

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)

**INSIDE INFORMATION ANNOUNCEMENT
REGARDING THE ESTIMATED RESULTS FOR
THE FIRST HALF OF 2020**

This announcement is made by Shenzhen Hepalink Pharmaceutical Group Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to 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 (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

I. ESTIMATED RESULTS FOR THE CURRENT PERIOD

1. Period of the estimated results: January 1, 2020 to June 30, 2020 (the “**Reporting Period**”)
2. Estimated results: Loss Turnaround from loss Increase over the same period of last year Decrease over the same period of last year

Item	The Reporting Period	Corresponding period of last year
Net profit attributable to shareholders of the Company	Profit: RMB546.4020 million– RMB601.0422 million	Profit: RMB546.4020 million
	Increase by 0%–10% as compared to the corresponding period last year	
Basic earnings per share	Earnings: RMB0.4381 per share– RMB0.4819 per share	Earnings: RMB0.4381 per share

II. PRELIMINARY AUDIT OF THE ESTIMATED RESULTS

The estimated results for the Reporting Period have not been audited by certified public accountants.

III. MAJOR REASONS FOR CHANGES IN RESULTS

The increase in the net profit attributable to shareholders of the Company over the corresponding period last year was mainly due to:

1. The rapid growth in the vertically integrated heparin industry chain franchise was driven by the enoxaparin injection finished dosage business. The API business also benefited from the adjustment of the pricing model between the Company and its customers in the second half of last year, which realized the effective transmission of cost fluctuations. As a result, the gross profit margin increased substantially. The revenue, gross profit and gross profit margin of CDMO business increased with significant marginal effects.
2. Each of the Company's business segments has experienced rapid growth over the same period of last year, resulting in a year-on-year increase of 620% to 690% in the Company's net profit after deducting non-recurring gains and losses.
3. Among the non-recurring gains and losses during the Reporting Period, the changes in fair value of non-current financial assets increased significantly from the same period of last year. However, the non-recurring gains from the first half of last year included a one-time investment income of RMB573.8652 million confirmed after the Company's shareholding in HighTide Therapeutics, Inc. declined in the same period of last year, which did not recur first half of this year. The above factors collectively resulted in 75% to 85% decrease in the non-recurring gains and losses from the same period of last year.

From April 2020 to June 2020, the Company estimates that the net profit attributable to shareholders of the Company to be in the range of RMB291.1093 million and RMB345.7495 million.

IV. OTHER INFORMATION

The estimated results set out herein are results of the preliminary estimation of the finance department of the Company and have not been audited by any certified public accountants.

Shareholders and potential investors are advised to read this announcement carefully together with the Group's results announcement for the six months ended June 30, 2020, which is expected to be published before the end of August 2020, and exercise cautions when dealing in the shares of the Company.

By Order of the Board of Directors
Shenzhen Hepalink Pharmaceutical Group Co., Ltd.

Li Li
Chairman

Shenzhen, the PRC
July 14, 2020

As at the date of this announcement, the executive directors of the Company are Mr. Li Li, Ms. Li Tan, Mr. Shan Yu, Mr. Sun Xuan and Mr. Bu Haihua; and the independent non-executive directors of the Company are Dr. Lu Chuan, Mr. Chen Junfa and Mr. Wang Zhaohui.