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)

VOLUNTARY ANNOUNCEMENT
RESVERLOGIX FILES NEW INTELLECTUAL PROPERTY ON KEY RENAL PROTECTION AND GLUCOSE CONTROL MARKET

This announcement is made by Shenzhen Hepalink Pharmaceutical Group Co., Ltd. (the "**Company**", together with its subsidiaries referred to as the "**Group**") on a voluntary basis to inform the shareholders and potential investors of the Company about the latest business advancement of the Group.

The Group has been notified that, Resverlogix Corp. ("**Resverlogix**" or "**RVX**") announced expanded filings of new intellectual properties based on the significant findings on synergy on improved renal function, as measured by estimated glomerular filtration rate (eGFR), and glucose control, as measured by glycated hemoglobin (HbA1c), when Apabetalone is combined with sodium-glucose cotransporter-2 (SGLT2) inhibitors, a leading oral anti-diabetic therapy class. These unexpected findings in the BETonMACE Phase 3 trial resulted in the filing of two additional provisional patent applications, further strengthening Resverlogix's intellectual property portfolio. Apabetalone already has granted and pending intellectual properties in the cardiovascular benefits area on both the standalone and in combination with SGLT2 inhibitors bases.

The combination of Apabetalone and the SGLT2 inhibitors, in addition to standard of care medicines, resulted in a significant improvement of key renal function marker eGFR compared to SGLT2 inhibitors and placebo ($p=0.05$). Additionally, a significant reduction of plasma HbA1c was also observed in patients receiving the combination of Apabetalone and the SGLT2 inhibitors, on top of standard of care treatment, compared to placebo ($p<0.001$).

IMPLICATION OF THE FINDINGS AND PATENT FILING

The robust safety and efficacy demonstrated by the combination of Apabetalone and SGLT2 inhibitors greatly assists Resverlogix in its strategic partnership negotiations and significantly enhances its intellectual property portfolio and commercial runway position through 2040. These important findings, coupled with the significant MACE reduction effects previously highlighted for this patient group, placing the combination of Apabetalone and SGLT2 inhibitors as a truly novel approach in the treatment for millions of high-risk diabetes and chronic kidney disease ("**CKD**") patients worldwide.

Plasma eGFR and HbA1c are critical markers used to evaluate renal function and glucose control in high-risk patients with kidney disease and diabetes. Control of these markers plays a key role in CKD risk reduction as observed in the BETonMACE study, including heart attack, heart failure and CKD death in these patients. These novel and unexpected findings are now patent protected and allow for Resverlogix to explore additional important indications for the combination of Apabetalone and SGLT2 inhibitors with an accelerated path to commercialization.

INFORMATION ABOUT eGFR AND CKD

According to the National Kidney Foundation, renal function, as measured by eGFR is the strongest non-invasive way to assess renal function and the stage of CKD in patients. Using a patient's blood creatinine level, age, body size and gender, physicians can determine the stage of CKD and the optimal treatment plan to improve the likelihood of reducing kidney disease and associated-disorders progression. In the Global Burden of Disease Study, CKD is estimated to affect approximately 700 million people worldwide, many of them still undiagnosed. CKD and worsening renal function impact several other high-risk patient disease groups, and serves as a comorbidity for diabetes, while also indirectly impacting global morbidity and mortality of the causes of deaths, such as cardiovascular diseases and diabetes.

INFORMATION ABOUT HbA1c AND DIABETES

The HbA1c test is used to evaluate glucose control. Testing HbA1c is recognized as a standard of care for monitoring diabetes, specifically type II diabetes (T2DM). The American Diabetes Association recommends testing HbA1c for diagnosing diabetes as an alternative to fasting plasma glucose. Nondiabetics usually fall within the 4.0%–5.6% HbA1c range, prediabetics usually have HbA1c levels of 5.7%–6.4%, while those with 6.5% or higher HbA1c levels have clinical diagnosed diabetes. T2DM is characterized by chronic elevated blood glucose levels resulting from imbalanced hepatic glucose production and insulin secretion. Normalization of plasma glucose, as measured by HbA1c, in T2DM patients is known to be the target to improve insulin action, and to prevent the development of diabetic complications, including cardiovascular disease.

CURRENT ANTI-DIABETIC TREATMENTS

SGLT2 inhibitors represent the latest generation of oral anti-diabetic therapies and looks to benefit patients with T2DM by reducing blood glucose levels, as measured by HbA1c. The American Diabetes Association states that the glycemic target for adults with T2DM is an HbA1c level that is less than 7.0% and as such the SGLT2 inhibitors are indicated for patients with uncontrolled HbA1c levels greater than 7.0%. First approved by the U.S. Food and Drug Administration ("**FDA**") in 2013, these breakthrough therapies have demonstrated significant improvements in both renal and cardiovascular outcomes among T2DM patients. The market penetration of these treatments is expected to grow significantly over the next five years, with the potential global market value of approximately US$25 billion by 2024 (Mordor Intelligence 2019). However, no diabetes medication alone (including SGLT2 inhibitors) has been shown to reduce MACE in patients with recent acute coronary syndrome (ACS) and substantial residual risk remains for this population.

INFORMATION ABOUT RESVERLOGIX

Resverlogix is a public company incorporated in Alberta, Canada on August 17, 2000, and listed on the Toronto Stock Exchange (stock code: RVX). As at the date of the announcement, the Company held approximately 38.50% of the shares of Resverlogix.

Resverlogix is developing Apabetalone (RVX-208), a first-in-class, small molecule that is a selective BET (bromodomain and extra-terminal) inhibitor. Apabetalone is the first therapy of its kind to have been granted FDA Breakthrough Therapy Designation — for a major cardiovascular indication — to help facilitate a time-efficient drug development program including planned clinical trials and plans for expediting the manufacturing development strategy.

BET inhibition is an epigenetic mechanism that can regulate disease-causing genes. Apabetalone is a BET inhibitor selective for the second bromodomain (BD2) within the BET proteins. This selective inhibition of Apabetalone on BD2 produces a specific set of biological effects with potentially important benefits for patients with high-risk cardiovascular disease, diabetes mellitus, chronic kidney disease, end-stage renal disease treated with hemodialysis, neurodegenerative disease, Fabry disease, peripheral artery disease and other orphan diseases, while maintaining a well described safety profile.

BENEFITS AND IMPACTS TO THE COMPANY

The Groups has the exclusive development and commercial right of RVX-208 (Apabetalone) in Greater China. The board of the Company believes that the filling of two additional new patents application will extend the potential life cycle of the drug candidate, and significantly enhances the overall value of these innovative RVX-208 (Apabetalone) treatments and further strengthens our development and commercialization plan for RVX-208 in the Greater China region.

Announcement is hereby given.

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

Shenzhen, PRC
November 12, 2020

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. Sun Xuan; the non-executive director of the Company is Mr. Bu Haihua; and the independent non-executive directors of the Company are Dr. Lu Chuan, Mr. Chen Junfa and Mr. Wang Zhaohui.