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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)

INCREASE IN SHAREHOLDING BY SHAREHOLDERS

The board of directors (the “**Board**”) of Shandong Molong Petroleum Machinery Company Limited* (the “**Company**”) was informed by Shandong Zhimeng Holdings Co., Ltd.* (山東智夢控股有限公司, “**Zhimeng Holdings**”) and Shouguang Panjin Property Co., Ltd.* (壽光市磐金置業有限公司, “**Panjin Property**”) that during the period from 9 March 2021 to 19 March 2021, Zhimeng Holdings has acquired 37,637,600 H Shares and 2,254,910 A Shares of the Company on market for an average price of HK\$2.14 per H Share and RMB3.73 per A Share, respectively (the “**Acquisition**”). Based on the information provided by Zhimeng Holdings and Panjin Property, they are parties acting in concert in respect of the shares of the Company (the “**Shares**”).

Immediately after the Acquisition, Zhimeng Holdings and Panjin Property collectively hold 79,784,910 Shares (representing approximately 10.00% of the total issued share capital of the Company as at the date of this announcement). Details of the shareholdings of Zhimeng Holdings and Panjin Property are set out as follows:

Shareholders	Number of H Shares held	% of total issued share capital	Number of A Shares held	% of total issued share capital	Total Number of Shares held	% of total issued share capital
Zhimeng Holdings	60,830,000	7.62%	2,754,910	0.35%	23,584,910	7.97%
Panjin Property	16,000,000	2.01%	200,000	0.02%	16,200,000	2.03%
Total	76,830,000	9.63%	2,954,910	0.37%	79,784,910	10.00%

The Board was informed by Zhimeng Holdings and Panjin Property that the Acquisition and

increase in shareholding in the Company were actions demonstrating their optimism regarding the long-term prospects of the Company and with reference to their own assessment of the investment value of the Company.

By order of the Board
Shandong Molong Petroleum Machinery Company Limited
Yang Yunlong
Chairman

Shandong, PRC
22 March 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*