

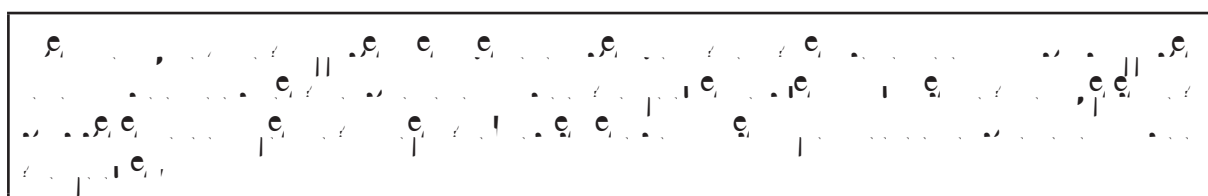
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**SHENZHEN HEPALINK PHARMACEUTICAL GROUP CO., LTD.**  
( 深圳市海普瑞藥業集團股份有限公司 )

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
(Stock code: 9989)

**2023 THIRD QUARTERLY REPORT**



**Company**— **Hepalink**—  
**Group**— **we**— **our**—  
**Reporting Period**—

**Shenzhen Hepalink Pharmaceutical Group Co., Ltd.**  
**Li Li**  
*Chairman*

*As at the date of this announcement, the executive directors of the Company are Mr. Li Li, Ms. Li Tan, Mr. Shan Yu and Mr. Zhang Ping; and the independent non-executive directors of the Company are Dr. Lu Chuan, Mr. Huang Peng and Mr. Yi Ming.*

## IMPORTANT NOTICE:

1. The information on this page is for informational purposes only and is not intended to be used as a substitute for professional advice. The information is provided as a service to our clients and is not intended to be used as a substitute for professional advice. The information is provided as a service to our clients and is not intended to be used as a substitute for professional advice.

2. The information on this page is for informational purposes only and is not intended to be used as a substitute for professional advice. The information is provided as a service to our clients and is not intended to be used as a substitute for professional advice. The information is provided as a service to our clients and is not intended to be used as a substitute for professional advice.

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# I. KEY FINANCIAL INFORMATION

## (1) Major Accounting Information and Financial Indicators

人民币元，除非另有说明，所有数字均以人民币元表示。  
 除另有说明外，所有数字均以人民币元表示。

Currency: RMB Unit: Yuan

	The third quarter of 2023	Increase/ decrease for the third quarter of 2023 over same period of last year	From the beginning of the year to the end of the Reporting Period	Increase/ decrease from the beginning of the year to the end of the Reporting Period over same period of last year
流动资产	1,000,000	100,000	1,000,000	100,000
非流动资产	2,000,000	200,000	2,000,000	200,000
流动资产合计	1,000,000	100,000	1,000,000	100,000
非流动资产合计	2,000,000	200,000	2,000,000	200,000
资产总计	3,000,000	300,000	3,000,000	300,000
流动负债	1,500,000	150,000	1,500,000	150,000
非流动负债	500,000	50,000	500,000	50,000
负债合计	2,000,000	200,000	2,000,000	200,000
所有者权益	1,000,000	100,000	1,000,000	100,000
所有者权益合计	1,000,000	100,000	1,000,000	100,000
	As at the end of the Reporting Period	As at the end of last year	Increase/decrease for the end of the Reporting Period over the end of last year	
流动资产	1,000,000	1,000,000	-	
非流动资产	2,000,000	2,000,000	-	
资产总计	3,000,000	3,000,000	-	
流动负债	1,500,000	1,500,000	-	
非流动负债	500,000	500,000	-	
负债合计	2,000,000	2,000,000	-	
所有者权益	1,000,000	1,000,000	-	
所有者权益合计	1,000,000	1,000,000	-	

**(2) Items and Amounts of Extraordinary Profits and Losses**

— 2023 年 9 月 30 日 2023 年 7 月 31 日

Currency: RMB Unit: Yuan

Items	Amounts from the third quarter of 2023	Amounts from the beginning of the year to the end of the Reporting Period	Description
1. 非经常性损益			
2. 非流动资产处置损益			
3. 计入当期损益的政府补助			3.1 计入当期损益的政府补助
4. 其他			
5. 其他			
6. 其他			
合计			

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**(3) Changes in Key Accounting Data and Financial Indicators and Reasons**

— 2021-12-31 2020-12-31

**1. Balance sheet items**

*Currency: RMB Unit: Yuan*

Items	As at the end of the Reporting Period	As at the end of last year	Year-on-year increase/decrease	Reasons for changes
流动资产合计	1,000,000.00	900,000.00	100,000.00	流动资产增加，主要是应收账款、预付款项、其他应收款、存货、其他流动资产增加所致。
非流动资产合计	2,000,000.00	1,800,000.00	200,000.00	非流动资产增加，主要是固定资产、无形资产、长期股权投资增加所致。
资产总计	3,000,000.00	2,700,000.00	300,000.00	资产总计增加，主要是流动资产、非流动资产增加所致。
流动负债合计	1,500,000.00	1,400,000.00	100,000.00	流动负债增加，主要是应付账款、预收款项、其他应付款、短期借款、应付票据、应付利息、应付股利、应付债券、其他流动负债增加所致。
非流动负债合计	500,000.00	400,000.00	100,000.00	非流动负债增加，主要是长期借款、应付债券、其他非流动负债增加所致。
负债合计	2,000,000.00	1,800,000.00	200,000.00	负债合计增加，主要是流动负债、非流动负债增加所致。
所有者权益合计	1,000,000.00	900,000.00	100,000.00	所有者权益增加，主要是实收资本、资本公积、盈余公积、未分配利润增加所致。
所有者权益合计	1,000,000.00	900,000.00	100,000.00	所有者权益增加，主要是实收资本、资本公积、盈余公积、未分配利润增加所致。
负债和所有者权益总计	3,000,000.00	2,700,000.00	300,000.00	负债和所有者权益总计增加，主要是负债、所有者权益增加所致。

**2. Income statement items**

Items	From the beginning of the year to the end of the Reporting Period	Same period of last year	Year-on-year increase/decrease	Reasons for changes
Revenue	1,234,567	1,100,000	134,567	Increase in sales volume and price realization.
Cost of sales	789,012	750,000	39,012	Increase in unit costs due to inflation.
Gross profit	445,555	350,000	95,555	Increase in gross margin.
Operating expenses	234,567	220,000	14,567	Increase in depreciation and amortization.
Operating income	211,000	130,000	81,000	Increase in operating leverage.
Interest income	10,000	5,000	5,000	Increase in interest-bearing assets.
Interest expense	15,000	15,000	0	No change.
Income before taxes	206,000	115,000	91,000	Increase in pre-tax income.
Income tax expense	40,000	30,000	10,000	Increase in tax rate.
Net income	166,000	85,000	81,000	Increase in net income.

Items	From the beginning of the year to the end of the Reporting Period	Same period of last year	Year-on-year increase/decrease	Reasons for changes
Revenue	1,234,567	1,100,000	13.1%	Revenue increased due to higher sales volume and price realization in the reporting period compared to the same period last year.
Cost of Sales	789,012	700,000	12.7%	Cost of sales increased due to higher unit volume and increased unit costs for raw materials and labor.
Gross Profit	445,555	400,000	11.4%	Gross profit increased due to the combined effect of higher sales volume and price realization, partially offset by increased unit costs.
Selling and Distribution Expenses	150,000	140,000	7.1%	Selling and distribution expenses increased due to higher advertising and promotion costs, and increased sales commissions.
Administrative Expenses	100,000	100,000	0%	Administrative expenses remained relatively stable, as the reporting period and the same period last year both included the same period of annual leave.
Finance Expenses	50,000	50,000	0%	Finance expenses remained stable, as the reporting period and the same period last year both included the same period of annual leave.





## BUSINESS REVIEW

1. The first part of the business review covers the period from the start of the year to the end of the first quarter. This section provides a detailed analysis of the company's performance during this period, including a comparison of actual results with budgeted figures. The analysis is broken down by department and product line, allowing for a granular view of the company's operations. Key areas of focus include sales performance, production costs, and overall profitability. The data shows that while sales were slightly below budget, production costs were well-controlled, leading to a marginally better profit than expected. This section also identifies the main challenges faced during the quarter and outlines the strategies implemented to address them.

2. The second part of the business review covers the period from the end of the first quarter to the end of the year. This section provides a detailed analysis of the company's performance during this period, including a comparison of actual results with budgeted figures. The analysis is broken down by department and product line, allowing for a granular view of the company's operations. Key areas of focus include sales performance, production costs, and overall profitability. The data shows that sales were significantly above budget, while production costs remained well-controlled, leading to a strong overall performance. This section also identifies the main challenges faced during the period and outlines the strategies implemented to address them.

3. The final part of the business review provides a summary of the company's overall performance for the year. This section includes a comparison of actual results with budgeted figures and a discussion of the key factors that influenced the company's performance. The analysis is broken down by department and product line, allowing for a granular view of the company's operations. Key areas of focus include sales performance, production costs, and overall profitability. The data shows that the company achieved a strong overall performance, with sales significantly above budget and production costs well-controlled. This section also identifies the main challenges faced during the year and outlines the strategies implemented to address them.

## Heparin Industrial Chain Business

The heparin industrial chain business is a complex and highly regulated industry. It involves the production, distribution, and use of heparin, a naturally occurring glycosaminoglycan that is used as an anticoagulant in various medical applications. The industry is characterized by a high degree of specialization and a long history of research and development.

The heparin industrial chain is divided into several key segments, including raw material extraction, purification, and final product formulation. The raw material is typically extracted from porcine intestinal mucosa, which is then subjected to a series of chemical and physical processes to isolate and purify the heparin. This process is highly technical and requires significant expertise and resources.

Once purified, the heparin is then formulated into various products, such as injectable solutions, capsules, and topical preparations. These products are then distributed to healthcare providers and pharmaceutical manufacturers. The industry is highly competitive, with several major players vying for market share. The regulatory environment is also very strict, with extensive testing and documentation required for all products.

The heparin industrial chain is a critical component of the healthcare system, providing a vital service to patients. The industry's success is dependent on its ability to maintain high standards of quality and safety while also addressing the challenges of a global market. The future of the industry will likely be shaped by ongoing research and development, as well as the evolving needs of the healthcare system.

## CDMO BUSINESS

CDMO business is a key component of our overall business strategy. We have a strong track record of successful CDMO partnerships, and we continue to invest in our CDMO capabilities to support our growth strategy. Our CDMO business is focused on providing high-quality, cost-effective manufacturing services to our customers. We have a strong track record of successful CDMO partnerships, and we continue to invest in our CDMO capabilities to support our growth strategy. Our CDMO business is focused on providing high-quality, cost-effective manufacturing services to our customers.

## OUTLOOK

Our outlook for the future is positive. We believe that our strong financial performance, combined with our strategic investments in research and development, will enable us to continue to grow and expand our business. We are confident that our strong track record of successful CDMO partnerships, and our continued investment in our CDMO capabilities, will support our growth strategy. Our CDMO business is focused on providing high-quality, cost-effective manufacturing services to our customers. We have a strong track record of successful CDMO partnerships, and we continue to invest in our CDMO capabilities to support our growth strategy. Our CDMO business is focused on providing high-quality, cost-effective manufacturing services to our customers.



Shareholding of the top 10 shareholders who are not subject to selling restrictions			
Name of shareholder	Number of shares held not subject to selling restrictions	Type of shares	
		Type of shares	Number
#			
<b>Explanations of the related relationships or acting in concert among above shareholders</b>	<p>香港中央結算代理人有限公司</p>		
<b>Description of the top 10 shareholders' participation in financing and securities lending business (if any)</b>	<p></p>		

(2) **Statement of the total number of preferred shareholders of the Company and shareholdings of the top 10 preferred shareholders**

“ ” - “ ”

**III. OTHER IMPORTANT EVENTS**

“ ” - “ ”

**IV. QUARTERLY FINANCIAL STATEMENTS**

**(1) Financial Statements**

**1. Consolidated Balance Sheet**

“ ” - “ ”

**September 30, 2023**

*Currency: RMB Unit: Yuan*

<b>Items</b>	<b>September 30, 2023</b>	<b>“ ” - “ ”</b>
<b>Current assets:</b>		
“ ”	<b>1,791,292,771.63</b>	
“ ”		
“ ”		
“ ”	<b>474,182,329.41</b>	
“ ”	-	
“ ”	<b>6,208,009.76</b>	
“ ”	<b>1,241,350,011.62</b>	
“ ”	-	
“ ”	<b>153,083,541.29</b>	
“ ”		
“ ”		
“ ”	<b>110,912,922.00</b>	
“ ”	-	
“ ”	-	

Items	September 30, 2023	
	7,805,326,066.17	
	10,623,409.64	
	266,104,811.21	
	11,859,083,872.73	
<b>Non-current assets:</b>		
	-	
	-	
	1,070,390.11	
	666,685,804.22	
	515,024,324.71	
	1,054,981,140.44	
	-	
	2,150,962,742.89	
	352,770,797.25	
	-	
	-	
	118,796,156.63	
	490,667,506.89	
	53,090,539.67	
	2,423,635,646.83	
	190,843,267.93	
	154,763,710.53	
	88,275,110.64	
	8,261,477,138.74	
	20,120,561,011.47	



Items	September 30, 2023	
<b>Current liabilities:</b>		
Accounts payable	1,820,787,926.49	
Accounts receivable		
Prepaid expenses		
Accrued liabilities		
Income tax payable	-	
Other current liabilities	-	
Short-term debt	34,670,511.89	
Long-term debt	213,336,725.01	
Other non-current liabilities	-	
Total current liabilities	403,990,704.82	
Deferred tax assets		
Other non-current assets		
Other non-current liabilities		
Other non-current liabilities		
Other non-current liabilities		
Other non-current liabilities	117,087,892.28	
Other non-current liabilities	127,715,875.39	
Other non-current liabilities	398,847,341.16	
Other non-current liabilities	-	
Other non-current liabilities	122,690,265.17	
Other non-current liabilities		
Other non-current liabilities		
Other non-current liabilities		
Other non-current liabilities	1,880,754,618.38	
Other non-current liabilities	-	
Other non-current liabilities	4,997,191,595.42	
<b>Non-current liabilities:</b>		
Other non-current liabilities		
Other non-current liabilities	2,116,802,507.02	
Other non-current liabilities	-	
Other non-current liabilities	-	
Other non-current liabilities	-	

Items	September 30, 2023	
	92,624,776.83	
	395,725.24	
	40,293,108.90	
	9,876,817.34	
	29,751,781.75	
	334,582,068.96	
	-	
	2,624,326,786.04	
	7,621,518,381.46	
<b>Owners' equity:</b>		
	1,467,296,204.00	
	-	
	-	
	-	
	5,854,583,773.47	
	-	
	226,528,230.35	
	545,376,458.31	
	4,312,374,190.99	
	12,406,158,857.12	
	92,883,772.89	
	12,499,042,630.01	
	20,120,561,011.47	

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**2. Consolidated Income Statement from the beginning of the year to the end of the Reporting Period**

Currency: RMB Unit: Yuan

Items	Amount for current period	
Revenue	4,063,233,063.48	
Cost of sales	4,063,233,063.48	
Operating expenses		
Operating income		
Other income		
Other expenses		
Income before income tax	3,669,009,984.63	
Income tax	2,720,675,046.08	
Income after income tax		
Other income		
Other expenses		
Income before minority interest		
Minority interest		
Income after minority interest		
Other income		
Other expenses		
Income before income tax	12,802,583.40	
Income tax	402,920,606.39	
Income after income tax	306,237,517.82	
Income before minority interest	152,223,825.20	
Minority interest	74,150,405.74	
Income after minority interest	172,185,286.54	
Other income	34,032,251.07	
Other expenses	20,383,283.61	
Income after minority interest	-274,834,971.73	
Other income	-283,240,300.17	
Other expenses	-	

Items	Amount for current period	Amount for prior period
Income tax expense	-	-
Income tax expense	-	-
Income tax expense	37,143,775.77	-
Income tax expense	-3,097,694.49	-
Income tax expense	5,551,276.16	-
Income tax expense	-549,392.43	-
Income tax expense	178,819,355.74	-
Income tax expense	6,458,415.02	-
Income tax expense	4,102,908.74	-
Income tax expense	181,174,862.02	-
Income tax expense	39,289,379.06	-
Income tax expense	141,885,482.96	-
Income tax expense		
Income tax expense	141,885,482.96	-
Income tax expense	-	-
Income tax expense		
Income tax expense	143,170,121.26	-
Income tax expense	-1,284,638.30	-
Income tax expense	101,092,675.13	-
Income tax expense	101,005,511.82	-
Income tax expense	-3,008,947.26	-
Income tax expense	2,251,161.67	-
Income tax expense	-	-

Items	Amount for current period	
...	-5,260,108.93	
...	-	
...		
...	104,014,459.08	
...	180,002.99	
...	-	
...	-	
...	-	
...	-	
...	103,834,456.09	
...		
...	87,163.31	
...	242,978,158.09	
...	244,175,633.08	
...	-1,197,474.99	
...		
...	0.0976	
...	0.0976	

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### 3. Consolidated Cash Flow Statement from the beginning of the year to the end of the Reporting Period

Currency: RMB Unit: Yuan

Items	Amount for current period	
一、经营活动产生的现金流量		
销售商品、提供劳务收到的现金	4,603,550,675.54	
收到的税费返还		
收到其他与经营活动有关的现金		
经营活动现金流入小计		
购买商品、接受劳务支付的现金		
支付给职工以及为职工支付的现金		
支付的各项税费		
支付其他与经营活动有关的现金		
经营活动现金流出小计		
经营活动产生的现金流量净额	206,974,609.19	
二、投资活动产生的现金流量		
收回投资收到的现金	47,790,265.82	
取得投资收益收到的现金		
处置固定资产、无形资产和其他长期资产收到的现金	4,858,315,550.55	
处置子公司及其他营业单位收到的现金	3,633,091,884.41	
收到其他与投资活动有关的现金		
投资活动现金流入小计		
购建固定资产、无形资产和其他长期资产支付的现金		
取得子公司及其他营业单位支付的现金		
支付其他与投资活动有关的现金		
投资活动现金流出小计		
投资活动产生的现金流量净额	673,352,520.02	
三、筹资活动产生的现金流量		
吸收投资收到的现金	210,215,294.50	
发行债券收到的现金	575,644,822.54	
收到其他与筹资活动有关的现金		
筹资活动现金流入小计	5,092,304,521.47	
偿还债务支付的现金		
分配股利、利润或偿付利息支付的现金		
支付其他与筹资活动有关的现金		
筹资活动现金流出小计		
筹资活动产生的现金流量净额	-233,988,970.92	

Items	Amount for current period	
	1,494,880,389.45	
	32,344,822.97	
	2,323,756.31	
	-	
	771,783,056.20	
	2,301,332,024.93	
	274,837,032.45	
	683,038,740.26	
	-	
	31,117,972.12	
	988,993,744.83	
	1,312,338,280.10	
	-	
	-	
	3,557,251,571.62	
	150,342,810.61	
	3,707,594,382.23	
	4,097,326,290.58	
	250,602,018.90	
	-	
	31,764,577.78	
	4,379,692,887.26	
	-672,098,505.03	
	31,821,093.12	
	438,071,897.27	
	1,319,707,185.95	
	1,757,779,083.22	





Items	September 30, 2023	January 1, 2023	Adjustments	December 31, 2022
	7,805,326,066.17			
	10,623,409.64			
	266,104,811.21			
	11,859,083,872.73			
<b>Non-current assets:</b>				
	1,070,390.11			
	666,685,804.22			
	515,024,324.71			
	1,054,981,140.44			
	2,150,962,742.89			
	352,770,797.25			
	118,796,156.63			
	490,667,506.89			
	53,090,539.67			
	2,423,635,646.83			
	190,843,267.93			
	154,673,710.53			
	88,275,110.64			
	8,261,477,138.74			
	20,120,561,011.47			

Items	September 30, 2023	January 1, 2023	Adjustments	December 31, 2022
<b>Current liabilities:</b>				
Accounts payable	1,820,787,926.49			
Accounts receivable				
Prepaid expenses				
Income tax payable				
Other current liabilities	34,670,511.89			
Deferred tax liability	213,336,725.01			
Long-term debt	403,990,704.82			
Other long-term liabilities				
Other non-current liabilities				
Other non-current liabilities				
Other non-current liabilities				
Other non-current liabilities	117,087,892.28			
Other non-current liabilities	127,715,875.39			
Other non-current liabilities	398,847,341.16			
Other non-current liabilities				
Other non-current liabilities	122,690,265.17			
Other non-current liabilities				
Other non-current liabilities				
Other non-current liabilities				
Other non-current liabilities	1,880,754,618.38			

Items	September 30, 2023	January 1, 2023	Adjustments	December 31, 2022
Accounts receivable				
Prepaid expenses	4,997,191,595.42			
<b>Non-current liabilities:</b>				
Long-term debt				
Deferred tax liabilities	2,116,802,507.02			
Other non-current liabilities				
Accounts payable				
Accrued liabilities	92,624,776.83			
Other current liabilities	395,725.24			
Income taxes payable	40,293,108.90			
Dividends payable	9,876,817.34			
Accounts receivable	29,751,781.75			
Other current assets	334,582,068.96			
Prepaid expenses				
Other non-current assets	2,624,326,786.04			
Other non-current liabilities	7,621,518,381.46			
<b>Owners' equity:</b>				
Common stock	1,467,296,204.00			
Retained earnings				
Accumulated other comprehensive income				
Other equity				
Other equity	5,854,583,773.47			
Other equity				
Other equity	226,528,230.35			

Items	September 30, 2023	January 1, 2023	Adjustments	December 31, 2022
	545,376,458.31			
	4,312,374,190.99			
	12,406,158,857.12			
	92,883,772.89			
	12,499,042,630.01			
	20,120,561,011.47			

**(3) Audit Report**

The audit report is a document that provides an independent opinion on the financial statements of an entity. It is prepared by an auditor who has conducted an audit of the entity's financial statements. The audit report is a key component of the financial reporting process and is used by investors, creditors, and other stakeholders to make informed decisions about the entity's financial health.

The audit report typically includes the following information:

- The name of the entity being audited.
- The period covered by the audit.
- The scope of the audit.
- The auditor's opinion on the financial statements.
- The basis for the auditor's opinion.
- The auditor's signature and date.

The audit report is a critical document for the entity and its stakeholders. It provides a level of assurance that the financial statements are free from material misstatements. The audit report is also a key component of the entity's financial reporting process and is used by investors, creditors, and other stakeholders to make informed decisions about the entity's financial health.