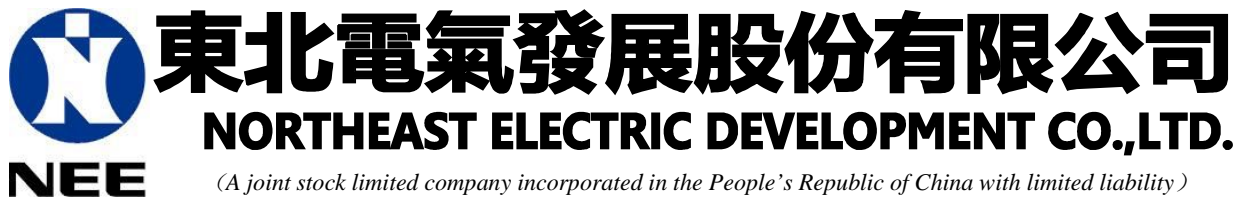


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(Stock Code:0042)

SUPPLEMENTAL NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS FOR 2017

On 18 May 2017, Northeast Electric Development Co., Ltd. (“the Company”) received a letter on extraordinary motions from its the first major shareholder, Beijing Haihongyuan Investment Management Co., Ltd. (“**Beijing Haihongyuan**”). It is proposed that the shareholders shall approve the additional resolutions in relation to the Letter on New Motions for Approval at the 2017 EGM 《**Resolution on Adding Director Candidates**》 and 《**Resolution on Adding Supervisor Candidates**》. According to Article 73 of the Articles of Association, “when the Company convenes a general meeting, shareholders holding 3 per cent or more of the total shares carrying the right to vote of the Company are entitled to propose to the Company in writing new matters to be considered. The Company shall include in the agenda of that meeting those matters contained in the proposal which are within the scope of the duties of the shareholders in general meeting.”

SUPPLEMENTAL NOTICE IS HEREBY GIVEN that the 2017 extraordinary general meeting (“EGM”) of the Company which will be held as originally scheduled, at 2:00 p.m. on Monday, 5 June 2017 at the conference room of the Floor 23, Building E, No.9 East Taihu Road, Xinbei District, Changzhou City, Jiangsu Province , the People’s Republic of China (the “PRC”), and will consider and, if thought fit, approve the following resolution in addition to the resolutions set out in the Notice of EGM dated 21 April 2017 (the “Original Notice”) at the same meeting:

Resolution No. 5 《Resolution on Adding Mr. Bao Zongbao as a Company Director》

Mr. Bao Zongbao (“Mr. Bao”), born in 1983, Chinese nationality, has no right of permanent residence overseas and graduated from Civil Aviation University of China. Mr. Bao Zongbao, former Investment Director of HNA Investment Holding Co., Ltd., currently serves as the Chief Financial Officer of HNA Tourism Investment Group (海航旅业酒店投资集团).

Mr. Bao has not any equity interest in the Company and has relationship with Beijing Haihongyuan and its actual controller. He has never been punished by China Securities Regulatory Commission and other authorities concerned or disciplined by any stock exchanges. He does not belong to the dishonest person, non-institution level leader (if applicable). He is qualified to exercise his functions and powers which are allowed by laws and regulations such as the Company Law and the Articles of Association.

During the three years prior to the date of this Announcement, except for the personal resume above, Mr. Bao did not hold any position in other listed companies. Mr. Bao has neither taken up a post in any affiliated companies of the Company, nor had any relationship with any other director, senior management, substantial shareholder or controlling shareholder of the Company.

Mr. Bao has not any equity interest in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no information to be disclosed on items from (h) to (v) in rule 13.51(2) of the Listing Rules. No other matter needs to be brought to the attention of the shareholders in respect of the Company.

Resolution No. 6 《Resolution on Adding Mr. Zhang Xiangsheng as a Company Director》

Mr. Zhang Xiangsheng (“Mr. Zhang”), born in 1983, Chinese nationality, has no right of permanent residence overseas and graduated from Hubei University. Mr. Zhang Xiangsheng, former Deputy General Manager of Project Department of HNA International Hotels & Resorts Management Co., Ltd., is the current General Manager of Strategic Investment Department of HNA Hotel Group Holdings Co., Ltd.

Mr. Zhang has not any equity interest in the Company and has relationship with Beijing Haihongyuan and its actual controller. He has never been punished by China Securities Regulatory Commission and other authorities concerned or disciplined by any stock exchanges. He does not belong to the dishonest person, non-institution level leader (if applicable). He is qualified to exercise his functions and powers which are allowed by laws and regulations such as the Company Law and the Articles of Association.

During the three years prior to the date of this Announcement, except for the personal resume above, Mr. Zhang did not hold any position in other listed companies. Mr. Zhang has neither taken up a post in any affiliated companies of the Company, nor had any relationship with any other director, senior management, substantial shareholder or controlling shareholder of the Company.

Mr. Zhang has not any equity interest in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no information to be disclosed on items from (h) to (v) in rule 13.51(2) of the Listing Rules. No other matter needs to be brought to the attention of the shareholders in respect of the Company.

Resolution No. 7 《Resolution on Adding Mr. Wang Jun as a Company Supervisor》

Mr. Wang Jun (“Mr. Wang”), born in 1979, Chinese nationality, has no right of permanent residence overseas and graduated from Southwest University of Finance and Economics. Mr. Wang Jun, former Head of Capital Operations at the Planning & Financing Department of HNA Hotel Group Holdings Co., Ltd. (海航酒店控股公司), currently serves as the General Manager of the Planning & Financing Department of HNA International Hotels & Resorts Management Co., Ltd. (海航酒店管理公司)

Mr. Wang has not any equity interest in the Company and has relationship with Beijing Haihongyuan and its actual controller. He has never been punished by China Securities Regulatory Commission and other authorities concerned or disciplined by any stock exchanges. He does not belong to the dishonest person, non-institution level leader (if applicable). He is qualified to

exercise his functions and powers which are allowed by laws and regulations such as the Company Law and the Articles of Association.

During the three years prior to the date of this Announcement, except for the personal resume above, Mr. Wang did not hold any position in other listed companies. Mr. Wang has neither taken up a post in any affiliated companies of the Company, nor had any relationship with any other director, senior management, substantial shareholder or controlling shareholder of the Company.

Mr. Wang has not any equity interest in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no information to be disclosed on items from (h) to (v) in rule 13.51(2) of the Listing Rules. No other matter needs to be brought to the attention of the shareholders in respect of the Company.

Except the above added resolution, the content listed in the Notice on Convening the EGM issued by the Company such as the other matters for consideration, meeting time, meeting place, meeting deadlines, equity registration date, and registration method is kept unchanged.

This supplemental notice of EGM dated 18 May 2017 shall be read together with the notice of EGM dated 21 April 2017. The supplemental form of proxy shall also be read together with the form of proxy published on the website of the Stock Exchange on 21 April 2017. The supplemental form of proxy includes column for your vote on the additional resolutions.

By order of the Board

Liu Daoqi

Chairman

Changzhou, Jiangsu Province, the PRC

18 May 2017

As at the date of the Statement, the Board of Directors comprises of four directors, namely Mr. Liu Daoqi, Mr. Li Rui, Mr. Bai Haibo and Mr. Song Xiang; and three independent directors, namely Mr. Zhang Luyang, Mr. Jin Wenhong and Mr. Qian Fengsheng.