
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Beijing Jingcheng Machinery Electric Company Limited**, you should at once hand this circular, together with the accompanying form of proxy, to the purchaser or to the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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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 limited company established in the People's Republic of China)
(Stock Code: 0187)

**ELECTION OF DIRECTORS AND SUPERVISOR
AND
NOTICE OF EGM**

A letter from the Board is set out on pages 3 to 6 of this circular.

A notice convening the First Extraordinary General Meeting ("EGM") of 2015 of Beijing Jingcheng Machinery Electric Company Limited (the "Company") to be held at the Conference Room, 23/F, Jingcheng Machinery Electric Building, No. 59 Mansion, Dongsanhuan Road Central, Chaoyang District, Beijing, PRC, on 10 December 2015 (Thursday) at 9:30 a.m. is set out on pages 9 to 11 of this circular.

Whether or not you intend to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it as soon as possible and in any event not later than 24 hours before the time appointed for the holding of the EGM. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjourned meeting should you so wish.

4 November 2015

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“Articles of Association”	the articles of association of the Company as amended from time to time
“A Shares”	domestic ordinary share(s) with a par value of RMB1.00 each in the share capital of the Company which are listed on the Shanghai Stock Exchange and traded in RMB
“Board”	the Board of Directors
“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
“controlling shareholder”	has the meaning as ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“EGM”	the first extraordinary general meeting of 2015 of the Company to be convened on 10 December 2015 (Thursday) at 9:30 a.m. at the Conference Room, 23/F, Jingcheng Machinery Electric Building, No. 59 Mansion, Dongsanhuan Road Central, Chaoyang District, Beijing, PRC
“H Shares”	the overseas foreign listed shares of nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Main Board of the Stock Exchange subscribed for and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jingcheng Holding”	北京京城機電控股有限公司 (Beijing Jingcheng Machinery Electric Holding Co., Ltd.), a company incorporated in the PRC and holding 42.80% interest in the Company
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“PRC”	the People’s Republic of China, which for the purpose of this circular excludes Hong Kong, Macau and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shares”	Shares of the Company, including A Shares and H Shares, unless otherwise specified
“Shareholders”	shareholders of the Company
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Supervisors”	Supervisors of the Company
“Supervisory Committee”	Supervisory Committee of the Company

LETTER FROM THE BOARD



北京京城机电股份有限公司

Beijing Jingcheng Machinery Electric Company Limited

(a joint stock limited company established in the People's Republic of China)

(Stock Code: 0187)

Executive director:

Mr. Li Junjie

Non-executive directors:

Mr. Xia Zhonghua

Ms. Jin Chunyu

Mr. Fu Hongquan

Registered office:

Room 901, No. 59 Mansion,
Dongsanhuan Road Central,
Chaoyang District,
Beijing,
PRC

Independent non-executive directors:

Ms. Wu Yan

Mr. Liu Ning

Mr. Yang Xiaohui

Mr. Fan Yong

4 November 2015

To the Shareholders

Dear Sir or Madam,

ELECTION OF DIRECTORS AND SUPERVISOR AND NOTICE OF EGM

INTRODUCTION

The purpose of the circular is to give you notice EGM and to provide you with reasonable and necessary information.

At the EGM, the following ordinary resolutions will be proposed to consider and approve (1) the resolution in relation to the election of the Directors of the eighth session of the Board; (2) the resolution in relation to the election of the Supervisor of the eighth session of the Supervisory Committee.

1. The resolution in relation to the election of the Directors of the eighth session of the Board

- (1) The Board announced that it has accepted the resignation of Mr. Hu Chuanzhang, and has released an announcement in relation to the resignation of the chairman of the board and change of remuneration and appraisal committee member (Lin

LETTER FROM THE BOARD

2015-062) 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 14 October 2015.

Proposed appointment of director:

As disclosed in the announcement of the Company dated 23 October 2015, the twelfth meeting of the eighth session of the Board considered and approved that Mr. Wang Jun was added as an executive director candidate of the eighth session of the Board, and the resolution has been submitted to the EGM for consideration.

The Company will enter into relevant service contract with Mr. Wang Jun, the proposed executive director. His annual remuneration shall comprise of three parts: i.e. basic annual salary, regular annual performance salary and special contribution income. Executive director 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 Mr. Wang Jun.

- (2) As disclosed in the announcement of the Company dated 23 October 2015, the Board announced that, Ms. Liu Zhe and Ms. Jiang Chi, submitted their resignation notifications to the Board to resign from the positions of directors due to job reallocation. Ms. Liu Zhe resigned from the positions of director and member of the strategic committee of the Company, and Ms. Jiang Chi resigned from position of director of the Company. The Board fully respects the decisions of Ms. Liu Zhe and Ms. Jiang Chi and has accepted their resignation applications. The resignations of Ms. Liu Zhe and Ms. Jiang Chi took effect from 23 October 2015.

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

The Board hereby expressed its gratitude towards Ms. Liu Zhe and Ms. Jiang Chi for their contributions to the Company during their tenure of office.

LETTER FROM THE BOARD

Proposed appointment of directors:

As disclosed in the announcement of the Company dated 23 October 2015, the twelfth meeting of the eighth session of the Board considered and approved that Mr. Chen Changge and Mr. Du Yuexi were added as executive director candidates of the eighth session of the Board, and the resolution has been submitted to the EGM for consideration.

The Company will enter into relevant service contracts with Mr. Chen Changge and Mr. Du Yuexi respectively, the proposed executive directors. Their 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 Mr. Chen Changge and Mr. Du Yuexi.

2. The resolution in relation to the election of the Supervisor of the eighth session of the Supervisory Committee

As disclosed in the announcement of the Company dated 23 October 2015, the Supervisory Committee announced that, Ms. Wang Weijing submitted her resignation notification to the Supervisory Committee to resign from the position of supervisor due to personal reasons. The Supervisory Committee fully respects the decision of Ms. Wang Weijing and has accepted her resignation application. However, as the resignation of Ms. Wang Weijing will cause the number of supervisors to be lower than the quorum and that required by the Articles of Association, her resignation will be effective only upon the appointment of new supervisor.

Ms. Wang Weijing has confirmed that she has no disagreement with the Supervisory Committee, and there is no matter relating to her resignation needs to be brought to the attention of the Shareholders. The Supervisory Committee and Ms. Wang Weijing have both confirmed that they are not aware of any unfulfilled personal obligations of Ms. Wang Weijing towards the Company and its subsidiaries, nor any impact on such obligations as a result of her resignation.

The Supervisory Committee hereby expressed its gratitude towards Ms. Wang Weijing for her contribution to the Company during her tenure of office.

LETTER FROM THE BOARD

Proposed appointment of supervisor:

As disclosed in the announcement of the Company dated 23 October 2015, the thirteenth EGM of the eighth session of the Supervisory Committee considered and approved that Ms. Liu Zhe was included as supervisor candidate of the eighth session of the Supervisory Committee, and the resolution has been submitted to the EGM for consideration.

The Company will enter into relevant service contract with Ms. Liu Zhe, the proposed supervisor, and her annual fee shall not exceed RMB40,000.

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

EGM

A notice convening the EGM to be held on 10 December 2015 (Thursday) at 9:30 a.m. are set out on pages 9 to 11 of this circular which has been despatched on 26 October 2015. Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy which has been despatched on 26 October 2015 in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof. The form of proxy should be returned to the business address of the Company at Directors' office, No. 2 Huo Xian Nan San Road, Huo Xian Town, Tongzhou District, Beijing, PRC not less than 24 hours before the time appointed for the commencement of the EGM or any adjournment thereof. Completion and return of the said form of proxy will not prevent you from attending and voting in person at the EGM or at any adjournment thereof if you so wish.

Reply slip for the EGM has also been despatched on 26 October 2015. You have been reminded to complete and sign the reply slip and return the signed slip to the Company at its business address at Directors' office, No. 2 Huo Xian Nan San Road, Huo Xian Town, Tongzhou District, Beijing, PRC on or before 20 November 2015 in accordance with the instructions printed thereon.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix to this circular.

Yours faithfully,
By order of the Board
**BEIJING JINGCHENG MACHINERY
ELECTRIC COMPANY LIMITED**
Jiang Chi
Company Secretary

APPENDIX

BIOGRAPHICAL DETAILS OF THE DIRECTORS CANDIDATES

- (1) Wang Jun, Chinese, male, aged 44. He is an economist with a bachelor's degree and 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 of Beijing Jingcheng Machinery Electric Holding Co., Ltd. Currently, he is a standing committee member of party committee, deputy general manager and general counsel of Beijing Jingcheng Machinery Electric Holding Co., Ltd..
- (2) Chen Changge, Chinese, male, aged 48. He is a senior policy advisor with a bachelor's degree and MBA. Mr. Chen was an assistant to production manager of No. 3 Factory of Beiren Holdings Limited, party secretary of Single and Double Color Machine Branch Company, manager and party secretary of Web Offset Printing Machine Manufacturing Branch Company, member of the party committee, deputy general manager of Beiren Holding Limited, director of the youth league, deputy secretary, secretary, member of the party and deputy general manager of Beiren Group Corporation. He also was a director of human resource department, head of the office and secretary to the board of directors of Beijing Jingcheng Machinery Electric Holding Co., Ltd.. Currently, he is the party secretary and chairman of the board of Beijing Tianhai Industry Co., Ltd..
- (3) Du Yuexi, Chinese, male, aged 56. He is a senior policy advisor with a MBA. Mr. Du was a cadre of Beijing Tong County Maizhuang Community, vice factory director of Beijing Construction Machinery Factory, general manager of Huaxin Metal Structure Company, a Sino-Japanese joint venture, deputy general manager of Beijing Xihai Company, general manager of Chinese Party and secretary of Beijing Modern Jingcheng Construction Machinery Co., Ltd., deputy general manager and secretary of Beijing Jingcheng Heavy Industry Co., Ltd.. Currently, he is the secretary of the branch of party and general manager of Beijing Jingcheng International Financing Lease Co., Ltd..

Mr. Wang Jun serves as the standing committee member of party committee, deputy general manager and general counsel of Beijing Jingcheng Machinery Electric Holding Co., Ltd., a substantial shareholder of the Company. Mr. Chen Changge has no relationship with any substantial shareholder or controlling shareholder of the Company. Mr. Du Yuexi serves as the secretary of the branch of party and general manager of Beijing Jingcheng International Financial Leasing Co., Ltd., a holding subsidiary of Beijing Jingcheng Machinery Electric Holding Co., Ltd., the substantial shareholder of the Company. Save as disclosed in this circular, the directors candidates have no relationship with other directors, supervisors, senior management of the Company, they 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 the directors 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 information that need to be brought to the attention of the Shareholders.

APPENDIX

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

Biographical detail of the supervisor candidate

Liu Zhe, Chinese, female, aged 37, is a lecturer with a bachelor's degree in engineering. Ms. Liu was a teacher, group leader in teaching and research, Secretary of the Youth League Committee, 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. and Chairman of Supervisory Committee 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..

Save as disclosed in this circular, the supervisor candidate has no relationship with other directors, supervisors or senior management of the Company. Ms. Liu Zhe has no relationship with any substantial shareholder or controlling shareholder of the Company. She does not hold any interests in shares of the Company as defined in Part XV of the SFO, nor does she hold directorship or supervisorship in any other listed public companies in the last three years. Save as disclosed above, in respect of the supervisor candidate, 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 information that need to be brought to the attention of the Shareholders.

As at the date of this circular, according to the register maintained pursuant to section 352 of the SFO, the supervisor candidate does not have any interest or short positions in the shares, underlying shares and debentures of the Company.

NOTICE OF EGM

The following corresponds to the notice of EGM which was published and despatched to the Shareholders on 26 October 2015.



北京京城機電股份有限公司

Beijing Jingcheng Machinery Electric Company Limited

(a joint stock limited company established in the People's Republic of China)

(Stock Code: 0187)

NOTICE OF THE FIRST EXTRAORDINARY MEETING OF 2015

- I. NOTICE IS HEREBY GIVEN that the first extraordinary meeting of 2015 (“EGM”) of Beijing Jingcheng Machinery Electric Company Limited (the “**Company**”) will be convened as follows:–
- II. Basic Information of the meeting:
1. Convenor of the meeting: the board of directors of the Company
 2. Time of the meeting: 10 December 2015 (Thursday) at 9:30 a.m.
 3. Place of the meeting: the First Conference Room, 23/F, Jingcheng Machinery Electric Building, No. 59 Mansion, Dongsanhuan Road Central, Chaoyang District, Beijing
 4. Shares registration date: 10 November 2015 (Tuesday)
- III. Resolutions:

Ordinary Resolutions

- 1.00. To consider and approve the resolution on the election of directors of the eighth Board of the Company;
- 1.01. To elect Mr. Wang Jun as the executive director of the eighth Board of the Company;
- 1.02. To elect Mr. Chen Changge as the executive director of the eighth Board of the Company;
- 1.03. To elect Mr. Du Yuexi as the executive director of the eighth Board of the Company;

NOTICE OF EGM

2.00. To consider and approve the resolution on the election supervisor of the eighth supervisory committee of the Company;

2.01. To elect Ms. Liu Zhe as the supervisor of the eighth supervisory committee of the Company.

IV. Attendees of and Attendance at the EGM:

The directors, supervisors and senior management of the Company, the lawyers of the Company.

Shareholders of the Company whose names appear on the register of members of the Company at the close of business on 10 November 2015 have the right to attend the EGM after completion of registration procedures.

Shareholders or proxies who intend to attend the EGM are requested to deliver the reply slip of attending to the Company before 20 November 2015. The reply slip may be delivered in person, by post or facsimile.

Holders of the Company's H shares should note that the register of members of the Company will be closed from 10 November 2015 to 10 December 2015 (both days inclusive), during which time no H Shares transfer will be registered. For holders of H Shares who intend to attend the EGM, transfer documents together with the related share certificates must be lodged with the Hong Kong share registrar of the Company no later than 4:30 p.m. on 9 November 2015. The address is Hong Kong Registrars Limited, Room 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

Corporate Shareholder should attend the meeting by its legal representatives or the proxy appointed by the legal representative. Legal representative who attends the meeting should present his own identity card, evidence of shareholding and valid documents evidencing his capacity as a legal representative. While appointing proxy to attend the meeting, the proxy should present his identity card and an authorisation instrument affixed with the seal of the corporate Shareholder and duly signed by its legal representative and evidence of shareholding.

1. Each Shareholder who is entitled to attend and vote at the EGM may appoint one or more proxy(ies) who need not be a Shareholder, to attend and vote on his or her behalf at the EGM.
2. For any Shareholder who appoints more than one proxy, his or her proxies can only exercise the voting right by way of poll.
3. The instrument appointing a proxy must be in writing under the hand of the appointer or his attorney authorised in writing. If that instrument is signed by an attorney on behalf of the appointer, the power of attorney authorising that attorney to sign, or other authorisation document, must be notarially certified. To be valid, the notarially certified copy of the power of attorney, or other authorisation

NOTICE OF EGM

document, together with the form of proxy must be delivered to the registered address of the Company not less than 24 hours before the time appointed for the holding of the EGM.

V. Other matters:

1. Contact for the meeting

Contact telephone: 010-67365383

Fax: 010-87392058

Contact person: Board office of the Company

Address: No. 2, Nam San Street, Huo County, Tongzhou District, Beijing, the PRC

Posta Code: 101109

2. The EGM is expected to last for half a day. Attendees should bear their own accommodation and travel expenses.

3. Attendees of the EGM shall arrive half hour before the appointed time and bring along the original copies of identity cards, stock account cards as well as forms of proxy for verification.

The Board of Directors of
Beijing Jingcheng Machinery Electric Company Limited

China, Beijing, 26 October 2015