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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 2025 FIRST 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 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 first quarterly report of Shandong Molong Petroleum Machinery Company Limited* (the “Company”) for the financial year of 2025.

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

IMPORTANT NOTICE:

1. The Board, the supervisory committee and the Directors, supervisors and senior management warrant that this quarterly report is true, accurate, and complete without any false information, misleading statements or material omissions, and individually and jointly accept legal responsibility.
2. The person-in-charge of the Company, the person-in-charge of the accounting and the person-in-charge of the accounting department (head of accounting) declare that: the financial information contained in this quarterly report is true, accurate and complete.
3. Whether the First Quarterly Report has been audited

Yes No

I. KEY FINANCIAL DATA

(I) KEY ACCOUNTING DATA AND FINANCIAL INDICATORS

Whether the Company made retroactive adjustment or restated accounting data in previous years

Yes No

	The reporting period	The corresponding period of last year	Increase/decrease for the reporting period as compared with the corresponding period of last year (%)
Operating revenue (RMB)	291,392,171.76	193,609,052.43	50.51%
Net profit attributable to shareholders of listed company (RMB)	5,423,201.01	216,912,792.77	-97.50%
Net loss after extraordinary gains or losses attributable to shareholders of listed company (RMB)	(4,913,149.53)	(67,637,300.87)	92.74%
Net cash flows generated from operating activities (RMB)	381,004,412.19	(2,664,458.90)	14,399.50%
Basic earnings per Share (RMB/share)	0.0068	0.2719	-97.50%
Diluted earnings per Share (RMB/share)	0.0068	0.2719	-97.50%
Weighted average return on net assets	1.10%	40.69%	-39.59%
	As at the end of the current reporting period	As at the end of last year	Increase/decrease at the end of the reporting period as compared with the end of last year (%)
Total assets (RMB)	2,437,307,022.32	2,420,182,877.14	0.71%
Total owners' equity attributable to shareholders of the listed company (RMB)	497,716,259.99	492,269,498.07	1.11%

(II) NON-RECURRING GAIN OR LOSS ITEMS AND AMOUNTS

Applicable Not applicable

Unit: RMB

Item	Amount for the current reporting period	Explanation
Profits and losses on disposal of non-current assets (including the write-off part of provision for asset impairment)	3,052,789.96	Mainly refer to the income generated from the disposal of idle fixed assets in the current period.
Other non-operating income and expenses except for the above items	7,282,108.96	Mainly refer to the litigation compensation received in the current period.
Minus: Influence amount of income tax	(1,451.62)	—
Influenced amount of minority stockholder's interest (after-tax)	0.00	—
Total	10,336,350.54	—

Details of other gain or loss items that fall within the definition of non-recurring gains or losses:

Applicable Not applicable

The Company did not have any extraordinary profit and loss items that fall within the definition of extraordinary gain or loss.

Explanation for defining the non-recurring gain or loss items listed in the Interpretation No. 1 on Information Disclosure for Companies Offering their Securities to the Public - Extraordinary Profit and Loss as extraordinary gain and loss items.

Applicable Not applicable

The Company did not define any non-recurring gain or loss items listed in the Interpretation No. 1 on Information Disclosure for Companies Offering their Securities to the Public - Non-recurring Gains and Loss as extraordinary profit and loss items.

(III) DETAILS OF AND REASONS FOR CHANGES IN KEY ACCOUNTING DATA AND FINANCIAL INDICATORS

✓Applicable □ Not applicable

(I) *Analysis of and explanation for significant changes in the Company's asset and liability structure during the reporting period*

Unit: RMB

Items	31 March 2025 (Unaudited)	31 December 2024 (Audited)	Change	Reason for difference
Monetary capital	431,216,177.07	86,788,890.12	396.86%	The main reason is the passive financial assistance funds received in the current period from the sale of subsidiaries in 2024.
Accounts receivable	294,556,089.24	220,326,415.43	33.69%	The main reason is that the shipment volume in March of the current period is relatively large and some payments have not yet reached the collection period.
Financing of receivables	1,670,517.19	40,000.00	4076.29%	The main reason is the increase in the number of unexpired bank acceptances received at the end of current period.
Other receivables	733,100,673.29	1,177,001,129.72	-37.71%	The main reason is the passive financial assistance funds received in the current period from the sale of subsidiaries in 2024.
Other current assets	62,341.86	368,914.64	-83.10%	The main reason is the decrease in tax deductions at the end of the current period.
Contract liabilities	67,590,335.47	35,099,585.13	92.57%	The main reason is the increase in advances on sales at the end of current period.
Non-current liabilities due within one year	20,541,798.97	30,042,081.68	-31.62%	The main reason is the repayment of long-term loans due within one year in the current period.

(II) Analysis of and explanation for significant year-on-year changes in gain or loss indicators for the reporting period

Unit: RMB

Item	January to March 2025 (Unaudited)	January to March 2024 (Unaudited)	Change Reason for difference
Operating incomes	291,392,171.76	193,609,052.43	50.51% The main reason is the increase in product sales in the current period.
Operating cost	264,196,824.05	187,933,014.42	40.58% The main reason is the increase in product sales in the current period.
Management expenses	8,030,225.66	33,948,364.98	-76.35% The main reason is that the subsidiaries that were sold in 2024 were no longer included in the consolidated accounting scope in this period, and the Company implemented cost reduction and efficiency improvement measures, strictly controlling various expense expenditures, which led to a decrease in management expenses.
Assets impairment loss	1,953,051.65	(16,444,430.89)	111.88% The main reason is that impairment test for the inventory is conducted pursuant to the requirements of the enterprise accounting standards during the current period, with a decrease in the provision for impairment losses of inventory.
Credit impairment loss	16,870.97	1,603,991.60	-98.95% The main reason is that the impairment test for the receivables is conducted pursuant to the requirements of the enterprise accounting standards during the current period, with a decrease in the provision for credit impairment losses.
Other incomes	311,243.72	33,789.37	821.13% The main reason is the increase in revenue generated by the impact of the value-added tax additional deduction policy in the current period.
Income from asset disposal	3,052,789.96	163,084.71	1771.90% The main reason is the increase in the income generated from the disposal of idle assets in the current period.

Investment incomes	(42,472.54)	282,197,481.17	-100.02%	The main reason is that the income generated from the disposal of the equity of the subsidiary in the previous period has a significant impact.
Non-operating incomes	7,700,620.42	2,710,092.85	184.15%	The main reason is the receipt of litigation compensation funds in the current period.
Non-operating expenditures	418,511.46	262,260.33	59.58%	The main reason is the payment of relevant overdue fines in the current period.
Income tax expenses	42,045.51	86,399.55	-51.34%	The main reason is the decrease in income tax expenses achieved in the current period.

(III) Analysis of and explanation for year-on-year changes in the Company's cash flows during the reporting period

Unit: RMB

Item	January to March 2025 (Unaudited)	January to March 2024 (Unaudited)	Change	Reason for difference
Net cash flows from operating activities	381,004,412.19	(2,664,458.90)	14399.50%	The main reason is the passive financial assistance funds received in the current period from the sale of subsidiaries in 2024.
Net cash flows generated from investment activities	7,182,408.00	141,716,637.04	-94.93%	The main reason is that the funds for the disposal of idle assets were received the current period, and the funds for the transfer of equity in subsidiaries were received in the same period last year.

II. INFORMATION OF THE SHAREHOLDERS

(I) Total Number of Ordinary Shareholders And Number Of Preferred Shareholders With Restored Voting Rights and Shareholding of Top Ten Shareholders

Unit: Share

Total number of ordinary shareholders by the end of the Reporting Period	24,735 (including 24,690 A-share shareholders and 45 H-share shareholders)	Total number of preferred shareholders whose voting powers have been restored by the end of the Reporting Period (if any)	0
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Shareholding of Top ten shareholders (Not inclusive of stock borrowing through refinancing)

Name of Shareholders	Nature of Shareholders	Shareholding Percentage	Number of shares held	Number of Shares with sale restriction	Pledged, marked or frozen 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%	105,210,180	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 Property 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
Zhang Enquan	Domestic Natural Person	1.73%	13,764,700	0.00	Not applicable	0.00
Fan Xi Sheng	Domestic Natural Person	1.23%	9,777,100	0.00	Not applicable	0.00
Zhang Shuangzi	Domestic Natural Person	0.58%	4,650,400	0.00	Not applicable	0.00

Shareholding of Top Ten Shareholders not Subject to Selling Restrictions (excluding shares lent through refinancing business and executive lock-in shares)

Name of Shareholders	Number of shares not subject to lock-up held	Categories of Shares	
		Categories of Shares	Quantity
Shouguang Molong Holdings Co., Ltd.	235,617,000	RMB ordinary shares	235,617,000
HKSCC Nominees Limited	105,210,180	Overseas listed foreign shares	105,210,180
Shandong Zhimeng Holdings Co., Ltd.	65,640,000	RMB ordinary shares	900,000
		Overseas listed foreign shares	64,740,000
Shouguang Hongsen Logistics Co., Ltd.	31,800,000	Overseas listed foreign shares	31,800,000
Shouguang Panjin Property Co., Ltd.	30,800,000	Overseas listed foreign shares	30,800,000
Shouguang Ruisen New Building Materials Co., Ltd.	23,374,800	Overseas listed foreign shares	23,374,800
Zhang Yun San	18,108,000	RMB ordinary shares	18,108,000
Zhang Enquan	13,764,700	RMB ordinary shares	13,764,700
Fan Xisheng	9,777,100	RMB ordinary shares	9,777,100
Zhang Shuangzi	4,650,400	RMB ordinary shares	4,650,400

Description of the above-mentioned shareholders' association or concertedness Among the above-mentioned shareholders, Shouguang Panjin Real Estate Co., Ltd. is a wholly-owned subsidiary of Shandong Zhimeng Holding Co., Ltd., and Shandong Zhimeng Holding Co., Ltd. has reached a concerted actor relationship with Shouguang Hongsen Logistics Co., Ltd. and Shouguang Ruisen New Building Materials Co., Ltd. by signing a concerted actor agreement. Except for the above situations, the company is not aware of any related relationships or concerted actions between other shareholders.

Description of the participation of the top 10 ordinary shareholders in margin financing and securities lending business (if any) Not applicable

Status of shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders of unrestricted circulated shares participating in the refinancing business and lending shares

Applicable Not applicable

Changes of top 10 shareholders and the top 10 shareholders of unrestricted circulated shares from the previous period due to refinancing lending/returning.

Applicable Not applicable

(II) TOTAL NUMBER OF PREFERRED SHAREHOLDERS AND TABLE OF STATUS OF SHAREHOLDINGS OF TOP 10 PREFERRED SHAREHOLDERS

Applicable Not applicable

III. OTHER IMPORTANT MATTERS

Applicable Not applicable

1、 Progress of assignment of debt and debt restructuring

On 12 February 2025, the company held the second extraordinary meeting of the eighth session of the Board of Directors, which reviewed and approved the *Proposal on Implementing the Assignment of Debt and Debt Restructuring*, agreed that the Company and Shandong Shouguang Vegetable Wholesale Market Co., Ltd. (hereinafter referred to as "Vegetable Wholesale Company") and Shouguang Baolong Petroleum Equipment Co., Ltd. (hereinafter referred to as "Shouguang Baolong") would sign the *Tripartite Agreement* and specified that the company would transfer the creditor's rights of RMB 169.1198 million of Shouguang Baolong to Vegetable Wholesale Company and Vegetable Wholesale Company would pay the consideration with RMB 84 million in cash and the land and buildings (structures) it held with an appraised value of RMB 85.1198 million. As of the disclosure date of this report, the company has received all the cash considerations, and the procedures for the transfer of real estate ownership of the land and the buildings (structures) have been completed.

2、 Progress on the recovery of passive financial assistance

On 9 January 2024, the Company held the seventh extraordinary 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 Proposal on "Passively Forming Financial Assistance after Selling the Equity of the Subsidiary" was considered and approved. The Company's amount of obligation against Shouguang Baolong reaches to RMB 461.7095 million, and its amount of obligation against Weihai Baolong Petroleum Specialized Materials Co., Ltd. (hereinafter referred to as "Weihai Baolong") reaches to RMB 14.3457 million. The amount represents the amount of account current between the Company and its subsidiaries during the period when the aforementioned companies were subsidiaries of the company. As of the disclosure date of this report, the balance of financial assistance of Shouguang Baolong is RMB 292 million. the balance of financial assistance of Weihai Baolong is RMB 5.1607 million.

On 14 October 2024, the Company held the 14th extraordinary meeting of the seventh session of the Board of Directors. On 21 November 2024, the fifth extraordinary general meeting in 2024 was held, and the "Proposal on Passively Forming Financial Assistance after the Sale of Assets" was considered and approved. The Company's amount of obligation against Shouguang Maolong New Material Technology Development Co., Ltd. (hereinafter referred to as "Shouguang Maolong") reaches to RMB 714.1417 million. The amount is the account current of funds transactions between Shouguang Maolong and its subsidiaries during the period when Shouguang Maolong was a subsidiary of the Company. As of the disclosure date of this report, the balance of the above-mentioned financial assistance is RMB 352 million.

IV. QUARTERLY FINANCIAL STATEMENT

(I) FINANCIAL STATEMENT

1、 Consolidated Balance Sheet

Prepared by: Shandong Molong Petroleum Machinery Company Limited*

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary capital	431,216,177.07	86,788,890.12
Settlement deposits	—	—
Lending funds	—	—
Financial assets held for trading	—	—
Derivative financial assets	—	—
Bills receivables	34,587,183.41	28,076,117.35
Accounts receivables	294,556,089.24	220,326,415.43
Financing receivables	1,670,517.19	40,000.00
Prepayments	22,731,614.18	25,073,201.17
Insurance receivables	—	—
Reinsurance receivables	—	—
Reinsurance contract reserves receivable	—	—
Other receivables	733,100,673.29	1,177,001,129.72
Including: Interest receivable	—	—
Dividends receivable	—	—
Purchases of sell-back financial assets	—	—
Inventories	447,780,221.11	397,733,225.95
Including: Data resources	—	—
Contract assets	—	—
Assets held for sale	—	—
Non-current assets due within one year	—	—
Other current assets	62,341.86	368,914.64
Total current assets	1,965,704,817.35	1,935,407,894.38

Item	Closing balance	Opening balance
Non-current assets:		
Granted loans and advances	—	—
Debt investments	—	—
Other debt investments	—	—
Long-term receivables	—	—
Long-term equity investments	1,666,457.34	1,666,457.34
Investments in other equity instruments	3,316,677.33	3,316,677.33
Other non-current financial assets	—	—
Investment properties	—	—
Fixed assets	311,775,096.96	327,402,077.12
Construction-in-progress	—	—
Productive biological assets	—	—
Oil and gas assets	—	—
Right-of-use assets	6,275,089.79	8,256,248.21
Intangible assets	142,493,226.43	143,873,622.76
Including: Data resources	—	—
Development expenditures	5,815,757.12	—
Including: Data resources	—	—
Goodwill	—	—
Long-term deferred expenses	—	—
Deferred income tax assets	—	—
Other non-current assets	259,900.00	259,900.00
Total non-current assets	471,602,204.97	484,774,982.76
Total Assets	2,437,307,022.32	2,420,182,877.14

Item	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings	1,432,470,634.50	1,425,765,913.39
Borrowings from the central bank	—	—
Borrowing funds	—	—
Financial liabilities held for trading	—	—
Derivative financial liabilities	—	—
Bills payable	1,574,453.72	7,128.75
Accounts payable	282,636,448.25	294,207,878.68
Receipts in advance	—	—
Contract liabilities	67,590,335.47	35,099,585.13
Proceeds from disposal of buy-back financial assets	—	—
Customer bank deposits and due to banks and other financial institutions	—	—
Securities brokerage deposits	—	—
Securities underwriting brokerage deposits	—	—
Salaries payable	58,452,826.27	57,404,024.93
Taxes payable	15,921,662.79	15,106,998.95
Other payables	29,969,676.94	40,123,921.92
Including: Interest payable	—	—
Dividends payable	—	—
Brokerage and commission payables	—	—
Reinsurance payables	—	—
Liabilities held for sale	—	—
Non-current liabilities due within one year	20,541,798.97	30,042,081.68
Other current assets	19,428,753.19	19,147,733.93
Total current liabilities	1,928,586,590.10	1,916,905,267.36

Item	Closing balance	Opening balance
Non-current liabilities:		
Insurance contract reserves	—	—
Long-term borrowings	—	153,809.38
Bonds payable	—	—
Including: Preferred shares	—	—
Perpetual bonds	—	—
Lease liabilities	159,303.53	178,746.58
Long-term payables	—	—
Long-term salaries payable	—	—
Estimated liabilities	4,960,656.25	4,960,656.25
Deferred revenue	6,085,498.10	6,085,498.10
Deferred income tax liabilities	4,834.38	4,834.38
Other non-current liabilities	—	—
Total non-current liabilities	11,210,292.26	11,383,544.69
Total Liabilities	1,939,796,882.36	1,928,288,812.05

Item	Closing balance	Opening balance
Owners' equity:		
Share capital	797,848,400.00	797,848,400.00
Other equity instruments	—	—
Including: Preferred shares	—	—
Perpetual bonds	—	—
Capital reserve	979,777,355.57	979,777,355.57
Less: Treasury shares	—	—
Other comprehensive income	(3,507,725.75)	(3,531,286.66)
Special reserve	—	—
Surplus reserve	187,753,923.88	187,753,923.88
General risk reserve	—	—
Undistributed profits	(1,464,155,693.71)	(1,469,578,894.72)
Total equity attributable to owners of the parent company	497,716,259.99	492,269,498.07
Minority equity	(206,120.03)	(375,432.98)
Total owners' equity	497,510,139.96	491,894,065.09
Total liabilities and owners' equity	2,437,307,022.32	2,420,182,877.14

Legal representative:
Han Gao Gui

Chief financial officer:
Zhu Lin

Head of accounting section:
Zhu Lin

2、 Consolidated Income Statement

Item	Unit: RMB	
	Amount for the current period	Amount of the previous period
I. Total Operating Income	291,392,171.76	193,609,052.43
Including: Operating income	291,392,171.76	193,609,052.43
Interest income	—	—
Insurance premium earned	—	—
Brokerage and commission income	—	—
II. Total operating cost	298,573,822.88	247,395,469.13
Including: Operating cost	264,196,824.05	187,933,014.42
Interest expenses	—	—
Brokerage and commission expenses	—	—
Surrenders	—	—
Net compensation expenses	—	—
Net charge of insurance liability reserve	—	—
Policyholder dividend expenses	—	—
Reinsurance premiums	—	—
Tax and surcharges	1,551,944.43	1,408,026.19
Selling expenses	2,961,218.08	2,655,910.42
Administrative expenses	8,030,225.66	33,948,364.98
Research and development expenditures	2,314,906.67	2,633,923.36
Finance expenses	19,518,703.99	18,816,229.76
Including: Interest expenses	20,477,649.72	21,027,103.93
Interest income	303,435.88	721,355.92

Item	Amount for the current period	Amount of the previous period
Add: Other income	311,243.72	33,789.37
Return on investment	(42,472.54)	282,197,481.17
Including: Gain on investment in associates and joint ventures	—	—
Gain on derecognition of financial assets measured at amortised cost	—	—
Profit on exchange	—	—
Profit/loss on net exposure hedging	—	—
Gain on change of fair value	—	—
Credit impairment loss	16,870.97	1,603,991.60
Asset impairment loss	1,953,051.65	(16,444,430.89)
Return on asset disposition	3,052,789.96	163,084.71
III. Operating revenue	(1,890,167.36)	213,767,499.26
Add: Non-operating income	7,700,620.42	2,710,092.85
Less: Non-operating expenses	418,511.46	262,260.33
IV. Total profit	5,391,941.60	216,215,331.78
Less: Income tax expenses	42,045.51	86,399.55
V. Net profit	5,349,896.09	216,128,932.23
(I) Classified by continued operation		
1. Net profit of continuous operation	5,349,896.09	216,128,932.23
2. Net profit of terminated operation	—	—
(II) Classified by attributable ownership		
1. Net profit attributable to the shareholders of the parent company	5,423,201.01	216,912,792.77
2. Loss or profit attributable to minority interests	(73,304.92)	(783,860.54)

Item	Amount for the current period	Amount of the previous period
VI. Other comprehensive income, net of tax	26,178.79	(31,549.94)
Other comprehensive income attributable to owners of the parent company, net of tax	23,560.91	(28,394.94)
(I) Other comprehensive income that may not be reclassified to profit or loss	—	—
1.Changes on remeasurement of defined benefit plans	—	—
2.Other comprehensive income that may not be transferred to profit or loss under equity accounting	—	—
3.Fair value changes in investments in other equity instruments	—	—
4.Fair value changes in credit risk of the Company	—	—
5.Others	—	—
(II) Other comprehensive income that will be reclassified to profit or loss	23,560.91	(28,394.94)
1.Other comprehensive income that may be transferred to profit or loss under equity accounting	—	—
2.Fair value changes in other debt investments	—	—
3.Reclassification of financial assets to other comprehensive income	—	—
4.Credit-impaired provision for other debt investments	—	—
5.Cash flow hedge reserve	—	—
6.Exchange differences on translation of foreign financial statements	23,560.91	(28,394.94)
7.Others	—	—
Other comprehensive income attributable to minority shareholders, net of tax	2,617.88	(3,155.00)
VII.Total comprehensive income	5,376,074.88	216,097,382.29
Total comprehensive income attributable to owners of the parent company	5,446,761.92	216,884,397.83
Total comprehensive income attributable to minority interests	(70,687.04)	(787,015.54)
VIII.Earnings per share (EPS):		
(I) Basic earnings per share	0.0068	0.2719
(II) Diluted earnings per share	0.0068	0.2719

Legal representative:

Han Gao Gui

Chief financial officer:

Zhu Lin

Head of accounting section:

Zhu Lin

3、 Consolidated Statement of Cash Flows

Unit: RMB

Item	Amount for the current period	Amount of the previous period
I. Cash flow from operating activities:		
Cash received from sales of goods and rendering of services	268,783,533.13	305,244,987.43
Net increase in customer bank deposits and due to banks and other financial institutions	—	—
Net increase in borrowings from the central bank	—	—
Net increase in placements from other financial institutions	—	—
Cash received from receiving insurance premium of original insurance contract	—	—
Net cash received from reinsurance business	—	—
Net increase in deposits from policyholders and investments	—	—
Cash received of interests, fees and commissions	—	—
Net increase in inter-bank borrowings	—	—
Net increase in repurchase business capital	—	—
Net cash proceeds from securities brokerage	—	—
Receipts of tax refunds	109,063.43	—
Other cash received relating to operating activities	458,953,347.93	4,096,323.52
Subtotal of cash inflows from operating activities	727,845,944.49	309,341,310.95

Item	Amount for the current period	Amount of the previous period
Cash paid for purchasing goods and receiving services	299,083,175.60	220,508,664.69
Net increase in loans and advances to customers	—	—
Net increase in deposits with central bank and other financial institutions	—	—
Cash paid for compensation 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 on behalf of employees	24,853,936.62	64,331,564.53
Cash paid for taxes	10,070,540.45	15,285,845.47
Other cash paid relating to operating activities	12,833,879.63	11,879,695.16
Subtotal of cash outflows from operating activities	346,841,532.30	312,005,769.85
Net cash flows from operating activities	381,004,412.19	(2,664,458.90)
 II. Cash Flow from Investment Activities:		
Cash received from disposal of investments	—	—
Cash received from gains on investments	—	—
Net cash from disposal of fixed assets, intangible assets and other long-term assets	7,196,100.00	164,292.04
Net cash received from disposal of subsidiaries and other business units	—	141,552,345.00
Other cash received relating to investing activities	—	—
Subtotal of cash inflows from investing activities	7,196,100.00	141,716,637.04
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	13,692.00	—
Cash paid for acquisition of investments	—	—
Net increase in pledged loans	—	—
Net cash paid for acquisition of subsidiaries and other business units	—	—
Other cash paid relating to investing activities	—	—
Subtotal of cash outflows from investing activities	13,692.00	0.00
Net cash flows generated from investing activities	7,182,408.00	141,716,637.04

Item	Amount for the current period	Amount of the previous period
III. Cash Flow from Financing Activities:		
Cash received from capital contributions	240,000.00	—
Including: Cash received from minority shareholder investment by subsidiaries	—	—
Borrowings received	231,605,750.70	964,122,945.97
Other cash received relating to financing activities	—	—
Subtotal of cash inflows from financing activities	231,845,750.70	964,122,945.97
Cash repayments of amounts borrowed	248,942,868.31	951,610,631.70
Cash paid for dividend and profit distribution or interest payment	26,038,301.74	55,295,173.28
Including: Dividends and profits paid to minority shareholders by subsidiaries	—	—
Other cash paid relating to financing activities	70,000,000.00	71,890,000.00
Subtotal of cash outflows from financing activities	344,981,170.05	1,078,795,804.98
Net cash flow generated from financing activities	(113,135,419.35)	(114,672,859.01)
IV. Effect of Foreign Exchange Rate Change on Cash and Cash Equivalents	(906,246.47)	(1,539,786.59)
V. Net Accrual of Cash and Cash Equivalents	274,145,154.37	22,839,532.54
Add: Balance of cash and cash equivalents at the beginning of the period	85,328,121.79	87,640,771.80
VI. Closing Balance of Cash and Cash Equivalents	359,473,276.16	110,480,304.34

(II) CONDITION OF FIRST IMPLEMENTATION OF RELEVANT ADJUSTMENT ITEMS AT THE BEGINNING OF THE YEAR ON WHICH NEW ACCOUNTING STANDARDS WERE IMPLEMENTED FOR THE FIRST TIME IN 2025

Applicable Not applicable

(III) AUDITOR'S REPORT

Whether the First Quarterly Report has been audited

Yes No

The First Quarterly Report of the Company has not been audited.

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

Shandong, the PRC
28 April 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. Zhang Zhi Yong and Mr. Wang Tao; the non-executive Directors, namely Ms. Zhang Min and Mr. Ma Qing Wen; and the independent non-executive Directors, namely Mr. Zhang Zhen Quan, Mr. Dong Shao Hua and Mr. Zhang Bing Gang.

** For identification purposes only*