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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 EIGHTH SESSION OF THE BOARD OF DIRECTORS**

The board of directors 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 responsibilities for the truthfulness, accuracy and completeness of the contents herein contained.

Pursuant to the notice of board meeting dated 1 September 2015, the ninth extraordinary meeting of the eighth session of the board meeting of Beijing Jingcheng Machinery Electric Company Limited (the "Company") was held on 8 September 2015 by way of telecommunications. All of the 11 eligible directors attended the meeting in person. The supervisors and senior management members of the Company also attended the meeting. The convening of the meeting was in compliance with the applicable laws and the Articles of Association of the Company.

The attended directors considered and passed the following resolutions:

1. The resolution of providing bridging loan of RMB50 million (Renminbi Fifty Million) to Beijing Tianhai Industry Co., Ltd. ("Tianhai Industry"), a subsidiary of the Company, by Beijing Jingcheng Machinery Electric Holding Co., Ltd, the controlling shareholder of the Company, was considered and passed.

The listing company does not have corresponding security or guarantee over such financial assistance. The bridging loan bears interests at the rate for one-year period determined by the People's Bank of China.

Mr. Xia Zhonghua, Ms. Jin Chunyu and Mr. Fu Hongquan, the connected directors in relation to this resolution, abstained from voting. The remaining 8 directors voted; affirmative votes: 8; dissenting vote: 0; abstention: 0.

2. The resolution of providing loan of RMB88 million (Renminbi Eighty-eight Million) to Langfang Tianhai High Pressure Containers Co., Ltd. (“Langfang Tianhai”), a subsidiary of the Company by Beijing Jingcheng Machinery Electric Holding Co., Ltd, the controlling shareholder of the Company, was considered and passed.

Such loan will be fully utilized to supplement the liquidity of Langfang Tianhai and bears interests at the rate for one-year period determined by the People’s Bank of China. The listing company does not have corresponding security or guarantee over such financial assistance.

Mr. Xia Zhonghua, Ms. Jin Chunyu and Mr. Fu Hongquan, the connected directors in relation to this resolution, abstained from voting. The remaining 8 directors voted; affirmative votes: 8; dissenting vote: 0; abstention: 0.

3. The resolution of providing loan to Tianhai Industry, a subsidiary of the Company, by the Company was considered and passed.

The Company and Jingcheng Holding (Hong Kong) Company Limited, a subsidiary, own as to 88.50% and 11.50% in Tianhai Industry, a subsidiary, respectively. In order to support the development of Tianhai Industry, the Company provides a loan of Renminbi Two Hundred and Ninety Million to Tianhai Industry as its liquidity to supplement its fund for purchasing raw materials and auxiliary materials. It is a one-year loan (calculated from the time when the fund is received), and bears interests at the rate for the same period determined by the commercial banks. The loan subject to the approval by the board of directors.

The number of valid votes for this resolution: 11; affirmative votes: 11; dissenting vote: 0; abstention vote: 0.

4. The resolution of the material assets reorganisation of the Company and continued suspension of trading was considered and passed.

After this resolution was considered and passed by the board of directors, the Company has applied to the Shanghai Stock Exchange (“SSE”) for the continued suspension of trading of shares, details of which will be disclosed based on the approval of SSE.

The number of valid votes for this resolution: 11; affirmative votes: 11; dissenting vote: 0; abstention vote: 0.

The board of directors of
Beijing Jingcheng Machinery Electric Company Limited

Beijing, the PRC, 8 September 2015

As at the date of this announcement, the board of directors of the Company comprises Mr. Hu Chuanzhong, Mr. Li Junjie, Ms. Liu Zhe and Ms. Jiang Chi as executive directors, Mr. Xia Zhonghua, Ms. Jin Chunyu and Mr. Fu Hongquan as non-executive directors and Ms. Wu Yan, Mr. Liu Ning, Mr. Yang Xiaohui and Mr. Fan Yong as independent non-executive directors.