京城機電股份
JINGCHENG MAC

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)

INDICATIVE ANNOUNCEMENT ON RESUMPTION OF TRADING

The board of directors of the Company and all members of the board 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.

Beijing Jingcheng Machinery Electric Company Limited (the "Company") made an announcement on the Continued Suspension of Trading (Announcement No.: Lin 2016-007) on 27 January 2016: Beijing Jingcheng Machinery Electric Holding Co., Ltd. ("Jingcheng Holding"), a controlling shareholder of the Company, entered into the Equity Transfer and Swap Agreement with Beijing Jingguofa Equity Investment Fund (Limited Partnership) ("Jingguofa Fund") and Beijing Bashi Media Co., Ltd. ("Beiba Media") on 26 January 2016. As the Equity Transfer and Swap Agreement entered into between Jingcheng Holding and Jingguofa Fund and that between Jingcheng Holding and Beiba Media involve disposing equity interests during the period of Material Assets Reorganization, in accordance with the laws and regulations such as the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Codes on Takeovers and Mergers, the abovementioned manner may lead to a modification on the proposal of Material Assets Reorganization or a termination of Material Assets Reorganization. To ensure fair information disclosure, protect the interest of investors and avoid unusual share price fluctuations, upon application, trading in the shares of the Company has been suspended temporarily.

The Company will adopt the modification on the proposal of Material Assets Reorganization to ensure not to trigger the requirements of Takeovers Code in Hong Kong. Upon application, trading in the shares of the Company will continue to be suspended since 28 January 2016 for not more than 5 trading days.

On 29 January 2016, the Company published a Condensed Report on the Change in Shareholding in the Company (《簡式權益變動報告書》). On 3 February 2016, the sixteenth extraordinary meeting of the eighth session of the board of directors of the Company was held, at which the revised proposal and relevant resolutions were approved, and relevant announcement was published.

In accordance with relevant requirements, trading in the shares of the Company will resume since the opening trading session on 4 February 2016 upon application by the Company. Investors are advised to pay attention to the investment risks.

The board of directors of
Beijing Jingcheng Machinery Electric Company Limited

Beijing, the PRC
3 February 2016

As at the date of this announcement, the Board 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.