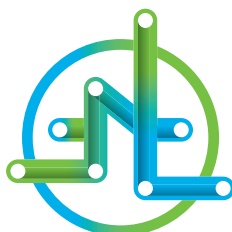


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Northern New Energy Holdings Limited
(北方新能源控股有限公司)

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8246)

POSITIVE PROFIT ALERT;
FURTHER INFORMATION IN RELATION TO
USE OF PROCEEDS FROM THE PLACINGS

This announcement is made by Northern New Energy Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders and potential investors of the Company that, based on information currently available, the Group is expected to record a net profit for the nine months ended 30 September 2016 as opposed to a net loss for the nine months ended 30 September 2015, mainly attributable to (i) a decrease in the unaudited consolidated loss attributable to the Group’s catering business in comparison with the same period last year as a result of effective cost reduction and control measures plus having adopted an optimized business model; (ii) an increase in total revenue and resulting profit of the Group as compared to the same period last year mainly generated by the new energy development business despite its financial returns have slowed down in the third quarter of 2016 in light of the market sentiment; and (iii) a gain on disposal of a 80%-owned subsidiary which principally engaged in the catering business.

The information in relation to profit alert in this announcement is based on the preliminary review on the relevant unaudited consolidated management accounts of the Group for the nine months ended 30 September 2016, which have not been audited or reviewed by the Company's independent auditor nor confirmed by the audit committee of the Board. Shareholders and potential investors of the Company are advised to read the third quarterly results announcement carefully when it is published.

Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

FURTHER INFORMATION IN RELATION TO USE OF PROCEEDS FROM THE PLACINGS OF SHARES

References are made to the interim report of the Company dated 11 August 2016 (the **"Interim Report"**), the announcements dated 20 November 2014 and 26 June 2015 in relation to the First Placing. References are also made to the announcements dated 16 April 2015, 30 June 2015, and the circular of the Company dated 8 May 2015 in relation to the Second Placing (collectively, the **"Placings"**). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Interim Report.

As disclosed in the section headed "Use of Proceeds from the Placing of Shares" under the management discussion and analysis of the Interim Report, the Company intended to use the net proceeds of HK\$112,149,000 (equivalent to approximately RMB88,638,000) from the Placings (the **"Net Proceeds"**) as to: (i) HK\$25,500,000 (equivalent to approximately RMB20,127,000) for any potential investment opportunities as identified by the Group (the **"Proceeds for Potential Investment"**); and (ii) HK\$86,649,000 (equivalent to approximately RMB68,511,000) as general working capital of the Group (the **"Proceeds for General Working Capital"**).

The Company wishes to provide the shareholders of the Company and the potential investors further information in relation to the use of the Net Proceeds. As at 30 September 2016, the Company has utilized approximately HK\$43,454,000 (equivalent to approximately RMB37,413,000) out of the Proceeds for General Working Capital in the operation of the Group. As the Group is principally engaged in the operation of restaurants, provision of management services and sales of processed food and seafood, with the diversification of business segments into property investment in 2015 and the commencement of new energy business in the second half of 2015, the Group has applied the Proceeds for General Working Capital on all existing business activities from time to time.

In addition, as at the date of this announcement, the Group has utilized approximately HK\$19,675,000 (equivalent to approximately RMB16,200,000) out of the Proceeds for Potential Investment for the establishment of a subsidiary in Tianjin, namely Hua Xia Northern New Energy Technology Development (Tianjin) Limited. Apart from the existing line of business, the Group will continue to identify any further potential investment opportunities and apply the Proceeds for Potential Investment as originally intended.

By Order of the Board
Northern New Energy Holdings Limited
Chan Wing Yuen, Hubert
Chief Executive Officer and Executive Director

Hong Kong, 31 October 2016

As at the date of this announcement, the executive Directors are Mr. Hu Yishi, Mr. Chan Wing Yuen, Hubert, Ms. Lin Min, Mindy, Ms. Kwong Wai Man, Karina; and the independent non-executive Directors are Mr. Lui Tin Nang, Ms. Ma Lee and Mr. Wang Zhi Zhong.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited 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 announcement 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 announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com and, in the case of this announcement, on the “Latest Company Announcements” page for at least 7 days from the date of its posting. This announcement will also be published on the Company’s website at www.8246hk.com.