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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)**

## **COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE**

**Placing Agent**



Reference is made to the announcement of China New Economy Fund Limited (the “Company”) dated 28 April 2021 (the “Announcement”) in relation to the Placing. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

### **COMPLETION OF PLACING**

The Board is pleased to announce that the condition of the Placing has been fulfilled and the completion of the Placing took place on 21 May 2021. A total of 120,029,845 Placing Shares have been successfully placed by the Placing Agent to not less than six Placees at the Placing Price of HK\$0.18 per Placing Share pursuant to the terms and conditions of the Placing Agreement.

To the best knowledge, information and belief of the Company having made such reasonable enquiry and as informed by the Placing Agent, each Placee and its ultimate beneficial owner(s) are Independent Third Parties.

### **EFFECTS ON SHAREHOLDING STRUCTURE**

The 120,029,845 Placing Shares represent (i) 20% of the issued share capital of the Company immediately before the completion of the Placing; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

Set out below is the shareholding structure of the Company immediately before and upon completion of the Placing:

## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The changes of the shareholding structure of the Company as a result of the Placing are as follows:

Shareholders	As at the date of this announcement		Immediately after Completion assuming all the Placing Shares has been placed out	
	Number of Shares	Approximate percentage of shareholding %	Number of Shares	Approximate percentage of shareholding %
Kingsway Lion Spur Technology Limited (Note 1)	69,715,000	11.61	69,715,000	9.68
<i>Director</i>				
Wang Dingben	68,330,000	11.39	68,330,000	9.49
<i>Public Shareholders</i>				
Other Public Shareholders	462,104,228	77.00	462,104,228	64.16
Places	–	–	120,029,845	16.67
<b>Total</b>	<b>600,149,228</b>	<b>100.00</b>	<b>720,179,073</b>	<b>100.00</b>

Note:

- To the best information, knowledge and belief of the Directors, Kingsway Lion Spur Technology Limited (“KLSTL”), which owns 69,715,000 shares of the Company, is a wholly owned subsidiary of Festival Developments Limited (“FDL”). FDL is wholly owned by Sunwah Kingsway Capital Holdings Limited (“SKCHL”). Mr. Choi Koon Shum (“Mr. Choi”) is holding 54.83% of the issued share capital of SKCHL.

The gross proceeds from the Placing are approximately HK\$21.61 million. The net proceeds, after the deduction of the placing commission and other related expenses, are approximately HK\$21.21 million, representing a net issue price of approximately HK\$0.177 per Placing Share.

As disclosed in the Announcement, the Company intends to use the net proceeds arising from the Placing as to 90% for future investments and business development pursuant to the investment objectives of the Company and as to 10% for the general working capital of the Company to meet the running expenses of the Company such as rental and staff costs. It is the present intention of the Board that the funds shall be invested in new economy industries including but not limited to e-commerce and e-payment sectors subject to further evaluation and advice from the Company's investment manager.

On behalf of the Board  
**China New Economy Fund Limited**  
**GU Xu**

*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 21 May 2021

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