

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

**DELAY IN DESPATCH OF CIRCULAR
IN RELATION TO MAJOR TRANSACTION**

Reference is made to the announcement (“**Announcement**”) of the Company dated 20 February 2014 in relation to a major transaction regarding the land resumption by government. Unless otherwise stated, capitalized terms used herein shall bear the same meanings as defined in the Announcement.

DELAY IN DESPATCH OF CIRCULAR

As set out in the Announcement, a circular containing the information required under the Listing Rules in relation to the land resumption by government is expected to be despatched to the Shareholders on or before 13 March 2014. Since additional time is required for the preparation and finalisation of certain information (including the financial information of the Group), the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 14.41(a) of the Main Board Listing Rules and as such the dispatch date

of the circular will be postponed to a date on or before 15 April 2014.

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

Chongqing, the PRC

10 March 2014

As at the date of the announcement, the executive Directors are Mr. Wang Yuxiang, Mr. Yu Gang, Mr. Ren Yong and Mr. Chen Xianzheng; the non-executive Directors are Mr. Huang Yong, Mr. Wang Jiyu, Mr. Yang Jingpu and Mr. Deng Yong; and the independent non-executive Directors are Mr. Lo Wah Wai, Mr. Ren Xiaochang, Mr. Jin Jingyu and Mr. Yang Zhimin.

** For identification purposes only*