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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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of China New Economy Fund Limited (the “**Company**”) will be held at 16th Floor, Chuang’s Tower, 30-32 Connaught Road Central, Hong Kong on Tuesday, 18 December 2012 at 10:00 a.m. for the purpose of, to consider, approve and authorize the following matters.

Unless otherwise indicated, capitalized terms used in this notice and the following resolutions shall have the same meanings as those defined in the circular of the Company dated 30 November 2012 (the “**Circular**”).

ORDINARY RESOLUTIONS

To consider and, if thought fit, to pass with or without modifications the following as ordinary resolutions:

- 1(a)(i) the entering into of the New Investment Management Agreement (a copy of which has been produced to this meeting marked “A” and initialled by the chairman of this meeting for the purpose of identification) and the transactions contemplated thereunder, details of which are more particularly described in the Circular, be and are hereby approved and confirmed; and
 - (ii) the Directors be and are hereby authorized for and on behalf of the Company to sign, and where required, to affix the common seal of the Company to any documents, instruments or agreements, to waive compliance from or make and agree such variations of a non-material nature to any of the terms of the New Investment Management Agreement as they may in their discretion consider to be desirable and in the interest of the Company and its shareholders as a whole, and to do any acts and things deemed by him to be necessary, expedient or desirable in order to give effect to and implement the New Investment Management Agreement.
- 1(b)(i) the Annual Caps as set out in the section headed “Letter from the Board” of the Circular be and are hereby approved; and

(ii) the Directors be and are hereby authorized to do all such acts, matters and things as they may in their discretion consider necessary, expedient or desirable to give effect to and implement the Annual Caps.

By Order of the Board
China New Economy Fund Limited
Craig Blaser Lindsay
Chairman

Hong Kong, 30 November 2012

Notes:

- (1) 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. 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.
- (2) 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 office of the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited's registered office 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.
- (3) All resolutions at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules
- (4) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

The Directors of the Company as at the date of this notice are Mr. WANG Junyan, Mr. LINDSAY Craig Blaser and Mr. GU Xu as executive directors, Mr. SIU Kam Chau, Professor XU Yangsheng and Mr. DALLY Doyle Ainsworth as independent non-executive directors.