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CHINA NEW ECONOMY FUND LIMITED

中國新經濟投資有限公司

(Incorporated in the Cayman Islands as an exempted company with limited liability)

(Stock code: 80)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of China New Economy Fund Limited (the “**Company**”) for the year 2015 will be held at 3/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong on Thursday, 28 May 2015 at 10:00 a.m. for the following purpose:

1. To receive, consider and adopt the audited financial statements, reports of the directors and auditors of the Company for the year ended 31 December 2014.
2. (a) to re-elect Mr. Lam Chun Ho as an independent non-executive Director of the Company;

(b) to re-elect Mr. Huang Liangkuai as an independent non-executive Director of the Company; and

(c) to authorize the Board of Directors to fix the remuneration of the respective Directors.
3. To re-appoint Ernst and Young as auditors of the Company and to authorize the Board of Directors to fix their remuneration.

To consider and, if though fit, with or without amendments, the following resolutions as an Ordinary Resolutions:

4. to grant a further general mandate to the Directors to exercise the powers of the Company to allot and issue additional Shares and to repurchase Shares up to 10% of the total number of the issued Shares of the Company via the following resolutions:

A. “THAT:

- i. The Board of Directors be and is hereby granted an unconditional general mandate to, during the Relevant Period (as defined in (iv) below), separately or concurrently allot and issue additional Shares of the Company or securities convertible into such Shares or options in accordance with the status quo of the market, including to decide on the class and number of Shares to be issued; the pricing mechanism and/or the issue price (or the range of issue price); the opening and closing date and time of such issue; the class and number of Shares to be issued and allotted to current shareholders of the

Company; and/or to make any proposals, enter into any agreements or grant any share options or conversion rights which may involve the exercise of the power mentioned above.

- ii. The number of Shares issued and allotted or agreed conditionally or unconditionally to be issued and allotted (whether or not by way of the exercise of share options, conversion rights or by any other means) in accordance with (i) above shall not exceed 20% of the total number of the issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly.
- iii. The Board of Directors may during the Relevant Period make any proposals, enter into any agreements or grant any share options or conversion rights which may involve the exercise, after the expiry of the Relevant Period of this mandate, of the power mentioned above.
- iv. For the purpose of this resolution 4A:

“**Relevant Period**” means the period from the passing of this resolution until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and
- (c) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting.”

B. “THAT:

- i. Subject to paragraph (ii) below, the exercise by the Directors of the Company during the Relevant Period (as defined in (iii) below) of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- ii. The total number of Shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph (i) above during the Relevant Period shall not exceed 10% of the total number of the issued shares of the Company as at the date of passing of this Resolution and the said approval shall be limited accordingly; and

iii. For the purposes of this Resolution 4B:

“**Relevant Period**” means the period from the passing of this Resolution 4B until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and
- (c) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting.”

C. “**THAT:**

the general mandate granted to the Directors of the Company to allot and issue additional shares pursuant to Ordinary Resolution set out in Resolution 4A be and is hereby extended by the addition thereto of an amount representing the total number of shares repurchased by the Company under the authority granted pursuant to Ordinary Resolution as set out in Resolution 4B, provided that such amount shall not exceed 10% of the total number of the issued shares of the Company at the date of this Resolution.”

By Order of the Board
China New Economy Fund Limited
Craig Blaser Lindsay
Chairman and Chief Executive Officer

Hong Kong, 27 April 2015

Notes:

- (1) All resolutions at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the results of the poll will be published on the websites of the Stock Exchange and the Company in accordance with the Listing Rules.
- (2) A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of him/her/it. A member who is the holder of two or more shares may appoint more than one proxy to represent him/her/it and vote on his/her/its behalf. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number of shares in respect of which each such proxy is so appointed.
- (3) In order to be valid, the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a copy of such authority notarially certified, must be deposited at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the form of proxy shall be deemed to be revoked.

- (4) The Register of Members of the Company will be closed from Tuesday, 26 May 2015 to Thursday, 28 May 2015, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the above meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Friday, 22 May 2015.
- (5) As at the date of this announcement, the Board comprises Mr. Craig Blaser LINDSAY, Mr. GU Xu and Mr. CHAN Cheong Yee as executive Directors, Mr. LAM Chun Ho, Mr. Doyle Ainsworth DALLY, Mr. Faris Ibrahim Taha AYOUB and Mr. HUANG Liangkuai as independent non-executive Directors.
- (6) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.