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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 TWENTY-SEVENTH EXTRAORDINARY MEETING OF THE TENTH SESSION OF THE SUPERVISORY COMMITTEE

The Supervisory Committee and all supervisors 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.

The twenty-seventh extraordinary meeting of the tenth session of the supervisory committee (the “**Supervisory Committee**”) of Beijing Jingcheng Machinery Electric Company Limited (the “**Company**”) was held on 16 November 2022 at the conference room of the Company. The meeting was presided over by Mr. Tian Dongqiang, the chairman of the Supervisory Committee. Three supervisors were eligible for attending the meeting and all three supervisors attended the meeting in person. The convening of the meeting was in compliance with the relevant requirements of the “Company Law” and the “Articles of Association”. The following resolutions were considered and approved by the Supervisory Committee:

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 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 requirements on the relevant 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: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

II. EACH OF THE SUB-RESEOLUTION 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 (the “**Non-public Issuance**”).

The Supervisory Committee considered and approved with respect of the following sub-resolutions, 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: 3; Affirmative votes: 3; 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 and Regulatory Commission (the “**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: 3; Affirmative votes: 3; 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 of directors (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 Shares 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: 3; Affirmative votes: 3; 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 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 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 price of 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 do. 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: 3; Affirmative votes: 3; 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 fund 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 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 number of shares under the Non-public Issuance shall be adjusted accordingly.

The number of valid votes for this resolution: 3; Affirmative votes: 3; 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
Total		121,920.00	117,200.00

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: 3; Affirmative votes: 3; 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 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 “SSE”).

The number of valid votes for this resolution: 3; Affirmative votes: 3; 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: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

9. Place of listing

Shares under the Non-public Issuance will be listed on the SSE.

The number of valid votes for this resolution: 3; Affirmative votes: 3; 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: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

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.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

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

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	42,000.00	42,000.00
4	Replenishment of working capital	24,000.00	24,000.00
Total		121,920.00	117,200.00

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 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.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

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: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

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 the “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.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

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 the 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.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

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 of 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.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

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 share 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.

The number of valid votes for this resolution: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

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)”. For details, please refer to the relevant announcement. 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: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

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: 3; Affirmative votes: 3; Dissenting vote: 0; Abstention vote: 0.

The Supervisory Committee of
Beijing Jingcheng Machinery Electric Company Limited

Beijing, the PRC
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.