
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China New Economy Fund Limited, you should at once hand this Circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

(A) PROPOSALS RELATING TO

(1) RE-ELECTION OF RETIRING DIRECTORS

AND

(2) GENERAL MANDATE TO ALLOT AND ISSUE SHARES

AND

(3) GENERAL MANDATE TO REPURCHASE SHARES;

AND

(B) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the AGM of China New Economy Fund Limited to be held at Room 4608, 46/F., The Center, 99 Queen's Road Central, Hong Kong on 29 May 2018, Tuesday at 10:00 a.m., at which the above proposals will be considered, is set out on pages 11 to 15 of this Circular. A form of proxy for use at the AGM is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.chinaneweconomyfund.com>).

Whether or not you are able to attend the AGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to 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 as soon as possible but in any event not later than 10:00 a.m. on 27 May 2018 (Sunday) (Hong Kong time). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the AGM if they so wish.

25 April 2018

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DEFINITIONS

In this Circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM”	the annual general meeting of the Company to be held at Room 4608, 46/F., The Center, 99 Queen’s Road Central, Hong Kong on Tuesday, 29 May 2018 at 10:00 a.m., or any adjournment thereof
“Articles”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Circular”	this circular to the Shareholders dated 25 April 2018
“Company”	China New Economy Fund Limited, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	18 April 2018, being the latest practicable date prior to the printing of this Circular for ascertaining certain information contained therein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.5 each in the issued capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Takeovers Code”	The Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time
“US\$”	United States dollars, the lawful currency of the United States of America

LETTER FROM THE BOARD

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)

Board of Directors

Executive Directors:

Mr. GU Xu (*Chairman and Chief Executive Officer*)

Mr. CHAN Cheong Yee

Independent Non-executive Directors:

Mr. LAM Chun Ho

Mr. Faris Ibrahim Taha AYOUB

Mr. PUN Tit Shan

Mr. CHONG Ching Hoi

Registered Office:

P.O. Box 309, Umland House,

South Church Street,

George Town,

Grand Cayman KY1-1104

Cayman Islands

Principal Place of Business

in Hong Kong:

Suite 902, 9/F, Ovest,

77 Wing Lok Street,

Hong Kong

25 April 2018

To the Shareholders

Dear Sir/Madam,

**(A) PROPOSALS RELATING TO
(1) RE-ELECTION OF RETIRING DIRECTORS
AND
(2) GENERAL MANDATE TO ALLOT AND ISSUE SHARES
AND
(3) GENERAL MANDATE TO REPURCHASE SHARES;
AND
(B) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this Circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the AGM to be held on 29 May 2018.

2. RE-ELECTION OF RETIRING DIRECTORS

Pursuant to the Listing Rules, Mr. Lam Chun Ho shall retire at the AGM. According to Article 34.2 of the Articles, Mr. Chong Ching Hoi who was appointed by the Board on 22 December 2017, shall hold office until the AGM and then shall be subject to re-election at the AGM. Mr. Lam and Mr. Chong, being eligible, will offer themselves for re-election at the AGM.

LETTER FROM THE BOARD

Details of the retiring Directors are set out in Appendix I to this Circular.

3. GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 29 May 2017, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the AGM. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the AGM to approve the granting of an Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the AGM (i.e. a total of 233,649,358 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the AGM) (the “**Issuance Mandate**”). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate (as defined below) will also be proposed at the AGM.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

4. GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 29 May 2017, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the AGM. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the AGM to approve the granting of a Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the AGM (i.e. a total of 116,824,679 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the AGM) (the “**Share Repurchase Mandate**”). The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this Circular.

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages 11 to 15 of this Circular.

Pursuant to the Listing Rules and the Articles, any vote of Shareholders at a general meeting must be taken by poll. An announcement on the poll results will be published by the Company after the AGM in the manner prescribed under the Listing Rules.

LETTER FROM THE BOARD

For the purpose of ascertaining Shareholders who are entitled to attend and vote at the AGM or any adjournment thereof, the register of members of the Company will be closed from Thursday, 24 May 2018 to Tuesday, 29 May 2018, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the right to attend and vote at the AGM or any adjournment thereof, 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 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 23 May 2018.

A form of proxy for use at the AGM is enclosed with this Circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.chinaneweconomyfund.com>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and 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 as soon as possible but in any event not later than 10:00 a.m. on 27 May 2018 (Sunday) (Hong Kong time). Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM if you so wish and in such event, the proxy form shall be deemed to be revoked.

6. RESPONSIBILITY STATEMENT

This Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Circular misleading.

7. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors and granting of the Issuance Mandate and the Share Repurchase Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

Yours faithfully,
By Order of the Board
China New Economy Fund Limited
Gu Xu
Chairman and Chief Executive Officer

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the AGM.

INDEPENDENT NON-EXECUTIVE DIRECTOR

- (1) **Mr. LAM Chun Ho (“Mr. Lam”)**, aged 36, has been appointed as an independent non-executive Director since 22 October 2014. He is the chairman of each of the Audit Committee and Remuneration Committee as well as a member of the Nomination Committee of the Company. Mr. Lam graduated from Hong Kong Baptist University with a bachelor degree of Business Administration in Accounting. Mr. Lam is a fellow member of the Hong Kong Institute of Certified Public Accountants and he has over 11 years’ experience in the field of auditing, financial reporting and financial management. Mr. Lam is currently a manager of a local corporate service company.

Since 24 October 2014, Mr. Lam has been appointed as an independent non-executive director of China Wah Yan Healthcare Limited (648.HK), a company listed on the Main Board of the Stock Exchange.

Save as disclosed above, Mr. Lam did not hold any directorship in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Lam does not have any relationships with any other Directors, senior management or substantial Shareholders or controlling Shareholders of the Company.

Mr. Lam has entered into a renewed service contract with the Company for three years commenced on 22 October 2017 and is subject to retirement by rotation and is eligible for re-election at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules. Mr. Lam is entitled to receive a director’s fee of US\$15,000 per annum, which is based on the recommendation of the Remuneration Committee of the Company with reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Lam does not have any interest in Shares or underlying shares of the Company within the meaning of Part XV of the SFO.

There is no information which is disclosable nor is Mr. Lam involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters concerning Mr. Lam that need to be brought to the attention of the Shareholders of the Company.

- (2) **Mr. CHONG Ching Hoi (“Mr. Chong”)**, aged 35, has been appointed as an independent non-executive Director since 22 December 2017. He is a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. Mr. Chong graduated from the Hong Kong University of Science and Technology with a bachelor degree of Business Administration in Accounting in November 2004. He is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. He has more than 10 years of experience in audit, accounting, financial reporting and compliance.

Mr. Chong is currently the chief financial officer and company secretary of Hao Bai International (Cayman) Limited (“**HBIC**”), a company listed on the Growth Enterprise Market of the Stock Exchange (8431.HK). He has joined HBIC since March 2016 and is responsible for its compliance and corporate governance, preparing group’s consolidated financial statements as well as reviewing and implementing effective financial policies and internal control procedures.

Save as disclosed above, Mr. Chong did not hold any directorship in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Chong does not have any relationships with any other Directors, senior management or substantial Shareholders or controlling Shareholders of the Company.

Mr. Chong has entered into a service contract with the Company for an initial term of three years commenced on 22 December 2017 and shall hold office only until the AGM and shall be eligible for re-election in accordance with the Articles of the Company. He is also subject to retirement by rotation and is eligible for re-election at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules. Mr. Chong is entitled to receive a director’s fee of HK\$117,000 per annum, which is determined by the Remuneration Committee of the Company with reference to his duties and responsibilities as well as the prevailing market conditions.

As at the Latest Practicable Date, Mr. Chong does not have any interest in Shares or underlying shares of the Company within the meaning of Part XV of the SFO.

There is no information which is disclosable nor is Mr. Chong involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters concerning Mr. Chong that need to be brought to the attention of the Shareholders of the Company.

APPENDIX II EXPLANATORY STATEMENT ON GENERAL MANDATE TO REPURCHASE SHARES

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,168,246,794 Shares of nominal value of HK\$0.5 each.

Subject to the passing of the ordinary resolution set out in item 5 of the notice of the AGM in respect of the granting of the Share Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the AGM, i.e. being 1,168,246,794 Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a total of 116,824,679 Shares, representing 10% of the total number of Shares in issue as at the date of the AGM.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders.

Shares repurchase may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

3. FUNDING OF SHARE REPURCHASE

The Company may only apply funds legally available for share repurchase in accordance with its Memorandum and Articles of Association and the laws of Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2017) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

APPENDIX II EXPLANATORY STATEMENT ON GENERAL MANDATE TO REPURCHASE SHARES

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months (and from April 2017 up to and including the Latest Practicable Date) were as follows:

Month	Highest HK\$	Lowest HK\$
2017		
April	0.239	0.200
May	0.212	0.183
June	0.241	0.168
July	0.184	0.162
August	0.172	0.131
September	0.174	0.146
October	0.196	0.154
November	0.188	0.136
December	0.149	0.111
2018		
January	0.156	0.120
February	0.138	0.109
March	0.175	0.120
April (<i>up to the Latest Practicable Date</i>)	0.188	0.127

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Cayman Islands.

APPENDIX II EXPLANATORY STATEMENT ON GENERAL MANDATE TO REPURCHASE SHARES

7. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, Mr. Wang Xin, the substantial shareholder of the Company as defined in the Listing Rules, was interested in 135,186,628 Shares representing approximately 11.57% of the total issued share capital of the Company. In the event that the Directors exercise the proposed Share Repurchase Mandate in full, the aggregate shareholding of Mr. Wang Xin would be increased to approximately 12.86% of the issued share capital of the Company.

The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors do not consider such increase would reduce the issued share capital in the public to less than 25% (or the relevant prescribed minimum percentage required by the Stock Exchange). The Directors do not propose to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

8. SHARE REPURCHASE MADE BY THE COMPANY

During the 6 months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING

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 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of China New Economy Fund Limited (the “**Company**”) will be held at Room 4608, 46/F., The Center, 99 Queen’s Road Central, Hong Kong on Tuesday, 29 May 2018 at 10:00 a.m. for the following purposes:

1. To receive the audited financial statements of the Company and the reports of the directors and auditors for the year ended 31 December 2017.
2. (a) To re-elect the following retiring Directors:
 - (i) Mr. LAM Chun Ho as an independent non-executive Director
 - (ii) Mr. CHONG Ching Hoi as an independent non-executive Director
- (b) To authorize the Board of Directors to fix the remuneration of the respective Directors.
3. To re-appoint HLB Hodgson Impey Cheng Limited as auditors of the Company and to authorize the Board of Directors to fix their remuneration.
4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the Directors of the Company during the Relevant Period (as defined below) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the mandate in paragraph (a) above shall authorize the Directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:

- (i) a Rights Issue (as defined below);
- (ii) the exercise of options under a share option scheme of the Company; and
- (iii) any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

(d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) 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
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Right Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the Directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of Shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) 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
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 4 and 5 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 4 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 5 of the Notice, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

By Order of the Board
China New Economy Fund Limited
Gu Xu
Chairman and Chief Executive Officer

Hong Kong, 25 April 2018

Notes:

1. 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**”). 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.
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, together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of that power of attorney or authority, 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 later than 10:00 a.m. on 27 May 2018 (Sunday) (Hong Kong time). 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 instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Thursday, 24 May 2018 to Tuesday, 29 May 2018, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the annual general meeting, unregistered holders of shares of the Company shall ensure that 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 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 23 May 2018.
5. A circular containing further details concerning items 2, 4, 5 and 6 set out in the above notice will be sent to all members of the Company together with the 2017 Annual Report.

NOTICE OF ANNUAL GENERAL MEETING

6. As at the date of this notice, the Board comprises Mr. GU Xu and Mr. CHAN Cheong Yee as executive Directors, Mr. LAM Chun Ho, Mr. Faris Ibrahim Taha AYOUB, Mr. PUN Tit Shan and Mr. CHONG Ching Hoi as independent non-executive Directors.
7. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.