

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibilities 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.



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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**AGM**”) of Shandong Molong Petroleum Machinery Company Limited (the “**Company**”) will be convened and held at 2:00 p.m. on Friday, 19 June 2020 at the conference room at No. 999 Wensheng Street, Shouguang City, Shandong Province, the People’s Republic of China (the “**PRC**”), to consider and, if thought fit, approve the following resolutions.

ORDINARY RESOLUTIONS

1. To consider and, if thought fit, approve the report of the board of directors of the Company for the year ended 31 December 2019;
2. To consider and, if thought fit, approve the report of the supervisory committee of the Company for the year ended 31 December 2019;
3. To consider and, if thought fit, approve the annual report and its abstract for the year ended 31 December 2019;
4. To consider and, if thought fit, to approve that the Company will not declare final dividend for the year ended 31 December 2019;
5. To consider and, if thought fit, to approve the remuneration plan of the directors, supervisors and senior management of the Company for the year 2020;
6. To consider and, if thought fit, approve the proposal regarding providing guarantee facility for the wholly-owned subsidiary Shouguang Maolong ;
7. To consider and, if thought fit, approve the application to the PRC financial institutions (all of which shall be independent third parties) for integrated banking facility credit line of not exceeding RMB4.35 billion for the year of 2020, and to authorize any legal representative of the Company (the “**Legal Representative**”) or any person authorised by the Legal Representative to sign on all facility agreements, financing agreements and other relevant documents in relation to such integrated banking credit facility;

8. To consider and, if thought fit, approve the proposal regarding the utilisation of idle proprietary capital of the Company for cash management;
9. To consider and, if thought fit, approve the re-appointment of ShineWing Certified Public Accountants (Special General Partnership) as the Company's auditors for the year ending 31 December 2020 and to authorise the board of directors to determine their remuneration;
10. To consider and, if thought fit, approve the proposal regarding the purchase of liability insurance for directors and supervisors of the Company;
11. To consider and, if thought fit, approve the proposal regarding the amendments to procedural rules of the board of directors meeting;
12. To consider and, if thought fit, approve the proposal regarding the amendments to procedural rules of the general meeting;

SPECIAL RESOLUTION

13. To consider and, if thought fit, approve to amend the proposed amendments of the Articles of Association as set out in Appendix I to the circular of the Company dated 24 April 2020, and authorise the Board or any person authorised by the Board to handle the matters related to the amendments of the Articles of Association.

The above resolution 13 is a special resolution, and shall be passed by more than two-thirds of the votes cast by the shareholders (including proxies) present at the AGM; while the remaining proposals are ordinary resolutions.

In addition, in accordance with the requirements of Listing Rules of the Shenzhen Stock Exchange, every independent non-executive Director will report their works on the AGM.

Shandong Molong Petroleum Machinery Company Limited
Liu Yunlong
Chairman

Shandong, the PRC
24 April 2020

Notes:

- (A) The register of members of the Company for H Shares will be closed from Thursday, 21 May 2020 to Friday, 19 June 2020, both days inclusive, during which period no H Share transfer will be effected. In order to qualify for attending the AGM and voting, all instruments of transfer of H shares, accompanied by the relevant share certificates, must be lodged with the registrar for H Shares of the Company no later than 4:30 p.m. on Wednesday, 20 May 2020.

The address of the registrar for H Shares is as follows:

Tricor Investor Services Limited
Level 54, Hopewell Centre 183 Queen's Road East Hong Kong

The Company will publish specific announcement on the Shenzhen Stock Exchange setting out details of the eligibility of holders of A Shares to attend the AGM.

- (B) A form of proxy for use at the AGM is enclosed with the circular of the Company and such form of proxy is also published on the websites of the Hong Kong Stock Exchange and the Company. Whether or not you intend to attend the AGM, you are required to complete and return (i) the enclosed reply slip in accordance with the instructions printed thereon not later than Friday, 29 May 2020 and (ii) the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending the AGM and voting in person if you so wish.
- (C) If a proxy attends the AGM on behalf of a Shareholder, he/she should produce his proof of identity and the instrument signed by the proxy or his legal representative, which specifies the date of its issuance. If the legal representative of a legal person Shareholder attends the AGM, such legal representative should produce his/her proof of identity and valid documents evidencing his capacity as such legal representative. If a legal person Shareholder appoints a representative of a company other than its legal representative to attend the AGM, such representative should produce his proof of identity and an authorization instrument affixed with the seal of the legal person Shareholder and duly signed by its legal representative.
- (D) The AGM is expected to last for an hour. Shareholders attending the AGM are responsible for their own transportation and accommodation expenses.

As at the date of this notice, the Board comprises the executive Directors, namely Mr. Liu Yun Long, Mr. Liu Min, Mr. Zhang Yu Zhi 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 purpose only*