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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)

(I) POLL RESULTS OF THE EXTRAORDINARY GENERAL MEETING HELD ON 3 APRIL 2020; (II) SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE; AND (III) COMMENCEMENT OF DEALINGS IN THE CONSOLIDATED SHARES ON AN EX-RIGHTS BASIS

The Board is pleased to announce that the Resolutions as set out in the Notice were duly passed by the Shareholders by way of poll at the EGM held on 3 April 2020.

As all the conditions of the Share Consolidation have been fulfilled, the Share Consolidation will take effect on 7 April 2020. Upon the Share Consolidation becoming effective, the Change in Board Lot Size will also become effective.

Pursuant to the expected timetable as set out in the Circular, (a) the last day of dealings in the Shares on a cum-rights basis will be Tuesday, 7 April 2020; (b) the Shares will be dealt with on an ex-rights basis from Wednesday, 8 April 2020; and (c) that the Prospectus Documents will be despatched to the Qualifying Shareholders on Tuesday, 21 April 2020.

Reference is made to the circular (the “**Circular**”) of China New Economy Fund Limited (the “**Company**”) in relation to the proposed Rights Issue and the notice (the “**Notice**”) of extraordinary general meeting (the “**EGM**”) dated 16 March 2020. Capitalised terms used herein shall have the same meanings as defined in the Circular, unless the context requires otherwise.

POLL RESULTS OF THE EGM

The Board is pleased to announce that the resolutions (the “**Resolutions**”) set out in the Notice were duly passed by the Shareholders by way of poll at the EGM held on 3 April 2020.

As at the date of the EGM, the Company has a total of 1,388,246,794 Shares in issue. There were no Shares entitling the Shareholders to attend and vote only against the Resolutions at the EGM as set out in Rule 13.40 of the Listing Rules. To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, no Shareholder was required to abstain from voting on the Resolutions proposed at the EGM. None of the Shareholders has stated his/her/its intention in the Circular to vote against or to abstain from voting on the Resolutions at the EGM. As such, there were a total of 1,388,246,794 Shares, representing 100% of the total issued shares of the Company as at the date of EGM, entitling holders to attend and vote for or against the Resolutions proposed at the EGM.

Computershare Hong Kong Investor Services Limited, the Company’s Hong Kong branch share registrar and transfer office, acted as the scrutineer for the purpose of vote-taking at the EGM.

The full text of the Resolutions was set out in the Notice. The poll results in respect of the Resolutions as set out in the Notice are as follows:

Ordinary Resolutions		Number of votes (%)	
		For	Against
1.	To approve the proposed consolidation of every four (4) issued and unissued shares of HK\$0.01 each in the share capital of the Company into one (1) consolidated share with par value of HK\$0.04, details of which are set out in ordinary resolution number 1 in the Notice.	692,619,732 (99.997%)	20,000 (0.003%)
2.	To approve the proposed rights issue on the basis of one (1) rights share for every one (1) consolidated share with par value of HK\$0.04 held on the record date, details of which are set out in ordinary resolution number 2 in the Notice.	692,619,732 (99.997%)	20,000 (0.003%)

As more than 50% of the votes were cast in favour of the Resolutions, the Resolutions were duly passed as ordinary resolutions of the Company.

SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

As all the conditions of the Share Consolidation have been fulfilled, the Share Consolidation will take effect on 7 April 2020. Dealings in the Consolidated Shares will commence at 9:00 a.m. (Hong Kong time) on Tuesday, 7 April 2020. Please refer to the Circular (as supplemented by the announcement of the Company dated 23 March 2020) for details on the trading arrangement, the Change in Board Lot Size and the exchange and replacement of share certificates and matching services for odd lots in connection with the Share Consolidation. Shareholders should note that upon the Share Consolidation becoming effective, new share certificates of the Consolidated Shares in red color will be issued to the Shareholders.

Upon the Share Consolidation becoming effective, the Change in Board Lot Size will also become effective. The board lot size of the Shares for trading on the Stock Exchange will be changed from 20,000 Existing Shares to 10,000 Consolidated Shares with effect from Tuesday, 7 April 2020.

COMMENCEMENT OF DEALINGS IN THE CONSOLIDATED SHARES ON AN EX-RIGHT BASIS

The Rights Issue will proceed in accordance with the expected timetable as set out in the Circular (as supplemented by the announcement of the Company dated 23 March 2020). Pursuant to the expected timetable, the last day of dealings in the Shares on a cum-rights basis will be Tuesday, 7 April 2020 and the Shares will be dealt with on an ex-rights basis from Wednesday, 8 April 2020.

Shareholders and potential investors should note that the Rights Issue is conditional upon the fulfillment of the conditions set out in the paragraph headed “Conditions of the Rights Issue” in the Circular. Accordingly, the Rights Issue may or may not proceed. Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event there is an undersubscription of the Rights Issue, any unsubscribed Rights Shares will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. Shareholders and potential investors should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

By order of the Board

China New Economy Fund Limited

GU Xu

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 3 April 2020

As at the date of this announcement, the Board comprises Mr. GU Xu and Mr. CHAN Cheong Yee as executive Directors; Mr. LEUNG Wai Lim, Mr. SUN Boquan and Mr. CHONG Ching Hoi as independent non-executive Directors.