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(Stock Code:0042)

Announcement on Resignation of Independent Director and Supervisor

Now, an announcement is made in accordance with the provision specified in Article 13.51(2) of the Listing Rule.

The Board of Directors (the “Board”) of Northeast Electric Development Co., Ltd. (the “Company”) has recently received the resignation application from Mr. Zhang Luyang, independent director. Due to his own heavy business commitment, Mr. Zhang Luyang applied for resignation as independent director of the Company. After resignation, Mr. Zhang Luyang will cease to hold any positions in the Company.

Mr. Zhang Luyang have confirmed to the Company that he have no disagreement with the Board, and there is no matter relating to his resignation that needs to be brought to the attention of the holders of the securities of the Company.

According to the relevant provisions of the Company Law and the Listing Rules, the resignation of independent director Mr. Zhang Luyang will result in the number of independent director of the Company falling below the minimum quorum, the resignation report of independent director shall

take effect upon election of new independent director at the general meeting of the Company. The Company will appoint additional independent director as soon as practicable in accordance with relevant provisions of the Company Law and Articles of Association. Prior to the addition of independent director, Mr. Zhang Luyang shall continue to perform the relevant duties as independent director and members of the special committees of the Board.

Meanwhile, the Supervisory Committee of the Company received resignation application from Mr. Li Dong, shareholder representative supervisor. Due to his own heavy business commitment, Mr. Li Dong respectively resigned as shareholder representative supervisor of the Company. After the resignation, Mr. Li Dong will no longer hold any positions in the Company.

Given that the departure of Mr. Li Dong will result in the number of members of the Supervisory Committee of the Company falling below the minimum quorum, the resignation report of the supervisor will become effective upon election of new shareholder representative supervisor at the general meeting of the Company. The Company will appoint new shareholder representative supervisor as soon as possible in accordance with the relevant provisions of the Company Law and the Articles of Association. Prior to the addition of supervisor, Mr. Li Dong shall continue to perform his duties as supervisor.

Mr. Li Dong have confirmed to the Company that he have no disagreement with the Board, and there is no matter relating to his resignation that needs to be brought to the attention of the holders of the securities of the Company.

As of the date of this announcement, none of the above-mentioned persons holds any shares of the Company, and there are no commitments that should have been fulfilled.

The Company and the Board hereby extend sincere thanks to the above-mentioned individuals for their valuable contributions to the Company during their term of office.

By order of the Board

Liu Daoqi

Chairman

Changzhou, Jiangsu Province, the PRC

17 April 2018

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