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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)**

## **ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025**

### **UNAUDITED INTERIM RESULTS**

The board of directors (the “Board” or the “Directors”) of China New Economy Fund Limited (the “Company”) is pleased to announce the unaudited interim results of the Company for the six months ended 30 June 2025 (the “Period”), together with the unaudited figures for the six months ended 30 June 2024.

### **INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the six months ended 30 June 2025*

		<b>For the six months ended 30 June 2025 (unaudited) HK\$</b>	<b>For the six months ended 30 June 2024 (unaudited) HK\$</b>
	<i>Notes</i>		
<b>REVENUE</b>	4	<b>10,025</b>	734,882
Net change in fair value of financial assets at fair value through profit or loss	5	<b>608,880</b>	(6,960,659)
Other operating expenses		<b>(4,966,101)</b>	(6,427,859)
<b>OPERATING LOSS</b>		<b>(4,347,196)</b>	(12,653,636)
Finance costs	6(a)	<b>(2,101)</b>	(74,789)
<b>LOSS BEFORE TAX</b>	6(b)	<b>(4,349,297)</b>	(12,728,425)
Income tax expense	9	<b>—</b>	—

		For the six months ended 30 June 2025 (unaudited) <i>Notes</i>	For the six months ended 30 June 2024 (unaudited) <i>HK\$</i>
LOSS AND TOTAL COMPREHENSIVE EXPENSE FOR THE PERIOD ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY		<u>(4,349,297)</u>	<u>(12,728,425)</u>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	10		
Basic		<u>(0.003)</u>	<u>(0.010)</u>
Diluted		<u>(0.003)</u>	<u>(0.010)</u>

# INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		30 June 2025 (Unaudited) HK\$	31 December 2024 (Audited) HK\$
	Notes		
<b>NON-CURRENT ASSETS</b>			
Right-of-use asset		–	181,847
Deposit		–	–
Total non-current assets		–	181,847
<b>CURRENT ASSETS</b>			
Prepayments, deposits and other receivables		677,154	893,418
Amount due from a broker		8,084,089	8,074,074
Financial assets at fair value through profit or loss	11	39,568,933	42,960,053
Cash and cash equivalents		11,805,368	13,007,593
Total current assets		60,135,544	64,935,138
<b>CURRENT LIABILITIES</b>			
Other payables and accruals		3,025,419	3,459,664
Amount due to a related party		600,000	600,000
Lease liabilities		–	197,899
Total current liabilities		3,625,419	4,257,563
<b>NET CURRENT ASSETS</b>		<b>56,510,125</b>	<b>60,677,575</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>56,510,125</b>	<b>60,859,422</b>
<b>NET ASSETS</b>		<b>56,510,125</b>	<b>60,859,422</b>
<b>EQUITY</b>			
Issued capital	12	52,788,011	52,788,011
Reserves		3,722,114	8,071,411
Total equity		56,510,125	60,859,422
<b>NET ASSET VALUE PER SHARE</b>		<b>0.04</b>	<b>0.05</b>

# NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS

30 June 2025

## 1. CORPORATION INFORMATION

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 and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). 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, Ugland House, South Church Street, George Town, Grand Cayman KY1-1104, Cayman Islands. The principal place of business of the Company is at Room 1802B, 18/F., Bank of America Tower, 12 Harcourt Road, Admiralty, 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.

## 2.1 BASIS OF PREPARATION

The unaudited interim condensed financial statements for the six months ended 30 June 2025 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”) issued by the International Accounting Standards Board (“IASB”) and the applicable disclosure requirements of Appendix D2 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). They have been prepared under the historical cost convention, except for the financial assets 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.

The preparation of interim financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

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 2024. The accounting policies and methods of computation used in the preparation of the interim condensed financial statements included in this report are consistent with those used in the annual financial statements for the year ended 31 December 2024.

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

In the current period, the Company has applied the following new and amendments to IFRS Accounting Standards issued by the IASB, for the first time, which are mandatory effective for the annual period beginning on or after 1 January 2025 for the preparation of the Company's interim condensed financial statements:

## Amendments to IAS 21

### Lack of Exchangeability

The application of the amendments to IFRS Accounting Standards in the current period has had no material impact on the Company's financial positions and performance for the current and prior periods and/or on the disclosures set out in these interim condensed financial statements.

### 3. OPERATING SEGMENT INFORMATION

For management purposes, the Company is organised into business units based on the categories of investments. During the six months ended 30 June 2024 and 2025, the Company has two reportable operating segments as follows:

Listed securities	–	Investments in equity securities listed on relevant stock exchange
Unlisted securities	–	Investments in open-ended fund, limited partnership fund, private equity securities

Further details of the Company's investments are included in note 11.

	Listed securities HK\$	Unlisted securities HK\$	Total HK\$
For the six months ended 30 June 2025 (unaudited)			
Segment revenue	-	-	-
Segment results	462	608,418	608,880
Bank interest income			10,025
Unallocated expenses			(4,968,202)
Loss before tax			(4,349,297)

	Listed securities HK\$	Unlisted securities HK\$	Total HK\$
For the six months ended 30 June 2024 (unaudited)			
Segment revenue	<u>–</u>	<u>704,411</u>	<u>704,411</u>
Segment results	<u>(1,505,950)</u>	<u>(5,454,709)</u>	<u>(6,960,659)</u>
Bank interest income			30,471
Unallocated expenses			<u>(5,798,237)</u>
Loss before tax			<u>(12,728,425)</u>

For the six months ended 30 June 2025, the operating segments derived revenue from interest income and income from profit guarantee earned from the investments held by the segments. This is in contrast to the six months ended 30 June 2024, where no revenue was noted for the operating segment. Segment results represented the net gains or losses on changes in fair values of listed equity securities, private equity securities, unlisted bond, open-ended fund and limited partnership fund classified as financial assets at fair value through profit or loss and the corresponding interest income, dividend income as well as income from profit guarantee earned by each segment without the allocation of administrative expenses, finance costs, interest income from bank deposits and Investment Manager's fees.

As management considers the Company's nature of business to be investment trading and there are no major customers, accordingly no information regarding revenue derived from major customers is presented.

	Listed securities HK\$	Unlisted securities HK\$	Total HK\$
As at 30 June 2025 (unaudited)			
Segment assets:			
Financial assets at fair value through profit or loss	<u>3,652</u>	<u>39,565,281</u>	<u>39,568,933</u>
Unallocated assets			<u>20,566,611</u>
Total assets			<u>60,135,544</u>
Liabilities:			
Unallocated liabilities			<u>3,625,419</u>
Total liabilities			<u>3,625,419</u>

	Listed securities HK\$	Unlisted securities HK\$	Total HK\$
As at 31 December 2024 (audited)			
Segment assets:			
Financial assets at fair value through profit or loss	<u>3,190</u>	<u>42,956,863</u>	42,960,053
Unallocated assets			<u>22,156,932</u>
Total assets			<u>65,116,985</u>
Liabilities:			
Unallocated liabilities			<u>4,257,563</u>
Total liabilities			<u>4,257,563</u>

For the purpose of monitoring segment performance and allocating resources between segments, all financial assets at fair value through profit or loss are allocated to reportable segments. All other assets of the Company, including right-of-use assets, deposits, prepayments and other receivables, amounts due from brokers and cash and cash equivalents, and all liabilities are not allocated to the operating segments.

#### 4. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June 2025 (Unaudited) HK\$	For the six months ended 30 June 2024 (Unaudited) HK\$
Bank interest income	10,025	30,471
Income from profit guarantee ( <i>note</i> )	<u>–</u>	<u>704,411</u>
	<u>10,025</u>	<u>734,882</u>

*Note:* Income from profit guarantee relates to amounts received and receivable in respect of a private equity investment in Hong Kong under the profit guarantee terms set out in the relevant agreement.

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

	<b>Listed securities HK\$</b>	<b>Unlisted securities HK\$</b>	<b>Total HK\$</b>
For the six months ended 30 June 2025 (unaudited)			
Net realised loss on financial assets at fair value through profit or loss	–	(4,236,828)	(4,236,828)
Net unrealised gain on financial assets at fair value through profit or loss	<u>462</u>	<u>4,845,246</u>	<u>4,845,708</u>
Total of net realised and unrealised gain included in profit or loss	<u><b>462</b></u>	<u><b>608,418</b></u>	<u><b>608,880</b></u>
	<b>Listed securities HK\$</b>	<b>Unlisted securities HK\$</b>	<b>Total HK\$</b>
For the six months ended 30 June 2024 (unaudited)			
Net realised loss on financial assets at fair value through profit or loss	(500,500)	(215,993)	(716,493)
Net unrealised loss on financial assets at fair value through profit or loss	<u>(1,005,450)</u>	<u>(5,238,716)</u>	<u>(6,244,166)</u>
Total of net realised and unrealised loss included in profit or loss	<u><b>(1,505,950)</b></u>	<u><b>(5,454,709)</b></u>	<u><b>(6,960,659)</b></u>



## 6. LOSS BEFORE TAX

The Company's loss before tax is arrived at after charging:

	For the six months ended 30 June 2025 (Unaudited) HK\$	For the six months ended 30 June 2024 (Unaudited) HK\$
(a) Finance costs		
Interest on other borrowings	–	26,392
Interest on lease liabilities	<u>2,101</u>	<u>48,397</u>
	<u>2,101</u>	<u>74,789</u>
(b) Other operating expenses		
Directors' remuneration		
– Fees	624,000	1,164,000
– Other emoluments	<u>–</u>	<u>–</u>
	<u>624,000</u>	<u>1,164,000</u>
Staff cost (excluding directors' remuneration)	1,600,361	1,079,588
Investment management fee	–	300,000
Auditors' remuneration	250,000	285,000
Short-term lease in respect of properties	400,000	25,010
Consultancy fees	170,000	–
Legal and professional fees	216,157	1,095,148
Depreciation of right-of-use asset	<u>181,847</u>	<u>692,159</u>

## 7. INTERIM DIVIDEND

The Board has resolved not to pay any interim dividend in respect of the current reporting period (30 June 2024: Nil).

## 8. FEES

### Administration fee

Amicorp Fund Services Asia Limited (the "Administrator") is entitled to receive an administration fee which is calculated based on the net asset value of the Company at valuation day equal to the rate of 0.11% per annum.

The administration fee is subject to a monthly minimum fee of USD4,100 plus 7.5% disbursement charge for the period from 1 January 2025 to 31 May 2025 and USD2,100 plus 7.5% disbursement charge from 1 June 2025 (30 June 2024: USD4,100 plus 7.5% disbursement charge) and is payable monthly in arrears.

The administration fee for the Period is HK\$189,388 (30 June 2024: HK\$206,815). As at 30 June 2025, an administration fee of HK\$189,388 (31 December 2024: HK\$205,862) was payable to the Administrator.

### **Custodian fee**

Bank of Communications Trustee Limited (the “Custodian”) is entitled to a custodian fee which is calculated based on the net asset value of the Company at valuation day equal to the rate of 0.04% per annum. The custodian fee is subject to a monthly minimum fee of HK\$12,500 (30 June 2024: HK\$12,500 and is payable monthly in arrears.

The custodian fee for the Period is HK\$75,000 (30 June 2024: HK\$75,000). As at 30 June 2025, a custodian fee of HK\$250,000 (31 December 2024: HK\$175,000) was payable to the Custodian.

### **Management fee**

The former Investment Manager ceased to serve as the Company’s investment manager with effect from 4 October 2024. The former Investment Manager was entitled to a monthly management fee of HK\$50,000 and payable monthly in advance.

The investment management fee for the Period is nil (30 June 2024: HK\$300,000). As at 30 June 2025 and 31 December 2024, no management fee was payable to the former Investment Manager.

## **9. TAXATION**

The Company calculates the period income tax expenses using the tax rate that would be applicable to the expected total annual earnings.

### **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.

Effective from the date of incorporation of the Company, and for a period of twenty years, no law that is hereafter enacted in the Cayman Islands imposing any tax on income will be levied on the Company.

### **Hong Kong**

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the Company will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%.

No provision for Hong Kong Profits Tax has been made in the financial statements as the Company did not generate any assessable profit for the six months ended 30 June 2025 and 2024.

No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams.

## **10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY**

The calculation of basic and diluted loss per share amount is based on the Company’s loss of HK\$4,349,297 (30 June 2024: HK\$12,728,425) for the Period attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the Period of 1,319,700,274 (30 June 2024: 1,319,700,274 ordinary shares).

No diluted earnings per share for the six months ended 30 June 2025 and 2024 were presented as there were no potential ordinary shares in issue for both periods.

## 11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2025 (Unaudited) HK\$	31 December 2024 (Audited) HK\$
Listed equity securities – Hong Kong	3,652	3,190
Investment in private equity – British Virgin Islands	6,627,000	6,627,000
Investments in private equity – Hong Kong	18,073,000	18,073,000
Investments in fund – Hong Kong	14,865,281	18,256,863
	<u>39,568,933</u>	<u>42,960,053</u>

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

The fair values of the private equities are determined based on valuation techniques for which inputs that have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs).

The fair values of the funds are determined based on valuation techniques (i.e. net asset value) for which the lowest level input that have a significant effect on the recorded fair value is directly or indirectly observable.

Net unrealised gain on financial asset at fair value through profit or loss of HK\$4,845,708 (2024: net unrealised loss of HK\$6,244,166) has been recognised in profit or loss.

## 12. ISSUED CAPITAL

	Number of shares	Nominal amount HK\$
Authorised		
Ordinary Shares of nominal amount HK\$0.04 each at 30 June 2025 and 31 December 2024	<u>25,000,000,000</u>	<u>1,000,000,000</u>
Issued and fully paid		
Ordinary Shares of nominal amount HK\$0.04 each at 30 June 2025 and 31 December 2024	<u>1,319,700,274</u>	<u>52,788,011</u>

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	Issued capital HK\$	Share premium account HK\$	Total HK\$
At 1 January 2024, 31 December 2024 and 30 June 2025	<u>1,319,700,274</u>	<u>52,788,011</u>	<u>256,798,043</u>	<u>309,586,054</u>

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The board of directors (the “Board” or the “Directors”) of China New Economy Fund Limited (the “Company”) is pleased to present the Company’s interim results for the six months ended 30 June 2025 (the “Period”).

The Company is a closed-ended investment company established on 1 February 2010. By investing 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.

### **FINANCIAL HIGHLIGHTS**

During the Period, the Company maintained a medium to long-term investment strategy in both public and private equities. The Company held one investment in Hong Kong-listed company, three private equity securities investments, one limited partnership fund and one open-ended fund as of 30 June 2025. One of our major investments is in the financial printing sector focusing on the Hong Kong IPO market. The Company reported net loss attributable to shareholders of HK\$4,349,297 during the Period, which consisted of the net change in fair value gain of HK\$608,880 taken on the investment positions in the portfolio.

The investment performance of the Company during the Period is affected by the slow recovery of the Chinese economy and the rising volatility of the Greater China stock markets. As at 30 June 2025, the Company reported an unaudited net asset value of approximately HK\$0.04 per share. The Company will continue to monitor its investments cautiously in view of the recent uncertain Greater China stock market conditions.

### **BUSINESS REVIEW AND PROSPECT**

During the Period, the global investment market continued to experience a complex and evolving macroeconomic environment. In early April, the President of the United States (the “U.S.”), Donald Trump, launched a new round of tariff measures against major trading partners which caused significant volatility in global markets and raised concerns over the outlook for international trade and growth. Although subsequent negotiations led to new tariff standards with several countries and some easing of tensions, the fundamental landscape of the global economy may have shifted, posing new challenges for investors. Despite the persistent uncertainties surrounding the Chinese property sector, China’s overall economic momentum has gradually stabilised, underpinned by a series of supportive government measures introduced in late 2024 and early 2025. These measures have resulted in a modest rebound in property transactions and improved investor confidence.

According to the National Bureau of Statistics of China, China’s gross domestic product (the “GDP”) in the first half of 2025 increased by 5.3% year-over-year, reaching RMB66,054 billion. The second quarter of 2025 saw a year-on-year GDP growth rate of 5.2%, indicating that the pace of economic recovery remains on track, especially as consumer sentiment and domestic demand continued to recover.

In contrast with the same period last year, Hong Kong's financial market displayed a more resilient performance. The Hang Seng Index rose by 20% during the Period, while the Hang Seng China Enterprises Index saw a notable increase of 10%, driven by an improved outlook for Chinese enterprises and a more stable external environment.

Meanwhile, in the U.S., the United States Federal Reserve Board (the "Federal Reserve") maintained its policy rate throughout the Period, following three cumulative rate cuts totaling 1 percentage point in 2024, which brought the federal funds rate to a target range of 4.25%–4.50% as of January 2025. By the end of June 2025, the Federal Reserve had held four policy meetings without any further rate adjustments, although market participants continued to anticipate the possibility of up to two additional rate cuts in the second half of the year. While this wait-and-see approach reflects the evolving macroeconomic outlook and persistent geopolitical uncertainties, expectations for additional interest rate cuts have helped bolster market confidence and contributed to greater stability in capital markets.

The Company remained committed to its diversified investment approach in the Period. As of 30 June 2025, the portfolio comprised investments in one listed company, two funds, and three private equity securities. This mix reflects the Company's goal to capture near-term capital gains through listed securities, while pursuing long-term value through private equity investment and funds. The stable performance of funds and private equity investments during the period provided resilience amidst market fluctuations.

Looking ahead, the Company will continue to execute its prudent investment strategy, focusing on growth sectors within Greater China and selectively targeting global opportunities to further diversify risks and enhance returns. The Company will leverage the expertise of its seasoned investment and risk management professionals to actively seek emerging opportunities presented by ongoing economic reforms and technological advancements, with the ultimate aim of delivering sustainable value for our esteemed shareholders.

Despite ongoing market uncertainties, the Company remains optimistic about the region's long-term fundamentals and will continue to adapt its strategy to the evolving investment landscape, ensuring both resilience and growth in the coming periods.

## **INVESTMENT REVIEW**

The Company held six investments as of 30 June 2025, comprising one investment in a Hong Kong-listed company, three investments in private equity securities, one limited partnership fund and one open-ended fund.

To provide the shareholders of the Company with an interim update of the investments held by the Company, the Company discloses all its six investments (some of which are investments with value exceeding 5% of the Company's gross assets) with brief description of the investee companies and particulars of the investments in accordance with Rule 21.12 of the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") as follows:

### At 30 June 2025

#### Listed Equity Security – Hong Kong

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost	Market value	Unrealised gain/(loss) recognised (Note 1)	Net asset attributable to the Company (Note 2)	Dividend received/receivable during the Period	% of gross assets of the Company
				HK\$'000	HK\$'000	HK\$'000		HK\$'000	
(a) Strong Petrochemical Holdings Limited	The Cayman Islands	22,000 ordinary shares of HK\$0.025 each	0.00%	4	3	(1)	HK\$0.01 million	–	0.01

#### Private Equity Security – British Virgin Islands

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost	Market value	Unrealised gain/(loss) recognised (Note 1)	Net asset attributable to the Company (Note 3)	Dividend received/receivable during the Period	% of gross assets of the Company
				HK\$'000	HK\$'000	HK\$'000		HK\$'000	
(b) Gransing Financial Group Limited	British Virgin Islands	64 shares of USD1 each	18.08%	46,377	6,627	(39,750)	HK\$14.51 million	–	11.02

#### Private Equity Securities – Hong Kong

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost	Market value	Unrealised gain/(loss) recognised (Note 1)	Net asset attributable to the Company (Note 3)	Dividend received/receivable during the Period	% of gross assets of the Company
				HK\$'000	HK\$'000	HK\$'000		HK\$'000	
(c) iPro Financial Press Limited	Hong Kong	17,493 shares	19.97%	34,999	15,350	(19,649)	HK\$15.45 million	–	25.53
(d) Gransing Finance Limited	Hong Kong	2,779,570 shares	19.90%	16,876	2,723	(14,153)	HK\$4.52 million	–	4.53

## ***Funds – Hong Kong***

Name of investee	Place of incorporation	Proportion of investee's capital owned	Cost	Market value	Unrealised gain/(loss) recognised (Note 1)	Net asset attributable to the Company (Note 3)	Dividend received/receivable during the Period	% of gross assets of the Company
			HK\$'000	HK\$'000	HK\$'000		HK\$'000	
(e) SWK Dynamic OFC	Hong Kong	9.10%	8,792	9,187	395	HK\$9.19 million	–	15.28
(f) Goldstone 1 LPF	Hong Kong	8.25%	12,703	5,678	(7,025)	HK\$5.68 million	–	9.44

## **At 31 December 2024**

## ***Listed Equity Security – Hong Kong***

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost	Market value	Unrealised gain/(loss) recognised (Note 4)	Net asset attributable to the Company (Note 2)	Dividend received/receivable during the year	% of gross assets of the Company
				HK\$'000	HK\$'000	HK\$'000		HK\$'000	
(a) Strong Petrochemical Holdings Limited	The Cayman Islands	22,000 ordinary shares of HK\$0.025 each	0.00%	4	3	(1)	HK\$0.01 million	–	0.00

## ***Private Equity Security – British Virgin Islands***

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost	Market value	Unrealised gain/(loss) recognised (Note 4)	Net asset attributable to the Company (Note 3)	Dividend received/receivable during the year	% of gross assets of the Company
				HK\$'000	HK\$'000	HK\$'000		HK\$'000	
(b) Gransing Financial Group Limited	British Virgin Islands	64 shares of USD1 each	18.08%	46,377	6,627	(39,750)	HK\$14.51 million	–	10.18

## Private Equity Securities – Hong Kong

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost	Market value	Unrealised gain/(loss) recognised	Net asset attributable to the Company	Dividend received/receivable during the year	% of gross assets of the Company
				HK\$'000	HK\$'000	(Note 4) HK\$'000	(Note 3) HK\$'000		
(c) iPro Financial Press Limited	Hong Kong	17,493 shares	19.97%	34,999	15,350	(19,649)	HK\$15.45 million	–	23.57
(d) Gransing Finance Limited	Hong Kong	2,779,570 shares	19.90%	16,876	2,723	(14,153)	HK\$4.52 million	–	4.18

## Funds – Hong Kong

Name of investee	Place of incorporation	Proportion of investee's capital owned	Cost	Market value	Unrealised gain/(loss) recognised	Net asset attributable to the Company	Dividend received/receivable during the year	% of gross assets of the Company
			HK\$'000	HK\$'000	(Note 4) HK\$'000	(Note 3) HK\$'000		
(e) Goldstone 1 LPF	Hong Kong	43.63%	19,785	9,580	(10,205)	HK\$9.58 million	–	14.71
(f) SWK Dynamic OFC	Hong Kong	10.59%	9,947	8,677	(1,270)	HK\$8.68 million	–	13.33

### Notes:

- (1) The unrealised gain/(loss) recognised represented the changes in fair value of the respective investments during the Period.
- (2) The calculation of net assets/(liability) attributable to the Company is based on the latest published interim/annual reports of the respective investments as at the latest practicable date at the end of each reporting period.
- (3) The calculation of net assets/(liability) attributable to the Company is based on the latest financial information/statements of the respective investments as at the latest practicable date at the end of each reporting period.
- (4) The unrealised gain/(loss) recognised represented the changes in fair value of the respective investments during the year ended 31 December 2024.



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

- (a) Strong Petrochemical Holdings Limited (“Strong Petrochemical”) is a Hong Kong-based investment holding company principally engaged in the trading of oil products. The unaudited loss attributable to shareholders of Strong Petrochemical for the six months ended 30 June 2024 was approximately HK\$8,750,000 and the unaudited net assets attributable to shareholders of Strong Petrochemical as at 30 June 2024 was approximately HK\$1,284,433,000. The trading of shares of Strong Petrochemical has been suspended since 31 December 2024. Strong Petrochemical resumed the crude oil trading business and made headway to enter the oil and gas development and production sector. Strong Petrochemical will proactively seek for business opportunities. The fair value of the investment in Strong Petrochemical is based on quoted market bid prices.
- (b) Gransing Financial Group Limited (“Gransing Financial”) is principally engaged in provision of quality brokerage, corporate finance, asset management, money lending and financial adviser services to institutional and individual investors in Hong Kong and Mainland China through its subsidiaries. With the enhancement of artificial intelligence (“A.I.”) technology, Gransing Financial launched several new services including the online account opening services for new customers in Hong Kong and China. Moreover, by the help of advanced intelligent technology, Gransing Financial’s A.I. analyst would serve their clients with stock monitoring, investment strategies and stock scoring services. All the above would improve Gransing Financial’s operational efficiency and earn more new potential clients. The fair value of the investment in Gransing Financial is based on valuation by independent valuer.
- (c) iPro Financial Press Limited (“iPro”) is principally engaged in financial printing services, production of announcements such as IPO prospectus and financial reports, and provision of venues for financial related forums. The fair value of the investment in iPro is based on valuation by independent valuer.
- (d) Gransing Finance Limited (“Gransing Finance”) is engaged in the provision of money lending. Gransing Finance is held by Gransing Financial which is the largest shareholder of Gransing Finance. The fair value of the investment in Gransing Finance is based on valuation by independent valuer.
- (e) SWK Dynamic OFC (“SWK”) is private open-ended fund company with variable capital. The strategy of SWK is long-biased focusing on Hong Kong and China equity market. The fair value of the investment in SWK is based on net asset value.
- (f) Goldstone 1 LPF (“Goldstone 1”), is a limited partnership fund. Goldstone 1 seeks to achieve maximum capital appreciation over the life of the limited partnership fund through equity investments, specifically, investments in IPOs on securities to be listed on the Stock Exchange and in private placements by companies listed on the Stock Exchange. The fair value of the investment in Goldstone 1 is based on net asset value.

The top investments with realised loss for the Period are summarised as below:

### **Top two realised loss for the Period**

<b>Name of investment</b>	<b>Realised loss</b> <i>HK\$'000</i>
Goldstone 1 LPF	4,003
SWK Dynamic OFC	155

### **LIQUIDITY, FINANCIAL RESOURCES AND GEARING**

The Company has maintained a sufficient cash position which will allow it to capture opportunities with promising returns in both listed and private equities.

As at 30 June 2025, the gearing ratio, defined as total borrowings divided by shareholders' equities, was nil (31 December 2024: Nil). As at 30 June 2025, the Company has no margin payables to the brokers (31 December 2024: Nil).

### **INTERIM DIVIDEND**

The Directors do not recommend the payment of any interim dividend during the Period (30 June 2024: Nil).

### **CHARGES ON COMPANY'S ASSET AND CONTINGENT LIABILITIES**

As at 30 June 2025, the Company did not pledge any assets as securities for any facilities granted to the Company (31 December 2024: Nil).

There were no significant contingent liabilities as at 30 June 2025 (31 December 2024: Nil).

### **CAPITAL STRUCTURE**

On the listing date on 6 January 2011, 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, excluding the related issue expenses, of approximately HK\$312.1 million. Subsequent to the listing, the Company had acquired additional capital by completion of rights issue and placing of new shares under general mandate. As at 30 June 2025, the capital of the Company comprises of 1,319,700,274 ordinary shares of HK\$0.04 each.

### **CAPITAL EXPENDITURE AND COMMITMENT**

As at 30 June 2025, the Company made no capital expenditure or any other commitments (31 December 2024: Nil).

## **MATERIAL ACQUISITION AND DISPOSAL**

During the Period, the Company did not acquire or dispose of any subsidiaries, associates or joint ventures (31 December 2024: Nil).

## **USE OF PROCEEDS**

The Company has six investments as of 30 June 2025, comprising equity security listed in Hong Kong, private equities, limited partnership fund and open-ended fund. The largest investment held by the Company was in the financial printing sector focusing on the Hong Kong IPO market.

The available proceeds will be applied by the Board and the Investment Manager (if any) in making investments according to the investment objective, policies and restrictions of the Company and the requirements of the articles of association of the Company, the Listing Rules and the investment management agreement (if any). Any proceeds not deployed are placed in bank deposits or invested in money market instruments or money market funds.

## **EMPLOYEES AND REMUNERATION POLICY**

As at 30 June 2025, the Company had six full time employees (31 December 2024: five). All of the Company's employees were based in Hong Kong.

The Company establishes its remuneration policy by making reference to the prevailing market conditions and a performance-based reward system. The policy is periodically reviewed. Apart from mandatory provident fund, salaries increment, share options and discretionary bonuses may be awarded to employees according to the assessment of individual performance.

The total remuneration cost incurred by the Company for the Period was approximately HK\$1,600,361 (30 June 2024: HK\$1,079,587).

## **FOREIGN CURRENCY FLUCTUATION**

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

## **EVENTS AFTER REPORTING PERIOD**

Longling Capital Ltd (the "Offeror"), the entire issued share capital of which is directly beneficially owned by Mr. Cai Wensheng, has completed the acquisition of a total of 50.71% of the shares of the Company from several former shareholders of the Company for a total cash consideration of approximately HK\$70.93 million on 8 July 2025. As a result, the Offeror is required to make mandatory unconditional cash offers for all the issued shares of the Company (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) and all the outstanding share options (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it)

for cancellation (collectively, the “Offers”) pursuant to Rule 26.1 of the Hong Kong Code on Takeovers and Mergers. The Offers were closed at 4:00 p.m. on Thursday, 28 August 2025, and were not revised or extended by the Offeror. Details of the acquisition and the Offers have been disclosed in the joint announcements dated 17 July 2025, 7 August 2025 and 28 August 2025 and the composite document dated 7 August 2025 jointly issued by the Offeror and the Company.

Save as disclosed above, there is no significant event after the Period.

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

The Company did not purchase, sell or redeem any of the Company’s listed securities (including the sale of treasury shares (as defined under the Listing Rules)) during the Period. As at 30 June 2025, there were no treasury shares held by the Company.

## **CORPORATE GOVERNANCE PRACTICES**

The Company has applied the principles set out in the Corporate Governance Code (the “CG Code”) contained in Part 2 of Appendix C1 to the Listing Rules. The Board is of the view that throughout the Period, the Company was in compliance with the code provisions as set out in the CG Code.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (the “Model Code”) as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiry to all the Directors, all the Directors confirmed that they had complied with the required standard of dealings as set out in the Model Code throughout the Period.

## **AUDIT COMMITTEE**

The audit committee of the Company (the “Audit Committee”) currently comprises three independent non-executive Directors, namely Mr. Sze Tak Chi (being the chairman with professional qualifications in accountancy), Mr. Tong Yun Lung and Mr. Sui Fuxiang.

The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, risk management and internal control systems, audit plan and relationship with external auditors and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, risk management systems, internal control or other matters of the Company.

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

## **PUBLICATION OF INTERIM REPORT**

The interim report of the Company for the Period 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](http://www.hkexnews.hk)) and the Company ([www.chinaneweconomyfund.com](http://www.chinaneweconomyfund.com)) in due course.

By Order of the Board  
**China New Economy Fund Limited**  
**Chan Cheong Yee**  
*Executive Director*

Hong Kong, 28 August 2025

*As at the date of this announcement, the Board comprises Mr. CHAN Cheong Yee as executive Director; Mr. CHEN Shengjie (Chairman), Mr. CHOI Koon Ming and Ms. XIAO Ruimei as non-executive Directors; Mr. SZE Tak Chi, Mr. SUI Fuxiang and Mr. TONG Yun Lung as independent non-executive Directors.*