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CHINA NEW ECONOMY FUND LIMITED

中國新經濟投資有限公司

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

(Stock code: 80)

Resignation of Executive Director and Chief Executive Officer and Appointment of Chief Executive Officer

The Board announces that with effect from 31 July 2013:-

- (1) Mr. Wang Junyan has resigned as an Executive Director and Chief Executive Officer of the Company; and
- (2) Mr. Craig Blaser Lindsay, currently the Chairman of the Board, has been appointed as Chief Executive Officer of the Company.

RESIGNATION OF EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

The board of directors (the “Board”) of China New Economy Fund Limited (the “Company”) announces that Mr. Wang Junyan (“Mr. Wang”) has resigned as an Executive Director and Chief Executive Officer of the Company with effect from 31 July 2013 due to the increased commitment in his own business.

Mr. Wang has confirmed that he has no disagreement with the Board and there is no matter in relation to his resignation that needs to be brought to the attention of the shareholders of the Company.

The Board would like to express its gratitude to Mr. Wang for his valuable efforts and contributions to the Company during his tenure of office.

APPOINTMENT OF CHIEF EXECUTIVE OFFICER

Following the resignation of Mr. Wang as Chief Executive Officer of the Company, the Board is pleased to announce that Mr. Craig Blaser Lindsay, currently the Chairman of the Board, has been appointed as Chief Executive Officer of the Company with effect from 31 July 2013.

Mr. Craig Blaser Lindsay, aged 59, has been an Executive Director of the Company since 1 February 2010 and the Chairman of the Board since 28 July 2010. Mr. Lindsay is responsible for the management and formulation of the Company's overall investment objective and policies.

Mr. Lindsay graduated from the Bloomfield College in USA with a Bachelor of Arts degree in Accounting in 1976. He pursued further studies at the Rutgers University Graduate School of Business in USA and received his Master of Business Administration in Finance in 1979. Mr. Lindsay has 32 years' experience in the investment banking, proprietary trading and fund management industries. His expertise lies in areas of risk management, product accounting, financial reporting, regulatory and compliance and operations. From July 1980 to May 1996, Mr. Lindsay worked for Goldman, Sachs and Co. in areas of proprietary accounting and risk analysis, risk management, product accounting and risk analysis, government control and mortgage backed control, business analysis, risk management, product accounting and equities accounting. From June 1996 to December 2003, Mr. Lindsay served as an executive vice president and chief financial officer at Tokai Asia Limited (now known as UFJ Investments Asia Limited). From 2004 to 2006, Mr. Lindsay worked at Sattva Investment Advisors Limited as principal and chief financial officer.

Currently, Mr. Lindsay is the director of China Alpha II Fund Limited, CSI Event Fund Ltd (formerly known as China Alpha Focus Fund Ltd.), CITIC Securities Alpha Leaders Fund Limited and China Shanghai Investment Management Limited ("CSHIM"). He is also the director and chief operating officer of CITIC Securities International Fund Management Limited and the director of the CITIC Securities International Investment Management (HK) Limited, the investment manager of the Company (the "Investment Manager"). Mr. Lindsay has also been appointed as director of The American Club Hong Kong since 1 January 2011, CSI RMB Fund Limited since 18 April 2011, Next Horizon Company Limited since 22 July 2011 and Hong Kong Securities and Investment Institute since 7 December 2011. He is also a member of the HKTDC Financial Services Advisory Committee and Steering Committee of the Asian Financial Forum 2014 commencing on 1 April 2013. Mr. Lindsay is a licensed person for types 1, 4 and 9 regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO") and a responsible officer of each of the Investment Manager and CSHIM.

Saved as disclosed above, Mr. Lindsay does not hold any directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years preceding the date of this announcement or any other position with the Company and other members of the Group, other than being an Executive Director of the Company, or other major appointments and professional qualifications.

Mr. Lindsay has entered into a service contract with the Company under which he is not appointed for a specific term but is subject to retirement by rotation and re-election 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 Limited (the "Listing Rules"). Mr. Lindsay is not remunerated in fee for serving the office as director of the Company.

As at the date of this announcement, Mr. Lindsay does not have any interest in any shares or underlying shares of the Company within the meaning of Part XV of the SFO nor does he have any relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company, and there are no other matters relating to the appointment of Mr. Lindsay as Chief Executive Officer that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

By Order of the Board
China New Economy Fund Limited
Craig Blaser Lindsay
Chairman and Chief Executive Officer

Hong Kong, 31 July 2013

As at the date of this announcement, the Directors of the Company are Mr. LINDSAY Craig Blaser, Mr. GU Xu and Mr. CHAN Cheong Yee as executive directors, Mr. SIU Kam Chau, Professor XU Yangsheng and Mr. DALLY Doyle Ainsworth as independent non-executive directors.