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中國機械設備工程股份有限公司
China Machinery Engineering Corporation*

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

(Stock Code: 1829)

ANNOUNCEMENT

POLL RESULTS OF THE RESOLUTIONS AT THE 2020 THIRD EXTRAORDINARY GENERAL MEETING; APPOINTMENT OF DIRECTOR; CHANGE IN COMPOSITION OF BOARD COMMITTEE; AND CHANGE OF JOINT COMPANY SECRETARY AND PROCESS AGENT

References are made to the notice of the 2020 third extraordinary general meeting (the “**EGM**” and the “**EGM Notice**”, respectively) and the circular (the “**Circular**”), both dated November 20, 2020 of China Machinery Engineering Corporation* (the “**Company**”). Unless the context requires otherwise, terms used herein shall have the same respective meanings as those defined in the EGM Notice and the Circular.

The Board announces that the Company held the EGM at the Meeting Room, CMEC Building, No. 165 Jinze Road, Fengtai District, Beijing, the PRC on Friday, December 18, 2020. All the proposed resolutions set out in the EGM Notice were voted by way of poll at the EGM.

I. POLL RESULTS OF THE EGM

As at the date of the EGM, there were 4,125,700,000 issued Shares, of which 3,217,430,000 Shares were Domestic Shares and 908,270,000 Shares were H Shares, being the total number of Shares entitling the Shareholders to attend and vote on resolution numbered 1 proposed (the “**Resolution No. 1**”) at the EGM.

As disclosed in the Circular, SINOMACH, the controlling shareholder of the Company, which directly and indirectly owns 3,217,430,000 Domestic Shares, representing approximately 77.99% of the total issued share capital of the Company, was required under the Listing Rules to abstain and did abstain from voting at the EGM on resolutions numbered 2 to 4 proposed (the “**Resolutions No. 2 to 4**”) at the EGM. Therefore, the total number of Shares entitling the Shareholders to attend and vote on the Resolutions No. 2 to 4 was 908,270,000 Shares.

Save as disclosed above, (i) there were no Shares entitling the Shareholders to attend but abstain from voting in favour at the EGM as set out in Rule 13.40 of the Listing Rules; (ii) no Shareholder was required under the Listing Rules to abstain from voting on the resolutions proposed at the EGM; and (iii) no person has indicated in the Circular containing the EGM Notice his/her/its intention to abstain from voting on or vote against any of the resolutions proposed at the EGM.

** For identification purposes only*

For **Resolution No. 1** - The H Shareholders in attendance either in person, by authorised representative or by proxy at the EGM held a total of 389,145,745 H Shares, representing approximately 42.84% of the total issued H Shares as of the date of the EGM. The Shareholders in attendance either in person, by authorised representative or by proxy at the EGM held an aggregate of 3,606,575,745 Shares, representing approximately 87.42% of the total issued Shares as of the date of the EGM.

For **Resolutions No. 2 to 4** - The H Shareholders in attendance either in person, by authorised representative or by proxy at the EGM held a total of 389,145,745 H Shares, representing approximately 42.84% of the total issued H Shares as of the date of the EGM. Accordingly, the Shareholders in attendance either in person, by authorised representative or by proxy at the EGM held an aggregate of 389,145,745 Shares, representing approximately 9.43% of the total issued Shares as of the date of the EGM.

The EGM was legally and validly convened in compliance with the laws and regulations of the PRC, including the Company Law of the PRC, and the requirements of the Articles of Association. Mr. BAI Shaotong, the chairman of the Board chaired the EGM.

The Company's H share registrar, Computershare Hong Kong Investor Services Limited, was appointed and acted as the scrutineer for the vote-taking at the EGM.

The poll results of the EGM are as follows:

| Ordinary Resolutions | | Number of Votes (approximate %) | | |
|----------------------|---|------------------------------------|-----------------------------|---------|
| | | For | Against | Abstain |
| 1. | To consider and approve the proposed appointment of Ms. AI Wei as an executive director of the Company. | 3,558,343,245 (98.662651%) | 48,232,500 (1.337349%) | 0 |
| 2. | To approve, confirm and ratify the 2021-2023 Provision of Engineering Services and Products Agreement and the transactions contemplated thereunder, and the related annual caps.* | 347,867,745 (89.392663%) | 41,278,000 (10.607337%) | 0 |
| 3. | To approve, confirm and ratify the 2021-2023 Receipt of Engineering Services and Products Agreement and the transactions contemplated thereunder, and the related annual caps.* | 347,867,745 (89.392663%) | 41,278,000 (10.607337%) | 0 |
| 4. | To approve, confirm and ratify the 2021-2023 Financial Services Agreement and the transactions contemplated thereunder, and the related annual caps.* | 165,512,269 (42.532206%) | 223,633,476 (57.467794%) | 0 |

* The full text of the proposed resolutions were set out in the EGM Notice as contained in the Circular.

As the above resolutions numbered 1 to 3 were voted favourably by more than half of the votes attaching to the Shares entitled to vote and held by the holders of the Shares present, in person or by proxy, at the EGM, these resolutions were passed as ordinary resolutions.

As the above resolution numbered 4 was voted favourably by not more than half of the votes attaching to the Shares entitled to vote and held by the holders of the Shares present, in person or by proxy, at the EGM, this resolution was not passed as ordinary resolution.

II. APPOINTMENT OF DIRECTOR

Upon the approval by the Shareholders at the EGM, the Board is pleased to announce that Ms. AI Wei has been appointed as an executive Director of the third session of the Board with effect from December 18, 2020 until the expiration of the term of the third session of the Board.

Please refer to the Circular for the biographical details of Ms. AI Wei and other information to be disclosed as required by Rule 13.51(2) of the Listing Rules. As at the date of this announcement, there has been no change of such information.

In addition, the resignation of Mr. WANG Yuqi as a non-executive Director of the third session of the Board and cessation of a member of the Strategy and Development Committee became effective immediately.

III. CHANGE IN COMPOSITION OF BOARD COMMITTEE

The Board hereby announces that Ms. AI Wei has been appointed as a member of the Strategy and Development Committee for a term commencing on December 18, 2020 until the expiration of the term of the third session of the Board.

IV. CHANGE OF JOINT COMPANY SECRETARY AND PROCESS AGENT

The Board announces that Sir KWOK Siu Man KR (“**Sir Seaman KWOK**”) has resigned as a joint company secretary of the Company (the “**Joint Company Secretary**”) and the process agent for the acceptance of service of process and notices on behalf of the Company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “**Process Agent**”) with effect from December 18, 2020.

Sir Seaman KWOK has confirmed that he has no disagreement with the Board and there is no matter relating to his resignations above-mentioned that need to be brought to the attention of the shareholders of the Company and the Stock Exchange.

The Board further announces that Ms. CHENG Lucy (“**Ms. CHENG**”) has been appointed as a Joint Company Secretary and the Process Agent with effect from December 18, 2020 in replacement of Sir Seaman KWOK.

The biographical details of Ms. CHENG are set out as follows:

Ms. CHENG is a senior corporate secretarial manager of Boardroom Corporate Services (HK) Limited. She is a Chartered Secretary, a Chartered Governance Professional and an associate member of both The Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) in the United Kingdom. Ms. CHENG has over 15 years of experience in the corporate secretarial field.

In view of the resignation of Sir Seaman KWOK and since Ms. SUN Runhai (“**Ms. SUN**”), the other Joint Company Secretary, does not possess the professional qualifications or the relevant experience required by Rule 3.28 of the Listing Rules, the Company has applied to the Stock Exchange for, and the Stock Exchange has granted a waiver to the Company from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules for the remaining period of the waiver previously granted (i.e. from the date of appointment of Ms. CHENG as a Joint Company Secretary to May 10, 2023) (the “**Remaining Waiver Period**”) in relation to the eligibility of Ms. SUN to act as the other Joint Company Secretary (the “**New Waiver**”) on the condition that:

- (i) Ms. SUN must be assisted by Ms. CHENG during the Remaining Waiver Period;
- (ii) the New Waiver could be revoked if there are material breaches of the Listing Rules by the Company. and
- (iii) the Company will disclose the New Waiver, including the reasons, details and the conditions thereof, and the qualification and experience of both Ms. SUN and Ms. CHENG by way of an announcement.

Before the end of the Remaining Waiver Period, the Company must demonstrate and seek the Stock Exchange’s confirmation that Ms. SUN, having had the benefit of Ms. CHENG’s assistance during the Remaining Waiver Period, has attained the relevant experience and is capable of discharging the functions of company secretary under Rule 3.28 of the Listing Rules such that a further waiver will not be necessary.

The New Waiver will be revoked immediately if and when Ms. CHENG ceases to provide assistance to Ms. SUN. The Stock Exchange may withdraw or change the New Waiver if the situation of the Company changes.

The biographical details of Ms. SUN are set out as follows:

Ms. SUN, the other Joint Company Secretary. She is currently the secretary to the Board and the director of the office of the Board (the “**Board Office**”). Ms. SUN joined the Company in June 2006. Prior to joining the Company, she served as a software developer in the Computing Center of Sichuan Dongfang Turbine Factory (四川東方汽輪機廠) from July 1991 to December 1991. From December 1991 to November 1994, she served as operator at the Institute of Mechanical Scientific and Technical Information of the Ministry of Machinery and Electronics Industry (the predecessor of China Machinery Industry Information Institute). From December 1994 to February 2004, Ms. SUN served as a project manager of the Import Department of China-East Resources Import & Export Co., Ltd., a wholly-owned subsidiary of China Machine-Building International Corporation (“**CMIC**”), and from February 2004 to June 2006, she served as the deputy general manager of the First Import Department of CMIC (in general charge). From June 2006 to May 2007, she served as the general manager of the Operation and Management Department of the Third Engineering Division of China National Machinery & Equipment Import & Export Corporation (the predecessor of the Company). From May 2007 to January 2012, she was the director of the Trading Division of

the General Department of Business Management of the Company, and she has concurrently been the general manager of the Operation and Management Department of the Bidding Division since July 2010. From January 2012 to July 2013, she was the deputy general manager of the General Department of Business Management of the Company. Ms. SUN has been served as the director of the Board Office since July 2013 and subsequently appointed as the secretary to the Board and a Joint Company Secretary on May 11, 2020. She has over 25 years of experience in management. Ms. SUN graduated from the University of Electronic Science and Technology in Chengdu in June 1991 with a degree in applied electronics technology, and obtained a master's degree in business administration from the University of International Business and Economics in December 2007.

Ms. CHENG, the newly appointed Joint Company Secretary, meets the requirements under Rule 3.28 of the Listing Rules. Ms. CHENG as a Joint Company Secretary, will work closely with, and provide assistance to, Ms. SUN in discharging her duties as a Joint Company Secretary.

V. Appreciation and Welcome

The Board would like to take this opportunity to express its sincere appreciation to Mr. WANG Yuqi and Sir Seaman KWOK for their valuable contribution to the Company during their tenure of office and welcome Ms. AI and Ms. CHENG to their new appointments.

By order of the Board
China Machinery Engineering Corporation*
BAI Shaotong
Chairman

Beijing, the PRC, December 18, 2020

As at the date of this announcement, the Executive Directors are Mr. FANG Yanshui and Ms. AI Wei; the Non-executive Directors are Mr. BAI Shaotong, Mr. MA Jian and Mr. ZHANG Zhiyu; and the Independent Non-executive Directors are Mr. LIU Li, Ms. LIU Hongyu, Mr. FANG Yongzhong and Mr. WU Tak Lung.

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