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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)

**FIRST INDICATIVE ANNOUNCEMENT ON THE RISK OF DELISTING RISK
WARNING THAT MAY BE IMPOSED ON THE A SHARES OF THE COMPANY**

The board of directors of the Company (the “**Board**”) and all directors 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.

This announcement is made by Beijing Jingcheng Machinery Electric Company Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and the Inside Information Provisions (as defined under the Hong Kong Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Important Notes:

- Commencement date of A shares delisting risk warning: following the disclosure of the A shares 2019 annual report of the Company (i.e. after 18 March 2020).
- Stock short name of A shares after the delisting risk warning is imposed: *ST Jingcheng; A shares Stock Code: 600860. The daily stock price variation of A shares will be subject to a limitation of 5%.
- The A shares will be trading on the risk warnings board after the delisting risk warning is imposed on the A shares.

I. CLASS, STOCK SHORT NAME, STOCK CODE AND COMMENCEMENT DATE OF DELISTING RISK WARNING OF A SHARES

(1) Class and stock short name of A shares

The stock short name of A shares of the Company will be changed from “JINGCHENG MAC” to “*ST Jingcheng”.

(2) Stock code of A shares remained as “600860”; the limitation on daily stock price variation of A shares is 5%.

(3) Commencement date of A shares delisting risk warning: following the disclosure of the A shares 2019 annual report of the Company (i.e. after 18 March 2020).

II. THE SITUATION FOR WHICH DELISTING RISK WARNING IS APPLICABLE

The audited net profit of 2018 of the Company was RMB-93,936,155.30. Upon the preliminary calculation of the financial department, the Company is expected to continue to record a loss in the operating results of 2019, and the net profit attributable to the shareholders of the Company is approximately RMB-135 million to RMB-115 million, with the loss increasing by approximately RMB41 million to RMB21 million as compared to the same period of last year. For details, please refer to the Company’s announcement in relation to the expected loss for the 2019 annual results dated 21 January 2020.

In accordance with the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, if the audited net profit of the Company is negative in 2019, the audited net profits of the Company would be negative for two consecutive years, and the A shares of the Company will be subject to the special treatment of the imposition of delisting risk warning following the disclosure of the A shares 2019 annual report of the Company.

III. NOTES TO RELEVANT MATTERS IN RELATION TO THE IMPOSITION OF THE RISK WARNING

Pursuant to the relevant requirements under the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, delisting risk warning will be imposed on the A shares of the Company following the disclosure of the A shares 2019 annual report of the Company, and the daily price variation of A shares will be subject to a limitation of 5% after the imposition of the risk warning.

IV. THE CONTACT INFORMATION ABOUT RECEIPT BY THE COMPANY OF ENQUIRES FROM INVESTORS DURING THE PERIOD OF DELISTING RISK WARNING

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

Beijing, the PRC
21 January 2020

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 Ms. Wu Yan, Mr. Liu Ning, Mr. Yang Xiaohui and Mr. Fan Yong as independent non-executive directors.