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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 OF RESOLUTIONS PASSED AT
THE NINETEENTH MEETING OF THE SEVENTH
SUPERVISORY COMMITTEE**

The committee of supervisors of the Company and all members of the Supervisory Committee 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.

The nineteenth meeting of the seventh supervisory committee (the “**Supervisory Committee**”) of Beijing Jingcheng Machinery Electric Company Limited (the “**Company**”) was held at the Company’s conference room on 16 May 2014. All of the three eligible supervisors attended the meeting in person, and the meeting was presided over by Ms. Liu Zhe, chairman of the Supervisory Committee. The convening of the meeting was in compliance with the relevant requirements of the Companies Law and the Articles of Association of the Company. The following resolutions were considered and approved unanimously by the Supervisory Committee:

1. The resolution on the proposed disposal of the 100% equity interest in Beijing Jingcheng Compressor Co., Ltd. by the Company by way of public tender was considered and approved;

Number of valid votes for this resolution: 3; affirmative votes: 3; dissenting vote: 0; abstention vote: 0.

2. The resolution on the proposed Asset Transaction Agreement to be entered into between the Company and Beijing Jingcheng Machinery Electric Holding Co., Ltd., subject to terms and conditions, and the connected transaction contemplated thereunder was considered and approved;

Number of valid votes for this resolution: 3; affirmative votes: 3; dissenting vote: 0; abstention vote: 0.

3. The resolution on capital injection by Beijing Bashi Media Co., Ltd. into Beijing Minghui Tianhai Gas Storage and Transportation Equipment Sales Co., Ltd. (北京明暉天海氣體儲運裝備銷售有限公司) was considered and approved;

Number of valid votes for this resolution: 3; affirmative votes: 3; dissenting vote: 0; abstention vote: 0.

4. The resolution on the establishment of Shandong Tianhai High Pressure Containers Co., Ltd. (山東天海高壓容器有限公司), jointly invested by Beijing Tianhai Industry Co., Ltd., a subsidiary of the Company, and 山東永安合力鋼瓶股份有限公司 was considered and approved;

Number of valid votes for this resolution: 3; affirmative votes: 3; dissenting vote: 0; abstention vote: 0.

5. The resolution on the financial assistance provided by the Company to Beijing Tianhai Industry Co., Ltd., a subsidiary of the Company was considered and approved;

Number of valid votes for this resolution: 3; affirmative votes: 3; dissenting vote: 0; abstention vote: 0.

6. The resolution on the general election of the Supervisory Committee was considered and approved;

The term of the seventh Supervisory Committee will expire at the 2013 annual general meeting. According to the recommendations made by the controlling shareholder of the Company, Ms. Liu Zhe and Mr. Han Bingkui (please refer to appendix for their biographical details) will be nominated as candidates for supervisors of the eighth Supervisory Committee, and the relevant resolutions will be proposed at the 2013 annual general meeting. The proposed term of office of supervisors shall commence upon the approval at the 2013 annual general meeting and until the conclusion of the 2016 annual general meeting.

There shall be one staff supervisor, elected by the meeting held by the staff of the Company in accordance with statutory procedures.

Number of valid votes for this resolution: 3; affirmative votes: 3; dissenting vote: 0; abstention vote: 0.

7. The resolution on the remuneration of and written contracts to be entered into with the supervisors of the eighth Supervisory Committee was considered and approved;

The annual fee of supervisors of the Company shall not exceed RMB 40,000, and the relevant resolution will be proposed at the 2013 annual general meeting.

Number of valid votes for this resolution: 3; affirmative votes: 3; dissenting vote: 0; abstention vote: 0.

The Supervisory Committee
Beijing Jingcheng Machinery Electric Company Limited

16 May 2014

As at the date of this announcement, the board of directors 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.

BIOGRAPHICAL DETAILS OF THE PROPOSED SUPERVISORS

1. Liu Zhe, Chinese, female, aged 36, is a lecturer with a bachelor's degree in engineering. Ms. Liu was a teacher, group leader of teaching and research, Youth League secretary, secretary of student party branch of Light Industry Branch of Beijing Industry and Trade Technicians College, Youth League secretary and director of publicity department of the party/company of Beijing Jingcheng Machinery Electric Holding Co., Ltd. Currently, she is deputy party secretary, secretary of discipline inspection commission and chairman of labour union of Beijing Tianhai Industry Co., Ltd. The proposed term of office of supervisors shall commence upon the approval at the 2013 annual general meeting and until the conclusion of the 2016 annual general meeting. The Company will enter into a written contract with Ms. Liu, and her annual fee shall not exceed RMB 40,000, subject to her performance.
2. Han Bingkui, Chinese, male, aged 59, graduate of economics and management and is a senior accountant. Mr. Han was chief of finance division and accountant of Beijing High Pressure Gas Cylinder Factory (北京高壓氣瓶廠), deputy head of finance department, director and chief accountant of Beijing Tianhai Industry Co., Ltd. Currently, he is the director, chief financial officer and department head of finance department of Beijing Tianhai Industry Co., Ltd. The proposed term of office of supervisors shall commence upon the approval at the 2013 annual general meeting and until the conclusion of the 2016 annual general meeting. The Company will enter into a written contract with Mr. Han, and his annual fee shall not exceed RMB 40,000, subject to his performance.

Save as disclosed above, none of the proposed supervisors to be elected at the 2013 annual general meeting has any relationship with any other directors, supervisors, senior management, substantial or controlling shareholder of the Company. They do not have any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance, and did not act as supervisor in other listed companies for the last three years. Save as disclosed above, in respect of all proposed supervisors to be elected at the 2013 annual general meeting, there is no other information which is required to be disclosed pursuant to any provisions under Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited nor other matters that need to be brought to the attention of the shareholders.

As at the date of this announcement, according to the register maintained pursuant to section 352 of the Securities and Futures Ordinance, all of the proposed supervisors do not have any interest or short positions in the shares, underlying shares and debentures of the Company.