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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)

Resignation of Independent Non-Executive Director and Appointment of Independent Non-Executive Directors

The Board announces that with effect from 1 October 2013:–

- (1) Professor Xu Yangsheng has resigned as an Independent Non-Executive Director of the Company; and
- (2) Mr. Arthur James Kay Stubbs and Mr. Tai Man Hin Tony have been appointed as Independent Non-Executive Directors of the Company.

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The board of directors (the “Board”) of China New Economy Fund Limited (the “Company”) announces that Professor Xu Yangsheng (“Prof. Xu”) has resigned as an Independent Non-Executive Director of the Company with effect from 1 October 2013 due to increasing personal commitments.

Prof. Xu 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 Prof. Xu for his valuable efforts and contributions to the Company during his tenure of office.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Following the resignation of Prof. Xu as Independent Non-Executive Director of the Company, the Board is pleased to announce that Mr. Arthur James Kay Stubbs (“Mr. Stubbs”) and Mr. Tai Man Hin Tony (“Mr. Tai”) have been appointed as Independent Non-Executive Directors of the Company with effect from 1 October 2013.

Biographical details of Mr. Arthur James Kay Stubbs

Mr. Arthur James Kay Stubbs, aged 48, holds a Master of Arts (Politics) from University of Auckland awarded in 1990. He has extensive international banking and finance experience. In 2007, he was appointed as the Chief Executive Officer of Hanover Group (“Hanover”), New Zealand’s largest privately owned financial services group. Prior to joining Hanover, Mr. Stubbs spent ten years with Goldman Sachs in London and Hong Kong including five years as Head of Prime Brokerage Sales, Asia (ex. Japan). Mr. Stubbs has also held roles in NatWest Markets London and New Zealand. He obtained a Certificate in Investment Analysis issued by the New Zealand Society of Investment Analysts. In addition, Mr. Stubbs has undertaken extensive training in investments and securities including the General Securities Representative Exam.

Mr. Stubbs is currently the Chief Executive Officer for Tower Investments, one of New Zealand’s largest asset managers. He is also a director of China Alpha II Fund Limited, CITIC Securities Alpha Leaders Fund Limited and CSI RMB Fund Ltd, which are Cayman Islands incorporated open-ended hedge funds.

Mr. Stubbs has entered into a service contract with the Company for an initial term of three years and is subject to retirement by rotation and re-election at the forthcoming 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. Stubbs will be entitled to receive a director’s fee of US\$15,000 per annum which is determined with reference to his duties and responsibilities and the prevailing market conditions.

As at the date of this announcement, Mr. Stubbs does not have any interest in any shares or underlying shares of the Company pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”). He does not have any relationships with any directors, senior management or substantial shareholders or controlling shareholders of the Company.

Saved as disclosed above, Mr. Stubbs has not held any directorship in any other public companies which are listed in Hong Kong or overseas in the last three years preceding the date of this announcement. There is no other information which is discloseable 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 the appointment of Mr. Stubbs that need to be brought to the attention of the shareholders of the Company or such information required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v).

Biographical details of Mr. Tai Man Hin Tony

Mr. Tai Man Hin Tony, aged 36, holds a Master of Business Administration degree from University of Manchester, United Kingdom awarded in 2012 as well as a Bachelor of Business Administration degree in Accounting from the Hong Kong University of Science and Technology awarded in 1999. He has over 10 years of experience in accounting and commercial field. He had worked for various multinational companies such as American International Assurance, Olympus Hong Kong & China Limited and Hong Kong CSL Limited. He is an associate member of each of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales and a fellow member of the Association of Chartered Certified Accountants.

Mr. Tai is currently the financial controller and the company secretary of Sunley Holdings Limited (Stock code: 1240) (“Sunley”), a company listed on The Stock Exchange of Hong Kong Limited, responsible for overseeing accounting activities of Sunley and its subsidiaries. He is also the company secretary of Zhongtian International Limited (Stock code: 2379), a company listed on The Stock Exchange of Hong Kong Limited. Mr. Tai is also an independent non-executive director of Finsoft Corporation (Stock code: 8018), a company listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

Mr. Tai has entered into a service contract with the Company for an initial term of three years and is subject to retirement by rotation and re-election at the forthcoming annual general meeting of the Company in accordance with the Listing Rules. Mr. Tai will be entitled to receive a director’s fee of US\$15,000 per annum which is determined with reference to his duties and responsibilities and the prevailing market conditions.

As at the date of this announcement, Mr. Tai does not have any interest in any shares or underlying shares of the Company pursuant to Part XV of the SFO. He does not have any relationships with any directors, senior management or substantial shareholders or controlling shareholders of the Company.

Saved as disclosed above, Mr. Tai has not held any directorship in any other public companies which are listed in Hong Kong or overseas in the last three years preceding the date of this announcement. There is no other information which is discloseable 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 the appointment of Mr. Tai that need to be brought to the attention of the shareholders of the Company or such information required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v).

The Board would like to welcome Mr. Stubbs and Mr. Tai for joining as members of the Board.

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

Hong Kong, 1 October 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, Mr. DALLY Doyle Ainsworth, Mr. Arthur James Kay STUBBS and Mr. TAI Man Hin Tony as independent non-executive directors.