

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **Hilong Holding Limited**

**海隆控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1623)**

### **(1) QUARTERLY UPDATE ON STATUS OF RESUMPTION; AND (2) CONTINUED SUSPENSION OF TRADING**

This announcement is made by Hilong Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the Company’s announcements dated 19 March 2024, 25 March 2024, 30 April 2024, 31 May 2024, 18 June 2024, 28 June 2024, 8 July 2024 and 22 August 2024 in relation to, among others, the delay in publication of the 2023 Annual Results announcement and despatch of the 2023 Annual Report, the postponement of the Board meeting and the 2024 annual general meeting, the establishment of the Investigation Committee, the resignation of PricewaterhouseCoopers as the auditor of the Company, the Resumption Guidance, the quarterly update on status of Resumption, the appointment of Crowe as the new auditor of the Company, further delay in publication of the 2023 Annual Results and despatch of the 2023 Annual Report and delay in publication of the 2024 Interim Results and despatch of the 2024 Interim Report (collectively, the “**Announcements**”). Unless otherwise indicated, capitalised terms used herein shall have the same meanings as defined in the Announcements.

### **QUARTERLY UPDATES REGARDING BUSINESS OPERATION OF THE GROUP**

The Group is principally engaged in the manufacture and distribution of oil and gas drilling equipment and provide oilfield and offshore engineering services worldwide. The Group operates its business through three segments, namely (1) drill pipe-related business; (2) oilfield services business; and (3) offshore-engineering services. Notwithstanding the suspension of trading in the shares of the Company, up to the date of this announcement, the Group is carrying on its business operations as usual in all material respects and will continue to closely monitor its financial position and business operations.

## UPDATE ON PROGRESS OF RESUMPTION

Below is the Resumption Guidance of the Stock Exchange and the Company's resumption plan with details of actions that the Company has taken as at the date of this announcement or intends to take as well as the expected timeframe in fulfilling the Resumption Guidance to resume trading in the Shares.

<b>Resumption Guidance</b>	<b>Update on resumption progress and the expected timeline</b>
(a) conduct an appropriate independent investigation into the matters relating to the Transactions, assess the impact on the Company's business operation and financial position, announce the findings and take appropriate remedial actions	<p>The Company has formed the Investigation Committee to commission and lead and has engaged Ernst &amp; Young (China) Advisory Limited as the Independent Advisor to conduct the independent investigation ("<b>Investigation</b>").</p> <p>As at the date of this announcement, the Investigation is ongoing. Additional time is required for the Investigator to conduct necessary works as required before the formal submission of the report to the Investigation Committee. Based on information currently available and barring any unforeseen circumstances, it is expected that the final report on the Investigation findings shall be available to the Investigation Committee before the end of September 2024. Further announcement(s) will be made by the Company as and when appropriate in relation to the results of the Investigation.</p>

<p style="text-align: center;"><b>Resumption Guidance</b></p>	<p style="text-align: center;"><b>Update on resumption progress and the expected timeline</b></p>
<p>(b) publish all outstanding financial results required under the Listing Rules and address any audit modifications</p>	<p>As set out in the Announcements, completion of the audit of the 2023 Annual Results and the 2024 Interim Results are subject to the clarification of the Key Audit Issues identified by the former auditor of the Company. In light of the ongoing Investigation as mentioned above as well as the outstanding matters in relation to other audit issues, additional time is required before the finalization and publication of the 2023 Annual Results and the 2024 Interim Results as well as the despatch of the 2023 Annual Report and 2024 Interim Report. Crowe has commenced the audit work of the Group for the 2023 Annual Results and the 2023 Annual Report, and the preparation of the 2024 Interim Results and the 2024 Interim Report is also ongoing.</p> <p>The Company will continue to work closely with Crowe to prepare, finalise and publish (i) the 2023 Annual Results and the 2023 Annual Report, and (ii) the 2024 Interim Results and the 2024 Interim Report as soon as practicable.</p>
<p>(c) demonstrate that there is no reasonable regulatory concern about the integrity, competence and/or character of the Group’s management and/or any persons with substantial influence over the Company’s management and operations, which may pose a risk to investors and damage market confidence</p>	<p>The Company will assess whether there is any regulatory concern about the integrity, competence and/or character of the Group’s management and/or any persons with substantial influence over the Company’s management and operations based on the findings of the Investigation.</p> <p>Further announcement(s) will be made by the Company as and when appropriate in relation to the results of the Investigation.</p>

Resumption Guidance	Update on resumption progress and the expected timeline
(d) conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to meet its obligations under the Listing Rules	As at the date of this announcement, the Company has appointed Acclime Consulting (Hong Kong) Limited as the internal control consultant (“ <b>Internal Control Consultant</b> ”) to conduct an independent internal control review (“ <b>Internal Control Review</b> ”). As at the date of this announcement, the Internal Control Review is ongoing. It is expected that the findings and rectification plan of the Internal Control Review will be available around the end of October or early November 2024. The Company will continue to update its Shareholders and potential investors on the results of the Internal Control Review as and when appropriate.
(e) demonstrate the Company’s compliance with Rule 13.24 of the Listing Rules	Since the suspension of trading in the Company’s shares on 2 April 2024 and up to the date of this announcement, the Group has continued its normal business operations as usual and there has been no major change in the business operations of the Group.
(f) inform the market of all material information for the Company’s shareholders and other investors to appraise the Company’s position	<p>Since the suspension of trading in its shares on 2 April 2024, the Company has been keeping its Shareholders and potential investors informed of all material information in relation to, among other, the Key Audit Issues and the Resumption Guidance by way of publication of announcements on the website of the Stock Exchange in accordance with the Listing Rules.</p> <p>The Company will continue to keep its Shareholders and potential investors informed of any material developments by making further announcement(s) as and when appropriate and in accordance with the Listing Rules.</p>

## CONTINUED TRADING SUSPENSION OF THE SHARES OF THE COMPANY

At the request of the Company, the trading in the shares of the Company on the Stock Exchange has been suspended from 9:00 a.m. on 2 April 2024, and will remain suspended until further notice.

**Shareholders and potential investors of the Company are advised to exercise due caution when dealing in the securities of the Company. When in doubt, Shareholders and potential investors of the Company are advised to seek advice from their own professional or financial advisers.**

For and on behalf of the Board  
**Hilong Holding Limited**  
**ZHANG Jun**  
*Chairman*

Hong Kong, 27 September 2024

*As at the date of this announcement, the executive directors of the Company are Mr. ZHANG Jun and Mr. WANG Tao (汪濤); the non-executive directors are Ms. ZHANG Shuman, Dr. YANG Qingli, Mr. CAO Hongbo and Dr. FAN Ren Da Anthony; and the independent non-executive directors are Mr. WANG Tao (王濤), Mr. WONG Man Chung Francis and Mr. SHI Zheyang.*

\* *For identification purpose only*