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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 and Appointment of Independent Non-executive Directors

The Board announces that with effect from 22 October 2014:–

- (1) Mr. Siu Kam Chau has resigned as an independent non-executive director, chairman of the audit committee and the remuneration committee as well as member of the nomination committee of the Company; and
- (2) Mr. Lam Chun Ho has been appointed as an independent non-executive director, chairman of the audit committee and the remuneration committee as well as member of the nomination committee 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 Mr. Siu Kam Chau (“Mr. Siu”) has resigned as an independent non-executive director, the chairman of the audit committee and the remuneration committee as well as member of the nomination committee of the Company with effect from 22 October 2014 due to pursuance of his own business.

Mr. Siu 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. Siu for his valuable efforts and contributions to the Company during his tenure of office.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

Following the resignation of Mr. Siu as an independent non-executive director of the Company, the Board is pleased to announce that Mr. Lam Chun Ho (“Mr. Lam”) has been appointed as an independent non-executive director, the chairman of the audit committee and the remuneration committee as well as the member of the nomination committee of the Company with effect from 22 October 2014.

Mr. Lam Chun Ho, aged 32, graduated from Hong Kong Baptist University with a bachelor degree of Business Administration in Accounting. Mr. Lam is an associate member of the Hong Kong Institute of Certificate Public Accountants and he has over 8 years' experience in the field of auditing, financial reporting and financial management. Mr. Lam is currently a manager of a local corporate service company.

Mr. Lam has entered into a service contract with the Company for an initial term of three years which 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 Lam is entitled to receive a director's fee of US\$15,000 per annum which is determined by the Board or its delegated committee with reference to his duties and responsibilities as well as the prevailing market conditions.

As at the date of this announcement, Mr. Lam 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). He does not have any relationship with any directors or senior management or substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, Mr. Lam 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. Lam that need to be brought to the attention of the shareholders of the Company.

The Board would like to welcome Mr. Lam for joining as a member of the Board.

By Order of the Board
China New Economy Fund Limited
Craig Blaser Lindsay

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 22 October 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. DALLY Doyle Ainsworth, Mr. AYOUB Faris Ibrahim Taha and Mr. LAM Chun Ho as independent non-executive directors.