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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)

NET ASSET VALUE AND PROFIT WARNING

This announcement is made by China New Economy Fund Limited (the “**Company**”) pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

Based on the unaudited management accounts of the Company, the unaudited net asset value per share of the Company as at 30 June 2022 was approximately HK\$0.14. The board (the “**Board**”) of directors (the “**Directors**”) wishes to inform the shareholders and prospective investors of the Company that the Company has recorded a net loss for the six months ended 30 June 2022 of not less than HK\$10 million as compared to a net profit of HK\$12.67 million for the six months ended 30 June 2021. The net loss is mainly attributable to the decrease in unrealized fair value gain of financial assets at fair value through profit or loss compared with corresponding period in 2021 as a result of stock market volatility.

This net asset value and the expected net loss are based on the information currently available to the Board, which has not been finalised and not reviewed by the audit committee and may be subject to change. Accordingly, the actual results of the Company for the six months ended 30 June 2022 may be different from what is disclosed in this announcement.

Shareholders and potential investors are advised to refer to the interim results of the Company to be released by the end of August 2022 for details and to exercise caution when dealing in the shares of the Company.

The Company is managed by Evergrande Securities (Hong Kong) Limited.

By Order of the Board
China New Economy Fund Limited
Gu Xu

Chief Executive Officer and Executive Director

Hong Kong, 14 July 2022

As at the date of this announcement, the board of Directors comprises Mr. GU Xu and Mr. CHAN Cheong Yee as executive Directors; Mr. HUANG Bin (Co-Chairman), Mr. CHOI Chit Sze Jackson (Co-Chairman), Mr. WANG Dingben, Mr. CHOW Yeung Tuen Richard, Mr. CHOI Koon Ming and Ms. XIAO Ruimei as non-executive Directors; and Mr. LEUNG Wai Lim, Mr. SUN Boquan, Mr. CHONG Ching Hoi and Mr. LAM King as independent nonexecutive Directors.