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## **CHINA NEW ECONOMY FUND LIMITED**

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

**(Stock Code: 80)**

### **PROFIT WARNING**

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform its shareholders and potential investors that the Company is expected to record a loss for the year ended 31 December 2011.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made by China New Economy Fund Limited (the “Company”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The Company is an investment holding company which primarily invests globally in both private and public 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 Board of Directors of the Company (the “Board”) wishes to inform its shareholders and potential investors that the Company is expected to record a loss for the year ended 31 December 2011. The expected loss is mainly attributable to unrealized fair value losses on financial assets at fair value through profit or loss.

The information contained in this announcement is based on the preliminary review on the management accounts of the Company which have not been audited by the Company’s auditor.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Craig Blaser Lindsay**  
*Chairman*

Hong Kong, 9 January 2012

*The directors of the Company as at the date of this announcement are Mr. WANG Junyan, Mr. LINDSAY Craig Blaser and Mr. GU Xu as executive directors, Mr. SIU Kam Chau, Professor XU Yangsheng and Mr. DALLY Doyle Ainsworth as independent non-executive directors.*