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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 31 AUGUST 2009**

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 31 August 2009.

Reference is made to the circular of the Company dated 13 July 2009 (the “**Circular**”) in connection with (i) proposed amendments to the Articles of the Company; (ii) change of executive Director and appointment of executive Director; and (iii) change of 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 31 August 2009, 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.

The total number of Shares entitling the Shareholders to vote for or against the resolutions 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.

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:

<b>ORDINARY RESOLUTIONS</b>		<b>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</b>	
		<b>FOR</b>	<b>AGAINST</b>
1.	To consider and approve the resignation of Mr. Sun Nengyi as executive Director and chairman and the appointment of Mr. Xie Hua Jun as an executive Director of the Company to hold office from the date of the Meeting until expiry of the term of the session of the Board and to authorize the Board to fix the remuneration of Mr. Xie Hua Jun pursuant to the remuneration standard for Directors passed at the 2007 annual general meeting and to enter into a service agreement with him on and subject to such terms and conditions as the Board shall think fit and to do all such acts and things to give effect to such matters;	2,700,046,701 (94.584439%)	154,594,846 (5.415561%)

<b>ORDINARY RESOLUTIONS</b>		<b>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</b>	
		<b>FOR</b>	<b>AGAINST</b>
2.	To consider and approve the resignation of Mr. Ye Zusheng as the Supervisor and the appointment of Ms. Liao Rong as a Supervisor of the Company to hold office from the date of the Meeting until expiry of the term of the session of the Supervisory Committee of the Company and to authorize the Board to fix the remuneration of Ms. Liao Rong pursuant to the remuneration standard for Supervisors passed at the 2007 annual general meeting and to enter into a service agreement with her on and subject to such terms and conditions as the Board shall think fit and to do all such acts and things to give effect to such matters;	2,854,640,547 (99.999965%)	1,000 (0.000035%)
As more than 1/2 of the votes were cast in favour of the above resolutions, the resolutions were duly passed as ordinary resolutions.			

<b>SPECIAL RESOLUTION</b>		<b>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</b>	
		<b>FOR</b>	<b>AGAINST</b>
3.	<p>To consider and, if thought fit, pass the following resolution as a special resolution for the amendments to the articles of association of the Company (the “<b>Articles</b>”):</p> <p>Existing Article 11 of the Articles be deleted in entirety and replaced by the following:</p> <p>The Company’s operating principles: carry out its own businesses in accordance with relevant laws and regulations; constantly enhance its management standards and core competitiveness to provide clients with quality services; maximize the interests of shareholders and corporate value of the Company; create good economic and social benefits; and become a world-class equipment manufacturing industry group with core competitiveness, vitality and sustainable development.</p> <p>The Company’s operating scope shall only cover the items authorized by the company registration authority.</p>	<p>2,854,640,547 (99.999965%)</p>	<p>1,000 (0.000035%)</p>

<b>SPECIAL RESOLUTION</b>		<b>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</b>	
		<b>FOR</b>	<b>AGAINST</b>
	<p>The scope of business of the Company:</p> <p>Development, manufacture and sales of vehicle parts and components, electric machinery and apparatus, environment friendly equipment, CNC machine tools, electric equipment and apparatus, communication equipment (excluding receiving and transmitting facilities), computer and its components, nonferrous metal smelting products and their processing products, instruments and meters, office machinery products, wind power generation equipment; investment in equipment manufacturers, property developers and financial institutions; import &amp; export trade, hi-tech consultation service.</p> <p>According to the domestic and international market trends, business needs and its own growth capability, the Company may opportunely adjust investment policies, business scope and mode, subject to approvals by resolution of the general meeting and relevant governmental authorities.</p>		
	<p>As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.</p>		

## **Appointments of executive Director and Supervisor**

The appointments of Mr. Xie Hua Jun as an executive Director and Ms. Liao Rong as a Supervisor of the Company were approved at the EGM. The Company will enter into a service contract with Mr. Xie Hua Jun and Ms. Liao Rong for a term commencing from 31 August 2009 to the annual general meeting of the Company for the year 2009. The Board will determine the remuneration of the executive Director and the Supervisor with reference to remuneration standard for Directors passed at the 2007 annual general meeting, the remuneration standard for Supervisors passed at the 2007 annual general meeting and other terms and conditions as the Board shall think fit.

### **Profiles of Mr. Xie Hua Jun and of Ms. Liao Rong are set out below:**

Mr. Xie, aged 56. He joined the Parent Company in 2009 and served as director and Chairman of the Parent Company in June 2009. Mr. Xie has accumulated over 30 years of experience in corporate management in the production industry. Mr. Xie is a senior economist. From 2000 to 2002, he graduated from the postgraduate program of Public Administration of the Institute of Administration Management (行政管理學院) at Peking University and was awarded a master degree from the School of Public Administration in Chongqing in 2006. Mr. Xie served as the deputy general manager of Chongqing No. 2 Light Industry Supply & Sale Co. (重慶二輕工業供銷軂公司) from February 1988 to February 1990, the manager of Chongqing Craft and Art Industry Company (重慶市工藝美術工業公司) from February 1990 to June 1992, the deputy director of Chongqing Light Industry Bureau from June 1992 to June 1998, the secretary-general of Re-employment Office (再就業辦公室) of Chongqing from June 1998 to July 2000, the vice president of Chongqing Chemical And Pharmaceutical Holding (Group) Company from July 2000 to November 2003, the director of Chongqing Sanxia Paints Co., Ltd (a company listed on the Shenzhen Stock Exchange of the PRC, stock code: 000565) from June 2001 to March 2007, the president and director of Chongqing Chemical And Pharmaceutical Holding (Group) Company from November 2003 to June 2006, the deputy director of Chongqing State-owned Assets Supervision and Administration Commission from July 2006 to December 2008 as well as the deputy secretary-general of Chongqing Municipal People's Government from December 2008 to June 2009.

Ms. Liao, aged 52. She was awarded a bachelor degree in Economic Management by the Party College of Sichuan Province Committee of CCP (中共四川省委黨校) in July 1996. Ms. Liao is a senior economist and has over 20 years of experience in corporate management. Ms. Liao severed as the deputy general manager of Chongqing office of China Huarong Asset Management Co., Ltd. in May 2008. Ms. Liao graduated from the School of Finance and Trading in Chongqing (重慶財貿學校) with a degree in Banking in August 1980 and graduated from the department of Finance and Business of Sichuan Broadcasting and Television University in July 1986. From September 1983 to February 2000, she worked at the Wan Cheng sub branch of Chongqing branch (重慶市分行萬盛區支行) of the Industrial and Commercial Bank of China, during which she served as the department head of the credit department (信貸科科長), assistant to the governor (行長助理), vice governor (副行長) and secretary of commission for discipline inspection. From March 2000 to May 2008, she worked at the Chongqing office of China Huarong Asset Management Co., Ltd. (中國華融資產管理公司重慶辦事處), during which she served as the senior deputy manager, the senior manager of the general department (綜合部高級經理), senior manager of operation department, senior manager of claim department as well as the senior manager of business department.

Save as disclosed herein, the executive Director and Supervisor have not held any directorship in any other listed companies nor taken up any post in any affiliated companies of the Company in the past three years, nor any relationship with any other director, supervisor, senior management, substantial shareholder or controlling shareholder of the Company. Furthermore, none of the executive Director and Supervisor has any equity interest in the Company within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed herein, there is no other information relating to the executive Director and Supervisor to be disclosed pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited nor any matter which needs to be brought to the attention of the Shareholders of the Company.

The Board wishes to take this opportunity to express its gratitude to Mr. Sun Nengyi and Mr. Ye Zusheng for their contributions to the Company during their tenure of service with the Company and to express its welcome to Mr. Xie Hua Jun and Ms. Liao Rong.

By Order of the Board  
**Chongqing Machinery & Electric Co., Ltd.\***  
**Chen Xianzheng**  
*Executive Director*

Chongqing, the PRC

31 August 2009

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

\* *For identification purposes only*