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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)

UNAUDITED 2026 THIRD QUARTERLY REPORT

This announcement is made pursuant to Rules 13.09 and 13.10B 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The following is the third quarterly report of Shandong Molong Petroleum Machinery Company Limited* (the "Company") for the financial year of 2026.

The Company and all members of the board (the "Board") of directors of the Company (the "Director(s)") warrant that the information disclosed herein is true, accurate and complete, and that there is no false representation or misleading statement contained herein or material omission.

IMPORTANT NOTICE:

1. The Board of Directors, Directors and senior management shall guarantee the truthfulness, accuracy and completeness of the content of the quarterly report, without any false representation, misleading statements or material omissions, and also assume several and joint legal liabilities.

2. The person in charge of the Company, person in charge of accounting and person in charge of accounting department (accounting supervisor) hereby declare that: the financial information disclosed in the quarterly report is true, accurate and complete.

3. Whether the Third Quarterly Report has been audited

   ☐ Yes ✔ No

I. MAJOR FINANCIAL DATA

(I) Major accounting data and financial indicators

Does the Company need to retrospectively adjust or restate the accounting data of previous years

☐ Yes ✔ No

	The reporting period	**Increase or decrease in the reporting period compared to the same period last year**	From the beginning of the year to the end of the reporting period	Increase or decrease from the beginning of the year to the end of the reporting period compared to the same period last year
Operating income *(RMB)*	**515,924,556.67**	**29.88%**	1,768,825,831.28	48.05%
Net profits attributable to shareholders of the listed company *(RMB)*	**-99,389,376.66**	**-1,376.22%**	-95,178,560.87	-1,852.51%
Net profits attributable to shareholders of the listed company after deducting non-recurring profits and losses *(RMB)*	**-97,180,613.68**	**-1,137.07%**	-96,767,183.09	-1,269.14%
Net cash flow generated from operating activities *(RMB)*	**–**	**–**	-132,675,132.20	-159.24%
Basic earnings per share *(RMB/share)*	**-0.1237**	**-1,372.62%**	-0.1184	-1,841.18%
Diluted earnings per share *(RMB/share)*	**-0.1237**	**-1,372.62%**	-0.1184	-1,841.18%
Weighted average return on net assets	**-21.98%**	**-20.64%**	-21.14%	-22.24%
	End of this reporting period	End of the last year	Increase or decrease at the end of the reporting period compared to the end of last year	
Total assets *(RMB)*	**2,849,015,408.46**	2,682,126,082.65	6.22%	
Shareholders' owner's equity attributable to shareholders of the listed company *(RMB)*	**603,218,930.07**	497,875,233.09	21.16%	

(II) Items and amounts of non-recurring profits or losses

✔ Applicable ☐ Not applicable

Unit: RMB

Item	**Amount in the current reporting period**	Amount from the beginning of the year to the end of the reporting period	**Notes**
Gains or losses from the disposal of illiquid assets (including the write-off part with provision for impairment of assets already made)	**-1,719,657.64**	-1,764,480.09	This is mainly due to the losses incurred by the Company's disposal and scrapping of certain assets.
Government subsidies included into current profits and losses (except for government subsidies closely related to the normal business operations of the Company, complying with national policies, enjoyed according to determined standards and having continuous influence on the profits and losses of the Company)	**89,504.60**	668,584.29	This is mainly due to the the receipt by the Company of post-stabilization subsidy and recognized the income from deferred income related to assets in the current period.
Reversal of impairment provision for accounts receivable subject to individual impairment tests	**0.00**	1,800,000.00	This is mainly due to the partial recovery of receivables for which impairment provisions were separately made.
Other non-operating income and expenses except for the above items	**-626,906.91**	883,931.95	This is mainly due to the payable amounts that do not need to be paid incurred in the current period.
Less: Influence amount of income tax	**-48,296.97**	-586.07	
Total	**-2,208,762.98**	1,588,622.22	-

Specific circumstances of other profit and loss items that conform to the definition of non-recurring gains and losses:

☐ Applicable ✔ Not applicable

The Company has no specific circumstances of other profit and loss items that conform to the definition of non-recurring gains and losses.

Description of situations where non-recurring profits and losses listed in the *Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No. 1--Non-Recurring Profits and Losses* are classified as recurring profits and losses.

☐ Applicable ✔ Not applicable

The Company doesn't define non-recurring profit and loss items listed in the *Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No. 1--Non-Recurring Profits and Losses* as recurring profits and losses.

(III) Details and reasons of changes of major accounting data and financial indicators

✔ Applicable ☐ Not applicable

1. Analysis and explanation of significant changes in the composition of the Company's assets and liabilities during the reporting period

Unit: RMB

Item	**30 September 2026 (Unaudited)**	31 December 2025 (Audited)	**Amount of variation**	**Reasons for difference**
Notes receivable	**47,013,027.50**	77,020,624.57	-38.96%	This is mainly due to the decrease in the amount of undue commercial acceptance bills received in the current period compared with the end of the last year.
Receivables financing	**33,224,318.96**			This is mainly due to the increase in the amount of undue bank acceptance bills received in the current period.
Other receivables	**197,665,613.91**	646,926,136.76	-69.45%	This is mainly due to the offset of creditor's rights with relevant assets through a tripartite agreement in the current period.
Inventories	**738,087,962.76**	564,595,771.94	30.73%	This is mainly due to the large number of orders in the current period, and the undelivered status of unfinished products and some finished products at the end of the period.
Other current assets	**30,431,264.16**	2,143,508.70	1319.69%	This is mainly due to the increase in the amount of input tax to be deducted at the end of the current period.

Item	**30 September 2026 (Unaudited)**	31 December 2025 (Audited)	**Amount of variation**	**Reasons for difference**
Other equity instrument investments	**33,403,349.84**	3,403,349.84	881.48%	This is mainly due to the external investment in the current period.
Other non-current financial assets		476,475.45	-100.00%	This is mainly due to the transfer of equity in the associated company in the current period.
Fixed assets	**448,708,736.20**	297,484,473.82	50.83%	This is mainly due to the acquisition of relevant assets through a tripartite agreement in the current period.
Construction in progress	**1,707,667.27**	139,310.39	1125.80%	This is mainly due to the ongoing construction of projects under construction in the current period that have not been completed.
Right-of-use assets		331,614.54	-100.00%	This is mainly due to the termination of the lease of right-of-use assets in the current period.
Intangible assets	**343,132,626.89**	190,074,048.99	80.53%	This is mainly due to the acquisition of relevant land through a tripartite agreement in the current period.
Development expenditure	**12,264,941.16**			This is mainly due to the fact that the current R&D project has not been completed.
Other non-current assets	**79,335,283.77**	3,058,459.20	2493.96%	This is mainly due to the increase in advance payments for engineering equipment in the current period.
Notes payable	**116,101,859.38**	66,591,079.41	74.35%	This is mainly due to the increase in goods payments settled by bills in the current period.
Non-current liabilities due within one year	**70,157,286.88**	38,215,100.73	83.59%	This is mainly due to the increase in financing amounts due within one year.

Item	**30 September 2026 (Unaudited)**	31 December 2025 (Audited)	**Amount of variation**	**Reasons for difference**
Other current liabilities	**19,451,731.15**	39,971,720.36	-51.34%	This is mainly due to the decrease in the amount of tax to be transferred from output and the decrease in endorsed acceptance bills not derecognized in the current period.
Deferred income tax liabilities	**26,502.51**	48,939.72	-45.85%	This is mainly due to the termination of the lease of right-of-use assets in the current period.

2. Analysis and explanation of significant year-on-year changes in profit and loss indicators during the reporting period

Unit: RMB

Item	**January - September, 2026 (Unaudited)**	January - September, 2025 (Unaudited)	**Amount of variation**	**Reasons for difference**
Operating income	**1,768,825,831.28**	1,194,766,367.29	48.05%	This is mainly due to sufficient orders in the current period and a substantial increase in the production and sales volume of products.
Operating cost	**1,615,565,032.21**	1,071,406,249.00	50.79%	This is mainly due to the increase in operating income in the current period and the corresponding increase in operating costs.
Operating taxes and surcharges	**9,587,892.67**	4,023,016.69	138.33%	This is mainly due to the increase in relevant taxes payable realized in the current period.

Item	**January - September, 2026 (Unaudited)**	January - September, 2025 (Unaudited)	**Amount of variation**	**Reasons for difference**
Management expenses	**43,004,196.60**	28,998,668.25	48.30%	This is mainly due to an increase in depreciation and amortization of relevant assets newly acquired during the current period, as well as an increase in employee compensation.
Financial expenses	**94,587,508.70**	65,988,713.17	43.34%	This is mainly due to exchange losses and the increase in financing amount in the current period.
Asset impairment loss (the loss is expressed with "-")	**-2,735,067.88**	-657,373.55	-316.06%	This is mainly due to the fact that the inventory impairment test was conducted as per the requirements of the Accounting Standards for Business Enterprises in the current period and the impairment loss of inventory was accrued.
Credit impairment loss (the loss is expressed with "-")	**-54,890,495.63**	5,380,901.97	-1120.10%	This is mainly due to the impairment testing of accounts receivable in accordance with the requirements of the Accounting Standards for Business Enterprises and the resulting recognition of an impairment loss.

Item	**January - September, 2026 (Unaudited)**	January - September, 2025 (Unaudited)	**Amount of variation**	**Reasons for difference**
Other incomes	**1,336,757.39**	2,368,676.13	-43.57%	This is mainly due to the decrease in income recognized under the value-added tax additional deduction policy in the current period compared with the same period last year.
Income from investment	**23,524.55**	-282,112.79	108.34%	This is mainly due to the transfer of equity in the associated company in the current period.
Assets disposal incomes	**-1,296,369.28**	4,162,142.07	-131.15%	This is mainly due to the loss from the disposal of part of the assets in the current period.
Non-operating income	**1,994,911.82**	8,665,934.19	-76.98%	In the current period, income is mainly recognized from advance payments for customer defaults and payable amounts that do not need to be paid, while in the previous period, income was mainly from litigation compensation received.
Income tax	**28,039.65**	87,130.18	-67.82%	This is mainly due to the decrease in income tax expenses incurred by the subsidiaries in the current period.

3. *Analysis and explanation of the year-on-year change in the Company's cash flow during the reporting period*

Unit: RMB

Item	**January - September, 2026 (Unaudited)**	January - September, 2025 (Unaudited)	**Amount of variation**	**Reasons for difference**
Net amount of cash flows from operating activities	**-132,675,132.20**	223,948,223.90	-159.24%	This is mainly due to the large amount of passive financial assistance funds recovered in the same period last year.
Net amount of cash flows from investing activities	**-86,781,219.29**	-30,048,307.13	-188.81%	This is mainly due to the decrease in cash received from the disposal of assets in the current period.
Net amount of cash flows from financing activities	**211,952,611.42**	-120,390,660.46	276.05%	This is mainly due to the cash received from the issue and placing of H-shares in the current period.
Net increase in cash and cash equivalents	**1,979,202.55**	70,497,038.30	-97.19%	This is mainly due to the combined influence of net cash flows generated from operating activities, investment activities and financial activities.

II. INFORMATION OF SHAREHOLDERS

(I) Table of total number of ordinary shareholders, preferred shareholders recovering voting rights and shareholdings of top ten shareholders

Unit: Share

Total number of ordinary share shareholders at the end of the reporting period	80,427 (including 80,392 A-share holders and 35 H-share holders)	**Total number of preferred shareholders recovering voting rights at the end of reporting period (if any)**	0

Shareholding of the top ten shareholders (excluding shares lent through securities lending and borrowing)

Shareholder name	**Nature of shareholder**	**Shareholding proportion (%)**	**Number of shares held**	**Number of shares held with restricted sale conditions**	**Pledge, marking or freezing**	
					Share status	**Quantity**
HKSCC Nominees Limited	Overseas legal person	36.78%	315,282,180	0	N/A	0
Shouguang Molong Holding Co., Ltd.	State-owned legal person	27.49%	235,617,000	0	Pledge	117,655,556
Zhang Yunsan	Domestic natural person	1.88%	16,108,000	0	N/A	0
Hong Kong Securities Clearing Company Limited	Overseas legal person	0.27%	2,324,468	0	N/A	0
Wang Yongzheng	Domestic natural person	0.21%	1,774,100	0	N/A	0
Yuan Shufen	Domestic natural person	0.19%	1,622,300	0	N/A	0
CITIC Securities Asset Management (Hong Kong) Limited - Client Funds	Overseas legal person	0.15%	1,287,862	0	N/A	0
Ye Lianghui	Domestic natural person	0.13%	1,103,800	0	N/A	0
Chen Xiru	Domestic natural person	0.11%	940,000	0	N/A	0
Bank of Communications Co., Ltd. - Huatianfu CSI Oil and Gas Resources Exchange-Traded Open-Index Securities Investment Fund	Others	0.10%	846,200	0	N/A	0

Shares held by top 10 shareholders without restricted sale conditions (excluding shares lent through securities lending and borrowing and executive lock-in shares)			
Shareholder name	**Number of shares held without restricted sale conditions**	**Type of shares**	
		Type of shares	**Quantity**
HKSCC Nominees Limited	315,282,180	Foreign capital shares listed overseas	315,282,180
Shouguang Molong Holding Co., Ltd.	235,617,000	RMB ordinary shares	235,617,000
Zhang Yunsan	16,108,000	RMB ordinary shares	16,108,000
Hong Kong Securities Clearing Company Limited	2,324,468	RMB ordinary shares	2,324,468
Wang Yongzheng	1,774,100	RMB ordinary shares	1,774,100
Yuan Shufen	1,622,300	RMB ordinary shares	1,622,300
CITIC Securities Asset Management (Hong Kong) Limited - Client Funds	1,287,862	RMB ordinary shares	1,287,862
Ye Lianghui	1,103,800	RMB ordinary shares	1,103,800
Chen Xiru	940,000	RMB ordinary shares	940,000
Bank of Communications Co., Ltd. - Huatianfu CSI Oil and Gas Resources Exchange-Traded Open-Index Securities Investment Fund	846,200	RMB ordinary shares	846,200
Description of incidence relations or concerted actions of the above shareholders			N/A
Description of the top ten shareholders participating in financing and securities loan business (if any)			N/A

Shareholders holding more than 5% of shares, the top 10 shareholders and the top 10 shareholders without restricted tradable shares participating in the lending shares through securities lending and borrowing

☐ Applicable ✔ Not applicable

Top 10 shareholders and top 10 shareholders without restricted tradable shares changed from the previous period due to lending/returning of securities lending and borrowing

☐ Applicable ✔ Not applicable

(II) Table of total number of the preferred shareholders and shareholdings of top ten preferred shareholders of the company

☐ Applicable ✔ Not applicable

III. OTHER MAJOR EVENTS

✔ Applicable ☐ Not applicable

1. Matters relating to the implementation of debt restructuring

On 29 December 2025, the Company convened the 10th interim meeting of the eighth session of the board of directors, and convened the first extraordinary general meeting of 2026 on 23 January 2026, which reviewed and approved the *Resolution on the Implementation of Debt Restructuring*, agreeing that the Company and the Vegetable Wholesale Company would sign the *Tripartite Agreement* with Huarong Agriculture, stipulating that the Vegetable Wholesale Company would use its assets such as land use right, buildings (structures), machinery and equipment located in Shouguang Science and Technology Industrial Park with an appraised value of RMB361.8502 million to repay the debt of RMB361.0000 million owed to the Company on behalf of Huarong Agriculture. As of the end of the reporting period, the transfer of title to the above-mentioned assets has been completed.

2. Progress on the recovery of passive financial assistance

On 9 January 2024, the Company held the 7th interim meeting of the seventh session of the board of directors. On 25 January 2024, the first extraordinary general meeting in 2024 was held, and the Resolution on Passively Forming Financial Assistance after Selling the Equity of the Subsidiary was reviewed and approved. The amount of the Company's claim against Shouguang Baolong is RMB461.7095 million. This amount is the accounts current between the Company and Shouguang Baolong during the period when Shouguang Baolong was a subsidiary of the Company. As of the disclosure date of this report, the balance of financial assistance of Shouguang Baolong is RMB292 million; Shouguang Baolong was unable to repay its due debts in February 2025, and the court ruled to accept its bankruptcy liquidation application. On 28 May 2026, the Shouguang Municipal People's Court issued a ruling declaring Shouguang Baolong bankrupt. As of the disclosure date of this report, the bankruptcy administrator has listed the assets of Shouguang Baolong for auction on the People's Court Litigation Assets Network. Based on the latest developments in the bankruptcy liquidation process, the Company has recognized an impairment loss of RMB60.1529 million on its receivables from Shouguang Baolong.

On 14 October 2024, the company held 14th interim meeting of the seventh session of the board of directors. On 21 November 2024, the 5th extraordinary general meeting in 2024 was held, and the *Resolution Regarding the Passive Formation of Financial Assistance after the Sale of Assets* was reviewed and approved. The amount of the company's claim against Shouguang Maolong was RMB714.1417 million. This amount is the accounts current arising from the fund exchanges between the Company and Shouguang Maolong during the period when Shouguang Maolong was a subsidiary of the Company. As of the disclosure date of this report, the balance of the aforementioned financial assistance is approximately RMB61.4534 million.

3. H-share placing

On 31 March 2026, the Company convened the 5th meeting of the eighth session of the Board of Directors; On 30 June 2026, the Company convened the 2025 Annual General Meeting of Shareholders, which reviewed and approved the Resolution on the General Authorization for the Issuance of H Shares.

Based on the authorization of the annual general meeting of shareholders, on 21 July 2026, the Company convened the 15th interim meeting of the eighth session of the board of directors, which reviewed and approved the *Resolution on the Issuance of H Shares by the Company under the General Authorizatio*n. Pursuant to the aforementioned general authorization, the Company placed 25,678,400 new H shares listed on the Main Board of The Stock Exchange of Hong Kong Limited at a placing price of HK$4.58 per share. This placing was completed on 29 July 2026.

After the completion of this placing, the total number of issued H shares of the Company increased from 256,126,400 shares to 281,804,800 shares; The number of A shares remains unchanged at 541,722,000 shares. The total number of issued shares of the Company increased from 797,848,400 shares to 823,526,800 shares, and the registered capital was correspondingly changed to RMB823,526,800.

Pursuant to the authorization of the annual general meeting, the Company convened the 17th interim meeting of the eighth session of the board of directors on 23 September 2026, and reviewed and approved the *Resolution on the Issuance of H Shares by the Company under the General Authorization*. Based on the aforementioned general mandate, the Company placed 33,615,600 new H shares on the Main Board of The Stock Exchange of Hong Kong Limited at the placing price of HK$3.5 per share, and this placement was completed on 28 September 2026.

After the completion of this placing, the total number of issued H shares of the Company increased from 281,804,800 shares to 315,420,400 shares; The number of A shares remains unchanged at 541,722,000 shares. The total number of issued shares of the Company increased from 823,526,800 shares to 857,142,400 shares, and the registered capital was correspondingly changed to RMB857,142,400.

4. Passive dilution of the shareholding ratio of the controlling shareholder

During the reporting period, the Company exercised the general mandate to place new H shares, which led to an increase in the total share capital of the Company, resulting in a passive dilution of the shareholding ratio of the controlling shareholder.

On 29 July 2026, the Company completed the H share placing, and the total share capital of the Company increased from 797,848,400 shares to 823,526,800 shares, resulting in the shareholding ratio of the controlling shareholder being passively diluted from 29.53% to 28.61%;

On 28 September 2026, the Company completed the H share placing, and the total share capital of the Company increased from 823,526,800 shares to 857,142,400 shares, resulting in the shareholding ratio of the controlling shareholder being passively diluted from 28.61% to 27.49%.

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Financial statements

1. Consolidated balance sheet

Prepared by: Shandong Molong Petroleum Machinery Company Limited

30 September 2026

Unit: RMB

Item	Ending Balance	Beginning Balance
Current assets:		
Monetary funds	**307,947,536.34**	273,493,158.99
Deposit reservation for balance		
Lending funds		
Trading financial assets		
Derivative financial assets		
Notes receivable	**47,013,027.50**	77,020,624.57
Accounts receivable	**403,381,262.38**	464,170,047.25
Receivables financing	**33,224,318.96**	0.00
Advance payment	**126,370,951.64**	112,468,236.53
Receivable premium		
Reinsurance accounts receivable		
Provision of cession receivable		
Other receivables	**197,665,613.91**	646,926,136.76
Including: Interest receivable		
Dividend receivable		
Redemptory financial assets for purchase		
Inventories	**738,087,962.76**	564,595,771.94
Including: Data resource		
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	**30,431,264.16**	2,143,508.70
Total current assets	**1,884,121,937.65**	2,140,817,484.74

Item	Ending Balance	Beginning Balance
Non-current assets:		
Loan and advance payment issuance		
Creditor's right investments		
Other creditor's right investments		
Long-term receivables		
Long-term equity investments	**46,340,865.68**	46,340,865.68
Other equity instrument investments	**33,403,349.84**	3,403,349.84
Other non-current financial assets		476,475.45
Investment property		
Fixed assets	**448,708,736.20**	297,484,473.82
Construction in progress	**1,707,667.27**	139,310.39
Productive biological assets		
Oil-gas assets		
Right-of-use assets		331,614.54
Intangible assets	**343,132,626.89**	190,074,048.99
Including: Data resource		
Development expenditure	**12,264,941.16**	
Including: Data resource		
Goodwill		
Long-term unamortized expense		
Deferred income tax assets		
Other non-current assets	**79,335,283.77**	3,058,459.20
Total non-current assets	**964,893,470.81**	541,308,597.91
Total assets	**2,849,015,408.46**	2,682,126,082.65
Current liabilities:		
Short-term borrowings	**1,447,039,861.33**	1,351,121,751.47
Borrowings from the central bank		
Borrowing funds		
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	**116,101,859.38**	66,591,079.41
Accounts payable	**346,119,479.46**	397,985,748.47
Advance receipt		
Contract liabilities	**101,974,128.29**	138,946,640.35
Repurchase financial assets for sale		
Deposits from customers and interbank		
Acting trading securities		
Acting underwriting securities		

Item	Ending Balance	Beginning Balance
Employee remuneration payable	**30,445,202.87**	33,499,464.98
Tax payable	**10,148,910.71**	12,885,662.22
Other payables	**37,060,783.02**	41,087,652.71
Including: Interests payable		
Dividends payable		
Service charges and commissions payable		
Reinsurance account payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	**70,157,286.88**	38,215,100.73
Other current liabilities	**19,451,731.15**	39,971,720.36
Total current liabilities	**2,178,499,243.09**	2,120,304,820.70
Non-current liabilities:		
Insurance contract reserves		
Long-term borrowings		
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities		
Long-term payables	**56,628,203.56**	52,698,375.15
Long-term employee remuneration payable		
Estimated liabilities	**4,976,675.84**	5,058,038.23
Deferred income	**5,861,223.18**	6,461,626.72
Deferred income tax liabilities	**26,502.51**	48,939.72
Other non-current liabilities		
Total non-current liabilities	**67,492,605.09**	64,266,979.82
Total liabilities	**2,245,991,848.18**	2,184,571,800.52
Owner's equities:		
Share capital	**857,142,400.00**	797,848,400.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	**1,120,297,408.89**	979,798,749.43
Less: Treasury shares		
Other comprehensive incomes	**-2,372,949.90**	-3,102,548.29
Special reserves		
Surplus reserves	**187,753,923.88**	187,753,923.88
General risk reserves		
Undistributed profits	**-1,559,601,852.80**	-1,464,423,291.93

Item	Ending Balance	Beginning Balance
Total owners' equities attributable to the parent company	**603,218,930.07**	497,875,233.09
Minority shareholders' equities	**-195,369.79**	-320,950.96
Total owners' equities	**603,023,560.28**	497,554,282.13
Total liabilities and owners' equities	**2,849,015,408.46**	2,682,126,082.65

Legal Representative: **Han Gaogui**

Person in Charge of Accounting Work: **Zhu Lin**

Person in Charge of Accounting Institution: **Zhu Lin**

2. Consolidated income statement from the beginning of the year to the end of the reporting period

Unit: RMB

Item	Amount for the Current Period	Amount for the Previous Period
I. Gross operating income	**1,768,825,831.28**	1,194,766,367.29
Including: Operating income	**1,768,825,831.28**	1,194,766,367.29
Interest incomes		
Earned premium		
Incomes of service charges and commissions		
II. Total operating costs	**1,806,786,008.11**	1,207,774,665.32
Including: Operating cost	**1,615,565,032.21**	1,071,406,249.00
Interest expenditures		
Expenditures of service charges and commissions		
Surrender value		
Net payment for insurance claims		
Withdrawal of net amount of insurance liability reserve		
Policy dividend expenses		
Reinsurance costs		
Taxes and surcharges	**9,587,892.67**	4,023,016.69
Sales expenses	**11,252,202.54**	10,945,463.11
Management expenses	**43,004,196.60**	28,998,668.25
R&D expenses	**32,789,175.39**	26,412,555.10
Financial expenses	**94,587,508.70**	65,988,713.17
Including: Interest expenses	**79,584,541.03**	68,761,316.50
Interest incomes	**2,179,990.26**	1,055,008.61

Item	Accrual in the Current Period	Accrual in the Previous Period
Plus: Other incomes	**1,336,757.39**	2,368,676.13
Investment incomes (the loss is expressed with "-")	**23,524.55**	-282,112.79
Including: Income from investment in associated enterprises and joint ventures		
Income from derecognition of financial assets measured at the amortized cost		
Incomes from exchange (the loss is expressed with "-")		
Income from net exposure hedging (the loss is expressed with "-")		
Incomes of changes in fair value (the loss is expressed with "-")		
Credit impairment loss (the loss is expressed with "-")	**-54,890,495.63**	5,380,901.97
Asset impairment loss (the loss is expressed with "-")	**-2,735,067.88**	-657,373.55
Asset disposal income (the loss is expressed with "-")	**-1,296,369.28**	4,162,142.07
III. Operating profits (the loss is expressed with "-")	**-95,521,827.68**	-2,036,064.20
Plus: Non-operating income	**1,994,911.82**	8,665,934.19
Less: Non-operating expense	**1,579,090.68**	1,336,390.75
IV. Total profits (the total losses are expressed with "-")	**-95,106,006.54**	5,293,479.24
Less: Income tax expense	**28,039.65**	87,130.18
V. Net profit (the net loss is expressed with "-")	**-95,134,046.19**	5,206,349.06
(I) Classification by operation continuity		
1. Net profits from continuing operation (the net loss is expressed with "-")	**-95,134,046.19**	5,206,349.06
2. Net profits from discontinuing operation (the net loss is expressed with "-")		
(II) Classification by ownership		
1. Net profit attributable to the shareholders of parent company (the net loss is expressed with "-")	**-95,178,560.87**	5,430,990.16
2. Minority shareholders' profit and loss (the net loss is expressed with "-")	**44,514.68**	-224,641.10

Item	Accrual in the Current Period	Accrual in the Previous Period
VI. After-tax net amount of other comprehensive incomes	**810,664.88**	212,849.60
Net after-tax other comprehensive income attributable to the owners of the parent company	**729,598.39**	191,564.64
(I) Other comprehensive incomes that cannot be reclassified into profits and losses		
1. Re-measurement of the changed amount in the defined benefit plan		
2. Other comprehensive incomes that cannot be transferred into the profits and losses under the equity method		
3. Changes in fair value of other equity instrument investments		
4. Changes in fair value of enterprise's own credit risks		
5. Others		
(II) Other comprehensive incomes that can be reclassified into profits and losses	**729,598.39**	191,564.64
1. Other comprehensive income that can be transferred to profit or loss under the equity method		
2. Changes in fair value of other creditor's right investments		
3. The amount of financial assets reclassified and included in other comprehensive income		
4. Credit impairment reserves of other creditor's right investments		
5. Cash flow hedging reserves		
6. Conversion difference in foreign currency financial statements	**729,598.39**	191,564.64
7. Others		
After-tax net amount of other comprehensive incomes attributable to the minority shareholders	**81,066.49**	21,284.96
VII. Total comprehensive incomes	**-94,323,381.31**	5,419,198.66
(I) Total comprehensive incomes attributable to the owners of the parent company	**-94,448,962.48**	5,622,554.80
(II) Total comprehensive incomes attributable to minority shareholders	**125,581.17**	-203,356.14

Item	Accrual in the Current Period	Accrual in the Previous Period
VIII. Earnings per share:		
(I) Basic earnings per share	**-0.1184**	0.0068
(II) Diluted earnings per share	**-0.1184**	0.0068

Legal Representative: **Han Gaogui**

Person in Charge of Accounting Work: **Zhu Lin**

Person in Charge of Accounting Institution: **Zhu Lin**

3. Consolidated cash flow statement from the beginning of the year to the end of the reporting period

Unit: RMB

Item	Amount for the Current Period	Amount for the Previous Period
I. Cash flows from operating activities:		
Cash received from the sales of goods or rendering of services	**1,804,666,997.99**	1,322,384,517.46
Net increase of deposits from customers and other banks		
Net increase of borrowings from central bank		
Net increase of loans from other financial institutions		
Cash received from insurance premium of original insurance contract		
Net amount of cash received from reinsurance business		
Net increase of policy holder deposits and investment funds		
Cash received from interests, fees and commissions		
Net increase in borrowed funds		
Net capital increase of repurchase business		
Net cash received from acting trading securities		
Refund of taxes and dues received	**88,699.11**	988,341.23
Cash received from other operating activities	**33,498,387.85**	378,911,128.39
Subtotal of cash inflow from operating activities	**1,838,254,084.95**	1,702,283,987.08

Item	**Accrual in the Current Period**	Accrual in the Previous Period
Cash paid for goods purchased and labor services received	**1,725,112,967.35**	1,207,100,228.97
Net increase of customer's loans and advances		
Net increase of deposits in central bank and other banks		
Cash paid for indemnity of original insurance contract		
Net increase in lending funds		
Cash paid for interests, fees and commissions		
Cash paid for policy dividends		
Cash paid to and for employees	**120,330,081.84**	124,242,758.43
Various taxes and dues paid	**37,203,017.11**	21,327,270.72
Other cash paid related to operating activities	**88,283,150.85**	125,665,505.06
Subtotal of cash outflow from operating activities	**1,970,929,217.15**	1,478,335,763.18
Net amount of cash flows from operating activities	**-132,675,132.20**	223,948,223.90
II. Cash flows from investing activities:		
Cash received from withdrawing investment		
Cash received from obtaining return on investment		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**120,603.00**	97,240,176.87
Net cash received from disposal of subsidiaries and other business units		
Other cash received related to investing activities		
Subtotal of cash inflow from investing activities	**120,603.00**	97,240,176.87
Net cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	**52,901,822.29**	87,288,484.00
Cash paid for investment	**34,000,000.00**	40,000,000.00
Net increase in pledge loans		
Net cash paid for disposal of subsidiaries and other business units		
Other cash paid related to investing activities		
Subtotal of cash outflow from investing activities	**86,901,822.29**	127,288,484.00
Net amount of cash flows from investing activities	**-86,781,219.29**	-30,048,307.13

Item	**Accrual in the Current Period**	Accrual in the Previous Period
III. Cash flows from financing activities:		
Cash received from attracting investment	**200,776,978.54**	240,000.00
Including: Cash received from subsidiaries absorbing minority shareholders' investments		
Cash received from obtaining borrowings	**1,500,771,012.25**	2,017,704,515.52
Other cash received related to financing activities	**48,000,000.00**	
Subtotal of cash inflow from financing activities	**1,749,547,990.79**	2,017,944,515.52
Cash paid for repaying debts	**1,410,869,710.00**	2,064,090,369.07
Cash paid for the distribution of dividends, profits or repayment of interests	**78,987,264.85**	74,244,806.91
Including: Dividends and profits paid by subsidiaries to minority shareholders		
Other cash paid related to financing activities	**47,738,404.52**	
Subtotal of cash outflow from financing activities	**1,537,595,379.37**	2,138,335,175.98
Net amount of cash flows from financing activities	**211,952,611.42**	-120,390,660.46
IV. Effect of exchange rate fluctuation on cash and cash equivalents	**9,482,942.62**	-3,012,218.01
V. Net increase in cash and cash equivalents	**1,979,202.55**	70,497,038.30
Plus: Balance of cash and cash equivalents at the beginning of the period	**185,905,663.41**	85,328,121.79
VI. Balance of cash and cash equivalents at the end of the period	**187,884,865.96**	155,825,160.09

(II) Adjustments to relevant items in the financial statements at the beginning of the year of first application as a result of the first-time adoption of new accounting standards starting from 2026

☐ Applicable ✔ Not applicable

(III) Audit report

Has the financial accounting report for the third quarter been audited?

☐ Yes ✔ No

The company's financial accounting report for the third quarter has not been audited.

By order of the Board
Shandong Molong Petroleum Machinery Company Limited
Han Gao Gui
Chairman

Shandong, the PRC
27 October 2026

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 purpose only*