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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 RECEIPT OF THE SECOND INSTANCE
SUMMONS AND PROGRESS OF LITIGATION INVOLVING BEIJING TAINHAI
CRYOGENIC EQUIPMENT CO., LTD.**

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 responsibilities for the truthfulness, accuracy and completeness of the contents herein contained.

This announcement is made by Beijing Jingcheng Machinery Electric Company Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and the Inside Information Provisions (as defined under the Hong Kong Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

References are made to the announcement dated 2 June 2020 in relation to the litigation involving Beijing Tianhai Cryogenic Equipment Co., Ltd. and the announcement dated 14 May 2021 in relation to the progress of the concerned litigation of the Company (the “**Announcements**”). Unless otherwise specified, capitalized terms used herein have the same meanings as ascribed to them in the Announcements.

The Company recently received the “Summons” [(2021) Hu Min Zhong No. 392] issued by the Shanghai Higher People’s Court (the “**Shanghai High Court**”), and hereby announces the progress of the abovementioned case as follows:

I. BASIC INFORMATION OF THE CASE

Junzheng Company sued Tianhai Cryogenic, a subsidiary of the Company, to the Shanghai No. 1 Intermediate People’s Court for a dispute over the sales and purchase contract, requesting to

confirm that the outstanding part of the “Tank Containers Procurement Contracts” entered into between Junzheng Company and Tianhai Cryogenic has been terminated, and Tianhai Cryogenic shall refund the contractual price, loss on use of funds, travelling expenses, vehicle leasing fees and notary fees to Junzheng Company amounting to RMB66,035,037.2, and that Tianhai Cryogenic shall bear the security expenses, insurance premium and all litigation costs. For details, please refer to the announcement on “Litigation Involving Beijing Tianhai Cryogenic Equipment Co., Ltd.” published on the website of Shanghai Stock Exchange at <http://www.sse.com.cn>, the “Shanghai Securities News”, and the website of The Stock Exchange of Hong Kong Limited at <http://www.hkexnews.hk>.

On 13 May 2021, the Company received a civil judgment from Shanghai No. 1 Intermediate People’s Court, which handed down a first-instance judgment on the case. For details, please refer to the announcement on the “Progress of Litigation Involving Beijing Tianhai Cryogenic Equipment Co., Ltd.” published on the website of Shanghai Stock Exchange at <http://www.sse.com.cn>, the “Shanghai Securities News”, and the website of The Stock Exchange of Hong Kong Limited at <http://www.hkexnews.hk>.

Junzheng Company does not agree with the first-instance judgment [(2020) Hu 01 Min Chu No. 127] handed down by Shanghai No. 1 Intermediate People’s Court and submitted an appeal to Shanghai High Court in accordance with the laws. After the filing of the case in Shanghai High Court, a panel of judges will be formed in accordance with the laws and the trial will be held on 24 August 2021.

II. MAIN CONTENT OF THE SUMMONS

1. Case no.: (2021) Hu Min Zhong No. 392
2. Cause of the case: Dispute over the sales and purchase contract
3. The summoned: Tianhai Cryogenic
4. Subject matter of summons: Court hearing
5. Due time: 14:30, 24 August 2021
6. Attendance: Courtroom 3, No. 535 Xiangyang South Road (near Zhaojiabang Road)

III. WHETHER THE COMPANY HAS ANY OTHER UNDISCLOSED LITIGATION AND ARBITRATION MATTERS

As at the date of this announcement, save for the litigation arising from the dispute over the sales and purchase contract as mentioned in this announcement, there are no other litigation or arbitration matters of the Company and its controlling subsidiaries that should be disclosed but have not yet been disclosed.

IV. THE IMPACT OF THE LITIGATION ON THE CURRENT PROFITS OR SUBSEQUENT PROFITS OF THE COMPANY

There is still uncertainty regarding the result of the case as the trial for the second instance of the litigation has not yet commenced, and the impacts of the litigation on the current profits or subsequent profits of the Company cannot be ascertained for the time being. The Company will pay close attention to the subsequent progress of the litigation, strictly comply with relevant laws and regulations, and fulfill the obligation of information disclosure in a timely manner. Investors are advised to pay attention to the relevant announcement(s) and be aware of the investment risks.

V. DOCUMENTS AVAILABLE FOR INSPECTION

1. “The Summons from Shanghai Higher People’s Court”
2. “The Notice of Response to Action from Shanghai Higher People’s Court”

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

Beijing, the PRC
29 July 2021

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.