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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 ACQUISITION OF ASSETS INVOLVING
THE ISSUANCE OF CONSIDERATION SHARES
AND
PROPOSED ISSUANCE AND PLACING OF A SHARES**

PROPOSED ACQUISITION

The Board is pleased to announce that the Company and the Vendors entered into the Asset Acquisition Framework Agreement on 17 August 2020, pursuant to which, the Company agreed to acquire, and the Vendors agreed to sell 80% equity interests in the Target Company at a consideration which will be determined with reference to the valuation in respect of the Target Assets and to be satisfied by cash payment and issuance of Consideration Shares by the Company.

PROPOSED ISSUANCE AND PLACING OF A SHARES

The Company proposed to issue A Shares non-publicly to not more than 35 target subscribers. The size of placing shall be no more than 30% of the total number of issued Shares prior to the completion of the Proposed Issuance and Placing of A Shares and not exceeding 100% of the consideration of the Proposed Acquisition. The Proposed Issuance and Placing of A Shares are to be implemented on the basis of the Proposed Acquisition. However, the implementation of which, whether successful or not, or whether the amount of proceeds will be raised in full, shall not affect the implementation of the transactions contemplated under the Asset Acquisition Framework Agreement.

LISTING RULES IMPLICATIONS

Based on the preliminary calculations of the Company, the highest applicable percentage ratio for the Proposed Acquisition may exceed 25% but less than 100%, the Proposed Acquisition may constitute a major transaction of the Company under Chapter 14 of the Listing Rules. The Company and the Vendors will enter into a detailed asset acquisition agreement, or a supplement agreement, according to the Asset Acquisition Framework Agreement, and timely observe the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Since the Proposed Acquisition and the Proposed Issuance and Placing of A Shares both involve issuance of A Shares by the Company, the approval of the Shareholders by way of special resolutions at the EGM and Class Meetings is required.

The Board anticipates that the Company will continue to maintain sufficient public float to meet the requirements under the Listing Rules upon completion of the Proposed Acquisition and Proposed Issuance and Placing of A Shares.

RESUMPTION OF TRADING OF A SHARES

At the request of the Company, trading of A Shares of the Company listed on the Shanghai Stock Exchange had been suspended with effect from 9:00 a.m. on Tuesday, 4 August 2020 pending the release of this announcement. Application has been made by the Company to the Shanghai Stock Exchange for resumption of trading in A Shares with effect from 9:00 a.m. on Tuesday, 18 August 2020.

The completion of the acquisition of equity interests of the Target Company and the issuance of Consideration Shares contemplated under the Asset Acquisition Framework Agreement, and the Proposed Issuance and Placing of A Shares, are subject to the satisfaction and/or waiver of the relevant conditions precedent, and therefore, the Company may or may not proceed with completion of such transactions. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

1. INTRODUCTION

Reference is made to the trading halt announcement of the Company dated 3 August 2020. On 17 August 2020, the Board resolved to approve (i) the Asset Acquisition Framework Agreement and the transactions contemplated under the Asset Acquisition Framework Agreement; and (ii) the Proposed Issuance and Placing of A Shares.

II. PROPOSED ACQUISITION

The Board is pleased to announce that the Company entered into the Asset Acquisition Framework Agreement with the Vendors, the principal terms of which are as follows:-

Date

17 August 2020

Parties

- (i) the Company (as the purchaser); and
- (ii) the Vendors

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the Vendors and their ultimate beneficial owners are Independent Third Parties.

Target Assets

80% equity interests in the Target Company held by the Vendors. Details of the respective equity interests to be transferred under the Proposed Acquisition and to be held by each of the Vendors after the completion of the Proposed Acquisition are as follows:

No.	Name of the Vendors	Percentage of equity interests in the Target Company to be transferred under the Proposed Acquisition	Percentage of equity interests in the Target Company after the completion of the Proposed Acquisition
1	Li Hong (李紅)	32.628%	13.126%
2	Zhao Qing (趙慶)	11.174%	2.793%
3	Qingdao Eternal	8.007%	2.002%
4	Yang Ping (楊平)	9.235%	0.000%
5	Wang Xiaohui (王曉暉)	6.900%	1.725%
6	Xiao Zhonghai (肖中海)	1.007%	0.000%
7	Xia Tao (夏濤)	3.442%	0.000%
8	Wang Huadong (王華東)	3.442%	0.000%
9	Qian Yuyan (錢雨嫣)	1.377%	0.344%
10	Xiu Jun (修軍)	0.899%	0.000%
11	Fu Dun (傅敦)	0.647%	0.000%
12	Chen Zhengyan (陳政言)	0.645%	0.000%
13	Zhang Li (張利)	0.344%	0.000%

No.	Name of the Vendors	Percentage of equity interests in the Target Company to be transferred under the Proposed Acquisition	Percentage of equity interests in the Target Company after the completion of the Proposed Acquisition
14	Xu Binglei (徐炳雷)	0.224%	0.000%
15	Yang Lunsheng (陽倫勝)	0.009%	0.000%
16	Xin Lan (辛蘭)	0.009%	0.000%
17	Ying Rucai (英入才)	0.009%	0.000%
18	Li Wei (李威)	0.003%	0.000%

Upon completion of the Proposed Acquisition, the Target Company will become a direct non-wholly owned subsidiary of the Company.

Transaction Price

As at the date of this announcement, the valuation of the Target Assets is yet to be completed. As agreed by the parties, the Valuation Benchmark Date of the Target Assets is determined to be 30 June 2020. The value of the entire equity interests of the Target Company is preliminarily confirmed to be in the range of RMB250 million to RMB330 million, hence the transaction price of the Target Assets is expected to be in the range of RMB200 million to RMB264 million. The final transaction price of the Target Assets will be determined by the parties after arm's length negotiations with reference to the appraised value of the Target Assets as set out in the valuation report to be issued by an asset valuation institution with securities and futures-related business qualifications and to be filed with the State-owned Assets Supervision and Administration Authority or the relevant State-owned Assets Authorities, and will be finally determined in the agreement to be entered into at the Second Board Meeting of the Company.

Pricing basis and issue price

The Pricing Benchmark Date for Consideration Shares is the date of the announcement on the resolutions relating to the Proposed Acquisition passed at the fifth extraordinary meeting of the tenth session of the Board convened by the Company.

Pursuant to the requirements of the “Measures for Administration of Material Assets Reorganization of Listed Companies” (《上市公司重大資產重組管理辦法》) issued by the CSRC, the Company and the Vendors negotiated and determined that the issue price of the Consideration Shares shall be no less than 90% of the average trading price of A Shares of the Company for the 20 trading days immediately preceding the Pricing Benchmark Date for Consideration Shares, being RMB3.42 per A Share.

During the period from the Pricing Benchmark Date for Consideration Shares to the Issuance Completion Date, in the event of any ex-rights or ex-dividends events including distribution of dividends, bonus shares issue, rights issue and the conversion of capital reserve into share capital, etc., corresponding adjustments would be made to the issue price of the Consideration Shares according to relevant rules of the CSRC and the Shanghai Stock Exchange.

Number of Consideration Shares to be issued

As at the date of this announcement, the valuation of the Target Assets and hence the transaction price of the Proposed Acquisition are yet to be completed and determined. The number of Consideration Shares to be issued will be determined by the parties after arm's length negotiations with reference to the appraised value of the Target Assets as set out in the valuation report to be issued by an asset valuation institution with securities and futures-related business qualifications and to be filed with the State-owned Assets Supervision and Administration Authority or the relevant State-owned Assets Authorities, which will be finally determined in the agreement to be entered into at the Second Board Meeting of the Company and is subject to the approval by the CSRC.

Payment of consideration

The consideration of the Proposed Acquisition shall be satisfied by cash payment and issuance of Consideration Shares by the Company at the completion of the Proposed Acquisition.

Conditions Precedent

The implementation of the Proposed Acquisition is subject to the accomplishment and satisfaction of all the following conditions precedent:

- (i) the approval by way of special resolutions of the Proposed Acquisition by the Board and the Shareholders (excluding the Vendors and their associates) at the EGM and the Class Meetings;
- (ii) the approval of the Proposal Acquisition by the State-owned Assets Supervision and Administration Authority or the relevant State-owned Assets Authorities;
- (iii) the filing of the valuation report regarding the Target Assets with the State-owned Assets Supervision and Administration Authority or the relevant State-owned Assets Authorities and obtaining its approval on such valuation report; and
- (iv) the approval of the Proposed Acquisition, the changes in the shareholders of the Target Company and the Company and other incidental matters by the CSRC.

Place of listing

The A Shares to be issued pursuant to the Asset Acquisition Framework Agreement will be listed and traded on the Shanghai Stock Exchange.

Lock-up period

The Consideration Shares issued by the Company to Li Hong, Zhao Qing, Qingdao Eternal, Wang Xiaohui and Qian Yuyan shall not be transferred within 24 months from the Issuance Completion Date in which 50% of the Consideration Shares shall be unlocked after the realisation of guaranteed profit in the second financial year of the profit forecast compensation period and the issuance of a special audit report by the auditor of the Company, and the remaining Consideration Shares shall be unlocked after the fulfilment of the profit compensation guarantee.

The Consideration Shares issued by the Company to Yang Ping, Xiao Zhonghai, Xia Tao, Wang Huadong, Xiu Jun, Fu Dun and Chen Zhengyan shall not be transferred within 12 months from the Issuance Completion Date.

If the Proposed Acquisition is investigated by the judicial authorities or the CSRC due to false representations, misleading statements or material omissions in the information provided or disclosed under the Proposed Acquisition, Li Hong, Zhao Qing, Qingdao Eternal, Wang Xiaohui, Qian Yuyan, Yang Ping, Xiao Zhonghai, Xia Tao, Wang Huadong, Xiu Jun, Fu Dun and Chen Zhengyan shall not transfer the Consideration Shares acquired under the Proposed Acquisition until the investigation results are determined.

Governing law

PRC law

INFORMATION OF THE PARTIES TO THE PROPOSED ACQUISITION

Information of the Company

The authorised scope of operation of the Company includes general logistics and professional contractor.

The Company's general operation projects include developing, designing, selling, installing, adjusting and maintaining cryogenic containers, compressors (piston compressor, membrane compressor and membrane compressor of nuclear grading) and accessories; machinery equipment and electrical equipment; technical consultancy and technical services; import and export of commodities and technology and acting as import and export agency.

Through the Proposed Acquisition, the Company will acquire the control over the Target Company and expand its business scope to smart factory overall solution business.

Information of the Vendors

Qingdao Eternal is a company incorporated in the PRC with limited liability which is ultimately controlled by Tao Feng, a natural person in the PRC. It is principally engaged in economic information consulting (excluding finance, securities and futures), business management consulting, real estate information consulting, conference services and exhibition and display services.

Save for Qingdao Eternal, the other 17 Vendors (namely Li Hong, Zhao Qing, Yang Ping, Wang Xiaohui, Xiao Zhonghai, Xia Tao, Wang Huadong, Qian Yuyan, Xiu Jun, Fu Dun, Chen Zhengyan, Zhang Li, Xu Binglei, Yang Lunsheng, Xin Lan, Ying Rucai and Li Wei) are all natural persons in the PRC.

Information of the Target Company

The Target Company is a company incorporated in the PRC with limited liability which is ultimately controlled by Li Hong and her spouse, Huang Xiaofeng, both being natural persons in the PRC. It is principally engaged in the consumer electronics, home appliance industry, medical products, new energy batteries, and food sectors.

Set out below is the unaudited consolidated financial information of the Target Company for the two years ended 31 December 2019 and the six months ended 30 June 2020 prepared in accordance with generally accepted accounting principles in the PRC:

Unit: RMB 0'000

	For the six months ended 30 June 2020	For the year ended 31 December 2019	For the year ended 31 December 2018
Net profit before taxation	610.97	1,682.96	1,064.58
Net profit after taxation	529.87	1,459.05	934.15

According to the unaudited consolidated financial information of the Target Company, the Target Company recorded an unaudited consolidated net assets of approximately RMB64,273,435.14 as at 30 June 2020.

III. PROPOSED ISSUANCE AND PLACING OF A SHARES

The Company proposed to issue A Shares non-publicly to not more than 35 target subscribers. The size of placing shall be no more than 30% of the total number of issued Shares prior to the completion of the Proposed Issuance and Placing of A Shares and not exceeding 100% of the consideration of the Proposed Acquisition. The Proposed Issuance and Placing of A Shares are to be implemented on the basis of the Proposed Acquisition. However, the implementation of which, whether successful or not, or whether the amount of proceeds will be raised in full, shall not affect the implementation of the transactions contemplated under the Asset Acquisition Framework Agreement.

Principal terms of the Proposed Issuance and Placing of A Shares

Issuer

The Company

Type and nominal value of shares to be issued

Ordinary shares denominated in RMB (A Shares) with a nominal value of RMB1.00 per share

Method of Issue

Non-public issuance to specific targets

Target subscribers

Not more than 35 target subscribers. The identities of whom are to be confirmed, yet none of the target subscribers will be a connected person of the Company.

Subscription method

All target subscribers will subscribe in cash for A Shares to be issued under the Proposed Issuance and Placing of A Shares.

Pricing basis of Placing Shares

The Proposed Issuance and Placing of A Shares will be conducted based on the prices offered by the target subscribers. The issue price shall not be less than 80% of the average trading price of the A Shares for the 20 trading days immediately preceding the first day of the issuance period of the Proposed Issuance and Placing of A Shares.

Amount of proceeds to be raised and number of A Shares to be issued

The amount of proceeds to be raised from the Proposed Issuance and Placing of A Shares shall not exceed 100% of the consideration of the Proposed Acquisition while the number of A Shares to be issued shall be no more than 30% of the total number of issued Shares prior to the completion of the Proposed Issuance and Placing of A Shares.

The final number of shares to be issued under the Proposed Issuance and Placing of A Shares is subject to the approval by the CSRC.

Place of listing

The A Shares to be issued pursuant to the Proposed Issuance and Placing of A Shares will be listed and traded on the Shanghai Stock Exchange.

Use of proceeds

The proceeds raised from the Proposed Issuance and Placing of A Shares are intended to settle the amount of consideration paid by cash, the taxes and fees of the intermediaries of the Proposed Transactions and to replenish the working capital of the Company and Target Assets, etc., in which the amount used for the replenishment of working capital will not exceed 25% of the consideration of the Proposed Transactions or 50% of the amount of proceeds raised from the Proposed Issuance and Placing of A Shares.

Conditions Precedent

The implementation of the Proposed Issuance and Placing of A Shares is subject to the accomplishment and satisfaction of all the following conditions precedent:

- (i) the approval by way of special resolutions of the Proposed Issuance and Placing of A Shares by the Shareholders (excluding the target subscribers and their associates) at the EGM and the Class Meetings;
- (ii) the approval of the Proposed Issuance and Placing of A Shares by the State-owned Assets Supervision and Administration Authority or the relevant State-owned Assets Authorities and the CSRC; and
- (iii) other necessary prior approvals, authorizations or consents as or may be required by laws and regulations and governmental authorities in respect of the Proposed Issuance and Placing of A Shares (if applicable).

Lock-up period

The A Shares subscribed by all target subscribers under the Proposed Issuance and Placing of A Shares shall not be transferred within 6 months upon the completion of the Proposed Issuance and Placing of A Shares but such A Shares may be transferrable thereafter subject to the relevant requirements of the CSRC and the Shanghai Stock Exchange.

Governing law

PRC law

IV. REASONS AND BENEFITS OF THE PROPOSED ACQUISITION AND THE PROPOSED ISSUANCE AND PLACING OF A SHARES

1. Improve the profitability of the Company and safeguard the interests of minority investors

The Proposed Transactions will inject assets with promising prospects and high profitability into the Company, which will be beneficial for enhancing the Company's profitability and safeguarding the interests of the Shareholders. The ability to continue as a going concern of the Company can also be strengthened through the coordinated development between the business of smart factory overall solutions and the pressure container business of the Company.

2. Achieve complementary advantages and establish the smart manufacture business platform

The Proposed Transactions will bring together high quality enterprise in the smart manufacture industry to the Company, achieving complementary advantages between the Target Company and the Company. The industrial chain will be refined and the overall competitiveness of the Company will be enhanced. The scope of business and market of the Company will also be further expanded.

The Proposed Transactions will also allow the Company to benefit from the accumulated technologies and resources in smart manufacture industry of the Target Company and establish a "high-tech and high quality" industrial platform.

3. Utilize the capital operation of the Company and establish an active capital operation platform

Through financing, merger and restructuring of the Proposed Transactions, the Company will establish an active capital operation platform. The Proposed Transactions can effectively promote the structure optimization of the Company and allow the Company to better comply with the relevant requirements in the PRC in respect of enterprise merger and restructuring through leveraging on the advantages of the capital operation platform.

As such, the Directors are of the view that the terms of the Proposed Acquisition and Proposed Issuance and Placing of A Shares are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

V. IMPACT OF THE PROPOSED TRANSACTIONS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company after the Proposed Transactions will be determined based on the actual number of A Shares issued. There will be no change to the control over the Company before and after the Proposed Transactions.

As at the date of this announcement, the valuation of the Target Assets and hence the transaction price of the Proposed Acquisition are yet to be completed and determined. The Company will disclose in detail the impact of the Proposed Transactions on the shareholding structure of the Company in the further announcement(s) to be published by the Company.

VI. LISTING RULES IMPLICATIONS

Based on the preliminary calculations of the Company, the highest applicable percentage ratio for the Proposed Acquisition may exceed 25% but less than 100%, the Proposed Acquisition may constitute a major transaction of the Company under Chapter 14 of the Listing Rules. The Company and the Vendors will enter into a detailed asset acquisition agreement, or a supplement agreement, according to the Asset Acquisition Framework Agreement, and timely observe the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Since the Proposed Acquisition and the Proposed Issuance and Placing of A Shares both involve issuance of A Shares by the Company, the approval of the Shareholders by way of special resolutions at the EGM and Class Meetings is required.

The Board anticipates that the Company will continue to maintain sufficient public float to meet the requirements under the Listing Rules upon completion of the Proposed Acquisition and Proposed Issuance and Placing of A Shares.

VII. RESUMPTION OF TRADING OF A SHARES

At the request of the Company, trading of A Shares of the Company listed on the Shanghai Stock Exchange had been suspended with effect from 9:00 a.m. on Tuesday, 4 August 2020 pending the release of this announcement. Application has been made by the Company to the Shanghai Stock Exchange for resumption of trading in A Shares with effect from 9:00 a.m. on Tuesday, 18 August 2020.

VIII. FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Save and except for the fund raising activity as set out below, the Company did not conduct any fund raising activities during the past 12 months immediately preceding the date of this announcement.

Fund raising activity	On 9 July 2020, the Company issued a total of 63,000,000 A Shares at an issue price of RMB3.41/A Share to Jingcheng Machinery Electric under the Non-public Issuance of A Shares
Date of the relevant publications	Announcements of the Company dated 6 May 2019, 15 July 2019, 25 July 2019, 9 September 2019, 26 September 2019, 8 November 2019, 16 December 2019, 18 December 2019, 2 March 2020, 30 June 2020 and 10 July 2020, and the circulars of the Company dated 27 June 2019 and 18 November 2019
Net proceeds (approximate)	RMB207,725,197.96
Intended use of proceeds	<ol style="list-style-type: none">(1) The construction project of the Type IV cylinder automation digital control production line;(2) the research and development project of hydrogen energy product; and(3) the repayment of debts owed to Jingcheng Machinery Electric and financial institutions.
Actual use of proceeds	As at the date of the announcement, the proceeds have been applied in the above projects in consistent with their intended uses.

IX. DEFINITIONS

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

“A Share(s)”	ordinary shares of the Company with a nominal value of RMB1.00 each, which are issued in the PRC, subscribed for in RMB and listed on the Shanghai Stock Exchange (stock code: 600860)
“Asset Acquisition Framework Agreement”	the agreement dated 17 August 2020 entered into between the Company and the Vendors in relation to the Proposed Acquisition
“Board”	the board of directors of the Company
“Class Meetings”	the A Shares Class Meeting and the H Shares Class Meeting to be convened by the Company to consider, amongst others, the Proposed Acquisition and the Proposed Issuance and Placing of A Shares
“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
“connected person”	has the same meaning ascribed thereto under the Listing Rules
“Consideration Share(s)”	the new A Shares to be issued by the Company to the Vendors as part of the consideration of the Proposed Acquisition pursuant to the Asset Acquisition Framework Agreement
“CSRC”	China Securities Regulatory Commission
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting to be convened by the Company to consider, amongst others, the Proposed Acquisition and the Proposed Issuance and Placing of A Shares
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed shares of the Company with a nominal value of RMB1.00 each, which are issued in Hong Kong, subscribed for in Hong Kong dollars and listed on the Main Board of the Stock Exchange (stock code: 00187)

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	(an) independent third party(ies) not connected with the Group and any Director, chief executive or substantial shareholder of the Group or any of its subsidiaries or their respective associate of any of them as defined in the Listing Rules
“Issuance Completion Date”	the date on which Consideration Shares to be issued are registered under the name of the Vendors
“Jingcheng Machinery Electric”	北京京城機電控股有限責任公司 (Beijing Jingcheng Machinery Electric Holding Co., Ltd.*), a company incorporated in the PRC and holding 50.67% interest in the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-public Issuance of A Shares”	the non-public issuance of not more than 84,400,000 A Shares to Jingcheng Machinery Electric
“Placing Shares”	the A Shares to be issued pursuant to the Proposed Issuance and Placing of A Shares
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Pricing Benchmark Date for Consideration Shares”	the date of the announcement on the resolutions relating to the Proposed Acquisition passed at the fifth extraordinary meeting of the tenth session of the Board
“Proposed Acquisition”	the transactions contemplated under the Asset Acquisition Framework Agreement, namely, the acquisition of the Target Assets by the Company by way of issuance of Consideration Shares and cash payment
“Proposed Issuance and Placing of A Shares”	the proposed issuance and placing of A Shares by the Company to not more than 35 target subscribers
“Proposed Transactions”	the Proposed Acquisition and the Proposed Issuance and Placing of A Shares
“Qingdao Eternal”	Qingdao Eternal Economic Information Consulting Co., Ltd (青島艾特諾經濟信息諮詢有限公司), a company incorporated in the PRC with limited liability

“RMB”	Renminbi, the lawful currency of the PRC
“Second Board Meeting”	the Board meeting to be convened by the Company upon the completion of the valuation of the Target Assets for consideration of the report of the Proposed Acquisition and other matters in relation to the confirmation, amendments, supplements and adjustments to the Proposed Acquisition
“Share(s)”	A Shares and H Shares of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Assets”	the 80% equity interests in the Target Company
“Target Company”	Qingdao BYTQ United Digital Intelligence Co., Ltd (青島北洋天青數聯智能股份有限公司), a company incorporated in the PRC with limited liability
“Valuation Benchmark Date”	30 June 2020
“Vendors”	Qingdao Eternal and 17 natural persons in the PRC, being the existing shareholders of the Target Company
“%”	percent

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

Beijing, the PRC
17 August 2020

As at the date of this announcement, the Board comprises Mr. Wang Jun, Mr. Li Junjie and Mr. Zhang Jiheng as executive directors, Ms. Jin Chunyu, Mr. Wu Yanzhang, Mr. Xia Zhonghua 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.