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

# INSIDE INFORMATION ESTIMATED RESULTS FOR THE FIRST HALF OF 2021

This announcement is made by Shandong Molong Petroleum Machinery Company Limited (the "**Company**") 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 the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

## I. Results estimation for the period

1. Reporting period of the estimated results: 1 January 2021 to 30 June 2021

2. Estimated results: 🗹 Loss 🗆 From Loss to Profit 🔅 Increase 🔅 Decrease

3.Results estimation for the period:

| Item  | Current Reporting Period   | Corresponding period of the previous year |
|---|--|---|
| Net profit attributable<br>to the shareholders of<br>the listed company | Loss (RMB): 65 million -75 million   | Loss (RMB): 109.3255<br>million           |
|   | Increase as compared to the corresponding period of the previous year: 31.40% - 40.54% |   |
| Basic earnings per share  | Loss (RMB/share): 0.081 – 0.094  | Loss (RMB/share): 0.137                   |

## II. Preliminary audit of the estimated results

The estimated results have not been preliminarily audited by any certified public accountants.

### **III.** Reasons for changes in results

During the Reporting Period, the Company recorded a relatively substantial loss in the first quarter of 2021 due to market fluctuations and inflation in raw material prices. During the second quarter of 2021, the market prices of relevant products have gradually recovered and there was a growth in the turnover of the Company compared to the first quarter in 2021 and the corresponding period in the previous year. The Company's level of profitability has also improved.

### **IV. Other relevant information**

The estimated results set out herein are results of the preliminary estimation conducted by the finance department of the Company and have not been audited by any certified public accountants. The actual financial information of the Company is subject to the 2021 interim report to be disclosed by the Company.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board Shandong Molong Petroleum Machinery Company Limited\* Yang Yun Long Chairman

Shandong, the PRC 14 July 2021

As at the date of this announcement, the Board comprises the executive Directors, namely Mr. Yang Yun Long, Mr. Yuan Rui, Mr. Liu Min and Mr. Li Zhi Xin; the non-executive Directors, namely Mr. Yao You Ling and Mr. Wang Quan Hong; and the independent non-executive Directors, namely Mr. Tang Qing Bin, Mr. Song Zhi Wang and Mr. Cai Zhong Jie.

\* For identification purposes only