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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 30 DECEMBER 2010**

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 30 December 2010.

Reference is made to the circular of Chongqing Machinery & Electric Co., Ltd.\* (the “**Company**”) dated 15 November 2010 (the “**Circular**”) in connection with (i) resignation of executive Director; (ii) appointment of executive Director; (iii) appointment of non-executive Director; and (iv) proposed amendments to the Articles. 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 30 December 2010, 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 resolution nos. 1 to 4 as set out in the notice convening 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 Notice were duly passed. All the resolutions, which were voted on by poll, were approved by the Shareholders.

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.	To approve the resignation of executive Director Mr. He Yong;	2,999,454,507 (99.432964%)	17,104,964 (0.567036%)
2.	To approve the appointment of Mr. Yu Gang as executive Director and his remuneration to be implemented according to the remuneration standards approved at the 2009 annual general meeting;	2,823,490,429 (93.599694%)	193,069,042 (6.400306%)
3.	To approve the appointment of Mr. Wang Jiyu as non-executive Director and his remuneration to be implemented according to the remuneration standards approved at the 2009 annual general meeting;	2,825,971,393 (93.681939%)	190,588,078 (6.318061%)
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.	3,016,557,471 (99.999934%)	2,000 (0.000066%)
As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.			

### Appointments of the Directors

The appointments of Mr. Yu Gang as Executive director and Mr. Wang Jiyu as Non-executive director were approved at the EGM. The Board will determine the remunerations of the Directors with reference to remuneration standard for Directors passed at the EGM and other terms and conditions as the Board shall think fit.

## Biography of Mr. Yu Gang

**Mr. Yu Gang**, aged 46, joined the Parent Group and the Group in September 2003 and July 2007 respectively. He has been a non-executive Director of the Company since July 2007 and a director of the Parent Group since September 2003. Mr. Yu acted as vice president of the Parent Group from September 2003 to September 2010. Since May 2009, he has also been serving as a director and vice chairman at Chongqing Wanli Holding (Group) Co., Ltd., a company listed on the Shanghai Stock Exchange in March 1994 and primarily engaged in manufacture and sale of lead acid storage batteries and components. In addition, Mr. Yu has concurrently been a director and executive director of Chongqing Puhui Electromechanical Industrial Development Company Limited (重慶普惠機電實業發展有限責任公司) since April 2004 and a director of Kunlun Financial Leasing Company Limited since August 2010, respectively. Mr. Yu has over 20 years of experience in the government service and the management of large enterprises. Prior to joining the Company, Mr. Yu was the deputy mayor of Jiangjin Municipal Government from 2001 to 2003 in charge of industrial development of the municipality, the assistant to the mayor of Jiangjin Municipal Government and the section chief of Economic Committee and the minister of the Industry and Transportation Department from 1997 to 2001 in charge of the industrial and economic development of the municipality. Between 1989 and 1997, he was an officer in the Chongqing Municipality Industrial Transportation Department in charge of human resources management, and an officer in the Chongqing Machinery School from 1984 to 1989. Mr. Yu is a senior engineer who graduated from Chongqing Machinery Manufacturing School with a professional degree in machinery engineering in 1984 and from Chongqing Party School in 1997. He also graduated from Southwest Normal School with a master's degree in business management in 2002. He is currently attending an EMBA course in business administration in Xiamen University. Save as disclosed above, Mr. Yu did not hold any directorship in other listed public companies or any other position in the Company or other members of the Group in the last three years.

As at the date of this announcement, Mr. Yu did not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed in this announcement, Mr. Yu does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Mr. Yu has not entered into any service contract with the Company or its subsidiaries in respect of his appointment as Executive Director. He has been appointed as the General Manager of the Company and his term of office shall commence from the date of the approval at the Board meeting until the expiry of the term of this session of the Board. The annual salary of Mr. Yu in his term of office shall be subject to the remuneration standard of the Company as approved at the 2009 annual general meeting.

Save as disclosed above, there is no other matter in relation to Mr. Yu that needs to be brought to the attention of the Shareholders of the Company and there is no information that is required to be disclosed pursuant to Rule 13.51(2) (h) to 13.51(2)(v) of the Listing Rules.

The Board is not aware of any other matters in relation to the appointment of Mr. Yu Gang as an executive Director that needs to be brought to the attention of the Shareholders, nor is there any information that need to be disclosed by the Company pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

## **Biography of Mr. Wang Jiyu**

**Mr. Wang Jiyu**, aged 53, joined the Parent Group in December 1980. He has been the vice president of the Parent Group and a member of the Party Committee since October 2001 in charge of economic operation, safety and environmental protection, personnel and labour as well as comprehensive statistics. He has been serving as a director and vice chairman of Chongqing Lifan Automobile Co., Ltd. since May 2004 and a director and vice chairman of Chongqing Electric Machine Federation Ltd. since November 2007 and June 2010 respectively. Mr. Wang has over 20 years of experience in business management. He was an assistant to president and head of the economic operation department at the Parent Group from 2000 to October 2001, in charge of economic operation, safety and hygiene, labour and salaries as well as comprehensive statistics. From November 1984 to August 2000, he served at Chongqing Municipal Machinery Industry Bureau as secretary of the organization and personnel division, deputy secretary of the communist youth league, deputy director of the enterprise management division and deputy director of the general production division (in charge of operation) in tandem. Mr. Wang was a teacher at the Technical School of Chongqing Mining Machine Factory (重慶礦山機器廠技校) from December 1980 to October 1982 and the deputy secretary of the Work Committee of Communist Youth League of Chongqing Engineering & Mining Machinery Industry Company (重慶工程礦山機械工業公司) from October 1982 to November 1984. Mr. Wang is a senior economist who graduated from the Correspondence Institute of the Party School of C.C. of C.P.C. with a diploma in economic management in June 1988. Save as disclosed above, Mr. Wang did not hold any directorship in other listed public companies or any other position in the Company or other members of the Group in the last three years.

As at the date of this announcement, Mr. Wang did not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed in this announcement, Mr. Wang does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Mr. Wang has not entered into any service contract with the Company or its subsidiaries in respect of his appointment as non-executive Director. The annual salary of Mr. Wang in his term of office shall be subject to the remuneration standard of the Company as approved at the 2009 annual general meeting.

Save as disclosed above, there is no other matter in relation to Mr. Wang that needs to be brought to the attention of the Shareholders of the Company and there is no information that is required to be disclosed pursuant to Rule 13.51(2) (h) to 13.51(2)(v) of the Listing Rules.

The Board is not aware of any other matters in relation to the appointment of Mr. Wang Jiyu as a non-executive Director that needs to be brought to the attention of the Shareholders, nor is there any information that need 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.\***  
**Xie Hua Jun**  
*Chairman, Executive Director*

Chongqing, the PRC  
30 December 2010

*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*