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上海集優機械股份有限公司

Shanghai Prime Machinery Company Limited

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02345)

**POLL VOTING RESULTS OF THE EXTRAORDINARY
GENERAL MEETING HELD ON 21 OCTOBER 2011
RE-ELECTION AND APPOINTMENT OF MEMBERS OF THE BOARD
APPOINTMENT OF CHAIRMAN AND VICE CHAIRMAN OF THE
BOARD
APPOINTMENT OF MEMBERS OF AUDIT COMMITTEE AND
REMUNERATION COMMITTEE
RE-ELECTION AND APPOINTMENT OF MEMBERS OF
SUPERVISORY COMMITTEE
APPOINTMENT OF AUTHORISED REPRESENTATIVES AND
ALTERNATIVE AUTHORISED REPRESENTATIVES
APPOINTMENT OF SENIOR MANAGEMENT INCLUDING CHIEF
EXECUTIVE OFFICER, VICE PRESIDENTS, CHIEF FINANCIAL
OFFICER AND SECRETARY TO THE BOARD
APPOINTMENT OF THE CERTIFIED PUBLIC ACCOUNTANT
AND COMPANY SECRETARY**

The board of directors (the “**Board**”) of Shanghai Prime Machinery Company Limited (the “**Company**”) is pleased to announce that the extraordinary general meeting (the “**EGM**”) was held on 21 October 2011 and the resolutions proposed at the EGM were duly passed by the shareholders of the Company by way of a poll.

The Board also wishes to notify shareholders of 1) the re-election and appointment of members of the Board; 2) the appointment of chairman and vice chairman of the Board; 3) the appointment of members of audit committee and remuneration committee; 4) the re-election and appointment of members of supervisory committee including the chairman of the supervisory committee; 5) the appointment of authorized representatives and alternative authorized representatives; 6) the appointment of senior management including chief executive officer, vice presidents, chief financial officer and secretary to the Board; and 7) the appointment of the certified public accountant and company secretary.

Reference is made to the circular and the supplemental circular of the Company dated 2 September 2011 and 6 October 2011, respectively (collectively, the “**Circular**”). Terms used in this announcement shall have the same meanings as defined in the Circular unless otherwise indicated.

RESULTS OF THE EGM

The Board is pleased to announce that the EGM was held at 1:00 p.m. on Friday, 21 October 2011 at No.3 Meeting Room, Hotel Nikko Shanghai, 488 West Yan An Road, Shanghai, China.

The convening of the EGM was in compliance with the requirements of laws and regulations of the PRC, including the Company Law of the PRC and the Articles of Association of the Company. Mr. Zheng Yuanhu, the Chairman of the Company, chaired the EGM.

The proposed resolutions at the EGM were put to vote by way of a poll. The voting results in respect of the proposed resolutions at the EGM are as follows:

ORDINARY RESOLUTIONS		Total number of votes		
		For	Against	Abstain
1.	To consider and approve the framework sales agreement dated 12 August 2011 entered into between the Company and Shanghai Electric Group Company Limited and the transactions contemplated thereunder.	320,154,000 (96.02%)	13,254,000 (3.98%)	62,466,052*
As more than 50% of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.				
2.	To consider and approve the framework financial services agreement dated 12 August 2011 entered into between the Company and Shanghai Electric Group Finance Co., Ltd. and the transactions contemplated thereunder.	189,808,000 (56.93%)	143,600,000 (43.07%)	62,466,052*
As more than 50% of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.				
3.	To consider, re-elect and approve the appointment of Mr Zheng Yuanhu as the executive director of the Company.	998,730,184 (98.69%)	13,254,000 (1.31%)	62,466,052*
As more than 50% of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.				

ORDINARY RESOLUTIONS		Total number of votes		
		For	Against	Abstain
4.	To consider, re-elect and approve the appointment of Mr Zhu Weiming as the executive director of the Company.	998,730,184 (98.69%)	13,254,000 (1.31%)	62,466,052*
As more than 50% of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.				
5.	To consider, re-elect and approve the appointment of Mr Hu Kang as the executive director of the Company.	998,730,184 (98.69%)	13,254,000 (1.31%)	62,466,052*
As more than 50% of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.				
6.	To consider and approve the appointment of Mr Sun Wei as the executive director.	967,218,184 (95.58%)	44,766,000 (4.42%)	62,466,052*
As more than 50% of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.				
7.	To consider and approve the appointment of Mr Yuan Mifang as the executive director of the Company.	967,218,184 (95.58%)	44,766,000 (4.42%)	62,466,052*
As more than 50% of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.				
8.	To consider, re-elect and approve the appointment of Ms Zhu Xi as the executive director of the Company.	998,730,184 (98.69%)	13,254,000 (1.31%)	62,466,052*
As more than 50% of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.				
9.	To consider, re-elect and approve the appointment of Mr Chan Chun Hong (Thomas) as the non-executive director of the Company.	998,730,184 (98.69%)	13,254,000 (1.31%)	62,466,052*
As more than 50% of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.				
10.	To consider, re-elect and approve the appointment of Mr Ling Hong as the non-executive director of the Company.	998,730,184 (98.69%)	13,254,000 (1.31%)	62,466,052*
As more than 50% of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.				

ORDINARY RESOLUTIONS		Total number of votes		
		For	Against	Abstain
11.	To consider and approve the appointment of Mr Li Yin as the non- executive director of the Company.	998,730,184 (98.69%)	13,254,000 (1.31%)	62,466,052*
As more than 50% of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.				
12.	To consider, re-elect and approve the appointment of Mr Xu Chao as the supervisor of the Company (non-employee representative).	998,730,184 (98.69%)	13,254,000 (1.31%)	62,466,052*
As more than 50% of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.				
13.	To consider, re-elect and approve the appointment of Ms Hu Peiming as the supervisor of the Company (non-employee representative).	998,730,184 (98.69%)	13,254,000 (1.31%)	62,466,052*
As more than 50% of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.				
14.	To consider, approve and confirm the agreement entered into between the Company and Shanghai Electric (Group) Corporation (上海電氣(集團)總公司) in relation to the acquisition of Shanghai High Strength Bolt Factory Company Limited (上海高強度螺栓廠有限公司) and Shanghai Fastener and Welding Material Technology Research Centre Company Limited (上海緊固件和焊接材料技術研究所有限公司) and the transactions contemplated thereunder.	345,432,052 (87.26%)	50,442,000 (12.74%)	0*
As more than 50% of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.				

* Pursuant to the Articles of Association, any abstaining vote or waiver to vote shall be disregarded as voting rights for the purpose of calculating the result of that resolution.

Tricor Investor Services Limited, the Company's H share registrar act as the scrutineers in respect of the voting at the EGM and performed calculation to obtain the above poll voting results based on the completed and signed poll voting forms collected by the Company.

As at the date of the EGM, the total number of issued shares of the Company was 1,438,286,184 shares.

The total number of Shares entitling the Shareholders to attend and vote for or against the resolution Nos. 3 to 13 was 1,438,286,184 shares, representing 100% of the total issued shares of the Company. In accordance with the Articles of Association of the Company and the Listing Rules, SEG and its associates (who are collectively interested in 678,576,184 Domestic Shares as at the date of EGM) have abstained from voting on the ordinary resolution No.1 in connection with the Framework Sales Agreement, the ordinary resolution No.2 in connection with the Framework Financial Services Agreement and the ordinary resolution No.14 in connection with the Proposed Acquisition. The total number of shares entitling the Independent Shareholders to attend and vote for or against the resolution Nos. 1, 2 and 14 proposed at the EGM was 759,710,000 Shares, representing 52.82% of the total issued share capital of the Company at the date of the EGM. No Shareholder is entitled to vote only against or required to abstain from voting in respect of the resolution Nos. 3 to 13 proposed at the EGM under the Hong Kong Listing Rules. The Shareholders, holding in aggregate 1,074,450,236 Shares, representing approximately 74.70% of the issued shares of the Company were present in person or by proxy at the EGM.

RE-ELECTION AND APPOINTMENT OF MEMBERS OF THE BOARD

The Board is pleased to announce that (i) Mr. Zheng Yuanhu, Mr. Zhu Weiming, Mr. Hu Kang, Mr. Sun Wei, Mr. Yuan Mifang and Ms. Zhu Xi have been appointed as the executive directors; and (ii) Mr. Chan Chun Hong (Thomas), Mr. Ling Hong and Mr. Li Yin have been appointed as the non-executive directors.

Their terms of office commenced immediately upon the Shareholders' approval and will end upon re-election three years later.

Please refer to the circular dated 2 September 2011 for their biographical information.

APPOINTMENT OF CHAIRMAN AND VICE CHAIRMAN OF THE BOARD

The Board is pleased to announce that Mr. Zheng Yuanhu has been appointed as the chairman and Mr. Zhu Weiming has been appointed as the vice chairman of the third session of the Board.

Their terms of office commenced immediately and will end upon the expiration of term of the third session of the Board.

Please refer to the circular dated 2 September 2011 for their biographical information.

APPOINTMENT OF MEMBERS OF AUDIT COMMITTEE AND REMUNERATION COMMITTEE

The Board also announces that (i) Mr. Chan Chun Hong (Thomas), Mr. Ling Hong and Mr. Li Yin have been appointed as members of the third session of the audit committee; (ii) Mr. Chan Chun Hong (Thomas) has been appointed as the chairman of the third session of the audit committee; (iii) Mr. Li Wai Chung has been appointed as the secretary of the third session of the audit committee; (iv) Mr. Ling Hong, Mr. Chan Chun Hong (Thomas) and Mr. Li Yin have been appointed as members of the third session of the remuneration committee; (v) Mr. Ling Hong has been appointed as the chairman of the third session of the remuneration committee; and (vi) Mr. Li Wai Chung has been appointed as the secretary of the third session of the remuneration committee.

Their terms of office commenced immediately and will end upon the expiration of term of the third session of the Board.

Please refer to the circular dated 2 September 2011 for Mr. Chan Chun Hong (Thomas), Mr. Ling Hong and Mr. Li Yin's biographical information. Please refer to Mr. Li Wai Chung's biographical information under the paragraph headed "Appointment of the Certified Public Accountant and Company Secretary".

RE-ELECTION AND APPOINTMENT OF MEMBERS OF THE SUPERVISORY COMMITTEE

The Board further announces that Mr. Xu Chao and Ms. Hu Peiming have been appointed as the supervisors of the Company (non-employee representative). Mr. Xu Chao has also been appointed as the chairman of the supervisory committee.

Their terms of office commenced immediately upon the Shareholders' approval and will end upon re-election three years later.

Please refer to the circular dated 2 September 2011 for their biographical information.

APPOINTMENT OF AUTHORISED REPRESENTATIVES AND ALTERNATIVE AUTHORISED REPRESENTATIVES

The Board announces that (i) Mr. Zhu Weiming and Mr. Hu Kang have been appointed as the authorised representatives of the Company respectively; and (ii) Mr. Chan Chun Hong (Thomas) and Mr. Li Wai Chung have been appointed as the alternative authorised representatives of the Company.

Their terms of office commenced immediately and will end upon the expiration of term of the third session of the Board.

Zhu Weiming, aged 40, is an engineer. He was appointed as executive director and vice chairman of the Company in 2008. From 1999 to 2003, Mr. Zhu was assistant to the general manager of Shanghai Li Da Pressing Machines Company Limited as well as deputy head of the company's punching and shearing machine factory and then its vice president. From 2003 to 2007, Mr. Zhu was vice president and then director of Shanghai Ri Yong-JEA Gate Electric Co., Ltd.. Mr. Zhu graduated from Shanghai Polytechnic University in 1993 with a bachelor degree in machine design and manufacturing. He also obtained the qualification of First Class Chinese Professional Managers in 2005.

Hu Kang, aged 48, is a senior economist. He was appointed as executive director and chief executive officer of the Company in 2005. He joined Shanghai Electric (Group) Corporation in 1982. Since 1996, he has been factory director of Shanghai Zhenhua Bearings Factory Company Limited, vice president of Shanghai Bearing (Group) Co., Ltd., president of Shanghai Shangling Electric Company Ltd., all of which are part of Shanghai Electric (Group) Corporation, and president of the second management department of Shanghai Electric Assets Management Company Limited, one of our promoters. Mr. Hu graduated from Shanghai University of Finance & Economics in 1988 with a degree in statistics, and graduated from the Shanghai College of the Chinese Communist Party in 1998 with major of management. In 2001, he obtained a MBA degree from Macau University of Science and Technology.

APPOINTMENT OF SENIOR MANAGEMENT INCLUDING CHIEF EXECUTIVE OFFICER, VICE PRESIDENTS, CHIEF FINANCIAL OFFICER AND SECRETARY TO THE BOARD

The Board announces that (i) Mr. Hu Kang has been appointed as the chief executive officer of the Company; (ii) Mr. Yan Qi, Mr. Chen Hui and Mr. Xiao Weifeng have been appointed as the vice presidents respectively; (iii) Mr. Wang Pin has been appointed as the chief financial officer; and (iv) Mr. Chen Hui has been appointed as the Secretary to the Board.

Their terms of office commenced immediately and will end upon the expiration of term of the third session of the Board.

Yan Qi, aged 45, is a senior engineer. He was appointed as vice president of the Company in 2005. He served as deputy factory director of Wuxi Turbine Blade Company Limited (“Wuxi Turbine Blade”), one of our key subsidiaries, since 1997 and was promoted to the position of factory director in 2001. He was president and executive director of Wuxi Turbine Blade since 2005, and was elected as the representative of the Thirteenth and Fourteenth People’s Congress of Wuxi city in year 2003 and 2008 respectively. Mr. Yan graduated from Beijing Institute of Technology in 1988 with a degree in mechanical engineering and from Fudan University of Shanghai in 2000 with a MBA degree. He graduated with a doctorate degree in management from Southeast University in the PRC in 2007.

Chen Hui, aged 43, is an engineer and a senior economist. He was appointed as vice president and board secretary of the Company in 2005. He joined Shanghai Electric (Group) Corporation in July 1987. From 2002 to 2004, he was factory director and was responsible for the management of the bearing business division of Shanghai Electric (Group) Corporation prior to the reorganization. Mr. Chen was also president of Shanghai Electric Bearings Company Limited, a holding company of our bearing subsidiaries prior to the reorganization, from 2004 to 2005. Mr. Chen graduated from Shanghai University with a degree specializing in mechanical automation in October 1996, and graduated from the Central College of the Communist Party in 2001 with a bachelor degree in management, and obtained a master degree from Macau University of Science and Technology in 2002.

Xiao Weifeng, aged 56, is an engineer. He was appointed as vice president of the Company in 2010. He began his career in 1973. During the period from 1992 to 2010, he served as deputy head and head of Shanghai No.2 Machine Tool Accessory Factory, assistant to the general manager of Shanghai Tool Works, as well as vice president of Shanghai Tool Works. Mr. Xiao is currently vice president of the Company and executive Annual Report 2010 director (legal representative) as well as general manager of Shanghai Tool Works. Mr. Xiao graduated from Workers University of Shanghai Machine Tool Works Ltd. majoring in machine tool design and manufacturing.

Wang Pin, aged 37, is a Certified Public Accountant in the PRC and a member of the Chinese Institute of Certified Public Accountants. He was appointed as chief financial officer of the Company in 2006. Mr. Wang joined Shanghai Gong Xin Zhong Nan Accounting Firm since 1996 and took the role of lead auditor in auditing annual accounts for the bearing subsidiaries in 2001. Mr. Wang graduated from Shanghai University in 1996.

APPOINTMENT OF THE CERTIFIED PUBLIC ACCOUNTANT AND COMPANY SECRETARY

The Board announces that Mr. Li Wai Chung has been appointed as the certified public accountant and company secretary.

His term of office commenced immediately and will end upon the expiration of term of the third session of the Board.

Li Wai Chung, aged 33, is a member of Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Institute of Chartered Accountants in England and Wales. He was appointed as certified public accountant and company secretary of the Company in 2006. Prior to joining the Company, Mr. Li worked as auditing manager in Deloitte Touche Tohmatsu Huayong Certified Public Accountants and Deloitte Touche Tohmatsu in Hong Kong. Mr. Li graduated from the University of Hong Kong with a bachelor degree in business administration (majoring in finance and accounting).

By Order of the Board
Shanghai Prime Machinery Company Limited
Zheng Yuanhu
Chairman

Shanghai, the PRC, 21 October 2011

As at the date of this announcement, the Board comprises Zheng Yuanhu, Zhu Weiming, Hu Kang, Zhu Xi, Sun Wei and Yuan Mifang as executive directors and Chan Chun Hong (Thomas), Ling Hong and Li Yin as independent non-executive directors.