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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 RESULTS ESTIMATION FOR THE YEAR 2024

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 2024 - 31 December 2024
2. Results estimation:

Estimated positive net profit falling into one of the following scenarios:

Turning around from loss to profit Increasing year-on-year Declining year-on-year

Item	Current reporting period	Corresponding period of last year
Net profit attributable to shareholders of listed company (RMB)	Profit: 47 million – 60 million	Loss: 566,861,500
Net profit after extraordinary gains or losses (RMB)	Loss: RMB270 million – RMB330 million	Loss: 555,852,400
Basic earning per share (RMB)	Profit: 0.059/share - 0.075/share	Loss: 0.71/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 audit firm retained to provide annual audit services to the Company on relevant matters in connection with the results estimation.

III. Reasons for changes in results

1. During the reporting period, the Company has disposed of its 70% equity interest in Shouguang Baolong Petroleum Equipment Co., Ltd.* (壽光寶隆石油器材有限公司), 98.0769% equity interest in Weihai Baolong Petroleum Special Materials Co., Ltd.* (威海市寶隆石油專材有限公司) and 100% equity interest in Shouguang Maolong New Material Technology Development Co., Ltd.* (壽光懋隆新材料技術開發有限公司). The investment gains arising from such transfers were accounted for as non-recurring gains and losses, which had an impact on the net profit attributable to shareholders of the listed company of approximately RMB340 million.
2. During the reporting period, the Company consolidated basic management and focused on cost control, resulting in an obvious effect on cost reduction and improvement of efficiency. There has been a significant reduction in various expenses. It is estimated that the cost reduced amounted to approximately RMB135 million.
3. During the reporting period, the Company conducted a comprehensive inspection of and assessment on various assets on a regular basis, and has made provisions for asset impairment for relevant assets with signs of impairment in accordance with relevant accounting standards. As at the date of this announcement, a part of the asset impairment tests is still in progress. The amount of provision for asset impairment made by the Company for the reporting period is subject to results of the final audit and valuation.

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 is subject to the 2024 annual results announcement and 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*
Han Gao Gui
Chairman

Shandong, the PRC
24 January 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*