

A-share stock code:000585 Stock abbreviation: Northeast Electric A-share announcement number:2017-056

Northeast Electric Development Co., Ltd.

Announcement

Regarding Application for Extension of Suspension of Trading in A Shares upon Expiry of the Trading Suspension Period for Contemplated Material Asset Reorganization

AND

Regarding the Progress of Suspension of Trading in A Shares for Contemplated Material Asset Reorganization

The Company and the members of the Board warrant that there are no false representations, misleading statements and material omissions in this announcement.

As Northeast Electric Development Co., Ltd. (the "Company") is contemplating material asset reorganization, the trading in A Shares of the Company (stock abbreviation: Northeast Electric, A-share Stock Code: 000585) has been suspended since the market opening on the morning of 29 August 2017. For details, please refer to the "Announcement On Suspension of Trading for Contemplated Material Asset Reorganization" issued by the Company on 28 August 2017 (A-share announcement No.: 2017-046). The Company expected that it would resume trading in A Shares following its disclosure of the information on the material asset reorganization in accordance with the requirements of the "Rule No. 26 on the Standards for the Contents and Format of Information Disclosure by Publicly Listed Companies –Material Asset Restructuring of Listed Companies" (公開發行證券的公司信息披露內容與格式準則 26 號—上市公司重大資產重組) prior to 29 September 2017. Upon application by the Company to the Shenzhen Stock Exchange, the trading in A Shares of the Company continued to be suspended from the market opening on the morning of 29 August 2017. It is expected that the suspension period will be extended for not more than one month.

I. Basic information about the contemplated material asset reorganization

1. Major counterparty

The major counterparty in this material asset reorganization of the Company is Jiangsu Ankura Solar Power System Technology Limited (江蘇安靠光熱發電系統科技有限公司*).

2. Means of transaction

The material asset reorganization of the Company is made through disposal of the equity interest in the Target Company in cash.

3. Information on the target assets

The target asset of this transaction refers to the 100% equity interests in New Northeast Electric (Jinzhou) Power Capacitors Co., Ltd..

II. Relevant work during the Company's suspension of trading and reasons for postponed resumption of trading

Since trading suspension, the Company and all parties concerned have proactively propelled the work relating to this trading. The Company and the counterparty have proceeded with further communication and negotiation in respect of the argumentation and improvement of the transaction scheme. On 17 September 2017, the "Proposal on the Report on the Disposal of Material Assets of Northeast Electric Development Company Limited (Draft) and Its Summary" and other proposals related to the material asset reorganization were considered and approved at the 16th meeting of the 8th Board of Directors of the Company.

According to relevant regulatory requirements, Shenzhen Stock Exchange will carry out post-vetting on relevant documents regarding the disposal of assets of the Company. The Company has received the enquiry letter on the restructuring of Northeast Electric Development Co., Ltd. (Non-license Enquiry Letter on Restructuring [2017] No. 17, the “Enquiry Letter”) from Shenzhen Stock Exchange on 25 September 2017, requiring the Company to submit relevant explanatory materials before 27 September 2017. The Company has applied for a postponed reply. For details, please refer to the Announcement Regarding the Postponed Reply to the Enquiry Letter on Restructuring from Shenzhen Stock Exchange (A-share announcement number: 2017-055).

As the enquiry letter may not be replied to at a fixed time, the Company will continue with suspension of trading of Company’s A-share stock suspended since 29 September 2017 after applying to Shenzhen Stock Exchange, to guarantee the successful implementation of material asset reorganization, fair information disclosure and protection of investors.

III. Shareholdings on the last trading day prior to suspension of trading in A Shares of the Company

1. Shareholdings of the top 10 shareholders

No.	Name of Shareholder	Number of shareholdings (shares)	Class of shares
1	HKSCC Nominees Limited	256,955,899	Overseas listed foreign shares
2	Beijing Haihongyuan Investment Management Co., Ltd	81,494,850	Ordinary shares denominated in RMB
3	Yang Qinxiu	27,955,752	Ordinary shares denominated in RMB
4	Taida Hongli Funds-CMBC-TEDA Manulife Strategy Rating No. 31 Assets Management Plan (泰達宏利基金－民生銀行－泰達宏利策略分級 31 號資產管理計劃)	22,314,561	Ordinary shares denominated in RMB
5	Li Zhen	4,824,334	Ordinary shares denominated in RMB
6	Nanjing Fang Kai Enterprise Management Co., Ltd	4,214,500	Ordinary shares denominated in RMB
7	Shi Yubo	3,754,300	Ordinary shares denominated in RMB
8	Shenzhen Zhongda Software Development Ltd	3,550,000	Ordinary shares denominated in RMB
9	Wu Guolin	3,041,467	Ordinary shares denominated in RMB
10	Hu Lan	2,834,990	Ordinary shares denominated in RMB

2. Shareholdings of the top 10 shareholders not subject to trading moratorium

No.	Name of Shareholder	Number of shares held (shares)	Class of shares
1	HKSCC Nominees Limited	256,955,899	Overseas listed foreign shares
2	Beijing Haihongyuan Investment Management Co., Ltd	81,494,850	Ordinary shares denominated in RMB
3	Yang Qinxiu	27,955,752	Ordinary shares denominated in RMB
4	Taida Hongli Funds-CMBC-TEDA Manulife Strategy Rating No. 31 Assets Management Plan (泰達宏利基金－民生銀行－泰達宏利策略分級 31 號資產管理計劃)	22,314,561	Ordinary shares denominated in RMB
5	Li Zhen	4,824,334	Ordinary shares denominated in RMB
6	Nanjing Fang Kai Enterprise Management Co., Ltd	4,214,500	Ordinary shares denominated in RMB
7	Shi Yubo	3,754,300	Ordinary shares denominated in RMB
8	Wu Guolin	3,041,467	Ordinary shares denominated in RMB
9	Hu Lan	2,834,990	Ordinary shares denominated in RMB
10	Xu Kaidong	2,431,359	Ordinary shares denominated in RMB

IV. Undertakings

The trading in A shares of the Company will be resumed no later than 27 October 2017, and the Company will disclose the material asset reorganization plan.

Should the Company resolve to terminate the reorganization or should the Company apply for the resumption of trading in the A shares but fail to disclose the relevant reorganization plan after deciding to continue with the reorganization which caused the reorganization to be terminated, the Company would undertake that it will no longer contemplate any material asset reorganization within at least one month subsequent to the date of the relevant announcement disclosing the decision to terminate the reorganization.

During the suspension of trading in its A Shares, the Company will perform the information disclosure obligation in a timely manner based on developments of the relevant matters, including releasing announcements in relation to the material asset reorganization at least every 5 trading days. The information disclosure media designated by the Company include Securities Times, <http://www.cninfo.com.cn> and <http://www.hkexnews.hk>.

The contemplated material asset reorganization of the Company is subject to the consideration and approval of the General Meeting, and therefore there are significant uncertainties in this matter. Investors are advised to exercise caution when dealing in the shares of the Company.

Board of Directors
Northeast Electric Development Co., Ltd.
28 September 2017