



山東墨龍石油機械股份有限公司

Shandong Molong Petroleum Machinery Company Limited*

(Stock Code: 568)

PROPOSED ELECTION OF DIRECTORS

The board (the “**Board**”) of directors of Shandong Molong Petroleum Machinery Company Limited* (the “**Company**”) announces that an extraordinary general meeting of the Company (the “**EGM**”) will be convened and held for the shareholders of the Company (the “**Shareholder(s)**”) to consider, and if though fit, approve the proposed election of the directors (the “**Director(s)**”) of the seventh session of the Board.

As at the date of this announcement, the Board comprises of eight Directors, of which three are executive Directors, namely Mr. Yang Yun Long, Mr. Yuan Rui and Mr. Li Zhi Xin; two are non-executive Directors, namely Mr. Yao You Ling and Mr. Wang Quan Hong; and three are independent non-executive Directors, namely Mr. Tang Qing Bin, Mr. Song Zhi Wang and Mr. Cai Zhong Jie.

As the term of office of the sixth session of the Board will expire soon, in accordance with the relevant provisions of the Company Law of the People's Republic of China and the Articles of Association of the Company, the Company will conduct a succession election of the Board in compliance with the relevant legal procedures in order to assure a smooth transition of sessions of the Board, effective decision-making by the management and stable development of the Company.

In respect of the seventh session of the Board, Mr. Yang Yun Long, Mr. Yuan Rui, Mr. Li Zhi Xin and Mr. Yao You Ling have been nominated as the candidates for executive Directors; Mr. Wang Quan Hong and Mr. Liu Ji Lu have been nominated as the candidates for non-executive Directors; and Mr. Tang Qing Bin, Mr. Song Zhi Wang and Mr. Cai Zhong Jie have been nominated as the candidates for independent non-executive Directors. The tenure of office of the proposed Directors shall be three years commencing from the date of approval at the EGM, subject to the approval of Shareholders at the EGM.

Biographical details of the candidates for Directors proposed to be elected at the EGM are as follows:

Executive Directors

Mr. Yang Yun Long, male, Chinese, born in June 1976, aged 45, is a holder of a bachelor's degree and a member of the Communist Party of China. He was the chief officer of the

Mr. **Wang Rui**, male, Chinese, born in February 1987, aged 34, is a holder of a bachelor's degree and a member of the Communist Party of China. He worked as the deputy section head and section head of Shouguang People's Government Office. He is currently an executive director of Shouguang Financial Investment, and has successively served as a director and the chief supervisor of Shandong Longxing Plastic Film Technology Co., Ltd.* (). He is also an executive director of Shouguang Jinxin, a supervisor of Shandong Boyuan Pharmaceutical & Chemical Co., Ltd. (), a supervisor of Kunpeng Qinghai Asset Management Co., Ltd.* (), and a director of Shouguang Molong. He is currently the deputy chairman of the Board and an executive Director.

Mr. **Wang Rui**, male, Chinese, born in February 1987, aged 34, is a holder of a bachelor's degree and a member of the Communist Party of China. He worked as the deputy section head and section head of Shouguang People's Government Office. He is currently an executive director of Shouguang Financial Investment, and has successively served as a director and the chief supervisor of Shandong Longxing Plastic Film Technology Co., Ltd.* (). He is also an executive director of Shouguang Jinxin, a supervisor of Shandong Boyuan Pharmaceutical & Chemical Co., Ltd. (), a supervisor of Kunpeng Qinghai Asset Management Co., Ltd.* (), and a director of Shouguang Molong. He is currently the deputy chairman of the Board and an executive Director.

Mr. **Li Zhi Xin**, Chinese, Han ethnicity, born in June 1977, aged 44, is a member of the Communist Party of China and holds an Executive Master of Business Administration Degree (EMBA) degree from the School of Continuing Education, Tsinghua University. Joining the Company in 1994, he served as the branch production director, the person in charge of the production control centre and the safety director successively. He is currently the deputy general manager of the Company, and is in charge of the overall production of the Company. He is currently an executive Director.

Mr. **Li Zhi Xin**, Chinese, Han ethnicity, born in June 1977, aged 44, is a member of the Communist Party of China and holds an Executive Master of Business Administration Degree (EMBA) degree from the School of Continuing Education, Tsinghua University. Joining the Company in 1994, he served as the branch production director, the person in charge of the production control centre and the safety director successively. He is currently the deputy general manager of the Company, and is in charge of the overall production of the Company. He is currently an executive Director.

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economist with tertiary education. He was an officer of the planning office at Agricultural Bank of China (Shandong Branch), a senior staff member and a principal staff member of the capital and finance department of China Great Wall Asset Management Co., Ltd. () (Jinan Office), and the project manager, business director and deputy senior manager of China Great Wall Asset Management Co., Ltd. (Jinan Office); he has also been the deputy senior manager of the second asset management department of China Great Wall Asset Management Co., Ltd. (Shandong Branch). He is currently the senior manager of the second asset management department of China Great Wall Asset Management Co., Ltd. (Shandong Branch). He is currently a non-executive Director of the Company. As at the date of this announcement, Mr. Wang Quan Hong holds 139,500 A shares of the Company.

Mr. Liu Ji Lu, male, Han ethnicity, born in May 1967, aged 54, is a member of the Communist Party of China and holds a master's degree in economics. He currently serves as an associate professor of the accounting specialty of Weifang Vocational College (), and is a certified public accountant, a registered asset appraiser, an expert of the Shandong Province Innovation and Entrepreneurship Education Tutor Database* (), one of the first batch of experts in accounting experts in Weifang City, an expert of the Database of Experts for the Assessment of Major Issues of State-owned Enterprises in Binhai District* (), and a financial expert advisor of the Weifang Institute of Finance (). He has been awarded the titles of "Excellent Worker in Weifang City" and "Excellent Teacher in Weifang City".

Independent non-executive Directors

Mr. Tang Qing Bin, male, Han ethnicity, born in October 1963, aged 58, is a member of the Communist Party of China and a certified public accountant with tertiary education. He has extensive practical experience in corporate restructuring, risk management and control, and corporate auditing. He was a teacher of Shandong University of Finance and Economics (), the chief accountant of Qilu Futures Brokerage Co., Ltd. (), and the director of Dongfang Junhe Certified Public Accountants Co., Ltd.* (). He is currently a senior partner of Beijing Zhongzheng Tiantong Certified Public Accountants Co., Ltd.* (), an independent director of Luxin Venture Capital Group Co., Ltd.* () (a company whose shares are listed on the Shanghai Stock Exchange (Stock code: 600783)) and an independent director of Energy International Investments Holdings Limited (a company whose shares are listed on The Stock Exchange of Hong Kong Limited (Stock code: 00353)). He is currently an independent non-executive Director.

Mr. Song Zhi Wang, male, Han ethnicity, born in September 1963, aged 58, is a senior economist with a master's degree in business administration. He was a teacher at the School of Finance of Qilu University of Technology (), a financial supervisor at the financial management office of the People's Bank of China (Shandong Branch), and the deputy general manager of Ping An Property & Casualty Insurance Company of China, Ltd. (Shandong Branch) and a supervisor of Shandong Insurance Intermediary Association* (). He is currently the chairman and general manager of Shandong Juan Insurance Broker Co., Ltd.* (), a deputy-director member

of Shandong Insurance Industry Reform and Development Expert Advisory Committee* (), a part-time professor of Shandong University and Shandong University of Finance and Economics, an arbitrator of Jinan Arbitration Commission, vice president of Shandong Insurance Society* (), a president of Shandong Insurance Intermediary Association, a vice president of Shandong Rural Vitalization Research Association* () and a vice president of Jinan Logistics and Supply Chain Society* (). He is currently an independent non-executive Director.

Mr. Cai Zhong Jie, male, Han ethnicity, born in November 1962, aged 59, is a member of the Communist Party of China and holds a master's degree in law, is a senior counsel, was served as a lawyer in Shandong Law Firm (), a founding partner and a director of KangQiao Law Firm (), and the chairman of the partners' meeting of Shandong Zhongcheng Renhe Law Firm (). He is currently the director of Jincheng Tongda & Neal (Jinan) Law Firm (). Mr. Cai Zhong Jie has been recognised as an Outstanding Provincial Lawyer and an Outstanding National Lawyer, and has been selected as a member of the Legal Expert Database of Shandong Provincial People's Government, the Legal Expert Database of Shandong Provincial Party Committee, and the Legal Advisory Committee of Shandong Provincial State-owned Assets Supervision and Administration Commission. He is currently an independent non-executive Director of the Company.

In accordance with the Company Law of the People's Republic of China and the Articles of Association, the Directors newly elected shall have a term of office of three years commencing from the date of consideration and approval by the EGM. The Company will enter into a service contract with the above Director candidates, if elected. The remuneration of the elected Directors will be determined by the Board at the recommendation of the remuneration committee of the Company having considered their responsibilities in the Company and with reference to the prevailing market rate of remuneration.

Save as disclosed above, as at the date of this announcement, the above-mentioned Director 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 (Cap. 571 of the Laws of Hong Kong); (ii) do not have any relationship with any Directors, supervisors, 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 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* Director candidates that need to be brought to the attention of the Shareholders, and there is no other information which im n

Shandong, the PRC
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