東北電氣發展股份有限公司

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NORTHEAST ELECTRIC DEVELOPMENT CO.,LTD.

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

（Stock Code:0042）

ANNOUNCEMENT ON THE ESTIMATED RESULT FOR THE FIRST QUARTER OF 2021

This announcement is made by Northeast Electric Development Co., Ltd. (the "**Company**") pursuant to Rule 13.09 (2) and 13.10B of the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), and Inside Information Provisions (as defined in the Listing Rules) (the "**Inside Information Provisions**") under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The Board of Directors (the "**Board**") of Northeast Electric Development Co., Ltd. hereby announces that it is expected to record the net loss attributable to the equity owners of the Company in the first quarter of 2021 in the range of RMB2.8 million to RMB3.7 million, the losses per share in the range of RMB0.0032 to RMB0.0042, while the consolidated equity attributable to the equity owners of the Company in the range of RMB-192 million to RMB-188 million. The announcement is made in accordance with Rule 13.10B of the Listing Rules.

I. Period of Results Prediction

From 1 January 2021 to 31 March 2021.

II. Situation of Results Prediction: Loss

According to the primary calculation of the financial department of the Company, it is expected to record the net loss attributable to the equity owners of the Company in the range of RMB2.8 million to RMB3.7 million, the losses per share in the range of RMB0.0032 to RMB0.0042, while the consolidated equity attributable to the equity owners of the Company in the range of RMB-192 million to RMB-188 million in the first quarter of 2021.

The accurate financial data will be fully disclosed in the first quarterly report before 30 April 2021.

III. Pre-auditing Results Prediction

The figures of the estimated result contained in this announcement have not been pre-audited by the certified public accountants.

IV. Reasons for Change in Results

(I) During the reporting period, our operating loss was slightly decrease compared with the same period last year;

(II) There were not non-operating profit or loss items that affect the net profit during the reporting period;

(III) Due to the net asset of the Company was negative at the end of 2020 and the Company made loss during the reporting period, the net asset of the Company remained negative during the reporting period.

V. Results for the Corresponding Period of the Preceding Year

(I) Consolidated net profit attributable to the shareholders of the Company: RMB-3,802,341.31;

(II) Earnings per share: RMB-0.0043;

(III) Consolidated equity attributable to the equity owners of the Company: RMB-60,223,144.84.

VI. Other Explanatory Items

The predicted results are primarily calculated by the financial department of the Company. The Board is of the view that the accurate financial data will be fully disclosed in the first quarterly report before 30 April 2021. Investors are advised to exercise caution with investment risks.

By order of the Board
Zhu Jie
Chairman

Haikou, Hainan Province, the PRC
14 April 2021

The Directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this Announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this Announcement misleading; (iii) all opinions expressed in this Announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

As at the date of this Announcement, the Board comprises of six executive Directors, namely Mr. Zhu Jie, Mr. Wang Yongfan, Mr. Bao Zongbao, Mr. Su Weiguo, Mr. Guo Qianli and Mr. Li Guoqing; and three independent non-executive Directors, namely Mr. Li Ming, Mr. Fang Guangrong and Mr. Wang Hongyu.