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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 year ended 31 December 2024, the Group expects that the profit attributable to the Shareholders for the year ended 31 December 2024 will increase by approximately 40%-45% as compared to that of the corresponding period in 2023. Such increase is primarily attributable to the Group’s (i) proactive efforts in the high-power engine business, comprehensively unleashing the new production line capacity, and significantly increasing investment income; and (ii) enhancement of market development in key businesses such as industrial pumps, which has increased market share while strengthening internal management, reducing costs, and improving operational efficiency, thereby further enhancing operational quality.

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 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, and may be subject to modifications and adjustments upon further review. As of the date of this announcement, the consolidated financial statements of the Group for the year ended 31 December 2024 have not yet been finalised. The Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2024 which is expected to be published on 20 March 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 March 2025

As at the date of the announcement, the executive Directors are Mr. Yue Xiangjun and Mr. Qin Shaobo; the non-executive Directors are Mr. Fu Yihong, Ms. Zhu Ying, Mr. Dou Bo and Mr. Cai Zhibin; and the independent non-executive Directors are Mr. Lo Wah Wai, Mr. Ren Xiaochang, Mr. Liu Wei and Mr. Ke Rui.

* *For identification purposes only*