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東北電氣發展股份有限公司

NORTHEAST ELECTRIC DEVELOPMENT CO.,LTD.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code:00042)

NOTICE OF ANNUAL GENERAL MEETING FOR 2021

NOTICE IS HEREBY GIVEN: that the Annual General Meeting For 2021 (the “AGM”) of Northeast Electric Development Company Limited (the “Company”) will be held at the Conference Room, HNA Plaza, No.7 Guoxing Avenue, Meilan District, Haikou City, Hainan Province, the PRC at 10:00 a.m. on 29 June 2022 for the purpose of considering and, if thought fit, passing the following resolutions:

AS ORDINARY RESOLUTIONS

“THAT:

1. The Proposal on the Annual Report for 2021 (Including the Audited Financial Report) and Its Highlights* (《關於2021年度報告全文(含經審計的財務報告)及其摘要的議案》) be and is hereby approved.
2. The Proposal on the Dividend Distribution Plan for 2021* (《關於2021年度利潤分配預案的議案》) be and is hereby approved.

During the reporting period, the Company recorded net profit distributable to shareholders of the listed company of RMB17,628,651.50, and the accrued profit distributable to shareholders at the end of the period was RMB-1,977,714,664.18. Therefore, the Board of Directors of the Company proposes the Company not to distribute cash dividend, issue bonus share, or capitalise from capital reserves during the reporting period.

3. The Proposal on the Work Report of the Board of Directors for 2021* (《關於2021年度董事會工作報告的議案》) be and is hereby approved.

4. The Proposal on the Work Report of the Supervisory Committee for 2021* (《關於2021年度監事會工作報告的議案》) be and is hereby approved.”

AS SPECIAL RESOLUTIONS

“THAT:

5. The Proposal on the General Mandate for Allowing the Board of Directors to Additionally Issue Hong Kong Listed H-Shares of the Company* (《關於授予董事會增發公司香港上市H股一般性授權的議案》) be and is hereby approved.

To ensure flexibility when new shares of the Company are additionally issued, an application was submitted to the general meeting for granting the Board of Directors the General Mandate of additionally issuing Hong Kong listed H-shares of the Company according to the related regulatory requirements and common practices in the market in recent years. This General Mandate will authorize the Board of Directors to separately or simultaneously allot, issue and handle shares not exceeding 20% of the 257,950,000 Hong Kong listed H-shares already issued by the Company (51,590,000 H-shares calculated by using the quantity of H-shares when this Proposal was approved by the annual general meeting for 2021 through consideration as the cardinal number). The raised fund will be used as supplement funds for business transformation. For the specific allotment subjects, time and quota, the Board of Directors will be authorized to select an opportunity and make decision.”

Since this resolution is a special one, it must be approved by votes representing more than two-thirds of the total number of shares held by shareholders with voting rights attending the meeting. A general meeting of all shareholders still needs to be convened for approving the proposal if required by the relevant laws and regulations of China, even if the general mandate is granted.

Scope of the authorization is set out below:

(1) Subject to paragraphs (3) and (4) and pursuant to the Company Law of the People’s Republic of China (the “PRC”) and the relevant regulations of the places where the shares are listed (as

amended from time to time), the Board is hereby granted an unconditional general mandate to exercise all the powers within the Relevant Period (as defined below) to separately or concurrently allot, issue and deal with Hong Kong listed H-shares, and to determine the terms and conditions for allotting, issuing and dealing with such new shares including but not limited to the following terms:

- (a) Class and number of new shares to be issued;
- (b) Pricing mechanism and/or issue price of the new shares to be issued (including price range);
- (c) The starting and closing dates of such issue;
- (d) The class and number of the new shares to be issued to existing shareholders; and/or
- (e) The making or granting of proposals, agreements and options for the purpose of exercising the authority mentioned above.

(2) The approval in paragraph (1) shall authorise the Board within the Relevant Period, to make or grant any offers, commitments and options of which might be exercised after the expiry of the Relevant Period.

(3) The number of new domestic shares or new overseas listed foreign shares conditionally or unconditionally separately or concurrently allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board within the Relevant Period pursuant to the approval in paragraph (1) shall not exceed 20% of each class of the Hong Kong listed H-shares in issue at the time when this resolution is passed at the AGM.

(4) In exercising the mandate granted in paragraph (1) above, the Board shall a) comply with the Company Law of the PRC and the relevant regulatory stipulations (as amended from time to time) of the places where the shares are listed; and b) obtain approval from China Securities Regulatory Commission and other relevant PRC government departments (if need).

(5) For the purpose of this resolution:

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

- (i) The conclusion of the next annual general meeting;
- (ii) The date on which the general mandate set out in this resolution is revoked or varied by a special resolution of the shareholders at a general meeting; and
- (iii) The expiration of the 12-month period following the passing of this resolution at the AGM.

(6) Subject to the approval of the relevant authorities of the PRC and in accordance with the relevant laws, administrative regulations, and the regulatory stipulations of the places where the

shares are listed and the articles, the Board is hereby authorised to increase the registered capital in accordance with the exercise of the powers pursuant to paragraph (1) above.

(7) The Board is hereby authorized to sign any necessary documents, complete any necessary formalities and procedures and take other necessary steps to complete the allotment, issuance and listing of the new shares upon the exercise of the powers pursuant to paragraph (1) above, provided the same do not violate the relevant laws, administrative regulations, the relevant regulatory stipulations of the places where the shares are listed and the articles.

(8) Subject to the approval of the relevant PRC authorities, the Board is hereby authorized to make appropriate and necessary amendments to the articles after completion of the allotment and issue of new shares with reference to the method, type and number of new shares allotted and issued and the actual shareholding structure at the time of completion of the allotment and issue of new shares in order to reflect the alteration of the share capital structure and registered capital pursuant to the exercise of this general mandate.”

By order of the Board

Shang Duoxu

Chairman

Haikou, Hainan Province, the PRC

30 May 2022

As at the date of this Announcement, the Board comprises of five executive Directors, namely Mr. Shang Duoxu, Mr. Wang Yongfan, Mr. Su Weiguo, Mr. Guo Qianli and Mi Hongjie; and three independent non-executive Directors, namely Mr. Fang Guangrong, Mr. Wang Hongyu and Mr. Li Zhengning.

Notes:

- (1) *Any holder of A Shares who has registered on the register of the Company at China Securities Depository and Clearing Company Limited by the close of business on 23 June 2022 is entitled to attend the AGM.*

- (2) *In order to confirm the list of holders of H Shares of the Company who are entitled to attend the AGM, the register of shareholders of the Company will be closed from 24 June 2022 to 29 June 2022 (both days inclusive), during which period no transfer of shares will be registered. The shareholders whose names appear on the register of the Company by the close of business on 23 June 2022 are entitled to attend the AGM and vote at the AGM.*
- (3) *Holders of H Shares of the Company who intend to attend the AGM shall deposit the transfer documents and relevant share certificates at the Company's H Share registrar, Boardroom Share Registrars (HK) Limited, 2103B, 21th Floor, 148 Electric Road, North Point Hong Kong not later than 4:30 p.m. on 23 June 2022.*
- (4) *Shareholders of the Company who intend to attend the AGM shall mail or fax the written reply for attending the AGM to the Company before 23 June 2022.*
- (5) *Any shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint one or more proxies (whether or not shareholder of the Company) to attend and vote at the AGM on his/her behalf.*
- (6) *In order to be valid, the proxy forms of shareholders and other documents (if any) should be deposited at the Company or the Company's H Share registrar no later than 24 hours before the time appointed for holding the AGM.*
- (7) *Shareholders of the Company or their proxies attending the AGM shall bear their own travel and accommodation expenses.*

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** For identification purposes only.*