

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibilities for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



山東墨龍石油機械股份有限公司

Shandong Molong Petroleum Machinery Company Limited

(A Sino-foreign joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 568)

UNUSUAL PRICE MOVEMENT OF A SHARES OF THE COMPANY

A. Particulars of the Unusual Price Movement of A-Shares

The increase of the closing prices of the A Shares of Shandong Molong Petroleum Machinery Company Limited* (山東墨龍石油機械股份有限公司, the “**Company**”) deviated by more than 12% for three consecutive trading days (14 February 2025, 17 February 2025 and 18 February 2025) on a cumulative basis, which constitutes unusual movements in shares trading according to the requirements under the Trading Rules of the Shenzhen Stock Exchange.

B. Relevant Information Noted and Verified by the Company

The board of directors of the Company has conducted a verification in respect of relevant issues through making enquiry(ies) etc. to the controlling shareholder(s) and de-facto controller(s) of the Company with regard to the unusual movements in its shares trading, the details of which are set out as follows:

1. No correction or supplementation is required for the information previously disclosed by the Company;
2. The Company is not aware of any public media reports in respect of any undisclosed material information which may have or have had a material effect on the stock trading prices of the Company;
3. The recent production and operation conditions of the Company remain to be normal, and there is no material change to internal or external operating environment;
4. There is no material event in respect of the Company which is disclosable but undisclosed by the Company, its controlling shareholder(s) and de facto controller(s), and there is no material event in the planning stage; and

5. The controlling shareholder(s) and de facto controller(s) of the Company have not dealt in the shares of the Company during the period of unusual movements in shares trading.

C. Relevant Information as to whether there is any Discloseable but Undisclosed Information

The board of directors of the Company confirms that the Company has no discloseable but undisclosed events according to the Rules Governing the Listing of Shares on the Shenzhen Stock Exchange. The board of directors of the Company is also not aware of any information which might materially affect the trading prices of the shares and derivative products of the Company and which should be disclosed according the Rules Governing the Listing of Shares on the Shenzhen Stock Exchange but remains undisclosed. There is nothing in the information previously disclosed by the Company that needs to be corrected or supplemented.

D. Risk Warnings

1. After self-investigation, the Company has no contravention of fair disclosure of information.
2. The Company has published the “Results Estimation for Year 2024” (announcement no.: 2025-001) on 25 January 2025 on the CNINFO website (<http://www.cninfo.com.cn>). As at the date of this announcement, the results estimation is only a preliminary estimation made by the finance department of the Company. The actual financial information is subject to the 2024 annual report to be disclosed by the Company.
3. The Company has published the “Announcement in relation to the Implementation of Assignment of Debts and Debt Restructuring” (announcement no.: 2025-003) on 14 February 2025 on the CNINFO website (<http://www.cninfo.com.cn>). The Company has entered into a tripartite agreement with Shandong Shouguang Vegetable Wholesale Market Co., Ltd.* (山東壽光蔬菜批發市場有限公司, “**Vegetable Wholesale Co.**”) and Shouguang Baolong Petroleum Equipment Co., Ltd.* (壽光寶隆石油器材有限公司, “**Shouguang Baolong**”), pursuant to which it was agreed that the Company shall assign debts in the sum of RMB169,119,800 payable by Shouguang Baolong to Vegetable Wholesale Co. and Vegetable Wholesale Co. shall pay the consideration by cash in the amount of RMB84,000,000 and by land and buildings and constructions held by it with an appraised value of RMB85,119,800. This transaction is expected to have a relatively positive impact on the Company's current and future financial conditions and operating results. The Company has in recent years leased the aforementioned target asset for the Group's production and operation. The assignments of debts in exchange for the target asset would reduce leasing expenses and production costs, which are conducive to the Company's long-term development and are in line with the Company's overall business development strategy. The Company will undergo relevant accounting

treatment in strict accordance with the provisions of the Accounting Standards for Business Enterprises, and the specific impact shall be subject to the results of the audit and confirmation by the accounting firm.

4. The board of directors of the Company reminds public investors that: China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times and the CNINFO website (<http://www.cninfo.com.cn>) are the Company's designated platforms for information disclosure and all publicly disclosed information of the Company shall be subject to the announcements issued on the above-mentioned designated platforms. The Company will strictly fulfil its information disclosure obligations in a timely fashion pursuant to the provisions and requirements of relevant laws and regulations. Investors are advised to invest cautiously and be aware of investment risks.

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
Shandong Molong Petroleum Machinery Company Limited*
Han Gao Gui
Chairman

Shandong, the PRC
18 February 2025

As at the date of this announcement, the board of directors of the Company comprises the executive Directors, namely Mr. Han Gao Gui, Mr. Yuan Rui, Mr. Zhang Zhi Yong and Mr. Wang Tao; the non-executive Directors, namely Ms. Zhang Min and Mr. Ma Qing Wen; and the independent non-executive Directors, namely Mr. Zhang Zhen Quan, Mr. Dong Shao Hua and Mr. Zhang Bing Gang.

** For identification purposes only*