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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 RESOLUTIONS PASSED AT THE NINTH MEETING OF
THE NINTH SESSION OF THE BOARD**

The board of Directors of the Company (the “**Board**”) and all members of the Board 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 in this announcement.

Pursuant to the notice of the meeting dated 25 July 2019, the ninth meeting of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited (the “**Company**”) was held at the Conference Room of Beijing Jingcheng Holding Mansion on 9 August 2019. All of the ten 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.

The meeting was presided over by Mr. Wang Jun, the Chairman of the Board, at which the following resolutions were considered and approved:

1. The full text and abstract of the 2019 A Share Interim Report and H Share Results Announcement of the Company were considered and approved.

The number of valid votes for this resolution: 10; Affirmative votes: 10; Dissenting vote: 0; Abstention vote: 0.

2. The resolution on the provision for impairment of assets of the Company in the first-half of 2019 was considered and approved.

As at 30 June 2019, the provision for bad debts and impairment of assets of the Company increased by RMB 15,998,900 for the current period, of which, the provision for bad debts was RMB 5,815,400; the provision for the impairment loss of inventories was RMB 10,183,500. The provision for bad debts and asset impairments decreased by RMB 11,401,600 for the current period, of which, write-off of bad debt was RMB 235,000; resale of inventory was RMB 11,166,600.

The Company makes provision for impairment on assets according to the Accounting Standards for Business Enterprises and the actual situation of the Company's asset, the asset position of the Company was reflected based on full and fair view.

The number of valid votes for this resolution: 10; Affirmative votes: 10; Dissenting vote: 0; Abstention vote: 0.

3. The resolution on changes of the Company's accounting policies was considered and approved.

The Company would prepare the 2019 interim financial statements, annual financial statements and financial statements for subsequent periods in accordance with the Notice of the Ministry of Finance on Revising and Issuing the Format of Financial Statements of Ordinary Enterprises for 2019 (《財政部關於修訂印發2019年度一般企業財務報表格式的通知》) (CH [2019] No. 6) issued by the Ministry of Finance and its interpretation and the requirements of Enterprise Accounting Standards, and retrospective adjustments were made on comparative figures in the 2018 financial statements in accordance with the requirements. The specific adjustments are as follows:

The consolidated balance sheet being affected on 31 December 2018

Items	Consolidated balance sheet (RMB)	
	Before adjustment	After adjustment
Notes receivable and accounts receivable	246,254,665.67	Not Applicable
Notes receivable	Not Applicable	23,161,071.50
Accounts receivable	Not Applicable	223,093,594.17
Notes payable and accounts payable	264,374,639.10	Not Applicable
Notes payable	Not Applicable	30,000,000.00
Accounts payable	Not Applicable	234,374,639.10

The changes in accounting policies only affected the presentation of items in the financial statements, no retrospective adjustment was required, there was no substantive impact on the operating results, financial position and cash flow of the Company and such changes were not detrimental to the interests of the Company and minority shareholders.

The number of valid votes for this resolution: 10; Affirmative votes: 10; Dissenting vote: 0; Abstention vote: 0.

The Board of
Beijing Jingcheng Machinery Electric Company Limited

Beijing, the PRC
9 August 2019

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 Chuyu, Mr. Xia Zhonghua and Ms. Li Chunzhi as non-executive directors and Ms. Wu Yan, Mr. Liu Ning, Mr. Yang Xiaohui and Mr. Fan Yong as independent non-executive directors.