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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)

VOLUNTARY ANNOUNCEMENT
REVERSE ROADSHOW INVESTOR ENGAGEMENT ACTIVITIES

In order to further strengthen interactive communication with investors, Chongqing Machinery & Electric Co., Ltd.* (the “**Company**”) has conducted reverse roadshow investor engagement activities on the afternoon of 5 November 2025 and the whole day of 6 November 2025 (the “**Investor Engagement Activities**”). The Investor Engagement Activities have deepened investors’ understanding of the Company’s business operations by inviting investors to participate in on-site talks with the management of the Company and factory tours of the Company’s subsidiaries, and by answering questions on issues of general concern to investors to the extent permitted by the disclosure of information.

INVESTOR CONCERNS

In order to ensure that all shareholders and potential investors of the Company have equal and timely access to information about the Company and its operations, the Company has included in this announcement a summary of certain matters of general investor concerns in the Investor Engagement Activities (the “**Summary of Concerns**”), which does not contain any inside information of the Company that has not been disclosed. Shareholders and potential investors of the Company should note that the Summary of Concerns may contain forward-looking statements, which by their nature are subject to uncertainty, and any future projections stated in the Summary of Concerns are based on a number of assumptions and management’s judgment basing on currently available information. Any financial information referred to below is expected to be disclosed in the Company’s annual results announcement for the information of the shareholders and potential investors.

At these Investor Engagement Activities, investor concerns are summarised as follows:

1. The Company's interim results for 2025 showed favourable performance. What is the outlook for full-year results?

ANSWER: Since the beginning of this year, all business segments have actively responded to market environment changes, continuously optimised internal operational management and enhanced lean management efficiency. Based on the Company's operational performance from January to October 2025 and unaudited financial statements, the Company is expected to maintain its current steady growth trajectory through year-end. Both operating revenue and total profit are projected to achieve solid year-on-year growth, essentially meeting the annual operational targets.

2. What is the progress of the Company's major projects?

ANSWER: Within the industrial pump business, the nation's first Fourth Generation Nuclear Power Lead Bismuth Main Pump engineering prototype has been developed, achieving testing capability for 1,500 cubic metre lead-bismuth main pumps. The low-wind-speed blade product developed by the wind turbine blade business has entered mass production. The first phase of the technical upgrade project for high-efficiency motor-specific electromagnetic wire in the wire and cable business has commenced batch supply, with the second phase progressing systematically. The High-Performance Gear Cutting Tools Key Process Machining Capability Project for the intelligent machine tool business is nearing full-scale production.

3. What is the outlook for Chongqing Cummins Engine Co., Ltd. ("**Chongqing Cummins**")'s full-year performance in 2025?

ANSWER: Since the beginning of this year, Chongqing Cummins has performed well in its traditional strongholds, with performance growth aligning with the forecasts set at the start of the year. Positive breakthroughs have been achieved in certain emerging markets, such as backup power for data centres. According to Chongqing Cummins' unaudited financial statements for January to October 2025, both operating revenue and total profit are projected to achieve solid year-on-year growth, surpassing historical highs.

4. What is the outlook for Chongqing Hitachi Energy Transformer Co., Ltd. ("**Chongqing Hitachi Energy**")'s full-year performance in 2025?

ANSWER: Chongqing Hitachi Energy serves as one of Hitachi Energy's largest transformer manufacturing bases globally, and also stands as Hitachi Energy's biggest UHV transformer production facility within China. Driven by factors including the wave of grid upgrades across Europe, increased investment in power infrastructure by emerging market nations, and accelerated distributed grid development spurred by AI computing power, Chongqing Hitachi Energy anticipates robust performance growth this year. The third phase of expansion is currently underway, with the fourth phase to be initiated.

5. Which business segments of the Company will benefit from the Yarlung Tsangpo River Hydropower Station Project (the “**Yarlung Tsangpo River Project**”)?

ANSWER: Based on currently disclosed information regarding the Yarlung Tsangpo River Project, the Company’s hydropower business, high-horsepower engine business and power transmission and transformation equipment business will secure commercial opportunities during different phases of the Yarlung Tsangpo River Project’s construction, becoming the primary beneficiary businesses.

6. What new developments are there regarding the Company’s market capitalisation management planning?

ANSWER: The market capitalisation management proposal submitted by the Company to its parent group has received preliminary approval. The Company is required to proceed cautiously in accordance with the plan, seeking approval on a case-by-case basis. The Company will actively advance the implementation of market capitalisation management by integrating practical considerations and fully incorporating market feedback.

7. What is the status of the Company’s 15th Five-Year Plan formulation and are there any forward-looking guidelines?

ANSWER: The Company has completed the initial draft of its 15th Five-Year Plan and is currently undergoing internal discussions. During this period, the Company will proactively align with national and Chongqing’s major strategic initiatives. Centred on its two core businesses – clean energy equipment and high-end intelligent equipment – it will leverage technological innovation as a driving force to develop new products, expand into new markets and pioneer new sectors. This will foster a synergistic industrial ecosystem for high-end equipment, with a focus on developing industrial pumps, industrial control systems, wind turbine blades, gear machining centres and turbomachinery. Guided by the principles of high efficiency, energy conservation, environmental sustainability and intelligent operation, the Company will accelerate the transition from “core equipment” to “complete sets of equipment”, enhancing its capabilities in high-end equipment system integration. Through investment, mergers and acquisitions, joint ventures and other collaborative approaches, the Company will cultivate strategic new industries and position itself for future growth sectors.

Shareholders and potential investors of the Company are advised not to place undue reliance on the information contained in this announcement and are urged to exercise caution when dealing in the shares of the Company.

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

Chongqing, the PRC
7 November 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 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*