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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 with limited liability)
(Stock Code: 02722)

POSITIVE PROFIT ALERT

This announcement is made by Chongqing Machinery & Electric Co., Ltd.* (the “**Company**”, together with its subsidiaries the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholder(s)**”) and potential investors that, based on the information currently available to the Board and a preliminary review and assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2025, the Group expects that the net profit attributable to the Shareholders for the six months ended 30 June 2025 will increase by approximately 50% as compared to that of the corresponding period in 2024. Such increase is primarily attributable to the Group’s (i) continued improvement in lean management, resulting in a significant improvement in the operating performance of its hydropower equipment business, and (ii) increased investment income from its high-horsepower engine business and ultra high voltage power transmission and substation business.

The Board hereby reminds the Shareholders and potential investors that the information contained in this announcement is only based on the preliminary review by the management of the Company on the financial information currently available to it and is not based on any figures or information that has been audited or reviewed by the auditors or the audit committee of the Company. The Shareholders and potential investors are advised to read carefully the interim results announcement of the Company for the six months ended 30 June 2025 which is expected to be published on 20 August 2025.

The Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Chongqing Machinery & Electric Co., Ltd.*
Yue Xiangjun
Executive Director and General Manager
(performing duties and powers as chairman of the Board)

Chongqing, the PRC
11 August 2025

As at the date of the announcement, the executive Directors are Mr. Yue Xiangjun, Mr. Qin Shaobo and Mr. Deng Rui; the non-executive Directors are Mr. Lei Bin, Ms. Zhu Ying, Mr. Dou Bo and Mr. Cai Zhibin; and the independent non-executive Directors are Mr. Ke Rui, Mr. Liu Lijun, Ms. Pu Huayan and Mr. Wong Chun Wa.

* *For identification purposes only*