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北京京城機電股份有限公司
Beijing Jingcheng Machinery Electric Company Limited

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

(Stock Code: 0187)

**ANNOUNCEMENT ON THE RESOLUTION PASSED AT
THE FOURTH EXTRAORDINARY MEETING OF THE TENTH SESSION OF
THE BOARD OF DIRECTORS**

The board of directors and all members of the board of directors of the Company warrant that this announcement does not contain any false information, misleading statement or material omission and accept joint and several responsibility for the truthfulness, accuracy and completeness of the contents herein contained.

Pursuant to the notice of meeting dated 29 July 2020, the fourth extraordinary meeting of the tenth session of the board of directors (the “**Board**”) of Beijing Jingcheng Machinery Electric Company Limited (the “**Company**”) was held on 31 July 2020 by way of telecommunication. All of the eleven eligible directors were present at the meeting. The supervisors and senior management members of the Company also attended the meeting. The convening of the meeting was in compliance with the requirements of all applicable laws and the Articles of Association of the Company.

The meeting was presided over by Mr. Wang Jun, the Chairman of the Board, at which the resolution in relation to the establishment of Hydrogen Fuel Cell Commercial Vehicle Industry Innovation Center jointly by Beijing Tianhai Industry Co., Ltd. (“**Beijing Tianhai**”) and Beiqi Foton Motor Co., Ltd. (“**Beiqi Foton**”), and the participation in the establishment of Beiqing Zhichuang (Beijing) New Energy Automobile Technology Co., Ltd. (tentative name) was considered and approved by the directors present at the meeting.

As a leading whole vehicle manufacturing enterprise in the Beijing-Tianjin-Hebei region, Beiqi Foton has joined forces with a total of 10 enterprises including Beijing Tianhai, a subsidiary of the Company, to establish the Hydrogen Fuel Cell Commercial Vehicle Industry Innovation Center, and jointly establish the Beiqing Zhichuang (Beijing) New Energy Automobile Technology Co, Ltd. (tentative name).

The establishment of Hydrogen Fuel Cell Commercial Vehicle Industry Innovation Center jointly by Beijing Tianhai and Beiqi Foton and the participation in the establishment of Beijing Zhichuang (Beijing) New Energy Automobile Technology Co., Ltd. (tentative name) was approved.

The capital contribution of RMB10 million by Beijing Tianhai was approved, representing 10% of the shareholding.

30% of the capital contribution will be completed before December 2020, 30% of the capital contribution will be completed before December 2021 and 40% of the capital contribution will be completed before December 2022.

“The Proposal for the Establishment of Hydrogen Fuel Cell Commercial Vehicle Industry Innovation Center jointly by Beijing Tianhai and Beiqi Foton and the Participation in the Establishment of Beijing Zhichuang (Beijing) New Energy Automobile Technology Co., Ltd. (tentative name)” was approved.

The “Joint Venture Agreement of Beijing Zhichuang (Beijing) New Energy Automobile Technology Co., Ltd. (tentative name)” and the “Articles of Association of Beijing Zhichuang (Beijing) New Energy Automobile Technology Co., Ltd. (tentative name)” were approved.

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

The establishment of the joint venture company is still subject to the approval of the industrial and commercial administrative authorities. The external investment may be subject to risks arising from uncertain factors in various aspects such as industry’s policies, progress of product research and development, market environment, operation and management. The joint venture company may be subject to risks arising from uncertain factors in various aspects such as the changes in industry’s policies, market competition and operation management in the future, and its profitability is subject to the test of the market. Investors are reminded to exercise reasonable judgment and pay attention to investment risks.

For and on behalf of the Board
Beijing Jingcheng Machinery Electric Company Limited
Luan Jie
Company Secretary

Beijing, the PRC
31 July 2020

As at the date of this announcement, the Board comprises Mr. Wang Jun, Mr. Li Junjie and Mr. Zhang Jiheng as executive directors, Ms. Jin Chunyu, Mr. Wu Yanzhang, Mr. Xia Zhonghua and Ms. Li Chunzhi as non-executive directors and Mr. Xiong Jianhui, Mr. Zhao Xuguang, Mr. Liu Jingtai and Mr. Luan Dalong as independent non-executive directors.