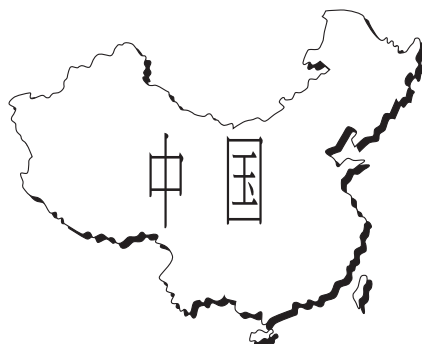


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THE CHINA FUND

(An exempted company incorporated in the Cayman Islands with limited liability)
(Stock Code: 215)

ANNOUNCEMENT

At the Extraordinary General Meeting ("EGM") of the Company held on 30 December 2004, the shareholders of the Company ("Shareholders") approved the voluntary winding-up of the Company, and the appointment of Deloitte. (Cayman Islands) as liquidator of the Company.

The last day of trading of the Shares on the SEHK is 3 January 2005 and the withdrawal of listing of the Shares on the SEHK will take place on 6 January 2005.

Reference is made to the announcement and the circular both dated 26 November 2004 issued by the Company concerning the proposed voluntary winding-up of the Company. Shareholders were informed that the Company had made an application to the SEHK to withdraw the listing of its Shares on the SEHK and that the SEHK had granted its conditional approval for such proposal, subject only to the Shareholders approving the same.

An EGM of the Company was convened on 30 December 2004 at which the Shareholders duly passed, by the requisite majority, a special resolution to approve the voluntary winding-up of the Company, the appointment of Deloitte. (Cayman Islands) as liquidator of the Company. An ordinary resolution was also passed at the EGM to the effect that Deloitte. (Cayman Islands) as the liquidator, is authorized to divide amongst the Shareholders in specie or in kind the whole or any part of the assets of the Company, to set such value as he deems fair upon any property to be so divided, to determine how such division shall be carried out as between the different classes of Shareholders, and to vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Shareholders as he thinks fit.

The last day of trading of Shares on the SEHK is 3 January 2005.

The withdrawal of listing of the Shares on the SEHK shall take place on 6 January 2005.

The liquidation process is expected to be completed between 3 to 5 months from the date of the EGM and Shareholders will not receive their entire proceeds from the liquidation until the liquidation has been completed.

Shareholders may no longer subscribe for or request transfer or repurchase of Shares as the Company is in liquidation. The Shares will be withdrawn from the listing on the SEHK and application will be made for the authorization by the Securities and Futures Commission of Hong Kong pursuant to section 104 of the Securities and Futures Ordinance to be revoked.

The Directors accept responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge and belief, all opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

By Order of the Board
Fortis Prime Fund Solutions (Asia) Limited
(Formerly known as Fortis Fund Services (Asia) Limited)
Assistant Secretary

31 December 2004

The directors of the Company as at the date of this announcement are as follows:

Michael J. Shelley*, Jimmy Kwok Wing Pun*, Glyn A. Owen*, Diane Seymour-Williams and Choy Peng Wah

(* *Independent Non-Executive Directors*)

Please also refer to the published version of this announcement in SCMP-Classified.