

China New Economy Fund Limited 中國新經濟投資有限公司

Stock Code 股份代號 : 80

2012

Interim
Report
中期報告

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Craig Blaser Lindsay (*Chairman*)
Mr. Wang Junyan (*Chief Executive Officer*)
Mr. Gu Xu

Independent Non-Executive Directors

Mr. Siu Kam Chau
Professor Xu Yangsheng
Mr. Doyle Ainsworth Dally

AUDIT COMMITTEE

Mr. Siu Kam Chau (*Chairman*)
Professor Xu Yangsheng
Mr. Doyle Ainsworth Dally

REMUNERATION COMMITTEE

Mr. Siu Kam Chau (*Chairman*)
Professor Xu Yangsheng
Mr. Doyle Ainsworth Dally

NOMINATION COMMITTEE

Mr. Doyle Ainsworth Dally (*Chairman*)
Mr. Siu Kam Chau
Professor Xu Yangsheng

COMPANY SECRETARY

Mr. Wong Sze Wai Winston (*FCCA*)

INVESTMENT MANAGER

CITIC Securities International
Investment Management (HK) Limited
17/F, Chuang's Tower
30-32 Connaught Road Central
Central
Hong Kong

CUSTODIAN

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

ADMINISTRATOR

HSBC Trustee (Cayman) Limited
P.O. Box 484, HSBC House
68 West Bay Road
Grand Cayman KY1-1106
Cayman Islands

董事會

執行董事

Craig Blaser Lindsay 先生 (*主席*)
王俊彥先生 (*行政總裁*)
顧旭先生

獨立非執行董事

蕭錦秋先生
徐揚生教授
Doyle Ainsworth Dally 先生

審核委員會

蕭錦秋先生 (*主席*)
徐揚生教授
Doyle Ainsworth Dally 先生

薪酬委員會

蕭錦秋先生 (*主席*)
徐揚生教授
Doyle Ainsworth Dally 先生

提名委員會

Doyle Ainsworth Dally 先生 (*主席*)
蕭錦秋先生
徐揚生教授

公司秘書

黃詩偉先生 (*FCCA*)

投資管理人

中信證券國際投資管理(香港)有限公司
香港
中環
干諾道中 30-32 號
莊士大廈 17 樓

託管人

滙豐機構信託服務(亞洲)有限公司
香港
皇后大道中 1 號

行政管理人

HSBC Trustee (Cayman) Limited
P.O. Box 484, HSBC House
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Grand Cayman KY1-1106
Cayman Islands

REGISTERED OFFICE

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17/F, Chuang's Tower
30-32 Connaught Road Central
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COMPLIANCE ADVISER

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AUDITORS

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Certified Public Accountants
22/F CITIC Tower
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HONG KONG SHARE REGISTRAR

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LEGAL ADVISERS**as to Cayman Islands Law:**

Maples and Calder
P.O. Box 309
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George Town, Grand Cayman KY1-1104
Cayman Islands

as to Hong Kong Law:

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WEBSITE

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註冊辦事處

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South Church Street, George Town
Grand Cayman KY1-1104
Cayman Islands

本公司於香港主要營業地點及總部

香港
中環
干諾道中 30-32 號
莊士大廈 17 樓

合規顧問

中國光大融資有限公司
香港
夏愨道 16 號
遠東金融中心 17 樓

核數師

安永會計師事務所
執業會計師
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香港證券登記處

香港中央證券登記有限公司
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法律顧問**開曼群島法律：**

Maples and Calder
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www.chinaneweconomyfund.com

Management Discussion and Analysis

管理層討論與分析

On behalf of the board of directors (the “Directors” or the “Board”) of China New Economy Fund Limited (the “Company”), I present to you the Company’s interim results for the six months ended 30 June 2012 (the “Period”).

The Company is a closed-ended investment company established on 1 February 2010. By investing globally in both private and public enterprises supported by the new economies of Greater China, the Company is devoted to achieving long-term capital appreciation for professional investors.

INVESTMENT REVIEW

Following the successful listing (the “Listing”) of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 6 January 2011 (the “Listing Date”), the Company held eleven investments in listed companies on 30 June 2012. The largest sector held by the Company is information technology in Mainland China.

The net asset value of the Company increased during the six months ended 30 June 2012 amid the decline of the global and China markets in the first half of the year. As at 30 June 2012, the Company reported an unaudited net asset value of approximately HK\$0.80 per share. The upswing is due to unrealized mark to market valuation and realized gains taken on the investment positions in the portfolio.

本人謹代表中國新經濟投資有限公司(「本公司」)董事會(「董事」或「董事會」)欣然向股東提呈本公司截至2012年6月30日止六個月(「本期間」)之中期業績。

本公司為一家於2010年2月1日成立的封閉式投資公司。透過投資全球獲大中華地區新經濟支持的私人及公眾企業，本公司致力於為專業投資者取得長期資本增值。

投資回顧

繼本公司於2011年1月6日(「上市日期」)在香港聯合交易所有限公司(「聯交所」)主板成功上市(「上市」)後，本公司於2012年6月30日持有十一項上市公司投資，其中本公司持有之最大一項為專注於中國大陸的資訊科技。

在本年度上半年全球及中國市場下滑背景下，本公司資產淨值於截至2012年6月30日止六個月有所增加。於2012年6月30日，本公司錄得未經審核資產淨值約每股0.80港元。上漲乃由於組合中的投資持倉產生未變現按市值計價的價值及變現收益所致。

Over the past six months, there has been a clear sign of economic slowdown in China, resulting in a moderation of inflation which was an issue in 2011. In addition, there have been indications of loosening monetary policy in China which includes reduction of interest rates and increased liquidity in the banking system.

The Company remains Greater China focused and will continue to approach the markets very conservatively. In May 2012, China's State Council issued a "Decision on Accelerating the Fostering and Development of Emerging Industries" (the "Decision"), outlining clearly a series of policies in support of seven emerging industries which include energy-saving and environmental protection, next generation information technology, bio-technology, advanced equipment manufacturing, new energy, new materials and new-energy vehicles.

These seven strategic sector accounts for approximately 3 percent of GDP at the end of 2010, and the Chinese government aims to generate 8 percent of GDP in 2015 and 15 percent by 2020 from the seven strategic industries. The Company will capitalize on the forthcoming growth opportunities by taking a long term view to investment strategy both in the public and private equity markets.

在過去六個月，中國經濟明顯下滑，造成2011年輕度通貨膨脹。另外，有跡象表明中國正放寬貨幣政策，其中包括調低利率及增加銀行系統的流動性。

本公司仍關注大中華市場，並將繼續以非常謹慎的態度涉足有關市場。於2012年5月，中國國務院頒佈《關於加快培育和發展戰略性新興產業的決定》（「該決定」），明確概述了支持七大新興產業的一系列政策，該等新興產業包括節能與環保、新一代信息技術、生物技術、先進裝備製造業、新能源、新材料和新能源汽車。

該七大戰略性產業於2010年底佔國內生產總值約3%，且中國政府訂立目標，到2015年，該七大戰略性產業佔國內生產總值的比重達到8%，到2020年達15%，本公司將利用即將到來的發展機遇，對公共及私募股權市場採取長期投資策略。

Management Discussion and Analysis

管理層討論與分析

Details of the Company's financial assets at fair value through profit or loss are as follows:

本公司按公平值透過損益列賬之金融資產詳情載述如下：

At 30 June 2012

於2012年6月30日

Listed equity securities – Hong Kong

上市權益證券－香港

Name of investee 所投資公司名稱	Place of incorporation 註冊成立地點	Particular of issued shares held 所持已發行股份詳情	Proportion of investee's capital owned 擁有所投資公司資本比例	Cost 成本	Market value 市值	Unrealized gain/(loss) recognized during the Period 期內確認之未變現收益/(虧損)	Net asset attributable to the Company 本公司應佔資產淨值 (Note 1) (附註1)	Dividend received/receivable during the Period 期內已收/應收股息 (Note 2) (附註2)	% of net assets of the Company 本公司資產淨值百分比
EPRO Limited (note a) 易寶有限公司 (附註a)	The Cayman Islands 開曼群島	33,000,000 ordinary shares of HK\$0.01 each 33,000,000股每股0.01港元之普通股	0.62%	24,750	25,740	990	HK\$1.63 million 1,630,000港元	-	10.56
Lenovo Group Limited (note b) 聯想集團有限公司 (附註b)	Hong Kong 香港	2,500,000 ordinary shares of HK\$0.025 each 2,500,000股每股0.025港元之普通股	0.02%	16,716	16,325	(391)	US\$0.50 million 500,000美元	-	6.70
HKT Trust and HKT Limited (note c) 香港電訊信託與香港電訊有限公司 (附註c)	Hong Kong 香港	2,500,000 ordinary shares of HK\$0.0005 each 2,500,000股每股0.0005港元之普通股	0.04%	13,106	15,175	2,045	HK\$12.53 million 12,530,000港元	50	6.23

Management Discussion and Analysis

管理層討論與分析

Name of investee 所投資公司名稱	Place of incorporation 註冊成立地點	Particular of issued shares held 所持已發行股份詳情	Proportion of investee's capital owned 擁有所投資公司資本比例	Cost 成本	Market value 市值	Unrealized gain/(loss) recognized during the Period 期內確認之未變現收益/(虧損)	Net asset attributable to the Company 本公司應佔資產淨值 (Note 1) (附註1)	Dividend received/receivable during the Period 期內已收/應收股息 (Note 2) (附註2)	% of net assets of the Company 本公司資產淨值百分比
China Mobile Limited (note d) 中國移動有限公司 (附註d)	Hong Kong 香港	150,000 ordinary shares of HK\$0.1 each 150,000股每股0.1港元之普通股	0.0007%	11,795	12,713	918	RMB4.54 million 人民幣 4,540,000元	-	5.22
Dongjiang Environment Company Limited (note e) 東江環保股份有限公司 (附註e)	The People's Republic of China 中華人民共和國	306,900 H shares of RMB1.00 each 306,900股每股人民幣1.00元之H股	0.20%	7,886	9,974	2,455	RMB4.20 million 人民幣 4,200,000元	-	4.09
Beijing Enterprises Holdings Limited (note f) 北京控股有限公司 (附註f)	Hong Kong 香港	120,000 ordinary shares of HK\$0.1 each 120,000股每股0.1港元之普通股	0.01%	5,510	5,556	46	HK\$3.76 million 3,760,000 港元	54	2.28

Management Discussion and Analysis

管理層討論與分析

American Depositary Shares (“ADS”) – The United States 美國存託股份(「美國存託股份」)—美國

Name of investee 所投資公司名稱	Place of incorporation 註冊成立地點	Number of ADS held 所持美國存託股份數目	Proportion of investee's capital owned 擁有所投資公司資本比例	Cost 成本	Market value 市值	Unrealized gain/(loss) recognized during the Period 期內確認之未變現收益/(虧損)	Net asset attributable to the Company 本公司應佔資產淨值	Dividend received/receivable during the Period 期內已收/應收股息	% of net assets of the Company 本公司資產淨值百分比
						(Note 1) (附註1)	(Note 2) (附註2)		
				HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元		HK\$'000 千港元	
Renren Inc. (note g) 人人公司 (附註g)	The Cayman Islands 開曼群島	500,000	0.13%	54,390	17,529	3,658	US\$1.51 million 1,510,000 美元	-	7.19
NetEase, Inc. (note h) 網易公司 (附註h)	The Cayman Islands 開曼群島	26,000	0.02%	11,672	11,859	187	RMB2.83 million 2,830,000 元 人民幣	-	4.87
Baidu Inc. (note i) 百度公司 (附註i)	The Cayman Islands 開曼群島	8,000	0.002%	7,422	7,134	(288)	RMB0.40 million 400,000 元 人民幣	-	2.93

Listed debt securities – Singapore

上市債務證券 – 新加坡

Name of issuer 所投資公司名稱	Place of incorporation 註冊成立地點	Quantity 數量	Cost 成本	Market value 市值	Unrealized gain/(loss) recognized during the Period 期內確認之未變現收益/(虧損) (Note 1) (附註1)	Yield per annum 年回報率 (%)	Maturity date 到期日	Interest received/acrued during the Period 期內已收/應計利息	% of net assets of the Company 本公司資產淨值百分比
			HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元			HK\$'000 千港元	
China WindPower Group Limited (note j) 中國風電集團有限公司 (附註j)	Bermuda 百慕達	9,800,000	10,396	10,270	(126)	6.375	4 April 2014 2014年 4月4日	100	4.21
Hero Asia Investment Limited (A wholly-owned subsidiary of China Longyuan Power Group Corporation Limited) (note k) 雄亞投資有限公司 (為龍源電力集團股份有限公司的全資附屬公司) (附註k)	The People's Republic of China 中華人民共和國	5,000,000	6,094	6,013	(81)	4.5 21	December 2013 2013年 12月21日	27	2.47

Management Discussion and Analysis

管理層討論與分析

At 31 December 2011

於 2011 年 12 月 31 日

Listed equity securities – Hong Kong

上市權益證券 – 香港

Name of investee 所投資 公司名稱	Place of incorporation 註冊 成立地點	Particular of issued shares held 所持已發行 股份詳情	Proportion of investee's capital owned 擁有所投資 公司資本比例	Cost 成本	Unrealized gain/(loss) recognized during the year ended 31 December 2011 截至 2011 年 12 月 31 日止 年度確認 之未變現 收益/(虧損) (Note 1) (附註 1)		Dividend received/receivable during the year ended 31 December 2011 截至 2011 年 12 月 31 日止 年度已收/ 應收股息	% of net assets of the Company 本公司 資產淨值 百分比	
					Market value 市值	Net asset attributable to the Company 本公司應佔 資產淨值 (Note 2) (附註 2)			
				HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元		
Dongjiang Environment Company Limited 東江環保股份有限公司	The People's Republic of China 中華人民共和國	306,900 H shares of RMB1.00 each 306,900 股每股 人民幣 1.00 元之 H 股	0.24%	7,886	7,519	(367)	RMB2.27 million 人民幣 2,270,000 元	-	3.15
HKT Trust and HKT Limited 香港電訊信託與 香港電訊有限公司	Hong Kong 香港	1,200,000 ordinary shares of HK\$0.0005 each 1,200,000 股每股 0.0005 港元之普通股	0.019%	5,436	5,460	24	HK\$5.84 million 5,840,000 港元	-	2.29

ADS – The United States

美國存託股份 – 美國

Name of investee 所投資 公司名稱	Place of incorporation 註冊 成立地點	Number of ADS held 所持美國 存託股份數目	Proportion of investee's capital owned 擁有所投資 公司資本比例	Cost 成本	Unrealized gain/(loss) recognized during the year ended 31 December 2011 截至2011年 12月31日止 年度確認 之未變現 收益/(虧損) (Note 1) (附註1)		Net asset attributable to the Company 本公司應佔 資產淨值 (Note 2) (附註2)	Dividend received/receivable during the year ended 31 December 2011 截至2011年 12月31日止 年度已收/ 應收股息	% of net assets of the Company 本公司 資產淨值 百分比
					Market value 市值	Market value 市值			
Renren Inc. 人人公司	The Cayman Islands 開曼群島	500,000	0.13%	54,390	13,871	(40,519)	US\$1.57 million 1,570,000 美元	-	5.82

Notes:

附註：

- (1) The unrealized gain/(loss) recognized during the Period/year ended 31 December 2011 represented the changes in fair value of the respective investments during the Period/year ended 31 December 2011.
- (1) 期內/截至2011年12月31日止年度確認之未變現收益/(虧損)指於期內/截至2011年12月31日止年度投資之公平值變動。
- (2) The calculation of net assets attributable to the Company is based on the latest published quarterly/interim reports or annual report of the respective investments as at the latest practicable date of this report.
- (2) 本公司應佔資產淨值乃根據各項投資於本報告之最後實際可行日期所刊發之最近期季度/中期報告或年度報告計算。

Management Discussion and Analysis

管理層討論與分析

A brief description of the business and financial information of the investments is as follows:

(a) EPRO Limited (“EPRO”) is principally engaged in the provision of professional information technology contract services and maintenance services, and re-selling of hardware and software. The unaudited profit attributable to shareholders of EPRO for the nine months period ended 31 March 2012 was approximately HK\$99 million and the unaudited net assets attributable to shareholders of EPRO at 31 March 2012 was approximately HK\$264 million. The fair value of the investment in EPRO is based on quoted market bid prices.

(b) Lenovo Group Limited (“Lenovo”) is principally engaged in the provision of advanced information technology products and services. The audited profit attributable to shareholders of Lenovo for the year ended 31 March 2012 was approximately US\$473 million and the audited net assets attributable to shareholders of Lenovo as at 31 March 2012 was approximately US\$2,361 million. The fair value of the investment in Lenovo is based on quoted market bid prices.

投資項目之業務及財務資料的簡明概要如下：

(a) 易寶有限公司(「易寶」)主要從事提供專業資訊科技合約服務及維修保養服務以及硬件及軟件轉售。易寶截至2012年3月31日止九個月期間之股東應佔未經審核溢利約為99,000,000港元及易寶於2012年3月31日之股東應佔未經審核資產淨值約為264,000,000港元。易寶投資之公平值乃基於市場報價。

(b) 聯想集團有限公司(「聯想」)主要從事提供先進資訊技術產品及服務。聯想截至2012年3月31日止年度之股東應佔經審核溢利約為473,000,000美元及聯想於2012年3月31日之股東應佔經審核資產淨值約為2,361,000,000美元。聯想投資之公平值乃基於市場報價。

- (c) HKT Trust and HKT Limited (“HKT”) is principally engaged in the provision of integrated telecommunications service. The unaudited profit attributable to shareholders of HKT for the six months period ended 30 June 2012 was approximately HK\$778 million and the unaudited net assets attributable to shareholders of HKT as at 30 June 2012 was approximately HK\$31,329 million. The fair value of the investment in HKT is based on quoted market bid prices.
- (c) 香港電訊信託與香港電訊有限公司(「香港電訊」)主要提供綜合電訊服務。香港電訊截至2012年6月30日止六個月期間之股東應佔未經審核溢利約為778,000,000港元及香港電訊於2012年6月30日之股東應佔未經審核資產淨值約為31,329,000,000港元。香港電訊投資之公平值乃基於市場報價。
- (d) China Mobile Limited (“China Mobile”) is principally engaged in the provision of mobile telecommunication and related services. The audited profit attributable to shareholders of China Mobile for the year ended 31 December 2011 was approximately RMB125,870 million and the audited net assets attributable to shareholders of China Mobile at 31 December 2011 was approximately RMB649,064 million. The fair value of the investment in China Mobile is based on quoted market bid prices.
- (d) 中國移動有限公司(「中國移動」)主要從事提供移動通訊及相關服務。中國移動截至2011年12月31日止年度之股東應佔經審核溢利約為人民幣125,870,000,000元及中國移動於2011年12月31日之股東應佔經審核資產淨值約為人民幣649,064,000,000元。中國移動投資之公平值乃基於市場報價。
- (e) Dongjiang Environment Company Limited (“Dongjiang Environment”) is principally engaged in the environmental protection industry. The unaudited profit attributable to shareholders of Dongjiang Environment for the six months period ended 30 June 2012 was approximately RMB141 million and the unaudited net assets attributable to shareholders of Dongjiang Environment at 30 June 2012 was approximately RMB2,010 million. The fair value of the investment in Dongjiang Environment is based on quoted market bid prices.
- (e) 東江環保股份有限公司(「東江環保」)主要從事環保產業。東江環保截至2012年6月30日止六個月之股東應佔未經審核溢利約為人民幣141,000,000元及東江環保於2012年6月30日之股東應佔未經審核資產淨值約為人民幣2,010,000,000元。東江環保投資之公平值乃基於市場報價。

Management Discussion and Analysis

管理層討論與分析

- (f) Beijing Enterprises Holdings Limited (“Beijing Enterprises”) is a conglomerate and its principal businesses included (i) the distribution and sale of piped natural gas and the provision of related services in China; (ii) the production, distribution and sale of beer in China; (iii) the construction of sewage and water treatment plants and other infrastructural facilities and the provision of related services in China; and (iv) investment in transportation infrastructure in China. The audited profit attributable to shareholders of Beijing Enterprises for the year ended 31 December 2011 was approximately HK\$2,776 million and the audited net assets attributable to shareholders of Beijing Enterprise at 31 December 2011 was approximately HK\$37,610 million. The fair value of the investment in Beijing Enterprises is based on quoted market bid prices.
- (f) 北京控股有限公司(「北京控股」)為一間綜合企業，其主要業務包括(i)於中國分銷及銷售管道天然氣及提供相關服務；(ii)於中國生產、分銷及銷售啤酒；(iii)於中國建造污水處理廠及其他基礎設施以及提供相關服務；及(iv)於中國投資交通基礎設施。北京控股截至2011年12月31日止年度之股東應佔經審核溢利約為2,776,000,000港元及北京控股於2011年12月31日之股東應佔經審核資產淨值約為37,610,000,000港元。北京控股投資之公平值乃基於市場報價。
- (g) Renren Inc. is principally engaged in the provision of social networking internet platform in China. The unaudited loss attributable to shareholders of Renren Inc. for the six months period ended 30 June 2012 was approximately US\$39 million and the unaudited net assets attributable to shareholders of Renren Inc. at 30 June 2012 was approximately US\$1,161 million. The fair value of the investment in Renren Inc. is based on quoted market bid prices.
- (g) 人人公司主要於中國從事提供社交網絡平臺。人人公司截至2012年6月30日止六個月期間之股東應佔未經審核虧損約為39,000,000美元及人人公司於2012年6月30日之股東應佔未經審核資產淨值約為1,161,000,000美元。人人公司投資之公平值乃基於市場報價。

- (h) NetEase, Inc. is principally engaged in the provision of internet and online game services in China. The unaudited profit attributable to shareholders of NetEase, Inc. for the three months period ended 31 March 2012 was approximately RMB942 million and the unaudited net assets attributable to shareholders of NetEase, Inc. at 31 March 2012 was approximately RMB14,126 million. The fair value of the investment in NetEase, Inc. is based on quoted market bid prices.
- (i) Baidu, Inc. is principally engaged in the provision of Chinese language internet search service. The unaudited profit attributable to shareholders of Baidu, Inc. for the six months period ended 30 June 2012 was approximately RMB4,653 million and the unaudited net assets attributable to shareholders of Baidu, Inc. at 30 June 2012 was approximately RMB20,011 million. The fair value of the investment in Baidu, Inc. is based on quoted market bid prices.
- (j) China WindPower Group Limited ("China WindPower") issued the CNY denominated guarantee bonds amounted to CNY750,000,000 and is listed on Singapore Exchange Securities Trading Limited ("SGX") on 5 April 2011 ("China WindPower Bond").
- (h) 網易公司主要於中國從事提供網絡及在線遊戲服務。網易公司截至2012年3月31日止三個月期間之股東應佔未經審核溢利約為人民幣942,000,000元及網易公司於2012年3月31日之股東應佔未經審核資產淨值約為人民幣14,126,000,000元。網易公司投資之公平值乃基於市場報價。
- (i) 百度公司主要從事提供中文網絡搜索服務。百度公司截至2012年6月30日止六個月期間之股東應佔未經審核溢利約為人民幣4,653,000,000元及百度公司於2012年6月30日之股東應佔未經審核資產淨值約為人民幣20,011,000,000元。百度公司投資之公平值乃基於市場報價。
- (j) 中國風電集團有限公司(「中國風電」)已發行以人民幣計值之擔保債券達人民幣750,000,000元，並已於2011年4月5日在新加坡證券交易所有限公司(「新交所」)上市(「中國風電債券」)。

Management Discussion and Analysis

管理層討論與分析

China WindPower is principally engaged in engineering, procurement and construction of power plants, manufacture of equipment, operation and maintenance of power plants and investment in power plants. The audited profit attributable to shareholders of China WindPower for the year ended 31 December 2011 was approximately HK\$372 million and the audited net assets attributable to shareholders of China WindPower at 31 December 2011 was approximately HK\$4,474 million. The fair value of the investment in China WindPower Bond is based on quoted bid prices.

(k) Hero Asia Investment Limited is a wholly-owned subsidiary of China Longyuan Power Group Corporation Limited ("China Longyuan"), which has issued the CNY denominated bonds amounted to CNY690,000,000 and is listed on the SGX on 21 December 2011 ("China Longyuan Bond").

China Longyuan is principally engaged in wind and coal power generation and sale, coal trading and other related business in China. The audited profit attributable to shareholders of China Longyuan for the year ended 31 December 2011 was approximately RMB2,638 million and the audited net assets attributable to shareholders of China Longyuan at 31 December 2011 was approximately RMB25,490 million. The fair value of the investment in China Longyuan Bond is based on quoted bid prices.

中國風電主要從事電廠的設計、採購及施工、設備製造、電廠運行及維護及電廠投資。中國風電截至2011年12月31日止年度之股東應佔經審核溢利約為372,000,000港元及中國風電於2011年12月31日之股東應佔經審核資產淨值約為4,474,000,000港元。中國風電債券投資之公平值乃基於市場報價。

(k) 雄亞投資有限公司為龍源電力集團股份有限公司(「中國龍源」)的全資附屬公司，其已發行以人民幣計值之債券達人民幣690,000,000元，並已於2011年12月21日在新交所上市(「中國龍源債券」)。

中國龍源主要於中國從事風力和煤炭發電及銷售、煤炭貿易和其他相關業務。中國龍源截至2011年12月31日止年度之股東應佔經審核溢利約為人民幣2,638,000,000元及中國龍源於2011年12月31日之股東應佔經審核資產淨值約為人民幣25,490,000,000元。中國龍源債券投資之公平值乃基於市場報價。

The Company reported a net profit attributable to shareholders of HK\$5,358,263 during the Period, which consisted of the unrealized gain of HK\$9,413,432 arising from the net mark to market gains taken on the investment positions in the portfolio as listed out above, and the realized gain of HK\$485,350 arising from the trading of two index futures contracts in Hong Kong that were exclusively for hedging purpose during the Period.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING

The Company has obtained stock borrowing facilities during the year ended 31 December 2011. As at 30 June 2012, the Company did not have any stock borrowing (31 December 2011: Nil).

The Company has maintained a sufficient cash position which will allow it to capture opportunities with good upside when the opportunities present themselves in both listed and private equities.

As at 30 June 2012, the gearing ratio, defined as total borrowings divided by shareholders' equities, was nil (31 December 2011: Nil).

INTERIM DIVIDEND

The Directors do not recommend the payment of any interim dividend for the Period (31 December 2011: Nil).

本公司於期間內呈報股東應佔純利5,358,263港元，其中包括因上述所列組合中投資持倉產生按市值計價之淨收益而產生之未變現收益9,413,432港元及於期內純粹為對沖為目的在香港買賣兩項指數期貨合約產生之已變現收益485,350港元。

流動資金、財務資源及資本負債比率

本公司於截至2011年12月31日止年度已獲得借股融資。於2012年6月30日，本公司並無任何借股(2011年12月31日：無)。

本公司維持充裕現金狀況，從而使本公司在上市及私募股權方面出現機遇時把握上漲趨勢之良機。

於2012年6月30日，資產負債比率(按借貸總額除以股東權益計算)為零(2011年12月31日：無)。

中期股息

董事不建議派付本期間任何中期股息(2011年12月31日：無)。

Management Discussion and Analysis

管理層討論與分析

CAPITAL STRUCTURE

On the Listing Date, the Company completed a share placement and a total of 303,000,000 ordinary shares of HK\$0.1 each were placed at a price of HK\$1.03 per share for a total cash consideration, before the related issue expenses, of HK\$312,090,000. Since the Listing, there has been no change in the capital structure of the Company. The capital of the Company comprises only ordinary shares.

CHARGES ON COMPANY'S ASSET AND CONTINGENT LIABILITIES

There were no other charges on the Company's assets nor significant contingent liabilities as at 30 June 2012.

CAPITAL EXPENDITURE AND COMMITMENT

During the Period, the Company made no capital expenditures or any other commitments.

MATERIAL ACQUISITION AND DISPOSAL

During the Period, the Company did not acquire or dispose of any subsidiaries or associated companies.

USE OF PROCEEDS

The Company has made 13 investments during the Period, which comprised listed equities, listed bonds and future contracts that were exclusively for hedging purpose. The largest one is in provision of professional information technology contract services and maintenance services focusing on the mainland China market.

股本架構

於上市日期，本公司完成股份配售及合共303,000,000股每股面值0.1港元之普通股以每股1.03港元的價格獲配售，總現金代價(扣除相關發行開支前)為312,090,000港元。自上市起，本公司股本架構概無變動。本公司股本僅由普通股組成。

本公司的資產抵押及或然負債

本公司於2012年6月30日並無其他資產抵押，亦無重大或然負債。

資本開支及承擔

本公司於本期間內並無資本開支，亦無任何其他承擔。

重大收購及出售

於本期間內，本公司並無收購或出售任何附屬公司或聯營公司。

所得款項用途

本公司已於本期間內作出十三項投資，其中包括上市股票、上市債券及純粹為對沖目的之期貨合約，最大一項為專注於中國大陸市場提供專業資訊科技合約服務及維護服務。

The rest of the net proceeds will be applied by the Investment Manager in making investments according to the investment objective, policies and restrictions of the Company and the requirements of the Articles of Association, the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and the investment management agreement. Any proceeds not deployed are placed on bank deposit or invested in money market instruments or money market funds.

EMPLOYEES

As at 30 June 2012, the Company had no employees but have three executive Directors and three independent non-executive Directors. The Company does not have a share option scheme.

FOREIGN CURRENCY FLUCTUATION

The Board believes that foreign exchange risks are minimal as the Company mainly uses the Hong Kong or United States dollar to carry out its business transactions.

PROSPECTS

Looking into the second half of the year, the Company will continue to seek excellent investment opportunities as we anticipate a soft landing in the Chinese economy. We expect the economic growth will gradually recover as policy efforts begin to boost domestic demand. We will also continue to monitor economic and related events outside of China, such as actions to be taken in the Eurozone to contain the crisis, for their effects on our portfolio.

剩餘所得款項淨額將由投資管理人根據本公司投資目標、政策及限制和組織章程細則、聯交所證券上市規則（「上市規則」）及投資管理協議的規定進行投資。未動用的任何所得款項將存作銀行存款或投資於貨幣市場工具或貨幣市場基金。

僱員

於2012年6月30日，本公司並無僱員，僅有三名執行董事及三名獨立非執行董事。本公司並未設有購股權計劃。

外幣波動

董事會認為，由於本公司主要使用港元或美元進行業務交易，故外匯風險極微。

前景

展望本年度下半年，由於我們預期中國經濟會實現軟著陸，本公司將因此繼續尋求絕佳投資機遇。由於政策實施開始促進內需，我們預計經濟增長將逐漸恢復。我們亦將繼續監控中國境外的經濟及相關事件（如在歐元區採取遏制經濟危機的措施）對本公司投資組合的影響。

Other Information

其他資料

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2012, none of the Directors or chief executives of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code").

SUBSTANTIAL SHAREHOLDERS' / OTHER PERSON'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2012, the Company has not been notified by any persons (other than the Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which are required to be recorded in the register required to be kept by the Company under Section 336 of the SFO.

董事及主要行政人員於股份、相關股份及債券之權益及淡倉

於2012年6月30日，概無本公司董事或主要行政人員於本公司或其任何聯營法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部份）之股份、相關股份或債券中，擁有須錄入本公司根據證券及期貨條例第352條存置之登記冊，或根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之任何權益或淡倉。

主要股東／其他人士於股份及相關股份之權益及淡倉

於2012年6月30日，本公司並無知悉任何人士（本公司董事或主要行政人員除外）於本公司股份或相關股份中擁有記錄於本公司根據證券及期貨條例第336條規定須存置之登記冊之權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

At no time during the Period was the Company a party to any arrangement to enable the Directors of the Company or their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

PURCHASE, REDEMPTION OR SALE OF THE LISTED SHARES OF THE COMPANY

The Company has not purchased, sold or redeemed any of the Company's shares during the Period.

CORPORATE GOVERNANCE PRACTICES

The Company has applied most of the principles and complied with all code provisions of the Code on Corporate Governance Practices during the period from 1 January 2012 to 31 March 2012 and the Corporate Governance Code (the "CG Code") during the period from 1 April 2012 to 30 June 2012 as contained in Appendix 14 of the Listing Rules. The Board is of the view that throughout the Period, the Company was in compliance with the code provisions of the CG Code, save and except for code provision A.4.1 which states that the Non-executive Directors should be appointed for a specific term, subject to re-election.

董事購買股份及債券之權利

於本期間內任何時間，本公司概無訂立任何安排，致使本公司董事或其配偶或未滿18歲子女可藉購入本公司或其任何其他法團之股份或債券而獲益。

購回、贖回或出售本公司上市股份

本公司於本期間內並無購回、出售或贖回本公司任何股份。

企業管治常規

本公司已應用上市規則附錄十四之企業管治常規守則(於2012年1月1日至2012年3月31日期間)及企業管治守則(「企業管治守則」)(於2012年4月1日至2012年6月30日期間)所載大部分原則，並已遵守所有守則條文。董事認為，於整個期間內，本公司遵守企業管治守則之守則條文，惟守則條文第A.4.1條除外，該條文規定非執行董事須訂明委任期限，並須接受重新選舉。

Other Information

其他資料

None of the existing Non-executive Directors of the Company is appointed for a specific term. However, one third of the Non-executive Directors of the Company for the time being shall retire by rotation (provided that every Non-executive Director shall be subject to retirement at least once every three years) and be eligible for re-election at the annual general meeting of the Company. As such, even though each Non-executive Director is not appointed for a specific term, his term of office is the period up to his retirement by rotation which is in accordance with Code A.4.2 of the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiry to all the Directors of the Company, all the Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the Period.

AUDIT COMMITTEE

The Audit Committee currently comprises three Independent Non-executive Directors, namely Mr. Siu Kam Chau (being the chairman with professional qualifications in accountancy), Professor Xu Yangsheng, and Mr. Doyle Ainsworth Dally.

現時本公司非執行董事概無具體委任期限。然而，本公司非執行董事之三分之一須輪席告退（惟各非執行董事須至少每三年告退一次）並符合資格於本公司股東週年大會上膺選連任。因此，儘管各非執行董事並無具體委任期限，其在職期限為直至其輪席退任止之期間，而此期間則符合企業管治守則第A.4.2條。

證券交易的標準守則

本公司採納標準守則作為董事進行本公司證券交易的操守守則。經向本公司全體董事作出具體查詢後，全體董事確認，整個期間一直遵守標準守則所載的交易準則規定。

審核委員會

審核委員會現由三位獨立非執行董事即蕭錦秋先生（主席，具備會計師專業資格）、徐揚生教授及 Doyle Ainsworth Dally 先生組成。

The primary audit related duties of the committee are to provide the Board with an independent review of the effectiveness of the financial reporting process, internal control and risk management system of the Company, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board. The Audit Committee shall hold not less than two meetings a year.

The unaudited interim financial information and the interim report of the Company for the Period have been reviewed by the Audit Committee of the Company.

PUBLICATION OF INTERIM REPORT

The interim report of the Company for the six months ended 30 June 2012 containing all the applicable information required by the Listing Rules will be dispatched to the shareholders of the Company and made available for review on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.chinaneweconomyfund.com) in due course.

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

Hong Kong, 16 August 2012

委員會有關審核的主要職責為向董事會提供本公司財務申報程序、內部監控以及風險管理系統的有效性的獨立審查、監控審核程序及履行董事會所指派之其他職責及責任。審核委員會每年應舉行不少於兩次會議。

本公司審核委員會已審閱本公司於本期間內之未經審核中期財務資料及中期報告。

刊登中期報告

載有上市規則規定的所有資料的本公司截至2012年6月30日止六個月之中期報告將會寄發予本公司股東，並將可在適當時間於聯交所網站(www.hkexnews.hk)及本公司網站(www.chinaneweconomyfund.com)備供查閱。

承董事會命
中國新經濟投資有限公司
主席兼執行董事
Craig Blaser Lindsay

香港，2012年8月16日

Report on Review of Interim Financial Information

中期財務資料審閱報告



To the shareholders of China New Economy Fund Limited

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

致中國新經濟投資有限公司股東

(於開曼群島註冊成立的獲豁免有限公司)

INTRODUCTION

We have reviewed the accompanying interim condensed financial statements of China New Economy Fund Limited (the “Company”) set out on pages 26 to 49, comprising of the interim condensed statement of financial position as at 30 June 2012 and the related interim condensed statements of comprehensive income, changes in equity and cash flows for the six-month period then ended and explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”).

The directors of the Company are responsible for the preparation and presentation of these interim condensed financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

緒言

本會計師事務所已審閱載於第26頁至第49頁之中國新經濟投資有限公司(「貴公司」)的隨附中期簡明財務報表，包括於2012年6月30日之中期簡明財務狀況表及截至該日止六個月相關之中期簡明全面收益表、權益變動表及現金流量表及闡明附註。香港聯合交易所有限公司主板證券上市規則規定編製中期財務資料報告須遵守其相關條文及國際會計準則第34號*中期財務報告*(「國際會計準則第34號」)。

貴公司的董事須負責根據國際會計準則第34號編製及呈列此等中期簡明財務報表。我們的責任是根據我們的審閱對此等中期簡明財務報表作出結論。我們僅根據我們協定的委聘條款向整體股東報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young

Certified Public Accountants
22/F CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

16 August 2012

審閱範圍

我們已根據國際審閱委聘準則第2410號由實體的獨立核數師執行中期財務資料審閱進行審閱。中期財務資料審閱包括對負責財務及會計事宜的主要人員作出查詢，應用分析及其他審閱程序。審閱範圍遠遜於根據國際審核準則進行的審核。因此，其不能令我們可保證我們將知悉在審核中可能被發現的所有重大事項。於是，我們不會發表審核意見。

結論

根據我們的審閱，並無任何事項引致我們相信隨附的中期簡明財務報表於所有重大方面並無根據國際會計準則第34號編製。

安永會計師事務所

執業會計師
香港
中環
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中信大廈22樓

2012年8月16日

Interim Condensed Statement of Comprehensive Income

中期簡明全面收益表

For the six months ended 30 June 2012 截至2012年6月30日止六個月

			For the six months ended 30 June 2012 截至2012年 6月30日止 六個月 (Unaudited) (未經審核)	For the six months ended 30 June 2011 截至2011年 6月30日止 六個月 (Unaudited) (未經審核)
		Notes 附註	HK\$ 港元	HK\$ 港元
REVENUE	收入	4	239,524	3,129
Net change in fair value of financial assets and liabilities at fair value through profit or loss	按公平值透過損益列賬之金融資產與負債之公平值變動淨額	5	9,898,782	(17,432,982)
Other operating expenses	其他營運開支		(4,780,043)	(5,013,154)
PROFIT/(LOSS) BEFORE TAX	除稅前溢利/(虧損)	6	5,358,263	(22,443,007)
Income tax expense	所得稅開支	9	-	-
PROFIT/(LOSS) AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通權益持有人應佔期內溢利/(虧損)及全面收益/(虧損)總額		5,358,263	(22,443,007)
EARNING/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通權益持有人應佔每股盈利/(虧損)	10		
- Basic (HK cents)	- 基本(港仙)		1.77	(7.62)
- Diluted (HK cents)	- 攤薄(港仙)		1.77	(7.62)

Interim Condensed Statement of Financial Position

中期簡明財務狀況表

As at 30 June 2012 2012年6月30日

			30 June 2012 2012年 6月30日 (Unaudited) (未經審核)	31 December 2011 2011年 12月31日 (Audited) (經審核)
	Notes 附註		HK\$ 港元	HK\$ 港元
CURRENT ASSETS		流動資產		
Prepayment and other receivables		預付款項及其他應收款項	1,037,702	582,448
Financial assets at fair value through profit or loss		按公平值透過損益 列賬之金融資產	11 138,287,990	26,850,106
Cash and cash equivalents		現金及現金等值	12 105,556,602	211,661,841
Total current assets		流動資產總值	244,882,294	239,094,395
CURRENT LIABILITIES		流動負債		
Other payables and accruals		其他應付款項及應計費用	13 758,203	322,929
Amount due to a related company		應付一間關連公司款項	14 386,863	392,501
Total current liabilities		流動負債總值	1,145,066	715,430
Net assets		淨資產	243,737,228	238,378,965
EQUITY		權益		
Issued capital		已發行股本	15 30,300,000	30,300,000
Reserves		儲備	213,437,228	208,078,965
Total equity		權益總值	243,737,228	238,378,965
NET ASSET VALUE PER SHARE		每股資產淨值	16 0.80	0.79

Interim Condensed Statement of Changes in Equity

中期簡明權益變動表

For the six months ended 30 June 2012 截至2012年6月30日止六個月

			Share capital	Share premium	Accumulated losses	Total
		Note	股本	股份溢價	累計虧損	總計
		附註	HK\$	HK\$	HK\$	HK\$
			港元	港元	港元	港元
At 1 January 2012	於2012年1月1日		30,300,000	257,732,776	(49,653,811)	238,378,965
Total comprehensive income for the period	期內全面收益總額		-	-	5,358,263	5,358,263
At 30 June 2012 (unaudited)	於2012年6月30日(未經審核)		30,300,000	257,732,776*	(44,295,548)*	243,737,228
At 1 January 2011	於2011年1月1日		-#	-	(555,377)	(555,377)
Issue of shares by placing	透過配售發行股份	15	30,300,000	281,790,000	-	312,090,000
Share placement expenses	股份配售開支	15	-	(24,057,224)	-	(24,057,224)
Total comprehensive loss for the period	期內全面虧損總額		-	-	(22,443,007)	(22,443,007)
At 30 June 2011 (unaudited)	於2011年6月30日(未經審核)		30,300,000	257,732,776*	(22,998,384)*	265,034,392

Less than HK\$1

少於1港元

* These reserve accounts comprise the reserves of HK\$213,437,228 (30 June 2011: HK\$234,734,392) in the interim condensed statement of financial position.

* 該等儲備賬目包括中期簡明財務狀況表內的儲備213,437,228港元(2011年6月30日: 234,734,392港元)。

Interim Condensed Statement of Cash Flows

中期簡明現金流量表

For the six months ended 30 June 2012 截至2012年6月30日止六個月

		For the six months ended 30 June 2012 截至2012年 6月30日 止六個月 (Unaudited) (未經審核) HK\$ 港元	For the six months ended 30 June 2011 截至2011年 6月30日 止六個月 (Unaudited) (未經審核) HK\$ 港元
Net cash flows used in operating activities	經營活動所用之現金流量淨額	(106,105,239)	(78,493,938)
Net cash flows generated from financing activities	融資活動所得之現金流量淨額	-	288,032,776
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值(減少)/增加淨額	(106,105,239)	209,538,838
Cash and cash equivalents at beginning of period	期初現金及現金等值	211,661,841	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及現金等值	105,556,602	209,538,838
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值結餘分析		
- Cash at bank	- 銀行現金	-	4,960,733
- Short-term time deposits with original maturity of less than three months, when acquired	- 購入時到期日少於三個月的短期定期存款	105,556,602	204,578,105
		105,556,602	209,538,838

Notes to Interim Condensed Financial Statements

中期簡明財務報表附註

30 June 2012 2012年6月30日

1. CORPORATION INFORMATION

China New Economy Fund Limited (the “Company”) was incorporated in the Cayman Islands on 1 February 2010 under the Companies Law of the Cayman Islands as an exempted company with limited liability. The Company was established for the purpose of acting as a closed-ended investment company.

The Company’s registered office is at P.O. Box 309, Uglund House, South Church Street, George Town, Grand Cayman KY1-1104, Cayman Islands. The principal place of business of the Company is at 17th Floor, Chuang’s Tower, 30-32 Connaught Road Central, Central, Hong Kong.

The principal investment objective of the Company is to achieve long-term capital appreciation through investing 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 Company’s investment activities are managed by CITIC Securities International Investment Management (HK) Limited (the “Investment Manager”).

The shares of the Company were listed by way of private placing (the “Placing”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 6 January 2011.

1. 公司資料

中國新經濟投資有限公司(「本公司」)根據開曼群島公司法於2010年2月1日在開曼群島註冊成立為一間獲豁免有限公司。本公司乃建立為封閉式投資公司。

本公司註冊辦事處為P.O. Box 309, Uglund House, South Church Street, George Town, Grand Cayman KY1-1104, Cayman Islands。本公司主要營業地點為香港中環干諾道中30-32號莊士大廈17樓。

本公司主要投資目標為透過投資全球具能力生產及提供獲中國內地、香港、澳門及台灣經濟支持之產品或服務之私人及公眾企業，以取得長期資本增值。

本公司的投資活動由中信証券國際投資管理(香港)有限公司(「投資管理人」)管理。

於2011年1月6日，本公司股份透過私人配售(「配售」)方式於香港聯合交易所有限公司(「聯交所」)主板上市。

2.1 BASIS OF PREPARATION

The unaudited interim condensed financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* (“IAS 34”) and the applicable disclosure requirements of Appendix 16 of the Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong. They have been prepared under the historical cost convention, except for the financial assets and liabilities at fair value through profit or loss which have been measured at fair values. The interim condensed financial statements are presented in Hong Kong dollars (“HK\$”) except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company’s annual financial statements for the year ended 31 December 2011. The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company’s annual financial statements for the year ended 31 December 2011 except for the adoption of new and revised International Financial Reporting Standards (“IFRSs”) as of 1 January 2012, noted below:

2.1 編製基準

此等未經審核中期簡明財務報表乃根據國際會計準則第34號中期財務報告(「國際會計準則第34號」)及香港聯合交易所有限公司證券主板證券上市規則附錄16之適用披露規定而編製，除金融資產及負債按公平值計量並按公平值透過損益列賬計算外，本報表按照歷史成本法編製。除另有規定者外，中期簡明財務報表以港元呈列。

2.2 會計政策變動及披露

中期簡明財務報表並未包括年度財務報表所需之所有資料及披露，而應與本公司截至2011年12月31日止年度的年度財務報表一併閱覽。編製中期簡明財務報表所採納之會計政策與本公司截至2011年12月31日止年度之年度財務報表所採用者一致，除採納下文所述於2012年1月1日新訂及經修訂國際財務報告準則(「國際財務報告準則」)外：

中期簡明財務報表附註

30 June 2012 2012年6月30日

**2.2 CHANGES IN ACCOUNTING
POLICIES AND DISCLOSURES
(CONTINUED)**

IFRS 7 Disclosures-Transfers of financial assets (Amendment)

The IASB issued an amendment to IFRS 7 that enhances disclosures for financial assets. These disclosures relate to assets transferred (as defined under IAS 39). If the assets transferred are not derecognized entirely in the financial statements, an entity has to disclose information that enables users of financial statements to understand the relationship between those assets which are not derecognized and their associated liabilities. If those assets are derecognized entirely, but the entity retains a continuing involvement, disclosures have to be provided that enable users of financial statements to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognized assets. Effective implementation date is for annual periods beginning on or after 1 July 2011 with no comparative requirements.

The adoption of these new and revised IFRSs has had no significant financial effect on these interim condensed financial statements of the Company.

2.2 會計政策變動及披露 (續)

國際財務報告準則第7號披露—金融資產轉讓(修訂本)

國際會計準則委員會頒佈國際財務報告準則第7號之修訂本，強調金融資產的披露。該等披露關於資產轉讓(定義見國際會計準則第39號)。倘轉讓之資產未能全部於財務報表內取消確認，實體須披露資料，使財務報表使用者理解該等未取消確認之資產與其相關負債之間的聯繫。倘該等資產全部取消確認，但該實體仍為持續參與，須作出披露以使財務報表使用者能評估於該等取消確認資產中持續參與之實體之性質及其有關風險。實行生效日期為自2011年7月1日或之後開始的年度期間，此外並無比較要求。

採納該等新訂及經修訂之國際財務報告準則對本公司中期簡明財務報表不會造成重大財務影響。

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Company has not adopted any of the new and revised IFRSs, that have been issued but are not yet effective, in these interim condensed financial statements. Among the new and revised IFRSs, the following are expected to be relevant to the Company's interim condensed financial statements upon becoming effective:

IAS 1 Amendments	<i>Financial Statements Presentation – Presentation of items of Other Comprehensive Income</i> ¹
IFRS 9	<i>Financial Instruments: Classification and Measurement</i> ³
IFRS 13	<i>Fair Value Measurement</i> ²

- ¹ Effective for annual periods beginning on or after 1 July 2012
- ² Effective for annual periods beginning on or after 1 January 2013
- ³ Effective for annual periods beginning on or after 1 January 2015

2.3 已頒佈但尚未生效的國際財務報告準則

本公司並未於此等中期簡明財務報表內採納任何已頒佈但尚未生效之新訂及經修訂國際財務報告準則。於新訂及經修訂國際財務報告準則中，以下準則預計於生效後將與本公司之中期簡明財務報表相關：

國際會計準則 第1號(修訂本)	<i>財務報表之呈列 – 其他全面收益 項目呈列</i> ¹
國際財務報告 準則第9號	<i>金融工具： 分類與計量</i> ³
國際財務報告 準則第13號	<i>公平值計量</i> ²

- ¹ 2012年7月1日或之後開始的年度期間生效
- ² 2013年1月1日或之後開始的年度期間生效
- ³ 2015年1月1日或之後開始的年度期間生效

Notes to Interim Condensed Financial Statements

中期簡明財務報表附註

30 June 2012 2012年6月30日

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

The Company is in the process of making an assessment of the impact of these new and revised IFRSs upon initial application. Other than IFRS 9 and IFRS 13, management considers that these new and revised IFRSs are unlikely to have a significant impact on the Company's results of operations and financial positions.

3. OPERATING SEGMENT INFORMATION

During the periods ended 30 June 2012 and 2011, all of the Company's investments are equity securities listed either on the Stock Exchange, New York Stock Exchange or NASDAQ, and debt securities listed in the Singapore Exchange Securities Trading Limited. For management purposes, the Company is organised into one main operating segment, which invests in equity and debt securities. All of the Company's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the interim condensed financial statements as a whole.

2.3 已頒佈但尚未生效的國際財務報告準則(續)

本公司正在評估此等新訂及經修訂國際財務報告準則初始應用時的影響。除國際財務報告準則第9號及國際財務報告準則第13號外，管理層認為，此等新訂及經修訂國際財務報告準則不大可能對本公司的經營業績及財務狀況產生重大影響。

3. 經營分部資料

於截至2012年及2011年6月30日止期間，本公司之所有投資為在聯交所、紐約證券交易所或納斯達克上市之股本證券及在新加坡證券交易所有限公司上市之債務證券。為管理目的，本公司組織為一個主要經營分部，投資於股本及債務證券。本公司的所有活動均相互聯繫，每項活動均依賴於其他活動。因此，所有重大經營決策均基於本公司作為一個分部的分析。該分部的財務業績與本公司作為整體的中期簡明財務報表對等。

Notes to Interim Condensed Financial Statements

中期簡明財務報表附註

30 June 2012 2012年6月30日

4. REVENUE

An analysis of revenue is as follows:

4. 收入

收入分析如下：

	For the six months ended 30 June 2012 截至2012年 6月30日止 六個月 (Unaudited) (未經審核) HK\$ 港元	For the six months ended 30 June 2011 截至2011年 6月30日止 六個月 (Unaudited) (未經審核) HK\$ 港元
Dividend income from listed equity securities 上市股本證券之股息收入	104,400	–
Interest income from listed debt securities 上市債務證券之利息收入	126,935	–
Bank interest income 銀行利息收入	8,189	3,129
	239,524	3,129

Notes to Interim Condensed Financial Statements

中期簡明財務報表附註

30 June 2012 2012年6月30日

5. NET CHANGE IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

5. 按公平值透過損益列賬之金融資產與負債之公平值變動淨額

		For the six months ended 30 June 2012 截至2012年 6月30日止 六個月 (Unaudited) (未經審核) HK\$ 港元	For the six months ended 30 June 2011 截至2011年 6月30日止 六個月 (Unaudited) (未經審核) HK\$ 港元
Net realized gain on financial assets at fair value through profit or loss	按公平值透過損益列賬之金融資產變現收益淨額	485,350	892,063
Net unrealized gain/(loss) on financial assets at fair value through profit or loss	按公平值透過損益列賬之金融資產未變現收益/(虧損)淨額	9,413,432	(19,054,656)
Net unrealized gain on financial liabilities at fair value through profit or loss	按公平值透過損益列賬之金融負債未變現收益淨額	-	729,611
		9,898,782	(17,432,982)

Notes to Interim Condensed Financial Statements

中期簡明財務報表附註

30 June 2012 2012年6月30日

6. PROFIT/(LOSS) BEFORE TAX

The Company's profit/(loss) for the period is arrived at after charging:

6. 除稅前溢利／(虧損)

本公司之期內溢利／(虧損)經扣除以下各項後達致：

		For the six months ended 30 June 2012 截至2012年 6月30日止 六個月 (Unaudited) (未經審核) HK\$ 港元	For the six months ended 30 June 2011 截至2011年 6月30日止 六個月 (Unaudited) (未經審核) HK\$ 港元
Directors' remuneration:	董事酬金：		
Fees	袍金	232,770	233,543
Other emoluments	其他薪酬	-	-
		232,770	233,543
Investment management fee (note 8)	投資管理費(附註8)	2,455,055	2,721,949
Foreign exchange loss, net	外匯虧損淨額	160,341	20,660

7. INTERIM DIVIDEND

The Board has resolved not to pay any interim dividend in respect of the current reporting period (30 June 2011: Nil).

7. 中期股息

董事會已議決不派付本報告期間之任何中期股息(2011年6月30日：無)。

Notes to Interim Condensed Financial Statements

中期簡明財務報表附註

30 June 2012 2012年6月30日

8. FEES

Administration fee

HSBC Trustee (Cayman) Limited (the "Administrator") is entitled to receive an administration fee which is calculated at each valuation day at the following rates:

First HK\$800 million of net asset value	0.14% per annum
Next HK\$1,200 million of net asset value	0.125% per annum
On the remainder of net asset value	0.11% per annum

The administration fee is subject to a monthly minimum fee of HK\$73,000 (reduced by 50% in the first six months after listing) and is payable monthly in arrears.

The administration fee for the current period is HK\$438,000 (30 June 2011: HK\$213,113). As at 30 June 2012, an administration fee of HK\$73,000 (31 December 2011: HK\$73,000) was payable to the Administrator.

Valuation fee

The Administrator is also entitled to a fee of HK\$8,000 per additional valuation. This is payable on a monthly basis for a calculation of the Company's net asset value on an ad-hoc basis.

No valuation fee was charged for the current period (30 June 2011: Nil). As at 30 June 2012, no valuation fee (31 December 2011: Nil) was payable to the Administrator.

8. 費用

行政管理費

HSBC Trustee (Cayman) Limited (「行政管理人」) 有權收取於各估值日按下列費率計算的行政管理費：

資產淨值的首個8億港元	每年0.14%
資產淨值的下個12億港元	每年0.125%
資產淨值的餘下部分	每年0.11%

行政管理費須受每月最低費用73,000港元(於上市後首六個月削減50%)約束及須於每月到期後支付。

本期間行政管理費為438,000港元(2011年6月30日：213,113港元)。於2012年6月30日，73,000港元行政管理費(2011年12月31日：73,000港元)應付予行政管理人。

估值費

行政管理人每次額外估值亦有權收取8,000港元費用。該費用須按月支付，用於按專項基準計算本公司資產淨值。

本期間並無產生任何估值費(2011年6月30日：無)。於2012年6月30日，並無估值費(2011年12月31日：無)應付予行政管理人。

8. FEES (CONTINUED)

Custodian fee

HSBC Institutional Trust Services (Asia) Limited (the "Custodian") is entitled to receive a custodian fee which is calculated at each valuation day at the following rates:

First HK\$800 million of net asset value	0.04% per annum
Next HK\$1,200 million of net asset value	0.035% per annum
On the remainder of net asset value	0.03% per annum

The custodian fee is subject to a monthly minimum fee of HK\$15,000 (reduced by 50% in the first six months after listing) and is payable monthly in arrears.

The custodian fee for the current period is HK\$90,000 (30 June 2011: HK\$54,448). As at 30 June 2012, a custodian fee of HK\$15,000 (31 December 2011: HK\$15,000) was payable to the Custodian.

Management fee

The Investment Manager is entitled to a management fee accruing monthly at the annual rate of 2% of the net asset value of the Company on each valuation day and payable monthly in arrears.

The management fee for the current period is HK\$2,455,055 (30 June 2011: HK\$2,721,949). As at 30 June 2012, a management fee of HK\$386,863 (31 December 2011: HK\$392,501) was payable to the Investment Manager.

8. 費用(續)

託管費

滙豐機構信託服務(亞洲)有限公司(「託管人」)有權收取於各估值日按下列費率計算的託管費：

資產淨值的首個8億港元	每年0.04%
資產淨值的下個12億港元	每年0.035%
資產淨值的餘下部分	每年0.03%

託管費須受每月最低費用15,000港元(於上市後首六個月削減50%)約束及須於每月到期後支付。

本期間託管費為90,000港元(2011年6月30日：54,448港元)。於2012年6月30日，15,000港元託管費(2011年12月31日：15,000港元)應付予託管人。

管理費

投資管理人有權收取按本公司於各估值日資產淨值2%的年比率按月累計的管理費，並須於每月到期後支付。

本期間管理費為2,455,055港元(2011年6月30日：2,721,949港元)。於2012年6月30日，386,863港元管理費(2011年12月31日：392,501港元)應付予投資管理人。

中期簡明財務報表附註

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8. FEES (CONTINUED)

Performance fee

The Investment Manager is entitled to receive a performance fee at the rate of 20% per annum of the net increase in the net asset value per share on the immediately preceding valuation date, above the previous highest net asset value per share on any preceding valuation date in respect of which a performance fee was last paid (or where no performance fee has been paid, the aggregate placing price of the shares subscribed at the listing date) multiplied by the number of shares in issue at the time of calculating the performance fee. The performance fee is payable semi-annually in arrears.

No performance fee was charged for the current period (30 June 2011: Nil). As at 30 June 2012, no performance fee (31 December 2011: Nil) was payable to the Investment Manager.

9. TAXATION

Cayman Islands

Under the current Cayman Islands law, there are no income tax, corporation tax, capital gains tax or any other kinds of tax on profits or gains or tax in the nature of estate duty or inheritance tax currently in effect.

The Company received an undertaking from the Governor-in-Council of the Cayman Islands to the effect that, for a period of twenty years from the date of the undertaking, no law that is hereafter enacted in the Cayman Islands imposing any tax on income will be levied on the Company.

8. 費用(續)

表現費

投資管理人有權收取表現費，按最近的前一估值日每股資產淨值較上一次支付表現費的任何前一估值日的前最高每股資產淨值的任何增值淨額的20% (或倘並未支付表現費，則為上市日已認購股份的合計配售價) 乘以計算表現費時的已發行股份數目計算。表現費每半年到期後支付。

本期間並無產生任何表現費(2011年6月30日：無)。於2012年6月30日，並無表現費(2011年12月31日：無)應付予投資管理人。

9. 稅項

開曼群島

現時開曼群島法律並無任何所得稅、公司稅、資本增值稅或任何其他種類的溢利或收益稅或遺產或承繼稅。

本公司已收到開曼群島總督會同行政會議承諾，由承諾作出日期起20年期間，開曼群島之後頒佈的任何就收入施加任何稅項的法律概不會對本公司徵稅。

9. TAXATION (CONTINUED)*Hong Kong*

No provision for Hong Kong profits tax has been made as the Company did not generate any assessable profits arising in Hong Kong during the current period (30 June 2011: Nil).

For presentation purposes, deferred tax assets and liabilities as at 30 June 2012 have been offset in the interim condensed statement of financial position. The deferred tax assets arising from recognized tax losses and the deferred tax liabilities arising from unrealized investment revaluation gains amounted to HK\$831,266 (31 December 2011: Nil) and HK\$831,266 (31 December 2011: Nil), respectively.

PRC

No provision was made for taxation in the interim condensed financial statements as the Company did not generate any PRC sourced income during the current period (30 June 2011: Nil).

**10. EARNING/(LOSS) PER SHARE
ATTRIBUTABLE TO ORDINARY
EQUITY HOLDERS OF THE
COMPANY**

The calculation of basic earning per share amount is based on the Company's profit for the current period attributable to the ordinary equity holders of HK\$5,358,263 (30 June 2011: loss of HK\$22,443,007) and the weighted average number of ordinary shares in issue during the current period of 303,000,000 (30 June 2011: 294,629,834 ordinary shares). No adjustment has been made to the basic earning per share amount presented for the period ended 30 June 2012 in respect of a dilution as the Company had no dilutive ordinary shares in issue during the period (30 June 2011: Nil).

9. 稅項(續)*香港*

由於本公司在本期內並無於香港產生任何應課稅溢利(2011年6月30日:無),故並無就香港利得稅作出撥備。

為作呈列用途,於2012年6月30日之遞延稅項資產及負債已於中期簡明財務狀況表中抵銷。已確認稅項虧損產生之遞延稅項資產及未變現投資重估收益產生之遞延稅項負債分別達831,266港元(2011年12月31日:無)及831,266港元(2011年12月31日:無)。

中國

由於本公司在本期內並無於中國產生任何收入(2011年6月30日:無),故並無於中期簡明財務報表內作出稅項撥備。

**10. 本公司普通權益擁有人應佔每股盈
利/(虧損)**

每股基本盈利金額以普通權益持有人應佔本期間本公司溢利5,358,263港元(2011年6月30日:虧損22,443,007港元)及本期內已發行普通股加權平均數303,000,000股(2011年6月30日:294,629,834股普通股)計算得出。由於本公司於本期間並無已發行之攤薄普通股(2011年6月30日:無),因此,並無對截至2012年6月30日止期間已呈列之每股基本盈利作出有關攤薄之調整。

Notes to Interim Condensed Financial Statements

中期簡明財務報表附註

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11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

11. 按公平值透過損益列賬之金融資產

		30 June 2012 2012年 6月30日 (Unaudited) (未經審核) HK\$ 港元	31 December 2011 2011年 12月31日 (Audited) (經審核) HK\$ 港元
Listed equity securities:	上市股本證券：		
– Hong Kong	– 香港	85,482,750	12,979,050
– The United States	– 美國	36,521,757	13,871,056
		122,004,507	26,850,106
Listed debt securities:	上市債務證券：		
– Singapore	– 新加坡	16,283,483	–
		138,287,990	26,850,106

The fair value of listed equity securities and listed debt securities are determined based on the quoted bid prices available on the relevant stock exchanges at the end of the reporting period.

上市股本證券及上市債務證券之公平值按報告期末相關證券交易所報之買入價釐定。

Net unrealized gain on financial assets held for trading of HK\$9,413,432 has been recognized in profit or loss in the interim condensed statement of comprehensive income (30 June 2011: net unrealized loss of HK\$19,054,656).

持作買賣之金融資產未變現收益淨額9,413,432港元(2011年6月30日：未變現虧損淨額19,054,656港元)已於中期簡明全面收益表之損益賬內確認。

Notes to Interim Condensed Financial Statements

中期簡明財務報表附註

30 June 2012 2012年6月30日

12. CASH AND CASH EQUIVALENTS

12. 現金及現金等值

		30 June 2012 2012年 6月30日 (Unaudited) (未經審核) HK\$ 港元	31 December 2011 2011年 12月31日 (Audited) (經審核) HK\$ 港元
Cash at bank	銀行現金	-	3,664,389
Short-term time deposits	短期定期存款	105,556,602	207,997,452
		105,556,602	211,661,841

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term time deposits are made for varying periods between one day to three months depending on the immediate cash requirements of the Company, and earn interest at the respective short-term time deposit rates. The cash at bank and short-term time deposits are placed with Hong Kong and Shanghai Banking Corporation Limited.

銀行現金乃以基於每日銀行存款利率之浮動利率賺取利息。短期定期存款之期限介乎一日至三個月不等，視乎本公司對現金需求之迫切性而定，而短期定期存款按各短期存款利率賺取利息。銀行現金及短期定期存款已存入香港上海滙豐銀行有限公司。

13. OTHER PAYABLES AND ACCRUALS

As at 30 June 2012 and 31 December 2011, other payables are non-interest-bearing and have an average term of less than three months.

13. 其他應付款項及應計費用

於2012年6月30日及2011年12月31日，其他應付款項不計息，及平均年期少於三個月。

Notes to Interim Condensed Financial Statements

中期簡明財務報表附註

30 June 2012 2012年6月30日

14. AMOUNT DUE TO A RELATED COMPANY

As at 30 June 2012 and 31 December 2011, the amount due to a related company represents management fee payable to the Investment Manager. The payable is non-interest bearing and has a repayment term of less than one month.

14. 應付關連公司款項

於2012年6月30日及2011年12月31日，應付關連公司款項指應付投資管理人的管理費。該款項不附利息及還款期限少於一個月。

15. ISSUED CAPITAL

15. 已發行股本

		30 June 2012 2012年 6月30日 (Unaudited) (未經審核) HK\$ 港元	31 December 2011 2011年 12月31日 (Audited) (經審核) HK\$ 港元
Authorized:	法定：		
776,000,000 ordinary shares (31 December 2011: 776,000,000 ordinary shares) of HK\$0.1 each	776,000,000股 (2011年12月31日： 776,000,000股 普通股)每股面值 0.1港元的普通股	77,600,000	77,600,000
Issued and fully paid:	已發行及繳足：		
303,000,000 ordinary shares (31 December 2011: 303,000,000 ordinary shares) of HK\$0.1 each	303,000,000股 (2011年12月31日： 303,000,000股 普通股)每股面值 0.1港元的普通股	30,300,000	30,300,000

15. ISSUED CAPITAL (CONTINUED)

On 6 January 2011, a total of 303,000,000 ordinary shares of HK\$0.1 each (the "Placing Shares") were placed at a price of HK\$1.03 per share for a total cash consideration, before the related issue expenses, of HK\$312,090,000. The issued and fully paid capital of the Company increased to HK\$30,300,000 and resulted in a share premium of HK\$281,790,000, before deducting the share placement expenses of HK\$24,057,224. The Subscriber Share was transferred to the lead placing agent of the Placing and then forms part of the Placing Shares for subscription under the Placing. The Subscriber Share has no special rights that distinguish it from any other of the Placing Shares. The Placing Shares are not redeemable at the discretion of the shareholders. The net proceeds of the Placing, after deduction of the start-up costs of the Company, were subsequently applied by the Investment Manager in making investments according to the investment objectives, policies and restrictions of the Company and the requirements of the Articles of Association, the Listing Rules and the Investment Management Agreement. Any proceeds not deployed have been placed on bank deposits or invested in money market instruments or money market funds.

Dealings in the shares of the Company on the Stock Exchange commenced on 6 January 2011. After listing, no director of the Company or the Investment Manager, or the Investment Manager itself, held any shares in the Company.

15. 已發行股本(續)

於2011年1月6日，合共303,000,000股每股面值0.1港元的普通股(「配售股份」)按每股股份1.03港元的價格予以配售，現金代價總額為312,090,000港元(扣除相關發行開支前)。本公司已發行及繳足股本增至30,300,000港元，導致股份溢價281,790,000港元(扣除股份配售開支24,057,224港元前)。認購人股份轉讓予配售的牽頭配售代理，並於隨後構成根據配售認購配售股份的一部分。認購人股份概無特別權利以區別於任何其他配售股份。配售股份不可由股東酌情贖回。投資管理人將於作出投資時根據本公司的投資目標、政策及限制，以及組織章程細則、上市規則及投資管理協議之規定其後使用配售的所得款項淨額(經扣減本公司的成立初期費用)。任何未動用所得款項將存作銀行存款或用作投資貨幣市場工具或貨幣市場基金。

本公司股份於2011年1月6日開始於聯交所買賣。上市後，本公司或投資管理人的董事，或投資管理人本身並沒有持有本公司任何股份。

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16. NET ASSET VALUE PER SHARE

The calculation of net asset value per share is based on the net assets of the Company as at 30 June 2012 of HK\$243,737,228 (31 December 2011: HK\$238,378,965) and on 303,000,000 ordinary shares being in issue as at 30 June 2012 (31 December 2011: 303,000,000 ordinary share).

17. RELATED PARTIES TRANSACTIONS

In addition to the related party transactions detailed elsewhere in the interim condensed financial statements, the Company had the following transactions with related parties during the current period:

Investment manager – CITIC Securities International Investment Management (HK) Limited

The Investment Manager is responsible to manage, supervise and direct the investment, disposition and re-investment of the assets of the Company, on a discretionary basis, but subject to the investment objective and restrictions of the Company. The Investment Manager is entitled to receive management and performance fees for its respective services in terms of the agreement dated 10 December 2010. Details of the fees to which the Investment Manager is entitled are provided in note 8 to the interim condensed financial statements.

16. 每股資產淨值

每股資產淨值乃按本公司於2012年6月30日的資產淨值243,737,228港元(2011年12月31日: 238,378,965港元)及於2012年6月30日已發行普通股303,000,000股(2011年12月31日: 303,000,000股普通股)計算。

17. 關連方交易

除了在中期簡明財務報表其他部分載述的關連方交易外，本公司於期內與關連方進行下列交易：

投資管理人 – 中信証券國際投資管理(香港)有限公司

投資管理人負責以全權酌情基準，管理、監督及指示本公司資產的投資、處置及再投資，惟須受本公司的投資目標及限制約束。投資管理人按日期為2010年12月10日的協議的條款，有權就其各自的服務收取管理費及表現費。有關投資管理人有權收取的費用的詳情載於中期簡明財務報表附註8。

17. RELATED PARTIES

TRANSACTIONS (CONTINUED)

Two directors of the Company served on the Board of Directors of the Investment Manager for the periods ended 30 June 2012 and 2011.

Key management personnel compensation

The directors consider the key management personnel of the Company comprises of its Board of Directors, whose remuneration is shown in note 6 of the interim condensed financial statements.

18. FAIR VALUE HIERARCHY

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

17. 關連方交易 (續)

本公司兩名董事於截至2012年及2011年6月30日止期間於投資管理人董事會任職。

主要管理人員薪酬

董事認為，本公司之主要管理人員包括其董事會，有關薪酬見中期簡明財務報表附註6。

18. 公平值等級

本公司使用下列等級釐定及披露金融工具之公平值：

第一級：按可辨識資產或負債於活躍市場的報價(未經調整)計算的公平值

第二級：按估值技巧計算的公平值，而該等估值技巧的所有輸入值直接或間接為可觀察數據，並對已入賬公平值具重大影響

第三級：按估值技巧計算的公平值，而該等估值技巧的任何輸入值並非依據可觀察市場數據(不可觀察輸入值)得出，並對已入賬公平值具重大影響

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18. FAIR VALUE HIERARCHY (CONTINUED)

As at 30 June 2012, the Company's financial assets at fair value through profit or loss was HK\$138,287,990 (31 December 2011: HK\$26,850,106). As at 30 June 2012 and 31 December 2011, all of them were classified as Level 1 fair value measurements.

During the period ended 30 June 2012 and the year ended 31 December 2011, there were no transfers between Level 1 and Level 2 of fair value measurements, and no transfers into and out of Level 3.

19. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements were approved and authorised for issue by the Board of Directors on 16 August 2012.

18. 公平值等級 (續)

於2012年6月30日，本公司按公平值透過損益列賬之金融資產為138,287,990港元(2011年12月31日：26,850,106港元)。於2012年6月30日及2011年12月31日，均按第一級公平值計量進行分類。

截至2012年6月30日止期間及截至2011年12月31日止年度，第一級與第二級之間公平值計量並無轉撥，亦無轉撥至及轉撥自第三級。

19. 中期簡明財務報表的批准

本中期簡明財務報表已於2012年8月16日獲董事會批准及授權刊發。

China New Economy Fund Limited
中國新經濟投資有限公司