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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)

INSIDE INFORMATION ESTIMATED RESULTS FOR THE FIRST HALF OF 2023

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 CURRENT PERIOD

1. Period of the results estimation: 1 January 2023 - 30 June 2023
2. Results estimation: Expected negative net profit

Item	Current reporting period	Corresponding period of last year
Net profit attributable to shareholders of listed company (RMB)	Loss: 140 – 180 million	Loss: 172.7177 million
Net profits after extraordinary gains or losses (RMB)	Loss: 135– 175 million	Loss: 181.3656 million
Basic earnings per share (RMB)	Loss: 0.175 / share – 0.226 / share	Loss: 0.2165 / share

II. COMMUNICATION WITH AUDITORS

This results estimation has not been pre-audited by certified public accountant(s). The Company has communicated in advance with the signing certified public accountants of the

auditing firm retained to provide annual audit services to the Company on relevant matters in connection with the results estimation, and there is no disagreement between both parties in respect of this results estimation.

III. REASONS FOR CHANGES IN RESULTS

1. During the reporting period, the sales volume and gross profit margin of oil casing and other products related to the company's oilfield business recorded an year-on-year increase; and
2. Affected by factors such as poor market conditions for general pipe and casting and forging products, the Company has adjusted its product structure and reduced the production and sales of general pipe and casting and forging products, resulting in a significant year-on-year decline in the production and sales of related products in the first half of the year, insufficient utilization rate of production lines and increased costs.

The growth in the oilfield business could not offset the impact of poor market conditions for general pipe and casting and forging products, resulting in an overall losses in the company's operating results.

IV. RISK WARNING

This results estimation is only a preliminary estimation made by the finance department of the Company and has not been audited by certified public accountants. The actual financial information of the Company is subject to the 2023 interim results announcement and report of the Company to be disclosed by the Company.

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

By order of the Board
Shandong Molong Petroleum Machinery Company Limited*
Yuan Rui
Chairman

Shandong, the PRC
14 July 2023

As at the date of this announcement, the board of directors of the Company comprises the executive Directors, namely Mr. Yuan Rui, Mr. Li Zhi Xin, Mr. Yao You Ling and Mr. Zhao Xiao Tong; the non-executive Director, namely 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*