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(Stock Code:0042)

SUPPLEMENTAL NOTICE OF EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

Reference is made to the announcement of the Notice of EGM dated 10 April 2018 (the “Original Notice”).

On 27 April 2018, 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 EGM <**Resolution on Adding Mr. Li Tie as a Director**>, <**Resolution on Adding Mr. Li Ming as an Independent Director**>and <**Resolution on Adding Mr. Hao Lianjie as a Shareholder Representative Supervisor**>.

Upon review, the Board of the Company believed that, in view of the recent resolutions on addition of candidates for directors, independent directors and shareholder representative supervisors successively considered and approved at the Company's board meeting and Supervisory Committee meeting, Beijing Haihongyuan, the Company's largest shareholder, issued the proposal letter regarding the above matters. Beijing Haihongyuan holds 81,494,850 shares of the Company, representing 9.33% of the Company's total share capital, therefore is qualified to make a provisional proposal as a shareholder with over 3% equity interests in the Company. The formula and content of the provisional proposals are in compliance with laws and regulations, Articles of Association and the Procedure Rules of the Shareholders' General Meeting, as well as the provisions in relation to provisional proposal under Rules for Shareholders' General Meeting of Listed Companies issued by the CSRC, the Company's board of directors agreed to submit the above provisional proposals to the extraordinary general meeting to be held on 25 May 2018 for consideration.

Independent directors Zhang Luyang, Jin Wenhong and Qian Fengsheng issued Independent Opinions on Shareholders' Provisional Proposals and Nomination of Independent Director Candidates, in which, they agreed to nominate the above persons as the candidates for independent directors of the Company's 8th Board of Directors, and agreed to submit the relevant proposals to the coming general meeting of the Company for consideration.

SUPPLEMENTAL NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting (“EGM”) of the Company which will be held as originally scheduled, at 10:00 a.m. on Friday, 25 May 2018 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 10 April 2018 (the “Original Notice”) at the same meeting:

Resolution No. 5<Resolution on Adding Mr. Li Tie as a Company Director>

Mr. Li Tie (“Mr. Li”), born in 1976, with Chinese nationality. He is a Certified Public Accountant, insurance assessor, certified tax agent, and postgraduate, and has successively majored in law at Anhui University, and Executive Master of Business Administration (EMBA) at Tsinghua University, and obtained a bachelor degree and a master degree respectively. He once served as President of Hainan Airlines Co., Ltd. (海南航空股份有限公司), Chief Executive Officer of HNA Tourism Group Co., Ltd., and Chairman of China Civil Aviation Investment Group Limited, Chief Investment Officer of HNA Tourism Group, and Chairman and CEO of tourism investment platform of HNA Tourism Group.

Mr. Li 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. Li did not hold any position in other listed companies. Mr. Li 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. Li 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. Li Ming as a Independent Director>

Mr. Li Ming (“Mr. Li”), born in 1953, with Chinese nationality but without the right of permanent residence abroad. He majored in law at Hainan Open University and has been engaged in legal practice for a long time. He once served as secretary of the party committee of Hainan Technology and Business College and is now retired.

Mr. Li has not any equity interest in the Company and has not 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. Li did not hold any position in other listed companies. Mr. Li 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. Li 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. Hao Lianjie as a Shareholder Representative Supervisor>

Mr. Hao Lianjie (“Mr. Hao”), born in 1986, with Chinese nationality but without the right of permanent residence abroad. He majored in law at Northwestern University and obtained a bachelor degree in law. He used to be the risk management manager of HNA Group Co., Ltd. and is currently the director of the internal audit department of Northeast Electric Development Co., Ltd.

Mr. Hao 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. Hao did not hold any position in other listed companies. Mr. Hao 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. Hao 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 General Meeting of Shareholders 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 27 April 2018 shall be read together with the notice of EGM dated 10 April 2018. The supplemental form of proxy shall also be read together with the form of proxy published on the website of the Stock Exchange on 11 April 2018. 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 People's Republic of China

27 April 2018

As of the date of this announcement, the Board of Directors comprises of five executive directors, namely Mr. Liu Daoqi, Mr. Bai Haibo, Mr. Li Rui, Mr. Song Xiang and Mr. Bao Zongbao; and three independent non-executive directors, namely Mr. Zhang Luyang, Mr. Jin Wenhong and Mr. Qian Fengsheng.