

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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**  
**RESULTS OF PUBLIC TENDER**  
**FOR THE DISPOSAL OF JINGCHENG COMPRESSOR**

Reference is made to the announcement of the Company dated 16 May 2014, the circular of the Company dated 11 June 2014 and the announcement of the Company dated 26 June 2014 in relation to the disposal of 100% interest of Jingcheng Compressor and the results of AGM.

On 16 May 2014, the seventh session of the Board held its eighteenth extraordinary meeting, at which the resolution on the proposed disposal of the 100% equity interest in Jingcheng Compressor by the Company by way of public tender was considered and approved.

On 26 June 2014, the Company held the AGM, at which the resolution on the proposed disposal of the 100% equity interest in Jingcheng Compressor by the Company by way of public tender was considered and approved by the Shareholders.

The Board announces that on 29 August 2014, the Company entered into the Asset Transaction Agreement in relation to the disposal of 100% interest of Jingcheng Compressor with Beijing Guotong, the successful bidder of the Public Tender.

**INTRODUCTION**

Reference is made to the announcement of the Company dated 16 May 2014, the circular of the Company dated 11 June 2014 and the announcement of the Company dated 26 June 2014 in relation to the disposal of 100% interest of Jingcheng Compressor and the results of AGM.

On 16 May 2014, the seventh session of the Board held its eighteenth extraordinary meeting, at which the resolution on the proposed disposal of the 100% equity interest in Jingcheng Compressor by the Company by way of public tender was considered and approved.

On 26 June 2014, the Company held the AGM, at which the resolution on the proposed disposal of the 100% equity interest in Jingcheng Compressor by the Company by way of public tender was considered and approved by the Shareholders.

Beijing Guotong is a qualified bidder of the Public Tender and CBEX has notified the Company that Beijing Guotong is the successful bidder upon the expiry of the Publication Period.

Since Jingcheng Holding did not successfully qualify as transferee in the Public Tender, therefore the condition precedent of the Preliminary Asset Transaction Agreement is not fulfilled and the Preliminary Asset Transaction Agreement has no further effect.

The Board announces that on 29 August 2014, the Company entered into the Asset Transaction Agreement in relation to the disposal of 100% interest of Jingcheng Compressor with Beijing Guotong, the successful bidder of the Public Tender.

## **THE ASSET TRANSACTION AGREEMENT**

### **Date:**

29 August 2014

### **Parties:**

Vendor:           the Company  
Purchaser:       Beijing Guotong

To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, Beijing Guotong and its ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company.

### **Subject matter:**

The Company has agreed to sell and Beijing Guotong has agreed to purchase 100% interest in Jingcheng Compressor for the Consideration. After completion of the Disposal, the Company will cease to hold any interest in Jingcheng Compressor. Jingcheng Compressor will cease to be a subsidiary of the Company, and Fusheng Machine will cease to be an associated company of the Company and Jingcheng Compressor will no longer be consolidated into the financial statements of the Company after the completion of the Disposal.

## **Consideration:**

The Consideration i.e. the final bid price offered by Beijing Guotong as the successful bidder is RMB205,202,800, which is same as the Minimum Consideration.

Pursuant to the rules and regulations of CBEX and the requirements under the Asset Transaction Agreement, Beijing Guotong will transfer the Consideration to the settlement account delegated by CBEX in a lump sum within 10 working days after the Asset Transaction Agreement comes into effect. CBEX will transfer such amount in a lump sum to the Company after the completion of relevant procedures for the change of registration by the parties.

The principal terms of the Asset Transaction Agreement disclosed above are substantially the same as the relevant information as disclosed in the circular of the Company dated 11 June 2014.

## **Completion of the Disposal**

The Company will facilitate Beijing Guotong to complete the relevant procedures for the equity transfer and change of registration of Jingcheng Compressor in accordance with the rules of regulations of CBEX.

## **INFORMATION ON BEIJING GUOTONG**

Name:	北京市國通資產管理有限責任公司 (Beijing Guotong Asset Management Company Limited)
Company type:	Limited liability company (solely invested by legal person)
Address:	19th Floor, Block B, Focus Building, No. 19 Finance Street, Xicheng District, Beijing
Legal representative:	Guo Zhiguo
Registered capital:	RMB1 billion
Date of establishment:	2 February 2005

Beijing Guotong is principally engaged in asset management, investment and investment management, investment consulting, enterprise management consulting and financial advisory.

## **DEFINITIONS**

In this announcement, unless otherwise indicated in the context, the following terms shall have the meaning set out below:-

“AGM”	the 2013 annual general meeting of the Company held on 26 June 2014 (Thursday)
“Asset Transaction Agreement”	the asset transaction agreement (產權交易合同) dated 29 August 2014 between the Company and Beijing Guotong pursuant to the Tender Notice and the rules and regulations of CBEX

“Beijing Guotong”	北京市國通資產管理有限責任公司(Beijing Guotong Asset Management Company Limited), a limited liability company established in the PRC
“Board”	the board of Directors
“CBEX”	北京產權交易所有限公司(China Beijing Equity Exchange), an institution authorised by the State-owned Assets Supervision and Administration Commission to transact assets and equity of State-owned enterprises under the central government of PRC
“Company”	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 PRC with limited liability and the shares of which are listed on the Main Board of the Stock Exchange and the Shanghai Stock Exchange
“Consideration”	RMB250,202,800, being the purchase price for 100% interest in Jingcheng Compressor
“Directors”	the directors of the Company
“Disposal”	the disposal of 100% interest in Jingcheng Compressor by the Company to Beijing Guotong pursuant to the Asset Transaction Agreement
“Fusheng Machine”	北京復盛機械有限公司(Beijing Fusheng Machine Co., Ltd.), a company established in the PRC and is owned as to 30% by Jingcheng Compressor
“Golden Standard & Headman Appraisal and Advisory”	Golden Standard & Headman Appraisal and Advisory Co., Ltd. (北京大正海地人資產評估有限公司), an independent valuer
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jingcheng Compressor”	北京京城壓縮機有限公司(Beijing Jingcheng Compressor Co., Ltd.), a company established in the PRC and a wholly-owned subsidiary of the Company
“Jingcheng Holding”	北京京城機電控股有限責任公司(Beijing Jingcheng Machinery Electric Holding Co., Ltd.), a company incorporated in the PRC and holding 100% interest in Jingcheng Holding (Hong Kong) Company Limited and 47.78% interest in the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Minimum Consideration”	the initial bidding price of approximately RMB 250,202,800 which is the book value of Jingcheng Compressor based on the Valuation Report

“PRC” or “State”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau and Taiwan
“Preliminary Asset Transaction Agreement”	the preliminary asset transaction agreement dated 16 May 2014 entered into by the Company and Jingcheng Holding. Please refer to the circular of the Company dated 11 June 2014 for further details
“Public Tender”	the public tender for the disposal of 100% interest in Jingcheng Compressor by the Company through CBEX
“Publication Period”	the publication period which ended on (19 August 2014) for the Public Tender during which qualified bidders may indicate their interest in purchasing the 100% interest in Jingcheng Compressor and register as interested bidders
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	the shareholders of the Company
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Tender Notice”	the tender notice ( 產權轉讓公告 ) for the disposal of 100% interest in Jingcheng Compressor by the Company
“Valuation Report”	大正海地人評報字(2014)第75A號《資產評估報告書》(Da Zheng Hai Di Ren Ping Bao Zi (2014) No. 75A) the valuation report prepared by Golden Standard & Headman Appraisal and Advisory in respect of the 100% interests in Jingcheng Compressor with 31 December 2013 being the base date for valuation. Please refer to Appendix II of the circular of the Company dated 11 June 2014 for the full text of the valuation report
“working day”	a day other than Saturday, Sunday and statutory holiday in the PRC, on which commercial banks in the PRC are open for normal business
“%”	percent

The board of directors of  
**Beijing Jingcheng Machinery Electric Company Limited**  
**Jiang Chi**  
*Company Secretary*

Beijing, PRC, 29 August 2014

*As at the date of this announcement, the Board comprises Mr. Hu Chuanzhong, Mr. Li Junjie, Mr. Wu Yanzhang and Ms. Jiang Chi as executive directors, Mr. Zhou Yongjun, Ms. Chang Yun and Mr. Xia Zhonghua as non-executive directors and Ms. Wu Yan, Mr. Liu Ning, Mr. Yang Xiaohui and Mr. Fan Yong as independent non-executive directors.*