

THE THAI PRIME FUND LIMITED

Registration Number: 198803033G
(Incorporated in the Republic of Singapore)

Registered office : 4 Robinson Road, #05-01, Singapore 048543

3 June 2011

To the Shareholders of
The Thai Prime Fund Limited

Dear Sirs

THE THAI PRIME FUND LIMITED (the "Company")

Chairman's Statement

I have pleasure in enclosing the following:-

1. A copy of the Company's financial statements for the year 2010;
2. Notice of the Twenty-Third Annual General Meeting and proxy form for voting; and
3. Notice of the Preferred Shareholders Meeting and proxy form for voting.

The Thai economy for the year 2010 expanded by 7.8%, compared to a contraction of 2.3% in 2009. Economic momentum strengthened after the first quarter as the economy accelerated 12.0% (year on year), 9.1% (year on year) and 6.7% (year on year) from the first to the third quarters respectively. The low base effects of economic contraction in 2009 coupled with the recovery of global and domestic economies reflected rising economic growth rates during the first three quarters of 2010. For the fourth quarter, the growth rate eased back to the normal level of 3.8% (year on year). The strength of the economy can be attributed mainly to the improvement in global economic conditions leading to an increase in exports of goods. In addition to global recovery, solid domestic demand from low unemployment, rising farm income, low interest rates and improving consumer and business confidence sentiment were all factors supporting domestic demand in 2010, notwithstanding political unrest and climatic flood problems.

The Stock Exchange of Thailand index (the SET") rose 40.59% (year on year), with average daily turnover of Bt28.50 billion. Foreign investors and proprietary investors were net buyers totalling Bt 58.33 billion and Bt 5.23 billion, respectively. Whilst retail investors and local institutes were net sellers of Bt 43.51 billion and Bt 20.05 million, respectively.

THE THAI PRIME FUND LIMITED

Letter to Shareholders

Since the ending of the political riots in late May, retail investors were net buyers, focusing on mid-to-small cap stocks, which benefited from domestic consumption. On the other hand, inward foreign investment stalled and did not return significantly to the stock market until the second half of August, when the Map-Ta-Put overhang had been relieved. From mid-August to the year-end, foreign investment resumed totalling some Bt69 billion Baht, pushing up the index to its highest level over the last 14 years. Some profit taking, coupled with concern over the government's capital control measures following a sharp Baht appreciation, triggered some sell-off leaving the SET to close at 1032.76 at the year end.

Sector wise in 2010, petrochemical and agribusiness sectors were the best performers with rises of 180.50% and 128.17% respectively, supported by global economic recovery and soft commodity price surges. Commerce also outperformed the market with an increase of 83.41% fuelled by strong domestic consumption. The electronic industry performed well due to the inventory restocking cycle despite rapid currency appreciation. On the other hand, major sectors such as energy and banking slightly underperformed the SET with returns of 31.02% and 34.16% respectively, mainly due to the Map-Ta-Put dispute and significant sell-offs by foreign investors in May.

During the year, the Fund's net asset value rose by 47.15% in Baht terms and by 62.91% in USD terms, compared to the SET that increased by 40.59%. Overweight positions in petrochemical, agribusiness and food, commerce and electronics sectors all contributed to the Fund's outperformance.

For the year 2011, the economic growth trend is expected to slow down and return to normal growth levels. Domestic consumption and investment should continue to support employment, rising income levels and high capacity utilization. However, the risks to global economic growth remain; perceived risks are from unemployment, a slow recovery in the USA real estate sector, sovereign debt problems in Europe, deflation in Japan, a tightening economic policy in China and inflationary pressures in Asian countries. On the domestic front, the political situation after the election and inflationary pressures are seen to be negative to both domestic consumption and investment. Despite these negative factors, Thai government agencies expect the economy to expand by between 3% and 5% (year on year) in 2011. The Bank of Thailand recently signalled a more tightening monetary policy to curb inflation expectations and normalize interest rates. Most economists expect the Bank of Thailand to increase its key policy rate by 100 basis points to 3.00% in 2011.

THE THAI PRIME FUND LIMITED

Letter to Shareholders

On the SET front, MFC forecast a 2011 level at 1175, with an implied forward price/earnings ratio at 14. A significant upside is predicted again this year, supported by listed companies earnings per share with impressive growth projections of 22.8% (year on year) and a better outlook for US economic recovery. Also, the strength of domestic consumption due to high farm income, government spending and the upcoming election in the 2nd quarter of 2011 are all seen as positive factors supporting any downside in the stock market. However, concerns are of foreign investment flow relocating to North Asia and developed countries still remain. Also, high energy and food prices have triggered inflationary pressure leading to tightening measures by emerging country governments to curb inflation.

During the year your Board has introduced measures to make significant cost savings going forward by changing the Articles of Association of the Company to permit redemptions of shares out of capital and by simplified administrative procedures following the dropping of the listing on the Singapore Stock Exchange. Of concern to the Board, however, is the redemption of shares in issue at net asset value on a monthly basis notwithstanding that performance has been excellent. In this regard your Board wishes to make further changes to the Articles of Association to permit new monies to be introduced into the Company by means of issues of shares at net asset value. The special resolution to amend the Articles at the Preferred Shareholders Meeting and the Annual General Meeting, if passed by the requisite majority at the respective meetings, will allow existing shareholders, and new investors, to acquire shares in the Company that will run until the next AGM when its continuation for another year will be considered. I would advise you that the changes proposed have been drafted by the Company's legal advisers following discussions on how to move the Company forward. I thank you for your support during what is a transitional year in the life of the Company and urge you to vote in favour of all resolutions. A copy of the existing Memorandum and Articles of Association of the Company is available on the Company's website at www.thaiprimefund.com

Yours faithfully,

David Sydney Copperwaite
Chairman



The Thai Prime Fund Limited
Registration Number: 198803033G

Annual Report
Year ended 31 December 2010

Directors' report

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2010.

Directors

The directors in office at the date of this report are as follows:

David Sydney Copperwaite
Er Kwong Wah
John Reginald Le Prevost

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Singapore Companies Act, Chapter 50 (the Act), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, warrants and share options in the Company and in related corporations are as follows:

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
John Reginald Le Prevost The Thai Prime Fund Limited - redeemable preference shares (par value of US\$0.01 each)	8,141	8,141
David Sydney Copperwaite The Thai Prime Fund Limited - redeemable preference shares (par value of US\$0.01 each)	18,400	26,000

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, warrants or share options of the Company or of related corporations either at the beginning or at the end of the financial year.

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Except as disclosed in the accompanying financial statements, since the end of the last financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

Share options

During the financial year, there were:

- (i) no options granted by the Company to any person to take up unissued shares in the Company; and
- (ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial year, there were no unissued shares of the Company under option.

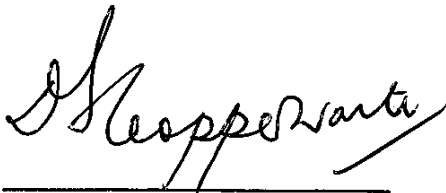
Voluntary delisting

The Company was delisted from the official list of Singapore Exchange Securities Trading Limited on 20 October 2010.

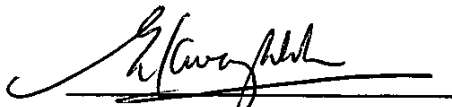
Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors



David Sydney Copperwaite
Director



Er Kwong Wah
Director

21 March 2011

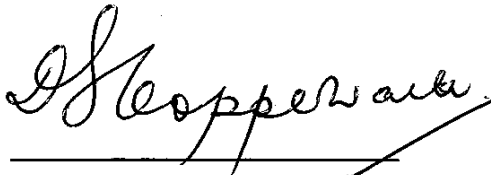
Statement by Directors

In our opinion:

- (a) the financial statements set out on pages FS1 to FS18 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2010 and the results, changes in net assets attributable to holders of redeemable preferred shares and cash flows of the Company for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors



David Sydney Copperwaite
Director



Er Kwong Wah
Director

21 March 2011



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Independent auditors' report

Members of the Company
The Thai Prime Fund Limited

Report on the financial statements

We have audited the accompanying financial statements of The Thai Prime Fund Limited (the Company), which comprise the statement of financial position as at 31 December 2010, the statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable preferred shares and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages FS1 to FS18.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and statement of financial position and to maintain accountability of assets.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 judgement, 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 of financial statements that give a true and fair view 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.

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Company as at 31 December 2010 and the results, changes in net assets attributable to holders of redeemable preferred shares and cash flows of the Company for the year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

KPMG LLP

KPMG LLP
Public Accountants and
Certified Public Accountants

Singapore
21 March 2011

Statement of financial position
As at 31 December 2010

	Note	2010 US\$	2009 US\$
Non-current asset			
Investment in The Thai Prime Fund	4	5,423,845	4,337,739
Current assets			
Other receivable		-	112,665
Cash and cash equivalents	5	114,960	247,671
		114,960	360,336
Total assets		5,538,805	4,698,075
Current liabilities			
Accrued expenses and other payables		70,545	319,068
Total liabilities (excluding net assets attributable to holders of redeemable preferred shares)		70,545	319,068
Net assets attributable to holders of redeemable preferred shares			
Represented by:			
Preference share capital			
Redeemable preferred shares	7	4,618	5,704
Share premium		41,458,057	42,710,423
Capital redemption reserve		150,382	149,296
		41,613,057	42,865,423
Accumulated losses		(36,144,897)	(38,486,516)
		5,468,160	4,378,907
Share capital	4	100	100
Total liabilities and equity		5,538,805	4,698,075
Net asset value per preferred share	9	11.84	7.68

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

Statement of comprehensive income
Year ended 31 December 2010

	Note	2010 US\$	2009 US\$
Investment income	10	217	3,186
Realised gain on redemption of units in The Thai Prime Fund		453,514	188,991
Net gain arising from revaluation of The Thai Prime Fund		2,067,749	1,978,565
Total revenue		2,521,480	2,170,742
Less:			
Expenses			
Directors' remuneration		117,160	113,643
Other operating expenses		58,358	175,793
Office expenses		3,257	2,412
		178,775	291,848
Profit before income tax	11	2,342,705	1,878,894
Income tax expense	12	-	-
Profit for the year attributable to holders of redeemable preferred shares		2,342,705	1,878,894
Other comprehensive income for the year, net of income tax		-	-
Profit for the year/Total comprehensive income for the year		2,342,705	1,878,894
Attributable to:			
Holders of redeemable preferred shares		2,342,705	1,878,894

No separate statement of changes in equity has been prepared as share capital would be the only component of this statement.

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

Statement of changes in net assets attributable to holders of redeemable preferred shares
 Year ended 31 December 2009

Note	Preference share capital				Total US\$
	Redeemable preferred shares US\$	Share premium US\$	Capital redemption reserve US\$	Accumulated losses US\$	
At 1 January 2009	6,103	43,003,661	148,897	(40,365,011)	2,793,650
Total comprehensive income for the year					
Profit attributable to holders of redeemable preferred shares	-	-	-	1,878,894	1,878,894
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year					
	-	-	-	1,878,894	1,878,894
Transactions with preference shareholders, recorded directly in changes in net assets attributable to holders of redeemable preferred shares					
Redemption of redeemable preferred shares	8 (418)	(306,418)	418	(418)	(306,836)
Restoration of redeemable preferred shares	8 19	13,180	(19)	19	13,199
Total transactions with preference shareholders	(399)	(293,238)	399	(399)	(293,637)
At 31 December 2009	5,704	42,710,423	149,296	(38,486,516)	4,378,907

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

Statement of changes in net assets attributable to holders of redeemable preferred shares
 Year ended 31 December 2010

Note	Preference share capital				Total US\$
	Redeemable preferred shares US\$	Share premium US\$	Capital redemption reserve US\$	Accumulated losses US\$	
At 1 January 2010	5,704	42,710,423	149,296	(38,486,516)	4,378,907
Total comprehensive income for the year					
Profit attributable to holders of redeemable preferred shares	-	-	-	2,342,705	2,342,705
Other comprehensive income	-	-	-	2,342,705	2,342,705
Total comprehensive income for the year					
Transactions with preference shareholders, recorded directly in changes in net assets attributable to holders of redeemable preferred shares					
Redemption of redeemable preferred shares	8 (1,086)	(1,252,366)	1,086	(1,086)	(1,253,452)
Total transactions with preference shareholders	(1,086)	-	1,086	(1,086)	(1,253,452)
At 31 December 2010	4,618	41,458,057	150,382	(36,144,897)	5,468,160

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

Statement of cash flow statement
Year ended 31 December 2010

	2010	2009
	US\$	US\$
Cash flows from operating activities		
Profit attributable to holders of redeemable preferred shares	2,342,705	1,878,894
Adjustments for:		
Realised gain on redemption of units in The Thai Prime Fund	(453,514)	(188,991)
Net gain arising from revaluation of The Thai Prime Fund	(2,067,749)	(1,978,565)
Unclaimed dividends written back	-	(2,984)
Interest income	(60)	(202)
	<u>(178,618)</u>	<u>(291,848)</u>
Change in other receivable	112,665	61,402
Change in accrued expenses and other payables	(248,523)	84,655
Cash used in operating activities	(314,476)	(145,791)
Interest received	60	202
Net cash used in operating activities	<u>(314,416)</u>	<u>(145,589)</u>
Cash flow from investing activities		
Redemption of units in The Thai Prime Fund	1,435,157	514,309
Net cash from investing activities	<u>1,435,157</u>	<u>514,309</u>
Cash flow from financing activities		
Redemption of redeemable preferred shares	(1,253,452)	(306,836)
Restoration of redeemable preferred shares	-	13,199
Net cash used in financing activities	<u>(1,253,452)</u>	<u>(293,637)</u>
Net (decrease)/increase in cash and cash equivalents	(132,711)	75,083
Cash and cash equivalents at 1 January	247,671	172,588
Cash and cash equivalents at 31 December	<u>114,960</u>	<u>247,671</u>

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

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 21 March 2011.

1 Domicile and activities

The Thai Prime Fund Limited (the Company) is incorporated in the Republic of Singapore. The address of the Company's its registered office at 4 Robinson Road, #05-01, Singapore 048543.

The principal activity of the Company relates to the holding of investments in Thai securities for long term capital appreciation through The Thai Prime Fund (the Fund) of which the Company is the sole unit holder.

The Company entered into an Administration Agreement dated 11 April 2008 with Singapore Trust Company Pte Limited (formerly Rathbones Trust (Singapore) Pte. Limited), appointing Singapore Trust Company as the fund administrator and accountant of the Company. The agreement with Singapore Trust Company is terminable by either party giving six months' prior notice in writing to the other party.

The Company has also entered into an Investment Contract with MFC Asset Management Public Company Limited (MFC), a company incorporated in Thailand, appointing MFC as fund manager for the acquisition, holding and disposal of the assets of the Fund at the sole discretion of the fund manager and in accordance with the general guidelines and general supervision of the Board of Directors. The Company does not have discretion in the management of the investments in the Fund, nor in the appointment or removal of the fund manager. Accordingly, the Company does not consider the individual investments of the Fund to be the Company's investments, nor the investment results of the Fund to be its own realised income. The agreement with the fund manager is for the duration of the Fund which matures in 2013 or earlier, if it is terminated by the Company, subject to the approval of the Bank of Thailand and any other relevant regulatory authority, in the event of breach of certain conditions or on the insolvency of the fund manager. The fund manager is entitled to an annual fee based on the value of the weekly net assets of The Thai Prime Fund.

The Company was delisted from the official list of Singapore Exchange Securities Trading Limited on 20 October 2010.

2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets which are measured at fair value.

(c) Functional and presentation currency

The financial statements are presented in United States (US) dollars which is the Company's functional currency.

As the settlement currency of the Company's revenue and expenses are denominated primarily in US dollars and receipts from operations are usually retained in US dollars, the directors are of the opinion that the US dollar reflects the economic substance of the underlying events and circumstances relevant to the Company.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Foreign currency

Transactions in foreign currencies are translated to the functional currency of the Company at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date on which the fair value was determined.

(b) Financial instruments

(i) Non-derivative financial assets

The Company initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company has the following non-derivative financial assets: financial assets at fair value through profit or loss and loans and receivables.

Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

Investment in the Thai Prime Fund is classified as fair value through profit or loss. The fair value of the investment in the units of the Fund is based on the underlying net asset value of the Fund as reported by the Manager of the Fund as at the reporting date. The net asset value of the Fund comprises the cost of the units in the Fund, net unrealised appreciation or depreciation of the investment portfolio of the Fund arising from fair valuation and the undistributed investment income of the Fund.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and other receivables.

Cash and cash equivalents comprise cash at bank and fixed deposits.

(ii) *Non-derivative financial liabilities*

The Company initially recognises financial liabilities (including liabilities designated at fair value through profit or loss) on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial liabilities into other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

The Company has the following non-derivative financial liabilities: accrued expenses and other payables.

(iii) *Share capital*

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Redeemable preferred shares

The redeemable preferred shares issued by the Company provide the investors with the right to require redemption for cash at the value proportionate to the investor's share in the Company's net assets at the redemption date. Such instruments give rise to a financial liability for the present value of the redemption amount. In accordance with the redemption plan approved by the preferred shareholders, the Company is obliged to redeem shares at net asset value of the Company at the date of redemption.

(c) **Impairment**

(i) *Non-derivative financial assets*

A financial asset not carried at fair value through profit or loss is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Loans and receivables

The Company considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables.

In assessing collective impairment, the Company uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables or held-to-maturity investment securities. Interest on the impaired asset continues to be recognised. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(d) Income tax expense

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(e) Income recognition

Dividend income is recognised on the date it is declared and payable by the Fund. Interest income is recognised on an effective interest basis.

(f) New standards and interpretations not adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2010, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

4 Investment in The Thai Prime Fund

	2010	2009
	US\$	US\$
Holding of 0.34 million (2009: 0.43 million) units in the Fund		
Net asset value at 1 January	4,337,739	2,684,492
Redemption of units	(1,435,157)	(514,309)
Surplus arising from:		
- realised gain on redemption of units in the Fund	453,514	188,991
- net gain arising from the revaluation of the Fund	2,067,749	1,978,565
Net asset value as at 31 December	<u>5,423,845</u>	<u>4,337,739</u>

The underlying investments in the Fund consist of the following:

	2010	2009
	US\$	US\$
Investment securities at fair value, based on quoted prices	5,359,536	4,184,000
Cash	63,575	260,124
Other assets	32,751	21,981
Other liabilities	(32,017)	(128,366)
Net asset value of the Fund at 31 December	<u>5,423,845</u>	<u>4,337,739</u>

The Fund was established on 28 September 1988 under the laws of Thailand and originally had a 25-year life. The objective of the Fund is to achieve long term capital appreciation of assets through investment in Thai securities. The Fund is accorded the status of a Thai national and is not subject to the foreign shareholding limit or Thai income tax. Distributions from the Fund are, however, subject to approvals under the Thai Exchange Control Act (1942) as amended.

On 16 January 2002, in-principle approval was obtained from the Securities and Exchange Commission of Thailand ("SEC") for the proposed change in status of the Fund from closed-end to open-end. An application was made by the Company's Fund Manager to the SEC on 30 June 2003 with respect to the change of the status of the Fund from a closed-end fund to an open-end fund and approval for the change in status of the Fund was granted on 20 November 2003 and became effective on the registration date (24 March 2004).

On 23 August 2010 a directors' resolution was passed to amend the Investment Plan of The Thai Prime Fund to extend the life of the plan for another 5 years. At 31 December 2010 the extension has not yet been approved by the SEC.

5 Cash and cash equivalents

	2010	2009
	US\$	US\$
Cash at bank	114,960	47,500
Fixed deposit	-	200,171
	<u>114,960</u>	<u>247,671</u>

The weighted average effective interest rates per annum relating to cash and cash equivalents, at the reporting date for the Company is 0.03% (2009: 0.05%). Interest rate reprices monthly.

6 Share capital

	2010	2009
	No. of	No. of
	shares	shares
Fully paid common shares of US\$1.00 each:		
At 1 January and 31 December	<u>100</u>	<u>100</u>

The holders of common shares are entitled to one vote in respect of each common share but not entitled to receive dividends. In addition, they do not have any interest in the Company's residual assets.

Capital management

The Company does not have any externally imposed capital requirements. The Board of Directors regularly reviews the Company's capital structure with a view for the Company to pay its debts as and when they fall due as well as to meet its obligations to the redeemable preferred shareholders.

There were no changes in the Company's approach to capital management during the year.

7 Redeemable preferred shares

	2010		2009	
	No. of shares	US\$	No. of shares	US\$
Authorised:				
Unclassified shares of US\$0.01 each	<u>29,990,000</u>	<u>299,900</u>	<u>29,990,000</u>	<u>299,900</u>
Issued and fully paid:				
Participating redeemable preferred shares	<u>461,811</u>	<u>4,618</u>	<u>570,428</u>	<u>5,704</u>

The unclassified shares may be issued as redeemable nominal shares or participating redeemable preferred shares.

The principal rights attached to the two classes of shares in the capital of the Company are as follows:

Participating redeemable preferred shares

These shares carry one vote per holder present in person or by a proxy or by a duly authorised representative on a show of hands. On a poll, every holder present shall have one vote for every preferred share held. Preferred shares carry rights to dividends including interim dividends declared by the directors. On 26 April 2004, a redemption plan for the preferred shares was approved by the preferred shareholders. Under this plan, 20% of the preferred shares were redeemed on 31 May 2004 with a further 30% of the preferred shares redeemed on 25 April 2005. The redemption of the remaining shares commenced on 24 April 2006. On liquidation, all preferred shares not previously redeemed will be redeemed on the day falling 30 business days from the date of completion of the liquidation of the Fund. Preferred shares carry a right to a return of the nominal amounts paid up in priority to those paid up on common and redeemable nominal shares. Only preferred shares carry the right to share in the surplus of assets remaining after the return of nominal amounts paid up on common and redeemable nominal shares.

Redeemable nominal shares

These shares may only be issued at par and for the purpose of providing funds for the redemption of the nominal value of preferred shares. Nominal shares carry one vote for every holder present regardless of the number of shares held either on show of hands or on a poll. They do not carry any right to dividends. In liquidation they rank after preferred shares but before common shares for the return of the nominal amounts paid up on them pari passu out of the assets of the Company. Subject to the requirements of the Singapore Companies Act, Chapter 50, the Company may redeem at par all or any of the nominal shares in issue with at least one month's written notice. All nominal shares not previously redeemed will be redeemed on the final redemption day, on completion of the liquidation of the Fund.

8 Redemption of redeemable preferred shares

During the financial year, the Company redeemed 108,617 (2009: 41,768) preferred shares of US\$0.01 each at a premium of approximately US\$11.53 (2009: US\$7.34) each. In 2009, the Company also restored 1,941 preferred shares of US\$0.01 each at a premium of approximately US\$6.80. These shares were acquired by a director of the Company.

9 Net asset value per preferred share

The net asset value per preferred share in the Company's statement of financial position is calculated based on the net assets attributable to holders of redeemable preferred shares of US\$5,468,160 (2009: US\$4,378,907) and the number of preferred shares in issue of 461,811 (2009: 570,428).

10 Investment income

	2010	2009
	US\$	US\$
Interest income on fixed deposits	60	202
Others	157	2,984
	<u>217</u>	<u>3,186</u>

11 Profit before income tax

The following items have been included in arriving at profit before income tax:

	2010	2009
	US\$	US\$
Directors' remuneration	117,160	113,643
Professional fees	135,950	67,716
Administration agent fees	64,469	54,989
Reversal of liquidation fees	(211,511)	-
	<u>(211,511)</u>	<u>-</u>

12 Income tax expense

	2010	2009
	US\$	US\$
Reconciliation of effective tax rate		
Profit before income tax	2,342,705	1,878,894
Income tax using Singapore tax rate of 17%	398,260	319,412
Tax concession	(398,260)	(319,412)
	<u>-</u>	<u>-</u>

The profits of the Company, arising from approved assets invested in funds managed by an approved fund manager, are not subject to Singapore income tax as the Company has been granted a tax concession under the Tax Exemption Scheme for Fund Management. Accordingly, tax benefits arising from the losses have not been recognised in the financial statements.

The Company has been granted this concession if it satisfies the following criteria:

- (i) the Company is a non-resident of Singapore for tax purposes; and
- (ii) the Company has not utilised any tax benefits under the Singapore-Thailand Double Taxation Agreement.

13 Financial instruments

Credit risk

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying amount	
	2010 US\$	2009 US\$
Investment in The Thai Prime Fund	5,423,845	4,337,739
Loans and receivables	-	112,665
Cash and cash equivalents	114,960	247,671
	<u>5,538,805</u>	<u>4,698,075</u>

Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount US\$	Contractual cash flows US\$	Within 1 year US\$
2010			
Non-derivative financial liabilities			
Accrued expenses and other payables	<u>70,545</u>	<u>(70,545)</u>	<u>(70,545)</u>
2009			
Non-derivative financial liabilities			
Accrued expenses and other payables	<u>319,068</u>	<u>(319,068)</u>	<u>(319,068)</u>

Currency risk

Exposure to currency risk

The Company's exposure to foreign currency risk was as follows based on notional amounts:

	31 December 2010		31 December 2009	
	Singapore Dollar US\$	Thai Baht US\$	Singapore Dollar US\$	Thai Baht US\$
Investment in The Thai Prime Fund	-	5,423,845	-	4,337,739
Cash and cash equivalents	12,057	-	10,742	-
Net exposure	<u>12,057</u>	<u>5,423,845</u>	<u>10,742</u>	<u>4,337,739</u>

Sensitivity analysis

A strengthening of the United States Dollar, as indicated below, against the Singapore Dollar and Thai Baht at 31 December would have increased (decreased) profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases. The analysis is performed on the same basis for 2009, albeit that the reasonably possible foreign exchange rate variances were different, as indicated below:

	Profit or loss	
	31 December	31 December
	2010	2009
	US\$	US\$
Singapore dollar (10% strengthening)	(1,206)	(1,074)
Thai Baht (10% strengthening)	(542,385)	(433,774)

A weakening of the United States dollar against the above currencies at 31 December would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Accounting classifications and fair values

Fair values versus carrying amounts

The carrying value of the investment in the Fund is estimated to be at its fair value. The fair value of this investment is estimated using the net asset value of the Fund, which is represented mostly by quoted securities stated at their market bid prices at the reporting date.

The carrying value of other financial assets and liabilities approximate their fair values as these are short term in nature.

Sensitivity analysis-equity price risk

A 10% increase in the equity prices of the underlying investments in the Fund at the reporting date would increase income for the year by US\$535,954 (2009: US\$418,400).

This would increase the net asset value per preferred share by US\$1.16 (2009: US\$0.73).

This analysis assumes that all other variables remain constant.

A 10% decrease in the underlying investments in the Fund would have had the equal but opposite effect on the income for the year and net asset value per preferred share.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2:* inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 2 US\$
31 December 2010	
Investment in The Thai Prime Fund	5,423,845
31 December 2009	
Investment in The Thai Prime Fund	4,337,739

The underlying investments in The Thai Prime Fund are valued based on quoted prices (unadjusted) (refer note 3).

14 Financial risk management

Overview

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

Exposure to credit and currency risk arises in the normal course of the Company's business. The Company does not speculate in the currency markets nor enter into speculative treasury transactions.

The Company does not have any derivative financial instruments. The existing primary financial instruments of the Company meet the definition of financial assets and liabilities.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

Investments

The Company's investment in The Thai Prime Fund exposes it to the risks associated with the economic conditions in Thailand and the Asia Pacific region in general.

Other than the above, at the reporting date, there were no other significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows. Typically the Company ensures that it has sufficient cash on demand to meet expected annual expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company incurs foreign currency risk on its cash and cash equivalents and investments that are denominated in currencies other than US dollars. The currency giving rise to this risk is Singapore Dollar and Thai Baht.

The Company does not hedge its financial assets denominated in foreign currencies.

15 Directors' remuneration

	2010	2009
Number of directors in remuneration band:		
Below US\$250,000	3	3

All the directors as at 31 December 2010 have remuneration of less than US\$250,000 (2009: US\$250,000) per annum.

THE THAI PRIME FUND LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198803033G)

NOTICE OF TWENTY-THIRD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Twenty-Third Annual General Meeting of The Thai Prime Fund Limited (the "**Company**") will be held on Monday 27 June 2011 at 4 Robinson Road #05-01 Singapore 048543 at 10.15 a.m. (or as soon thereafter as the Preferred Shareholders Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place shall have been concluded or adjourned) for the purpose of transacting the following businesses:-

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the year ended 31 December 2010 and the Directors' and Auditors' Reports thereon. **(Resolution 1)**
2. To re-elect Mr Er Kwong Wah, a Director of the Company pursuant to Article 118 of the Company's Articles of Association. **(Resolution 2)**
3. To re-appoint Messrs KPMG LLP as Auditors and to authorise the Directors to fix their remuneration. **(Resolution 3)**
4. To transact any other ordinary business that may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

- 5 To consider and, if thought fit, passing, with or without modifications, the following resolutions of which Resolution 4 will be proposed as Special Resolution and Resolution 5 as Ordinary Resolution:-
 - 5.1 The Proposed Alterations to the Articles of Association – Special Resolution

That, subject to the passing of the Special Resolution set out in the Notice of Preferred Shareholders Meeting (the "**Notice of PSM**") to the holders of preferred shares of U.S.\$0.01 nominal value each ("**Preferred Shares**") in the capital of the Company dated 3 June 2011, the Articles of Association of the Company be and are hereby altered in the following manner and to the following extent:

- (a) by deleting Article 11 in its entirety and replacing it with the following:

"11. Without prejudice to any special right previously conferred on the holders of any existing shares or class of shares but subject to the Companies Act and these Articles, shares in the Company may be issued by the Directors, and any such shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, provided always that no shares shall be issued at a discount except in accordance with the Companies Act. Subject to the Companies Act and to any special rights attached to any shares for the time being issued, the Directors may allot or grant options over or otherwise dispose of shares to such persons on such terms and conditions and for such consideration and at such time and

subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and the terms and manner of redemption being determined by the Directors, provided always that no shares shall be issued at a discount except in accordance with the Companies Act."

(b) by deleting Article 71 in its entirety.

(Resolution 4)

5.2 Authority to allot and issue shares

That pursuant to Section 161 of the Companies Act, Cap. 50 and subject to the Articles of Association of the Company, the Directors be authorised to issue and allot such shares in the Company (including, for the avoidance of doubt, Preferred Shares) at any time and to any persons on such terms and conditions and with such rights or restrictions as they may in their absolute discretion deem fit and that this authority shall continue in force until the conclusion of the next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

(Resolution 5)

BY ORDER OF THE BOARD

David Sydney Copperwaite
Chairman
3 June 2011

Statement Pursuant to Article 77 of the Company's Articles of Association

The effect of the proposed resolutions under the heading "Special Business" in this Notice of Twenty-Third Annual General Meeting is as follows:-

1. Special Resolution 4 proposed in item 5.1 above is to seek shareholders approval for the modification of Article 11 via the removal of certain restrictions contained therein that relates to share issuances arising from the Company's previous listing on the Singapore Stock Exchange ("SGX"). Article 71 is irrelevant and therefore deleted in its entirety.
2. Ordinary Resolution 5 proposed in item 5.2 above, if passed, will empower Directors of the Company, from the date of this meeting until the date of the next Annual General Meeting, to issue and allot further shares (including, for the avoidance of doubt, Preferred Shares) in the Company for such purposes as they consider would be in the interests of the Company during the validity period of the resolution.

Notes:

1. A Shareholder of the Company entitled to attend and vote at the Twenty-Third Annual General Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Shareholder of the Company.
2. The instrument appointing a proxy must be lodged at the registered office of the Company at 4, Robinson Road, #05-01, Singapore 048543 not less than 48 hours before the time appointed for the Annual General Meeting.

THE THAI PRIME FUND LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198803033G)

NOTICE OF PREFERRED SHAREHOLDERS MEETING

NOTICE IS HEREBY GIVEN that a meeting of holders ("**Preferred Shareholders**") of preferred shares of U.S.\$0.01 nominal value each in the capital of The Thai Prime Fund Limited (the "**Company**") will be held on Monday, 27 June 2011 at 4 Robinson Road #05-01 Singapore 048543 at 10.00 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the following Special Resolution:

Special Resolution

The Proposed Alterations to the Articles of Association

That, subject to the passing of Resolution 4 set out in the Notice of Twenty-Third Annual General Meeting to the holders of common shares of U.S.\$1.00 nominal value each in the capital of the Company and the Preferred Shareholders dated 3 June 2011, the Articles of Association of the Company be and are hereby altered in the following manner and to the following extent:

(a) by deleting Article 11 in its entirety and replacing it with the following:

"11. Without prejudice to any special right previously conferred on the holders of any existing shares or class of shares but subject to the Companies Act and these Articles, shares in the Company may be issued by the Directors, and any such shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, provided always that no shares shall be issued at a discount except in accordance with the Companies Act. Subject to the Companies Act and to any special rights attached to any shares for the time being issued, the Directors may allot or grant options over or otherwise dispose of shares to such persons on such terms and conditions and for such consideration and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and the terms and manner of redemption being determined by the Directors, provided always that no shares shall be issued at a discount except in accordance with the Companies Act."

(b) by deleting Article 71 in its entirety.

BY ORDER OF THE BOARD

David Sydney Copperwaite
Chairman
3 June 2011

Notes:

1. A Preferred Shareholder of the Company entitled to attend and vote at the Preferred Shareholders Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Preferred Shareholder of the Company.
2. The instrument appointing a proxy must be lodged at the registered office of the Company at 4, Robinson Road, #05-01, Singapore 048543 not less than 48 hours before the time appointed for the Preferred Shareholders Meeting.

THE THAI PRIME FUND LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 198803033G)

PROXY FORM FOR TWENTY-THIRD ANNUAL GENERAL MEETING

I/We _____ (Name)
of _____ (Address)
being the **Shareholder(s)** of The Thai Prime Fund Limited (the "**Company**") hereby appoint the chairman of the meeting or any one director of the Company or the company secretary of the Company or (*delete as appropriate*)

Name	Address	NRIC/ Passport Number	Proportion of Shareholdings (%)
<i>and/or (delete as appropriate)</i>			

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the Twenty-Third Annual General Meeting of the Company to be held on Monday, 27 June 2011 at 4 Robinson Road #05-01 Singapore 048543 at 10.15 a.m. (or as soon thereafter as the Preferred Shareholders Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place shall have been concluded or adjourned) and at any adjournment thereof.

(Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the resolutions as set out in the Notice of Twenty-Third Annual General Meeting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the Twenty-Third Annual General Meeting).

No.	Resolutions relating to :	For	Against
1	Director's Report and Audited Financial Statements for the year ended 31 December 2010		
2	Re-election of Mr Er Kwong Wah as Director		
3	Re-appointment of Messrs KPMG LLP as Auditors		
4	Proposed Alterations to the Articles of Association		
5	Authority to Allot and Issue Shares		

Dated this _____ day of _____ 2011

No. of Shares:	
----------------	--

Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES ON THE REVERSE

Notes:

1. Please insert the total number of Shares you hold. If you have Shares registered in your name in the Register of Shareholders of the Company, you should insert that number of Shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A Shareholder entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote instead of him. Where a Shareholder wishes to appoint another person to be his proxy instead of the chairman of the meeting or any one director of the Company or the company secretary of the Company, he should delete the words "the chairman of the meeting or any one director of the Company or the company secretary of the Company" appearing in the instrument appointing a proxy or proxies. A proxy need not be a Shareholder.
3. Where a Shareholder appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. The instrument appointing a proxy or proxies must be lodged at the registered office of the Company at 4, Robinson Road, #05-01, Singapore 048543 not less than 48 hours before the time appointed for the Twenty-Third Annual General Meeting.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
6. A corporation which is a Shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Twenty-Third Annual General Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.

THE THAI PRIME FUND LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198803033G)

PROXY FORM FOR PREFERRED SHAREHOLDERS MEETING

I/We _____ (Name)
of _____ (Address)
being the holder(s) ("**Preferred Shareholder(s)**") of _____
preferred shares of U.S.\$0.01 nominal value each ("**Preferred Shares**") in the capital of The Thai Prime
Fund Limited (the "**Company**") hereby appoint the chairman of the meeting or any one director of the
Company or the company secretary of the Company or *(delete as appropriate)*

Name	Address	NRIC/ Passport Number	Proportion of Shareholdings (%)
<i>and/or (delete as appropriate)</i>			

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a
poll, at the Preferred Shareholders Meeting of the Company to be held on Monday, 27 June 2011 at 4
Robinson Road #05-01 Singapore 048543 at 10.00 a.m. and at any adjournment thereof.

(Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against
the resolution as set out in the Notice of Preferred Shareholders Meeting. In the absence of specific
directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter
arising at the Preferred Shareholders Meeting).

	For	Against
Special Resolution To approve the proposed alterations to the Articles of Association of the Company		

Dated this _____ day of _____ 2011

No. of Preferred Shares:

Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES ON THE REVERSE

Notes:

1. Please insert the total number of Preferred Shares you hold. If you have Preferred Shares registered in your name in the Register of Preferred Shareholders of the Company, you should insert that number of Preferred Shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Preferred Shares held by you.
2. A Preferred Shareholder entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote instead of him. Where a Shareholder wishes to appoint another person to be his proxy instead of the chairman of the meeting or any one director of the Company or the company secretary of the Company, he should delete the words "the chairman of the meeting or any one director of the Company or the company secretary of the Company" appearing in the instrument appointing a proxy or proxies. A proxy need not be a Preferred Shareholder.
3. Where a Preferred Shareholder appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. The instrument appointing a proxy or proxies must be lodged at the registered office of the Company at 4, Robinson Road, #05-01, Singapore 048543 not less than 48 hours before the time appointed for the Preferred Shareholders Meeting.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
6. A corporation which is a Preferred Shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Preferred Shareholders Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.