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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 IN RELATION TO THE EXPECTED LOSS
FOR THE 2024 INTERIM RESULTS**

The board of directors and all directors of the Company warrant that this announcement does not contain any false information, misleading statement or material omission and accept legal responsibilities for the truthfulness, accuracy and completeness of the contents herein contained.

This announcement is made by Beijing Jingcheng Machinery Electric Company Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and the Inside Information Provisions (as defined under the Hong Kong Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

IMPORTANT NOTICE:

1. Applicable scenario of this results announcement: the net profit attributable to the shareholders of the listed company for the first half of 2024 is expected to be negative.
2. According to the preliminary estimate made by the finance department of the Company, the net profit attributable to the shareholders of the listed company for the first half of 2024 is expected to record a loss of RMB3 million to RMB3.6 million, representing a decrease in loss of approximately RMB26.09 million to approximately RMB26.69 million as compared with that for the corresponding period of last year.
3. The net profit attributable to the shareholders of the listed company after deducting the non-recurring profit or loss for the first half of 2024 is expected to record a loss of RMB12.7 million to RMB13.3 million, representing a decrease in loss of approximately RMB18.53 million to approximately RMB19.13 million as compared to the corresponding period of last year.

I. ESTIMATED RESULTS FOR THE PERIOD

1. Period covered by the estimated results

1 January 2024 to 30 June 2024.

2. Estimated results

- (1) According to the preliminary estimate made by the finance department of the Company, the net profit attributable to the shareholders of the listed company for the first half of 2024 is expected to record a loss of RMB3 million to RMB3.6 million.
- (2) The net profit attributable to the shareholders of the listed company after deducting the non-recurring profit or loss for the first half of 2024 is expected to record a loss of RMB12.7 million to RMB13.3 million.
- (3) This estimated results announcement is a preliminary estimate by the finance department of the Company and has not been audited by the certified public accountants.

II. OPERATING RESULTS AND FINANCIAL POSITION FOR THE CORRESPONDING PERIOD OF LAST YEAR

1. Total profit was approximately: loss of RMB32.1847 million.

Net profit attributable to the shareholders of the listed company was approximately: loss of RMB29.6909 million.

Net profit attributable to the shareholders of the listed company after deducting the non-recurring profit or loss was approximately: loss of RMB31.8315 million.

2. Earnings per share: loss of RMB0.05.

III. MAJOR REASONS FOR THE EXPECTED LOSS FOR THE PERIOD

The Company is expected to record a loss in the results for the period due to the major reasons as follows:

Traditional products in the export business of the gas storage and transportation segment still faced greater downward pressure, resulting in a decline in revenue from certain products; competition in the domestic market was fierce, with a decline in revenue from cryogenic products, while the market for new products, such as hydrogen energy, was still in the cultivation stage, with growth in demand falling short of expectations. In order to enhance its core competitiveness and develop the market, the Company increased its investment in the research and development of new products, the layout of the industrial chain and market development, resulting in a year-on-year increase in expenses during the period as compared to the corresponding period of last year, the overall results of the Company for the period were therefore a loss, but the loss was reduced as compared to the corresponding period of last year.

IV. RISK WARNING

The Company considers that there is no material uncertainty affecting the accuracy of the estimated results.

V. OTHER MATTERS

The above estimated figures or preliminary analysis of the Company are based on preliminary calculation only. For detailed and accurate financial information, please refer to the 2024 interim report to be duly disclosed by the Company. Investors are advised to pay attention to the investment risks.

By order of the board of directors
Beijing Jingcheng Machinery Electric Company Limited
Luan Jie
Company Secretary

Beijing, the PRC
9 July 2024

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 Ms. Chen Junping, Mr. Zhao Xuguang, Mr. Liu Jingtai and Mr. Luan Dalong as independent non-executive directors.