

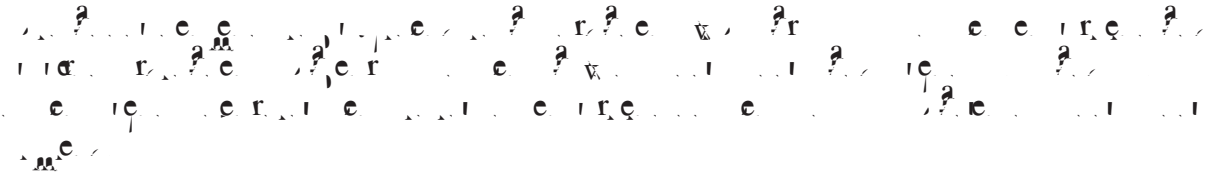
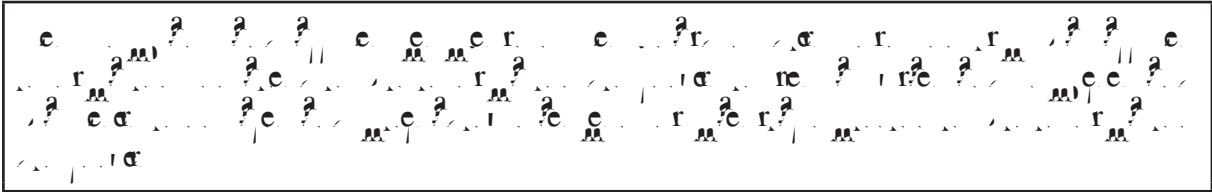
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SHENZHEN HEPALINK PHARMACEUTICAL GROUP CO., LTD.
(深圳市海普瑞藥業集團股份有限公司)

(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

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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

(The following table is presented in million RMB unless otherwise specified)

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
Operating income				
Operating profit				
Profit before income tax				
Profit for the period				
Profit for the period attributable to equity holders of the parent				
Profit for the period attributable to minority interest				
Other comprehensive income				
Other comprehensive income attributable to equity holders of the parent				
Other comprehensive income attributable to minority interest				
Basic earnings per share	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	
Weighted average basic earnings per share				
Weighted average diluted earnings per share				

(2) Items and Amounts of Extraordinary Profits and Losses

— 2023 年 9 月 30 日 2023 年 9 月 30 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
<p>1. 非经常性损益</p>			
<p>2. 非流动资产处置损益</p>			
<p>3. 计入当期损益的政府补助</p>			<p>计入当期损益的政府补助</p>
<p>4. 其他</p>			
<p>5. 其他</p>			
<p>6. 其他</p>			
<p>7. 其他</p>			

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

— 2017 2016

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				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				非流动资产增加，主要是长期股权投资、固定资产、无形资产、其他非流动资产增加所致。
流动负债				流动负债增加，主要是应付账款、应付职工薪酬、应付利息、应付股利、其他应付款、其他流动负债增加所致。
非流动负债				非流动负债增加，主要是长期应付款、长期应付职工薪酬、其他非流动负债增加所致。
所有者权益				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。
流动资产合计				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				非流动资产增加，主要是长期股权投资、固定资产、无形资产、其他非流动资产增加所致。
流动资产合计				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				非流动资产增加，主要是长期股权投资、固定资产、无形资产、其他非流动资产增加所致。
流动资产合计				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				非流动资产增加，主要是长期股权投资、固定资产、无形资产、其他非流动资产增加所致。
流动资产合计				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				非流动资产增加，主要是长期股权投资、固定资产、无形资产、其他非流动资产增加所致。

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				Revenue increased by 10% compared to the same period of last year, primarily due to an increase in sales volume.
Cost of sales				Cost of sales increased by 8% compared to the same period of last year, primarily due to an increase in the cost of raw materials.
Gross profit				Gross profit increased by 2% compared to the same period of last year, primarily due to an increase in sales volume.
Selling and distribution expenses				Selling and distribution expenses increased by 5% compared to the same period of last year, primarily due to an increase in advertising costs.
Administrative expenses				Administrative expenses increased by 3% compared to the same period of last year, primarily due to an increase in staff costs.
Finance charges				Finance charges increased by 15% compared to the same period of last year, primarily due to an increase in interest on loans.
Share of profits of associates				Share of profits of associates increased by 20% compared to the same period of last year, primarily due to an increase in the share of profits of associates.
Income tax				Income tax increased by 10% compared to the same period of last year, primarily due to an increase in taxable income.

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>Operating activities</p>
<p>Investing activities</p>				<p>Investing activities</p>
<p>Financing activities</p>				<p>Financing activities</p>

BUSINESS REVIEW

The first part of the review covers the period from the beginning of the year to the end of the first quarter. It discusses the overall performance of the company, including sales, production, and financial results. The second part of the review covers the period from the beginning of the second quarter to the end of the year. It discusses the company's performance during this period, including any changes in sales, production, and financial results. The third part of the review covers the company's performance during the year, including any changes in sales, production, and financial results. The fourth part of the review covers the company's performance during the year, including any changes in sales, production, and financial results.

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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 begins with the extraction of heparin from porcine intestinal mucosa. This process involves a series of steps, including the isolation of the mucosa, its digestion with enzymes, and the purification of the heparin. The resulting heparin is then used in a variety of applications, including the production of heparin sulfate, heparin sodium, and heparin calcium.

The heparin industrial chain is a highly competitive market, with several major players. These players are engaged in a constant battle to improve the quality and efficiency of their heparin production processes. This is done through a combination of research and development, process optimization, and the use of advanced technologies.

The heparin industrial chain is also characterized by a high degree of regulation. The production and distribution of heparin are subject to strict controls, which are designed to ensure the safety and efficacy of the product. These controls include the requirement for rigorous quality control procedures, the use of standardized testing methods, and the implementation of strict labeling requirements.

The heparin industrial chain is a highly specialized and complex 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.

CDMO BUSINESS

The CDMO business is a highly competitive and capital-intensive industry. It involves the development, manufacturing, and distribution of pharmaceutical products. The market is characterized by a high barrier to entry due to the significant investment required in research and development, as well as the regulatory requirements for drug approval. The industry is dominated by a few large players, but there is a growing number of smaller, specialized CDMOs. The demand for CDMO services is expected to increase as the pharmaceutical industry continues to invest in new drugs and therapies. The CDMO business is also facing challenges from generic drug manufacturers and the increasing pressure to reduce drug costs. The industry is expected to remain a key component of the pharmaceutical supply chain in the coming years.

OUTLOOK

The outlook for the CDMO business is positive, driven by the continued growth of the pharmaceutical industry and the increasing demand for specialized manufacturing services. The industry is expected to see a steady increase in revenue and profit over the next several years. The growing focus on biologics and complex molecules is creating new opportunities for CDMOs. The industry is also benefiting from the increasing globalization of pharmaceutical manufacturing. The CDMO business is expected to remain a key component of the pharmaceutical supply chain in the coming years. The industry is also facing challenges from generic drug manufacturers and the increasing pressure to reduce drug costs. The industry is expected to remain a key component of the pharmaceutical supply chain in the coming years. The industry is also facing challenges from generic drug manufacturers and the increasing pressure to reduce drug costs. The industry is expected to remain a key component of the pharmaceutical supply chain in the coming years.

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

2023年9月30日 — 2023年9月30日

III. OTHER IMPORTANT EVENTS

2023年9月30日 — 2023年9月30日

IV. QUARTERLY FINANCIAL STATEMENTS

(1) Financial Statements

1. Consolidated Balance Sheet

截至2023年9月30日止的合并资产负债表

September 30, 2023

Currency: RMB Unit: Yuan

Items	September 30, 2023	人民币
Current assets:		
货币资金	1,791,292,771.63	
应收账款		
其他应收款		
存货	474,182,329.41	
流动资产合计	-	
长期股权投资	6,208,009.76	
固定资产	1,241,350,011.62	
无形资产	-	
其他非流动资产	153,083,541.29	
非流动资产合计		
资产总计	110,912,922.00	
应付账款	-	
其他应付款	-	

Items	September 30, 2023	2022
Accounts receivable		
Inventory	7,805,326,066.17	
Prepaid expenses	10,623,409.64	
Other current assets		
Property, plant and equipment		
Intangible assets	266,104,811.21	
Financial assets	11,859,083,872.73	
Non-current assets:		
Investments		
Other non-current assets	-	
Deferred tax assets	-	
Other non-current assets	1,070,390.11	
Other non-current assets	666,685,804.22	
Other non-current assets	515,024,324.71	
Other non-current assets	1,054,981,140.44	
Other non-current assets	-	
Other non-current assets	2,150,962,742.89	
Other non-current assets	352,770,797.25	
Other non-current assets	-	
Other non-current assets	-	
Other non-current assets	118,796,156.63	
Other non-current assets	490,667,506.89	
Other non-current assets	53,090,539.67	
Other non-current assets	2,423,635,646.83	
Other non-current assets	190,843,267.93	
Other non-current assets	154,763,710.53	
Other non-current assets	88,275,110.64	
Other non-current assets	8,261,477,138.74	
Other non-current assets	20,120,561,011.47	

Items	September 30, 2023	2022
Current liabilities:		
Accounts payable	1,820,787,926.49	
Accounts receivable		
Accrued liabilities		
Deferred income taxes	-	
Other current liabilities	-	
Short-term debt	34,670,511.89	
Long-term debt	213,336,725.01	
Other non-current liabilities	-	
Other liabilities	403,990,704.82	
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	1,880,754,618.38	
Other non-current liabilities	-	
Other non-current liabilities	4,997,191,595.42	
Non-current liabilities:		
Long-term debt		
Accounts payable	2,116,802,507.02	
Accounts receivable	-	
Accrued liabilities	-	
Deferred income taxes	-	
Other current liabilities	-	

Items	September 30, 2023	2022
Current assets	92,624,776.83	
Prepaid expenses	395,725.24	
Accounts receivable	40,293,108.90	
Inventory	9,876,817.34	
Other assets	29,751,781.75	
Investments	334,582,068.96	
Property, plant, and equipment	-	
Intangible assets	2,624,326,786.04	
Other non-current assets	7,621,518,381.46	
Owners' equity:		
Common stock	1,467,296,204.00	
Retained earnings	-	
Accumulated other comprehensive income	-	
Other equity	-	
Preferred stock	5,854,583,773.47	
Other equity	-	
Other equity	226,528,230.35	
Other equity		
Other equity	545,376,458.31	
Other equity		
Other equity	4,312,374,190.99	
Other equity	12,406,158,857.12	
Other equity	92,883,772.89	
Other equity	12,499,042,630.01	
Other equity	20,120,561,011.47	

Other equity

Other equity

Other equity

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	
营业收入	4,063,233,063.48	
营业成本	4,063,233,063.48	
营业税金及附加		
销售费用		
管理费用		
财务费用		
资产减值损失	3,669,009,984.63	
公允价值变动收益	2,720,675,046.08	
投资收益		
营业外收入		
营业外支出		
利润总额		
所得税费用		
净利润	12,802,583.40	
其他综合收益	402,920,606.39	
综合收益总额	306,237,517.82	
归属于母公司所有者的综合收益总额	152,223,825.20	
归属于少数股东的综合收益总额	74,150,405.74	
净利润	172,185,286.54	
其他综合收益	34,032,251.07	
综合收益总额	20,383,283.61	
净利润	-274,834,971.73	
其他综合收益	-283,240,300.17	
综合收益总额	-	

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

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

Απομείνουσα από προηγούμενα έτη

Απομείνουσα από προηγούμενα έτη

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	Amount for prior period
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		
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	
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	4,858,315,550.55	
处置固定资产、无形资产和其他长期资产收回的现金净额	3,633,091,884.41	
处置子公司及其他营业单位收到的现金净额		
收到其他与投资活动有关的现金		
购建固定资产、无形资产和其他长期资产支付的现金		
投资支付的现金		
取得子公司及其他营业单位支付的现金净额		
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	
筹资活动产生的现金流量		
吸收投资收到的现金	210,215,294.50	
取得借款收到的现金	575,644,822.54	
发行债券收到的现金	5,092,304,521.47	
收到其他与筹资活动有关的现金		
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	Amount for prior 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			
Short-term debt				
Accrued interest				
Accrued expenses				
Deferred income taxes				
Other current liabilities	34,670,511.89			
	213,336,725.01			
Long-term debt	403,990,704.82			
Deferred income taxes				
Other non-current liabilities				
Long-term debt				
Deferred income taxes				
Other non-current liabilities	117,087,892.28			
	127,715,875.39			
	398,847,341.16			
	122,690,265.17			
	1,880,754,618.38			

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

