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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)

PROPOSED CHANGE OF THE ACCOUNTING FIRMS

This announcement is made by Beijing Jingcheng Machinery Electric Company Limited (the “**Company**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Upon the completion of audit work for the year of 2023, ShineWing Certified Public Accountants (Special General Partnership) (“**ShineWing**”), the financial report auditor of the Company, and Da Hua Certified Public Accountants (Special General Partnership) (“**Da Hua**”), the internal control auditor of the Company, have provided audit services for the Company for more than 10 years and 7 years, respectively, which exceeded the maximum term for a company to engage an accounting firm consecutively as stipulated in the Administrative Measures of Selection and Engagement of Accounting Firms by State-Owned Enterprises and Listed Companies* (《**國有企業、上市公司選聘會計師事務所管理辦法**》) by the Ministry of Finance of the People's Republic of China, the State-owned Assets Supervision and Administration Commission of the State Council and China Securities Regulatory Commission. Therefore, the Company shall change its accounting firm for the year of 2024.

In order to maintain the independence, objectiveness and fairness of the audit work of the Company while taking into account the business development needs of the Company, the Company proposes to engage WUYIGE Certified Public Accountants LLP (“**Daxin**”) as the auditor for the year of 2024 after the completion of a public tender process.

The audit committee (the “**Audit Committee**”) of the board of directors (the “**Board**”) of the Company has conducted a serious audit and evaluation on the professional competence, investor protection capability, independence and integrity of Daxin, is of the view that Daxin possesses the professional qualifications to engage in audit work, has experience in performing securities service business and is capable of meeting the requirements of the Company's audit work. The Company has considered and approved the “Resolution in relation to the Selection and Appointment of Auditor for the Financial Statements Audit and Internal Control Audit for 2024”, and agreed to submitting such resolution to the Board for consideration.

On 28 May 2024, the Board has convened the sixth extraordinary meeting of the eleventh session of the Board, and considered and approved the “Resolution in relation to the Selection and Appointment of Auditor for the Financial Statements Audit and Internal Control Audit for 2024” (Mr. Xiong Jianhui, being connected director, abstained from voting on this resolution), which proposed to engage Daxin as the auditor for the audit of financial report and internal control for the year of 2024 of the Company for a term of one year at an annual audit fee of RMB1.36 million. The above resolution is subject to the approval of the 2023 annual general meeting of the Company (the “AGM”), and will be effective from the date of approval at the AGM.

The Company has fully communicated with ShineWing and Da Hua and has been informed that they have no objection to the proposed change of accounting firms, and as at the date of this announcement, there is no other matter relating to the proposed change of accounting firms that needs to be brought to the attention of the shareholders and the investors of the Company.

A circular containing, among other things, details of the proposed change of accounting firms together with a notice of the convening of the AGM will be despatched to the shareholders of the Company in due course.

By Order of the Board
Beijing Jingcheng Machinery Electric Company Limited
Luan Jie
Company Secretary

Beijing, the PRC
28 May 2024

As at the date of this announcement, the Board 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.

* *For identification purposes only*