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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 ELEVENTH MEETING
OF THE NINTH SESSION OF THE BOARD**

The Board of the Company 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 responsibility for the truthfulness, accuracy and completeness of the contents herein contained.

Pursuant to the notice of the meeting dated 13 March 2020, the eleventh meeting of the ninth session of the board of directors (the “**Board**”) of Beijing Jingcheng Machinery Electric Company Limited (the “**Company**”) was held on 27 March 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 each of the following resolutions was considered and approved:

1. The full text and abstract of the 2019 Annual Report and H Shares Results Announcement of the Company were considered and approved.

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

2. The 2019 Annual Work Report of the Board was considered and approved.

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

3. The 2019 Audited Financial Report of the Company was considered and approved; the details of which are set out in the Annual Report.

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

4. The 2019 Internal Control Assessment Report of the Company was considered and approved; the details of which are set out in the Annual Report.

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

5. The 2019 Audit Report on Internal Control over Financial Reporting of the Company was considered and approved; the details of which are set out in the Annual Report.

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

6. The 2019 Social Responsibility Report of the Company was considered and approved; the details of which are set out in the Annual Report.

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

7. The resolution on the Corporate Governance Report (draft) required to be disclosed in the H Shares Annual Report of the Company and authorisation of the secretary to the Board to be responsible for subsequent review of and amendment to the Corporate Governance Report was considered and approved.

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

8. The resolution on the 2019 Environmental, Social and Governance Report (draft) of the Company and authorisation of the secretary to the Board to be responsible for subsequent review of and amendment to the 2019 Environmental, Social and Governance Report was considered and approved.

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

9. The resolution on the Report of the Independent Non-executive Directors of the Company for the year 2019 was considered and approved.

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

10. The resolution on the performance of the Audit Committee of the Board for the year 2019 was considered and approved.

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

11. The resolution on the payment for the audit fee of the financial reports for the year 2019 to ShineWing Certified Public Accountants LLP was considered and approved.

According to the resolution on the re-appointment of ShineWing Certified Public Accountants LLP as the auditor of the Company's 2019 financial reports which was considered and approved at the 2018 annual general meeting, and the quality of the audit services provided by ShineWing, the Board proposed to pay a total audit fee of RMB850,000 to ShineWing Certified Public Accountants LLP for the year of 2019. The audit fee includes fees related to all the audit services provided to the Company, including audit, review and translation.

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

12. The resolution on the payment for the audit fee for the year 2019 to Da Hua Certified Public Accountants (Special General Partnership) (hereinafter "Da Hua") was considered and approved.

According to the resolution on the re-appointment of Da Hua Certified Public Accountants (Special General Partnership) as the internal control auditor of the Company in 2019 which was considered and approved at the 2018 annual general meeting, and the quality of the audit services provided by Da Hua, the Board proposed to pay a total audit fee of RMB300,000 to Da Hua Certified Public Accountants (Special General Partnership) for the year of 2019. The audit fee includes fees related to all the audit services provided to the Company by the auditor, including audit, review and translation.

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

13. The resolution in relation to the re-appointment of ShineWing Certified Public Accountants LLP as the auditor of the Company's 2020 financial reports, and the authorization of the Board to enter into letter of appointment with ShineWing Certified Public Accountants LLP and determine its remuneration at the annual general meeting was considered and approved.

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

14. The resolution in relation to the re-appointment of Da Hua Certified Public Accountants (Special General Partnership) as the auditor for the 2020 audit report on internal control over financial reporting of the Company, and the authorization of the Board to enter into letter of appointment with Da Hua Certified Public Accountants (Special General Partnership) and determine its remuneration at the annual general meeting were considered and approved.

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

15. The 2020 audit plan of the Company was considered and approved;

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

16. The 2020 assessment plan of the Company's internal control was considered and approved.

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

17. The proposal of the Company not to distribute profit for the year of 2019 was considered and approved, and the Board agreed to submit the resolution to the 2019 annual general meeting.

In accordance with Chinese Accounting Standards, the Company realized a net profit of RMB-130,036,800 attributable to the parent company during the reporting period while the undistributed net profit at the end of the year was RMB-820,483,200. The Company will not distribute profit or convert capital reserve to share capital for the year 2019.

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

18. The resolution on provision for impairment of the Company for the year 2019 was considered and approved.

Based on the balance of accounts receivable and actual aging of accounts and actual usage of the assets as of 31 December 2019, upon physical stock taking, analysis and audit, provisions for bad debt and assets impairment were made by the Company in accordance with the Accounting Standards for Enterprises issued by the Ministry of Finance and the Internal Control System on Bad Debt Provision and Assets Impairment Provision and Loss Treatment of Beijing Jingcheng Machinery Electric Company Limited.

As of 31 December 2019, the accumulative bad debt provision and assets impairment provision reserve of the Company was RMB132,269,000, of which bad debt provision reserve amounted to RMB63,115,200, inventory impairment provision reserve amounted to RMB50,026,300, fixed assets impairment provision reserve amounted to RMB12,565,200, and goodwill impairment amounted to RMB6,562,300.

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

19. The resolution on 2020 Financial Budget of the Company was considered and approved.

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

20. The 2020 Financing Guarantee Plan of the Company was considered and approved.

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

21. The resolution on the change of accounting policies was considered and approved.

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

22. The 2020 Business Plan of the Company was considered and approved.

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

23. The 2020 Research and Development Plan of the Company was considered and approved.

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

24. The 2020 Performance Assessment Contract for Senior Management of the Company was considered and approved, and the Chairman of the Board is authorized to enter into those contracts with the senior management.

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

25. The results of remuneration and performance assessment for the senior management of the Company for the year of 2019 were considered and approved.

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

26. The resolution to be submitted to the 2019 annual general meeting for approving the authorisation of the Board to issue new H Shares not exceeding 20% of the total issued H Shares was considered and approved, and the Board agreed to submit the resolution to the 2019 annual general meeting.

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

27. The resolution on amendments to the Articles of Association of the Company was considered and approved.

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

28. The resolution on the general election of the Board was considered and approved.

The term of the ninth session of the Board will expire at the end of the 2019 annual general Meeting, and the next session of directors will be elected at the 2019 annual general meeting. Based on the full understanding of the nomination committee of the ninth session of the Board and its recommendations:

The substantial shareholder nominated Mr. Wang Jun as the executive director candidate of the tenth session of the Board, and Ms. Jin Chunyu, Mr. Wu Yanzhang, Mr. Xia Zhonghua and Ms. Li Chunzhi as the non-executive director candidates of the tenth session of the Board. The nomination committee of the Board nominated Mr. Li Junjie and Mr. Zhang Jiheng as the executive director candidates of the tenth session of the Board, and Mr. Xiong Jianhui, Mr. Zhao Xuguang, Mr. Liu Jingtai and Mr. Luan Dalong as the independent non-executive director candidates of the tenth session of the Board.

The proposed term of office of directors shall commence upon the approval at the 2019 annual general meeting and until the 2022 annual general meeting. The biographies of the director candidates are set out in the Annex.

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

29. The resolution on the remuneration of and written contracts to be entered into with the directors of the tenth session of the Board was considered and approved.

Save as the chairman of the Board, the executive directors are not entitled to the directors' remuneration, but are entitled to the remuneration based on their respective positions in the Company and subsidiaries (except for the director's duties).

The chairman of the Board and the non-executive directors do not receive any remuneration from the Company.

The annual emolument of an independent non-executive director is RMB80,000.

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

30. The resolution in relation to the application by Beijing Tianhai Industry Co., Ltd., for an internal bridge loan of RMB40 million from Jingcheng Machinery was considered and approved.

Mr. Wang Jun, Ms. Jin Chunyu, Mr. Wu Yanzhang, Mr. Xia Zhonghua, and Ms. Li Chunzhi, being connected directors, abstained from voting for the resolution. The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0.

31. The resolution on the convening time of the Company's 2019 annual general meeting was considered and approved.

The Company will convene the 2019 annual general meeting on Tuesday, 9 June 2020, details of which will be further announced.

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

Among the above resolutions, resolutions 1, 2, 3, 5, 9, 13, 14, 17, 26, 27, 28 and 29 will be submitted to the 2019 annual general meeting of the Company for consideration.

The Board of
Beijing Jingcheng Machinery Electric Company Limited

Beijing, the PRC
27 March 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 Ms. Wu Yan, Mr. Liu Ning, Mr. Yang Xiaohui and Mr. Fan Yong as independent non-executive directors.

Annex:

Biographical Details of the Executive Director Candidates:

Wang Jun, Chinese, male, aged 48, is an economist with a bachelor's degree in engineering and an MBA. Mr. Wang was a sales clerk, director of export department, director of international business department and deputy general manager of Beijing Tianhai Industry Co., Ltd., party secretary, chairman of the Board of Beijing Beikai Electric Co., Ltd., head of the office, head of the office of the Board of Directors, director of the legal affairs department, secretary to the Board of Directors, member of the party committee and standing committee member of party committee of Beijing Jingcheng Machinery Electric Holding Co., Ltd. He served as an executive director of the eighth session of the Board of the Company from 10 December 2015 to 26 June 2017, and chairman of the eighth session of the Board of the Company from 11 December 2015 to 26 June 2017. Currently, he is the deputy general manager and general counsel of Beijing Jingcheng Machinery Electric Holding Co., Ltd., and an executive director and chairman of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.

Li Junjie, Chinese, male, aged 42, has a bachelor degree in economics and an MBA. He was an accountant of finance department, salesman of marketing department, deputy secretary and secretary of youth league committee, manager of human resources department, secretary to the board deputy general manager, deputy party secretary and general manager in Beijing Tianhai Industry Co., Ltd. He served as an executive director of the eighth session of the Board of the Company from 16 December 2013 to 26 June 2017, and served as the general manager of the Company from 26 June 2014 to 10 December 2015 and from 25 April 2017 to 26 June 2017. He is currently the party secretary and chairman of the board of Beijing Tianhai Industry Co., Ltd. He is an executive director of the ninth session of the Board and general manager of Beijing Jingcheng Machinery Electric Company Limited.

Zhang Jiheng, Chinese, male, aged 44, is the holder of a bachelor's degree and a senior engineer. Mr. Zhang served as a technician and the head of the first production division, deputy minister of the production department, assistant to general manager, minister of the supply department and deputy manager of Beijing Tianhai Industry Co., Ltd., the general manager of Langfang Tianhai High Pressure Container Co., Ltd. and the general manager of Beijing Minghui Tianhai Gas Storage Equipment Sales Co., Ltd.. He is currently the deputy party secretary, general manager and vice chairman of Beijing Tianhai Industry Co., Ltd. and an executive director of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.

Biographical Details of the Non-executive Director Candidates:

Jin Chunyu, Chinese, female, aged 48, obtained a bachelor's degree in management and a master's degree in business administration, and is a senior accountant. Ms. Jin previously served as clerical officer in the Finance Department and vice director of Beijing Electric Motor General Corporation; she served as deputy director of assets, finance and audit department of Beijing Jingcheng Machinery Electric Holding Co., Ltd., director and chief accountant (of the Chinese partner) of Babcock & Wilcox Beijing Company Ltd., and convener of the Supervisory Committee of Beijing B.J. Electric Motor Co., Ltd. She served as a non-executive director of the eighth session of the Board of the Company from 9 June 2015 to 26 June 2017. Currently, she is the assistant of the general manager and the department head of planning and finance department of Beijing Jingcheng Machinery Electric Holding Co., Ltd, the chairman of Beijing Jingcheng International Financing Lease Co., Ltd. and a non-executive director of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.

Wu Yanzhang, Chinese, male, aged 55, obtained a bachelor's degree in machinery manufacturing management from Hefei University of Technology and EMBA at China Europe International Business School. Mr. Wu served as the dispatcher of the production department, the deputy department head, assistant to factory head, the director of office and director of the new office in Beijing No. 1 Machine Tool Plant (北京第一機床廠), the sino general manager of OKUMA-BYJC (Beijing) Machine Tool Co. Ltd (北一大隈公司), the deputy director of office, the director of communications office, the director of office, the head of legal department, the head of non-financial corporate management department, the head of asset management department, the head of strategy and investment department of Beijing Jingcheng Machinery Electric Holding Co., Ltd.; he served as the party secretary of Beijing Crane Factory (北京起重機器廠北京起重機器廠), the director of Beijing Jingcheng Mechanical & Electrical Asset Management Co., Ltd., the director and chairman of Beijing Xihai Industrial and Trading Company, the Chairman of Beijing Zhongdu Electric Co., Ltd. (北京中都電器有限公司), and the director and the general manager of Beijing Jingcheng Compressor Co., Ltd. He is currently the head of the Investment and Asset Development Department of Beijing Jingcheng Machinery Electric Holding Co., Ltd. and a non-executive director of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.

Xia Zhonghua, Chinese, male, aged 55, obtained a bachelor's degree in Engineering from Hefei University of Technology. He is a senior engineer. Mr. Xia was designer of construction of Beijing Metal Structure Factory (new factory) of Beijing Machinery Industrial Engineering Contract Corporation (北京機械工業建設工程承發包公司) and its technical director, project assistant manager and project manager, director in basic construction of Beijing Jingcheng Machinery Electric Holding Co. Ltd., director of the construction project planning department of Beijing Jianji Real Estate Co., Ltd. (北京建機房地產公司) (Part-time), head of resource allocation and restructuring and head of project investment of Beijing Jingcheng Machinery Electric Holding Co. Ltd., vice-president of Party School of Beijing Machinery Industry Administrative Bureau (北京機械工業管理局黨校); he served as the deputy minister of the management department and the securities and reform department, and the minister of the securities and reform department in Beijing Jingcheng Machinery Electric Holding Co. Ltd. He served as a non-executive director of the eighth session of the Board of the Company from 26 June 2014 to 26 June 2017. He is currently the head of the property resource department of Beijing Jingcheng Machinery Electric Holding Co., Ltd. and a non-executive director of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.

Li Chunzhi, Chinese, female, aged 42, is the holder of a MBA degree and a middle-grade economist. Ms. Li served as the manager of translation and project of Beijing Mechanical Industry Automation Research Institute, product manager of product service department of Beijing Century Yinghua Information Technology Co., Ltd. (北京世紀盈華資訊技術有限公司) and investment management manager and vice department head of the strategic and investment department of Beijing Jingcheng Machinery Electric Holding Co., Ltd.; she served as the vice department head of the investment and asset management department of Beijing Jingcheng Machinery Electric Holding Co., Ltd. She is currently the vice general manager of Beijing Jingcheng Machinery Electric Industrial Investment Co., Ltd. (北京京城機電產業投資有限公司), a supervisor of Beijing Jingcheng Intelligent Technology Co., Ltd. (北京京城智能科技有限公司) and a non-executive director of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.

Biographical Details of the Independent Non-executive Director Candidates:

Xiong Jianhui, Chinese, male, aged 45, is a certified public accountant and a certified public valuer. Mr. Xiong has worked in Nanchang Municipal Engineering Management Office, Zhonglei Certified Public Accountants and Crowe Horwath Certified Public Accountants. He is currently a partner of WUYIGE Certified Public Accountants LLP.

Zhao Xuguang, Chinese, male, aged 41, obtained a doctoral degree in law from Renmin University of China. Mr. Zhao was an associate professor, an assistant to the dean of the School of Humanities and Social Sciences, and a person in charge of law and master programs in North China Electric Power University. He is currently the deputy dean, professor, and tutor of master programs of the School of Humanities and Social Sciences in North China Electric Power University; he is also a member of the Legal Writing Association of China Law Society and the executive vice president of the Beijing Legal Negotiation Society.

Liu Jingtai, Chinese, male, aged 56, obtained a doctoral degree in engineering from Nankai University. Mr. Liu was an associate professor of Nankai University and the deputy director of the Institute of Robotics and Information Automation of Nankai University. He is currently a professor and tutor of doctoral programs of the School of Artificial Intelligence of Nankai University, director of the Institute of Robotics and Information Automation of Nankai University, director of Tianjin Key Laboratory of Intelligent Robot Technology, and external director of Tianjin Zhonghuan Electronic Information Group Co., Ltd (天津中環電子信息集團有限公司).

Luan Dalong, Chinese, male, aged 56, obtained a doctoral degree in management science and engineering from Northwestern Polytechnical University. Mr. Luan Dalong was a researcher at the Academy of Military Science. He is currently an independent director of Aerospace Hi-Tech Holding Group Co., Ltd. and DHC Software Co., Ltd.

The Company will enter into service contracts with the new directors of the tenth session of the Board and details of directors' remuneration are set out in the resolution on the remuneration of and written contracts to be entered into with the directors of the tenth session of the Board. The proposed term of office of the directors of the tenth session of the Board shall commence upon the approval at 2019 annual general meeting and until the 2022 annual general meeting of the Company.

Save as disclosed in this announcement, all director candidates have no relationship with other directors, supervisors, senior management, substantial shareholder or controlling shareholder of the Company.

All director candidates do not hold any interests in shares of the Company as defined in Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”), nor, save as disclosed in this announcement, do they hold directorship or supervisorship in any other listed public companies in the last three years.

Save as disclosed above, in respect of all director candidates, 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 information that need to be brought to the attention of the shareholders of the Company.

As at the date of this announcement, according to the register maintained pursuant to section 352 of the SFO, all director candidates do not have any interest or short positions in the shares, underlying shares and debentures of the Company.