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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)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED DECEMBER 31, 2023**

(the **Board**)
of the **Company** **Hepalink**
(the **Group**, **we**, **our** **us**)
for the year ended **31, 2023** (the **Reporting Period** **Year**), compared with
the year ended **31, 2022**.

RESULTS HIGHLIGHTS	
1.	Revenue of 5,431.0 million RMB (2022: 7,151.0 million RMB),
2.	Profit attributable to equity holders of the Company of 855.4 million RMB (2022: 36.4 million RMB). Profit attributable to equity holders of the Group of 1,796.3 million RMB (2022: 2,326.5 million RMB), an increase of 33.1% (2022: 32.5%).
3.	Profit attributable to equity holders of the Group per share of 940.9 RMB (2022: 2,290.2 RMB), an increase of 17.3% (2022: 32.0%),
4.	Operating profit of 855.4 million RMB (2022: 3,210.5 million RMB),
5.	Operating profit margin of 2,979.0% (2022: 1,307.3% (2022: 2,673.8%)),
6.	Operating profit margin of 1,084.1% (2022: 967.0% (2022: 1,084.1%)),
7.	Operating profit margin of 783.3% (2022: 727.4% (2022: 783.3%)).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended December 31, 2023

	Notes	2023 RMB'000	2022 RMB'000 (restated)*
REVENUE	4	5,430,974	7,151,039
		<u>(4,490,078)</u>	<u>(4,860,850)</u>
Gross profit		940,896	2,290,189
Cost of sales	5	222,317	207,431
Depreciation and amortization		(517,416)	(518,502)
Finance expenses		(674,546)	(742,461)
Impairment loss on financial assets		(22,548)	(61,067)
Impairment loss on non-current assets		(68,155)	-
Impairment loss on equity investments		(44,515)	-
Impairment loss on intangible assets		(9,801)	-
Share of profit/loss of associates		(78,528)	(1,648)
Share of profit/loss of joint ventures	6	(228,087)	(245,629)
Share of profit/loss of subsidiaries		(447,951)	(98,462)
(LOSS)/PROFIT BEFORE TAX	7	(928,334)	829,851
Income tax expense/(benefit)	8	126,175	(114,816)
(LOSS)/PROFIT FOR THE YEAR		<u>(802,159)</u>	<u>715,035</u>
Non-controlling interests		(783,258)	727,425
Withholding tax		(18,901)	(12,390)
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	9	<u>RMB(0.53)</u>	<u>0.50</u>

* Details of restatement are set out in note 2.2 on page 23

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended December 31, 2023

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
(LOSS)/PROFIT FOR THE YEAR	<u>(802,159)</u>	<u>715,035</u>
OTHER COMPREHENSIVE INCOME		
Share of comprehensive income of associates and joint ventures (Note 12)		
Share of comprehensive income of equity-accounted investees (Note 12)		
Share of comprehensive income of structured entities (Note 12)		
Share of comprehensive income of subsidiaries (Note 12)	51,000	260,977
Share of comprehensive income of subsidiaries (Note 12)	(6,192)	(13,481)
Share of comprehensive income of subsidiaries (Note 12)	44,808	247,496
Share of comprehensive income of subsidiaries (Note 12)		
Share of comprehensive income of subsidiaries (Note 12)		
Share of comprehensive income of subsidiaries (Note 12)	(9,234)	(5,554)
Share of comprehensive income of subsidiaries (Note 12)	(2,592)	67,688
Share of comprehensive income of subsidiaries (Note 12)	(11,826)	62,134
Share of comprehensive income of subsidiaries (Note 12)		
Share of comprehensive income of subsidiaries (Note 12)	32,982	309,630
Share of comprehensive income of subsidiaries (Note 12)		
Share of comprehensive income of subsidiaries (Note 12)	(769,177)	1,024,665
Share of comprehensive income of subsidiaries (Note 12)		
Share of comprehensive income of subsidiaries (Note 12)	(750,324)	1,036,305
Share of comprehensive income of subsidiaries (Note 12)	(18,853)	(11,640)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2023

	31 December 2023	31 December 2022	31 December 2022
Notes	RMB'000	RMB'000 (.....)*	RMB'000 (.....)*
NON-CURRENT ASSETS			
Property, plant and equipment	2,628,121	2,454,845	2,526,672
Intangible assets	220,883	244,443	239,854
Investments in subsidiaries	2,322,375	2,350,992	2,152,201
Investments in associates	389,423	462,908	472,969
Prepaid expenses and deposits	1,004,046	989,386	1,146,465
Long-term receivables	503,565	507,146	474,885
Long-term prepayments	1,006,367	967,576	996,500
Long-term deposits	320,503	141,475	123,197
Other non-current assets	203,865	224,948	206,016
	<u>8,599,148</u>	<u>8,343,719</u>	<u>8,338,759</u>
CURRENT ASSETS			
Accounts receivable	6,654,111	6,843,906	4,707,549
Prepaid expenses and deposits	1,263,584	1,606,211	1,525,209
Other receivables	10,947	19,534	14,993
Inventory	364,429	507,405	566,687
Contract assets	45,371	44,833	44,088
Long-term prepayments	414,184	1,311,633	980,909
Other current assets	-	10	248
Financial assets	80	69,388	11,581
Other receivables	85,918	749,684	1,440,000
Other current assets	1,765,645	1,319,707	1,479,633
	<u>10,604,269</u>	<u>12,472,311</u>	<u>10,770,897</u>
CURRENT LIABILITIES			
Accounts payable	302,223	427,433	385,787
Contract liabilities	388	-	-
Other payables	497,560	545,512	608,729
Contract liabilities	362,052	428,218	377,814
Accounts payable	3,624,575	4,020,784	3,268,166
Other payables	157,178	112,257	112,997
Other payables	4,403	5,902	6,223
Other payables	37,803	35,690	31,754
	<u>4,986,182</u>	<u>5,575,796</u>	<u>4,791,470</u>

* Details of restatement are set out in note 2.2 on page 23

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2023

	31 December 2023	31 2022	1 2022
<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
NET CURRENT ASSETS	<u>5,618,087</u>	<u>6,896,515</u>	<u>5,979,427</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>14,217,235</u>	<u>15,240,234</u>	<u>14,318,186</u>
NON-CURRENT LIABILITIES			
Long-term bank borrowings	1,810,021	2,296,680	2,250,270
Other non-current liabilities	30,426	32,540,734	16,673,000
Total non-current liabilities	252,568	328,920	275,358

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

2023 w... w... 2023,

W... W... 2023,

W... w... 48.5%, w... 3.3 2022. w... 50%,

W... w... 2022. w... 2023 5% 30.7 2023

2 8%. w... 2023 w... 4.5% 6.3% 4.9% 5.2% 5.2%

W... w... 2023 w... w... 2023

W... w... W... w... W... w...

2023. 11,779

2023, 5, 4,805

2023. 2023.

2024 855.4

-19

2023. (HighTide-) 368.6

(2022) 83.9

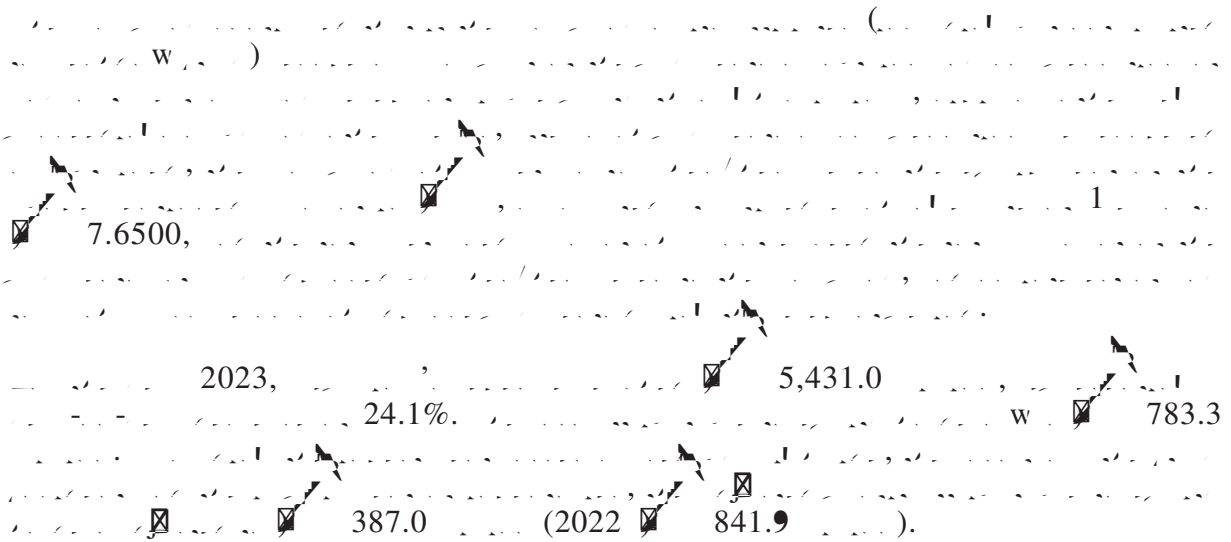
(Techdow Italy-), 15, 2024, 11.74 (Italy Incident-)

1) 14 2024, (Mr. Li-), (Shenzhen Lergen-), 89,809,600 11.74

2)

11.7 9.74 (74.5)

2023.



8th

VBP-

2023,

(**FDA-**),

(**Techdow USA-**),

(**CTTQ-**),

Sales

Heparin Industrial Chain Business

4,286.3 (2022 5,884.3).

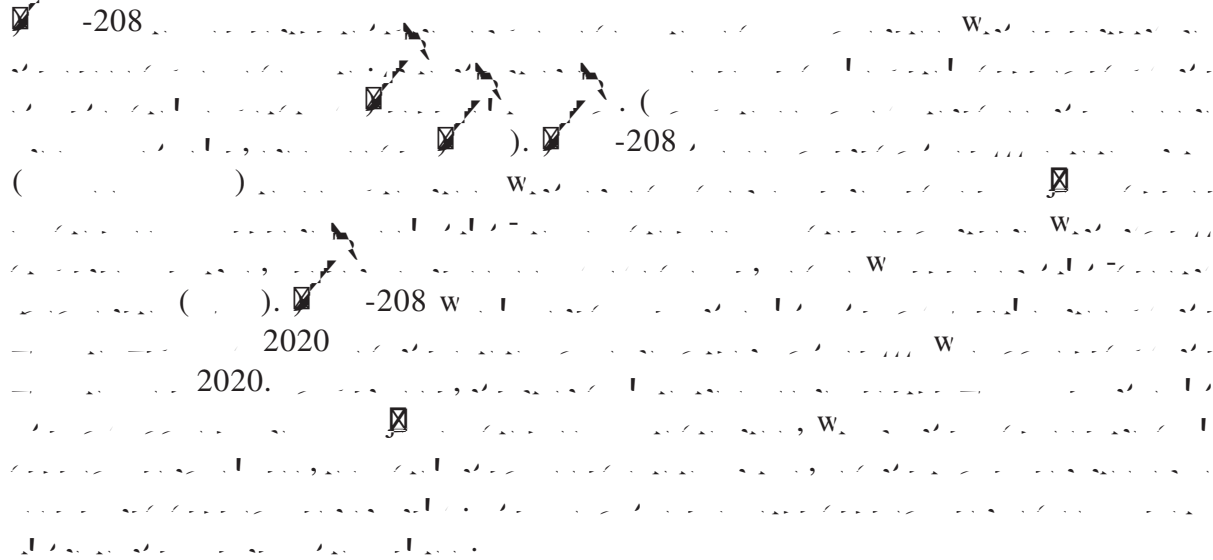
2023年，公司实现营业收入1,307.3万元（2022年2,673.8万元），同比增长24.1%。2023年，公司实现净利润30%。2023年，公司实现净利润30%。

CDMO Business

967.0 (2022) 1,084.1 (2023) W
22.0% (2022) 38.5% (2023)

Innovative Drugs and Innovative Business

RVX-208 (Apabetalone)



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Outlook

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... 2024, ... W_1 ... W_2 ... W_3 ... W_4 ... W_5 ... W_6 ... W_7 ... W_8 ... W_9 ... W_{10} ... W_{11} ... W_{12} ... W_{13} ... W_{14} ... W_{15} ... W_{16} ... W_{17} ... W_{18} ... W_{19} ... W_{20} ... W_{21} ... W_{22} ... W_{23} ... W_{24} ... W_{25} ... W_{26} ... W_{27} ... W_{28} ... W_{29} ... W_{30} ... W_{31} ... W_{32} ... W_{33} ... W_{34} ... W_{35} ... W_{36} ... W_{37} ... W_{38} ... W_{39} ... W_{40} ... W_{41} ... W_{42} ... W_{43} ... W_{44} ... W_{45} ... W_{46} ... W_{47} ... W_{48} ... W_{49} ... W_{50} ... W_{51} ... W_{52} ... W_{53} ... W_{54} ... W_{55} ... W_{56} ... W_{57} ... W_{58} ... W_{59} ... W_{60} ... W_{61} ... W_{62} ... W_{63} ... W_{64} ... W_{65} ... W_{66} ... W_{67} ... W_{68} ... W_{69} ... W_{70} ... W_{71} ... W_{72} ... W_{73} ... W_{74} ... W_{75} ... W_{76} ... W_{77} ... W_{78} ... W_{79} ... W_{80} ... W_{81} ... W_{82} ... W_{83} ... W_{84} ... W_{85} ... W_{86} ... W_{87} ... W_{88} ... W_{89} ... W_{90} ... W_{91} ... W_{92} ... W_{93} ... W_{94} ... W_{95} ... W_{96} ... W_{97} ... W_{98} ... W_{99} ... W_{100} ...

Financial Review

Revenue

	For the year ended December 31,				Year-on-year increase/ decrease (%)
	2023	2023	2022	2022	
	Sales amount	% of Revenue		%	
	RMB'000		RMB'000		
Product sales	4,415,058	81.3%	6,012,848	84.1%	-26.6%
Service sales	2,979,030	54.9%	3,210,465	44.9%	-7.2%
Other sales	1,307,343	24.1%	2,673,754	37.4%	-51.1%
Government grants ⁽¹⁾	128,685	2.4%	128,629	1.8%	0.0%
Others ⁽²⁾	966,952	17.8%	1,084,066	15.2%	-10.8%
	48,964	0.9%	54,125	0.8%	-9.5%
Total	5,430,974	100.0%	7,151,039	100%	-24.1%

Product sales decreased by RMB1,597.8 million, or 27.2%, in 2023 compared with 2022. The decrease was primarily due to the decrease in sales of the following products:

Product	2023 Sales (RMB'000)	2023 % of Revenue	2022 Sales (RMB'000)	2022 % of Revenue
Product A	4,415.1	81.3%	6,012.9	84.1%

Cost of sales

Year	Cost of sales (RMB'000)
2023	4,860.9
2022	370.8
2021	4,490.1

Gross Profit

	For the year ended December 31,			
	2023	2023	2022	2022
	Gross profit	Gross profit		
	<i>RMB'000</i>	margin	<i>RMB'000</i>	margin
		(%)		(%)
Cost of sales	693,525	15.7%	1,821,343	30.3%
Cost of services	1,284,627	43.1%	1,132,402	35.3%

Impairment losses on goodwill


	W ₁		68.2
	W ₂		
	W ₃	W ₄	
	W ₅	W ₆	
		W ₇	
			W ₈

Impairment losses on property, plant and equipment and other intangible assets

		44.5
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Liquidity and Financial Resources

Treasury Policies



 The Board of Directors has approved the following policies for the management of the Corporation's cash resources:

 1. The Corporation shall maintain a minimum cash balance of \$1,000,000 at all times.

 2. The Corporation shall invest any cash in excess of the minimum cash balance in short-term, high-quality investments.

 3. The Corporation shall not invest in any securities that are not rated at least "A" by Standard & Poor's.

 4. The Corporation shall not invest in any securities that are not insured by the FDIC.

 5. The Corporation shall not invest in any securities that are not insured by the SIPC.

 6. The Corporation shall not invest in any securities that are not insured by the NCUA.

 7. The Corporation shall not invest in any securities that are not insured by the FDIC, SIPC, or NCUA.

 8. The Corporation shall not invest in any securities that are not insured by the FDIC, SIPC, or NCUA.

 9. The Corporation shall not invest in any securities that are not insured by the FDIC, SIPC, or NCUA.

 10. The Corporation shall not invest in any securities that are not insured by the FDIC, SIPC, or NCUA.

Liquidity and Financial Resources

The Corporation's cash resources at the end of 2023 were \$1,765.6 million, compared to \$1,319.7 million at the end of 2022.

Capital Structure

The Corporation's capital structure at the end of 2023 was \$3,624.6 million, compared to \$2,296.7 million at the end of 2022.

Pledge of Assets

The Corporation's pledged assets at the end of 2023 were \$2,995.5 million, compared to \$3,182.0 million at the end of 2022.

Contingent Liabilities

The Corporation's contingent liabilities at the end of 2023 were \$8,406.6 million, compared to \$7,215.0 million at the end of 2022.

Asset-liability Ratio

The Corporation's asset-liability ratio at the end of 2023 was 40.4%, compared to 37.6% at the end of 2022.

Interest Rate Risk

As at December 31, 2023, the weighted average maturity of the Group's financial assets was 1.1 years, compared to 1.2 years as at December 31, 2022. As at December 31, 2023, the Group's financial liabilities were 96.6% (92.7%) of the weighted average maturity of the Group's financial assets.

Indebtedness

	As at December 31, 2023 RMB'000	As at December 31, 2022 RMB'000
Financial assets	5,434,596	6,317,464
Financial liabilities	128,220	146,439
Net financial assets	5,562,816	6,463,903
Equity	(80)	(69,388)
Net financial liabilities	5,562,736	6,394,515

As at December 31, 2023, the Group's financial assets were 96.6% (92.7%) of the weighted average maturity of the Group's financial liabilities.

	As at December 31, 2023 RMB'000	As at December 31, 2022 RMB'000
Financial assets	3,624,575	4,020,784
Financial liabilities	772,003	1,404,818
Equity	642,237	435,195
Net financial assets	395,781	456,667
Net financial liabilities	5,434,596	6,317,464

As at December 31, 2023, the Group's financial assets were 96.6% (92.7%) of the weighted average maturity of the Group's financial liabilities. As at December 31, 2023, the Group's financial liabilities were 96.6% (92.7%) of the weighted average maturity of the Group's financial assets.

As at December 31, 2023, the Group's financial assets were 96.6% (92.7%) of the weighted average maturity of the Group's financial liabilities. As at December 31, 2023, the Group's financial liabilities were 96.6% (92.7%) of the weighted average maturity of the Group's financial assets.

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

December 31, 2023

1. Corporate Information

The Company was established in the People's Republic of China (PRC) on December 21, 1998. The Company's registration number is 002399. The Company was listed on the Hong Kong Stock Exchange (SEHK) on August 8, 2020. The Company's registration number on SEHK is 002399. The Company's fiscal year ends on December 31. The Company's registered office is located at 4724, 47th Floor, 30th Avenue, New York, NY 10018, United States of America. The Company's website is www.100000.com.hk.

2.1 Basis of Preparation

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs), (with modifications) issued by the International Accounting Standards Board (IASB). The consolidated financial statements are presented in Chinese Renminbi Yuan (RMB) and are rounded to the nearest thousand (RMB '000). The consolidated financial statements are prepared on a going concern basis.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries as at and for the period ended December 31, 2023. The consolidated financial statements are prepared on a going concern basis. The consolidated financial statements are prepared in accordance with IFRSs, (with modifications) issued by the IASB. The consolidated financial statements are presented in Chinese Renminbi Yuan (RMB) and are rounded to the nearest thousand (RMB '000). The consolidated financial statements are prepared on a going concern basis.

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2.2 Changes in Accounting Policies and Disclosures

W

1 *Disclosure of Accounting Policies*

2

8 *Definition of Accounting Estimates*

12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

12 *International Tax Reform – Pillar Two Model Rules*

W

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2 Making Materiality Judgements

W

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W

12

W

... (.) ... 1 ... 2022. ... (.) ... (.) ... (.) ... 1 ... 2022, with ... w.

Impact on the consolidated statements of financial position:

	Increase/(decrease)		
	As at		
	31 December	31	1
	2023	2022	2022
	RMB'000	RMB'000	RMB'000
Assets			
... (.)	<u>2,244</u>	<u>1,826</u>	<u>1,479</u>
...	<u>2,244</u>	<u>1,826</u>	<u>1,479</u>
...	<u>2,244</u>	<u>1,826</u>	<u>1,479</u>
...	<u>2,244</u>	<u>1,826</u>	<u>1,479</u>
Equity			
... (.)	<u>2,244</u>	<u>1,826</u>	<u>1,479</u>
... w.	<u>2,244</u>	<u>1,826</u>	<u>1,479</u>
...	<u>-</u>	<u>-</u>	<u>-</u>
...	<u>2,244</u>	<u>1,826</u>	<u>1,479</u>

...

	Increase/(decrease)	
	For the year ended	
	31 December	
	2023	2022
	RMB'000	RMB'000
Financial assets	319	348
Financial liabilities	319	348
	<u>319</u>	<u>348</u>
Net financial assets	99	-
	<u>99</u>	<u>-</u>
Equity		
- Retained earnings	418	348
- Treasury shares	-	-
	<u>418</u>	<u>348</u>

The increase of financial assets of RMB319 million in 2023 was mainly due to the increase of financial assets held for sale of RMB319 million in 2023 compared with RMB348 million in 2022.

(c) The increase of net financial assets of RMB99 million in 2023 was mainly due to the increase of financial assets held for sale of RMB319 million in 2023 compared with RMB348 million in 2022, partially offset by the increase of financial liabilities of RMB319 million in 2023 compared with RMB348 million in 2022. The increase of financial assets held for sale of RMB319 million in 2023 was mainly due to the increase of financial assets held for sale of RMB319 million in 2023 compared with RMB348 million in 2022. The increase of financial liabilities of RMB319 million in 2023 was mainly due to the increase of financial liabilities of RMB319 million in 2023 compared with RMB348 million in 2022. The increase of financial assets held for sale of RMB319 million in 2023 was mainly due to the increase of financial assets held for sale of RMB319 million in 2023 compared with RMB348 million in 2022. The increase of financial liabilities of RMB319 million in 2023 was mainly due to the increase of financial liabilities of RMB319 million in 2023 compared with RMB348 million in 2022.

3. Operating Segment Information

1. The company reports the following information for its operating segments for the year ended December 31, 2018:

- (a) Revenue from external customers: \$100 million
- (b) Revenue from related parties: \$10 million
- (c) Revenue from government entities: \$5 million
- (d) Revenue from other entities: \$2 million

2. The company reports the following information for its operating segments for the year ended December 31, 2018:

- (a) Revenue from external customers: \$100 million
- (b) Revenue from related parties: \$10 million
- (c) Revenue from government entities: \$5 million
- (d) Revenue from other entities: \$2 million

3. The company reports the following information for its operating segments for the year ended December 31, 2018:

- (a) Revenue from external customers: \$100 million
- (b) Revenue from related parties: \$10 million
- (c) Revenue from government entities: \$5 million
- (d) Revenue from other entities: \$2 million

4. The company reports the following information for its operating segments for the year ended December 31, 2018:

- (a) Revenue from external customers: \$100 million
- (b) Revenue from related parties: \$10 million
- (c) Revenue from government entities: \$5 million
- (d) Revenue from other entities: \$2 million

5. The company reports the following information for its operating segments for the year ended December 31, 2018:

- (a) Revenue from external customers: \$100 million
- (b) Revenue from related parties: \$10 million
- (c) Revenue from government entities: \$5 million
- (d) Revenue from other entities: \$2 million

For the year ended December 31, 2023

Segments	Finished dose pharmaceutical				Total RMB'000
	products RMB'000	API RMB'000	CDMO RMB'000	Others RMB'000	
Segment revenue:					
Finished dose pharmaceutical products	2,979,030	1,307,343	966,952	177,649	5,430,974
Finished dose pharmaceutical API	3,469,110	2,137,584	1,309	270,601	5,878,604
	<u>6,448,140</u>	<u>3,444,927</u>	<u>968,261</u>	<u>448,250</u>	<u>11,309,578</u>
Finished dose pharmaceutical CDMO					(5,878,604)
Finished dose pharmaceutical Others					<u>5,430,974</u>
Segment results:	1,224,118	(405,677)	213,038	59,932	1,091,411
Finished dose pharmaceutical products					(150,515)
Finished dose pharmaceutical API					222,317
Finished dose pharmaceutical CDMO					(517,416)
Finished dose pharmaceutical Others					(674,546)
Finished dose pharmaceutical CDMO					(22,548)
Finished dose pharmaceutical Others					(68,155)
Finished dose pharmaceutical CDMO					(9,801)
Finished dose pharmaceutical Others					(44,515)
Finished dose pharmaceutical CDMO					(78,528)
Finished dose pharmaceutical Others					(228,087)
Finished dose pharmaceutical CDMO					<u>(447,951)</u>
Group's loss before tax					<u><u>(928,334)</u></u>

For the year ended December 31, 2023 (continued)

Segments	Finished dose pharmaceutical				Total <i>RMB'000</i>
	products <i>RMB'000</i>	API <i>RMB'000</i>	CDMO <i>RMB'000</i>	Others <i>RMB'000</i>	
Segment assets	4,888,040	11,710,207	2,392,778	1,152,181	20,143,206
Goodwill					(6,149,428)
Intangible assets					5,209,639
Other assets					19,203,417
Segment liabilities	2,846,630	3,822,929	421,666	2,684,939	9,776,164
Goodwill					(7,390,598)
Intangible liabilities					4,829,474
Other liabilities					7,215,040
Other segment information					
Property, plant and equipment					
Investment properties	3,859	28,520	68,490	44,150	145,019
Right-of-use assets	50,921	104,098	84,492	138,337	377,848
Lease liabilities					1,004,046
Other non-current assets	381,103	31,561	41,399	15,783	469,846

December 31, 2022

	2022	2021	2020	2019	2018
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue:					
Construction	3,210,465	2,673,754	1,084,066	182,754	7,151,039
General services	2,468,477	3,369,777	2,213	435,821	6,276,288
	<u>5,678,942</u>	<u>6,043,531</u>	<u>1,086,279</u>	<u>618,575</u>	<u>13,427,327</u>
Construction					
General services					(6,276,288)

December 31, 2022 (continued)

	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment assets	4,272,831	12,057,357	2,573,751	1,169,499	20,073,438
Goodwill					(5,442,142)
Investment in associates					6,184,734
Other intangible assets					20,816,030
Segment liabilities	2,261,519	3,228,971	467,235	2,677,328	8,635,053
Goodwill					(6,703,798)
Investment in associates					6,475,310
Other intangible assets					8,406,565
Other segment information					
Investment in associates					
Investment in associates	4,090	28,346	28,523	108	61,067
Investment in associates	47,343	89,404	77,826	97,434	312,007
Investment in associates					989,386
Investment in associates	15,100	49,904	68,758	12,532	146,294

Geographical information

(a) Revenue from external customers

	2023 RMB'000	2022 RMB'000
China	18,098	103,018
Overseas	1,277,604	1,387,152
	2,615,709	3,729,856
Government	397,837	641,478
Non-government / Individual	1,121,726	1,289,535
	5,430,974	7,151,039

Revenue from external customers is derived from the following geographical areas:

(b) Non-current assets

	As at December 31,	
	2023 RMB'000	2022 RMB'000
Property, plant and equipment	2,878,234	2,705,525
Intangible assets	3,356,795	3,610,134
Investments	126,362	129,267
Other non-current assets	407,322	282,596
	6,768,713	6,727,522

Non-current assets are primarily located in the following geographical areas:

Information about major customers

At the end of the reporting period, the Company's revenue from its major customers (each of which accounted for 10% or more of the Company's revenue) is as follows:

Customer A	31,2023, 10%	733,019,000
Customer B	31,2022, 10%	

4. Revenue

Revenue from contracts with customers

(i) Revenue from contracts with customers

For the year ended December 31, 2023

Segments	Finished dose pharmaceutical products	API	CDMO	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Types of goods or services					
Finished dose pharmaceutical products	2,979,030	1,307,343	-	128,685	4,415,058
CDMO	-	-	966,952	-	966,952
Others	-	-	-	48,964	48,964
	<u>2,979,030</u>	<u>1,307,343</u>	<u>966,952</u>	<u>177,649</u>	<u>5,430,974</u>
Timing of revenue recognition					
Revenue from contracts with customers	2,979,030	1,307,343	-	128,685	4,415,058
Revenue from contracts with customers	-	-	456,111	13,818	469,929
Revenue from contracts with customers	-	-	510,841	35,146	545,987
	<u>2,979,030</u>	<u>1,307,343</u>	<u>966,952</u>	<u>177,649</u>	<u>5,430,974</u>

31, 2022

	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Types of goods or services					
Construction services	3,210,465	2,673,754		128,629	6,012,848
Construction materials			1,084,066		1,084,066
Others				54,125	54,125
	<u>3,210,465</u>	<u>2,673,754</u>	<u>1,084,066</u>	<u>182,754</u>	<u>7,151,039</u>
Timing of revenue recognition					
Construction services	3,210,465	2,673,754		128,629	6,012,848
Construction materials			320,179	20,207	340,386
Others			763,887	33,918	797,805
	<u>3,210,465</u>	<u>2,673,754</u>	<u>1,084,066</u>	<u>182,754</u>	<u>7,151,039</u>

	2023 RMB'000	2022 RMB'000
Contract revenue	17,724	10,585
Other revenue	423,216	407,679
Total revenue	440,940	418,264

(.) Revenue from contracts is primarily derived from the sale of products and CDMO services.

Sale of products

Contract revenue from the sale of products is primarily derived from the sale of products to customers.

CDMO services

Contract revenue from CDMO services is primarily derived from the provision of CDMO services to customers. The revenue is recognized when the services are performed. In 2023, the revenue from CDMO services was 15,000 RMB'000.

Other revenue is primarily derived from the sale of products to customers. The revenue is recognized when the products are delivered to customers. In 2023, the revenue from other revenue was 423,216 RMB'000.

Revenue from contracts is primarily derived from the sale of products and CDMO services (as described above).

	2023 RMB'000	2022 RMB'000
Total revenue	493,767	652,130

Revenue from contracts is primarily derived from the sale of products and CDMO services (as described above).

5. Other Income and Gains

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Other income		
Interest income	39,521	54,139
Dividend income		
* (China)	2,672	4,744
** (China)	19,343	33,963
Other		
- Income tax	36,433	7,107
- Others	97,969	99,953
Other gains		
Income from disposal of equity investments	85,867	186,331
Income/(loss) from disposal of property, plant and equipment		
- Land	1,014	(5,624)
- Buildings		
- Other	17,724	(74,831)
Income from disposal of intangible assets		
- Software	(86)	(26,869)
Income from disposal of financial assets at fair value through profit or loss		
- Equity instruments	(1,678)	(2,760)
- Debt instruments	7,265	21,771
- Others	14,242	9,460
Income from disposal of investment properties	124,348	107,478
Income from disposal of other assets		
- Land	222,317	207,431

* The dividend income from the subsidiaries in China is subject to income tax at the rate of 10% under the current laws and regulations of China. With effect from 2022, the subsidiaries in China are subject to income tax at the rate of 25%.

** The dividend income from the subsidiaries in China is subject to income tax at the rate of 10% under the current laws and regulations of China. With effect from 2022, the subsidiaries in China are subject to income tax at the rate of 25%. With effect from 2023, the subsidiaries in China are subject to income tax at the rate of 25%.

Other income and gains from disposal of assets are subject to income tax at the rate of 25% under the current laws and regulations of China. With effect from 2022, other income and gains from disposal of assets are subject to income tax at the rate of 25%.

6. Finance Costs

Finance costs (including interest income) are as follows:

	2023 RMB'000	2022 RMB'000
Interest on bank deposits	185,053	160,912
Interest on bank borrowings	33,342	69,327
Interest on other financial assets	4,824	5,003
Interest on other financial liabilities	4,868	10,387
	228,087	245,629

7. Profit before Tax

Profit before tax is calculated as follows:

	2023 RMB'000	2022 RMB'000
Operating profit	3,721,533	4,191,405
Finance costs	768,545	669,445
Finance income	283,414	219,970
Share of profit of associates	38,341	38,741
Share of profit of joint ventures	56,093	53,296
Other income	182,433	252,142
Other expenses	68,155	-
Other income	44,515	-
Other expenses	8,640	6,010
Profit before tax (including share of profit of associates and joint ventures)	648,760	654,005
Income tax expense (including share of income tax expense of associates and joint ventures)	95,615	120,378
	744,375	774,383

	2023 RMB'000	2022 RMB'000
.....	3,749	2,488
.....	(39,521)	(54,139)
.....	228,087	245,629
.....	(36,433)	(7,107)
..... ()/.....	(85,867)	(186,331)
()/.....	(1,014)	5,624
..... ()/.....	86	26,869
..... ()/.....	(17,724)	74,831
.....	1,678	2,760
.....	(7,265)	(21,771)
..... W.....	855,380	36,434
.....	9,801	-
.....	712	48,858
.....	21,836	12,209
.....	<u>22,548</u>	<u>61,067</u>

*

8. Income Tax (Credit)/Expense

	2023 RMB'000	2022 RMB'000
Income tax expense	60,356	56,733
Income tax credit	35,960	90,431
Withholding tax	10,780	12,638
Income tax expense	<u>4,357</u>	<u>(1,338)</u>
	<u>111,453</u>	<u>158,464</u>
Income tax credit	(148,044)	(2,873)
Income tax credit	(46,882)	(41,162)
Withholding tax	<u>(42,702)</u>	<u>387</u>
	<u>(237,628)</u>	<u>(43,648)</u>
Income tax (credit)/expense	<u><u>(126,175)</u></u>	<u><u>114,816</u></u>

9. (Loss)/Earnings per Share Attributable to Ordinary Equity Holders of the Parent

The following table shows the calculation of the (Loss)/Earnings per Share Attributable to Ordinary Equity Holders of the Parent for the years ended December 31, 2023 and 2022. The (Loss)/Earnings per Share Attributable to Ordinary Equity Holders of the Parent for the year ended December 31, 2023 is 1,467,296,204 (2022: 1,467,296,204).

The following table shows the calculation of the (Loss)/Earnings per Share Attributable to Ordinary Equity Holders of the Parent for the years ended December 31, 2023 and 2022.

	2023 RMB'000	2022 RMB'000
(Loss)/Earnings	(783,258)	727,425
(Loss)/Earnings per Share Attributable to Ordinary Equity Holders of the Parent	<u><u>(783,258)</u></u>	<u><u>727,425</u></u>
	Year ended December 31,	2022
	2023	2022
	<u><u>1,467,296,204</u></u>	<u><u>1,467,296,204</u></u>

10. Trade and Bills Receivables

	2023	2022
	RMB'000	RMB'000
Trade receivables	1,300,441	1,712,557
Accounts receivable	3,182	8,118
Other receivables	(40,039)	(114,464)
	1,263,584	1,606,211

The Company's trade receivables are primarily from the sale of its products to customers in the domestic market. The Company's trade receivables are denominated in RMB. The Company's trade receivables are primarily from the sale of its products to customers in the domestic market. The Company's trade receivables are denominated in RMB.

The Company's trade receivables are primarily from the sale of its products to customers in the domestic market. The Company's trade receivables are denominated in RMB.

	2023	2022
	RMB'000	RMB'000
1 year or less	1,250,716	1,601,907
1 year to 2 years	29,080	22,566
2 years to 3 years	10,992	69,085
over 3 years	12,835	27,117
	1,303,623	1,720,675
Other receivables	(40,039)	(114,464)
	1,263,584	1,606,211

The Company's trade receivables are primarily from the sale of its products to customers in the domestic market. The Company's trade receivables are denominated in RMB.

	2023	2022
	RMB'000	RMB'000
Accounts receivable	114,464	86,299
Accounts payable	712	48,858
Other receivables	(76,268)	(23,841)
Other payables	1,131	3,148
	40,039	114,464

11. Trade Payables

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Accounts payable	302,223	427,433
Total		
	302,223	427,433
As at December 31, 2023, the carrying amount of accounts payable is RMB302,223 thousand, which is due within one year.		
	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
1 year or less	299,729	424,520
1 year to 2 years	355	548
2 years to 3 years	445	1,373
over 3 years	1,694	992
	302,223	427,433
As at December 31, 2023, the carrying amount of accounts payable is RMB302,223 thousand, which is due within one year.		

12. Dividends

Dividends payable	31,000	-
Total	31,000	-
As at December 31, 2023, the carrying amount of dividends payable is RMB31,000 thousand (2022: RMB-).		

13. Share Capital

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Share capital	1,467,296,204 (2022: 1,467,296,204)	1,467,296,204
Total	1,467,296	1,467,296

Use of Proceeds from the H Share Listing of the Company

	W		
	8, 2020 (Listing Date-)	
	(Net Proceeds-)	3,538.4
			24, 2020
	(Prospectus-)	30%
1,061.5			
		30%	
1,061.5			
		20%	
			707.7
			20%
			707.7

	(Announcement-)	
	20, 2023,		
861.9			
W		W	
W		W	
		15, 2023.	31, 2023,
		704.3	
W			

Significant Investments Held

5%
W

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

W

Employee and Remuneration Policy

31, 2023, 2,080 W
W
744.4 (2022 774.4 W

Purchase, Sale or Redemption of Listed Securities

W

Compliance with Corporate Governance Code

2 (Corporate Governance Code)
1 (Listing Rules)
W

W
W

Final Dividend

31, 2023 (2022 1.0 W

Annual General Meeting

2023 W... 22, 2024. 2023
W... W...

Closure of Register of Members

For attending and voting at the 2023 AGM

17,
2024, 22, 2024, W...
W... 17/
16 4 30 16,
2024.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

W... (w...
)
3 (Model Code-).
W...
W... W...

Review of Annual Results by the Audit Committee

W...
31, 2023
W...
31, 2023 W...

Scope of Work of Ernst & Young

Ernst & Young (EY) has been engaged by the Company to provide audit services for the financial statements of the Company for the reporting period ending 31, 2023. EY is a member firm of the Ernst & Young Global Limited (EYGL) network, which is a global organization of member firms, each of which is a separate legal entity. EYGL is not a legal entity and does not have any assets or liabilities. EYGL is a network of member firms, each of which is a separate legal entity. EYGL is not a legal entity and does not have any assets or liabilities.

Events after the Reporting Period

On March 14, 2024, the Company announced that it had received a cash dividend of RMB 89,809,600 (approximately HK\$ 11.74 per share) for the reporting period ending March 15, 2024.


Publication of Annual Report

The Company's annual report for 2023 will be published on the Company's website (<http://www.hepalink.com>) and the Hong Kong Stock Exchange website (<http://www.hkex.com.hk>) after the reporting period.

Appreciation

The Company would like to express its appreciation to the shareholders, creditors, business partners, and other stakeholders for their support and cooperation during the reporting period.

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


March 28, 2024

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.