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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)

### THIRD QUARTER REPORT IN 2024

**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 and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).**

**The following is the third quarter report of Shandong Molong Petroleum Machinery Company Limited\* (the “Company”) for the financial year of 2024.**

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

#### IMPORTANT NOTICE:

1. The Board of Directors, the Supervisory Committee, Directors, supervisors, and senior executives shall guarantee the truthfulness, accuracy and completeness of the content of the quarterly report, without any false records, 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 Quarter Report has been audited?  
 Yes  No

## I. MAJOR FINANCIAL DATA

### (I) Major accounting data and financial indexes

Whether the Company needs to retrospectively adjust or restate previous annual accounting data?

Yes  No

	Current reporting period	Increase or decrease in the current 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 revenue (RMB)	400,483,972.01	96.60%	1,005,111,902.89	0.30%
Net profits attributable to shareholders of the listed company (RMB)	(104,738,904.56)	-18.13%	65,396,009.51	126.49%
Net profits attributable to shareholders of the listed company after deducting non-recurring profits and losses (RMB)	(105,526,854.62)	-18.85%	(220,457,804.77)	11.29%
Net amount of cash flows from operating activities (RMB)	—	—	52,228,518.39	156.07%
Basic earnings per share (RMB/share)	(0.1312)	-17.99%	0.0820	126.49%
Diluted earnings per share (RMB/share)	(0.1312)	-17.99%	0.0820	126.49%
Weighted average return on net assets	-19.10%	-7.95%	14.32%	42.89%
	At the end of the current reporting period	At the end of last year	Increase or decrease at the end of the current reporting period compared to the end of last year	
Total assets (RMB)	2,764,646,911.14	2,888,081,988.80	-4.27%	
Owner's equities attributable to shareholders of the listed company (RMB)	490,295,354.48	424,013,364.43	15.63%	

## (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	Description
Profits and losses on disposal of non-current assets (including the write-off of provision for asset impairment)	<b>(109,842.89)</b>	281,211,887.08	Mainly comprised of the gains on disposal of equity interests in subsidiaries during the current period.
Government grant recognised in current profit and loss (excluding those that are closely related to the Company's normal business operation, that met the requirements of national policy, and that enjoy in accordance with the established standard and have a continuous impact on the Company's profit and loss)	<b>0.00</b>	106,235.78	Mainly comprised of the amortisation of deferred revenue during the current period.
Non-financial enterprises' gains and losses from changes in fair value arising from holding financial assets and financial liabilities and gains and losses arising from the disposal of financial assets and financial liabilities, except for the effective hedging business related to the Company's normal business operation	<b>0.00</b>	767,204.43	Due to the fact that during the reporting period, the 1.92% equity interests in Weihai Baolong held by Molong Electro-mechanical, a subsidiary, were converted from long-term equity investments to investments in other equity instruments as Weihai Baolong was no longer consolidated after the transfer of the equity interests in Weihai Baolong.
Other non-operating revenues and expenditures other than those mentioned above	<b>901,945.26</b>	4,083,368.81	Mainly comprised of the liquidated damages received from overseas customers and related accounts payable that are no longer required to be paid during the current period.
Minus: Influenced amount of income tax	<b>3,862.61</b>	294,217.01	
Influenced amount of minority shareholders' equities (after-tax)	<b>289.70</b>	20,664.81	
Total	<b>787,950.06</b>	285,853,814.28	—

Specific situations of other profit and loss items complying with the definition of non-recurring profits or losses:

Applicable    Not Applicable

There are no specific situations of other profit and loss items complying with the definition of non-recurring profits or losses in the Company.

Description on situations for defining non-recurring profit and loss items listed in the Explanatory Announcement No. 1 on Disclosure of the Information of Companies Offering Their Securities to the Public — Non-recurring Profits and Losses as recurring profits and losses

Applicable    Not Applicable

There are no situations for defining non-recurring profit and loss items listed in the Explanatory Announcement No. 1 on Disclosure of the Information of Companies Offering Their Securities to the Public — Non-recurring Profits and Losses as recurring profits and losses in the Company.

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

Applicable  Not Applicable

#### (I) Analysis of significant changes in the composition of the Company's assets and liabilities during the reporting period

Unit: RMB

Item	30 September 2024	31 December 2023	Amount of variation (%)	Reasons for changes
	(Unaudited)	(Audited)		
Notes receivable	12,128,908.42	78,005,897.66	-84.45%	Mainly due to the decrease in the amount of unexpired commercial promissory notes received in the current period.
Financing receivables	8,229,030.75	2,485,020.78	231.15%	Mainly due to the increase in the unexpired bank promissory notes received during the current period.
Advance payment	10,748,918.32	30,163,124.55	-64.36%	Mainly due to the decrease in the material prepayments during the current period.
Other receivables	391,617,428.91	4,675,103.22	8,276.66%	Mainly due to the increase in other receivables resulting from the external financial assistance incurred upon the disposal of equity interests in subsidiaries during the current period.
Other current assets	10,322,169.43	858,918.49	1,101.76%	Mainly due to the increase in tax deductions at the end of the current period.
Investments in other equity instruments	3,297,339.83			Due to the fact that the basis of accounting of 1.92% equity interest in Weihai Baolong held by Molong Electro-mechanical, a subsidiary, was changed from the equity method to cost method upon the transfer of equity interest.
Investment properties		16,874,595.83	-100.00%	Mainly due to the fact that the relevant subsidiaries were no longer consolidated after the disposal of their equity interests during the current period.
Construction-in-progress	298,971.19	2,192,776.49	-86.37%	Mainly due to the transfer of construction-in-progress to fixed assets for accounting during the current period.
Intangible assets	208,500,666.61	341,873,447.91	-39.01%	Mainly due to the fact that the relevant subsidiaries were no longer consolidated after the disposal of their equity interests during the current period.
Development expenditures	3,551,544.22			Mainly due to the fact that the development expenditure for the current period has not yet been completed.
Other non-current assets	960,163.95	1,378,503.95	-30.35%	Mainly due to the fact that the relevant subsidiaries were no longer consolidated after the disposal of their equity interests during the current period.
Taxes payable	6,321,187.16	19,595,319.94	-67.74%	Mainly due to the decrease in value-added tax realised during the current period.
Non-current liabilities due within one year	35,069,454.66	52,797,378.40	-33.58%	Mainly due to the repayment of finance lease payments due for the current period.
Other current liabilities	18,056,807.74	43,395,150.74	-58.39%	Mainly due to the decrease in the transfer of trade acceptance bills not due during the current period.
Deferred income tax liabilities	2,662,487.38	8,311,071.27	-67.96%	Mainly due to the fact that the relevant subsidiaries were no longer consolidated after the disposal of their equity interests during the current period.
Estimated liabilities		80,929,994.11	-100.00%	Mainly due to the fact that the relevant subsidiaries were no longer consolidated after the disposal of their equity interests during the current period.
Long-term payables		19,854,583.39	-100.00%	Mainly due to the repayment of finance lease payments due for the current period.

**(II) Analysis of significant year-on-year changes in profits and losses during the reporting period**

Unit: RMB

Item	January– September 2024	January– September 2023	Amount of variation (%)	Reasons for changes
	(Unaudited)	(Unaudited)		
Business taxes and surcharges	<b>6,505,188.69</b>	12,206,170.96	-46.71%	Mainly due to the decrease in tax realised during the current period.
Management expenses	<b>94,814,055.40</b>	197,032,430.30	-51.88%	Mainly due to the Company's implementation of cost reduction and efficiency enhancement measures, strict control of expenses and the decrease in related expenses upon the transfer of the equity interests in subsidiaries during the current period.
Asset impairment losses	<b>(72,074,572.87)</b>	(2,738,868.07)	-2,531.55%	Mainly due to the provision for impairment of assets of Shouguang Maolong, a subsidiary, during the current period.
Credit impairment losses	<b>2,144,006.97</b>	(1,713,385.47)	225.13%	Mainly due to the reversal of impairment provision on accounts receivable during the current period.
Other incomes	<b>7,031,782.73</b>	132,723.59	5,198.07%	Mainly comprised of the gains arising from the impact of the additional value-added tax credit policy during the current period.
Investment income	<b>282,091,477.58</b>			Mainly comprised of the gains on disposal of equity interests in the relevant subsidiaries during the current period.
Income from asset disposal	<b>163,084.71</b>	325,712.98	-49.93%	Mainly due to the decrease in gains on disposal of certain fixed assets during the current period.
Non-operating revenue	<b>4,655,540.21</b>	2,199,852.89	111.63%	Mainly comprised of the liquidated damages received from foreign customers and the related accounts payable that are no longer required to be paid during the current period.
Income tax expenses	<b>(339,579.86)</b>	1,905,475.64	-117.82%	Mainly attributable to the unrecognised deferred income tax expenses during the current period.

(III) *Analysis of year-on-year changes in the Company's cash flow during the reporting period*

*Unit: RMB*

<b>Item</b>	<b>January– September 2024</b>	January– September 2023	<b>Amount of variation (%)</b>	<b>Reasons for changes</b>
	<b>(Unaudited)</b>	(Unaudited)		
Net cash flows generated from operating activities	<b>52,228,518.39</b>	20,395,954.15	156.07%	Mainly attributable to the increase of cash received from commodity sales during the current period.
Net amount of cash flows generated from investing activities	<b>139,311,867.35</b>	(4,413,963.35)	3,256.16%	Mainly attributable to the receipt of amounts of equity transfer from subsidiaries during the current period.
Net increase in cash and cash equivalents	<b>(73,676,883.08)</b>	(270,392,594.47)	72.75%	Mainly attributable to the combined effect of the net cash flow generated from operating, investing and financing activities.

## II. INFORMATION OF SHAREHOLDERS

### (I) Table of Total Number of Ordinary Shareholders and Number of Preferred Shareholders Recovering Voting Rights and Shareholdings of Top Ten Shareholders

Unit: Share

Total number of Ordinary shareholders at the end of the reporting period	27,553 (including 27,509 A-share shareholders and 44 H-share shareholders)	Total number of preferred shareholders with restored voting rights as at the end of reporting period (if any)	0			
Shareholding of the top 10 shareholders (excluding shares lent through refinancing)						
Name of shareholder	Nature of shareholder	Shareholding percentage	Number of shares held	Number of shares held with restricted conditions	Pledge, marking or freezing information	
					Share status	Quantity
Shouguang Molong Holdings Co., Ltd.	State-owned legal person	29.53%	235,617,000	0.00	Pledged	114,355,556
HKSCC Nominees Limited	Overseas legal person	13.19%	105,218,180	0.00	Not applicable	0.00
Shandong Zhimeng Holdings Co., Ltd.	Domestic non-state owned legal person	8.23%	65,640,000	0.00	Not applicable	0.00
Shouguang Hongsen Logistics Co., Ltd.	Domestic non-state owned legal person	3.99%	31,800,000	0.00	Not applicable	0.00
Shouguang Panjin Real Estate Co., Ltd.	Domestic non-state owned legal person	3.86%	30,800,000	0.00	Not applicable	0.00
Shouguang Ruisen New Building Materials Co., Ltd.	Domestic non-state owned legal person	2.93%	23,374,800	0.00	Not applicable	0.00
Zhang Yun San	Domestic natural person	2.27%	18,108,000	0.00	Not applicable	0.00
Fan Xi Sheng	Domestic natural person	1.14%	9,064,900	0.00	Not applicable	0.00
Ma Li Ke	Domestic natural person	0.38%	3,053,140	0.00	Not applicable	0.00
Zhang Jing Dong	Domestic natural person	0.38%	3,050,000	0.00	Not applicable	0.00

<b>Shareholding of the top 10 shareholders with no selling restrictions (excluding shares lent through refinancing, executive officers lock-in stock)</b>			
<b>Name of shareholders</b>	<b>Number of shares held with no selling restrictions</b>	<b>Type and quantity of shares</b>	
		<b>Type of share</b>	<b>Quantity</b>
Shouguang Molong Holding Co., Ltd.	235,617,000	RMB ordinary share	235,617,000
HKSCC Nominees Limited	105,218,180	Overseas listed foreign share	105,218,180
Shandong Zhimeng Holding Co., Ltd.	65,640,000	RMB ordinary share	900,000
		Overseas listed foreign share	64,740,000
Shouguang Hongsen Logistics Co., Ltd.	31,800,000	Overseas listed foreign share	31,800,000
Shouguang Panjin Real Estate Co., Ltd.	30,800,000	Overseas listed foreign share	30,800,000
Shouguang Ruisen New Building Materials Co., Ltd.	23,374,800	Overseas listed foreign share	23,374,800
Zhang Yun San	18,108,000	RMB ordinary share	18,108,000
Fan Xi Sheng	9,064,900	RMB ordinary share	9,064,900
Ma Li Ke	3,053,140	RMB ordinary share	3,053,140
Zhang Jing Dong	3,050,000	RMB ordinary share	3,050,000
Description of associated relationships or concerted actions of the above shareholders	Among the above shareholders, Shandong Zhimeng Holding Co., Ltd., Shouguang Hongsen Logistics Co., Ltd., Shouguang Panjin Real Estate Co., Ltd. and Shouguang Ruisen New Building Materials Co., Ltd. have established an acting-in-concert relationship through the signing of an acting-in-concert agreement, and have no control relationship with each other. Except for the above situations, the Company is not aware of any connection among other shareholders or whether they are parties acting in concert.		
Description of the top 10 shareholders participating in margin trading business (if any)	Not applicable		

Participation in shares lending through refinancing business by shareholders who hold more than 5% of the shares, the top ten shareholders and the top ten shareholders without selling restrictions

Applicable  Not applicable

Change in the top ten shareholders and the top ten shareholders without selling restrictions compared with last period due to shares lending through re-financing/returning

Applicable  Not applicable



## (II) Table of Total Number of the Preferred Shareholders and Shareholdings of Top 10 Preferred Shareholders of the Company

Applicable  Not applicable

## III. OTHER SIGNIFICANT EVENTS

Applicable  Not applicable

Matters relating to the completion of change of the legal representative and renewal of business licence

At the twelfth extraordinary meeting of the Company's seventh session of board of directors held on 10 May 2024, the "Resolution on the Election of the Chairman of the Seventh Session of Board of Directors" was considered and approved. The election of Mr. Han Gao Gui as the chairman of the Company's seventh session of the board of directors was approved, with a term of office commencing from the date on which the appointment was considered and approved by the board of directors until the date on which the term of office of the seventh session of the board of directors expires. See the information disclosure website of cninfo (<http://www.cninfo.com.cn>) for detailed information of Announcement on Change of Chairman and Election of Members of Special Committees of the Board of Directors (《關於變更董事長及選舉董事會專門委員會成員的公告》) (Announcement No.: 2024-049). According to the provisions of the Articles of Association, the chairman of the board of directors is the legal representative of the Company, and on 10 July 2024, the Company completed the relevant procedures for the change of industrial and commercial registration and was reissued a business licence by the Weifang Municipal Administration for Market Regulation (濰坊市市場監督管理局). See the information disclosure website of cninfo (<http://www.cninfo.com.cn>) for detailed information of Announcement on Completion of Change of the Legal Representative and Renewal of Business Licence (《關於完成法定代表人變更並換領營業執照的公告》) (Announcement No.: 2024-060).

#### IV. QUARTERLY FINANCIAL STATEMENTS

##### (I) Financial Statements

###### 1. Consolidated Balance Sheet

Prepared by: Shandong Molong Petroleum Machinery Company Limited

30 September 2024

Unit: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
<b>Current assets:</b>		
Monetary funds	<b>89,067,713.57</b>	99,072,876.12
Deposit reservation for balance		
Lending funds		
Trading financial assets		
Derivative financial assets		
Notes receivable	<b>12,128,908.42</b>	78,005,897.66
Accounts receivable	<b>252,754,455.53</b>	253,264,672.00
Receivable financing	<b>8,229,030.75</b>	2,485,020.78
Advance payment	<b>10,748,918.32</b>	30,163,124.55
Premium receivable		
Reinsurance accounts receivable		
Reserves for reinsurance contract receivable		
Other receivables	<b>391,617,428.91</b>	4,675,103.22
Including: Interests receivable		
Dividends receivable		
Redemptory monetary capital for sale		
Inventories	<b>547,454,366.08</b>	454,882,307.24
Including: Data resources		
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	<b>10,322,169.43</b>	858,918.49
<b>Total current assets</b>	<b>1,322,322,991.01</b>	923,407,920.06

<b>Item</b>	<b>Balance at the end of the period</b>	Balance at the beginning of the period
<b>Non-current assets:</b>		
Loan and advance payment issuance		
Creditors' investments		
Other creditors' investments		
Long-term receivables		
Long-term equity investments	<b>1,648,769.00</b>	1,754,772.59
Other equity instrument investments	<b>3,297,339.83</b>	
Other non-current financial assets		
Investment real estate		16,874,595.83
Fixed assets	<b>1,206,674,704.52</b>	1,577,594,066.22
Construction in progress	<b>298,971.19</b>	2,192,776.49
Productive biological assets		
Oil-gas assets		
Right-of-use assets	<b>15,898,131.04</b>	21,377,297.83
Intangible assets	<b>208,500,666.61</b>	341,873,447.91
Including: Data resources		
Development expenditures	<b>3,551,544.22</b>	
Including: Data resources		
Goodwill		
Long-term unamortized expenses		
Deferred income tax assets	<b>1,493,629.77</b>	1,628,607.92
Other non-current assets	<b>960,163.95</b>	1,378,503.95
<b>Total non-current assets</b>	<b>1,442,323,920.13</b>	1,964,674,068.74
<b>Total assets</b>	<b>2,764,646,911.14</b>	2,888,081,988.80

<b>Item</b>	<b>Balance at the end of the period</b>	Balance at the beginning of the period
<b>Current liabilities:</b>		
Short-term borrowings	<b>1,474,739,268.48</b>	1,633,111,107.94
Borrowings from the central bank		
Borrowing funds		
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	<b>5,000,000.00</b>	
Accounts payable	<b>544,662,631.09</b>	509,647,241.72
Advance receipt		
Contract liabilities	<b>69,236,309.77</b>	54,732,615.40
Financial assets sold for repurchase		
Deposits from customers and interbank		
Acting trading securities		
Acting underwriting securities		
Payroll payable	<b>62,897,670.02</b>	75,699,078.02
Taxes and dues payable	<b>6,321,187.16</b>	19,595,319.94
Other payables	<b>33,368,370.31</b>	34,143,155.71
Including: Interests payable		
Dividends payable		
Fees and commissions payable		
Reinsurance accounts payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	<b>35,069,454.66</b>	52,797,378.40
Other current liabilities	<b>18,056,807.74</b>	43,395,150.74
<b>Total current liabilities</b>	<b>2,249,351,699.23</b>	2,423,121,047.87

<b>Item</b>	<b>Balance at the end of the period</b>	Balance at the beginning of the period
<b>Non-current liabilities:</b>		
Reserves for insurance contract		
Long-term borrowings	<b>502,246.15</b>	
Bonds payables		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	<b>15,923,772.87</b>	14,615,767.79
Long-term payables		19,854,583.39
Long-term employee remuneration payable		
Estimated liabilities		80,929,994.11
Deferred incomes	<b>6,186,923.07</b>	6,547,003.82
Deferred income tax liabilities	<b>2,662,487.38</b>	8,311,071.27
Other non-current liabilities		
<b>Total non-current liabilities</b>	<b>25,275,429.47</b>	130,258,420.38
<b>Total liabilities</b>	<b>2,274,627,128.70</b>	2,553,379,468.25
<b>Owners' equities:</b>		
Share capital	<b>797,848,400.00</b>	797,848,400.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	<b>868,303,946.95</b>	867,591,781.76
Minus: Treasury shares		
Other comprehensive incomes	<b>(3,127,864.53)</b>	(3,301,679.88)
Special reserves		
Surplus reserves	<b>187,753,923.88</b>	187,753,923.88
General risk reserves		
Undistributed profits	<b>(1,360,483,051.82)</b>	(1,425,879,061.33)
<b>Total owners' equities attributable to the parent company</b>	<b>490,295,354.48</b>	424,013,364.43
Minority shareholders' equities	<b>(275,572.04)</b>	(89,310,843.88)
<b>Total owners' equities</b>	<b>490,019,782.44</b>	334,702,520.55
<b>Total liabilities and owners' equities</b>	<b>2,764,646,911.14</b>	2,888,081,988.80

*Legal representative:*                      *Person in charge of accounting:*                      *Person in charge of accounting department:*  
**Han Gao Gui**                                      **Zhu Yan Li**    **Zhu Lin**

2. *Consolidated Income Statement from the Beginning of the Year to the End of the Reporting Period*

Unit: RMB

Item	Accrual in the current period	Accrual in the previous period
<b>I. Total Operating Revenues</b>	<b>1,005,111,902.89</b>	1,002,123,231.65
Including: Operating revenue	<b>1,005,111,902.89</b>	1,002,123,231.65
Interest revenues		
Earned premiums		
Revenues from fees and commissions		
<b>II. Total Operating Costs</b>	<b>1,164,273,683.45</b>	1,252,362,184.16
Including: Operating cost	<b>961,602,311.78</b>	929,267,750.89
Interest expenses		
Fee and commission expenses		
Surrender value		
Net payment for insurance claims		
Net amount of reserve fund for insurance liabilities		
Policy dividend payment		
Reinsurance costs		
Taxes and surcharges	<b>6,505,188.69</b>	12,206,170.96
Sales expenses	<b>11,175,828.07</b>	13,899,674.95
Management expenses	<b>94,814,055.40</b>	197,032,430.30
R&D expenses	<b>21,513,788.05</b>	25,649,206.19
Financial expenses	<b>68,662,511.46</b>	74,306,950.87
Including: Interest expenses	<b>74,519,287.49</b>	77,885,762.55
Interest revenues	<b>810,691.92</b>	4,211,799.31
Plus: Other incomes	<b>7,031,782.73</b>	132,723.59
Investment incomes	<b>282,091,477.58</b>	
Including: Investment income of joint-venture and partnership		
Income from derecognition of financial assets measured by amortized cost		
Exchange gain		
Income from net exposure hedging		
Income from changes in fair value		
Credit impairment losses	<b>2,144,006.97</b>	(1,713,385.47)
Asset impairment losses	<b>(72,074,572.87)</b>	(2,738,868.07)
Income from asset disposal	<b>163,084.71</b>	325,712.98

<b>Item</b>	<b>Accrual in the current period</b>	Accrual in the previous period
<b>III. Operating Profits</b>	<b>60,193,998.56</b>	(254,232,769.48)
Plus: Non-operating revenue	<b>4,655,540.21</b>	2,199,852.89
Minus: Non-operating expenditure	<b>576,529.85</b>	743,875.24
<b>IV. Total Profits</b>	<b>64,273,008.92</b>	(252,776,791.83)
Minus: Income tax expenses	<b>(339,579.86)</b>	1,905,475.64
<b>V. Net Profits</b>	<b>64,612,588.78</b>	(254,682,267.47)
(I) Classification by operation continuity		
1. Net profits from continuing operation	<b>64,612,588.78</b>	(254,682,267.47)
2. Net profits from discontinuing operation		
(II) Classification by ownership		
1. Net profit attributable to the shareholders of parent company	<b>65,396,009.51</b>	(246,910,051.81)
2. Minority shareholders' profit and loss	<b>(783,420.73)</b>	(7,772,215.66)
<b>VI. Net After-tax Amount of Other Comprehensive Incomes</b>	<b>193,128.16</b>	(408,017.51)
Net After-tax amount of other comprehensive incomes attributable to the owners of the parent company	<b>173,815.35</b>	(367,215.74)
(I) Other comprehensive incomes that cannot be reclassified into profits and losses		
1. Re-measurement of 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 credit risk		
5. Others		

<b>Item</b>	<b>Accrual in the current period</b>	Accrual in the previous period
(II) Other comprehensive incomes that will be reclassified into profits and losses	<b>173,815.35</b>	(367,215.74)
1. Other comprehensive incomes that can be transferred into the profits and losses under the equity method		
2. Changes in fair value of other creditor's investments		
3. Amounts of financial assets reclassified into other comprehensive incomes		
4. Credit impairment provision of other debt investments		
5. Cash flow hedging reserves		
6. Converted difference in foreign currency financial statement	<b>173,815.35</b>	(367,215.74)
7. Others		
Net after-tax amount of other comprehensive incomes attributable to the minority shareholders	<b>19,312.81</b>	(40,801.77)
<b>VII. Total Comprehensive Incomes</b>	<b>64,805,716.94</b>	(255,090,284.98)
(I) Total comprehensive incomes attributable to the owners of the parent company	<b>65,569,824.86</b>	(247,277,267.55)
(II) Total comprehensive incomes attributable to minority shareholders	<b>(764,107.92)</b>	(7,813,017.43)
<b>VIII. Earnings Per Share:</b>		
(I) Basic earnings per share	<b>0.0820</b>	(0.3095)
(II) Diluted earnings per share	<b>0.0820</b>	(0.3095)

*Legal representative:*  
**Han Gao Gui**

*Person in charge of accounting:*  
**Zhu Yan Li**

*Person in charge of accounting department:*  
**Zhu Lin**



3. *Consolidated Cash Flow Statement from the Beginning of the Year to the End of the Reporting Period*

Unit: RMB

Item	Accrual in the current period	Accrual in the previous period
<b>I. Cash Flows from Operating Activities:</b>		
Cash received from the sales of goods or rendering of services	<b>1,068,449,258.95</b>	1,059,936,136.21
Net increase in customer deposits and interbank deposits		
Net increase in borrowings from the central bank		
Net increase in borrowing funds from other financial institutions		
Cash received from the original insurance contract premium		
Net cash received from reinsurance premiums		
Net increase in policy holder deposits and investment funds		
Cash received from interests, fees and commissions		
Net increase in borrowing funds		
Net increase in repurchase business funds		
Net cash received from vicariously traded securities		
Refund of taxes and dues received	<b>31,447,664.27</b>	466,828.15
Other cash received related to operating activities	<b>7,578,416.84</b>	5,512,340.24
<b>Subtotal of cash inflows from operating activities</b>	<b>1,107,475,340.06</b>	1,065,915,304.60
Cash paid for purchasing commodities and receiving labor service	<b>851,092,350.15</b>	803,038,653.98
Net increase in customer loans and advances		
Net increase in deposit in the central bank and interbank payments		
Cash paid for the claim payment of the 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	<b>119,950,170.70</b>	128,485,277.14
Various taxes and dues paid	<b>57,125,942.01</b>	51,532,507.61
Other cash paid related to operating activities	<b>27,078,358.81</b>	62,462,911.72
<b>Subtotal of cash outflows from operating activities</b>	<b>1,055,246,821.67</b>	1,045,519,350.45
<b>Net amount of cash flows from operating activities</b>	<b>52,228,518.39</b>	20,395,954.15

<b>Item</b>	<b>Accrual in the current period</b>	Accrual in the previous period
<b>II. Cash Flows from Investing Activities:</b>		
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	<b>807,956.11</b>	357,413.87
Net cash received from disposal of subsidiaries and other business units	<b>141,552,345.00</b>	
Other cash received related to investing activities		
<b>Subtotal of cash inflows from investing activities</b>	<b>142,360,301.11</b>	357,413.87
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	<b>3,048,433.76</b>	4,771,377.22
Cash paid for investment		
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business units		
Other cash paid related to investing activities		
<b>Subtotal of cash outflows from investing activities</b>	<b>3,048,433.76</b>	4,771,377.22
<b>Net amount of cash flows from investing activities</b>	<b>139,311,867.35</b>	(4,413,963.35)
<b>III. Cash Flows from Financing Activities:</b>		
Cash received from attracting investment		
Including: Cash received by subsidiaries from absorbing investments from minority shareholders		
Cash received from obtaining loans	<b>2,772,744,400.69</b>	3,235,998,098.33
Other cash received related to financing activities		20,158,500.00
<b>Subtotal of cash inflows from financing activities</b>	<b>2,772,744,400.69</b>	3,256,156,598.33
Cash paid for repaying debts	<b>2,900,695,394.98</b>	3,475,876,545.53
Cash paid for distributing dividends and profits or paying interests	<b>65,234,586.60</b>	72,284,609.96
Including: Dividends and profits paid to minority shareholders by subsidiaries		
Other cash paid related to financing activities	<b>65,800,000.00</b>	
<b>Subtotal of cash outflows from financing activities</b>	<b>3,031,729,981.58</b>	3,548,161,155.49
<b>Net amount of cash flows from financing activities</b>	<b>(258,985,580.89)</b>	(292,004,557.16)

Item	Accrual in the current period	Accrual in the previous period
<b>IV. Effect of Changes in Exchange Rate on Cash and Cash Equivalents</b>	<b>(6,231,687.93)</b>	5,629,971.89
<b>V. Net Increase in Cash and Cash Equivalents</b>	<b>(73,676,883.08)</b>	(270,392,594.47)
Plus: Balance of cash and cash equivalents at the beginning of the period	<b>87,640,771.80</b>	358,672,243.57
<b>VI. Balance of Cash and Cash Equivalents at the End of the Period</b>	<b>13,963,888.72</b>	88,279,649.10

**(II) Implementation of the adjustment of new accounting standards, and the financial statement related items at the beginning of the year for the first time from 2024**

Applicable  Not Applicable

**(III) Audit report**

Whether the Third Quarter Report has been audited?

Yes  No

The Company's Third Quarter Report has not been audited.

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

Shandong, the PRC  
30 October 2024

*As at the date of this announcement, the board of directors of the Company comprises the executive Directors, namely Mr. Han Gao Gui and Mr. Yuan Rui; the non-executive Directors, namely Mr. Ding Yi and Ms. Zhang Min; and the independent non-executive Directors, namely Mr. Tang Qing Bin, Mr. Song Zhi Wang and Mr. Cai Zhong Jie.*

\* For identification purposes only