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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)

**RESIGNATION OF EXECUTIVE DIRECTORS
AND
PROPOSED ELECTION OF EXECUTIVE DIRECTORS**

RESIGNATION OF EXECUTIVE DIRECTORS

The board of directors (the “**Board**”) of Shandong Molong Petroleum Machinery Company Limited (the “**Company**”) hereby announces that, Mr. Liu Yun Long (“**Mr. Liu**”) has resigned as an executive director and the chairman of the Board and a member of the relevant committees of the Board of the Company due to work adjustment; and Mr. Zhang Yu Zhi (“**Mr. Zhang**”) has resigned as an executive director and the deputy general manager of the Company due to reaching statutory retirement age. The resignations of Mr. Liu and Mr. Zhang shall take effect from 6 November 2020.

Mr. Liu and Mr. Zhang has confirmed that they have no disagreement with the Board and there are no matters relating to their resignations that need to be brought to the attention of the shareholders of the Company and The Stock Exchange of Hong Kong Limited. The Board would like to take this opportunity to express their appreciation to Mr. Liu and Mr. Zhang for their valuable contribution to the Company during their tenures of service.

PROPOSED ELECTION OF EXECUTIVE DIRECTORS

The Board is pleased to announce that, as nominated by Shandong Shouguang Jinxin Investment Development Holdings Group Limited* (山東壽光金鑫投資發展控股集團有限公司) (“**Shouguang Jinxin**”), the controlling shareholder of the Company, and by virtue of the recommendation of the nomination committee of the Company, it was resolved at the fourth special meeting of the sixth session of the Board convened on 6 November 2020 to propose Mr. Yang Yun Long and Mr. Yuan Rui to be elected as executive directors of the sixth session of the Board for a term commencing from the date on which they are elected at the extraordinary general meeting of the Company (“**EGM**”) and ending on the date when the service term of the sixth session of the Board expires.

Brief biographies of the above candidates are as follows:

Mr. Yang Yun Long, male, 44, Chinese, is an undergraduate degree holder and a CPC party member. He has worked with the following entities:

Term of service	Name of entity and position
July 1996 to October 2000	Shangkou Town Government of Shouguang and Shouguang Economic and Technological Development Zone
November 2000 to June 2006	Deputy chief officer of the Government Procurement Centre of Shouguang
July 2006 to December 2008	Chief officer of the Government Investment Project Management Office of Shouguang
January 2009 to March 2013	Deputy-general of Shouguang State-owned Assets Administration Bureau, chairman of Shouguang Jincai Public Asset Management Co., Ltd. (壽光市金財公有資產經營有限公司) (“ Shouguang Jincai ”), and director of Shouguang Rural Commercial Bank (壽光市農村商業銀行)
April 2013 to December 2016	Party branch secretary to the Office of Shouguang State-owned Assets Supervision and Administration, chairman of Shouguang Jincai, and attachment to the First Assessment Bureau of China Development Bank* (國家開發銀行評審一局)
December 2016 to June 2017	Chief officer of the Management Officer of Hou Town Marine Chemical Industrial Park of Shouguang Binhai (Yangkou) Economic Development Zone
July 2017 to present	Chairman and party branch secretary of Shouguang Financial Investment Group Co., Ltd.* (壽光市金融投資集團有限公司) (“ Shouguang Financial Investment ”) Executive director and general manager of Shouguang Jintou Asset Management Co., Ltd.* (壽光市金投資產管理有限公司) Executive director and general manager of Shouguang Jintou Culture Industry Development Co., Ltd.* (壽光市金投文化產業發展有限公司) Executive director and general manager of Shouguang Jintou Non-Financing Guarantee Co., Ltd.* (壽光市金投非融資性擔保有限公司)

February 2019 to present	Chairman and general manager of Shouguang Jinxin
April 2019 to present	Chairman and general manager of Weifang Jinxuan Equity Investment Fund Management Co., Ltd.* (濰坊金萱股權投資基金管理有限公司)
June 2020 to present	Executive director of Kunpeng Qinghai Asset Management Co., Ltd.* (昆明青海資產管理股份有限公司)
October 2020 to present	Chairman and general manager of Shouguang Molong Holdings Co., Ltd.* (壽光墨龍控股有限公司)

Mr. Yuan Rui, male, 33, Chinese, is an undergraduate degree holder and a CPC party member. From August 2009 to September 2017, he worked as the deputy section head and section head of Shouguang People's Government Office. Since September 2017 to present, Mr. Yuan Rui has served as an executive director of Shouguang Financial Investment. Since September 2018 to present, he has successively served as a director and the chief supervisor of Shandong Longxing Plastic Film Technology Co., Ltd.* (山東龍興塑膜科技股份有限公司). Since February 2019 to present, he has served as an executive director of Shouguang Jinxin. Since March 2020 to present, he has worked as a supervisor of Shandong Boyuan Pharmaceutical & Chemical Co., Ltd. (山東博苑醫藥化學股份有限公司). He has worked as a supervisor of Kunpeng Qinghai Asset Management Co., Ltd.* (昆明青海資產管理股份有限公司) since June 2020 to present and as a director of Shouguang Molong Holdings Co., Ltd.* (壽光墨龍控股有限公司) since October 2020 to present.

In accordance with the Company Law and the articles of association of the Company, the directors newly elected shall have a term of service commencing from the date of the EGM and ending on the date when the service term of the Board expires, but their terms of service are subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Articles of Association. The Company will enter into a service contract with each of the above director candidates. The remuneration (if any) of the director candidates will be determined by the Board with reference to the market level of remuneration.

Save as disclosed above, these candidates (i) do not have any interest in the shares of the Company or its associated companies within the meaning of Part XV of the Securities and Futures Ordinance; (ii) do not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) have not held any other position in the Company and/or any of its subsidiaries; and (iv) have not held any directorship in the last three years immediately preceding the date of this announcement in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there are no other matters relating to the election of the above candidates that need to be brought to the attention of the shareholders of the Company, and there is no other information which is discloseable under Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules.

By order of the Board
Shandong Molong Petroleum Machinery Company Limited*
Liu Min
Acting chairman

Shandong, the PRC
6 November 2020

As at the date of this announcement, the Board of the Company comprises the executive directors, namely Mr. Liu Min 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 purposes only*