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The increase of the closing prices of the A Shares of Shandong Molong Petroleum Machinery Company Limited* (山東墨　石油機械股份有　公司, the “　　”) deviated by more than 12% for three consecutive trading days (1 April 2024 and 2 April 2024 and 3 April 2024) on a cumulative basis, which constitutes unusual movements in shares trading according to the relevant requirements under the Rules Governing the Listing of Shares on the Shenzhen Stock Exchange.

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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 particulars are 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 price of the Company;

3. The recent production and operation conditions of the Company remain to be normal, and

ere is no material change to internal or external operating environment;

4. There is no material event in respect of the Company which are 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.

The board of directors of the Company confirms that the Company has no disclosable events or any plan, negotiation, intention or agreement relating to such events which should be disclosed but remain undisclosed 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 but remains undisclosed according Rules Governing the Listing of Shares on the Shenzhen Stock Exchange. There is nothing in the information previously disclosed by the Company that needs to be corrected or supplemented.

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

2. The Company's net profit after deducting non-recurring gains and losses for 2021, 2022, and 2023 were all negative. Shinewing CPA LLP, the Company's auditor, issued an unqualified audit report with an emphasis of matter paragraph regarding significant uncertainties in the Company's continued operation for the year 2023. According to Article 9.8.1(7) of the Listing Rules of the Shenzhen Stock Exchange (《深圳證券交易所股票上市規則》), the Company's stock trading has triggered other risk warning conditions. The stock abbreviation has been changed to " ST Molong" (ST 墨) and the daily price fluctuation limit for stock trading has been reduced from 10% to 5%. For detailed information, please refer to the announcement dated "-

3. On 29 March, 2024, the Company published its "Annual Report 2023" on the CNINFO website (巨潮資訊網). As of the date of this announcement, there are no corrections or supplements required for the disclosed " Annual Report 2023".

4. The board of directors of the Company reminds the investing public that: China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times and the CNINFO website 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.

By order of the Board

Shandong, the PRC
3 April 2024