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北京京城机电股份有限公司
Beijing Jingcheng Machinery Electric Company Limited

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

(Stock Code: 0187)

**RESOLUTIONS PASSED AT THE SEVENTEENTH MEETING OF
THE SEVENTH SESSION OF THE SUPERVISORY COMMITTEE**

The committee of supervisors of the Company (the “Supervisory Committee”) and all members of the Supervisory Committee warrant the truthfulness, accuracy and completeness of the contents of this announcement and accept joint and several responsibilities for any false information, misleading statement or material omission.

The seventeenth meeting of the seventh Supervisory Committee of Beijing Jingcheng Machinery Electric Company Limited (the “Company”) was held at the Company’s Conference Room on 27 March 2014. The meeting was presided over by Ms. Liu Zhe, chairman of the Supervisory Committee, and all of the 3 eligible supervisors attended the meeting in person. The convening of the meeting was in compliance with the Companies Law and the Articles of Association of the Company. Resolutions were considered and passed as follows:

- I. The work report of the Supervisory Committee for 2013 was considered and approved, and to be submitted to the 2013 annual general meeting of the Company for consideration.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

- II. The 2013 annual report of the Company and its summary were considered and approved.

The Supervisory Committee of the Company had reviewed the Company’s 2013 annual report (“Annual Report”) and its summary prepared by the board of directors of the Company (the “Board”) according to Rule 68 of the Securities Law of the People’s Republic of China and relevant requirements of Contents and Formats for Information Disclosure by Companies that Offer Securities to the Public No. 2 (Contents and Format of Annual Reports) (revised in 2012). At the meeting, all supervisors unanimously considered that:

1. The preparation of and the procedures for considering the Annual Report of the Company are in compliance with the laws, regulations, provisions of the articles of association of the Company (the “Articles of Association”) and all stipulations of the Company’s internal control system;
2. The content and format of the Annual Report of the Company are in compliance with all requirements of China Securities Regulatory Commission and The Stock Exchange of Hong Kong Limited. The information contained therein can truly reflect the operation, management and financial position of the Company in the year;
3. Before arriving at this opinion, persons participating in the preparation and consideration of the Annual Report were not found to have acted in breach of the rules of confidentiality.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

III. The 2013 audited financial statements of the Company were considered and approved.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

IV. The proposal of the Company not to distribute any profit for the year 2013 was considered and approved.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

V. The resolution in respect of provision for impairment on assets of the Company for the year 2013 was considered and approved.

As the Supervisory Committee is aware of after review, no provision for impairment on assets is in breach of relevant accounting rules or requirements; nor is there any violation of the laws, regulations, the Articles of Association or internal control system of the Company during the course of reviewing such resolutions by the Board.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

VI. The resolution regarding the write-off of bad debts of the Company was considered and approved.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

VII. The 2013 self assessment report on the Company's internal control was considered and approved.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

VIII. The 2013 audited internal control report of the Company was considered and approved.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

IX. The 2013 social responsibility report of the Company was considered and approved.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

X. The resolution on explanations of the differences between the promised results in material asset reorganization and the actual results recorded by the Company was considered and approved.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

XI. The resolution on filing an application to the Shanghai Stock Exchange for delisting risk warning to be imposed on the A shares of the Company was considered and approved.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

XII. Management Measures on the Efficiency Assessment of Senior Management (《高級管理人員績效考核管理辦法》) of the Company were considered and approved;

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

XIII. The resolution on passing the Supplemental Agreement of routine related transactions entered by Tianjin Tianhai High Pressure Containers Co., Ltd., a subsidiary of the Company, and Tianjin Pipe Steel Trade Co., Ltd. was considered and approved.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote; 0; Abstention vote: 0.

The Supervisory Committee of
Beijing Jingcheng Machinery Electric Company Limited

27 March 2014

As at the date of this announcement, the Board of the Company comprises Mr. Wang Pingsheng, Mr. Hu Chuanzhong, Mr. Wu Yanzhang, Mr. Li Junjie and Ms. Jiang Chi as executive directors, Mr. Jiang Zili and Ms. Wu Dongbo as non-executive directors and Mr. Zhang Shuangru, Ms. Wang Hui, Mr. Xie Bingguang and Mr. Wang Deyu as independent non-executive directors.