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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 ANNUAL GENERAL
MEETING HELD ON 18 JUNE 2014**

The Board of the Company hereby announces that the resolutions set out in the Notice of the AGM of the Company dated 30 April 2014 were duly passed by the shareholders of the Company by way of poll at the AGM held on 18 June 2014.

Reference is made to the circular (“**Circular**”) dated 30 April 2014 of Chongqing Machinery & Electric Co., Ltd.* (the “**Company**”) in connection with: (i) proposed granting of a general mandate to issue new Shares of the Company; (ii) renewal of guarantee by the Company for loans of RMB37 million of Chongqing Pigeon; (iii) renewal of guarantee by the Company for loans of RMB115 million of Huahao Smelting; (iv) guarantee by the Company for a loan of USD50 million of Holroyd and PTG Development as co-borrowers; (v) provision of guarantee by the Company for a loan of USD20 million of PTG development; (vi) change of a director and the Notice of the AGM of the Company dated 30 April 2014. Terms used herein shall have the same meaning as defined in the Circular unless otherwise specified.

RESULTS OF THE AGM

As at the date of Annual General Meeting (“AGM”) of the Company held on 18 June 2014, the registered and issued share capital of the Company was RMB3,684,640,154 of RMB1.00 each, which was 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 No. 1-12 as set out in the Notice of the AGM either in person, by their duly authorized representatives or by proxy at the AGM were 3,684,640,154 which was divided into 2,584,452,684 domestic Shares and 1,100,187,470 H Shares. There is no Share entitling the Shareholder to attend the AGM and abstain from voting in favour of any resolution at the AGM and no Shareholder is required under the Listing Rules to abstain from voting at the AGM. The board (“Board”) of directors (“Directors”) of the Company is pleased to announce that all the resolutions set out in the Notice of the AGM 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 AGM.

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 consider and approve the report of the board of directors of the Company (the “Board”) for the year ended 31 December 2013;	2,853,594,141 (100.000000%)	0 (0.000000%)
2.	To consider and approve the report of the Supervisory Committee of the Company for the year ended 31 December 2013;	2,853,594,141 (100.000000%)	0 (0.000000%)
3.	To consider and approve the audited consolidated financial statements of the Company and its subsidiaries and the Auditor’s Report for the year ended 31 December 2013;	2,853,594,141 (100.000000%)	0 (0.000000%)

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
4.	To consider and approve the profit appropriation proposal of the Company for the year ended 31 December 2013 and the declaration of the final dividend of RMB0.05 per share;	2,853,594,141 (100.000000%)	0 (0.000000%)
5.	To consider and approve the re-appointment of PricewaterhouseCoopers Zhong Tian CPAs (special general partnership) as the PRC auditor and PricewaterhouseCoopers as the international auditor of the Company for the year of 2014 to hold office until the conclusion of the next annual general meeting and the total review and audit fees of RMB4.7 million for the Company's 2014 interim financial statements and annual financial statements;	2,817,749,876 (99.919707%)	2,264,265 (0.080293%)
6.	To consider and approve the renewal of guarantee by the Company for loans of RMB37 million of Chongqing Pigeon;	2,853,594,141 (100.000000%)	0 (0.000000%)
7.	To consider and approve the renewal of guarantee by the Company for loans of RMB115 million of Huahao Smelting;	2,853,594,141 (100.000000%)	0 (0.000000%)
8.	To consider and approve the provision guarantee by the Company for loans of USD50 million of Holroyd and PTG Development as co-borrowers;	2,853,594,141 (100.000000%)	0 (0.000000%)
9.	To consider and approve the provision of guarantee by the Company for loans of USD20 million of PTG Development;	2,853,594,141 (100.000000%)	0 (0.000000%)
10.	To consider and approve the resignation of Mr. Chen Xianzheng as an executive Director of the Company;	2,853,594,141 (100.000000%)	0 (0.000000%)
11.	To consider and approve the appointment of Mr. Xiang Hu as an executive Director of the Company to hold office from the date of the AGM until expiry of the term of the session of the Board and to authorize the Board to fix the remuneration of Mr. Xiang Hu pursuant to the remuneration standard for Directors passed at the 2012 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;	2,853,570,141 (99.999159%)	24,000 (0.000841%)
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 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
12.	<p>To give a general mandate to the Board to allot, issue and deal with additional Domestic Shares and/or the H Shares and to make or grant offers, agreements and/or options in respect thereof (the “General Mandate”), subject to the following conditions:</p> <p>“THAT</p> <p>(A) (a) the General Mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;</p> <p>(b) the aggregate nominal amount of the Domestic Shares and the H Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Board (otherwise than pursuant to any scrip dividend scheme (or similar arrangement providing for the allotment and issue of shares in lieu of the whole or part of a dividend), any share option scheme, a Rights Issue or any separate approval of the shareholders of the Company) shall not exceed:</p> <p>(i) 20 per cent of the aggregate nominal amount of the Domestic Shares in issue; and</p> <p>(ii) 20 per cent of the aggregate nominal amount of the H Shares in issue, respectively, in each case as at the date of passing of this resolution; and</p>	<p>2,642,752,684 (92.611372%)</p>	<p>210,841,457 (7.388628%)</p>

SPECIAL 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
	<p>(c) the Board will only exercise its power under the General Mandate in accordance with the Company Law of the PRC and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as each of them may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant government authorities in the PRC are obtained;</p> <p>and, for the purposes of this resolution:</p> <p>“Domestic Share(s)” mean ordinary domestic share(s) in the share capital of the Company which are subscribed and/or paid for in Renminbi;</p> <p>“H Share(s)” mean overseas listed foreign invested shares (being ordinary shares) in the share capital of the Company which are subscribed and/or paid for in Hong Kong dollars or foreign currency other than Renminbi;</p>		

SPECIAL 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
	<p>“Relevant Period” means the period from the date of passing this resolution until the earlier of: (a) the conclusion of the next annual general meeting of the Company following the passing of this resolution, unless, by special resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions; or (b) the expiry of the period within which the next annual general meeting is required by the articles of association of the Company or any applicable law to be held; or (c) the passing of a special resolution of the Company in a general meeting revoking or varying the authority set out in this resolution;</p>		

SPECIAL 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
	<p>“Rights Issue” means the allotment or issue of shares in the Company or other securities which would or might require shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company (excluding, as the Board may decide, for such purpose any shareholder who is resident in a place where such offer is not permitted under the law or regulation of that place) entitled to such offer, pro rata (apart from fractional entitlements) to their then existing holdings of shares; and</p>		

SPECIAL 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
(B)	contingent on the Board resolving to exercise the General Mandate and/or issue shares pursuant to paragraph (a) of this resolution, the Board be and is hereby authorised:	2,642,752,684 (92.611372%)	210,841,457 (7.388628%)
	(a) to approve, execute and do, or procure to be executed and done all such documents, deeds and matters which it may consider necessary in connection with the exercise of the General Mandate and/or the issue of shares, including but not limited to the time, price, quantity and place for such issue, to make all necessary applications to the relevant authorities, and to enter into underwriting agreement(s) or any other agreement(s);		
	(b) to determine the use of proceeds and to make all necessary filings and registration with the relevant authorities in the PRC, Hong Kong and/or any other places and jurisdictions (as appropriate); and		
	(c) to increase the registered capital of the Company and make all necessary amendments to the Articles to reflect such increase and to register the increased capital with the relevant authorities in the PRC, Hong Kong and/or any other places and jurisdictions (as appropriate) so as to reflect the new capital and/or equity structure of the Company.”		

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 appointment of Mr. Xiang Hu as executive Director was approved at the AGM. The Board will determine the remuneration of Mr. Xiang Hu with reference to remuneration standard for Directors passed at the 2012 annual general meeting and enter into a service agreement with him on and subject to the terms and conditions as the Board shall think fit, and to do all such acts and things to give effect to such matters.

Profile of Mr. Xiang Hu:

Mr. Xiang Hu, aged 49, is the secretary to the Board of the Company. He joined the Company in September 2012, and has served as the secretary to the Board of the Company since January 2014. He has been concurrently serving as a director of Chongqing New North Zone Machinery and Electronic Microcredit Co., Ltd.* (重慶市北部新區機電小額貸款有限公司) since March 2013 up to now, and a director of Chongqing Water Turbine Works Co., Ltd. and Chongqing Jiangbei Machinery Co., Ltd. from October 2012 up to now. Mr. Xiang has over 20 years of experience in governmental service and news media. He once served as the deputy general manager of the Company from September 2012 to January 2014, the deputy director of the Chongqing Intellectual Property Rights Bureau from November 2004 to September 2012, the president of the Modern Workers Newspaper Office (現代工人報報社) (now known as Chongqing Times (重慶時報)) from January 2003 to November 2004, the deputy CPC 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) of Xinhua News Agency from July 1993 to May 1998, and a journalist with the Sichuan branch office of Xinhua News Agency from July 1986 to July 1993. Mr. Xiang graduated from the Faculty 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 economic law in June 1997, and from Nanyang Technological University, Singapore, majoring in managerial economics, in July 2002.

Save as disclosed above, Mr. Xiang Hu did not hold any directorships in any other listed companies or 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. Xiang Hu does not hold other positions in the Company or other members of the Group.

Save as disclosed above, Mr. Xiang Hu does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company nor has any interests in the Shares of the Company within the meaning of Part XV of the SFO. Mr. Xiang Hu does not hold Shares in the Company.

The Board is not aware of any other matters in relation to the appointment of Mr. Xiang Hu as executive Director 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.

Declaration and payment of a final dividend of RMB0.05 per share (before tax) for the year ended 31 December 2013 have been approved at the AGM. The final dividend will be paid on or around 31 July 2014 to those shareholders whose names appear on the register of members of the Company on 29 June 2014. In order to ascertain the entitlements of the Shareholders to receive the final dividend, the register of members of the Company will be closed from Tuesday, 24 June 2014 to Sunday, 29 June 2014 (both days inclusive), during which period no transfer of Shares will be registered.

Pursuant to the Corporate Income Tax Law of the PRC and its implementing regulations which took effect on 1 January 2008, the tax rate of the corporate income tax applicable to the income of non-resident enterprise deriving from the PRC is 10%. Therefore, the Company will distribute the final dividend to non-resident enterprise shareholders whose names appear on the register of members of the Company on 29 June 2014, subject to a deduction of 10% corporate income tax withheld and paid by the Company on their behalf.

Cheques will be despatched to holders of H shares who are entitled to receive such dividend by ordinary post at the holders' risk on or around 31 July 2014 by the Company's H share registrar, Computershare Hong Kong Investor Services Limited, and dividends will be paid in Hong Kong dollars. RMB will be converted to Hong Kong dollars based on the average currency rates prevailing week (being 11 June to 17 June 2014) before the date of dividend declaration as announced by the People's Bank of China (RMB0.793564 is approximately equivalent to HK\$1.00). The dividend payable to each H Share is approximately HK\$0.063007.

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

Chongqing, the PRC
18 June 2014

As at the date of the announcement, the executive Directors are Mr. Wang Yuxiang, Mr. Yu Gang, Mr. Ren Yong and Mr. Xiang Hu; 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