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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)

ESTIMATED ANNUAL RESULTS FOR 2023

This announcement is made by Shenzhen Hepalink Pharmaceutical Group Co., Ltd. (the “**Company**”) pursuant to the requirements of Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) for the purpose of providing shareholders of the Company (the “**Shareholders**”) and the public with the financial information of the Company. This announcement is also published in accordance with Rule 13.10B of the Listing Rules as it is also published on the Shenzhen Stock Exchange.

The following is the estimated annual results for 2023 of the Company together with its subsidiaries (the “**Group**”). The financial data contained in this results estimate has not been audited and is, except for non-IFRSs (International Financial Reporting Standards) adjusted net profit attributable to Shareholders of the listed company or as otherwise indicated, prepared in accordance with the People's Republic of China Accounting Standards for Business Enterprises. Detailed financial information of the Group for the year ended December 31, 2023 will be disclosed in the annual results announcement of the Company for the year ended December 31, 2023, which is expected to be published on or before March 31, 2024 in accordance with the Listing Rules.

The Company and all the members of the board of directors confirm that all the information contained in this information disclosure is true, accurate and complete and that there is no false and misleading statement or material omission in this information disclosure.

I. ESTIMATED RESULTS FOR THE PERIOD

1. Period to which the estimated results apply: From January 1, 2023 to December 31, 2023
2. Expected operating results: ✓ Loss Turnaround Increase compared with the corresponding period Decrease compared with the corresponding period

Items	January 1, 2023 to December 31, 2023	Corresponding period of last year
Net profit attributable to Shareholders of the listed company	Loss: RMB924.0 million to RMB647.0 million	Earnings: RMB727.1 million
Net profit after non-recurring profit or loss	Loss: RMB921.0 million to RMB644.0 million	Earnings: RMB748.2 million
Basic earnings per share	Loss: RMB0.6297 per share to RMB0.4409 per share	Earnings: RMB0.4955 per share

II. COMMUNICATION WITH THE ACCOUNTING FIRM

The relevant data of this results forecast have not been pre-audited by an accounting firm. Regarding the results forecast, the Company has communicated with the accounting firm in advance and there is no disagreement among us.

III. REASONS FOR CHANGES IN THE RESULTS

1. The heparin industry continued to face the severe challenge of destocking at the retail end in 2023, while major global heparin enterprises generally slowed down their pace of production. The demand for heparin API declined sharply, with year-on-year decline in China's heparin API export data much severe than the industry's expectations, resulting in a relatively great impact on the Company's API business. Meanwhile, due to the effect of destocking, the Company's preparation business in non-European and American overseas markets also showed different degrees of decline.
2. To meet its future growth strategy of continuous growth in global market share, the Company has maintained its strategic inventory. However, due to multiple factors such as the supply side of the hog market and the destocking of the downstream heparin market, the selling prices of crude heparin and heparin API declined significantly in the fourth quarter of 2023, and a portion of heparin products of the Company's inventories in heparin industry chain showed signs of impairment in the fourth quarter of 2023.

After discussion with our accounting firm, based on the principle of prudence, the Company intends to make corresponding provision for inventory impairment on the basis that the book value of the relevant inventory is higher than its net realisable value, and the amount of provision for inventory impairment to be made by the Company for the year 2023 will be approximately RMB750.0 million to RMB950.0 million, which is expected to result in a decrease of net profit attributable to Shareholders of the listed company between RMB637.5 million and RMB807.5 million. The final provisioning will be subject to the results of auditing and assessment.

3. In addition, the further changes in the fair value of financial liabilities in the fourth quarter as a result of the increase in valuation of an associate, Hightide Therapeutics, Inc., at its listing on the Hong Kong Stock Exchange at the end of 2023 resulted in a further widening of net loss. The specific situation shall be subject to the confirmation opinion of the auditor.

4. The major incident in relation to Techdow Pharma Italy S.R.L. is still in the stage of investigation and the final outcome is still uncertain. Due to the high uncertainty of the event, based on the principle of prudence, the Company intends to recognise the relevant amount according to the corresponding accounting standards in 2023. The estimated impact amount is between 9 million euros and 11.74 million euros, the details of which will be subject to the confirmation opinion of the auditor.

IV. OTHER RELEVANT INFORMATION

This results forecast is only a preliminary estimation made by the finance department of the Company and has not been audited by an accounting firm. Detailed financial data shall be subject to the 2023 annual report of the Company. Shareholders and potential investors are advised to refer to the Company's announcement relating to the annual results of the Group for the year ended December 31, 2023, which is expected to be published on or before March 31, 2024. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Shenzhen Hepalink Pharmaceutical Group Co., Ltd.
Li Li
Chairman

Shenzhen, the PRC
January 30, 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.