

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

CHINA NEW ECONOMY FUND LIMITED

中國新經濟投資有限公司

(Incorporated in the Cayman Islands as an exempted company with limited liability)

(Stock Code: 80)

APPOINTMENT OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER AND APPOINTMENT OF AUTHORIZED REPRESENTATIVE AND APPOINTMENT OF CHAIRMAN OF NOMINATION COMMITTEE

Reference is made to the announcement of China New Economy Fund Limited (the “Company”) dated 27 April 2015 in respect of, amongst other things, the changes of board members, an authorized representative and the chairman of the nomination committee due to the retirement of Mr. Craig Blaser Lindsay (“Mr. Lindsay”) and Mr. Doyle Ainsworth Dally (“Mr. Dally”) as directors (the “Director(s)”) of the Company with effect from the conclusion of the 2015 annual general meeting held on 28 May 2015 (“2015 AGM”).

APPOINTMENT OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The board of directors (the “Board”) of the Company is pleased to announce that, with effect from the conclusion of the 2015 AGM, Mr. Gu Xu (“Mr. Gu”), a current executive Director, be appointed to replace Mr. Lindsay as the Chairman of the Board and the Chief Executive Officer responsible for the provision of leadership to the Board and the Company’s business development and daily management generally.

Mr. Gu, aged 50, was appointed as executive Director of the Company since 25 November 2010. Mr. Gu completed a bachelor’s degree majoring in Economics from Shanghai University of Finance and Economics (上海財經大學) in 1986. He further received a master’s degree majoring in Economics from the same university in 1989 and a master’s degree majoring in Business Administration awarded jointly by Fudan University (復旦大學) and The University of Hong Kong in 2003. Mr. Gu has accumulated 19 years’ experience in asset management, investment and financial management in both financial conglomerate and private company. From October 2006 to May 2008, Mr. Gu was the president and partner of 上海格雷特投資管理有限公司 (Create Capital Co., Ltd.) and he was responsible for the management and investment decision making of a fund in the PRC. Since July 2009, Mr. Gu has been acting as the director of 河南農開投資基金管理有限責任公司 (Henan Agriculture Development Investment Fund Management Limited) and is responsible for the management and supervision of a fund named 河南農業開發產業投資基金 (Henan Agriculture Development Investment Fund). Since August 2010, Mr. Gu has been serving as the general manager of 上海宏華文化創業投資有限責任公司 (Shanghai Honghua Cultural Venture Investment Company Limited) (the “Honghua Fund”), a fund company targeting investment

in culture industry in China. He is also the general manager and director of the investment manager of the Honghua Fund. Mr. Gu is also the chairman of the board of 上海東晟投資管理有限公司 (Shanghai Dongsheng Investment Management Co., Ltd.).

Saved as disclosed above, Mr. Gu did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Gu does not have any relationships with any other Directors, senior management or substantial or controlling shareholders of the Company.

Mr. Gu has entered into a service contract with the Company and he is subject to retirement by rotation and is eligible for re-election at least once every three years at the annual general meeting of the Company in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong (the “Listing Rules”). Mr. Gu is entitled to receive a director’s fee of HK\$360,000 per annum, which is based on the recommendation of the Remuneration Committee of the Company and with reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market conditions.

As at the date of this announcement, Mr. Gu does not have any interest in shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”).

In respect of Mr. Gu’s appointment, there is no other information which is disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters relating to his appointment that needs to be brought to the attention of the shareholders of the Company.

APPOINTMENT OF AUTHORISED REPRESENTATIVE

The Board is pleased to announce that, with effect from the conclusion of the 2015 AGM, Mr. Chan Cheong Yee (“Mr. Chan”), a current executive Director, be appointed as an authorized representative of the Company pursuant to Rules 3.05 of the Listing Rules, to fully replace Mr. Lindsay for all the affairs that Mr. Lindsay was originally responsible for in relation to the listing of the Company on the Stock Exchange.

Mr. Chan, aged 51, was appointed as an executive Director since 1 June 2013. Mr. Chan is one of the responsible officers of China Everbright Securities (HK) Limited. Mr. Chan is currently a licensed person to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 3 (leveraged foreign exchange trading) and type 9 (asset management) regulated activities under the SFO. Mr. Chan obtained a Bachelor of Science degree from the College of Business Administration of The University of South Florida in the United States of America. Mr. Chan is experienced in dealing in securities, fund management, corporate management, corporate finance and managing listed investment companies under Chapter 21 of the Listing Rules.

Since June 2003, Mr. Chan joined China Innovation Investment Limited (1217.HK), an investment company listed on the Stock Exchange, as an executive director. Mr. Chan was appointed as an independent non-executive director of Bingo Group Holdings Limited (8220.HK), a company listed on the Growth Enterprise Market of the Stock Exchange, in August 2007, and was re-designated as an executive director of Bingo Group Holdings Limited in April 2009. Mr. Chan was appointed as an independent non-executive director of Agritrade Resources Limited (1131.HK), a company listed on the Stock Exchange, in June 2010. Mr. Chan was appointed as an executive director of China Investment and Finance Group Limited (1226.HK), an investment company listed on the Stock Exchange, in March 2011. Mr. Chan was appointed as an executive director of China Investment Development Limited (204.HK), an investment company listed on the Stock Exchange, in May 2012 and was appointed as an executive director of Capital VC Limited (2324. HK), an investment company listed on the Stock Exchange, in November 2012. Mr. Chan was appointed as an executive director of Alpha Returns Group PLC, an investment company listed on AIM of London Stock Exchange, in May 2013.

Saved as disclosed above, Mr. Chan did not hold any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Chan does not have any relationships with any other Directors, senior management or substantial or controlling shareholders of the Company.

Mr. Chan has entered into a service contract with the Company and he is subject to retirement by rotation and is eligible for re-election at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules. Mr. Chan is entitled to receive a director's fee of HK\$528,000 per annum (since 1 January 2015), which is based on the recommendation of the Remuneration Committee of the Company and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market conditions.

As at the date of this announcement, Mr. Chan does not have any interest in shares or underlying shares of the Company within the meaning of Part XV of the SFO.

In respect of Mr. Chan's appointment, there is no other information which is disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters concerning his appointment that needs to be brought to the attention of the shareholders of the Company.

APPOINTMENT OF CHAIRMAN OF NOMINATION COMMITTEE

The Board is pleased to announce that, with effect from the conclusion of the 2015 AGM, Mr. Faris Ibrahim Taha Ayoub ("Mr. Ayoub"), a current independent non-executive Director, is to be appointed to replace Mr. Dally as the chairman of the nomination committee of the Company.

Mr. Ayoub, aged 35, was appointed as an independent non-executive Director since 1 February 2014. He is a member of the audit committee, nomination committee and remuneration committee of the Company. Mr. Ayoub holds a Master of Arts (Hons) in Economics & Political Science from University of Edinburgh. He has over 13 years'

experience in financial advisory and investments. Mr. Ayoub was an executive director in global principal investments & trading division of JP Morgan, Hong Kong. Since March 2012, he became the Managing Director of Cassia Investments Limited, which is a consumer focused investment firm specializing in lower middle-market companies across Asia.

Saved as disclosed above, Mr. Ayoub did not hold any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Ayoub does not have any relationships with any other Directors, senior management or substantial or controlling shareholders of the Company.

Mr. Ayoub has entered into a service contract with the Company and he is subject to retirement by rotation and is eligible for re-election at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules. Mr. Ayoub is entitled to receive a director's fee of US\$15,000 per annum, which is based on the recommendation of the remuneration committee of the Company and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market conditions.

As at the date of this announcement, Mr. Ayoub does not have any interest in shares or underlying shares of the Company within the meaning of Part XV of the SFO.

In respect of Mr. Ayoub's appointment, there is no other information which is disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters concerning his appointment that needs to be brought to the attention of the shareholders of the Company.

By Order of the Board
China New Economy Fund Limited
Gu Xu

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 28 May 2015

As at the date of this announcement, the Board comprises Mr. GU Xu and Mr. CHAN Cheong Yee as executive Directors, Mr. LAM Chun Ho, Mr. Faris Ibrahim Taha AYOUB and Mr. HUANG Lianguai as independent non-executive Directors.