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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 ON THE RESOLUTIONS PASSED AT THE THIRD MEETING
OF THE TENTH SESSION OF THE BOARD**

The Board and all members of the Board warrant that this announcement does not contain any false information, misleading statement or material omission and accept joint and several responsibility for the truthfulness, accuracy and completeness of the contents herein contained.

Pursuant to the notice of meeting dated 3 March 2021, the third meeting of the tenth session of the board of directors (the “**Board**”) of Beijing Jingcheng Machinery Electric Company Limited (the “**Company**”) was held on 17 March 2021 by way of telecommunication. Eleven directors are eligible for attending the meeting and all eleven 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 of the Company.

The meeting was presided over by Mr. Wang Jun, 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 full text and abstract of the 2020 Annual Report and H Shares Results Announcement of the Company were considered and approved, and the Board agreed to submit the resolution to the 2020 annual general meeting; the details are set out in the Annual Report.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0;
Abstention vote: 0.

- 2. The 2020 Annual Work Report of the Board was considered and approved, and the Board agreed to submit the resolution to the 2020 annual general meeting.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 3. The 2020 Audited Financial Report of the Company was considered and approved, and the Board agreed to submit the resolution to the 2020 annual general meeting; the details are set out in the Annual Report.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 4. The 2020 Internal Control Assessment Report of the Company was considered and approved; the details are set out in the Annual Report.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 5. The 2020 Audit Report on Internal Control over Financial Reporting of the Company was considered and approved, and the Board agreed to submit the resolution to the 2020 annual general meeting; the details are set out in the Annual Report.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 6. The 2020 Social Responsibility Report of the Company was considered and approved; the details are set out in the Annual Report.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 7. The resolution on the Corporate Governance Report (draft) required to be disclosed in the H Shares Annual Report of the Company and authorisation of the secretary to the Board to be responsible for subsequent review of and amendment to the Corporate Governance Report was considered and approved.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 8. The resolution on the 2020 Environmental, Social and Governance Report (draft) of the Company and authorisation of the secretary to the Board to be responsible for subsequent review of and amendment to the 2020 Environmental, Social and Governance Report was considered and approved.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 9. The resolution on the Report of the Independent Non-executive Directors of the Company for the year 2020 was considered and approved, and the Board agreed to submit the resolution to the 2020 annual general meeting.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 10. The resolution on the performance of the Audit Committee of the Board for the year 2020 was considered and approved.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 11. The resolution on the payment for the audit fee of the financial reports for the year 2020 to ShineWing Certified Public Accountants (Special General Partnership) (hereinafter “ShineWing”) was considered and approved.**

According to the resolution on the re-appointment of ShineWing as the auditor of the Company’s 2020 financial reports which was considered and approved at the 2019 annual general meeting, and the quality of the audit services provided by ShineWing, the Board proposed to pay a total audit fee of RMB850,000 to ShineWing for the year of 2020. The audit fee includes fees related to all the audit services provided to the Company, including audit, review and translation.

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 12. The resolution on the payment for the audit fee for the year 2020 to Da Hua Certified Public Accountants (Special General Partnership) (hereinafter “Da Hua”) was considered and approved.**

According to the resolution on the re-appointment of Da Hua as the internal control auditor of the Company in 2020 which was considered and approved at the 2019 annual general meeting, and the quality of the audit services provided by Da Hua, the Board proposed to pay a total audit fee of RMB300,000 to Da Hua for the year of 2020. The audit fee includes fees related to all the audit services provided to the Company by the auditor, including audit, review and translation.

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 13. The resolution in relation to the re-appointment of ShineWing as the auditor of the Company’s 2021 financial reports, and the authorization of the Board to enter into letter of appointment with ShineWing and determine its remuneration at the annual general meeting was considered and approved.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 14. The resolution in relation to the re-appointment of Da Hua as the auditor for the 2021 audit report on internal control over financial reporting of the Company, and the authorization of the Board to enter into letter of appointment with Da Hua and determine its remuneration at the annual general meeting were considered and approved.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 15. The 2021 audit plan of the Company was considered and approved.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 16. The 2021 assessment plan of the Company’s internal control was considered and approved.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

17. The proposal of the Company not to distribute profit for the year of 2020 was considered and approved, and the Board agreed to submit the resolution to the 2020 annual general meeting.

In accordance with Chinese Accounting Standards, the Company realized a net profit of RMB156,431,800 attributable to the parent company during the reporting period while the undistributed net profit at the end of the year was RMB-664,051,400. The Company will not distribute profit or convert capital reserve to share capital for the year 2020.

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

18. The resolution on provision for impairment of the Company for the year 2020 was considered and approved.

Based on the balance of accounts receivable and actual aging of accounts and actual usage of the assets as of 31 December 2020, upon physical stock taking, analysis and audit, provisions for bad debt and assets impairment were made by the Company in accordance with the Accounting Standards for Enterprises issued by the Ministry of Finance and the Internal Control System on Bad Debt Provision and Assets Impairment Provision and Loss Treatment of the Company.

As of 31 December 2020, the accumulative bad debt provision and assets impairment provision reserve of the Company was RMB153,926,500, of which bad debt provision reserve amounted to RMB63,607,700, inventory impairment provision reserve amounted to RMB65,190,600, fixed assets impairment provision reserve amounted to RMB18,565,900, and goodwill impairment reserve amounted to RMB6,562,300.

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

19. The resolution on 2021 Financial Budget of the Company was considered and approved.

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

20. The 2021 Financing Guarantee Plan of the Company was considered and approved.

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

21. The 2021 Business Plan of the Company was considered and approved.

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 22. The 2021 Research and Development Plan of the Company was considered and approved.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 23. The 2021 Performance Assessment Contract for Senior Management of the Company was considered and approved, and the chairman of the Board is authorized to enter into those contracts with the senior management.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 24. The results of remuneration and performance assessment for the senior management of the Company for the year of 2020 were considered and approved.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 25. The resolution on the Company's application for cancellation of the delisting risk warning to the Shanghai Stock Exchange was considered and approved; the details are set out in the "Announcement on application for the cancellation of the delisting risk warning on the A Shares of the Company".**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 26. The resolution to be submitted to the 2020 annual general meeting for approving the authorisation of the Board to issue new H Shares not exceeding 20% of the total issued H Shares was considered and approved, and the Board agreed to submit the resolution to the 2020 annual general meeting.**

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

- 27. The resolution on the entering into of the 2021 Cooperation Framework Agreement and Related Party Transactions between Beijing Tianhai Industry Co., Ltd., a subsidiary of the Company, and Beijing Jingcheng Zhitong Robot Technology Co., Ltd. was considered and approved.**

Mr. Wang Jun, being related director, recused from voting for the resolution. The number of valid votes for this resolution: 10; Affirmative votes: 10; Dissenting vote: 0; Abstention vote: 0.

28. The resolution on the convening time of the Company's 2020 annual general meeting was considered and approved.

The Company will convene the 2020 annual general meeting on Wednesday, 9 June 2021, the details of which will be further announced.

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0.

Among the above resolutions, resolutions 1, 2, 3, 5, 9, 13, 14, 17 and 26 will be submitted to the 2020 annual general meeting for consideration.

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

Beijing, PRC
17 March 2021

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.