

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 ON THE RESOLUTIONS PASSED
AT THE SECOND EXTRAORDINARY MEETING OF THE
ELEVENTH SESSION OF THE BOARD OF DIRECTORS**

The board of directors and all members of the board of directors of the Company 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 meeting dated 6 July 2023, the second extraordinary meeting of the eleventh session of the board of directors (the “**Board**”) of Beijing Jingcheng Machinery Electric Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) was held on 7 July 2023 by way of telecommunication. Eleven directors are eligible for attending the meeting and all 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”.

The meeting was presided over by Mr. Li Junjie, the chairman of the Board, at which each of the following resolutions was considered and approved by the attending directors one by one:

- 1. The “Resolution in relation to the Application made to the Construction Bank for a Secured Working Capital Loan and Promissory Notes by Tianjin Tianhai High Pressure Container Co., Ltd., a Subsidiary of the Company” was considered and approved**

In accordance with the Overall Financing Plan of the Company for the year of 2023 and the current state of operation and capital needs of Tianjin Tianhai High Pressure Container Co., Ltd., an application was made to the Tianjin Xiqing Sub-branch of China Construction Bank Corporation for working capital loans and promissory notes secured by properties and land, of which, the

amount of working capital loans shall not exceed RMB20 million for a term of not exceeding one year, and the interest rate is subject to the actual approval of the bank. The amount of promissory notes shall not exceed RMB16 million with a deposit ratio of 50%.

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

2. The “Resolution in relation to the Application made to Jingcheng Machinery Electric for a Bridge Loan of RMB30 million by Beijing Tianhai Industry Co., Ltd., a Subsidiary of the Company” was considered and approved

In order to support the development of the Company, Beijing Jingcheng Machinery Electric Holding Co., Ltd. (“**Jingcheng Machinery Electric**”), the controlling shareholder of the Company, provides a loan of RMB30 million to Beijing Tianhai Industry Co., Ltd. (“**Beijing Tianhai**”), a wholly-owned subsidiary of the Company, to replenish its working capital, for a term of full repayment by the end of 2023, at an interest rate of the loan prime rate (LPR) issued by the People’s Bank of China. The Company does not provide corresponding security or guarantee over such financial assistance.

As Jingcheng Machinery Electric is the controlling shareholder of the Company, this matter constitutes a connected transaction. Pursuant to Rule 6.3.18 of the “Rules Governing the Listing of Securities on the Shanghai Stock Exchange” (《上海證券交易所股票上市規則》), such financial assistance can be exempted from reviewal and disclosure in the manner as a connected transaction.

The financial assistance constitutes a connected transaction of the Company under Chapter 14A of the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). However, the Board considers that (i) the financial assistance has been entered into after arm’s length negotiation between the Group and Jingcheng Machinery Electric and determined on normal commercial terms or better; (ii) the interest rate specified in the financial assistance is more favourable than the unsecured loans which could be obtained by the Company from licensed banks in the PRC; and (iii) the financial assistance is not secured by any asset of the Group. Thus, the financial assistance is fully exempted from shareholders’ approval, annual review and all related disclosure requirements pursuant to Rule 14A.90 of the Listing Rules. For details, please refer to the “Voluntary Announcement on the Financial Assistance Provided by the Controlling Shareholder to the Company’s Wholly-owned Subsidiary Beijing Tianhai Industry Co., Ltd.” disclosed by the Company on even date.

Mr. Li Junjie, Mr. Wu Yanzhang, Mr. Zhou Yongjun, Mr. Cheng Lei, Mr. Man Huiyong and Ms. Li Chunzhi, being connected directors, abstained from voting for the resolution. The number of valid votes for this resolution: 5; Affirmative votes: 5; Dissenting vote: 0; Abstention vote: 0.

For and on behalf of the Board
Beijing Jingcheng Machinery Electric Company Limited
Luan Jie
Company Secretary

Beijing, the PRC
7 July 2023

As at the date of this announcement, the board of directors of the Company comprises Mr. Zhang Jiheng as executive director, Mr. Li Junjie, Mr. Wu Yanzhang, Mr. Zhou Yongjun, Mr. Cheng Lei, Mr. Man Huiyong and Ms. Li Chunzhi as non-executive directors, and Mr. Xiong Jianhui, Mr. Zhao Xuguang, Mr. Liu Jingtai and Mr. Luan Dalong as independent non-executive directors.