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[For Immediate Release]



Hilong Announces Results of Offer Share Allocation

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Hong Kong Public Offer Shares 3.02 Times Over-subscribed Final Offer Price Set at HK\$2.60 per Share Trading Starts on 21 April 2011

(Hong Kong, 19 April 2011) – **Hilong Holding Limited** ("Hilong" or the "Group"; stock code: 1623), a leading PRC-based non-state owned integrated oilfield equipment and service provider with a focus on drill pipes, pipe line and oil country tubular goods ("OCTG") coatings and oilfield services, today announced that the Global Offering has received strong market response, whereas its Hong Kong Public Share Offer recorded an encouraging 3.02 times over-subscription; while its International Offer Shares were well over-subscribed too. The Offer Price for its Global Offering has been set at HK\$2.60 per share.

Hilong will issue a total of 400,000,000 shares under the Global Offering of which 90% was under the International Offering and the remaining 10% for the Hong Kong Public Offer. Based on the Offer Price of HK\$2.60 per share, the net proceeds from the Global Offering to be received by the Group (assuming the over-allotment option is not exercised and after deducting underwriting fees and estimated expenses) is estimated to be approximately HK\$954 million.

Trading of the shares on the Main Board of The Stock Exchange of Hong Kong Limited is expected to begin on 21 April 2011 (Thursday) in board lots of 1,000 shares under the stock code of 1623.

Mr Zhang Jun, Chairman and Chief Executive Officer of Hilong, said, "We are very happy that investors have shown such great interests in Hilong. We believe the favourable market response demonstrates the market's understanding and recognition of the Group's proven track record and strong confidence in our future prospects. In the future we intend to capitalise on the international financing platform in Hong Kong, and tap opportunities presented by the thriving economy of China and the growing global demand for energy. Against this favourable backdrop, we intend to accelerate the development of the Group to become a leading global integrated oilfield equipment and service provider."

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With businesses primarily engaged in the provision of drill pipes, and line pipe and OCTG coatings materials and services, Hilong has expanded into oilfield services business in 2008 with an initial focus on drilling services, and plans to expand service scopes, as this business is expected to become one of the key future growth drivers. According to the Spears' Report, Hilong is China's largest and the world's second largest supplier of drill pipes and provider of OCTG coatings materials and services as well as China's largest line pipe coating materials supplier. Its drill pipe and hardbanding products and coating services have been certified compliant with the Fearnley Procter NS-1 quality and inspection requirement. It focuses on key components of the drilling equipment value chain. Besides, it has established a strong and diverse customer base featuring the largest oil and gas enterprises in China such as **China National Petroleum Corporation** ("CNPC") and **Sinopec Group Company** ("Sinopec"), and major international companies such as Schlumberger, Gazprom and Weatherford.

Since establishment, with the wealth of professional experience of the management and the forward-looking development approach, Hilong manufactured quality products which have made it the top position in the drill pipes, OCTG and line pipe coatings materials service market in China and have laid a solid foundation for its stable growth in the future. Hilong has forged a comprehensive vertically integrated industry chain to effectively control costs and provide a one-stop after-sales service. It has formed a 61-person strong R&D team has secured 37 national patents as well as a number of proprietary formulas for coating materials. The Group has established solid cooperative relationship with major oil and gas companies and set up six regional distribution centers covering 20 major oilfields in China. Its global sales network covers major markets in Russia, Central Asia, the Middle East, and South and North America.

Mr. Zhang concluded, "As a leading integrated oilfield equipment and service provider in China, we have established a strong customer base capitalising on our innovative R&D capability and reliable product quality. Looking ahead, we will continue to develop the existing high-end products, expand drill wells and other oilfields services, and reinforce our leading presence in China and globally via boosting our production capacity and through further vertical integration. We will effectively integrate different resources as well as realise our strength to boost the steady growth of our business in the global market."

Morgan Stanley Asia Limited is the Sole Global Coordinator and Sole Sponsor of the listing. Morgan Stanley Asia Limited, Standard Chartered Securities (Hong Kong) Limited and BOCOM International Securities Limited are the Joint Bookrunners and Joint Lead Managers.

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About Hilong Holding Limited

Hilong Holding is a leading PRC-based non-state owned integrated oilfield equipment manufacturer and service provider with a focus on drill pipes, and line pipe and OCTG Coatings as well as oilfield services. According to the international research institution Spears' Report, based on 2009 sales, it is China's largest and the world's second largest manufacturer and service supplier of drill pipes and OCTG coatings, with its share of the China market around 30% and 67%, and of the international market around 13% and 12% respectively. It is also the largest supplier of oil and gas line pipe coating materials in China with a 60% market share based on 2009 sales. Its drill pipe and hardbanding products as well as coating services have been certified to meet the Fearnley Procter NS-1 quality and inspection requirement. The Group has established a solid and diverse customer base with major customers such as China's largest oil and gas companies, CNPC and Sinopec, and other international oil and gas giants such as Schlumberger, Gazprom and Weatherford.

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