

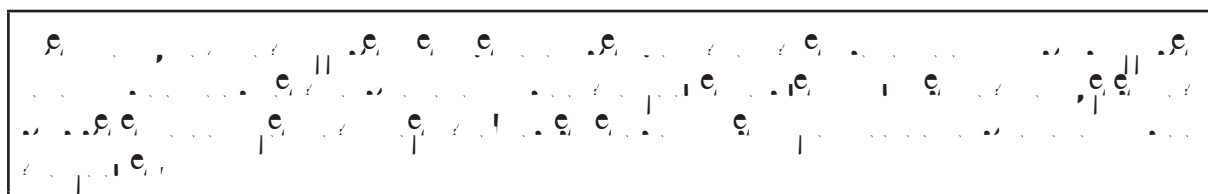
Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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.

I. KEY FINANCIAL INFORMATION

(1) Major Accounting Information and Financial Indicators

人民币元，除非另有说明，所有金额均以人民币元列示。
 除另有说明外，所有金额均以人民币元列示。

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
营业收入	1,011,111,111	12,345,678	34,567,890	23,456,789
营业成本	678,901,234	8,901,234	23,456,789	12,345,678
营业毛利	332,209,877	3,444,444	11,111,101	11,111,111
营业费用	123,456,789	1,234,567	3,456,789	2,345,678
营业利润	208,753,088	2,209,877	7,654,312	8,765,432
利润总额	208,753,088	2,209,877	7,654,312	8,765,432
净利润	156,789,012	1,678,901	5,432,109	6,543,210
归属于母公司所有者的净利润	123,456,789	1,234,567	4,321,098	5,432,109
少数股东损益	33,332,223	444,334	1,111,011	1,111,101
其他综合收益	12,345,678	1,234,567	3,456,789	2,345,678
综合收益总额	171,134,766	1,711,347	5,432,109	6,543,210
基本每股收益	0.123456789	0.012345678	0.034567890	0.023456789
稀释每股收益	0.123456789	0.012345678	0.034567890	0.023456789
加权平均净资产收益率	12.3456789%	1.2345678%	3.4567890%	2.3456789%
加权平均净资产收益率(扣除非经常性损益后)	10.1234567%	1.0123456%	2.3456789%	1.2345678%
总资产	1,234,567,890	12,345,678	34,567,890	23,456,789
归属于上市公司股东的所有者权益	567,890,123	5,678,901	12,345,678	11,234,567
归属于母公司所有者权益	567,890,123	5,678,901	12,345,678	11,234,567
少数股东权益	12,345,678	1,234,567	3,456,789	2,345,678
其他综合收益	12,345,678	1,234,567	3,456,789	2,345,678

(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. 公允价值变动损益			
5. 投资收益			
6. 其他			
合计			

... ..
... ..
... ..

... ..

... ..
... ..
... ..

... ..
... ..
... ..
... ..
... ..

... ..

... ..
... ..
... ..
... ..
... ..

(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	1,011,111,111.11	980,111,111.11	31,000,000.00	流动资产增加，主要是应收账款、预付款项、其他应收款、其他流动资产增加。
非流动资产合计	1,234,567,890.12	1,200,111,111.11	34,456,779.01	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。
资产总计	2,245,678,901.23	2,180,222,222.22	65,456,679.01	资产总计增加，主要是流动资产和非流动资产增加。
流动负债合计	800,111,111.11	780,111,111.11	20,000,000.00	流动负债增加，主要是应付账款、预收款项、其他应付款、其他流动负债增加。
非流动负债合计	1,000,111,111.11	1,000,111,111.11	0.00	非流动负债无变化。
负债合计	1,800,222,222.22	1,780,222,222.22	20,000,000.00	负债合计增加，主要是流动负债增加。
所有者权益合计	445,456,679.01	400,000,000.00	45,456,679.01	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。
负债和所有者权益总计	2,245,678,901.23	2,180,222,222.22	65,456,679.01	负债和所有者权益总计增加，主要是负债和所有者权益增加。

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 due to higher sales volume.
Operating expenses	234,567	220,000	14,567	Increase in depreciation and amortization.
Operating income	211,000	130,000	81,000	Increase in operating efficiency.
Interest income	12,345	10,000	2,345	Increase in interest rates.
Interest expense	8,765	9,000	-(235)	Decrease in interest rates.
Income before taxes	114,580	121,000	-(6,420)	Decrease in income before taxes.

3. Cash flow 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
<p>Operating activities</p> <p>Net income</p> <p>Depreciation and amortization</p> <p>Provision for doubtful accounts</p> <p>Gain on disposal of property, plant, and equipment</p> <p>Gain on disposal of investment</p> <p>Gain on disposal of intangible assets</p> <p>Gain on disposal of financial assets</p> <p>Gain on disposal of equity investments</p> <p>Gain on disposal of other financial assets</p> <p>Gain on disposal of other assets</p> <p>Gain on disposal of other liabilities</p> <p>Gain on disposal of other equity</p> <p>Gain on disposal of other income</p> <p>Gain on disposal of other expenses</p> <p>Gain on disposal of other losses</p> <p>Gain on disposal of other gains</p> <p>Gain on disposal of other items</p>				<p>Operating activities</p> <p>Net income</p> <p>Depreciation and amortization</p> <p>Provision for doubtful accounts</p> <p>Gain on disposal of property, plant, and equipment</p> <p>Gain on disposal of investment</p> <p>Gain on disposal of intangible assets</p> <p>Gain on disposal of financial assets</p> <p>Gain on disposal of equity investments</p> <p>Gain on disposal of other financial assets</p> <p>Gain on disposal of other assets</p> <p>Gain on disposal of other liabilities</p> <p>Gain on disposal of other equity</p> <p>Gain on disposal of other income</p> <p>Gain on disposal of other expenses</p> <p>Gain on disposal of other losses</p> <p>Gain on disposal of other gains</p> <p>Gain on disposal of other items</p>
<p>Investing activities</p> <p>Acquisition of property, plant, and equipment</p> <p>Acquisition of investment</p> <p>Acquisition of intangible assets</p> <p>Acquisition of financial assets</p> <p>Acquisition of equity investments</p> <p>Acquisition of other financial assets</p> <p>Acquisition of other assets</p> <p>Acquisition of other liabilities</p> <p>Acquisition of other equity</p> <p>Acquisition of other income</p> <p>Acquisition of other expenses</p> <p>Acquisition of other losses</p> <p>Acquisition of other gains</p> <p>Acquisition of other items</p>				<p>Investing activities</p> <p>Acquisition of property, plant, and equipment</p> <p>Acquisition of investment</p> <p>Acquisition of intangible assets</p> <p>Acquisition of financial assets</p> <p>Acquisition of equity investments</p> <p>Acquisition of other financial assets</p> <p>Acquisition of other assets</p> <p>Acquisition of other liabilities</p> <p>Acquisition of other equity</p> <p>Acquisition of other income</p> <p>Acquisition of other expenses</p> <p>Acquisition of other losses</p> <p>Acquisition of other gains</p> <p>Acquisition of other items</p>
<p>Financing activities</p> <p>Issuance of debt</p> <p>Issuance of equity</p> <p>Repayment of debt</p> <p>Redemption of equity</p> <p>Dividend payments</p> <p>Other financing activities</p>				<p>Financing activities</p> <p>Issuance of debt</p> <p>Issuance of equity</p> <p>Repayment of debt</p> <p>Redemption of equity</p> <p>Dividend payments</p> <p>Other financing activities</p>

BUSINESS REVIEW

1. The first part of the business review covers the period from the beginning 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 based on the following data:

Item	Actual	Budget
Revenue	1,200,000	1,150,000
Cost of Sales	750,000	780,000
Gross Profit	450,000	370,000
Operating Expenses	300,000	320,000
Operating Profit	150,000	50,000

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 based on the following data:

Item	Actual	Budget
Revenue	2,800,000	2,700,000
Cost of Sales	1,700,000	1,750,000
Gross Profit	1,100,000	950,000
Operating Expenses	800,000	850,000
Operating Profit	300,000	100,000

3. The third part of the business review covers the period from the beginning of the year 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 based on the following data:

Item	Actual	Budget
Revenue	4,000,000	3,850,000
Cost of Sales	2,450,000	2,530,000
Gross Profit	1,550,000	1,320,000
Operating Expenses	1,100,000	1,170,000
Operating Profit	450,000	150,000

4. The fourth part of the business review covers the period from the beginning of the year 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 based on the following data:

Item	Actual	Budget
Revenue	4,000,000	3,850,000
Cost of Sales	2,450,000	2,530,000
Gross Profit	1,550,000	1,320,000
Operating Expenses	1,100,000	1,170,000
Operating Profit	450,000	150,000

5. The fifth part of the business review covers the period from the beginning of the year 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 based on the following data:

Item	Actual	Budget
Revenue	4,000,000	3,850,000
Cost of Sales	2,450,000	2,530,000
Gross Profit	1,550,000	1,320,000
Operating Expenses	1,100,000	1,170,000
Operating Profit	450,000	150,000

6. The sixth part of the business review covers the period from the beginning of the year 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 based on the following data:

Item	Actual	Budget
Revenue	4,000,000	3,850,000
Cost of Sales	2,450,000	2,530,000
Gross Profit	1,550,000	1,320,000
Operating Expenses	1,100,000	1,170,000
Operating Profit	450,000	150,000

7. The seventh part of the business review covers the period from the beginning of the year 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 based on the following data:

Item	Actual	Budget
Revenue	4,000,000	3,850,000
Cost of Sales	2,450,000	2,530,000
Gross Profit	1,550,000	1,320,000
Operating Expenses	1,100,000	1,170,000
Operating Profit	450,000	150,000

8. The eighth part of the business review covers the period from the beginning of the year 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 based on the following data:

Item	Actual	Budget
Revenue	4,000,000	3,850,000
Cost of Sales	2,450,000	2,530,000
Gross Profit	1,550,000	1,320,000
Operating Expenses	1,100,000	1,170,000
Operating Profit	450,000	150,000

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 tablets. 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 numerous agencies involved in the approval and monitoring of heparin products.

The heparin industrial chain is a critical component of the global healthcare system, and its continued growth and innovation are essential for the development of new and improved anticoagulant therapies. The industry's focus on research and development, coupled with its commitment to quality and safety, has led to the widespread use of heparin in a wide range of medical settings.

CDMO BUSINESS

CDMO business is a key component of our overall business strategy. It provides a stable and predictable source of revenue and is a critical driver of our growth. Our CDMO business is focused on providing high-quality, cost-effective manufacturing services to our customers. We have a strong track record of delivering on our commitments and maintaining high standards of quality and safety. Our CDMO business is a key driver of our overall business performance and is a critical component of our long-term strategy.

OUTLOOK

Our outlook for the CDMO business is positive. We expect continued growth in our CDMO business over the next several years. This growth is driven by a number of factors, including increasing demand for CDMO services, our strong competitive position, and our commitment to innovation and quality. We are well-positioned to capitalize on these opportunities and to continue to deliver exceptional value to our customers. Our CDMO business is a key driver of our overall business performance and is a critical component of our long-term strategy. We are confident in our ability to maintain our leadership position in the CDMO market and to continue to drive our business forward.

Items	September 30, 2023	
	7,805,326,066.17	
	10,623,409.64	
	266,104,811.21	
	11,859,083,872.73	
Non-current assets:		
	-	
	-	
	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	
Current liabilities:		
Accounts payable	1,820,787,926.49	
Accounts receivable		
Prepaid expenses		
Income tax payable	-	
Other current liabilities	-	
	34,670,511.89	
	213,336,725.01	
	-	
	403,990,704.82	
	117,087,892.28	
	127,715,875.39	
	398,847,341.16	
	-	
	122,690,265.17	
	1,880,754,618.38	
	-	
	4,997,191,595.42	
Non-current liabilities:		
	2,116,802,507.02	
	-	
	-	
	-	

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	
Owners' equity:		
...	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	

...

...

...

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	-	-

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	
	4,603,550,675.54	
	206,974,609.19	
	47,790,265.82	
	4,858,315,550.55	
	3,633,091,884.41	
	673,352,520.02	
	210,215,294.50	
	575,644,822.54	
	5,092,304,521.47	
	-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			
Non-current assets:				
	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
Current liabilities:				
Accounts payable	1,820,787,926.49			
Accounts receivable				
Prepaid expenses				
Accrued liabilities				
Income tax payable	34,670,511.89			
Other current liabilities	213,336,725.01			
Deferred tax liabilities	403,990,704.82			
Long-term liabilities				
Long-term debt				
Other long-term liabilities				
Deferred tax assets				
Other non-current assets				
Other non-current liabilities				
Other non-current assets				
Other non-current liabilities				
Other non-current assets	117,087,892.28			
Other non-current liabilities	127,715,875.39			
Other non-current assets	398,847,341.16			
Other non-current liabilities				
Other non-current assets	122,690,265.17			
Other non-current liabilities				
Other non-current assets				
Other non-current liabilities				
Other non-current assets				
Other non-current liabilities				
Other non-current assets	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			
Non-current liabilities:				
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			
Other current liabilities	9,876,817.34			
Accounts receivable	29,751,781.75			
Prepaid expenses	334,582,068.96			
Other non-current liabilities				
Long-term debt				
Deferred tax liabilities	2,624,326,786.04			
Other non-current liabilities	7,621,518,381.46			
Owners' equity:				
Common stock	1,467,296,204.00			
Retained earnings				
Accumulated other comprehensive income				
Other equity				
Accounts payable	5,854,583,773.47			
Accrued liabilities				
Income taxes payable	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

...

...

...

...

...