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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)

(Stock Code: 02722)

**Appointment of Chairman of the Board and Authorized Representative and
Engagement of General Manager, Vice General Manager,
Secretary to the Board and Qualified Accountant**

Reference is made to the circular of Chongqing Machinery & Electric Co., Ltd.* (the “**Company**”) dated 8 June 2016 (the “**Circular**”) in relation to (among which) the re-election of Directors and continuous appointment of independent non-executive Director who has served more than nine years and re-election of Supervisors. Unless the announcement requires otherwise, capitalised terms used herein shall bear the same meanings as defined in the Circular.

The AGM Notice dated 13 May 2016 and all resolutions set out in the Supplemental Notice of the AGM of the Company dated 8 June 2016 were duly passed by the shareholders of the Company by way of poll, including the resolution to consider and approve the appointments of Mr. Wang Yuxiang, Ms. Chen Ping and Mr. Yang Quan as executive Directors of the Company.

The fourth session of the Board of Directors is pleased to announce that the Board has convened the first meeting in 2016 of the fourth session of the Board on 28 June 2016, wherein the following resolutions were passed to:

- (i) continue to appoint Mr. Wang Yuxiang, an executive Director of the Company, as the Chairman of the fourth session of the Board;
- (ii) appoint Ms. Chen Ping, an executive Director of the Company, the general manager of the fourth session of the Company;
- (iii) continue to appoint Mr. Duan Caijun as the vice general manager of the fourth session of the Company;

* *For identification purposes only*

- (iv) continue to appoint Mr. Yang Quan, an executive Director of the Company, as the vice general manager of the fourth session of the Company; and appoint Mr. Yang Quan, an executive Director of the Company, as an authorized representative of the Company;
- (v) appoint Mr. Sun Wenguang as the vice general manager of the fourth session of the Company;
- (vi) appoint Mr. Zhang Shu as the vice general manager of the fourth session of the Company;
- (vii) appoint Mr. Deng Rui as the secretary to the Board of the fourth session of the Company; and
- (viii) continue to appoint Mr. Kam Chun Ying, Francis as the qualified accountant of the fourth session of the Company.

Their term of office will take effect from 28 June 2016 until the expiry of the term of office of the fourth session of the Board/the fourth session of the senior management.

Mr. Wang Yuxiang served as Chairman of the Company from 18 June 2013; Mr. Duan Caijun served as vice general manager of the Company from November 2010; Mr. Yang Quan served as vice general manager of the Company from May 2012; Mr. Kam Chun Ying, Francis served as qualified accountant of the Company from February 2008.

Biographies of Chairman, general manager, vice general manager, secretary to the Board and qualified accountant are set out below:

Mr. **Wang Yuxiang (王玉祥)**, aged 54, has served as the Chairman, executive Director, chairman of the nomination committee and strategic committee of the Company since 18 June 2013. He joined the Parent Group and served as the chairman and Party Committee secretary since April 2013, and has also served as a director and chairman of Chongqing Machinery and Electronics Holding (Group) Finance Co., Ltd. since August 2013. Mr. Wang has over 30 years of experience in business and regional economic management. Mr. Wang served as the deputy director and a member of the Party Committee of Chongqing State-owned Assets Supervision and Administration Commission from June 2009 to April 2013 (and concurrently served as the Party Committee secretary of Chongqing Consultation Research Institute (重慶市諮詢研究院) from November 2011 to April 2013), the deputy director and a member of the Party Group of Chongqing Economic and Information Technology Commission (重慶市經濟和信息化委員會) from March 2009 to June 2009, the deputy director and a member of the Party Group of Chongqing Economic Commission (重慶市經濟委員會) from April 2004 to March 2009 (during which he was delegated by three ministries and commissions including the Organization Department of the CPC Central Committee to take a temporary post as the deputy director of the Marketing Department of China Southern Power Grid from March to October 2006), the secretary of the Disciplinary Inspection Committee of China National Erzhong Group Co. from July 2000 to April 2004 (and concurrently served as the Party Committee secretary of Deyang Heavy Industry Park (德陽重工園區) from November 2000 to April 2004 and took a temporary post as the deputy secretary of Enterprise Work Committee of Chongqing Municipal Party Committee and the deputy secretary of the Communist Party Committee of SASAC of Chongqing City successively), the

secretary of the Communist Youth League, vice-section level inspector and section level inspector of the Disciplinary Inspection Committee, Party branch secretary of heavy machinery workshop, office director, deputy plant manager, general Party branch secretary and plant manager of the Heavy Machinery Branch Factory (重機分廠) of China National Erzhong Group Co. from November 1984 to July 2000, and a worker of No. 3 metal workshop and an officer of the Communist Youth League of China National Erzhong Factory (中國第二重型機械廠) from December 1979 to November 1984. Mr. Wang is a senior economist, a senior political scientist, and the Executive Vice President of the Second Council of Chongqing Enterprises Confederation (重慶市企業聯合會), Chongqing Entrepreneurs Association (重慶市企業家協會) and Chongqing Federation of Industrial Economics (重慶市工業經濟聯合會). He is also a member of the Leading Group Office for the Development of Creative Industries in Chongqing (重慶市創意產業發展領導小組辦公室), and a Director of the Fourth Council of China Machinery Industry Federation (中國機械工業聯合會). He graduated from Sichuan Cadre Correspondence School (四川幹部函授學院) with an associate degree in Party policy in September 1988, the correspondence course of economic management of the Party School of Sichuan Provincial Committee in December 1995, the program of Master of Business Administration (MBA) of Chongqing University in December 1999 and the program of EMBA with a master degree in EMBA in Xiamen University in December 2011. He graduated from the Class of Chongqing Enterprise Leaders of Tsinghua University (one-year term) in December 2013.

Ms. **Chen Ping** (陳萍), aged 53, is the general manager of the Company. Ms. Chen engages in merger and reorganization of enterprises, equity investment, capital operations and other works, owns extended experience in corporate management. She was the vice president and a member of the Party Committee of Chongqing Machinery and Electronic Holding (Group) Co., Ltd. from February 2004 to May 2016. She has been the chairman of Chongqing Machinery and Electronic Holding Group Xinbo Investment Management Co., Ltd. (重慶機電控股集團信博投資管理有限公司) from January 2016 until now, the chairman of Chongqing Hi-tech Red Horse Capital Management Limited (重慶高新創投紅馬資本管理有限公司) from May 2015 until now, the executive director (legal representative) of Chongqing Machinery and Electronic Holding Group Assets Management Co., Ltd. (重慶機電控股集團資產管理有限公司) from July 2009 to October 2014. She served as the assistant to the president of Chongqing Light Textile Holding (Group) Co., Ltd. and the manager of Chongqing Super Excellence Co., Ltd. from December 2002 to February 2004, a manager of assets operation department in Chongqing Light Textile Holding (Group) Co., Ltd. from March 2001 to December 2002, the deputy manager of assets operation department of Chongqing Light Textile Holding (Group) Co., Ltd. and president of Chongqing Longhua Printing Co., Ltd. (重慶龍華印務有限公司) from August 2000 to March 2001, the deputy section officer, section officer and assistant researcher of the enterprise management department of Chongqing Light Industry Bureau from October 1983 to August 2000. Ms. Chen is a senior economist with a Bachelor of Science after the graduation in biology from Yuzhou University in August 1983 and obtained a postgraduate degree in business administration from Chongqing Master College of Business Administration (重慶工商管理碩士學院) in July 2001 and a master degree in EMBA (Executive Master of Business Administration) from the school of business and economics of Chongqing University in December 2013.

Mr. **Duan Caijun (段彩均)**, aged 51, is a Vice General Manager of the Company. He joined the Parent Group in July 1987. Mr. Duan has concurrently served as a director and vice chairman of Exedy (Chongqing) Driving System Co., Ltd. (愛思帝(重慶)驅動系統有限公司) since April 2011, a director of Chongqing Machine Tool (Group) Co., Ltd. (重慶機床(集團)有限責任公司) since December 2011, and a director of Qijiang Gear Transmission Co., Ltd. from December 2012. Mr. Duan has over 20 years of experience in enterprise management. He served as the chairman and general manager of Chongqing Pigeon Electric Wires & Cables Co., Ltd. (重慶鴿牌電線電纜有限公司) from March 2001 to December 2011. From October 1998 to June 2003, he served as the general manager of Chongqing Electric Wire & Cable Co., Ltd. (重慶電線電纜有限公司). From July 1997 to October 1998, he was deputy general manager of Chongqing Electric Wire & Cable Co., Ltd. From August 1995 to July 1997, he was deputy plant manager of Chongqing Electricity Wire Plant (重慶電線總廠). From June 1992 to August 1995, he was the general manager of Chongqing Jiatai Enamelled Wire Company Limited (重慶嘉泰漆包線有限責任公司). Mr. Duan is a senior engineer. He graduated from Department of Electronic Engineering of Wuhan Institute of Technology with a bachelor's degree in July 1987 and from MBA Institute of Chongqing University with a MBA degree in 2003. He graduated from Senior MBA program Class No. 61 of College of Economics and Management of Tsinghua University in 2008, and obtained Senior Professional Manager Certificate in 2009. He studied for China-Europe Business Development Certificate Program, which was jointly provided by China-Europe International Business School and Frankfurt School of Finance and Management in 2010, and studied for EMBA in Xiamen University from November 2010. Mr. Duan currently serves as vice chairman of Chongqing Volunteers Association. Mr. Duan is a model worker of Chongqing City, winner of Chongqing "May 1st" labor medal, the sixth contest for Top Ten Outstanding Young Entrepreneurs of Chongqing City, and the eight session of Chongqing Youth "May 4th" medal. He was the deputy to the third session of Chinese Party Committee in Chongqing and the deputy to the third session of Chongqing People's Congress. He was also recognised as a Paragon of Moral Rectitude of Chongqing and winner of an Honourable Mention Award in the first selection of National Paragon of Moral Rectitude.

Mr. **Yang Quan (楊泉)**, aged 51, executive director and vice general manager of the Company, has served as a vice general manager of the Company since May 2012, and an executive director of the Company since December 2012. He has been a director of Chongqing Youyan Smelting New Material Co., Ltd. (重慶有研重冶新材料有限公司) since July 2014. He has concurrently served as a director of Chongqing Hongyan Fangda Automotive Suspension Co., Ltd. (重慶紅岩方大汽車懸架有限公司) since June 2013 and a director of Precision Technology Investment and Development Co., Ltd. (精密技術投資發展有限公司) since April 2012, a director of Chongqing Gas Compressor Factory Co., Ltd. (重慶氣體壓縮機廠有限責任公司) since December 2011, and an executive director and general manager of Chongqing Shengpu Materials Co., Ltd. (重慶盛普物資有限公司) since December 2011. Mr. Yang has over 20 years of experience in enterprise management, once served as the manager of the business management department and assistant to general manager of the Company from August 2007 to May 2012, the head of the economic operation department and head of the business management department of the securities work steering team of Chongqing Machinery and Electronics Holding (Group) Co., Ltd. (重慶機電控股(集團)公司) from March 2004 to August 2007, the party branch secretary of the foundry workshop, deputy director of the "five-initiative" reform office, secretary and deputy director of the hot plate workshop, chief of the equipment

division, managing factory director, and chief economist of Chongqing No. 2 Machine Tools Factory (重慶第二機床廠) from July 1987 to March 2004. Mr. Yang is an engineer, graduated from the College of Mechanical Engineering of Sichuan University with a bachelor's degree in foundry in July 1987, and studied for EMBA in Xiamen University from November 2011.

Mr. **Sun Wenguang** (孫文廣), aged 50, is a Vice General Manager of the Company. He served as the chief of the Reform and Property Rights Administration Division of Chongqing State-owned Assets Supervision and Administration Commission (Chongqing Enterprise Merge and Bankruptcy Office (重慶市企業兼併破產工作辦公室)) from July 2010 to June 2016. He served as the deputy chief of the Reform and Property Rights Administration Division of Chongqing State-owned Assets Supervision and Administration Commission (No. 2 corporate supervision department (企業監管二處)) from August 2005 to July 2010, and worked as chairman and director of Chongqing Luzuofu Equity Fund Management Co., Ltd. (重慶盧作孚股權基金管理有限公司) from March 2010 to June 2016. He served as an assistant researcher of the Property Rights Administration Division of Chongqing State-owned Assets Supervision and Administration Commission (No. 2 corporate supervision department) from March 2004 to August 2005 and as a senior staff member of the Property Rights Administration Division of Chongqing State-owned Assets Supervision and Administration Commission (No. 2 corporate supervision department) from November 2003 to March 2004. He served as a senior staff member of the No. 2 corporate department of Chongqing Municipal Finance Bureau from January 1998 to March 2003. He worked as a office clerk, clerk and senior staff member of the No. 1 corporate department of Chongqing Municipal Finance Bureau from August 1987 to January 1998. Mr. Sun is a assistant accountant. He graduated from Sichuan Provincial Fiscal School majoring in Corporate and Finance in July 1987 with a technical secondary school education degree and graduated with a bachelor's degree in economic management from the Correspondence School of Party School of the CPC Central Committee in December 1999, and from the MBA Institute of Chongqing University (重慶工商管理碩士學院) with a master's degree in 2009.

Mr. **Zhang Shu** (張舒), aged 48, is a Vice General Manager of the Company. Mr. Zhang had held various positions including the manager of the planning and development department of Chongqing Machinery & Electronic Holding (Group) Co., Ltd., the manager of the foreign business department and the manager of the planning and development department of the Company from March 2014 to June 2016; he served as the deputy chief of the Department of Foreign Economic and Business, the deputy chief of Planning and Investment Department and the deputy chief (in charge) of the Industrial Department of Chemical Medicine (化工醫藥工業處) in Chongqing Economic and Information Technology Commission from May 2006 to March 2014, and worked as the head of the Co-ordination Department of Chongqing MDI Headquarters Office (重慶市MDI指揮部辦公室綜合協調部) in charge of daily work of MDI Office from April 2012 to March 2014; he served as a senior staff member of the food industry department (the food industry office of the municipal government (市政府食品工業辦公室)), a senior staff member of the foreign business department, an assistant researcher of the foreign business department and the deputy chief of the foreign business department in Chongqing Economic and Information Commission from July 1999 to April 2006. He worked in Chongqing Liling Food Factory (重慶立林食品廠) from December 1992 to September 1996, and worked as a technical staff in the drink and food factory and head of Bailibao workshop of

Chongqing Jinyunshan Garden Spot (重慶縉雲山園藝場) from July 1988 to December 1992. Mr. Zhang is an assistant engineer and graduated from Southwest Agricultural University with a diploma in Food Analysis and Inspection in July 1988, and from College of Economics and Trade of Southwest Agricultural University in agricultural economics management with a master's degree in management in July 1999.

Mr. **Deng Rui (鄧瑞)**, aged 41, is a secretary to the Board. Mr. Deng has been working in corporate leaders and office management for a long career with extensive experience in corporate management. He served as vice minister and minister of the Organization Department of the Party Committee (the Leader Management Department) of Chongqing Machinery and Electric Holding (Group) Co., Ltd. from June 2012 to June 2016, the secretary and vice director of Chongqing Machinery and Electric Holding (Group) Co., Ltd. from June 2009 to May 2012. He served as the secretary and head of office of the Company from July 2007 to August 2009, and worked as the secretary and head of the comprehensive management department of securities leading group (證券領導小組綜合管理部) of Chongqing Machinery & Electronic Holding (Group) Co., Ltd. from February 2006 to July 2007, and secretary of the Communist Youth League, the director of promotion division, and workshop supervisor of Chongqing Bearing Industrial Co., Ltd. (重慶軸承工業公司) from May 1998 to February 2006. Mr. Deng is a senior political scientist and graduated from Chongqing Machinery & Electric College (重慶機電工程技術學校) in Bearing Processing with a technical secondary school education degree in May 1998, and graduated from the Correspondence School of the Chongqing Municipal Party School (重慶市委黨校函授學院) in December 2008, majoring in economics and management with a bachelor's degree, and graduated from Xiamen University, majoring in international economy and trade with a bachelor's degree in January 2013. He graduated from the EMBA Professional Graduate Program in the School of Management of Xiamen University in December 2014.

Mr. **Kam Chun Ying, Francis (甘俊英)**, aged 49, has been appointed as the qualified accountant of our Company since February 2008. He has served as the chief risk officer of Precision Technologies Group (PTG) Limited of UK since July 2013. Prior to joining the Company, Mr. Kam was the financial controller of TFH Management Limited, and was responsible for finance operations and corporate compliance in both the private and listed companies within that group. Between August 1986 and April 1989, Mr. Kam worked for Deloitte Touche Tohmatsu, previously known as Deloitte Haskins Sells, as a senior account assistant. He has over 20 years of experience in corporate and finance management. He has been a fellow of the Hong Kong Institute of Certified Public

Accountants since June 1996 and a fellow of the Chartered Association of Certified Accountants since June 2001. Mr. Kam graduated from Heriot-Watt University in the United Kingdom in November 2004 with a master's degree in business administration.

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

Chongqing, the PRC
28 June 2016

As at the date of the announcement, the executive Directors are Mr. Wang Yuxiang, Ms. Chen Ping and Mr. Yang Quan; the non-executive Directors are Mr. Huang Yong, Mr. Wei Fusheng, Mr. Deng Yong and Ms. He Xiaoyan; and the independent non-executive Directors are Mr. Lo Wah Wai, Mr. Ren Xiaochang, Mr. Jin Jingyu and Mr. Liu Wei.