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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-FORTH MEETING OF THE EIGHTH SESSION OF
THE SUPERVISORY COMMITTEE**

The supervisory committee of the Company and all members thereof guarantee that the information contained in this announcement does not contain any false statements, misleading representations or material omissions, and all of them jointly and severally accept responsibility as to the truthfulness, accuracy and completeness of the contents of this announcement.

The twenty-fourth meeting of the eighth session of the Supervisory Committee of Beijing Jingcheng Machinery Electric Company Limited (the "Company") was held at the first conference room, No. 2 Huo Xian Nan San Road, Huo Xian Town, Tongzhou District, Beijing, the PRC, on 18 November 2016. The meeting was presided over by the Chairman of the Supervisory Committee, Ms. Chang Yun, and all of the three eligible supervisors attended the meeting in person. The convening of the meeting was in compliance with the Company Law and the Articles of Association. The following resolutions were considered and approved by the Supervisory Committee:

1. The resolution of providing bridging loan of RMB45 million to Beijing Tianhai Industry Co., Ltd. ("Beijing Tianhai"), a subsidiary of the Company, by Beijing Jingcheng Machinery Electric Holding Co., Ltd ("Jingcheng Holding"), the controlling shareholder of the Company, was considered and approved.

In order to support the development of the Company, Jingcheng Holding provided a bridging loan of RMB45 million to Beijing Tianhai for a term of six months. The bridging loan bears interests at the benchmark one-year lending interest rate determined by the People's Bank of China. Such financial assistance is on normal commercial term and the Company does not have corresponding security or guarantee over such financial assistance.

Jingcheng Holding is the controlling shareholder of the Company, and it is the connected party of the Company according to the “Rules Governing the Listing of Stocks on the Shanghai Stock Exchange”, such matter constitutes a connected transaction. According to the regulation of the Guidelines on the Shanghai Stock Exchange for the Listed Companies’ Postponement of and Exemption from Information Disclosure, such financial assistance does not have to apply for exemption from the Shanghai Stock Exchange. If the self-exemption conditions are met, the matter can be considered and disclosed by way of exempted-connected transaction.

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

2. The resolution in relation to loan secured by properties and land of Tianjin Tianhai High Pressure Co., Ltd., an indirect subsidiary of the Company was considered and approved.

For details, please refer to the ANNOUNCEMENT IN RELATION TO LOAN SECURED BY PROPERTIES AND LAND OF TIANJIN TIANHAI HIGH PRESSURE CO., LTD., AN INDIRECT SUBSIDIARY OF THE COMPANY published on the website of The Shanghai Stock Exchange (<http://www.sse.com.cn>) and the website of The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>).

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
18 November 2016

As at the date of this announcement, the Board of the Company comprises Mr. Wang Jun, Mr. Chen Changge, Mr. Li Junjie and Mr. Du Yuexi as executive directors, Mr. Xia Zhonghua, Ms. Jin Chunyu and Mr. Fu Hongquan as non-executive directors and Ms. Wu Yan, Mr. Liu Ning, Mr. Yang Xiaohui and Mr. Fan Yong as independent non-executive directors.