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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)**

## **PROPOSED RE-ELECTION AND APPOINTMENT OF DIRECTORS AND SUPERVISORS AND RETIREMENT OF DIRECTORS**

The term of office of the seventh session of the Board will soon expire on 25 November 2024 and the term of office of the seventh session of the Supervisory Committee has expired. In accordance with the relevant provisions of the Company Law of the People's Republic of China and the Articles of Association, the Company shall carry out the election of new session of the Board and the Supervisory Committee.

### **RETIREMENT OF DIRECTORS**

As the term of office of the seventh session of the Board will soon expire on 25 November 2024, Mr. Ding Yi will retire from his office as a non-executive Director upon the conclusion of the EGM, and Mr. Tang Qing Bin, Mr. Song Zhi Wang and Mr. Cai Zhong Jie will retire from their offices as independent non-executive Directors upon the conclusion of the EGM.

### **PROPOSED RE-ELECTION AND APPOINTMENT OF DIRECTORS AND SUPERVISORS**

The Board is pleased to announce that the Board proposes to convene the EGM to re-elect and appoint the Directors of the eighth session of the Board and the non-employee representative Supervisors of the eighth session of the Supervisory Committee.

The proposed re-election and appointment of the Directors and non-employee representative Supervisors will be subject to the approval of the Shareholders at the EGM.

The term of office of the Directors of the eighth session of the Board and the Supervisors of the eighth session of the Supervisory Committee will be a period of three years commencing on the date of EGM.

#### **Re-election and appointment of Directors**

Mr. Han Gao Gui and Mr. Yuan Rui will retire and have been nominated as candidates for re-election as executive Directors at the EGM; and Ms. Zhang Min will retire and has been nominated as a candidate for re-election as non-executive Director at the EGM.

Mr. Zhang Zhi Yong and Mr. Wang Tao have been nominated as candidates for appointment as executive Directors at the EGM. Mr. Ma Qing Wen has been nominated as a candidate for appointment as non-executive Director at the EGM. Mr. Zhang Zhen Quan, Mr. Dong Shao Hua and Mr. Zhang Bing Gang have been nominated as candidates for appointment as independent non-executive Directors at the EGM.

#### **Re-election and appointment of Supervisor**

Mr. Li Jing Wei will retire and has been nominated as candidate for re-election as non-employee representative Supervisor at the EGM.

Mr. Jiang Zhen Jian has been nominated as a candidate for appointment as non-employee representative Supervisor at the EGM.

#### **GENERAL**

A circular containing, inter alia, details of the proposed re-election and appointment of Directors and Supervisors and the notice of the EGM will be disseminated to the Shareholders in due course.

The term of office of the seventh session of the Board will soon expire on 25 November 2024 and the term of office of the seventh session of the Supervisory Committee has expired. In accordance with the relevant provisions of the Company Law of the People’s Republic of China and the Articles of Association, the Company shall carry out the election of new session of the Board and the Supervisory Committee.

**RETIREMENT OF DIRECTORS**

As the term of office of the seventh session of the Board will soon expire on 25 November 2024, Mr. Ding Yi will retire from his office as a non-executive Director upon the conclusion of the EGM, and Mr. Tang Qing Bin, Mr. Song Zhi Wang and Mr. Cai Zhong Jie will retire from their offices as independent non-executive Directors upon the conclusion of the EGM.

The aforementioned retiring Directors have confirmed that they have no disagreement with the Board and there is no other matter in relation to their retirement that needs to be brought to the attention of the Shareholders.

Following the retirement of the aforementioned independent non-executive Directors, there will be changes to the composition of each of the committees of the Board and the Company will make an announcement in relation to the same as and when appropriate.

**PROPOSED RE-ELECTION AND APPOINTMENT OF DIRECTORS AND SUPERVISORS**

The Board is pleased to announce that the Board proposes to convene the EGM to re-elect and appoint the Directors of the eighth session of the Board and the non-employee representative Supervisors of the eighth session of the Supervisory Committee.

The proposed re-election and appointment of Directors and non-employee representative Supervisors will be subject to the approval of the Shareholders at the EGM through cumulative voting system.

The term of office of the Directors of the eighth session of the Board and the Supervisors of the eighth session of the Supervisory Committee will be a period of three years commencing on the date of the EGM.

**Re-election and appointment of Directors**

Mr. Han Gao Gui and Mr. Yuan Rui will retire and have been nominated as the candidates for re-election as executive Directors at the EGM. Ms. Zhang Min will retire and has been nominated as a candidate for re-election as non-executive Director at the EGM.

Mr. Zhang Zhi Yong and Mr. Wang Tao have been nominated as candidates for appointment as executive Directors at the EGM. Mr. Ma Qing Wen has been nominated as a candidate for appointment as non-executive Director at the EGM. Mr. Zhang Zhen Quan, Mr. Dong Shao Hua and Mr. Zhang Bing Gang have been nominated as candidates for appointment as independent non-executive Directors at the EGM.

If the proposed re-election or appointment of the Directors are approved by the Shareholders at the EGM, the Company will enter into a service contract with each of them for a term of three years. The executive Directors' remunerations will be determined by the Board at the recommendation of the remuneration committee of the Board, with reference to their responsibilities in the Company, their experience and qualifications and the prevailing market remuneration level. Non-executive Directors will not receive any remuneration from the Company. Independent non-executive Directors will be entitled to a director's fee of RMB120,000 per annum, payable on a quarterly basis. The Company will disclose the remuneration of the Directors in its upcoming annual report.

Biographical details of each of the Directors proposed for re-election or appointment are set out below:

### ***Executive Directors***

**Mr. Han Gao Gui** (韓高貴, “**Mr. Han**”), aged 50, is a member of Communist Party of China and holds a bachelor's degree. He has successively served as Secretary of the Discipline Inspection Committee, Deputy Secretary of the Party Working Committee, and Director of the People's Congress of Shouguang Gucheng Street; Director of Shouguang Social Governance Service Centre\* (壽光市社會治理服務中心); Deputy Director of the Municipal Party Committee Office, Deputy Director of the Municipal Government Office of Shouguang City, Secretary of the Party Leadership Group, and Director of the Shouguang Municipal Public Complaints and Proposals Administration. He is currently serving as a Party Committee member of Shouguang Industrial Investment Holding Group Co., Ltd.\* (壽光市產業投資控股集團有限公司). Mr. Han is currently the chairman of the Board and an executive Director.

**Mr. Yuan Rui** (袁瑞, “**Mr. Yuan**”), aged 37, is a member of Communist Party of China and holds a bachelor's degree. Mr. Yuan has served as the deputy chief and the chief of Shouguang Municipal People's Government Office, and the deputy chair of the Board. He currently serves as the chairman of Shouguang Industrial Investment Holding Group Co., Ltd. (壽光市產業投資控股集團有限公司) and a director of Shouguang Jinxin, a director of Shouguang Molong; a director of Shandong Boyuan Pharmaceutical Chemical Co., Ltd.\* (山東博苑醫藥化學股份有限公司), a supervisor of Shandong Longxing Plastic Film Technology Co., Ltd.\* (山東龍興塑膜科技股份有限公司); a supervisor of Kunpeng Asset Management Co., Ltd.\* (昆朋資產管理股份有限公司); and a supervisor of Shandong Shouguang Rural Commercial Bank Co., Ltd.\* (山東壽光農村商業銀行股份有限公司). Mr.

Yuan is currently an executive Director.

**Mr. Zhang Zhi Yong** (張志永, “**Mr. Zhang**”), aged 49, is a member of Communist Party of China and graduated from a technical school. Mr. Zhang has served as the office director of Luli Group Co., Ltd.\* (魯麗集團有限公司), the party and government supervisor of Shouguang City, and a specially invited mediator of Shouguang People's Court. He was appointed as the people's juror of the People's Court of Shouguang by the Standing Committee of the 15th and 16th Shouguang People's Congress. Mr. Zhang currently serves as a supervisor and assistant to the general manager of Luli Group Co., Ltd.\* (魯麗集團有限公司).

**Mr. Wang Tao** (王濤, “**Mr. Wang**”), aged 43, is a member of Communist Party of China and holds a bachelor's degree. Mr. Wang joined the Company in August 2006 and served successively as deputy manager of the quality control department, director of the oil pump factory, director of the production dispatch centre and assistant to the general manager. Mr. Wang is currently the deputy general manager of the Company.

#### *Non-executive Directors*

**Ms. Zhang Min** (張敏, “**Ms. Zhang**”), aged 42, is a member of Communist Party of China and holds a bachelor's degree. Ms. Zhang served as a director of Shouguang Finance Public Assets Operations Co., Ltd. (壽光市金財公有資產經營有限公司) and a director and supervisor of Shouguang Jinxin. She currently serves as the assistant to general manager of Shouguang Finance Investment Group Co., Ltd.\* (壽光市金融投資集團有限公司), an executive director of Shouguang Finance Investment Equity Investment Fund Management Co., Ltd.\* (壽光市金投股權投資基金管理有限公司), a director of Shandong Global Software Co., Ltd.\* (山東環球軟件股份有限公司), a director of Shandong Longxing Plastic Film Technology Co., Ltd.\* (山東龍興塑膜科技股份有限公司) and a supervisor of Shouguang Xinjing Tourism Development Co., Ltd.\* (壽光市鑫景旅遊發展有限公司). Ms. Zhang is currently a non-executive Director.

**Mr. Ma Qing Wen** (馬清文, “**Mr. Ma**”), aged 56, is a member of Communist Party of China and graduated from a technical school. Mr. Ma has worked at Hou Town No. 2 Junior High School in Shouguang City and Shandong Luli Iron and Steel Co., Ltd.\* (山東魯麗鋼鐵有限公司), and is currently a director and deputy general manager of Shandong Luli Iron and Steel Co., Ltd.\* (山東魯麗鋼鐵有限公司).

#### *Independent Non-executive Directors*

**Mr. Zhang Zhen Quan** (張振全), aged 56, is a member of Communist Party of China and holds a bachelor's degree. Mr. Zhang Zhenquan obtained the independent director

qualification certificate in August 2015. Mr. Zhang Zhenquan is a senior accountant, certified public accountant, asset appraiser, tax accountant, first-class cost engineer, one of the first batch of accounting experts in Weifang City, and a model for the Certified Public Accountants industry in Shandong Province. Currently, he is the general manager of Shouguang Shengcheng Accounting Firm (Limited Liability) (壽光聖誠有限責任會計師事務所) and an executive director of Shouguang Shengcheng Asset Appraisal Co., Ltd.\* (壽光聖誠資產評估有限公司).

**Mr. Dong Shao Hua** (董紹華, “Mr. Dong”), aged 52, holds a doctorate degree. Mr. Dong was awarded the “Leading Talents in Scientific and Technological Innovation” by the Organization Department of the Central Committee of the Communist Party of China’s Ten Thousand Talents Program, the “Leading Young and Middle-aged Scientific and Technological Innovation Talents” by the Ministry of Science and Technology’s Innovative Talent Promotion Program, the Beijing Emergency Management Discipline Leader, and the Beijing High-Precision Discipline “Urban Energy” Leader of "Safety and Supply Guarantee", leader of Beijing Association for Science and Technology's "Hydrogen Energy Industry and Safety" think tank base, medal to commemorate the 70th anniversary of the founding of the People's Republic of China and other awards and honors, selected into the "Tianshan Talent Project" of the Xinjiang Uygur Autonomous Region, and won the "National The honorary title of “Excellent Petroleum and Petrochemical Scientific and Technical Workers”.

In recent years, he has won 27 awards at the provincial and ministerial level or above, including the second prize of the National Technological Invention Award in 2018 and the first prize of the Beijing Science and Technology Progress Award, has published 22 academic monographs in Chinese and English, and has hosted and participated in 50 national and industry standards and group standards. He has authorized 33 invention patents, published more than 150 high-standard papers, of which more than 50 were included in SCI/EI, and undertook eight national key research and development projects, the National Natural Science Foundation, and national major instrument projects. He is currently a second-level professor at the School of Safety and Ocean Engineering (Beijing) and director of the Pipeline Technology and Safety Research Center at China University of Petroleum.

**Mr. Zhang Bing Gang** (張秉綱), aged 49, holds a bachelor’s degree. Mr. Zhang Zhenquan obtained the independent director qualification certificate in April 2021. Mr. Zhang Binggang has served as the judicial officer of the People's Government of Guangling Township, Shouguang City, and is currently a full-time lawyer at Shandong Cangsheng Law Firm.

Mr. Zhang Zhen Quan, Mr. Dong and Mr. Zhang Bing Gang have each confirmed that he/she (i) meets the independence criteria as set out in Rule 3.13 of the Listing Rules; (ii) does not have any financial or other interest in the business of the Group, nor is connected with any core connected person (as defined in the Listing Rules) of the Company, either currently or historically; and (iii) there are no other factors that may affect his/her independence at the time of his/her appointment.

The Board also believes that with the professional knowledge and experience of Mr. Zhang Zhen Quan in finance and accounting, of Mr. Dong in technology and of Mr. Zhang Bing Gang in law, they will make positive contributions to the strategies, policies and performance of the Company. Mr. Zhang Zhen Quan, Mr. Dong and Mr. Zhang Bing Gang have extensive experience in their respective fields, and possess different skillsets, knowledge and experience. The Board believes that they have the necessary character, integrity and experience, and that they will continue to contribute to the diversity of the Board and effectively perform their duties as independent non-executive Directors.

In view of the composition of the eighth session of the Board, with the assistance and recommendation from the nomination committee of the Board, the Board has comprehensively reviewed and considered the structure, number of members, composition and diversity of the Board from a number of aspects, including but not limited to, gender, age, cultural and education background, skills, knowledge and experience and decided to propose the re-election or appointment (as the case may be) of Mr. Han, Mr. Yuan, Mr. Zhang and Mr. Wang as executive Directors; Ms Zhang and Mr. Ma as non-executive Directors, and Mr. Zhang Zhen Quan, Mr. Dong and Mr. Zhang Bing Gang as independent non-executive Directors at the EGM.

Save as disclosed above, as at the date of this announcement, each of the Directors above does not (i) have any relationship with any other Directors, Supervisors, senior management or substantial or controlling shareholders of the Company; (ii) hold any other position with the Company and other members of the Group; (iii) hold any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) hold any interest in the Shares within the meaning of Part XV of the SFO.

There is no information in relation to each of the above Directors that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor are there other matters in relation to their re-election or appointment that need to be brought to the attention of the Shareholders.

### **Re-election and appointment of Supervisors**

Mr. Li Jing Wei will retire and has been nominated as a candidate for re-election as a non-employee representative Supervisor at the EGM.

Mr. Jiang Zhen Jian has been nominated as a candidate for appointment as a non-employee representative Supervisor at the EGM.

Supervisors who are remunerated for their other positions within the Company shall not receive additional remuneration for serving as Supervisors. The Company will disclose the remuneration of the Supervisors in its upcoming annual report.

Biographical details of each of the Supervisors proposed for re-election or appointment are set out below:

**Mr. Li Jing Wei** (李景偉, “**Mr. Li**”), aged 42, is a member of Communist Party of China and holds a bachelor’s degree. Mr. Li has been awarded the honour of Outstanding Certified Public Accountants of Shandong Province, Outstanding Party Worker in Weifang Certified Public Accountants Industry, Outstanding Young and Middle-aged Expert of Kuiwen District of Weifang City, etc. He is currently a partner of Yongtuo Accounting Firm. Mr. Li is currently a Supervisor.

**Mr. Jiang Zhen Jian** (姜振建, “**Mr. Jiang**”), aged 39, is a member of Communist Party of China and holds a bachelor’s degree. Mr. Jiang is a member of the Shouguang Municipal People’s Political Consultative Conference, a supervisor of administrative law enforcement in Weifang City, a member of the Administrative Review Professional Committee of the Shandong Lawyers Association, and a member of the Industry Development and Construction Committee of the Weifang Lawyers Association. Mr. Jiang is currently the director and chief partner of Shandong Guoyue Qiancheng Law Firm

Save as disclosed above, as at the date of this announcement, each of the above Supervisors proposed to be re-elected or appointed does not (i) have any relationship with any other Directors, Supervisors, senior management or substantial or controlling shareholders of the Company; (ii) hold any other position with the Company and other members of the Group; (iii) hold any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and; (iv) hold any interest in the Shares within the meaning of Part XV of the SFO.

There is no information in relation to each of the Supervisors proposed to be re-elected or appointed that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor are there other matters in relation to their re-election or appointment that need to be brought to the attention of the Shareholders.

## **GENERAL**

The EGM will be held for the Shareholders to consider, if thought fit, approve, amongst others, the proposed re-election and appointment of Directors and Supervisors.

A circular containing, inter alia, details of the proposed re-election and appointment of Directors and Supervisors and the notice of the EGM will be disseminated to the Shareholders in due course.

## **DEFINITIONS**

In this announcement, unless the context requires otherwise, the terms below have the following meanings:



“A Share(s)”	ordinary domestic share(s) with a nominal value of RMB1.00 each in the share capital of the Company which are listed on the SZSE and traded in RMB
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors
“Company”	Shandong Molong Petroleum Machinery Company Limited* (山東墨龍石油機械股份有限公司)
“connected persons(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting to be held by the Company for the Shareholders to consider, and if thought fit, approve, amongst others, the proposed re-election and appointment of Directors and Supervisors
“Group”	the Company and its subsidiaries
“H Share(s)”	ordinary overseas listed foreign invested share(s) with a nominal value of RMB1.00 each in the share capital of the Company which are listed on the Stock Exchange and traded in HK\$
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended, revised and

	supplemented from time to time
“Share(s)”	A Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Shouguang Jinxin”	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), a company established in the PRC with limited liability and ultimately supervised by the State-owned Assets Supervision and Administration Bureau of Shouguang City (壽光市國有資產監督管理局)
“Shouguang Molong”	Shouguang Molong Holdings Co., Ltd. (壽光墨龍控股有限公司), a company established in the PRC with limited liability, a substantial shareholder of the Company as at the date of this announcement and a wholly-owned subsidiary of Shouguang Jinxin
“Supervisors”	the supervisors of the Company
“Supervisory Committee”	the supervisory committee of the Company
“SZSE”	Shenzhen Stock Exchange
“%”	per cent.

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*