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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 NINETEENTH EXTRAORDINARY MEETING OF THE TENTH SESSION OF THE BOARD**

**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 15 November 2022, the nineteenth extraordinary meeting of the tenth session of the board of directors (the “**Board**”) of Beijing Jingcheng Machinery Electric Company Limited (the “**Company**”) was held on 16 November 2022 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”.

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:

### **I. THE “RESOLUTION IN RELATION TO THE COMPANY’S FULFILLMENT OF THE CONDITIONS FOR NON-PUBLIC ISSUANCE OF A SHARES” WAS CONSIDERED AND APPROVED**

In accordance with the strategic development planning, the Company proposed to raise funds through non-public issuance of A shares. Pursuant to the relevant requirements of the “Company Law of the People’s Republic of China”, “Securities Law of the People’s Republic of China”, “Administrative Measures for the Issuance of Securities by Listed Companies”, “Detailed Implementation Rules for the non-public issuance of Shares by Listed Companies” and other laws and regulations, the Company has conducted self-inspection on the Company in accordance with the relevant requirements of the qualifications and conditions for the non-public issuance of

shares by listed companies, and with the belief that the Company has fulfilled the abovementioned requirements of relevant regulations, it has met the conditions for non-public issuance of shares.

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0. The resolution is subject to consideration at the extraordinary general meeting of the Company.

## **II. EACH OF THE SUB-RESOLUTIONS UNDER THE “RESOLUTION IN RELATION TO THE PROPOSAL FOR THE COMPANY’S NON-PUBLIC ISSUANCE OF A SHARES” WAS CONSIDERED AND APPROVED**

Pursuant to the relevant requirements of the “Company Law of the People’s Republic of China”, “Securities Law of the People’s Republic of China”, “Administrative Measures for the Issuance of Securities by Listed Companies”, “Detailed Implementation Rules for the non-public issuance of Shares by Listed Companies” and other laws and regulations, the Company proposed a plan for the non-public issuance of A shares.

Connected directors Mr. Wang Jun, Mr. Wu Yanzhang, Mr. Xia Zhonghua, Mr. Man Huiyong and Ms. Li Chunzhi abstained from voting. The Board considered the following resolutions one by one, the voting results are set out as follows:

### **1. Class and nominal value of shares to be issued**

The class of shares of the non-public issuance is domestic RMB ordinary shares (A shares) with a nominal value of RMB1.00 each.

The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0.

### **2. Method and time of issuance**

The non-public issuance of A shares shall adopt the method of non-public issuance to specific targets after the China Securities Regulatory Commission (“CSRC”) approves the issuance and as and when appropriate as determined by the Company within a validity period stipulated by the CSRC.

The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0.

### **3. Target subscribers and subscription method**

The target subscribers for the non-public issuance will be no more than 35 specific investors, including Beijing Jingcheng Machinery Electric Holding Co., Ltd. (“**Jingcheng Machinery Electric**”), the controlling shareholder and de facto controller of the Company. The target subscribers other than Jingcheng Machinery Electric include securities investment fund management companies, securities companies, trust companies, finance companies, insurance institutional investors and qualified foreign institutional investors that meet the requirements of the CSRC, and other legal persons, natural persons or other qualified investors which satisfy the relevant requirements of laws and regulations. Among them, any securities investment fund management companies, securities companies, qualified foreign institutional investors and Renminbi qualified foreign institutional investors subscribing through two or more of the products under their management shall be deemed as one single target subscriber; target subscribers which are trust companies shall only subscribe with their own capital. In the event that adjustments are made to the maximum number of target subscribers of the non-public issuance of shares by laws, regulations, normative documents or regulatory authorities, such adjustments shall be followed.

Apart from Jingcheng Machinery Electric, other target subscribers shall, after obtaining the written approval of the CSRC, be determined by the Board under the authorization granted at the general meeting of the Company according to relevant requirements of the CSRC, conditions stipulated in the “Proposal for non-public issuance of A Share in 2022 of Beijing Jingcheng Machinery Electric Company Limited” and the book-building results and in consultation with the sponsor (lead underwriter) of the non-public issuance.

All target subscribers shall subscribe for the shares under the non-public issuance by way of cash. If there were further provisions relating to shareholder qualifications and corresponding verification procedures imposed by regulatory authorities on the target subscribers, such provisions shall be followed.

The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0.

### **4. Pricing benchmark date, issue price and pricing principles**

The price for the non-public issuance will be determined by way of book-building, and the pricing benchmark date shall be the first day of the issuance period. The issue price shall not be lower than 80% of the average trading price of the Company’s shares over the 20 trading days preceding the pricing benchmark date (average trading price of the shares over the 20 trading days preceding the pricing benchmark date = total transaction amount of shares over the 20 trading days preceding the pricing benchmark date / the total trading volume of shares over the 20 trading days preceding the pricing benchmark date) and shall not be lower than the audited net asset value per share attributable to the ordinary shareholders of the listed company as of the end of the latest period preceding the non-public issuance.

After obtaining the written approval of the CSRC and other securities regulatory authorities, the final issue price shall be determined by the Board under the authorization granted at the general meeting of the Company according to the “Detailed Implementation Rules for the non-public issuance of Shares by Listed Companies” and in consultation with the sponsor (lead underwriter). If during the period from the pricing benchmark date to the date of issuance of the non-public issuance, there is any occurrence of ex-rights, ex-dividends events such as dividend payment, bonus issuance and capitalization of capital reserves relating to the Company’s shares, the issue price of the non-public issuance shall be adjusted accordingly.

Jingcheng Machinery Electric will not participate in the book-building process of the non-public issuance, but has undertaken to accept the market bidding results and subscribe for the shares to be issued under the non-public issuance at the same price as other investors. If the issue price of the non-public issuance cannot be determined through the aforesaid book-building exercise, Jingcheng Machinery Electric will subscribe for the shares to be issued under the non-public issuance at the base price of the non-public issuance.

The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0.

## **5. Number of shares to be issued**

The number of shares to be issued under the non-public issuance shall be determined by dividing the total raised funds of the non-public issuance by the final issue price as determined through book-building, and shall not be more than 30% of total share capital of the Company prior to the non-public issuance. If there is any change to the total share capital of the Company prior to the non-public issuance, the maximum number of shares to be issued shall be adjusted according to the Company’s then total share capital.

Jingcheng Machinery Electric intends to make subscription in the amount of not less than RMB250 million for shares to be issued under the non-public issuance and the shareholding of Jingcheng Machinery Electric after the completion of the non-public issuance will be increased by no more than 2% as compared to the 12 months prior to the non-public issuance (i.e. the shareholding of Jingcheng Machinery Electric after the completion of the non-public issuance – the shareholding of Jingcheng Machinery Electric before the non-public issuance  $\leq$  2%). The final amount of subscription shall be subject to a formal agreement to be entered between Jingcheng Machinery Electric and the Company after the issue price is determined.

The final number of shares to be issued under the non-public issuance will be determined by the Board in consultation with the sponsor (lead underwriter) according to final approvals of the relevant regulatory authorities regarding issues such as the maximum number of shares to be issued, total proceeds to be raised, and the issue price.

If during the period from the pricing benchmark date to the issuance date of the non-public issuance, there is any occurrence of ex-rights, ex-dividends events such as dividend payment, bonus issuance and capitalization of capital reserves relating to the Company's shares, the number of shares under the non-public issuance shall be adjusted accordingly.

The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0.

## 6. Use of proceeds

The proceeds to be raised under the non-public issuance of the Company will not exceed RMB1,172,000,000 (inclusive) in total. After deducting the issuance expenses, the proceeds will be used for the following projects:

*Unit: RMB0'000 Currency: RMB*

No.	Name of Project	Total Investment	Proposed Amount of Raised Proceeds to be Applied
1	Industrial development project for hydrogen energy frontier technology	40,920.00	39,200.00
2	Intelligent manufacturing industrial park project	15,000.00	12,000.00
3	Acquisition of 100% equity interest in Beiren Intelligent Equipment Technology Co., Ltd. (“Beiren Intelligent”)	42,000.00	42,000.00
4	Replenishment of working capital	24,000.00	24,000.00
	<b>Total</b>	<b>121,920.00</b>	<b>117,200.00</b>

If the actual funds raised from the non-public issuance (net of issuance expenses) are insufficient to meet capital needs of all of the above projects, the shortfall will be made up for by the Company with self-raised funds. Where the timing of receiving the raised funds does not match the implementation progress of the projects, the Company may make the investments first with other funds according to the circumstances and replace the funds with such raised funds upon receipt. To meet the actual needs of the fundraising investment projects, the Board may adjust as appropriate the sequence and amount of investments of raised funds for the above projects as finally determined (subject to documents filed with relevant authorities).

One of the uses of the raised funds under the Company's non-public issuance is to acquire 100% equity interest in Beiren Intelligent. The assets acquisition is subject to the CSRC's approval for the non-public issuance. It is expected to qualify as a material asset reorganisation. However, as the assets acquisition is conditional upon the CSRC approving the non-public issuance pursuant to the "Assets Acquisition Framework Agreement by way of Cash Payment", relevant requirements under the "Administrative Measures for the Material Asset Reorganizations of Listed Companies" do not apply to the assets acquisition.

The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0.

## **7. Lock-up period**

After the completion of the non-public issuance, the shares subscribed for under the non-public issuance by Jingcheng Machinery Electric shall not be transferred within 18 months from the date of the completion of the issuance, and those by the remaining target subscribers shall not be transferred within 6 months from the date of the completion of the issuance.

During the above lock-up period, any shares derived from the A shares subscribed for by the target subscribers under the non-public issuance due to events such as bonus issuance and capitalization of capital reserves by the Company shall comply with the above lock-up arrangement and, after the lock-up period, with relevant requirements of the CSRC and Shanghai Stock Exchange.

The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0.

## **8. Arrangement for retained profits**

After the completion of the non-public issuance, all shareholders of the Company shall be entitled to the undistributed profits accumulated before the non-public issuance in proportion to their shareholdings after the completion of the non-public issuance.

The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0.

## **9. Place of listing**

Shares under the non-public issuance will be listed on the Shanghai Stock Exchange.

The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0.

## **10. Validity period of resolution**

The resolution of the non-public issuance of the Company will be valid for 12 months from the date on which the resolution is approved by the general meeting.

The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0.

The aforementioned resolution is subject to consideration at the extraordinary general meeting, A shares class meeting and H shares class meeting of the Company.

## **III. THE “RESOLUTION IN RELATION TO THE COMPANY’S PROPOSAL FOR NON-PUBLIC ISSUANCE OF A SHARES” WAS CONSIDERED AND APPROVED**

In accordance with the requirements of the “Standards concerning the Content and Format of Information Disclosure by Companies Offering Securities to the Public No. 25 – Proposal for non-public issuance of Shares by Listed Companies and Report on the Status of the Issuance” and relevant laws and regulations, the Company prepared the “Beijing Jingcheng Machinery Electric Company Limited Proposal for non-public issuance of A Shares for 2022”, and the proposal is published on the website of the Shanghai Stock Exchange at <http://www.sse.com.cn>, the “Shanghai Securities News” and the Hong Kong Stock Exchange website at <http://www.hkexnews.hk> on the same day.

Connected directors Mr. Wang Jun, Mr. Wu Yanzhang, Mr. Xia Zhonghua, Mr. Man Huiyong and Ms. Li Chunzhi abstained from voting. The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0. The resolution is subject to consideration at the extraordinary general meeting, A shares class meeting and H shares class meeting of the Company.

**IV. THE “RESOLUTION IN RELATION TO THE FEASIBILITY ANALYSIS REPORT ON THE USE OF PROCEEDS RAISED FROM THE NON-PUBLIC ISSUANCE OF A SHARES FOR 2022 OF BEIJING JINGCHENG MACHINERY ELECTRIC COMPANY LIMITED” WAS CONSIDERED AND APPROVED**

The proceeds to be raised under the non-public issuance will not exceed RMB1,172,000,000 (inclusive) in total. After deducting the issuance expenses, the proceeds will be used for the following projects:

*Unit: RMB0'000 Currency: RMB*

<b>No.</b>	<b>Name of Project</b>	<b>Total Investment</b>	<b>Proposed Amount of Raised Proceeds to be Applied</b>
1	Industrial development project for hydrogen energy frontier technology	40,920.00	39,200.00
2	Intelligent manufacturing industrial park project	15,000.00	12,000.00
3	Acquisition of 100% equity interest in Beiren Intelligent	42,000.00	42,000.00
4	Replenishment of working capital	24,000.00	24,000.00
	<b>Total</b>	<b>121,920.00</b>	<b>117,200.00</b>

Prior to the availability of the raised proceeds from the non-public issuance of shares, the Company will first make investment with its own funds, bank loans and other means of self-financing in accordance with the needs of the projects and will replace such initial investment funds after the raised proceeds are available in accordance with the requirements and procedures of relevant laws and regulations. Upon receipt of the raised proceeds, if the actual net amount of raised proceeds after deducting the issuance expenses is less than the total amount of investment, the shortfall shall be made up by the Company with its self-raised funds. Within the scope of this fund raising investment projects, the Board of the Company may make appropriate adjustment to the sequence and amount of the raised proceeds to be invested in the above fundraising investment projects according to the actual needs of the projects.



Connected directors Mr. Wang Jun, Mr. Wu Yanzhang, Mr. Xia Zhonghua, Mr. Man Huiyong and Ms. Li Chunzhi abstained from voting. The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0. The resolution is subject to consideration at the extraordinary general meeting, A shares class meeting and H shares class meeting of the Company.

**V. THE “RESOLUTION IN RELATION TO THE REPORT ON THE USE OF THE COMPANY’S PREVIOUS RAISED PROCEEDS” WAS CONSIDERED AND APPROVED**

The Board has prepared reports on the use of RMB ordinary proceeds raised by the Company in June 2020 and August 2022 respectively as at 30 September 2022 in accordance with the “Administration Measures on Securities Issuance of Listed Companies” (Order No. 30 of the China Securities Regulatory Commission) and the “Provisions on the Report on the Use of the Proceeds Previously Raised” (Zheng Jian Fa Xing Zi [2007] No. 500) issued by the CSRC.

The number of valid votes for this resolution: 11; Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0. The resolution is subject to consideration at the extraordinary general meeting of the Company.

**VI. THE “RESOLUTION IN RELATION TO THE NON-PUBLIC ISSUANCE OF SHARES WHICH CONSTITUTES CONNECTED TRANSACTION OF THE COMPANY” WAS CONSIDERED AND APPROVED**

Due to the intended participation of Jingcheng Machinery Electric, the controlling shareholder and de facto controller of the Company, the non-public issuance of the Company constitutes a connected transaction under “Rules Governing the Listing of Stocks on Shanghai Stock Exchange” (“**SSE Listing Rules**”), and constitutes a connected transaction under the “Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited” (“**Hong Kong Listing Rules**”). The Company has entered into the “Conditional Share Subscription Agreement between Beijing Jingcheng Machinery Electric Company Limited and Beijing Jingcheng Machinery Electric Holding Co., Ltd. in relation to the non-public issuance of Shares of Beijing Jingcheng Machinery Electric Company Limited” (“**Conditional Share Subscription Agreement**”) with Jingcheng Machinery Electric.

The total proceeds to be raised by the Company from the non-public issuance shall not exceed RMB1,172,000,000 (inclusive). After deducting issuance expenses, part of the raised proceeds will be used for the acquisition of 100% equity interest in Beiren Intelligent. Given that Beiren Intelligent is a wholly-owned subsidiary of Jingcheng Machinery Electric, the controlling shareholder of the Company, the assets acquisition, if materializes, constitutes a connected transaction under the SSE Listing Rules, and may constitute a notifiable transaction and connected transaction under the Hong Kong Listing Rules.

Connected directors Mr. Wang Jun, Mr. Wu Yanzhang, Mr. Xia Zhonghua, Mr. Man Huiyong and Ms. Li Chunzhi abstained from voting. The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0. The resolution is subject to consideration at the extraordinary general meeting, A shares class meeting and H shares class meeting of the Company.

**VII. THE “RESOLUTION IN RELATION TO THE CONDITIONAL SHARE SUBSCRIPTION AGREEMENT ENTERED INTO BETWEEN THE COMPANY AND BEIJING JINGCHENG MACHINERY ELECTRIC HOLDING CO., LTD.” WAS CONSIDERED AND APPROVED**

To support better development of the Company, Jingcheng Machinery Electric, the controlling shareholder and de facto controller of the Company, will subscribe for the non-public issuance shares of the Company. The Company and Jingcheng Machinery Electric entered into the “Conditional Share Subscription Agreement”. The particulars are published on the website of the Shanghai Stock Exchange at <http://www.sse.com.cn>, the “Shanghai Securities News” and the Hong Kong Stock Exchange website at <http://www.hkexnews.hk> on the same day.

Connected directors Mr. Wang Jun, Mr. Wu Yanzhang, Mr. Xia Zhonghua, Mr. Man Huiyong and Ms. Li Chunzhi abstained from voting. The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0. The resolution is subject to consideration at the extraordinary general meeting, A shares class meeting and H shares class meeting of the Company.

**VIII. THE “RESOLUTION IN RELATION TO THE CONDITIONAL ASSET ACQUISITION FRAMEWORK AGREEMENT BY WAY OF CASH PAYMENT ENTERED INTO BETWEEN THE COMPANY AND BEIJING JINGCHENG MACHINERY ELECTRIC HOLDING CO., LTD.” WAS CONSIDERED AND APPROVED**

One of the investment projects utilizing the funds raised from the non-public issuance of the Company is the acquisition of 100% equity interest in Beiren Intelligent. In this connection, the Company and Jingcheng Machinery Electric entered into the “Conditional Asset Acquisition Framework Agreement by way of Cash Payment between Beijing Jingcheng Machinery Electric Company Limited and Beijing Jingcheng Machinery Electric Holding Co., Ltd.”. The particulars are published on the website of the Shanghai Stock Exchange at <http://www.sse.com.cn>, the “Shanghai Securities News” and the Hong Kong Stock Exchange website at <http://www.hkexnews.hk> on the same day.

Connected directors Mr. Wang Jun, Mr. Wu Yanzhang, Mr. Xia Zhonghua, Mr. Man Huiyong and Ms. Li Chunzhi abstained from voting. The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0. The resolution is subject to consideration at the extraordinary general meeting, A shares class meeting and H shares class meeting of the Company.

**IX. THE “RESOLUTION IN RELATION TO DILUTION OF IMMEDIATE RETURNS BY THE NON-PUBLIC ISSUANCE OF SHARES, REMEDIAL MEASURES AND COMMITMENTS OF RELATED ENTITIES” WAS CONSIDERED AND APPROVED**

In order to implement the “Notice of the General Office of the State Council on Further Strengthening Protection of the Lawful Rights of Minority Investors in Capital Markets” (Guobanfa [2013] No.110), protect the right to information and safeguard the interests of small and medium investors, the Company followed the relevant regulations of “Guiding Opinions on Matters regarding the Dilution of Immediate Return by Initial Offering, Refinancing and Material Asset Reorganisation” (CSRC Announcement [2015] No.31), the impact of the Company’s non-public issuance of shares on the Company’s key financial indicators has been carefully analysed and relevant measures have been formulated, and the “Announcement in relation to Dilution of Immediate Returns by the non-public issuance of Shares, Remedial Measures and Commitments of Related Entities” was prepared in this regard. The particulars are published on the website of the Shanghai Stock Exchange at <http://www.sse.com.cn>, the “Shanghai Securities News” and the Hong Kong Stock Exchange website at <http://www.hkexnews.hk> on the same day.

In order to ensure that the remedial measures for the dilution of immediate return after the completion of the non-public issuance by the Company can be effectively carried out, Jingcheng Machinery Electric, the controlling shareholder of the Company, and the directors and senior management members of the Company have made corresponding undertakings.

Connected directors Mr. Wang Jun, Mr. Wu Yanzhang, Mr. Xia Zhonghua, Mr. Man Huiyong and Ms. Li Chunzhi abstained from voting. The number of valid votes for this resolution: 6; Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0. The resolution is subject to consideration at the extraordinary general meeting of the Company.

**X. THE “RESOLUTION IN RELATION TO THE SHAREHOLDERS’ RETURN PLAN FOR THE NEXT THREE YEARS (2022-2024) OF THE COMPANY” WAS CONSIDERED AND APPROVED**

In accordance with the requirements such as “Announcement on Further Implementation of Relevant Matters Concerning Cash Dividend Distribution of Listed Companies”, “Guidelines No. 3 on the Supervision and Administration of Listed Companies – Distribution of Cash Dividends of Listed Companies” and the “Articles of Association”, the Company has prepared the “Shareholders’ Return Plan for the Next Three Years (2022-2024)”. The particulars are published on the website of the Shanghai Stock Exchange at <http://www.sse.com.cn>, the “Shanghai Securities News” and the Hong Kong Stock Exchange website at <http://www.hkexnews.hk> on the same day.

The number of valid votes for this resolution: 11. Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0. The resolution is subject to consideration at the shareholders’ general meeting.

**XI. THE “RESOLUTION IN RELATION TO NO PENALTIES OR REGULATORY MEASURES IMPOSED BY SECURITIES REGULATORY DEPARTMENT AND THE STOCK EXCHANGE IN THE LAST FIVE YEARS” WAS CONSIDERED AND APPROVED**

Since its listing, the Company has, under the supervision and guidance of securities regulatory department and the stock exchange, strictly complied with the relevant regulations and requirements of the “Securities Law of the People’s Republic of China”, the “Company Law of the People’s Republic of China”, SSE Listing Rules and the “Articles of Association”, continuously improved the corporate governance mechanism and strengthened standardized operation to promote the sustainable and healthy development of the Company.

Upon self-inspection, the Company has not been subject to any regulatory measures or penalties by securities regulatory department and the stock exchange in the last five years for violating the provisions of the relevant laws, regulations and normative documents regulating listed companies.

The number of valid votes for this resolution: 11. Affirmative votes: 11; Dissenting vote: 0; Abstention vote: 0. The resolution is subject to consideration at the extraordinary general meeting of the Company.

**XII. THE “RESOLUTION IN RELATION TO THE PROPOSAL ON AUTHORIZING OF THE BOARD OF DIRECTORS TO HANDLE ALL MATTERS IN RELATION TO THE NON-PUBLIC ISSUANCE OF A SHARES” WAS CONSIDER AND APPROVED**

To ensure the smooth implementation of relevant matters in relation to the non-public issuance, the Board intends to propose at the general meeting to authorize the Board to handle all matters in relation to the non-public issuance, including but not limited to:

1. Formulate and implement a specific plan for the non-public issuance of shares according to the specific circumstances, including but not limited to the timing of the issuance, the number of shares to be issued, the starting and ending date of the issuance, issue price, selection of targets of the issuance, mode of issuance and other matters related to the pricing method for the issuance;
2. Authorize the Board to revise the proposal for the purpose of complying with relevant laws and regulations or the requirements of the relevant securities regulatory department and supplement, amend and adjust the application documents of the non-public issuance of shares (except those matters which are required to be put forward for re-voting at the general meeting pursuant to relevant laws and regulations and the “Articles of Association”); and to authorize the Board to make corresponding adjustments to the relevant matters of the specific issue plan of the non-public issuance of shares, in the event that laws, regulations and other normative documents and changes made by the Chinese securities regulatory department on the policy of the non-public issuance of shares or changes in market condition, except for matters involving laws and regulations and the “Articles of Association” which require re-voting at the general meeting;

3. Approve and sign all documents and contracts related to the non-public issuance of shares, including but not limited to agreements to engage intermediary institutions and agreements relating to raising of funds etc.; to perform all necessary or appropriate procedures of application, approval, registration, filing, etc. relating to the non-public issuance of shares; to handle the reporting matters of the non-public issuance of shares, including but not limited to preparing, signing, amending, supplementing, submitting, reporting and executing all documents relating to the non-public issuance of shares and handle information disclosure matters related to the non-public issuance of shares in accordance with regulatory requirements; to fully respond to reply feedback from securities regulatory department and relevant governmental department; to adjust specific arrangements for the use of raised proceeds within the scope of which the general meeting had resolved;
4. Appoint intermediary institutions including the sponsor (lead underwriter) and law firms to deal with the registration matters relating to the non-public issuance of shares;
5. Amend all corresponding provisions of the registered capital and total number of shares as recorded in the “Articles of Association” in accordance with the result of the non-public issuance of shares and proceed with the change of industrial and commercial registration;
6. Determine a designated account for the supporting funds raised and enter into a tripartite supervision agreement with the sponsor (lead underwriter) and the commercial bank of the non-public issuance of shares where the raised funds are deposited in;
7. Handle matters on the listing of the non-public issuance of shares on Shanghai Stock Exchange after the completion of the non-public issuance of shares;
8. Postpone the plan of non-public issuance of shares at its own discretion in the event of force majeure or other circumstances that may result in difficulties in the implementation of the plan of non-public issuance, or in the event that the implementation of the non-public issuance will result in adverse impacts to the Company;
9. If the Company is unable to complete the non-public issuance within the specific period of time approved or required by the regulatory department, the Board is authorized to decide whether to submit a postponement application to the regulatory department in accordance with the then market condition and for protecting the interest of the Company, and perform such procedures as the preparation, reporting, feedback and filing of relevant documents after submitting the postponement application;
10. Handle all other outstanding matters in relation to the non-public issuance of shares; and
11. The authorization shall be valid for 12 months from the date of approval at the general meeting of the Company.

Connected directors Mr. Wang Jun, Mr. Wu Yanzhang, Mr. Xia Zhonghua, Ms. Li Chunzhi and Mr. Man Huiyong abstained from voting. The number of valid votes for this resolution: 6. Affirmative votes: 6; Dissenting vote: 0; Abstention vote: 0. The resolution is subject to consideration at the extraordinary general meeting, A shares class meeting and H shares class meeting of the Company.

### **XIII. THE “RESOLUTION IN RELATION TO THE SUSPENSION OF PUTTING THE NON-PUBLIC ISSUANCE FOR CONSIDERATION AT THE GENERAL MEETING” WAS CONSIDERED AND APPROVED**

In view of the fact that the implementation of the specific work involved in the proposed non-public issuance of A shares of the Company is still at the stage of preparation, to guarantee the certainty of relevant matters to the greatest extent and the smooth implementation of the non-public issuance, the Company decided to suspend putting the relevant resolution of the non-public issuance for consideration at the general meeting. Upon further clarification of the follow-up plan and time arrangement of relevant work, the Company will convene another Board meeting and make supplementary resolution on relevant matters, disclose relevant information and issue notice of the general meeting in a timely manner and submit relevant resolution to the general meeting of the Company for consideration.

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

The independent non-executive directors have issued prior approval opinions and independent opinions on matters on the non-public issuance of shares and connected transactions. For details, please refer to the “Prior Approval Opinions of the Independent Non-executive Directors on the Relevant Matters of the Nineteenth Extraordinary Meeting of the Tenth Session of the Board of Directors of the Company” and “Independent Opinions of the Independent Non-executive Directors on the Relevant Matters of the Nineteenth Extraordinary Meeting of the Tenth Session of the Board of Directors of the Company” disclosed by the Company on the same date.

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

Beijing, China  
16 November 2022

*As at the date of this announcement, the Board comprises Mr. Wang Jun, Mr. Li Junjie and Mr. Zhang Jiheng as executive directors, Mr. Wu Yanzhang, Mr. Xia Zhonghua, Ms. Li Chunzhi and Mr. Man Huiyong as non-executive directors, and Mr. Xiong Jianhui, Mr. Zhao Xuguang, Mr. Liu Jingtai and Mr. Luan Dalong as independent non-executive directors.*