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

(S C : 568)

ANNOUNCEMENT
UNUSUAL PRICE MOVEMENT OF A SHARES OF THE COMPANY

A. P U P M A-S

The increase of the closing prices of the A Shares of Shandong Molong Petroleum Machinery Company Limited* (, the "**C** ") deviated by more than 12% for three consecutive trading days (1 July 2024 and 2 July 2024 and 3 July 2024) 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. R I N V C

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. R I D U I

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, or any plan, negotiation, intention or agreement etc. relating to such events. 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. R W

1. after self-investigation, the Company has no contravention of fair disclosure of information;

2. the Company’s net profit before or after deducting non-recurring gains and losses (whichever is lower) for the years 2021, 2022, and 2023 were all negative. ShineWing Certified Public Accountants LLP issued an unqualified audit report with a paragraph regarding significant uncertainties in the Company’s ability to continue as a going concern for the year 2023. According to Article 9.8.1(7) of the Rules Governing the Listing of Shares on the Shenzhen Stock Exchange, the Company's stock trading has triggered other risk warning conditions. The stock abbreviation has been changed to "ST Molong" (ST) and the daily price fluctuation limit for stock trading has been reduced from 10% to 5%. For detailed information, please refer to the announcement titled "Announcement on the Implementation of Other Risk Warnings and Trading Suspension of the Company's Stock" ( ) (Announcement No.: 2024-035) disclosed on the CNINFO website (http://www.cninfo.com.cn); and

3. 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.

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By order of the Board
S M P M C L *
H G G
Chairman

Shandong, the PRC
3 July 2024

As at the date of this announcement, the board of directors of the Company comprises the executive Directors, namely Mr. Han Gao Gui and Mr. Yuan Rui; the non-executive Directors, namely Mr. Ding Yi and Ms. Zhang Min; and the independent non-executive Directors, namely Mr. Tang Qing Bin, Mr. Song Zhi Wang and Mr. Cai Zhong Jie.

** For identification purposes only*