

(Stock Code: 568)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

HIGHLIGHTS

CONSOLIDATED INCOME STATEMENT

	2023	
I. Total operating income	**1,317,495,782.20**	
	1,317,495,782.20	
II. Total operating cost	**1,627,990,434.22**	
	1,215,719,694.55	
	15,858,832.98	
	18,657,986.37	
	228,139,393.15	
	35,480,208.21	
	114,134,318.96	
	118,712,577.92	
	4,550,168.10	
	380,410.90	
	(102,690.47)	
	(102,690.47)	
	(9,717,389.11)	
	(231,188,456.56)	
	1,941,021.83	
III. Operating profit	**(549,181,755.43)**	
	3,644,165.08	
	4,543,363.00	
IV. Total profit	**(550,080,953.35)**	
	28,453,497.81	

V. Net profit	**(578,534,451.16)**	( )
( ),		
-	**(578,534,451.16)**	( )
-		
( )		
-	**(566,861,510.82)**	( )
-	**(11,672,940.34)**	( )
VI. Net after-tax amount of other consolidated income	**(302,689.03)**	( )
-	**(272,420.13)**	( )
( )		
-		
-		
-		
-		
4. -		
( )	**(272,420.13)**	( )
-		
-		
-		
-		
4. -		
-	**(272,420.13)**	( )
, -		
-	**(30,268.90)**	( )
VII. Total comprehensive income	**(578,837,140.19)**	( )
-	**(567,133,930.95)**	( )
-	**(11,703,209.24)**	( )
VIII. Earnings per share(EPS):		
( )	**(0.71)**	( )
( )	**(0.71)**	( )

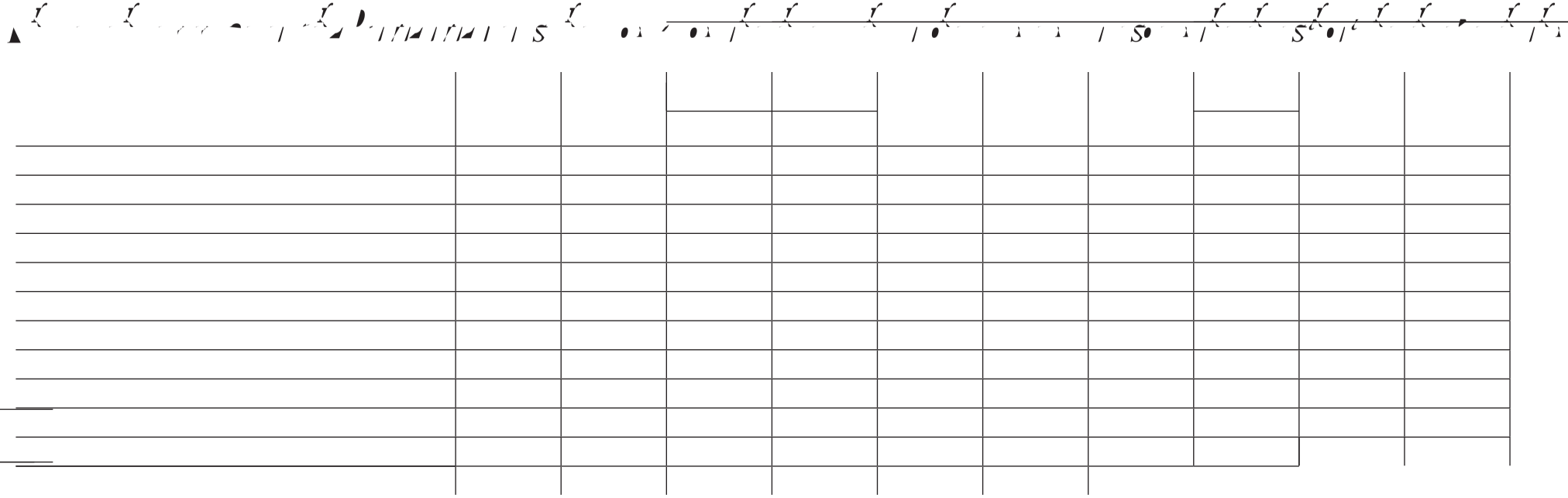
CONSOLIDATED BALANCE SHEET

Items	31 December 2023	
Current assets:		
	99,072,876.12	
	78,005,897.66	
	253,264,672.00	
	2,485,020.78	
	30,163,124.55	
	4,675,103.22	
	454,882,307.24	
	858,918.49	
Total current assets	**923,407,920.06**	
Non-current assets:		
	1,754,772.59	
	16,874,595.83	
	1,577,594,066.22	
	2,192,776.49	

	21,377,297.83	
	341,873,447.91	
	1,628,607.92	
	1,378,503.95	
Total non-current assets	**1,964,674,068.74**	
Total assets	**2,888,081,988.80**	
Current liabilities:		
	1,633,111,107.94	
	509,647,241.72	
	54,732,615.40	
	75,699,078.02	
	19,595,319.94	
	34,143,155.71	
	52,797,378.40	
	43,395,150.74	
Total current liabilities	**2,423,121,047.87**	
Non-current liabilities:		

	14,615,767.79	
	19,854,583.39	
	80,929,994.11	
	6,547,003.82	
	8,311,071.27	
Total non-current liabilities	**130,258,420.38**	
Total liabilities	**2,553,379,468.25**	
Owners' equity:		
	797,848,400.00	
	867,591,781.76	
	(3,301,679.88)	
	187,753,923.88	
	(1,425,879,061.33)	
	424,013,364.43	
	(89,310,843.88)	
Total owners' equity	**334,702,520.55**	
Total liabilities and owners' equity	**2,888,081,988.80**	

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY



	2022									
Item	Share capita	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profits	Sub-total	Minority interests	Total owners' equity
[illegible]	797,848,400.00	863,356,311.20	(1,671,948.29)		187,753,923.88					

NOTES TO THE FINANCIAL STATEMENTS:

1. GENERAL

(**Stock Exchange•**)

(**Shenzhen Stock Exchange•**)-

(**RMB•**).

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

(**Accounting Standard for Business Enterprises•**).

(**CSRC•**)'

3. OPERATING REVENUE

Item	2023	
	1,141,475,324.31	
	35,884,827.68	
	18,345,313.86	
	28,540,437.13	
	93,249,879.22	
	1,317,495,782.20	

4. SEGMENT INFORMATION

(1) Segment Reporting

Segment reporting information – 2023

Item	Pipe products	Three kinds of pumping units	Petroleum machinery parts	Tube blanks	Castings and forgings	Others	Unallocated items	Total
	1,141,475,324.31	35,884,827.68	18,345,313.86	0	28,540,437.13	93,249,879.22		1,317,495,782.20
	1,141,475,324.31	35,884,827.68	18,345,313.86		28,540,437.13	93,249,879.22		1,317,495,782.20
	1,141,475,324.31	35,884,827.68	18,345,313.86		28,540,437.13	93,249,879.22		1,317,495,782.20
	1,331,009,981.95	30,903,148.05	13,530,755.92	0	29,332,135.06	76,648,949.48	9,717,389.11	1,491,142,359.57
	(189,534,657.64)	4,981,679.63	4,814,557.94		(791,697.93)	16,600,929.74	(9,717,389.11)	(173,646,577.37)
								0.00
							228,139,393.15	228,139,393.15
							35,480,208.21	35,480,208.21
							114,134,318.96	114,134,318.96
							(102,690.47)	(102,690.47)
							1,941,021.83	1,941,021.83
							380,410.90	380,410.90
	(189,534,657.64)	4,981,679.63	4,814,557.94		(791,697.93)	16,600,929.74	(385,252,567.17)	(549,181,755.43)
							3,644,165.08	3,644,165.08
							4,543,363.00	4,543,363.00
	(189,534,657.64)	4,981,679.63	4,814,557.94		(791,697.93)	16,600,929.74	(386,151,765.09)	(550,080,953.35)
							28,453,497.81	28,453,497.81
	(189,534,657.64)	4,981,679.63	4,814,557.94		(791,697.93)	16,600,929.74	(414,605,262.90)	(578,534,451.16)
	1,161,936,652.14	92,182,074.27	37,737,719.22	314,258,092.93	943,760,235.52	293,617,109.90	44,590,104.82	2,888,081,988.80
	543,830,934.13	22,146,782.21	16,552,809.86	127,670,278.68	782,134,723.86	21,816,764.67	1,039,227,174.84	2,553,379,468.25

Item								

(2) External transaction income by origin of income sources and non-current assets by location of assets

Item	2023	
	990,219,379.24	
	327,276,402.96	
	1,317,495,782.20	

5. FINANCE COSTS

Item	2023	
	118,712,577.92	
	4,550,168.10	
	(575,180.61)	
	547,089.75	
	114,134,318.96	

6. OTHER INCOME

Source of other income	Amount for the period	
	37,861.63	
	35,954.30	
	306,594.97	
	380,410.90	

7. ASSETS IMPAIRMENT LOSSES

Item	2023	
	(13,566,613.73)	(
	(217,621,842.83)	
	(231,188,456.56)	(

8. CREDIT IMPAIRMENT LOSSES

Item	Amount for the period	
	944,867.23	
	2,193,242.93	
	103,282.79	
	(12,958,782.06)	(
	(9,717,389.11)	(

9. NON-OPERATING INCOME

Item	2023	
	3,644,165.08	
	3,644,165.08	

10. TOTAL (LOSS) PROFIT

Item	2023	
	193,620,108.47	
	15,404,594.66	
	1,367,924.49	
	1,215,719,694.55	
	194,478,460.67	
	30,578,559.41	
	1,941,021.83	

11. INCOME TAX (CREDIT) EXPENSES

Item	2023	
	929,067.61	
	929,067.61	
	27,524,430.20	
	28,453,497.81	

% (%)

%(%)

12. (LOSSES)/EARNINGS PER SHAR

Item	2023	
	(0.71)	( )
	(0.71)	( )
	(0.71)	( )
	(0.71)	( )

13. DIVIDENDS

Item	2023	
	0	
	0	

14. BILLS RECEIVABLE

	2023					
Item	Balance of accounts receivable	Provision for bad debt	Net amount of accounts receivable			
	78,793,836.02	787,938.36	78,005,897.66			
	78,793,836.02	787,938.36	78,005,897.66			

15. ACCOUNTS RECEIVABLE

	2023					
Item	Balance of accounts receivable	Provision for bad debt	Net amount of accounts receivable			
	302,629,749.21	49,365,077.21	253,264,672.00			
	302,629,749.21	49,365,077.21	253,264,672.00			

Age	2023	
	254,044,663.47	
	2,631,436.65	
	707,219.17	
	1,786,213.66	
	43,460,216.26	
	302,629,749.21	

16. BILLS PAYABLE

Category	2023	

17. ACCOUNTS PAYABLE

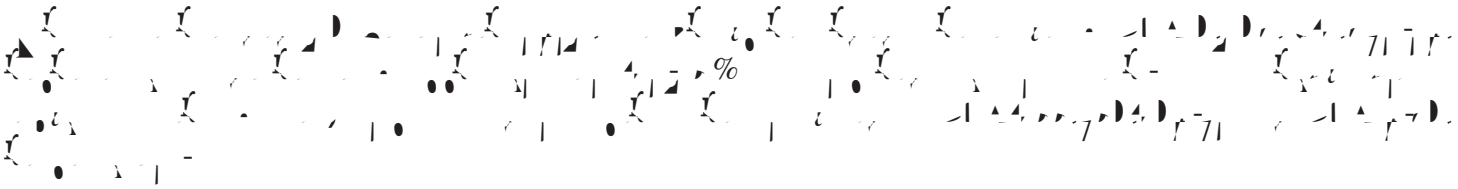
Category	2023	
	509,647,241.72	
	509,647,241.72	

Age	2023	
	208,805,209.31	
	139,263,306.85	
	55,147,105.45	
	106,431,620.11	
	509,647,241.72	

18. CAPITAL COMMITMENTS

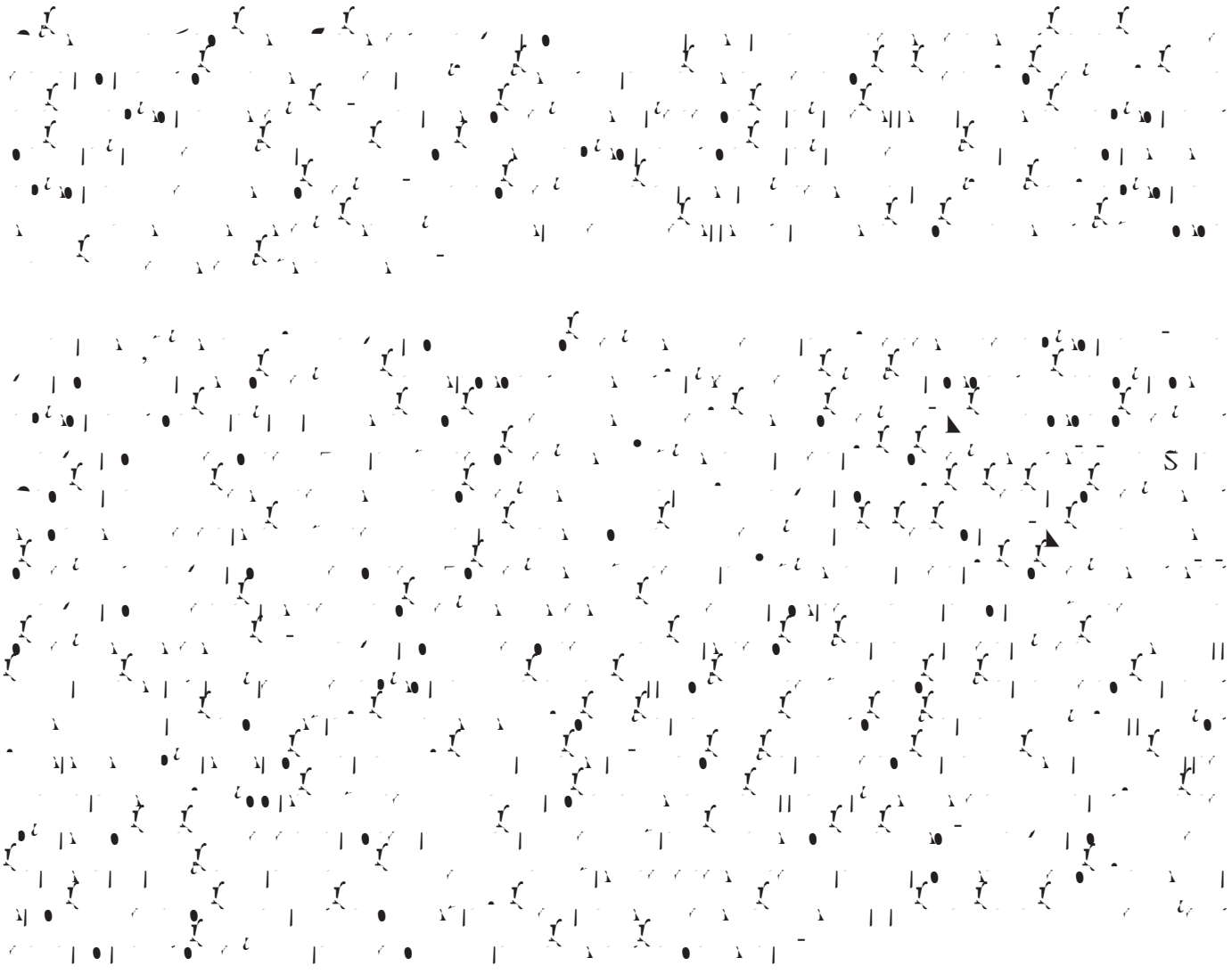
19. CONTINGENT LIABILITIES

ANNUAL RESULTS

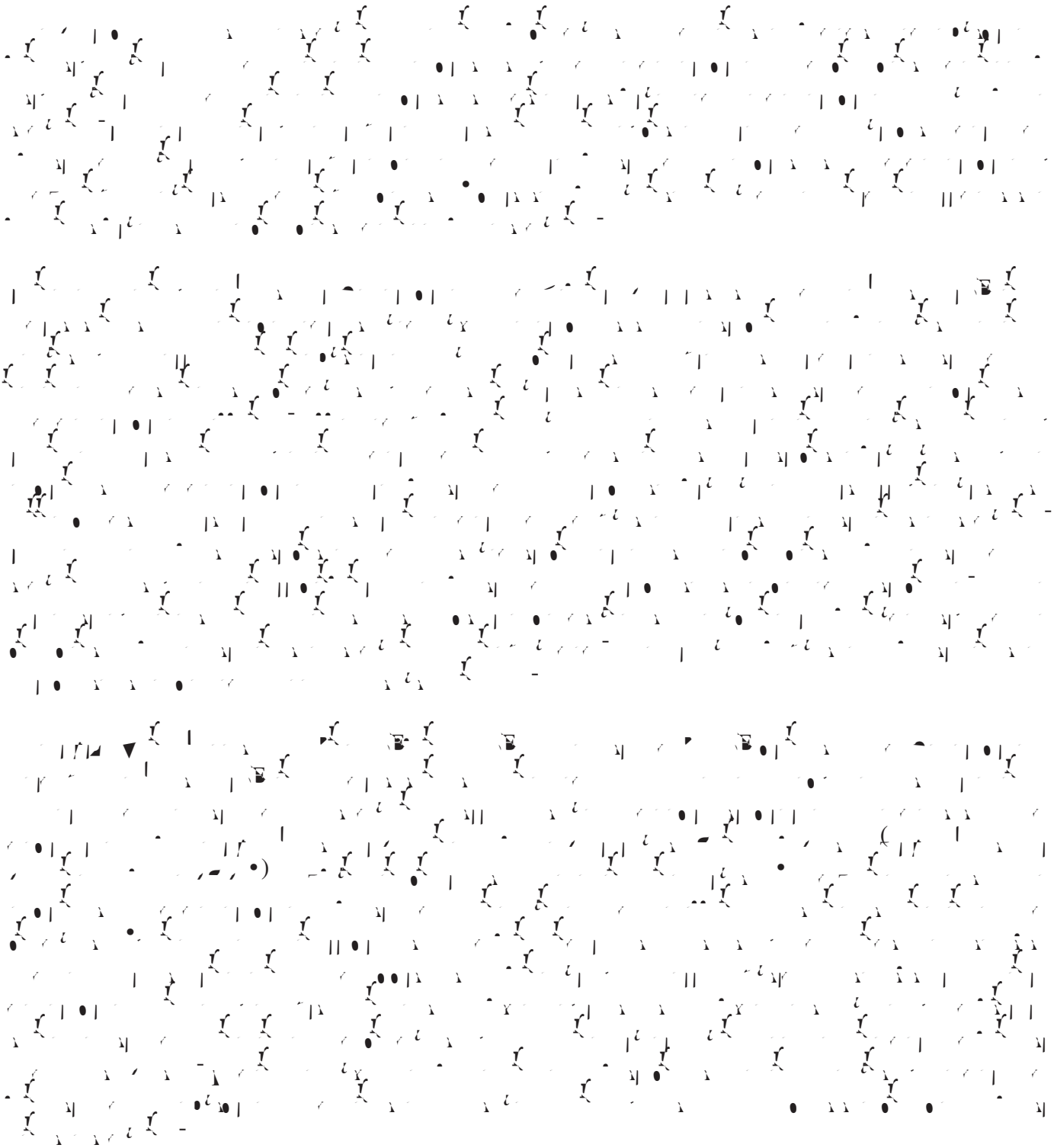


BUSINESS REVIEW

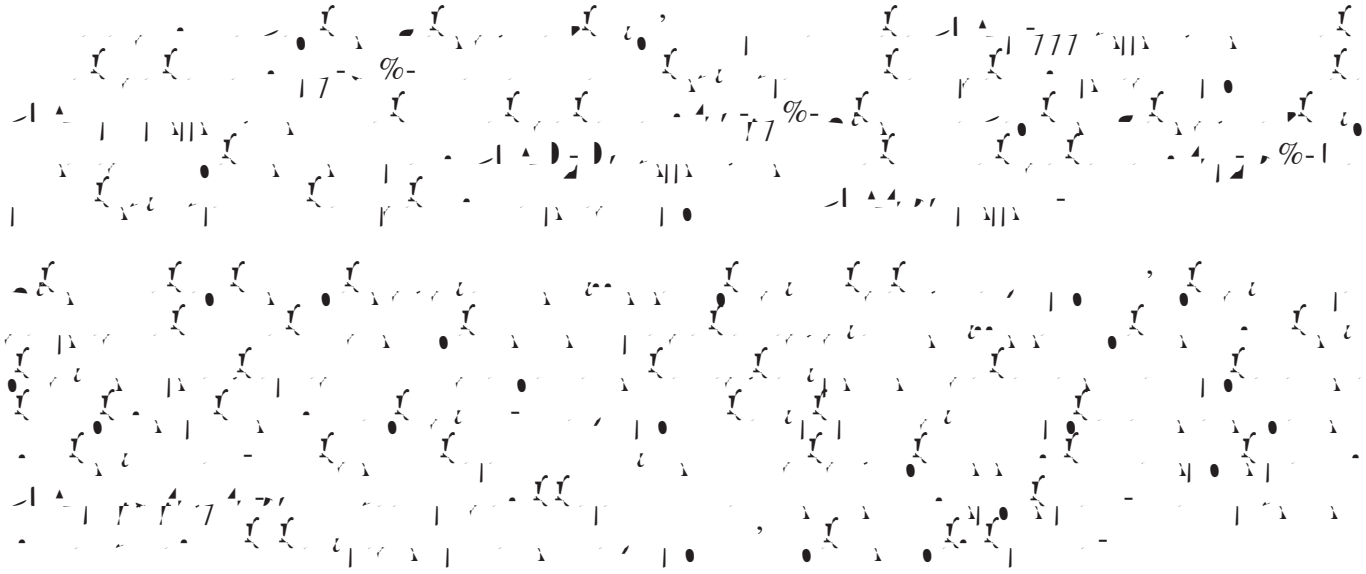
(I) DESCRIPTIONS OF THE GROUP'S MAIN BUSINESSES DURING THE REPORTING PERIOD



(II) BASIC INFORMATION OF THE GROUP'S INDUSTRY DURING THE REPORTING PERIOD



(III) DISCUSSION AND ANALYSIS OF OPERATION OF THE GROUP DURING THE REPORTING PERIOD

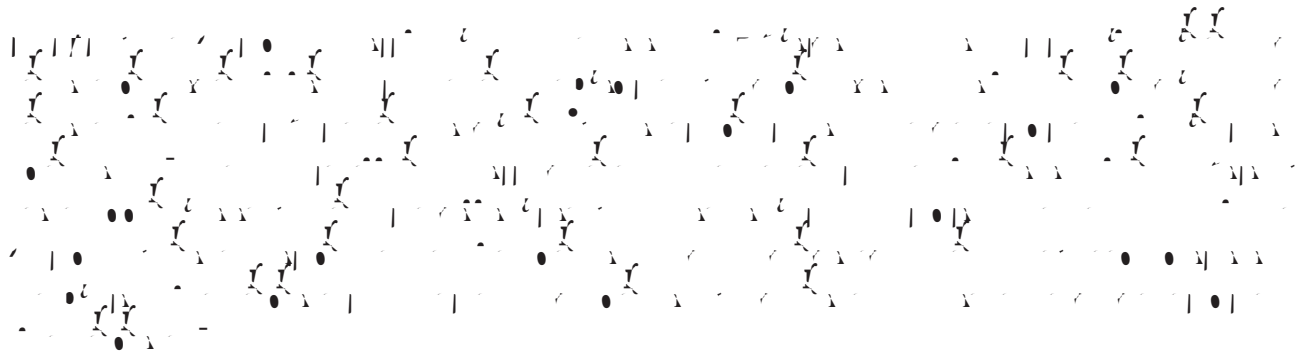


PROSPECTS

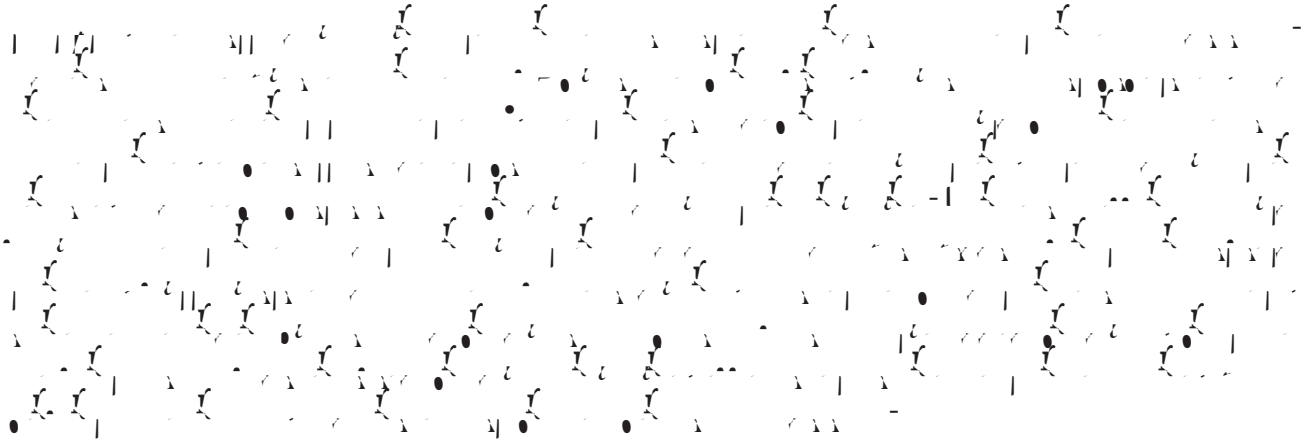
(I) Future development trend of the Group's industry:



(II) Business plans of the Group for 2024



Strengthen marketing and optimize sales strategies



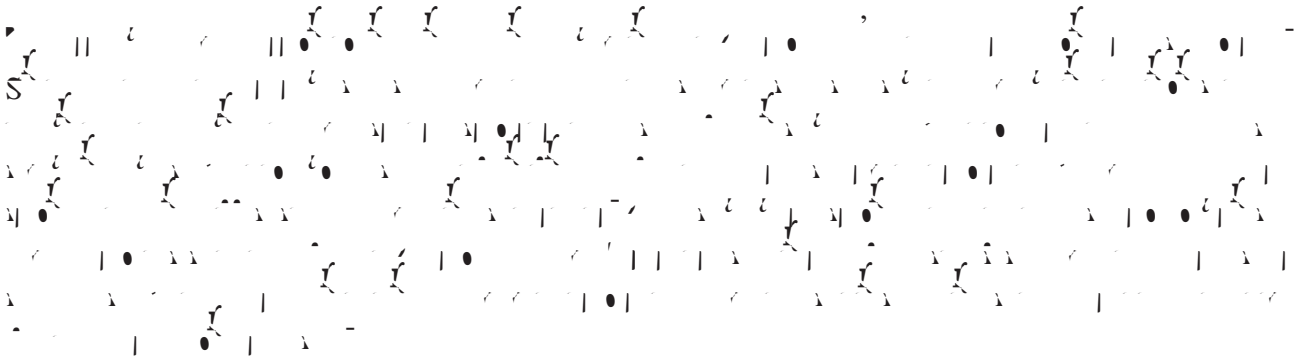
Strengthen the basic management to promote the quality and efficiency improvement



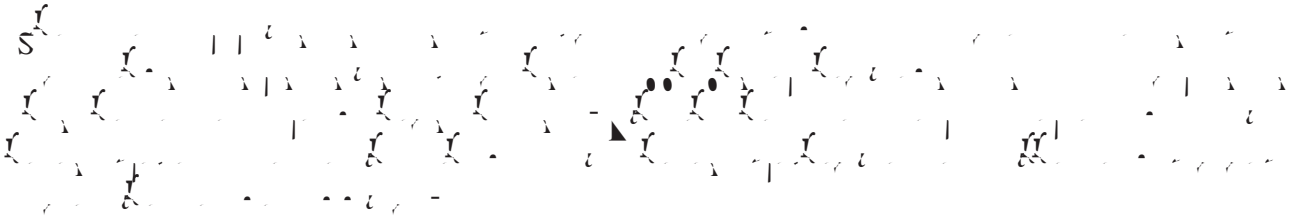
Promoting technological innovation and product innovation



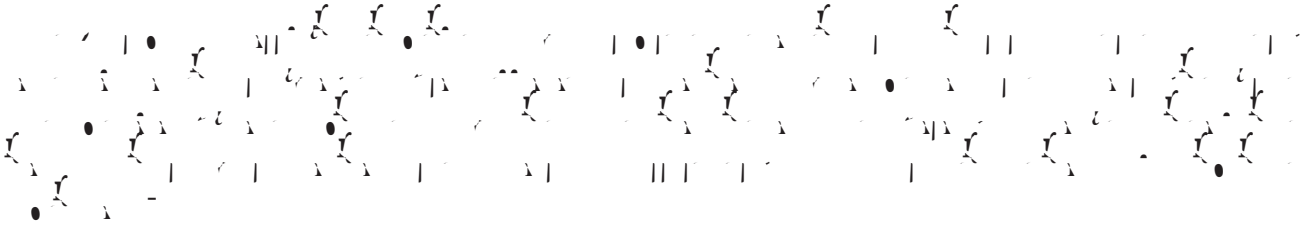
Strengthen exchanges and cooperation to promote the application and popularization of HIsmelt



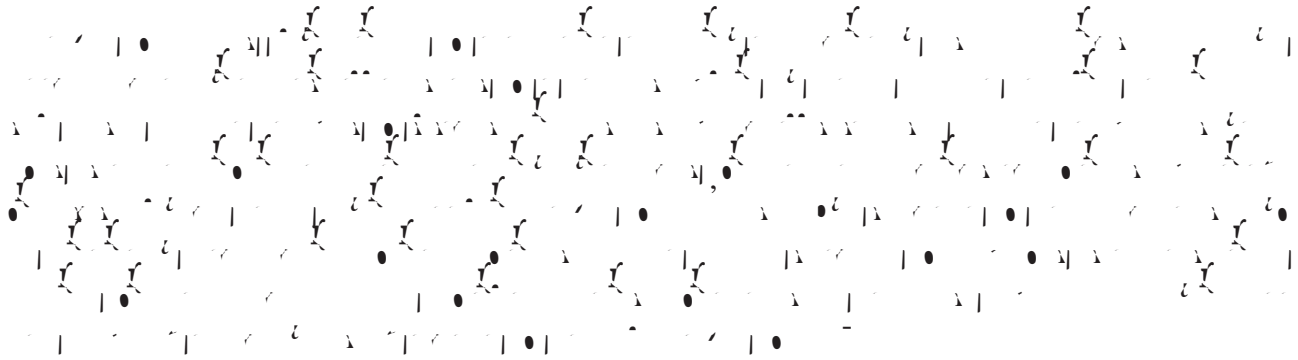
Strengthen financing management to ensure the safety of funds



Reinforce the internal control management and reduce operation risks

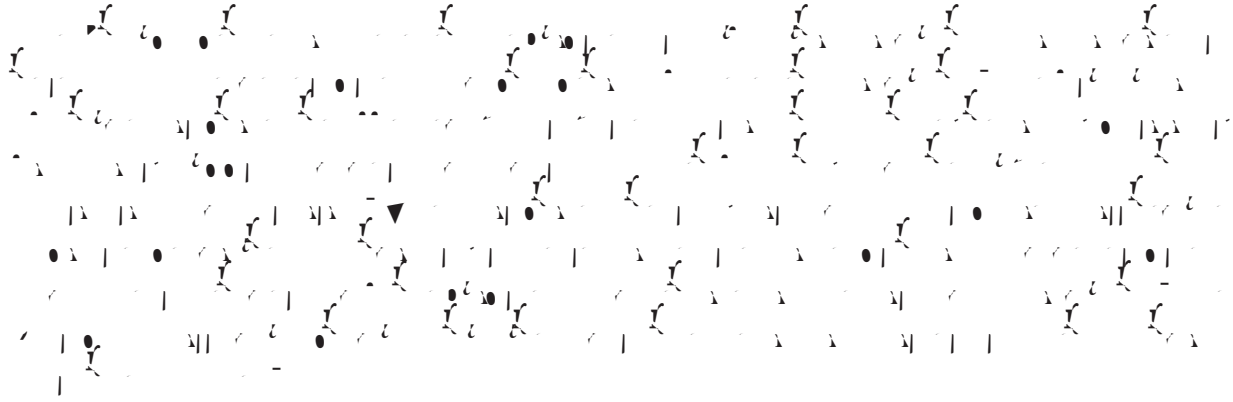


Optimise the corporate governance and facilitate the standardised operation

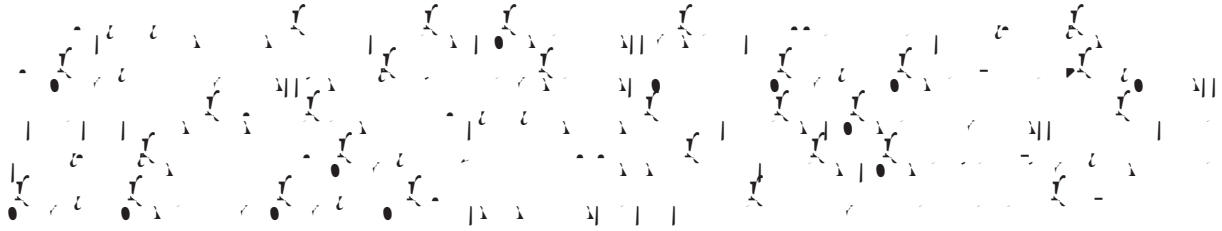


(III) Major risk factors affecting future development strategy and business goals of the Group:

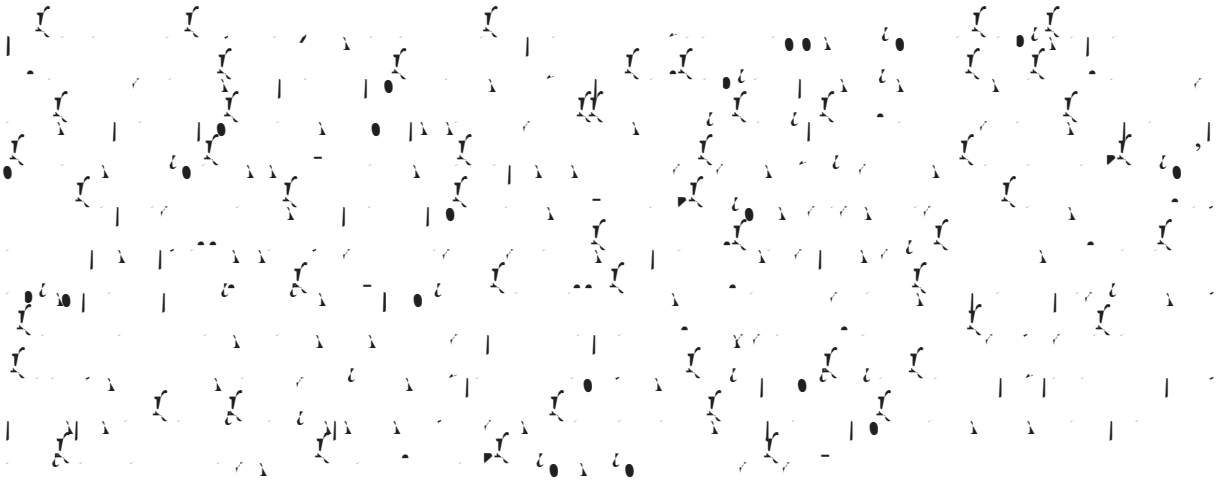
(1) Market risk



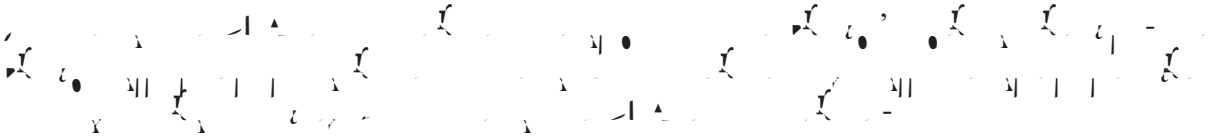
(2) Risk of raw material price fluctuation



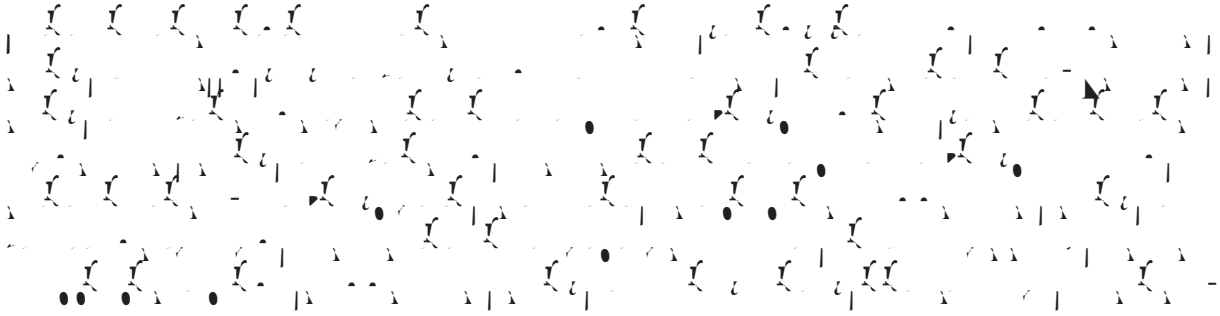
(3) Policy risk



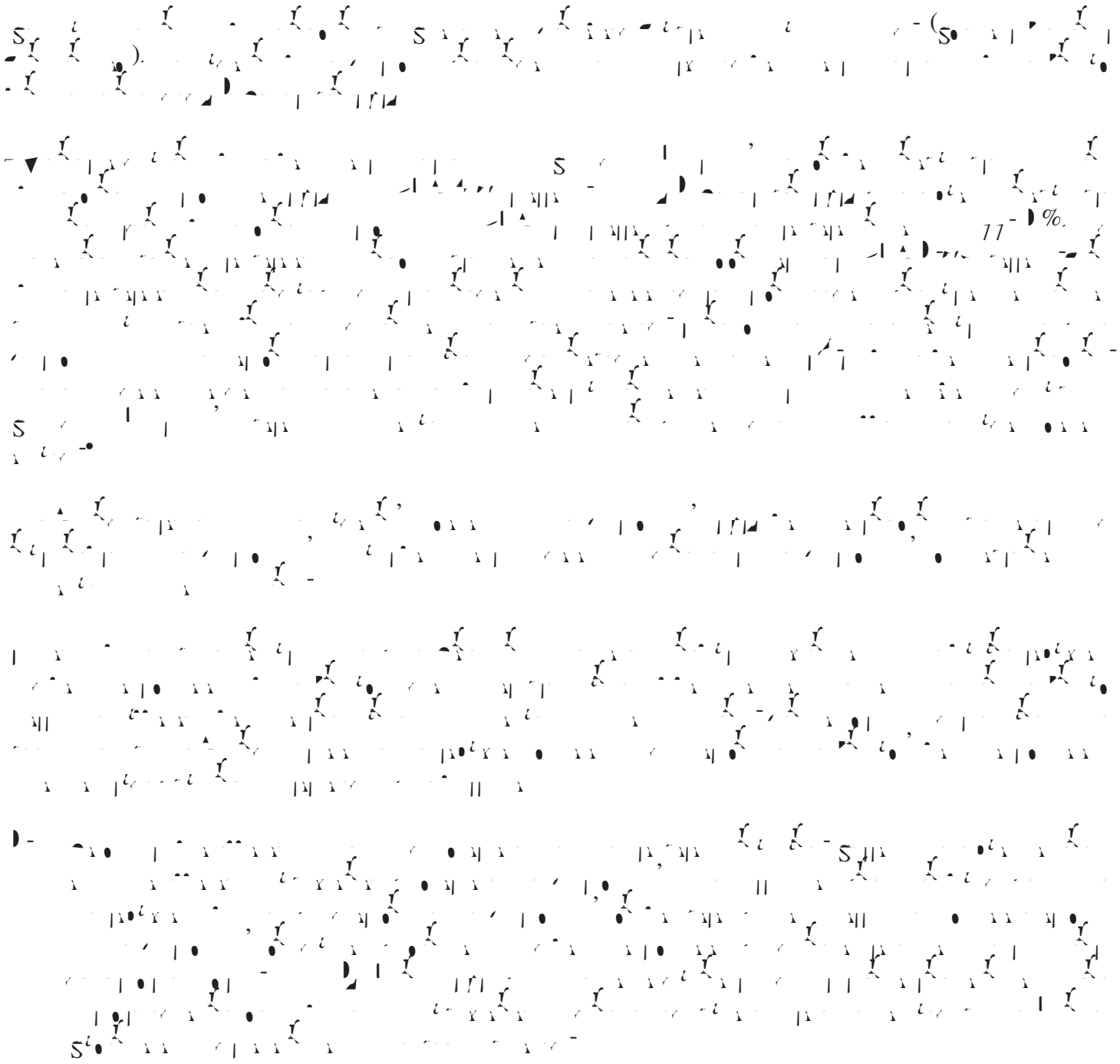
(4) Exchange rate risk

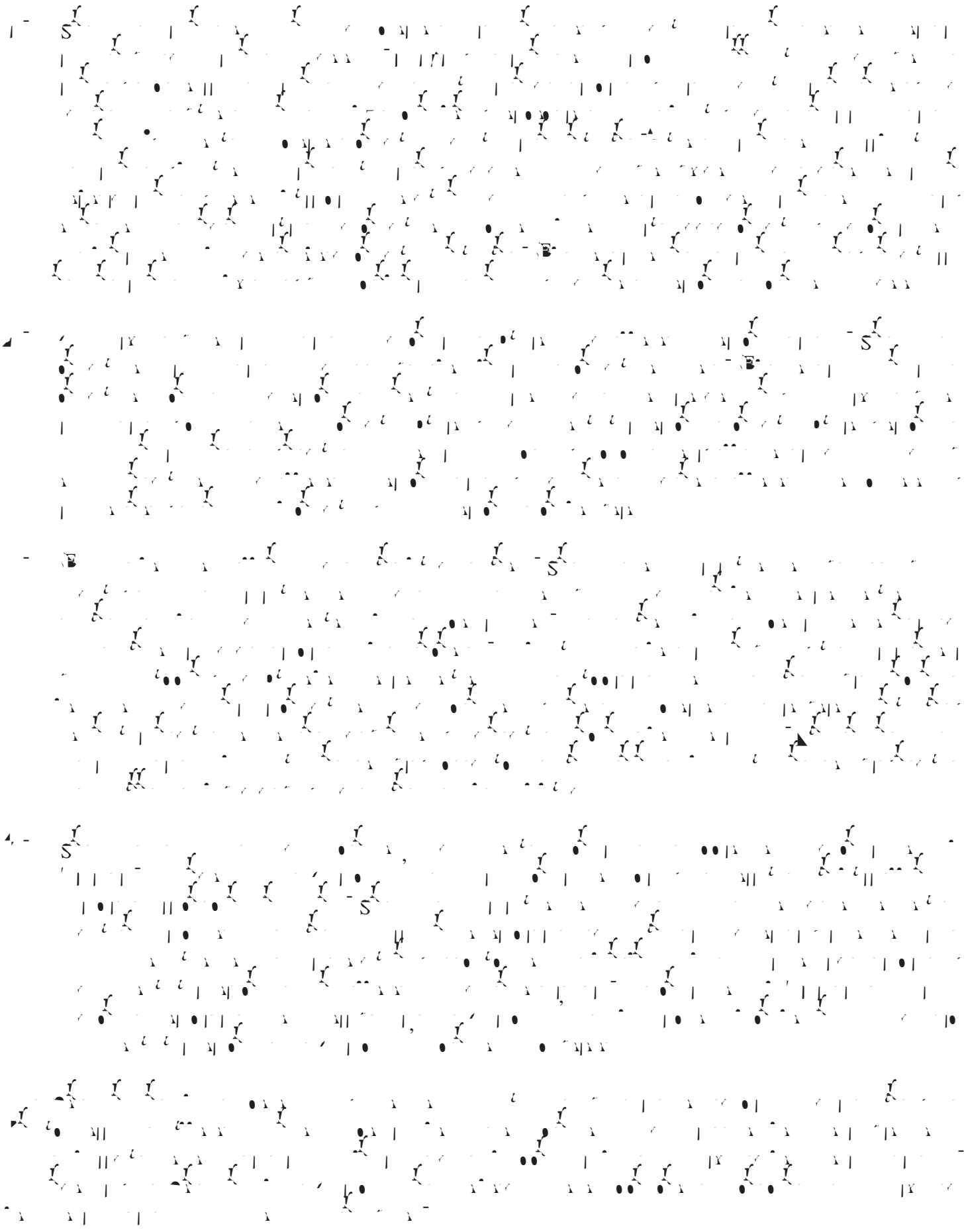


(5) Interest rate risk



MATERIAL UNCERTAINTY RELATING TO GOING CONCERN





DIVIDEND

CORPORATE GOVERNANCE

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CHANGES IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT DURING THE REPORTING PERIOD

AUDIT COMMITTEE

SECURITIES TRANSACTIONS BY DIRECTORS

Model Code•

PURCHASE, SALE OR REDEMPTION OF SECURITIES

CLOSURE OF REGISTER OF MEMBER

H Shares•

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

Shandong Molong Petroleum Machinery Company Limited*

Yuan Rui