

This announcement is for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



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: 8261)

**RESULTS OF THE EXTRAORDINARY GENERAL MEETING,
H SHARES CLASS MEETING AND DOMESTIC SHARES CLASS MEETING
HELD ON 30 DECEMBER 2005**

The Board is pleased to announce that the respective special resolution set out in the notices of EGM, H Shares Class Meeting and Domestic Shares Class Meeting was duly passed at the respective meetings held on 30 December 2005.

Reference is made to the circular published and despatched by the Company dated 14 November 2005 (the “Circular”). Unless defined otherwise, terms in this announcement shall have the same meanings as those defined in the Circular.

Special resolution passed at the Extraordinary General Meeting, H Shares Class Meeting and Domestic Shares Class Meeting

The Board is pleased to announce that the respective special resolution set out in the notices of EGM, H Shares Class Meeting and Domestic Shares Class Meeting was duly passed at the respective meetings held on 30 December 2005.

Results of the EGM, H Shares Class Meeting and Domestic Shares Class Meeting

The EGM, H Shares Class Meeting and Domestic Shares Class Meeting were held at 9:00 a.m., 10:00 a.m. and 11:00 a.m. respectively on Friday, 30 December 2005 at Fifth Floor, No. 99 Beihai Road, Shouguang City, Shandong Province, The People’s Republic of China. A poll was demanded by the Chairman of the respective meetings for voting on the following special resolution and the poll results in respect of such resolution are as follows:

	Special Resolution	Number of votes		Type of meeting
		For	Against	
	That:			
(a)	the proposed listing of the H Shares of the Company on the Main Board of the Stock Exchange and subject to the completion of the Main Board Migration, the proposed Voluntary Withdrawal be approved;	511,731,556 Shares	0 Shares	EGM
		119,573,556 H Shares	0 H Shares	H Shares Class Meeting
		401,722,000 Domestic Shares	0 Domestic Shares	Domestic Shares Class Meeting
(b)	the Amended Articles which reflect the consequential amendments to the existing articles of association of the Company as a result of the Main Board Migration (subject to further amendments (if any) being made to the same articles of association by the Directors as authorized by the Shareholders, be and are adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company, with effect from the date of listing of the H Shares on the Main Board. The details of the amendments set out in the Amended Articles are as follows:	511,731,556 Shares	0 Shares	EGM
(i)	the first paragraph of Article 6 of the existing articles of association of the Company shall be deleted in its entirety and replaced by the following: “The Articles of Association will become effective on the date of listing of the H Shares of the Company on the Main Board of the Stock Exchange; and			
(ii)	Article 44(2) of the existing articles of association of the Company shall be deleted in its entirety and replaced by the following: “(2) the instrument of transfer involves only overseas listed foreign shares listed on the Main Board of the Stock Exchange”; and			

(c)	<p>the Directors be and are authorized to do such other acts and things, enter into all such transactions and arrangements, execute such other documents and/or deeds and/or take all such steps, which in their opinion may be necessary, desirable or expedient to implement the Main Board Migration and/or the Voluntary Withdrawal, and the transactions contemplated thereunder, with such changes as the Directors may consider necessary, desirable or expedient, which include but are not limited to:</p> <p>(i) setting up a board committee comprising of any two Directors to handle and decide on matter relating to the Main Board Migration and/or the Voluntary Withdrawal;</p> <p>(ii) amending the Amended Articles further, as the Directors may deem appropriate and necessary;</p> <p>(iii) filing or registering the Amended Articles (subject to further amendments (if any) being made to the same by the Directors as authorized by the Shareholders) with the relevant approval authorities of the PRC and Hong Kong, if required; and</p> <p>(iv) attending to and handling all other necessary procedures and registrations relating to or as a result of the Main Board Migration and/or the Voluntary Withdrawal.</p>	<p>511,731,556 Shares</p> <p>119,573,556 H Shares</p> <p>401,722,000 Domestic Shares</p>	<p>0 Shares</p> <p>0 H Shares</p> <p>0 Domestic Shares</p>	<p>EGM</p> <p>H Shares Class Meeting</p> <p>Domestic Shares Class Meeting</p>
-----	--	--	--	---

There were 511,731,556 Shares (which comprise 110,009,556 H Shares and 401,722,000 Domestic Shares) (being 78.97% of the total issued Shares), 119,573,556 H Shares (being 48.55% of the total issued H Shares) and 401,722,000 Domestic Shares (being the number of the total issued Domestic Shares) entitling the holders to attend and vote for or against the special resolution proposed at the EGM, H Shares Class Meeting and Domestic Shares Class Meeting respectively.

There were no shares entitling the holder to attend and vote only against any of the special resolution proposed at the EGM, H Shares Class Meeting and Domestic Shares Class Meeting respectively.

All the votes attaching to Shares, H Shares and Domestic Shares held by the shareholders present and voting in person or by proxy at the EGM, H Shares Class Meeting and Domestic Shares Class Meeting respectively were cast in favour of the above resolution. Hence the above resolution was duly passed as a special resolution.

壽光聖誠有限責任會計師事務所 (Shouguang Shengcheng C.P.A. Company Limited), the external accountant of the Company, acted as a scrutineer for the vote-taking in respect of the meetings.

As at the date of this announcement, the executive Directors of the Company are Zhang En Rong, Lin Fu Long, Zhang Yun San, Xie Xin Cang; the non-executive Directors are Chen Jian Xiong and Wang Ping; and the independent non-executive Directors are Qin Xue Chang, Yan Yi Zhuang and Loke Yu alias Loke Hoi Lam.

By Order of the Board
Shandong Molong Petroleum Machinery Company Limited
Zhang En Rong
Chairman

Shandong, The PRC, 30 December 2005

** For identification purpose only.*

This announcement will remain on the GEM website on the "Latest Company Announcements" page for at least 7 days from the date of its posting.