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北京京城机电股份有限公司
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 EXTENSION OF
THE VALIDITY PERIOD OF RESOLUTIONS OF THE GENERAL MEETING IN
RESPECT OF
THE ASSET ACQUISITION BY WAY OF SHARE ISSUANCE AND
CASH PAYMENT AND RAISING OF SUPPORTING FUNDS OF THE COMPANY
AND
THE VALIDITY PERIOD OF THE SPECIFIC MANDATE**

The board of directors the (“Board”) 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 responsibility for the truthfulness, accuracy and completeness of the contents herein contained.

References are made to the announcements of the Company dated 17 August 2020, 29 December 2020, 3 September 2021, 23 November 2021 and the circular of the Company dated 19 January 2021 (the “**Circular**”), respectively. Unless stated otherwise, capitalised terms used herein shall have the same meanings as those defined in the Circular.

I. CONSIDERATION OF THE TRANSACTION

Beijing Jingcheng Machinery Electric Company Limited (the “**Company**”) convened the fifth extraordinary meeting of the tenth session of the Board, the eighth extraordinary meeting of the tenth session of the Board, the ninth extraordinary meeting of the tenth session of the Board, the first extraordinary general meeting of 2021, the first A share class meeting of 2021 and the first H share class meeting of 2021, the eleventh extraordinary meeting of the tenth session of the Board, the twelfth extraordinary meeting of the tenth session of the Board and the thirteenth extraordinary meeting of the tenth session of the Board, and the relevant matters on the acquisition of 80% shares in BYTQ by way of share issuance and cash payment and Raising of Supporting Funds (the “**Transaction**”) of the Company were considered and approved.

According to the resolutions of the first extraordinary general meeting of 2021, the first A share class meeting of 2021 and the first H share class meeting of 2021, the validity period of the resolutions of the general meeting in respect of the Asset Acquisition by way of Share Issuance and Cash Payment and Raising of Supporting Funds of the Company and the validity period of the specific mandate granted by the general meeting and class meeting to the Board to deal with matters relating to the Transaction at its sole discretion shall be 12 months from the date of consideration and approval of the Transaction by the general meeting of the Company.

II. PROGRESS OF THE TRANSACTION

After the vetting on the 33rd working meeting of the Listed Company Merger and Reorganisation Vetting Committee of the CSRC (the “MRVC”) for the year of 2021, the Asset Acquisition by way of Share Issuance and Cash Payment and Raising of Supporting Funds of the Company was conditionally approved on 15 December 2021. In accordance with the requirements of the vetting opinion of the working meeting of the MRVC, the Company has submitted the relevant documents to the CSRC within the prescribed period of time in response to the vetting opinion.

As the accounting firm engaged by the Company in respect of the Asset Acquisition by way of Share Issuance and Cash Payment and Raising of Supporting Funds has been subject to investigation by the CSRC, the Company received the “Notice of the Suspension of Review of the Application for Administrative Permission from CSRC” (No. 212436) (《中國證監會行政許可申請中止審查通知書》(212436號)) issued by the CSRC on 26 January 2022. Pursuant to the relevant requirements under clause 1(3) of Article 22 of the “Provisions of the China Securities Regulatory Commission on the Procedures for the Implementation of Administrative Permission” (《中國證券監督管理委員會行政許可實施程序規定》), the CSRC decided to suspend the review of the Asset Acquisition by way of Share Issuance and Cash Payment and Raising of Supporting Funds of the Company.

The Company is not related to the investigation on the above-mentioned intermediary and the Asset Acquisition by way of Share Issuance and Cash Payment and Raising of Supporting Funds is not related to the investigation of the above-mentioned intermediary. The suspension of review of the Asset Acquisition by way of Share Issuance and Cash Payment and Raising of Supporting Funds will not have any material and adverse impact on the production and operation of the Company.

The Company and the relevant intermediary will complete all necessary preparatory work for the resumption of review in strict compliance with the laws and regulations and the requirements of the CSRC, and submit the application for resumption of review as soon as possible. The Company will fulfill its information disclosure obligations in a timely manner according to the progress of the relevant matters.

III. EXTENSION OF THE VALIDITY PERIODS OF RELEVANT RESOLUTIONS AND SPECIFIC MANDATE

In order to ensure the smooth implementation of the Asset Acquisition by way of Share Issuance and Cash Payment and Raising of Supporting Funds of the Company, the Company convened the fifteenth extraordinary meeting of the tenth session of the Board and the twentieth meeting of the tenth session of the supervisory committee and considered and approved the “Resolution in relation to the Extension of the Validity Period of the Resolutions of the General Meeting in respect of the Asset Acquisition by way of Share Issuance and Cash Payment and Raising of Supporting Funds of the Company” and the “Resolution in relation to the Request to the General Meeting and Class Meeting to Extend the Validity Period of the Mandate Granted to the Board of Directors to Deal with Matters Relating to the Asset Acquisition by way of Share Issuance and Cash Payment and Raising of Supporting Funds”. It is proposed to extend the validity period of the resolutions of the general meeting in relation to the Transaction and the validity period of the specific mandate granted by the general meeting and class meeting to the Board to deal with matters relating to the Transaction at its sole discretion for a period of 12 months from the date of expiry. Save for the extension of the above validity periods, other contents of the Asset Acquisition by way of Share Issuance and Cash Payment and Raising of Supporting Funds remain unchanged.

The independent directors of the Company have approved the above matters in advance and expressed their independent opinions. The above matters are still required to be submitted to the general meeting of the Company for consideration.

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

Beijing, the PRC
28 January 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 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.