per share paid to shareholders since inception.*

After adjusting for dividend, the net asset value per share of the Company since inception increased by 10.20% in US\$ terms. Over the same period, the SET Index decreased by 68.71% in US\$ terms. The Company outperformed the market by 78.91%.

5. REVIEW OF THE THAI ECONOMY AND STOCK MARKET

As we entered 2002, the Thai economy continued to improve from the previous year. The major driver remained the strong domestic demand, with private consumption rising 3.1% in the first half of the year compared to the same period last year. Low interest rates and availability of consumer credit have played important roles. Private investment also showed significant growth, rising 15.9% year-on-year for the first half of 2002. Besides a notable contribution from commercial vehicle sales, cement sales were also strong, thanks to brisk demand in residential property. On the external demand side, exports recorded negative growth for the first quarter of 2002, but turned around from April 2002 onwards. Consequently, the manufacturing production index grew 7.8% for second quarter 2002 against the 4.4% growth recorded for first quarter 2002. All in all, the Thai economy recorded a 3.9% year-on-year growth for the first quarter 2002, while the official second quarter 2002 figure has not yet been announced. The first quarter 2002 figure was ahead of consensus expectations. Subsequently, we have seen forecast upgrades, including one from the National Economic and Social Development Board (“NESDB”). The NESDB revised up its GDP forecast for the year 2002 from 2.0-3.0% to 3.5-4.0%.

Looking at the stock market, the SET index outperformed the regional bourses with impressive rallies. The index rose from 303.85 points at the end of 2001 to end the first half of the year at 389.10, a 28.1% gain. The index posted a strong rally in the first quarter and entered a consolidation phase up until mid-May. Then the market had another sharp run-up to touch the year-to-date high of 426.45 on June 13 before ending the period with a correction to 389.10.

The sharp run-up in first quarter 2002 was supported by:

- (1) Improved market sentiment towards equity investment due to signs of a faster and stronger economy in the US;
- (2) High excess liquidity both domestically and overseas;
- (3) Low interest rate policy as witnessed in the Bank of Thailand lowering the repurchase rate by 50 basis points within a span of 30 days;
- (4) Favorably low market valuations in both absolute and relative terms.

The reintroduction of a minimum stock brokerage commission, promising to restore profitability of the broking industry, also spurred interest towards the high beta sector. Another leg of run-up of the SET was propelled by the marked improvement in first quarter 02 results of listed companies as well as the upward revision of

2002 GDP forecast after the better-than-expected first quarter 2002 GDP announcement. Expectations of another 25 basis point cut in interest rates by local commercial banks also supported the market.

However, later on, the Thai stock market also followed negative movements in global equity markets, given rising tension in the Middle East, a series of negative news from US corporates as well as fear of another terrorist attack. Domestically, the plan for FIDF's bond issuance dampened expectation for another interest rate cut and negative market sentiment set in.

At the end of this reporting period, the Company's equity exposure was 98.15%, a slight increase from 96.98% at the end of 2001. Some changes in sector allocation were implemented to position the Fund for domestic demand driven economic recovery. Exposures in the finance & securities sector and property sector were increased. To fund those increases, exposure in the telecommunication sector was reduced due to uncertainties over the industry's liberalization as well as expectation for increased competition within the industry. Within the banking sector, while maintaining overall weighting, some holdings of Bangkok Bank and Krung Thai Bank were reduced in favor of Thai Farmers Bank. Thai Farmers Bank is preferred for its pro-active management track record as well as less concern on the need for capital raising.

Over this reporting period, in US\$ terms, the total net assets of the Company rose 41.30% outperforming the 35.56% rise in SET index by 5.74%. Exposures in the finance & securities sector, property sector and building material sector contributed positively to this outperformance.

6. OUTLOOK FOR THE THAI ECONOMY AND STOCK MARKET

Looking forward, we remain hopeful for a continued economic recovery. The low interest rate environment, which has been the underlying driver of economic recovery, is likely to remain. For the stock market, 1) continued improvement in corporate earnings, particularly those corporates benefiting from strong domestic demand, and 2) attractive market valuations relative to other markets, should be key supportive factors. Risk factors would be external developments, including declining confidence in US corporate governance and the subsequent weakening of its stock markets and the US dollar, which would inevitably affect equity markets around the globe. While we believe that these external risks should have limited impact on the real operation of Thai companies, we will keep a close watch on developments. Amidst these expectations, we intend to maintain our investment stance with sector allocation in favor of a domestic demand recovery story. Sector allocation is likely to remain similar to the first half of this year.

7. DIRECTORS' INTERESTS

- (a) As at June 30, 2002, only one Director of the Company, Mr John Yang Chung Hsiung, was beneficially interested in 270,000 shares in the Company (130,000 shares being personal interests, 40,000 shares being family interests and 100,000 shares being corporate interests), as required to be disclosed in the register kept under Section 29 of the Hong Kong Securities (Disclosure of Interests) Ordinance (“SDI Ordinance”).

Save as disclosed herein, no other Directors of the Company had any interests in the equity or debt securities of the Company or any associated corporation (within the meaning of the SDI Ordinance).

- (b) At no time during the six months under review was the Company a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or warrants or debentures of, the Company or any other body corporate and none of the directors, or their spouse and children under the age of 18, had any right to subscribe for the shares of the Company, or had exercised any such right.
- (c) Mr. Benson and Mr. Lo are Directors of INVESCO Asia Limited, the Company’s Investment Adviser, to which fees are payable by the Company for acting in that capacity in accordance with the Investment Contract.

Dr. Chesada Loha-unchit is a Director of MFC Asset Management Public Company Limited, the Fund’s Investment Manager, to which fees are payable by the Fund for acting in that capacity described under the Investment Contract.

- (d) None of the Directors has a service contract with the Company.

Save as mentioned herein, there has been no contract of significance subsisting during or at the end of the period in which a Director of the Company is or was materially interested either directly or indirectly.

8. SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at June 30, 2002, Mr. Heung Chit Kau and Mdm. Chan Wan Han were both interested in the same 3,735,000 shares of the Company. This interest arises by virtue of their holdings in Tai Tsuen Enterprises Limited and Ince Assets Limited which held 2,184,900 and 1,550,100 shares in the Company respectively according to the register kept under Section 16(1) of the SDI Ordinance.

Other than the above, there is no interest recorded in the register of substantial shareholders maintained under section 16(1) of the SDI Ordinance.

9. ARRANGEMENTS TO PURCHASE, SELL OR REDEEM SHARES

The Company did not purchase, sell, redeem or cancel any of its shares during the six months ended June 30, 2002.

10. AUDIT COMMITTEE

The Audit Committee of the Company has reviewed the unaudited interim accounts for the six months ended June 30, 2002.

11. CODE OF BEST PRACTICE

With the exception that the non-executive Director and independent non-executive Directors are not appointed for a fixed term as they are subject to retirement in accordance with the Company's Articles of Association, none of the Directors of the Company is aware of any information which would indicate that the Company is not, or was not, in compliance with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited at any time during the six months ended June 30, 2002.

On behalf of the Board
Andrew Lo Tak Shing
Director

Hong Kong, September 20, 2002

**CONDENSED
PROFIT AND LOSS ACCOUNT (UNAUDITED)**

For the six months ended June 30

		Six months ended June 30,	
		<u>2002</u>	<u>2001</u>
	<i>Notes</i>	<i>US\$</i>	<i>US\$</i>
Turnover	2	<u>164,065</u>	<u>125,099</u>
Expenses			
Investment management fees	3	(26,367)	(19,427)
Investment advisory fees	3	(27,093)	(21,958)
Administration fees	3	(19,547)	(18,534)
Custodian fees		(9,919)	(12,591)
Supervisory fee		(3,835)	(154)
Audit fees		(6,310)	(2,581)
Other expenses		<u>(54,953)</u>	<u>(18,449)</u>
		<u>(148,024)</u>	<u>(93,694)</u>
Net profit before realised loss on disposal of investment		16,041	31,405
Realised loss on disposal of investment		<u>(342,518)</u>	<u>(161,290)</u>
Net loss before taxation		(326,477)	(129,885)
Taxation	4	<u>(8,824)</u>	<u>(8,118)</u>
Net Loss after taxation		(335,301)	(138,003)
Accumulated deficit brought forward		<u>(23,089,131)</u>	<u>(22,229,884)</u>
Accumulated deficit carried forward		<u>(23,424,432)</u>	<u>(22,367,887)</u>
DEFICIT PER SHARE	5	<u>(0.07)</u>	<u>(0.03)</u>

CONDENSED BALANCE SHEET

	As at	(UNAUDITED) June 30, 2002	(AUDITED) Dec 31, 2001
	<i>Notes</i>	<i>US\$</i>	<i>US\$</i>
Investments	6	9,583,965	6,698,239
Current Assets			
Cash		244,403	267,772
Other receivables		1,290	1,771
		245,693	269,543
Current Liabilities			
Other payables		(65,373)	(61,242)
Net current assets		180,320	208,301
Total assets less current liabilities		9,764,285	6,906,540
Financed by:			
Non Equity-Share capital		10	10
Equity-Share capital		50,000	50,000
Reserves		33,138,707	29,945,661
Accumulated deficit		(23,424,432)	(23,089,131)
SHAREHOLDERS' FUNDS		9,764,285	6,906,540
NET ASSET VALUE PER SHARE 7		1.95	1.38

Chesada Loha-unchit
Director

Andrew Lo Tak Shing
Director

**CONDENSED
STATEMENT OF CHANGES IN EQUITY
(UNAUDITED)**

	<u>Share capital</u>	<u>Share premium</u>	<u>Capital Reserve</u>	<u>Accumulated deficit</u>	<u>Total</u>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Balance at January 1, 2001	50,010	49,857,897	(21,192,696)	(22,229,884)	6,485,327
Unrealised gain of investment	—	—	1,422,542	—	1,422,542
Exchange loss	—	—	(559,474)	—	(559,474)
Net loss for the period	—	—	—	(138,003)	(138,003)
Balance at June 30, 2001	50,010	49,857,897	(20,329,628)	(22,367,887)	7,210,392
Unrealised gain of investment	—	—	166,444	—	166,444
Exchange gain	—	—	250,948	—	250,948
Net loss for the period	—	—	—	(721,244)	(721,244)
Balance at December 31, 2001	<u>50,010</u>	<u>49,857,897</u>	<u>(19,912,236)</u>	<u>(23,089,131)</u>	<u>6,906,540</u>
Balance at January 1, 2002	50,010	49,857,897	(19,912,236)	(23,089,131)	6,906,540
Unrealised gain of investment	—	—	2,637,173	—	2,637,173
Exchange gain	—	—	555,873	—	555,873
Net loss for the period	—	—	—	(335,301)	(335,301)
Balance at June 30, 2002	<u>50,010</u>	<u>49,857,897</u>	<u>(16,719,190)</u>	<u>(23,424,432)</u>	<u>9,764,285</u>

**CONDENSED
CASH FLOW STATEMENT (UNAUDITED)
For the six months ended June 30**

	Six months ended June 30,	
	2002	2001
	<i>US\$</i>	<i>US\$</i>
Operating activities		
Dividend and interest income received	164,546	127,223
Management fees and operating expenses paid	(143,893)	(112,201)
Overseas withholding tax paid	(8,824)	(8,118)
	11,829	6,904
Investing activities		
Cash paid on purchase of securities	(1,273,961)	(1,179,084)
Proceeds on sale of securities	1,227,604	933,650
	(46,357)	(245,434)
Net cash outflow from investing activities	(46,357)	(245,434)
Net cash outflow	(34,528)	(238,530)
Effect of foreign exchange rate changes	11,159	(40,323)
Cash and cash equivalents at January 1	267,772	870,480
	244,403	591,627
Cash and cash equivalents at June 30 (<i>Note A</i>)	244,403	591,627
<i>Note A</i>		
Analysis of balances of cash and cash equivalents:		
Cash	244,403	591,627

NOTES TO CONDENSED INTERIM ACCOUNTS

1. Basis of preparation and accounting policies

These condensed interim accounts are prepared in accordance with Statement of Standard Accounting Practice (“SSAP”) 25, Interim Financial Reporting, issued by the Hong Kong Society of Accountants and Appendix 16, Disclosure of Financial Information, of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited.

These condensed interim accounts should be read in conjunction with the 2001 annual audited accounts.

The accounting policies and methods of computation used in the preparation of these condensed interim accounts are consistent with those used in the annual audited accounts for the year ended December 31, 2001 except that the Company has changed certain of its accounting policies following its adoption of the following revised SSAPs issued by the Hong Kong Society of Accountants which has resulted in a change in the format of presentation as follows:

(i) Statement of changes in equity

In accordance with SSAP 1 (Revised) “Presentation of Financial Statements”, the requirement for presenting a statement of recognised gains and losses has changed to presenting a statement of changes in equity.

(ii) Cash flow statement

In accordance with SSAP 15 (Revised) “Cash Flow Statements”, cash flows are classified under three headings only — operating, investing and financing.

Accordingly, the presentation in the current period’s statement of changes in equity and cash flow statement has been modified in order to conform with the requirements of the revised SSAPs. Comparative disclosures have been restated in order to achieve a consistent presentation.

2. Turnover

	Six months ended June 30,	
	2002	2001
	<i>US\$</i>	<i>US\$</i>
Dividends received from third parties		
— from listed investments	162,150	119,120
Interest received from third parties		
— from bank deposits	1,915	5,979
	<u>164,065</u>	<u>125,099</u>

3. Connected party transactions

Except for the fee paid to Investment Manager and Investment Adviser as disclosed on page 11 of the interim report, during the period, the Company has not entered into transactions between the Investment Manager, Investment Adviser, the Fund, or any entity in which those parties or their connected persons have a material interest.

4. Taxation

	Six months ended June 30,	
	2002	2001
	<i>US\$</i>	<i>US\$</i>
Withholding tax in Thailand on distributions from the Fund:		
Attributable to retained earnings	<u>8,824</u>	<u>8,118</u>

Withholding tax is payable in Thailand at the rate of 15% on distributions made by the Fund to the Company. No provision for Hong Kong profits tax has been made as interest, dividend and realised gains on disposal of investments of the Company are excluded from charge to profits tax under either section 14, 26 or 26A of the Hong Kong Inland Revenue Ordinance.

5. Deficit per Share

The calculation of deficit per share is based on net loss after tax for the six months of US\$335,301 (June 30, 2001: loss of US\$138,003) and 5,000,000 (June 30, 2001: 5,000,000) shares outstanding during the six months.

6. Investments

	June 30, 2002	Dec 31, 2001
	<i>US\$</i>	<i>US\$</i>
Listed investments		
Securities of corporations listed on the Stock Exchange of Thailand, at fair value	9,578,265	6,698,233
Unlisted investments		
Securities of corporations in Thailand, at fair value	<u>5,700</u>	<u>6</u>
	<u>9,583,965</u>	<u>6,698,239</u>
Cost of investments		
– listed on the Stock Exchange of Thailand	8,837,748	8,647,227
– unlisted	<u>906,598</u>	<u>848,566</u>
	<u>9,744,346</u>	<u>9,495,793</u>

7. Net Asset Value per Share

The calculation of net asset value per share is based on net assets of US\$9,764,285 (December 31, 2001: US\$6,906,540) and 5,000,000 (December 31, 2001: 5,000,000) issued shares as at June 30, 2002.

STATEMENT OF CHANGES IN INVESTMENTS

(For the six months ended June 30, 2002)

LISTED SECURITIES	Number of shares				As at June 30, 2002	
	Holding at 01/01/02	Purchases	Sales	Holding at 30/06/02	Fair Value US\$	Percentage of Net Assets %
AGRIBUSINESS						
Charoen Pokphand Food	365,000	—	—	365,000	46,444	0.48
BANKING						
Bangkok Bank	760,800	—	97,400	663,400	891,923	9.14
Krung Thai Bank	511,400	—	93,500	417,900	112,371	1.15
Thai Farmers Bank	1,079,600	125,200	—	1,204,800	817,142	8.37
Thai Farmers Bank - F	—	64,000	—	64,000	51,090	0.52
					<u>1,872,526</u>	<u>19.18</u>
BUILDING AND FURNISHING						
Siam Cement	29,900	—	6,400	23,500	535,989	5.49
Siam City Cement	109,866	—	—	109,866	590,848	6.06
Tipco Asphalt	—	76,000	—	76,000	68,424	0.70
					<u>1,195,261</u>	<u>12.25</u>
CHEMICALS AND PLASTICS						
National Petrochemical	140,100	—	—	140,100	174,906	1.79
COMMERCE						
Big C Supercenter	228,000	—	—	228,000	114,405	1.17
COMMUNICATION						
Advanced Info Service	731,500	58,400	17,500	772,400	727,856	7.46
Shinawatra Satellite	226,125	—	—	226,125	135,723	1.39
Shin Corporation	1,581,100	—	146,500	1,434,600	482,195	4.94
Shin Corporation - F	97,000	—	97,000	—	—	—
Telecom Asia Corporation	442,900	—	441,100	1,800	290	—
					<u>1,346,064</u>	<u>13.79</u>

LISTED SECURITIES	Number of shares				As at June 30, 2002	
	Holding at 01/01/02	Purchases	Sales	Holding at 30/06/02	Fair Value US\$	Percentage of Net Assets %
ELECTRONIC COMPONENTS						
Cal-Comp Electronics (Thailand)	104,400	28,000	—	132,400	95,362	0.98
Delta Electronic	1,500	—	—	1,500	972	0.01
Hana Microelectronics	51,300	—	17,000	34,300	58,056	0.59
					<u>154,390</u>	<u>1.58</u>
ENERGY						
Banpu	357,800	—	101,100	256,700	246,519	2.52
Electricity Generating	244,800	—	—	244,800	240,968	2.47
PTT	63,000	188,600	—	251,600	217,459	2.23
PTT Exploration & Production	250,000	—	—	250,000	702,247	7.19
Ratchaburi Electricity Generating	485,600	—	—	485,600	200,526	2.05
					<u>1,607,719</u>	<u>16.46</u>
ENTERTAINMENT						
BEC World	70,400	—	—	70,400	405,647	4.15
Major Cineplex Group	—	5,600	—	5,600	8,336	0.09
					<u>413,983</u>	<u>4.24</u>
FINANCE & SECURITIES						
ABN AMRO Asia	32,200	54,800	—	87,000	95,037	0.97
Capital Nomura	—	48,700	—	48,700	54,953	0.56
Kiatnakin Finance	287,400	54,980	137,300	205,080	193,253	1.98
National Finance	407,800	136,500	—	544,300	189,483	1.94
National Finance - F	136,000	—	136,000	—	—	—
Siam Sanwa Industrial Credit	—	965,400	39,800	925,600	226,667	2.32
Siam Panich Leasing	213,100	—	28,000	185,100	167,760	1.72
Thai Investment	—	156,200	—	156,200	93,003	0.95
					<u>1,020,156</u>	<u>10.44</u>
FOODS & BEVERAGES						
Thai Union Frozen Products	373,000	—	—	373,000	156,715	1.60

LISTED SECURITIES	Number of shares				As at June 30, 2002	
	Holding at 01/01/02	Purchases	Sales	Holding at 30/06/02	Fair Value US\$	Percentage of Net Assets %
PROPERTY DEVELOPMENT						
Amata Corp	—	209,200	—	209,200	93,420	0.96
Asian Property Development* ¹	100,000	—	—	100,000	108,638	1.11
Golden Land Property	302,700	139,000	232,700	209,000	70,751	0.72
Land and House	318,700	—	—	318,700	573,862	5.88
Quality Houses	—	573,700	—	573,700	128,095	1.31
Ticon Industrial Connection	—	11,200	3,400	7,800	3,034	0.03
					<u>977,800</u>	<u>10.01</u>
TRANSPORTATION						
Bangkok Expressway	770,300	—	215,600	554,700	214,412	2.20
Thai Airways International	108,900	—	108,900	—	—	—
					<u>214,412</u>	<u>2.20</u>
OTHERS						
Eastern Water Resources Devel. & Mgt	100,500	—	25,000	75,500	54,832	0.56
General Environment Conservation	870,000	—	230,300	639,700	17,355	0.18
					<u>72,187</u>	<u>0.74</u>
PREFERRED SHARES						
Siam Commercial Bank - P	206,300	—	206,300	—	—	—
WARRANTS AND DEBENTURES						
Asian Property Development - W1	—	51,000	—	51,000	41,937	0.43
Kiatnakin - W3	—	48,500	48,500	—	—	—
Kiatnakin - W4	87,700	150,800	87,700	150,800	77,478	0.79
LH - W2	84,600	—	—	84,600	91,400	0.94
Ticon Industrial Connection - W1	—	2,800	1,100	1,700	482	—
					<u>211,297</u>	<u>2.16</u>
TOTAL LISTED SECURITIES					<u><u>9,578,265</u></u>	<u><u>98.09</u></u>

LISTED SECURITIES	Number of shares				As at June 30, 2002	
	Holding at 01/01/02	Purchases	Sales	Holding at 30/06/02	Fair Value US\$	Percentage of Net Assets %
ELECTRICAL EQUIPMENT						
SPEC Thai	105,000	—	—	105,000	1	—
HEALTH CARE SERVICES						
Piyavate Hospital	330,000	—	—	330,000	1	—
HOTELS						
Paitoon Hotel & Resort	110,000	—	—	110,000	1	—
United Resort Service	10,000	—	—	10,000	1	—
					2	—
INSURANCE						
Rattanakosin Insurance	50,850	—	—	50,850	1	—
PROPERTY DEVELOPMENT						
Alpine Real Estate	2,055,000	—	—	2,055,000	1	—
WARRANTS						
KfW - TA	191,747	—	—	191,747	—	—
Charoen Pokphand Food - W2	—	36,500	—	36,500	5,694	0.06
					5,694	0.06
TOTAL UNLISTED SECURITIES					<u>5,700</u>	<u>0.06</u>
TOTAL LISTED AND UNLISTED SECURITIES					<u>9,583,965</u>	<u>98.15</u>
Net current assets					<u>180,320</u>	<u>1.85</u>
TOTAL NET ASSETS					<u>9,764,285</u>	<u>100.00</u>

^{*/} Asian Property Development was reclassified from Building & Furnishing Sector to Property Development Sector on 25 February 2002 by SET Index.

CORPORATE INFORMATION

Stock Exchange Listing

The Stock Exchange of Hong Kong Limited

DIRECTORS OF THE COMPANY

The Honourable Michael D'Arcy
Benson
Andrew Lo Tak Shing
Narong Chulajata
Heng Kwo Seng
Dominic Kwok Chung Kwong
Thomas Ng Tung Ming
Chesada Loha-unchit
John Yang Chung Hsiung

INVESTMENT MANAGER

MFC Asset Management
Public Company Limited
30th-32nd Floor,
Lake Rajada Building
193-195 Ratchadaphisek Road
Klongtoey
Bangkok 10110
Thailand

INVESTMENT ADVISER

INVESCO Asia Limited
12/F, Three Exchange Square
8 Connaught Place, Hong Kong

SUPERVISOR

The Siam Commercial Bank
Public Company Limited
Head Office
9 Ratchadapisek Road
Bangkok 10900
Thailand

CUSTODIAN

The Bank of Bermuda (Guernsey)
Limited
P.O. Box 208
Bermuda House
St. Julian's Avenue
St. Peter Port
Guernsey

AUDITORS

PricewaterhouseCoopers
22nd Floor
Prince's Building
Hong Kong

SECRETARY

Anton Allen

ADMINISTRATOR AND REGISTERED OFFICE OF THE COMPANY

Management International (Guernsey)
Limited
P.O. Box 208
Bermuda House
St. Julian's Avenue
St. Peter Port
Guernsey

REGISTRAR

The Bank of Bermuda (Guernsey)
Limited
P.O. Box 208
Bermuda House
St. Julian's Avenue
St. Peter Port
Guernsey

Branch Registrar

Bermuda Trust (Far East) Limited
39th Floor
Edinburgh Tower
The Landmark
Hong Kong

A Chinese version of this Interim Report can be obtained from:

Branch Registrar in Hong Kong:

Bermuda Trust (Far East) Limited
39th Floor, Edinburgh Tower
The Landmark
Hong Kong

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百慕達信託（遠東）有限公司
香港
置地廣場
公爵大廈 39 樓