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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)

RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY TWO SHARES HELD ON RECORD DATE

Underwriter to the Rights Issue



Trinity Finance Investment Limited

RIGHTS ISSUE

The Company proposes to raise approximately HK\$42.4 million, before expenses, by way of the rights issue of 151,500,000 Rights Shares to the Qualifying Shareholders at a subscription price of HK\$0.28 per Rights Share on the basis of one (1) Rights Share for every two (2) Shares held on the Record Date. The Company plans to use the net proceeds from the Rights Issue for investment in line with its ordinary course of business. To qualify for the Rights Issue, a Qualifying Shareholder's name must appear on the register of members of the Company on the Record Date. In order for their owners to be registered as members on the Record Date, any transfers of the Shares (with the relevant share certificates) must be lodged for registration by 4:30 p.m. on Monday, 25 August 2014.

GENERAL

The Rights Issue is fully underwritten by the Underwriter. As the Rights Issue would increase neither the issued share capital nor the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to Shareholders' approval under the Listing Rules.

The Prospectus Documents containing, among other things, further details of the Rights Issue are expected to be despatched by the Company to the Qualifying Shareholders on or before Friday, 29 August 2014 and the Prospectus will be despatched to the Non-Qualifying Shareholders for information only.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS

The Underwriting Agreement contains provisions granting the Underwriter a right to terminate its obligations under the Underwriting Agreement upon occurrence of certain events. The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. If this condition is not fulfilled, the Rights Issue will not proceed and a further announcement will be made by the Company at the relevant time.

Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or the Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the Rights Shares in their nil-paid form.

Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the Rights Shares in their nil-paid form up to the date on which all the conditions to which the Rights Issue is subject are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

RIGHTS ISSUE

Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) Shares held on the Record Date
Subscription Price	:	HK\$0.28 per Rights Share
Number of Shares in issue at the date of this announcement	:	303,000,000 Shares
Number of Rights Shares	:	151,500,000 Rights Shares (assuming no new Shares will be issued on or before the Record Date)
Underwriter	:	Trinity Finance Investment Limited
Enlarged issued share capital upon completion of the Rights Issue	:	454,500,000 Shares

The number of Rights Shares to be issued pursuant to the Rights Issue represents 50% of the issued share capital of the Company as at the date of this announcement and approximately 33.33% of enlarged issued share capital of the Company immediately following the completion of the Rights Issue.

As at the date of this announcement, the Company does not have any share options outstanding under any share option scheme of the Company or any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares.

Subscription Price

The Subscription Price is HK\$0.28 per Rights Share, payable in full upon acceptance under the PAL(s).

The Subscription Price represents:

- (i) a discount of approximately 36.36% to the closing price of HK\$0.44 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 34.88% to the average of the closing prices of approximately HK\$0.43 per Share as quoted on the Stock Exchange for the 5 consecutive trading days up to and including the Last Trading Day; and
- (iii) a discount of approximately 27.59% to the theoretical ex-rights price of approximately HK\$0.387 per Share as adjusted for the effect of the Rights Issue, based on the closing price of HK\$0.44 per Share as quoted on the Stock Exchange on the Last Trading Day.

The Subscription Price was arrived at after arm's length negotiation between the Company and the Underwriter with reference to, among others, the prevailing market price and trading liquidity of the Shares. The Directors consider that the discount to the prevailing market price would encourage the Shareholders to participate in the Rights Issue to maintain their shareholdings in the Company and to enjoy the potential growth of the Company. In view of the prevailing market conditions of the capital market in Hong Kong and the benefits of the Rights Issue, the Directors consider that the terms of the Rights Issue (including the Subscription Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Basis of provisional allotment

The Rights Shares will be allotted on the basis of one (1) Rights Share for every two (2) Shares held on the Record Date. Acceptances of all or any part of a Qualifying Shareholder's provisional allotment can be made only by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for by the Latest Acceptance Time.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully-paid, shall rank pari passu in all respects with the Shares then in issue, including as to the right to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment of the Rights Shares.

Fractional entitlements to the Rights Shares

The Company will not provisionally allot to and will not accept applications for any fractions of Rights Shares from Qualifying Shareholders. Fractional entitlements will be rounded down to the nearest whole number of Rights Shares. Such fractional entitlements will be aggregated and the fractions of Rights Shares shall be provisionally allotted to a nominee of the Company. The Company shall procure such of its nominees, if possible, to sell all the fractions of the nil-paid Rights Shares in the market and the net proceeds of such sales, after deduction of expenses, will be aggregated and an equivalent amount will accrue for the benefit of the Company.

Qualifying Shareholders

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company and not be a Non-Qualifying Shareholder at the close of business on the Record Date. Overseas Shareholders whose names appear on the register of members of the Company at the close of business on the Record Date whom the Company, based on legal opinions to be provided by legal advisers, considers necessary or expedient not to offer the Rights Shares on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place will not be regarded as Qualifying Shareholders.

Based on the register of members of the Company as at 11 August 2014, there is no Overseas Shareholder. Further information in this connection will be set out in the Prospectus to be despatched to the Shareholders.

In order to be registered as members of the Company at the close of business on the Record Date, beneficial owners must lodge any transfers of Shares (together with the relevant share certificates) with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 25 August 2014.

The Company will send the Prospectus Documents to the Qualifying Shareholders on or about Friday, 29 August 2014.

Non-Qualifying Shareholders

The Company will send the Prospectus only (without PAL) to the Non-Qualifying Shareholders, if any, for their information.

Arrangement will be made for Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold on the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence and before dealings in nil-paid Rights Shares end, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, of more than HK\$100 will be paid pro rata to the Non-Qualifying Shareholders. The Company will retain individual amounts of the HK\$100 or less for its own benefit. Any unsold entitlement of Non-Qualifying Shareholders, together with any Rights Shares provisionally allotted but not accepted, will be taken up by the Underwriter.

No application for excess Rights Shares

After arm's length negotiation with the Underwriters, the Board has decided that the Qualifying Shareholders will not be entitled to subscribe for any additional Rights Shares in excess of their respective assured entitlements. Given that each Qualifying Shareholder will be given equal and fair opportunity to participate in the Rights Issue, the Board considers that it will be burdensome to the Company to put in additional effort and costs to administer the excess application procedures. Any Rights Shares not taken up by the Qualifying Shareholders will be taken up by the Underwriter pursuant to the terms of the Underwriting Agreement.

Closure of register of members

The register of members of the Company will be closed from Tuesday, 26 August to Thursday, 28 August 2014 (both dates inclusive). No transfers of Shares will be registered during this period.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirement of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement dates of the dealings in the Rights Shares in both their nil-paid and fully-paid forms or such other dates as may be determined by HKSCC.

Dealing in the Rights Shares in both their nil-paid and fully-paid forms will be in the existing board lots of 100,000 Rights Shares. Dealing in the Rights Shares will be subject to the payment of the stamp duty and other applicable fees and charges in Hong Kong.

Certificates for the Rights Issue

Subject to the fulfillment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted on or before Wednesday, 24 September 2014 to those who have accepted and paid for the Rights Shares, by ordinary post at their own risk.

Conditions of the Rights Issue

The Rights Issue is conditional upon, among other things, the followings:

- (i) the passing of all necessary resolution(s) by the Board approving the Rights Issue and the transactions contemplated hereunder by no later than the Posting Date;

- (ii) the delivery to the Stock Exchange and registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) not later than the Posting Date and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong);
- (iii) the posting of the Prospectus Documents to Qualifying Shareholders on the Posting Date;
- (iv) the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in all the Rights Shares (in their nil-paid and fully-paid forms) by no later than the Posting Date;
- (v) compliance with and performance of all the undertakings and obligations of the Company under the Underwriting Agreement;
- (vi) the obligations of the Underwriter under the Underwriting Agreement becoming unconditional and that the Underwriting Agreement not being terminated in accordance with its terms;
- (vii) compliance with and performance of all undertakings and obligations of the Underwriter under the Underwriting Agreement; and
- (viii) there being no event occur prior to the Latest Time for Termination which would render the warranties of the Company untrue and incorrect.

No parties to the Underwriting Agreement are capable to waive any of the above conditions. If the above conditions is not satisfied by the Latest Time for Termination or such other date as the Underwriter and the Company may agree in writing, the Underwriting Agreement shall be terminated, and no parties to the Underwriting Agreement will have any claim against any other parties for costs, damages, compensation or otherwise (except certain expenses of the Underwriter shall remain payable by the Company under the Underwriting Agreement). The Rights Issue will not proceed accordingly.

UNDERWRITING ARRANGEMENT FOR THE RIGHTS ISSUE

Pursuant to the Underwriting Agreement, the Underwriter has agreed to fully underwrite 151,500,000 Right Shares under the Right Issue.

Commission

The Company will pay the Underwriter an underwriting commission of 2.5% of the aggregate subscription price of the Rights Shares underwritten by it. The Directors consider that the underwriting commission accords with market rates.

Termination of the Underwriting Agreement

The Underwriter may terminate the arrangements set out in the Underwriting Agreement by notice in writing given by it to the Company at any time prior to 4:00 p.m. on the Latest Time for Termination if there occurs:

- (i) in the absolute opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of the Underwriter materially or adversely affect the business or the financial or trading position or prospects of the Company or is materially adverse in the context of the Rights Issue; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets or the occurrence of any combination of circumstances which may, in the absolute opinion of the Underwriter materially or adversely affect the business or the financial or trading position or prospects of the Company or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (ii) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities or a combination of the above circumstances) occurs which in the absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (iii) there is any change in the circumstances of the Company which in the absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing, the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of the Company or the destruction of any material asset of the Company; or
- (iv) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (v) any other material adverse change in relation to the business or the financial or trading position or prospects of the Company whether or not ejusdem generis with any of the foregoing; or

- (vi) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus Documents, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Rights Issue; or
- (vii) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than thirty consecutive business days, excluding any suspension in connection with the clearance of this announcement (if necessary) or the Prospectus Documents or other announcements or circulars in connection with the Rights Issue; or
- (viii) there is: (a) any material breach of any of the representations, warranties or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or (b) any specified event described in the Underwriting Agreement comes to the knowledge of the Underwriter,

then Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

Upon the giving of notice of termination, all obligations of the Underwriter under the Underwriting Agreement shall cease and neither it nor the Company shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement provided that the Company shall remain liable to pay to the Underwriter the fees and expenses (other than the underwriting commission) payable by the Company pursuant to the Underwriting Agreement. If the Underwriter exercises such right, the Rights Issue will not proceed.

CHANGE IN THE SHAREHOLDING STRUCTURE OF THE COMPANY ARISING FROM THE RIGHTS ISSUE

The changes in the shareholding structure of the Company arising from the Rights Issue are as follows (assuming there being no other changes in shareholding of the Company):

	As at the date of this announcement		Immediately after completion of the Rights Issue (assuming no Rights Shares are subscribed by the Qualifying Shareholders)		Immediately after completion of the Rights Issue (assuming all Rights Shares are subscribed by the Qualifying Shareholders)	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Public Shareholders	303,000,000	100.0%	303,000,000	66.7%	454,500,000	100.0%
Underwriter (<i>Note</i>)	–	–	151,500,000	33.3%	–	–
Total	303,000,000	100.0%	454,500,000	100.0%	454,500,000	100.0%

Note: Pursuant to the Underwriting Agreement, the Underwriter shall not subscribe, for its own account, for such number of Untaken Shares which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to exceed 10% of the voting rights of the Company upon the completion of the Rights Issue; and shall use all reasonable endeavours to ensure that each of the subscribers or purchasers of the Untaken

Shares procured by it (i) will be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with the Company, any of the Directors, chief executive of the Company or substantial shareholders of the Company or their respective associates (as defined in the Listing Rules); and (ii) save for the Underwriter itself and its associates, will not, together with any party acting in concert (within the meaning of the Takeovers Code) with it, hold 5.0% or more of the voting rights of the Company upon completion of the Rights Issue

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is an investment company listed under Chapter 21 of the Listing Rules. The investment objective of the Company is to achieve long-term capital appreciation through investing globally in both private and publicly listed enterprises that have demonstrated the ability to manufacture a product or deliver a service that is supported by the economies of mainland China, Hong Kong, Macau and Taiwan.

The gross proceeds and the estimated net proceeds of the Rights Issue will be approximately HK\$42.4 million and HK\$41.1 million respectively. The Company intends to apply such net proceeds from the Rights Issue for investment in line with its ordinary course of business. The net price per Rights Share shall be approximately HK\$0.27.

The Board considers that the Rights Issue will increase the capital base of the Company and give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company. Hence, the Board considers that fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past 12 months immediately preceding the date of this announcement.

TENTATIVE TIMETABLE

2014

Last day of dealings in Shares on a cum-rights basis	Thursday, 21 August
First day of dealings in Shares on an ex-rights basis	Friday, 22 August
Latest time for Shareholders to lodge transfer of Shares to qualify for the Rights Issue	4:30 p.m. on Monday, 25 August
Closure of register of members (both days inclusive)	Tuesday, 26 August to Thursday, 28 August
Record Date for determining entitlements to the Rights Issue	Thursday, 28 August
Register of members re-opens	Friday, 29 August
Despatch of Prospectus Documents	Friday, 29 August
First day of dealings in nil-paid Rights Shares	9:00 a.m. on Tuesday, 2 September
Latest time for splitting nil-paid Rights Shares	4:00 p.m. on Thursday, 4 September
Last day of dealing in nil-paid Rights Shares	4:00 p.m. on Wednesday, 10 September

Latest time for acceptance of and payment for the Rights Shares	4:00 p.m. on Monday, 15 September
Latest time for terminate the Underwriting Agreement and for the Rights Issue to become unconditional	4:00 p.m. on Wednesday, 17 September
Announcement of results of the Rights Issue	Tuesday, 23 September
Despatch of certificates for fully paid Rights Shares on or before	Wednesday, 24 September
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Thursday, 25 September

Dates or deadlines specified in this announcement are indicative only and may be varied by agreement between the Company and the Underwriter. Any consequential changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND NIL-PAID RIGHTS SHARES

The Shares will be dealt in on an ex-rights basis from Friday, 22 August 2014. Dealings in the Rights Shares in the nil-paid form will take place from Tuesday, 2 September 2014 to Wednesday, 10 September 2014 (both dates inclusive). If the conditions of the Rights Issue are not fulfilled or the Underwriting Agreement is terminated, the Rights Issue will not proceed.

Any Shareholders or other persons contemplating selling or purchasing Shares and/or Rights Shares in their nil-paid form who are in any doubt about their position are recommended to consult their professional advisers. Any Shareholders or other persons dealing in Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases) and any persons dealing in the nil-paid Rights Shares during the period from Tuesday, 2 September 2014 to Wednesday, 10 September 2014 (both dates inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed.

GENERAL

As the Rights Issue would not increase either the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not required by the Listing Rules to be approved by the Shareholders in a general meeting.

The Prospectus Documents containing, among other things, further details of the Rights Issue is expected to be despatched by the Company to Qualifying Shareholders on or before Friday, 29 August 2014, and the Prospectus will be despatched to the Non-Qualifying Shareholders for information only.

Trinity Finance Investment Limited is a licensed corporation to carry out Type 1 (dealing in securities) regulated activity under the SFO. To the best of the Directors' knowledge, information and belief, the Underwriter and its ultimate beneficial owner(s) are independent third parties not connected with the Company and its connected persons within the meaning of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings, unless the context requires otherwise:

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	China New Economy Fund Limited (stock code: 80), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Last Trading Day”	12 August 2014, being the date of the Underwriting Agreement
“Latest Acceptance Time”	4:00 p.m. on Monday, 15 September 2014 (or such other time or date as the Underwriter may agree in writing with the Company), being the latest date for acceptance of, and payment of, Rights Shares
“Latest Time for Termination”	4:00 p.m. on Wednesday, 17 September 2014, being the second Business Day following the Latest Acceptance Time or such later time and/or date as the Company and the Underwriter may agree, being the latest time to terminate the Underwriting Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) in respect of whom the Directors, based on legal opinions provided by legal advisers, consider it necessary or expedient not to offer the Rights Issue to such Overseas Shareholder(s) on account either of restrictions under the laws of the relevant place or the requirements of a relevant regulatory body or stock exchange in that place
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is/are in a place(s) outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be issued in connection with the Rights Issue
“Posting Date”	Friday, 29 August 2014, or such other day as may be agreed between the Company and the Underwriter, being the date of despatch of the Prospectus Documents
“Prospectus”	the prospectus to be issued by the Company in relation to the Rights Issue
“Prospectus Documents”	the Prospectus and PAL
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholders, whose name(s) appear on the register of members of the Company at the close of business on the Record Date
“Record Date”	Thursday, 28 August 2014 or such other date as the Underwriter may agree in writing with the Company as the date by reference to which entitlements to the Rights Issue are expected to be determined
“Rights Issue”	the issue of the Rights Shares by way of rights to the Qualifying Shareholders for subscription on the terms to be set out in the Prospectus Documents and summarized herein
“Rights Share(s)”	151,500,000 new Shares to be offered to the Qualifying Shareholders for subscription on the basis of one (1) Rights Share for every two (2) Shares held at the Record Date pursuant to Rights Issue
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company

“Shareholder(s)”	holder(s) of issued share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.28 per Rights Share
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Underwriter”	Trinity Finance Investment Limited, a corporation licensed to carry out Type 1 (dealing in securities) regulated activity under the SFO
“Underwriting Agreement”	the underwriting agreement dated 12 August 2014 entered into between the Company and the Underwriter in relation to the underwriting and certain other arrangements in respect of the Rights Issue
“%”	percentage

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

Hong Kong, 12 August 2014

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, Mr. DALLY Doyle Ainsworth and Mr. AYOUB Faris Ibrahim Taha as independent non-executive directors.