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Chongqing Machinery & Electric Co., Ltd.*
重慶機電股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02722)

**POLL RESULTS OF THE EXTRAORDINARY GENERAL
MEETING HELD ON 9 DECEMBER 2011**

The Board of the Company hereby announces that all the proposed resolutions set out in the notice convening the EGM contained in the Circular were duly passed by the shareholders of the Company by way of poll at the EGM held on 9 December 2011.

Reference is made to the circular of Chongqing Machinery & Electric Co., Ltd.* (the “**Company**”) dated 21 October 2011 (the “**Circular**”) in connection with (i) proposed amendments to the Articles; (ii) provision of guarantee by the Company for a loan of GBP4.2 million of Holroyd; (iii) establishment of the Finance Company; and (iv) change of a Supervisor. Terms used herein shall have the same meaning as defined in the Circular unless otherwise specified.

RESULTS OF THE EGM

As at the date of Extraordinary General Meeting (“**EGM**”) of the Company held on 9 December 2011, the registered and issued share capital of the Company is RMB3,684,640,154 of RMB1.00 each, which is divided into 2,584,452,684 Domestic Shares and 1,100,187,470 H Shares.

As stated in the Circular, Parent Company and its associates, which is one of the Promoters of the Company holding 52.22% interest in the Company, is a connected person of the Group, was abstained from voting at the EGM for the resolution no. 2 as set out in the notice for EGM. Accordingly, the total number of Shares entitling the Shareholders to vote for or against the resolutions no. 2 as set out in the EGM Notice either in person, by their duly authorised representatives or by proxy at the EGM were 1,760,414,965 which is divided into 660,227,495 domestic shares and 1,100,187,470 H shares. And the total number of Shares entitling the Shareholders to vote for or against the resolution no. 1, 3 and 4 as set out in the EGM Notice either in person, by their duly authorised representatives or by proxy at the EGM were 3,684,640,154 which is divided into 2,584,452,684 Domestic Shares and 1,100,187,470 H Shares. The board (“**Board**”) of directors (“**Directors**”) of the Company is pleased to announce that all the resolutions set out in the EGM Notice were duly passed. All the resolutions, which were voted on by poll, were approved by the Shareholders of the Company. There was no share entitling the shareholders to attend and vote against the resolutions at the EGM.

The Company’s H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, was appointed as the scrutineer for the voting taking at the EGM.

The poll results are as follows:

	ORDINARY RESOLUTIONS	Number of H Shares and Domestic Shares represented by votes casted and percentage of total number of H Shares and Domestic Shares represented by votes casted	
		FOR	AGAINST
1.	Provision of guarantee by the Company for a loan of GBP4.2 million of Holroyd;	3,052,820,155 99.999869%	4,000 0.000131%
2.	Connected transaction and discloseable transaction - establishment of the Finance Company;	918,955,805 81.424477%	209,643,161 18.575523%
3.	Change of a Supervisor;	3,052,822,155 99.999934%	2,000 0.000066%

As more than 1/2 of the votes were cast in favour of the above resolutions, the resolutions were duly passed as ordinary resolutions.

	SPECIAL RESOLUTION	Number of H Shares and Domestic Shares represented by votes casted and percentage of total number of H Shares and Domestic Shares represented by votes casted	
		FOR	AGAINST
4.	The proposal by the Board to amend the Articles of the Company in the manner as set out in the Circular be and is hereby approved, and the Board be and is hereby authorised to do all such things as necessary in respect of the amendments to the Articles pursuant to the requirements (if any) under domestic or overseas laws and under the rules of any stock exchange on which securities of the Company are listed.	3,052,822,155 99.999934%	2,000 0.000066%

As more than 2/3 of the votes were cast in favour of this resolution, this resolution was duly passed as special resolution.

The Board is pleased to announce that Mr. Zhang Xinzhi (“Mr. Zhang”) is appointed as a Supervisor upon the resignation of Ms. Liao Rong (“Ms. Liao”). Ms. Liao has confirmed that she has no disagreement with the Company and that there are no matters relating to her resignation that need to be brought to the attention of the Shareholders. The Board would like to express its sincere gratitude for the contribution of Ms. Liao toward the Company during her tenure of office.

Mr. Zhang, aged 40, is an economist and chartered financial analyst with about 20 years of experience in finance. Mr. Zhang served as a member of the Party Committee, secretary of the Disciplinary Inspection Committee and deputy general manager of the Chongqing Office of China Huarong Asset Management Corporation in April 2011. He graduated from Jiangxi Bank School in July 1993. From July 1993 to September 1997, he served as the director of the sub-office at the Jiujiang Branch of Agricultural Bank of China. From September 1997 to April 2000, he served as the director of the sub-branch credit department and deputy director of the accounting center of the Jiujiang Branch of Industrial and Commercial Bank of China. From April 2000 to April 2011, he served as manager, senior assistant manager, senior deputy manager, senior manager, member of the Party Committee, and assistant general manager at the Nanchang Office of China Huarong Asset Management Corporation, and graduated from the University of International Business and Economics as a finance major in September 2005.

Mr. Zhang did not serve as director in any other listed public companies in the last three years, or any other position in the Company or other members of the Group. Mr. Zhang does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company, or have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. The Company will enter into a service contract with Mr. Zhang in connection with his appointment, for a term commencing from the date of the EGM till the expiration of the current session of the Supervisory Committee.

Mr. Zhang is entitled to a Supervisor's emolument and his remuneration will be determined by the Board with reference to remuneration standards for Supervisors as approved at the 2009 annual general meeting.

Save as disclosed above, the Board is not aware of any matters relating to the proposed appointment of Mr. Zhang that need to be brought to the attention of the Shareholders, nor is there any information required to be disclosed under Rule 13.51(2)(h) to (v) of the Listing Rules.

By Order of the Board
Chongqing Machinery & Electric Co., Ltd.*
Xie Hua Jun
Executive Director, Chairman

Chongqing, the PRC
9 December 2011

As at the date of this announcement, the executive Directors are Mr. Xie Hua Jun, Mr. Yu Gang, Mr. Liao Shaohua and Mr. Chen Xianzheng; the non-executive Directors are Mr. Huang Yong, Mr. Wang Jiyu, Mr. Yang Jingpu and Mr. Liu Liangcai; and the independent non-executive Directors are Mr. Lo Wah Wai, Mr. Ren Xiaochang and Mr. Kong Weiliang.

* *For identification purposes only*