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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 RESIGNATION AND ELECTION  
OF DIRECTORS, CHAIRMAN OF  
SUPERVISOR COMMITTEE AND SUPERVISORS OF THE COMPANY**

The Board and all members of the Board of the Company warrant that this announcement does not contain any false information, misleading statement or material omission and severally and jointly accept full responsibility for the truthfulness, accuracy and completeness of the contents herein contained.

**1. Resignation of directors**

- (1) The board of directors (the “Board”) of Beijing Jingcheng Machinery Electric Company Limited (“the Company”) announces that, Mr. Zhou Yongjun (“Mr. Zhou”) and Ms. Chang Yun (“Ms. Chang”), submitted their resignation notifications to the Board to resign from the positions of directors due to job reallocation. Mr. Zhou resigned from the positions of non-executive director and member of the Strategic Committee of the Company, and Ms. Chang resigned from positions of non-executive director and member of the Audit Committee of the Company. The Board fully respects the decisions of Mr. Zhou and Ms. Chang and has accepted their resignation applications. The resignations of Mr. Zhou and Ms. Chang take effect from 22 April 2015.

Mr. Zhou and Ms. Chang confirmed that there is no matter relating to their resignations that needs to be brought to the attention of the shareholders of the Company. The Board, Mr. Zhou and Ms. Chang have confirmed that they are not aware of any unfulfilled personal obligations of Mr. Zhou and Ms. Chang towards the Company and its subsidiaries, nor any impact on such obligations as a result of their resignations, and there is no disagreement between Mr. Zhou, Ms. Chang and the Company which has led to the resignations of Mr. Zhou and Ms. Chang.

The Board hereby expresses its gratitude towards Mr. Zhou and Ms. Chang for their contributions to the Company during their tenure of office.

**Proposed appointment of directors:**

The sixth extraordinary general meeting of the eighth session of the Board considered and approved that Ms. Jin Chunyu and Mr. Fu Hongquan were added as non-executive director candidates of the eighth session of the Board of the Company, and the resolution shall be submitted to the annual general meeting of 2014 for consideration.

The Company will enter into relevant service contracts with Ms. Jin Chunyu and Mr. Fu Hongquan, the proposed non-executive directors, the terms of service contracts shall be until the expiration of 2016 annual general meeting, and both of their annual fees shall not exceed RMB 40,000.

Please refer to the Appendix for biographical details of Ms. Jin Chunyu and Mr. Fu Hongquan.

- (2) The Board announces that it has accepted the resignation of Mr. Wu Yanzhang, and has released an announcement in relation to the resignation of director (Lin 2014-050) on the website of the Shanghai Stock Exchange at <http://www.sse.com.cn> and the website of the HKEx at <http://www.hkexnews.hk> on 8 December 2014.

**Proposed appointment of directors:**

The sixth extraordinary general meeting of the eighth session of the Board considered and approved that Ms. Liu Zhe was added as an executive director candidate of the eighth session of the Board, and the resolution shall be submitted to the annual general meeting of 2014 for consideration.

The Company will enter into relevant service contract with Ms. Liu Zhe, the proposed executive director. Her annual remuneration shall comprise of three parts: i.e. basic annual salary, regular annual performance salary and special contribution income. Each of the executive directors will be entitled to a basic annual salary in the range of RMB200,000 to RMB550,000. The regular annual performance salary ranges from RMB120,000 to RMB850,000, depending on the result of the performance appraisal of each executive director. Special contribution income may be granted to executive directors in the event that they have made significantly outstanding contributions to the implementation of the strategies of the Company or received special recognition for significant managerial innovation and technological innovation. Special contribution income, which shall not exceed RMB100,000, will be reviewed by the remuneration and monitoring committee of the Board and will be presented to the Board for review and approval.

Please refer to the Appendix for biographical details of Ms. Liu Zhe.

## **2. Resignation of supervisors**

The Supervisory Committee of the Company announces that, Ms. Liu Zhe (“Ms. Liu”) submitted her resignation notification to the Supervisory Committee to resign from the position of chief supervisor and the office of a supervisor due to job reallocation; and Mr. Han Bingkui (“Mr. Han”) submitted his resignation notification to the Supervisory Committee of the Company to resign from the position of supervisor due to retirement. The Supervisory Committee of the Company fully respects the decisions of Ms. Liu and Mr. Han and has accepted their resignation applications. However, as the resignation of Ms. Liu and Mr. Han will cause the number of supervisors to be lower than the quorum and that required by the Company’s articles of association, their resignations will be effective only upon the appointment of new supervisors.

Ms. Liu and Mr. Han have confirmed that they have no disagreement with the Supervisory Committee of the Company, and there is no matter relating to their resignations that need to be brought to the attention of the shareholders of the Company. The Supervisory Committee of the Company, Ms. Liu and Mr. Han have confirmed that they are not aware of any unfulfilled personal obligations of Ms. Liu and Mr. Han towards the Company and its subsidiaries, nor any impact on such obligations as a result of their resignations.

The Supervisory Committee of the Company hereby expresses its gratitude towards Ms. Liu and Mr. Han for their contributions to the Company during their tenure of office.

### **Proposed appointment of supervisors:**

The eighth extraordinary general meeting of the eighth session of the Supervisory Committee of the Company considered and approved that Ms. Chang Yun and Ms. Wang Weijing were added as supervisor candidates of the eighth session of the Supervisory Committee of the Company, and the resolution shall be submitted to the annual general meeting of 2014 for consideration.

The Company will enter into relevant service contracts with Ms. Chang Yun and Ms. Wang Weijing, the proposed supervisors, the terms of service contracts shall be until the expiration of 2016 annual general meeting, and both of their annual fees shall not exceed RMB 40,000.

Please refer to the Appendix for biographical details of Ms. Chang Yun and Ms. Wang Weijing.

The independent directors of the Company have given independent opinion. They are of the opinion that, the appointment of Ms. Jin Chunyu, Mr. Fu Hongquan and Ms. Liu Zhe are verified as validly qualified, the nomination procedures are in compliance with the regulations of the Articles of Association of the Company, and the procedures for consideration and voting are legal and valid.

By order of the Board  
**Beijing Jingcheng Machinery Electric Company Limited**  
**Jiang Chi**  
*Company Secretary*

Beijing, the PRC, 22 April 2015

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

## Appendix:

### Biographical details of the directors candidates

- (1) Liu Zhe, Chinese, female, aged 37, is a senior policy advisor with a bachelor's degree in engineering. Ms. Liu was a teacher, group leader in teaching and research, branch secretary of student party 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., Party secretary of Beijing Jingcheng Compressor Co., Ltd. and Chairman of Supervisory Committee and supervisor of Beijing Jingcheng Machinery Electric Company Limited. Currently, she is deputy party secretary, secretary of discipline inspection commission and chairman of labour union of Beijing Tianhai Industry Co., Ltd.
- (2) Jin Chunyu, Chinese, female, aged 43. She obtained a bachelor's degree in engineering, master degree in management, master's degree in applied accounting and finance 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, 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 Supervisory Committee of Beijing B.J. Electric Motor Co., Ltd. Currently, she is the department head of planning and finance department of Beijing Jingcheng Machinery Electric Holding Co., Ltd, a director of Beijing Jingcheng Zhidi Co., Ltd. and convener of Supervisory Committee of Beijing Wankai Electric Co., Ltd..
- (3) Fu Hongquan, Chinese, male, aged 51, a graduate and is a senior engineer. Mr. Fu previously served as construction technician, smithing engineer, construction service technician of cast steel factory, deputy general engineer and deputy plant manager of Beijing Heavy Electrical and Mechanical Plant (cast steel factory), deputy general manager of general affairs of Beijing Turbine Motor Co., Ltd., deputy director of human resource department of Beijing Jingcheng Machinery Electric Holding Co., Ltd., the deputy party secretary, chairman of labour union and secretary of discipline inspection commission, deputy plant manager of Beijing No.1 Machine Tool Plant, deputy general manager of Beijing Beiyi Digital Control Machine Tool Co., Ltd. and deputy general manager of Beijing Beiyi Machine Tool Co., Ltd. Currently, he is the chairman of Beiyi Heavy Machinery Casting Co., Ltd., and chairman of Beijing No. 1 Machine Tool (Gaobei Branch) Casting Co., Ltd. and the deputy party secretary, secretary of discipline inspection commission and chairman of labour union of Beijing Beiyi Machine Tool Co., Ltd.

Save as disclosed in this announcement, the directors candidates are not connected with other directors, supervisors, senior management or substantial or controlling shareholder of the Company. Ms. Jin Chunyu serves as the department head of planning and finance department of Beijing Jingcheng Machinery Electric Holding Co., Ltd., a substantial shareholder of the Company. Mr. Fu Hongquan serves as the deputy party secretary, secretary of discipline inspection commission and chairman of labour union of Beijing Beiyi Machine Tool Co., Ltd., a controlling shareholder of Beijing Jingcheng Machinery Electric Holding Co., Ltd., the substantial shareholder of the Company. Ms. Liu Zhe is not connected with any substantial shareholder or controlling shareholder of the Company. The 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) (“SFO”), nor 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 directors 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 (“Listing Rules”) nor other matters 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 of the director candidates do not have any interest or short positions in the shares, underlying shares and debentures of the Company.

### **Biographical details of the supervisor candidates**

- (1) Chang Yun, Chinese, female, aged 40. She obtained a Bachelor's Degree in economics from China Coal Economic College (中國煤炭經濟學院), and MBA of China Europe International Business School. She is a senior accountant, certified public accountant and certified tax agent. Ms. Chang was the cost accounting supervisor, deputy director of the finance department of Beijing Research Institute of Mechanical & Electrical Technology, finance manager of BMEI Co., Ltd. and chief financial officer of Beijing Jingcheng Heavy Industry Co., Ltd. She is currently the minister of the audit department of Beijing Jingcheng Machinery Electric Holding Co., Ltd. (the headquarter).
- (2) Wang Weijing, Chinese, female, aged 43. She obtained a bachelor's degree, and is a registered risk analyst. Ms. Wang was accountant of finance, principal officer, deputy department head of audit department, department head of audit department, department head of supervisory department, secretary of discipline inspection commission, and department head of audit and supervisory department of Beijing Tianhai Industry Co., Ltd. She is currently the department head of audit and legal department of Beijing Tianhai Industry Co., Ltd., a director of Beijing Panni Gaokong Equipment Co., Ltd. and the head of Secretariat of the Audit Committee of Beijing Jingcheng Machinery Electric Company Limited.

Save as disclosed in this announcement, the supervisor candidates are not connected with other directors, supervisors, senior management or substantial or controlling shareholder of the Company. Ms. Chang Yun serves as the minister of the audit department of Beijing Jingcheng Machinery Electric Holding Co., Ltd., a substantial shareholder of the Company. Ms. Wang Weijing is not connected to any substantial shareholder or controlling shareholder of the Company. The supervisor candidates do not hold any interests in shares of the Company as defined in Part XV of the SFO, nor 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 supervisor candidates, there is no other information which is required to be disclosed pursuant to any provisions under Rule 13.51(2) of the Listing Rules nor other matters 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 of the supervisor candidates do not have any interest or short positions in the shares, underlying shares and debentures of the Company.