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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 UNUSUAL MOVEMENT IN A SHARES TRADING

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

Important Notice:

For the three consecutive trading days on 4 February 2016, 5 February 2016 and 15 February 2016, the accumulated increase in closing A Shares price of Beijing Jingcheng Machinery Electric Company Limited (the "Company") is more than 20%. According to the relevant regulations of the Shanghai Stock Exchange, such movement was unusual movement in A shares trading. Upon enquiry by the board of directors of the Company, the management and the controlling shareholder of the Company, Beijing Jingcheng Machinery Electric Holding Co., Ltd., confirmed that as at the date of this announcement, the Company and Beijing Jingcheng Machinery Electric Holding Co., Ltd., its controlling shareholder, had nothing to be disclosed which was subject to disclosure.

I. UNUSUAL MOVEMENT IN A SHARES TRADING

As at 15 February 2016, the Company's closing share price experienced an accumulated rise of more than 20% for the three consecutive trading days on 4 February 2016, 5 February 2016 and 15 February 2016. According to the relevant regulations of the Shanghai Stock Exchange, such movement was unusual movement in A shares trading.

II. COMPANY'S CONCERN AND CONFIRMATION

Apart from the announcement made on 26 January 2016 in relation to the controlling shareholder of the company entering into the equity transfer agreement with conditions and the summary of proposal released on 3 February 2016 in relation to acquisition of assets through issue of shares and cash payment as well as raising of supporting funds and connected transaction for Beijing Jingcheng Machinery Electric Company Limited (Revised), the Company has verified the following matters by means of internal inquiry and consulting its controlling shareholder:

1. No amendments or remarks have to be made on the previous disclosed information of Company.
2. The Company did not find that the media may release or has already released any non-disclosed material information recently, which may have substantial impact on the trading price of the shares of the Company.
3. The operation in the Company and the domestic and foreign business environment do not have any material changes recently.
4. There is no discloseable material event or any material event in the planning stage relating to the Company which has not been disclosed by the Company, and its controlling shareholder after verification.
5. Controlling shareholder of the Company did not have any transactions of the shares during the unusual fluctuation in our securities transaction after verification.
6. The Company did not find that the operational results were divulged or rumors were spread prior to the periodic reports that caused the unusual fluctuations to the transactions of securities and derivatives.

The Company has confirmed and remained up to date that apart from the material assets reorganization and entering into the “Equity Transfer and Swap Agreement in relation to Beijing Jingcheng Machinery Electric Company Limited between Beijing Jingcheng Machinery Electric Holding Co., Ltd. and Beijing Jingguofa Equity Investment Fund (Limited Partnership)” and “Equity Transfer and Swap Agreement in relation to Beijing Jingcheng Machinery Electric Company Limited between Beijing Jingcheng Machinery Electric Holding Co., Ltd. and Beijing Bashi Media Co., Ltd.” with Beijing Jingguofa Equity Investment Fund (Limited Partnership) and Beijing Bashi Media Co., Ltd., respectively, there is no discloseable material information relating to the trading price of the A shares of the Company which has not been disclosed by the Company under the listing rules in Shanghai Stock Exchange. The Company has guaranteed there is no other material planning other than the above matters for at least 3 months, included but not limited to, material assets reorganization, issue of shares, acquisition of listing company, debt restructuring, business restructuring, assets stripping and assets injection etc.

III. REPRESENTATION OF NO UNDISCLOSED MATERIAL INFORMATION WHICH IS SUBJECT TO DISCLOSURE

The Company's board of directors confirms that apart from the above issues, there is no issue subject to disclosure but has not been disclosed in accordance with the Listing Rules of the Shanghai Stock Exchange and other relevant regulations as well as any planning, negotiation, intention or agreement thereof, and the board of directors is not aware of any information subject to disclosure but not yet disclosed and which would have material impact on the Company's A shares price in accordance with the Listing Rules of the Shanghai Stock Exchange and other relevant regulations.

IV. RISK WARNING

The Company's designated media for information disclosure are the website of the Shanghai Stock Exchange (www.sse.com.cn), Securities Daily, Shanghai Securities News and the website of HKExnews of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk). Investors are advised to pay attention to the investment risks.

The board of directors of
Beijing Jingcheng Machinery Electric Company Limited

Beijing, the PRC, 15 February 2016

As at the date of this announcement, the board of directors 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.