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**CQME**

**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)*

*(Stock Code: 02722)*

## **APPOINTMENT OF DIRECTORS AND SUPERVISORS**

Reference is made to the circular of Chongqing Machinery & Electric Co., Ltd.\* (the “**Company**”) dated 8 June 2016 (the “**Circular**”) in relation to (among which) the re-election of Directors and continuous appointment of independent non-executive Director who has served more than nine years and re-election of Supervisors. Unless the announcement requires otherwise, capitalised terms used herein shall bear the same meanings as defined in the Circular.

The Board of the Company hereby announces that the appointment of Mr. Wang Yuxiang, Ms. Chen Ping and Mr. Yang Quan as executive Directors, Mr. Huang Yong, Mr. Wei Fusheng, Mr. Deng Yong and Ms. He Xiaoyan as non-executive Directors and Mr. Lo Wah Wai, Mr. Ren Xiaochang, Mr. Jin Jingyu and Mr. Liu Wei, as independent non-executive Directors has been approved at the AGM.

The appointment of Mr. Xiang Hu, Ms. Wu Yi and Mr. Huang Hui as Supervisors has been approved at the AGM. According to Article 125 of the Articles: “appointment and removal of Supervisors as staff representatives shall be subject to election at the staff representative meetings, staff meetings or by other democratic ways”. The Company convened a staff meeting on 28 June 2016 at which Mr. Zhang Mingzhi and Mr. Xia Hua were elected as the staff Supervisors. The appointment of Mr. Zhang Mingzhi and Mr. Xia Hua is not subject to approval by the Shareholders at the AGM.

The Board will determine the remuneration of Directors and Supervisors by reference to the remuneration standards for Directors as approved at the AGM, the remuneration standards for Supervisors as approved at the AGM as well as other terms and conditions as the Board shall think appropriate.

\* *For identification purposes only*

## **BIOGRAPHIES OF DIRECTORS AND SUPERVISORS:**

### **Executive Directors**

**Mr. Wang Yuxiang**, aged 54, has served as the Chairman, executive Director, chairman of the nomination committee and strategic committee of the Company since 18 June 2013. He joined the Parent Group and served as the chairman and Party Committee secretary since April 2013, and has also served as a director and chairman of Chongqing Machinery and Electronics Holding (Group) Finance Co., Ltd. from August 2013 until now. Mr. Wang has over 30 years of experience in business and regional economic management. Mr. Wang served as the deputy director and a member of the Party Committee of Chongqing State-owned Assets Supervision and Administration Commission from June 2009 to April 2013 (and concurrently served as the Party Committee secretary of Chongqing Consultation Research Institute (重慶市諮詢研究院) from November 2011 to April 2013), the deputy director and a member of the Party Group of Chongqing Economic and Information Technology Commission (重慶市經濟和信息化委員會) from March 2009 to June 2009, the deputy director and a member of the Party Group of Chongqing Economic Commission (重慶市經濟委員會) from April 2004 to March 2009 (during which he was delegated by three ministries and commissions including the Organization Department of the CPC Central Committee to take a temporary post as the deputy director of the Marketing Department of China Southern Power Grid from March to October 2006), the secretary of the Disciplinary Inspection Committee of China National Erzhong Group Co. from July 2000 to April 2004 (and concurrently served as the Party Committee secretary of Deyang Heavy Industry Park (德陽重工園區) from November 2000 to April 2004 and took a temporary post as the deputy secretary of Enterprise Work Committee of Chongqing Municipal Party Committee and the deputy secretary of the Communist Party Committee of SASAC of Chongqing City successively), the secretary of the Communist Youth League, vice-section level inspector and section level inspector of the Disciplinary Inspection Committee, Party branch secretary of heavy machinery workshop, office director, deputy plant manager, general Party branch secretary and plant manager of the Heavy Machinery Branch Factory (重機分廠) of China National Erzhong Group Co. from November 1984 to July 2000, and a worker of No. 3 metal workshop and an officer of the Communist Youth League of China National Erzhong Factory (中國第二重型機械廠) from December 1979 to November 1984. Mr. Wang is a senior economist, a senior political scientist, and the Executive Vice President of the Second Council of Chongqing Enterprises Confederation (重慶市企業聯合會), Chongqing Entrepreneurs Association (重慶市企業家協會) and Chongqing Federation of Industrial Economics (重慶市工業經濟聯合會). He is also a member of the Leading Group Office for the Development of Creative Industries in Chongqing (重慶市創意產業發展領導小組辦公室), and a Director of the fourth session of executive committee of the Fourth Council of China Machinery Industry Federation (中國機械工業聯合會). He graduated from Sichuan Cadre Correspondence School (四川幹部函授學院) with an associate degree in Party policy in September 1988, the correspondence course of economic management of the Party School of Sichuan Provincial Committee in December 1995, the program of Master of Business Administration (MBA) of Chongqing University in December 1999 and the program of EMBA in Xiamen University with an executive master's degree in Business Administration in December 2011. He graduated from the Class of Chongqing Enterprise Leaders of Tsinghua University (one-year term) in December 2013.

**Ms. Chen Ping (陳萍)**, aged 53, is the general manager of the Company. Ms. Chen engages in merger and reorganization of enterprises, equity investment, capital operations and other works, owns extended experience in corporate management. She was the vice president and a member of the Party Committee of Chongqing Machinery and Electronic Holding (Group) Co., Ltd. from February 2004 to May 2016. She has been the chairman of Chongqing Machinery and Electronic Holding Group Xinbo Investment Management Co., Ltd. (重慶機電控股集團信博投資管理有限公司) from January 2016 until now, the chairman of Chongqing Hi-tech Red Horse Capital Management Limited (重慶高新創投紅馬資本管理有限公司) from May 2015 until now, the executive director (legal representative) of Chongqing Machinery and Electronic Holding Group Assets Management Co., Ltd. (重慶機電控股集團資產管理有限公司) from July 2009 to October 2014. She served as the assistant to the president of Chongqing Light Textile Holding (Group) Co., Ltd. and the manager of Chongqing Super Excellence Co., Ltd. from December 2002 to February 2004, a manager of assets operation department in Chongqing Light Textile Holding (Group) Co., Ltd. from March 2001 to December 2002, the deputy manager of assets operation department of Chongqing Light Textile Holding (Group) Co., Ltd. and president of Chongqing Longhua Printing Co., Ltd. (重慶龍華印務有限公司) from August 2000 to March 2001, the deputy section officer, section officer and assistant researcher of the enterprise management department of Chongqing Light Industry Bureau from October 1983 to August 2000. Ms. Chen is a senior economist with a Bachelor of Science after the graduation in biology from Yuzhou University in August 1983 and obtained a postgraduate degree in business administration from Chongqing Master College of Business Administration (重慶工商管理碩士學院) in July 2001 and a master degree in EMBA (Executive Master of Business Administration) from the school of business and economics of Chongqing University in December 2013.

**Mr. Yang Quan**, aged 51, executive director and vice general manager of the Company, has served as a vice general manager of the Company since May 2012, and an executive director of the Company since December 2012. He has been a director of Chongqing Youyan Smelting New Material Co., Ltd. (重慶有研重冶新材料有限公司) since July 2014. He has concurrently served as a director of Chongqing Hongyan Fangda Automotive Suspension Co., Ltd. (重慶紅岩方大汽車懸架有限公司) since June 2013 and a director of Precision Technology Investment and Development Co., Ltd. (精密技術投資發展有限公司) since April 2012, a director of Chongqing Gas Compressor Factory Co., Ltd. (重慶氣體壓縮機廠有限責任公司) since December 2011, and an executive director and general manager of Chongqing Shengpu Materials Co., Ltd. (重慶盛普物資有限公司) since December 2011. Mr. Yang has over 20 years of experience in enterprise management, once served as the manager of the business management department and assistant to general manager of the Company from August 2007 to May 2012, the head of the economic operation department and head of the business management department of the securities work steering team of Chongqing Machinery and Electronics Holding (Group) Co., Ltd. (重慶機電控股(集團)公司) from March 2004 to August 2007, the party branch secretary of the foundry workshop, deputy director of the “five-initiative” reform office, secretary and deputy director of the hot plate workshop, chief of the equipment division, managing factory director, and chief economist of Chongqing No. 2 Machine Tools Factory (重慶第二機床廠) from July 1987 to March 2004. Mr. Yang is an engineer, graduated from the College of Mechanical Engineering of Sichuan University with a bachelor’s degree in foundry in July 1987, and studied for EMBA in Xiamen University from November 2011.

Save as disclosed above, Mr. Wang Yuxiang, Ms. Chen Ping and Mr. Yang Quan did not hold any directorships in any other listed companies and did not receive any other major appointments and qualifications in the last three years. Other than the directorship in the Company and various subsidiaries of the Company, Mr. Wang Yuxiang, Ms. Chen Ping, Mr. Yang Quan do not hold other positions in the Company or other members of the Group.

Save as disclosed above, Mr. Wang Yuxiang, Ms. Chen Ping and Mr. Yang Quan do not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company nor had any of them any interests in the Shares of the Company within the meaning of Part XV of the SFO as at the date of this announcement. As at the date of this announcement, Mr. Wang Yuxiang, Ms. Chen Ping, Mr. Yang Quan do not hold Shares in the Company.

Pursuant to the service agreement between the Group and each of Mr. Wang Yuxiang, Ms. Chen Ping and Mr. Yang Quan,

- (a) the appointment of Mr. Wang Yuxiang, Ms. Chen Ping and Mr. Yang Quan, as executive Directors is for a fixed term of three years commencing from the date of the AGM, subject to retirement by rotation and re-election at the AGM of the Company in accordance with the Articles; and
- (b) the remuneration of Mr. Wang Yuxiang, Ms. Chen Ping and Mr. Yang Quan, would be fixed with reference to their respective duties and responsibilities in the Company as well as with reference to the remuneration standards for Directors as approved at the AGM.

The Board is not aware of any other matters in relation to the appointment of Mr. Wang Yuxiang, Ms. Chen Ping and Mr. Yang Quan, as executive Directors that need to be brought to the attention of the Shareholders, nor is there any information that needs to be disclosed by the Company pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

### **Non-executive Directors**

**Mr. Huang Yong**, aged 53, joined the Parent Group in July 1984. Since July 2007, he has been a non-executive Director of the Company. Mr. Huang has been a director and the president of the Parent Company since 2004. Since January 2011, Mr. Huang has concurrently served as the chairman of Chongqing General Aviation Industry Group Co., Ltd. (重慶通用航空產業集團有限公司). Since January 2013, he has concurrently served as the chairman of Enstrom Helicopter Corporation (美國恩斯特龍直升機公司). He has also served as a Director of Chongqing Jin Tong Scrap Car Recycling (Group) Co., Ltd. (重慶市金通報廢汽車回收處理(集團)有限公司) since March 2014. Mr. Huang has over 20 years of experience in the automobile industry. He was the general manager of Chongqing General Aviation Industry Group Co., Ltd. (重慶通用航空產業集團有限公司) from January 2011 to May 2013 and the vice chairman and general manager of Chongqing Hongyan Motor Co., Ltd. from 2003 to 2004. From 2000 to 2004, Mr. Huang was the general manager and thereafter the chairman of Chongqing Heavy Vehicle Group Co., Ltd. From 1996 to 2000, he was the deputy plant manager of Sichuan Automobile Manufacturing Plant, and from 1984 to 1996, he worked in

Sichuan Automobile Manufacturing Plant. Mr. Huang is a senior engineer and a tutor of postgraduate students of Chongqing University of Technology. He graduated from Hunan University with a bachelor's degree in automobile manufacturing in 1984 and obtained his master's degree in engineering from Chongqing University in 2000.

**Mr. Wei Fusheng**, aged 54, currently serving as the secretary of the Party Committee and chairman of Chongqing Construction Engineering Group Co., Ltd. Mr. Wei has extensive working experience in government and enterprise management. He was the deputy director of State-Owned Assets Supervision and Administration Commission of Chongqing Municipal Government from May 2014 to January 2016; deputy director, director and Party Committee secretary of Chongqing Coal Mine Safety Supervision Bureau (重慶市煤礦安全監察局) from November 2001 to May 2014; director, deputy chief engineer, deputy director and director of Safety Supervision Bureau of production department of Yongrong Mine Bureau (永榮礦務局生產處) from June 1995 to November 2001, technician, deputy chief of mine, deputy chief engineer and chief engineer of Shuanghe Coal Mine of Yongrong Mining Bureau (永榮礦務局雙河煤礦) from July 1983 to June 1995. Mr. Wei is a senior engineer. He graduated in Coal Mining of School of Mining Engineering (採礦工程系煤礦開採專業) from Chongqing University with a bachelor's degree in engineering in July 1983 and obtained a master degree in engineering from Mining & Mineral Engineering (礦業工程專業) of Graduate School of Chongqing University in June 2001.

**Mr. Deng Yong**, aged 56, is the chief financial officer of Chongqing Yufu Assets Management Co., Ltd. He joined the Company with the position of non-executive Director in April 2013. He has served as a non-executive director of Bank of Chongqing Co., Ltd. (stock code: 1963.HK) since February 2013, a director of Chongqing Chuanyi Automation Co., Ltd. (stock code: 603100.SH) since April 2013. Mr. Deng Yong has over 20 years of experience in the financial industry. He served as assistant to the president and the general manager of the planning and financial department of the Southwest Securities Co., Ltd. (stock code: 600369.SH) from August 2008 to April 2012, the assistant to the general manager and the manager of the financial department of Chongqing Yufu Assets Management Co., Ltd. from March 2004 to August 2008, deputy general manager of the Linjiang Road and Jiulongpo Divisions of China Galaxy Securities Co., Ltd. from September 2000 to March 2004, deputy general manager of the Chongqing Securities Division of China Cinda Trust & Investment Company (中國信達信託投資公司重慶證券營業部) from June 1997 to September 2000 (he was seconded to work for the work group of red chips of Chongqing Municipal Government (重慶市政府紅籌股工作小組) from September 1997 to June 1998), the manager of the securities investment department of Chongqing Trust & Investment Company (重慶市信託投資公司) from September 1992 to June 1997 and an employee at the Chongqing branch of the China Construction Bank from July 1988 to September 1992. Mr. Deng Yong is an engineer graduated from Chongqing University with a bachelor's degree in Applied Mathematics in July 1982. He studied and obtained a postgraduate degree majoring in econometrics from the Applied Mathematics Faculty of Chongqing University from September 1986 to July 1988.

**Ms. He Xiaoyan (何小燕女士)**, aged 53, is now the risk Director of China Huarong Assets Management Co., Ltd. Chongqing Branch Company (中國華融資產管理股份有限公司重慶分公司). Ms. He has extensive experience in the financial industry. From January to June 2015, she was the

Chairman and party secretary of Chongqing Bishan ICBC Rural Bank Co., Ltd.; from August 2007 to January 2015, she was appointed as the deputy general manager of the corporate department, general manager of the investment bank department and general manager of the department of assets and liabilities management in ICBC Chongqing Branch (中國工商銀行重慶市分行); from March 1989 to August 2007, she was the deputy head, head and deputy president in the Branch of ICBC in south bank district of Chongqing; from August 1980 to March 1989, she worked on statistical analysis and credit lending in the office of PBC in south bank district of Chongqing. Ms. He is a senior economist. She graduated from Sichuan Bank School (四川銀行學校) in July 1980; graduated from statistics major of the higher education self-learning examination in December 1988 and graduated from financial major of Correspondence School of Chongqing Party School (重慶市委黨校函授學院) in December 1998.

Save as disclosed above, Mr. Huang Yong, Mr. Wei Fusheng, Mr. Deng Yong and Ms. He Xiaoyan did not hold any directorships in any other listed companies and did not receive any other major appointments and qualifications in the last three years. Other than the directorship in the Company, Mr. Huang Yong, Mr. Wei Fusheng, Mr. Deng Yong and Ms. He Xiaoyan do not hold other positions in the Company or other members of the Group.

Save as disclosed above, Mr. Huang Yong, Mr. Wei Fusheng, Mr. Deng Yong and Ms. He Xiaoyan do not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company nor had any of them any interests in the Shares of the Company within the meaning of Part XV of the SFO as at the date of this announcement. As at the date of this announcement, Mr. Huang Yong, Mr. Wei Fusheng, Mr. Deng Yong and Ms. He Xiaoyan do not hold Shares in the Company.

Pursuant to the service agreement between the Group and each of Mr. Huang Yong, Mr. Wei Fusheng, Mr. Deng Yong and Ms. He Xiaoyan,

- (a) the appointment of Mr. Huang Yong, Mr. Wei Fusheng, Mr. Deng Yong and Ms. He Xiaoyan, as non-executive Directors is for a fixed term of three years commencing from the date of the AGM, subject to retirement by rotation and re-election at the AGM of the Company in accordance with the Articles; and
- (b) the remuneration of Mr. Huang Yong, Mr. Wei Fusheng, Mr. Deng Yong and Ms. He Xiaoyan, would be fixed with reference to their respective duties and responsibilities in the Company as well as with reference to the remuneration standards for Directors as approved at the AGM.

The Board is not aware of any other matters in relation to the appointment of Mr. Huang Yong, Mr. Wei Fusheng, Mr. Deng Yong and Ms. He Xiaoyan, as non-executive Directors that need to be brought to the attention of the Shareholders, nor is there any information that needs to be disclosed by the Company pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

## **Independent Non-executive Directors**

**Mr. Lo Wah Wai**, aged 52, joined our Company in January 2008 and has been an independent non-executive Director of the Company and the chairman of the Company's Audit and Risk Management Committee since January 2008. He had more than eight years of experience in auditing and business consulting services in an international accounting firm, two years of which were spent in the United States. Mr. Lo was an independent non-executive director of Far East Pharmaceutical Technology Limited (stock code: 399.HK) in September 2004. A petition was filed on 15 September 2004 to wind up Far East Pharmaceutical Technology Limited in respect of the default of a syndicated bank loan and since then, liquidators have been appointed. Mr. Lo was not involved in the arrangement of the syndicated bank loan and his appointment was made after the said default had occurred. Mr. Lo is also an independent non-executive director of Tenfu (Cayman) Holdings Company Limited (stock code: 6868.HK). He has served as an independent non-executive director of Chongqing Medicines (Group) Co., Ltd. (重慶醫藥(集團)股份有限公司) since July 2012. He is a practising member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. Mr. Lo graduated from the Chinese University of Hong Kong with a bachelor's degree in business administration in 1986 and New Jersey Institute of Technology, the U.S., with a master's degree in science in 1992.

**Mr. Ren Xiaochang**, aged 59, joined the Company in July 2007 and has been an independent non-executive Director of the Company and the chairman of our remuneration committee since then. He is currently the chairman and legal representative of China Automotive Engineering Research Institute Co., Ltd. (stock code: 601965.SH). Mr. Ren has over 30 years of experience in the automobile industry. Mr. Ren has been with Chongqing Research Institute of Automobile (renamed as China Automotive Engineering Research Institute Co., Ltd.) since January 1982 and once served as the deputy director of the Car Design Department, vice chief, chief, the vice chairman, general manager (superintendent), chairman and deputy secretary to the Party Committee of it in charge of operational management, strategic planning, human resources and assets management, etc. Mr. Ren is also currently an independent director of China Chang'an Automobile Group Co., Ltd. in charge of matters relating to the board of directors. Mr. Ren graduated from Hunan University with a bachelor's degree in engineering in 1982 and the Management School of Wuhan University of Technology with a master's degree in business administration in 2004. Mr. Ren is a senior engineer of researcher's grade, an expert of Machinery Industrial Scientific Technology Specialist of the PRC and an expert with special allowance from the State Council.

**Mr. Jin Jingyu**, aged 50, joined the Company in June 2012 and has served as an independent non-executive Director of the Company since June 2012. He has served at Chongqing Technology and Business University as the Chairman of the Academic Council of the School of Finance, and professor of finance and tutor of postgraduate students since March 2009. He has served as an independent non-executive director of Bank of Chongqing Co., Ltd.\* (stock code: 1963.HK) since March 2014, and an independent director of Chong Qing Financial Products Exchange Co., Ltd. since June 2015. Mr. Jin has joined the Chongqing Technology and Business University (known as Chongqing Business School before 2003) since May 1997 and served as the deputy director of the Finance and Investment Department from March 2000 to March 2001 and an associate professor and

professor of finance from November 2000 to November 2005. He studied in the Mathematics Department of Henan University from September 1988 to July 1992 as an undergraduate student; studied in the University of Science and Technology of China majored in management science from September 1992 to July 1995 and obtained a master's degree in engineering; studied in the Southwest Jiaotong University majored in management science and engineering from March 2003 to January 2007 and received a doctor's degree in management. Mr. Jin held several concurrent posts as follows: from September 1997 to September 2002, a business director of the Financing Service Company (融資服務公司) and general manager of the 1<sup>st</sup> Business Department of Dapeng Securities Company Limited (大鵬證券有限責任公司); from July 2002 to June 2003, a director and secretary to the board of directors of Southwest Synthetic Pharmaceutical Co., Ltd. (西南合成製藥股份公司) (stock code:000788.SZ); from January 2006 to March 2010, a director and secretary to the board of directors of Chongqing Wanli New Energy Co., Ltd. (stock code 600847.SH, formerly known as Chongqing Wanli Storage Batteries Co., Ltd. (重慶萬里蓄電池股份有限公司)); from June 2005 to February 2010, the chairman of Chongqing Tiandi Pharmaceutical Co., Ltd. (重慶天地藥業有限公司). Mr. Jin is now a member of Guiding Committee on Education of Financial Majors in Universities and Colleges of Ministry of Education (教育部高等學校金融學類專業教學指導委員會), a member of the China Investment Professional Construction Committee (中國投資專業建設委員會), a member of the Enterprises Operations Branch of the Operations Research Society of China, adjunct researcher of the Research Center of the Economy of the Upper Reaches of Yangtze River (a major research center of humanities and social science of the Ministry of Education), a member of the Evaluation Committee of Professional Titles, the Teaching Steering Committee and the School of Economics of Chongqing Technology and Business University.

**Mr. Liu Wei**, aged 51, has served as an independent non-executive Director of the Company since September 2014. He is currently the head, professor and PhD candidate supervisor of the Business Management Department of the School of Economics and Business Administration of Chongqing University, the vice head of Business Administration and Economics Development Research Centre of Chongqing University. He has concurrently served as an independent director of Chongqing Zaisheng Technology Company Limited (重慶再升科技股份有限公司) (stock code: 603601.SH), Chongqing Guidance Fund for Technology Innovative Industries Venture Investment Co., Ltd. (重慶科技創業風險投資引導基金有限公司) and Chongqing Technology Venture Investment Co., Ltd. (重慶科技風險投資有限公司), an external director of Chongqing Iron & Steel (Group) Company Limited (重慶鋼鐵集團有限公司) and Chongqing Landscaping Construction Investment (Group) Company Limited (重慶園林綠化建設投資(集團)有限公司), and a member of Investment Decision-making Committee of Shanghai Zhongwei Venture Capital Fund (上海中衛創業風險投資基金). Mr. Liu has served in Chongqing University since July 1990. He once served as the lecturer, associate professor and assistant to the head of department for Department of Mechanical Engineering, professor of College of Mechanical Engineering, and vice chief of the Industrial Engineering Research Institute. Mr. Liu graduated from Chongqing University with a bachelor's degree in Mining Machinery in July 1984, graduated from Chongqing University with a master's degree in Mechanics in July 1987, and graduated from Chongqing University with a doctorate degree in Mechanical Design and Theory in July 1990. He also conducted post-doctoral research in the University of



Manchester Institute of Science and Technology from September 1996 to October 1997. He completed the training for independent directors of listed companies by the Securities Association of China in December 2002.

Save as disclosed above, Mr. Lo Wah Wai, Mr. Ren Xiaochang, Mr. Jin Jingyu and Mr. Liu Wei did not hold any directorships in any other listed companies and did not have any other major appointments and qualifications in the last three years nor had any of them any interests in the shares of the Company within the meaning of Part XV of the SFO. Other than the directorship in the Company, Mr. Lo Wah Wai, Mr. Ren Xiaochang, Mr. Jin Jingyu and Mr. Liu Wei do not hold other positions in the Company or other members of the Group.

Save as disclosed above, as at the date of this announcement, Mr. Lo Wah Wai, Mr. Ren Xiaochang, Mr. Jin Jingyu and Mr. Liu Wei do not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company. As at the date of this announcement, Mr. Lo Wah Wai, Mr. Ren Xiaochang, Mr. Jin Jingyu and Mr. Liu Wei do not hold Shares in the Company.

Pursuant to the service agreement between the Group and each of Mr. Lo Wah Wai, Mr. Ren Xiaochang, Mr. Jin Jingyu and Mr. Liu Wei,

- (a) the appointment of Mr. Lo Wah Wai, Mr. Ren Xiaochang, Mr. Jin Jingyu and Mr. Liu Wei, as independent non-executive Directors is for a fixed term of three years commencing from the date of the AGM, subject to retirement by rotation and re-election at the AGM of the Company in accordance with the Articles; and
- (b) the remuneration of Mr. Lo Wah Wai, Mr. Ren Xiaochang, Mr. Jin Jingyu and Mr. Liu Wei, would be fixed with reference to their respective duties and responsibilities in the Company as well as with reference to the remuneration standards for Directors as approved at the AGM.

The Board is not aware of any other matters in relation to the appointment of Mr. Lo Wah Wai, Mr. Ren Xiaochang, Mr. Jin Jingyu and Mr. Liu Wei, as independent non-executive Directors that need to be brought to the attention of the Shareholders, nor is there any information that needs to be disclosed by the Company pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

## **Supervisors**

**Mr. Xiang Hu**, aged 51, an executive Director and the secretary of the Board of the Company, joined the Company in September 2012, and has served as an executive Director of the Company since June 2014 and the secretary of the Board of the Company since January 2014, and also a director of Chongqing New North Zone Machinery and Electronic Microcredit Co., Ltd. since March 2013. Mr. Xiang has over 20 years of experience in government service and news media. From September 2012 to January 2014, he served as a vice general manager of the Company. He served as the deputy director of the Chongqing Intellectual Property Rights Bureau from November 2004 to September 2012, the president of the Modern Workers Newspaper (現代工人報報社) (now known as Chongqing

Times) from January 2003 to November 2004, the deputy party secretary of Nanchuan, Chongqing from May 1998 to January 2003, the general manager of Chongqing News Development Company (重慶新聞發展公司) under Xinhua News Agency from July 1993 to May 1998, and a journalist of the Sichuan branch office of Xinhua News Agency from July 1986 to July 1993. Mr. Xiang graduated from the Department of Law of Southwest University of Political Science and Law in July 1986, from the Graduate School of Southwest University of Political Science and Law majoring in law of economy in June 1997, and from Nanyang Technological University, Singapore, majoring in managerial economics and acquire the master degree of economics in July 2002.

**Ms. Wu Yi**, aged 42, has been an independent supervisor of the Company since September 2014. She is currently the director of Chongqing Bestone Law Firm (重慶百事得律師事務所), a member of Chongqing Lawyers Association and the Specially-invited Member of the fourth Committee of Chinese People's Political Consultative Conference of Chongqing. Ms. Wu once served as the lawyer of Chongqing Dongfanglianhe Law Firm (重慶東方聯合律師事務所), Chongqing Zhongzhu Law Firm (重慶中柱律師事務所) and Chongqing Branch of Beijing Kaiwen Law Firm (北京凱文律師事務所重慶分所) from August 1997 to April 2008. Ms. Wu studied at the School of Economic Law of Southwest University of Political Science and Law from September 1993 to July 1997 and graduated with a bachelor's degree and at the Graduate School of Southwest University of Political Science and Law from September 2003 to July 2006 and graduated with a master's degree in Laws. She studied at Peking University HSBC School of Business from September 2008 to July 2009 and graduated with a master's degree in Finance.

**Mr. Huang Hui**, aged 45, has been an independent supervisor of the Company since September 2014. He is currently a professor, a tutor of postgraduate students in School of Accountancy, and a director of the Department of Financial Management of Chongqing Technology and Business University. Mr. Huang was once a teacher in No.2 Senior High School in Xinxian County of Henan Province (河南省新縣第二高級中學) from September 1991 to July 1998. Since July 2002, he has worked in School of Accountancy of Chongqing Technology and Business University. Mr. Huang graduated from the Department of Physics of Luoyang Normal College with a junior degree in 1991. He graduated from the Department of Politics and Laws of Henan College of Education (河南教育學院) with a bachelor's degree in 1996. He graduated from School of Economics and Management of Wuhan University of Technology with a master's degree in 2002. He graduated from the Management College of Huazhong University of Science and Technology with a doctor's degree in 2009. He was a visiting scholar in University of Missouri in US from April to May in 2010 and in the School of Economics and Management of Tsinghua University from September 2011 to July 2012. He completed his post-doctoral research in the Research Institute for Fiscal Science of the Ministry of Finance in 2013.

**Mr. Zhang Mingzhi**, aged 52, has been an Employee Supervisor of the Company since September 2015. He currently serves as the chairman and secretary of the party committee of Chongqing Machine Tools (Group) Co., Ltd. (重慶機床(集團)有限責任公司), a wholly owned subsidiary of the Company. Mr. Zhang is a senior engineer with over 30 years of experience in the machinery manufacturing industry. From August 1983 to December 2005, he successively served positions such as the designer, deputy director of the sales division, marketing assistant to plant manager, director of

the marketing division and deputy plant manager of marketing of Chongqing Machine Tools Plant Co., Ltd. (重慶機床廠). He has successively served positions such as the deputy general manager, marketing director, general manager, chairman, secretary of the party committee of Chongqing Machine Tools (Group) Co., Ltd. since December 2005, and also concurrently served positions such as the plant manager and general manager of Chongqing No.2 Machine Tools Factory (重慶第二機床廠) from August 2006 to February 2010. Mr. Zhang graduated from Chongqing Machinery Manufacturing School (重慶機器製造學校) in July 1983, majoring in machinery manufacturing. He continued his studies in the Correspondence School of the Chongqing Municipal Party School (重慶市委黨校函授學院) from September 1998 to June 2001, majoring in economics and management, and in the Training Class of Enterprise Leaders in Business and Administration of Tsinghua University from September to December 2003.

**Mr. Xia Hua**, aged 52, has been an Employee Supervisor of the Company since September 2015. He currently serves as the chairman and party secretary of Chongqing Pigeon Electric Wire & Cable Co., Ltd. (重慶鴿牌電線電纜有限公司), a subsidiary of the Company. Mr. Xia is a senior economist with over 30 years of experience in the power industry. From August 1981 to August 2000, he successively served positions such as the workshop technician, deputy workshop director, deputy head of branch factory, office director, head of production scheduling division and deputy plant manager of Chongqing Electric Machine Factory (重慶電機廠). From August 2000 to January 2011, he successively served as the office director and department party secretary of Chongqing Machinery and Electronics Holding (Group) Co., Ltd. (重慶機電控股(集團)公司). He has been serving as the chairman and party secretary of Chongqing Pigeon Electric Wire & Cable Co., Ltd. since January 2011. Mr. Xia graduated from Chongqing Second Machinery Manufacturing School (重慶第二機械製造學校) in August 1981, majoring in machine manufacturing. In September 2006, he graduated from the MBA Institute of Chongqing University (重慶工商管理碩士學院) with an MBA degree.

Save as disclosed above, as at the date of this announcement, Mr. Xiang Hu, Ms. Wu Yi, Mr. Huang Hui, Mr. Zhang Mingzhi and Mr. Xia Hua did not hold any directorship or supervisorship in any other listed companies in the past three years, nor do they hold any other positions in the Group. In addition, none of them has any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company. As at the date of this announcement, none of them has any interest in the Shares of the Company within the meaning of Part XV of SFO. The Board is not aware of any matters that need to be brought to the attention of the Shareholders, nor is there any information required to be disclosed under Rules 13.51(2)(h) to (v) of the Listing Rules.

Pursuant to the service agreement between the Group and each of Mr. Xiang Hu, Ms. Wu Yi, Mr. Huang Hui, Mr. Zhang Mingzhi and Mr. Xia Hua,

- (a) the appointment of Mr. Xiang Hu, Ms. Wu Yi, Mr. Huang Hui, Mr. Zhang Mingzhi and Mr. Xia Hua, as Supervisors is for a fixed term of three years commencing from the date of the AGM, subject to retirement by rotation and re-election at the AGM of the Company in accordance with the Articles; and

- (b) the remuneration of Mr. Xiang Hu, Ms. Wu Yi, Mr. Huang Hui, Mr. Zhang Mingzhi and Mr. Xia Hua, would be fixed with reference to their respective duties and responsibilities in the Company as well as with reference to the remuneration standards for Supervisors as approved at the AGM.

The Board is not aware of any other matters in relation to the appointment of Mr. Xiang Hu, Ms. Wu Yi, Mr. Huang Hui, Mr. Zhang Mingzhi and Mr. Xia Hua, as Supervisors that need to be brought to the attention of the Shareholders, nor is there any information that needs to be disclosed by the Company pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

By Order of the Board  
**Chongqing Machinery & Electric Co., Ltd.\***  
**Wang Yuxiang**  
*Executive Director and Chairman*

Chongqing, the PRC  
28 June 2016

*As at the date of the announcement, the executive Directors are Mr. Wang Yuxiang, Ms. Chen Ping and Mr. Yang Quan; the non-executive Directors are Mr. Huang Yong, Mr. Wei Fusheng, Mr. Deng Yong and Ms. He Xiaoyan; and the independent non-executive Directors are Mr. Lo Wah Wai, Mr. Ren Xiaochang, Mr. Jin Jingyu and Mr. Liu Wei.*