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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
RECEIPT OF GOVERNMENT SUBSIDY

This announcement is made by Shandong Molong Petroleum Machinery Company Limited* (the "**Company**") pursuant to Rule 13.09(2) 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).

The board of directors of the Company is pleased to announce that the Company has recently received subsidy in the amount of RMB20 million granted in cash by the Government (the "**Government Subsidy**"), which is related to income.

According to the requirements in the "Accounting Standard for Business Enterprises No. 16 — Government Subsidies", government subsidies related to assets refer to government subsidies received by an enterprise for the purchase, construction, or forming long-term assets by other means; government subsidies related to income refer to government subsidies other than those related to assets. The Government Subsidy received by the company fall under the category of government subsidies related to income.

The Government Subsidy received by the Company is equivalent to 45.77% of the Company's audited net profit attributable to shareholders of the listed company for the year ended 31 December 2024. The Government Subsidy will have a positive impact on the Company's profit for the year ending 31 December 2025, and is expected to increase the total profit for the current year by RMB20 million.

The above data is unaudited, and the specific accounting treatment and impact on the Company's relevant financial data will be subject to the results to be confirmed by the accounting firm in its annual audit.

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
31 December 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. Wang Tao and Mr. Song Guang Jie; the non-executive Directors, namely Mr. Huang Bing De and Ms. Zhang Min; and the independent non-executive Directors, namely Mr. Zhang Zhen Quan, Mr. Dong Shao Hua and Mr. Zhang Bing Gang

** For identification purposes only*