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**CanSino Biologics Inc.**  
**康希諾生物股份公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock code: 6185)**

**THIRD QUARTERLY REPORT FOR THE  
NINE MONTHS ENDED SEPTEMBER 30, 2022**

This announcement is made by CanSino Biologics Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 (2) and 13.10B 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, Laws of Hong Kong).

The report of the unaudited results (the “**Third Quarterly Report**”) of the Group for the nine months ended September 30, 2022 (the “**Reporting Period**”) are provided. The financial information contained in the Third Quarterly Report was prepared in accordance with the Chinese Accounting Standards for Business Enterprises and has not been audited by the auditor of the Group. Potential investors and shareholders of the Company are advised to exercise caution when dealing in the shares of the Company.

The Third Quarterly Report is written in both Chinese and English. In the case of any discrepancies, the Chinese version of the Third Quarterly Report shall prevail.

By order of the Board  
**CanSino Biologics Inc.**  
**Xuefeng YU**  
*Chairman*

Hong Kong, October 28, 2022

*As at the date of this announcement, the Board of Directors comprises Dr. Xuefeng YU, Dr. Shou Bai CHAO, Dr. Tao ZHU, Dr. Dongxu QIU and Ms. Jing WANG as executive Directors, Mr. Liang LIN, Ms. Nisa Bernice Wing-Yu LEUNG and Mr. Zhi XIAO as non-executive Directors, and Mr. Shiu Kwan Danny WAI, Ms. Zhu XIN, Mr. Shuifa GUI and Mr. Jianzhong LIU as independent non-executive Directors.*

## IMPORTANT NOTICE

The board (the “**Board**”) of directors (the “**Directors**”), the board of supervisors, the Directors, supervisors and senior management of the Company confirm that the contents of the Third Quarterly Report are true, accurate and complete, and that there are no false representations, misleading statements contained or material omissions, and are jointly and severally responsible for the liabilities arising from the Third Quarterly Report of the Company.

The legal representative of the Company, the chief financial officer of the Company and the person responsible for the accounting department (person-in-charge of the accounting department), confirm that the financial statements contained in the Third Quarterly Report are true, accurate and complete.

Whether the Third Quarterly Report has been audited.

Yes  No

## I. BASIC INFORMATION OF THE GROUP

### 1.1 Key financial data and indicators

*Unit: Thousand; Currency: RMB*

| Item  | Amount for the period | Increase/ (decrease) as compared with the corresponding period of 2021 (%) | Amount from the beginning of the year to the end of the Reporting Period | Increase/ (decrease) as compared with the corresponding period of 2021 (%) |
|---|-----------------------|--|--|--|
| Operating revenue   | 77,605                | (92.42)  | 707,395  | (77.08)  |
| Net profit attributable to shareholders of the listed company   | (486,649)             | (222.65)   | (474,411)  | (135.57)   |
| Net profit after deduction of non-recurring profit or loss attributable to shareholders of the listed company | (525,814)             | (240.05)   | (582,583)  | (145.70)   |
| Net cash flows from operating activities  | Not applicable        | Not applicable   | (1,393,278)  | (212.07)   |
| Basic earnings per share (RMB/Share)  | (1.97)                | (223.10)   | (1.92)   | (135.61)   |
| Diluted earnings per share (RMB/Share)  | (1.97)                | (223.10)   | (1.92)   | (135.61)   |
| Weighted average return on net assets (%)   | (6.53)                | Decreased by 12.03 percentage points                                       | (6.18)   | Decreased by 25.96 percentage points                                       |

| <b>Item</b>  | <b>Amount for the period</b> | <b>Increase/ (decrease) as compared with the corresponding period of 2021 (%)</b> | <b>Amount from the beginning of the year to the end of the Reporting Period</b> | <b>Increase/ (decrease) as compared with the corresponding period of 2021 (%)</b> |
|--|------------------------------|---|---|---|
| Research and development expenses  | 229,531                      | 111.18  | 555,757   | (17.72)   |
| Proportion of research and development expenses to operating revenue (%) | 295.77                       | 285.16 percentage points  | 78.56   | 56.67 percentage points   |

| <b>Item</b>   | <b>As at the end of the Reporting Period</b> | <b>As at the end of 2021</b> | <b>Increase/(decrease) as at the end of the Reporting Period as compared with the end of 2021 (%)</b> |
|---|--|------------------------------|---|
| Total assets  | 11,539,285                                   | 11,874,187                   | (2.82)  |
| Total owners' equity attributable to the shareholders of the listed company | 7,216,494                                    | 7,995,046                    | (9.74)  |

*Note: "Amount for the period" refers to 3 months from the beginning of this quarter to the end of this quarter, the same below.*

## 1.2 Items and amounts of non-recurring profits or losses

*Unit: Thousand; Currency: RMB*

| Item  | Amount for<br>the period | Amount from the<br>beginning of the year<br>to the end of the<br>Reporting Period | Notes |
|---|--------------------------|---|-------|
| Government grants recognized though profit or loss for the current period excluding those closely related to the Company's ordinary operations and granted on an ongoing basis under the national policies according to certain fixed quota of amount or volume   | 12,388                   | 46,053  |       |
| Except for effective hedging businesses that relate to the Company's normal business operations, profit or loss from fair value changes on financial assets held-for-trading, derivative financial assets, financial liabilities held-for-trading and derivative financial liabilities, and investment income from disposal of financial assets held-for-trading, derivative financial assets, financial liabilities held-for-trading, derivative financial liabilities and other debt investment | 31,949                   | 74,769  |       |
| Other non-operating revenue and expenses other than the foregoing items   | (85)                     | (1,261)   |       |
| Less: Effect of income tax  | 4,744                    | 11,046  |       |
| Effect of non-controlling interests after tax   | 343                      | 343   |       |
| Total   | 39,165                   | 108,172   |       |

Statement of non-recurring items of profit or loss listed in “Explanatory Announcement No. 1 on Disclosure of Information by Companies Issuing Public Securities – Non-recurring Profit or Loss” defined as recurring items of profit or loss

Applicable     Not applicable

### 1.3 Details of and reasons for material changes in the major financial statement captions and financial indicators of the Group

√ Applicable    □ Not applicable

| Item   | Increase/(decrease)<br>as at the end of the<br>Reporting Period<br>as compared with<br>the end of 2021/<br>corresponding<br>period of 2021 (%) | Reasons   |
|--|--|---|
| Operating revenue – amount for the period  | (92.42)  | Primarily due to the significantly decreased demand for COVID-19 vaccine as compared with the corresponding period last year and the price adjustment of our COVID-19 vaccine products.   |
| Operating revenue – amount from the beginning of the year to the end of the Reporting Period   | (77.08)  |   |
| Net profit attributable to shareholders of the listed company – amount for the period  | (222.65)   |   |
| Net profit attributable to shareholders of the listed company – amount from the beginning of the year to the end of the Reporting Period   | (135.57)   |   |
| Net profit after deduction of non-recurring profit or loss attributable to shareholders of the listed company – amount for the period  | (240.05)   | Primarily due to the significantly decreased demand for COVID-19 vaccine as compared with the corresponding period last year and the price adjustment of our COVID-19 vaccine products, as well as increased inventory provision related to our inventory with signs of impairment. |
| Net profit after deduction of non-recurring profit or loss attributable to shareholders of the listed company – amount from the beginning of the year to the end of the Reporting Period | (145.70)   |   |
| Net cash flows from operating activities – amount from the beginning of the year to the end of the Reporting Period  | (212.07)   | Primarily due to the decrease in operating revenue of the Group and the extension in collection period of trade receivables, as well as increase operating expenditures of our accelerated process for commercialization.   |

| Item  | Increase/(decrease)<br>as at the end of the<br>Reporting Period<br>as compared with<br>the end of 2021/<br>corresponding<br>period of 2021 (%) | Reasons  |
|---|--|--|
| Basic earnings per share (RMB/Share) – amount for the period  | (223.10)   |  |
| Basic earnings per share (RMB/Share) – amount from the beginning of the year to the end of the Reporting Period                                     | (135.61)   |  |
| Diluted earnings per share (RMB/Share) – amount for the period  | (223.10)   | Primarily due to the decrease in operating profit of the Group.  |
| Diluted earnings per share (RMB/Share) – amount from the beginning of the year to the end of the Reporting Period                                   | (135.61)   |  |
| Research and development expenses – amount for the period   | 111.18   | Primarily due to the various research and development progress of the Group achieved by our vaccine candidates.  |
| Proportion of research and development expenses to operating revenue (%) – amount for the period  | Increased by<br>285.16 percentage<br>points  | Primarily due to the decrease of operating revenue, and the increase of research and development expenses during the Reporting Period.   |
| Proportion of research and development expenses to operating revenue (%) – amount from the beginning of the year to the end of the Reporting Period | Increased by<br>56.67 percentage<br>points   | Primarily due to the greater decline ratio of operating revenue than the decline ratio of research and development expenses from the beginning of the year to the end of the Reporting Period. |

## II. SHAREHOLDERS INFORMATION OF THE GROUP

### 2.1 Total number of ordinary shareholders, number of preferred shareholders with voting rights restored and shareholding of the top ten shareholders

*Unit: Share*

|   |        |   |                |
|---|--------|---|----------------|
| Total number of ordinary shareholders as at the end of the Reporting Period | 23,410 | Total number of preferred shareholders with voting rights restored as at the end of the Reporting Period (if any) | Not applicable |
|---|--------|---|----------------|

#### Shareholdings of the top ten shareholders

| Name of Shareholder   | Nature of shareholder                 | Number of shares | Percentage (%) | Number of shares subject to selling restriction held | Number of restricted shares including shares lent by refinancing | Status of shares | Pledged or frozen Number of Shares |
|---|---------------------------------------|------------------|----------------|--|--|------------------|------------------------------------|
| HKSCC NOMINEES LIMITED  | Overseas corporation                  | 98,062,297       | 39.63          | –  | –  | Unknown          | –                                  |
| Xuefeng YU  | Overseas natural person               | 17,874,200       | 7.22           | 6,284,017  | –  | None             | 0                                  |
| Tao ZHU   | Domestic natural person               | 17,874,200       | 7.22           | 17,874,200   | –  | None             | 0                                  |
| Dongxu QIU  | Overseas natural person               | 17,114,200       | 6.92           | 6,030,683  | –  | None             | 0                                  |
| Helen Huihua MAO  | Overseas natural person               | 15,195,441       | 6.14           | 4,409,500  | –  | None             | 0                                  |
| Future Industry Investment Fund (Limited Partnership)   | Domestic non-state-owned legal person | 4,614,198        | 1.86           | –  | –  | None             | 0                                  |
| Tianjin Qianyi Enterprise Management Partnership (Limited Partnership)  | Domestic non-state-owned legal person | 3,474,600        | 1.40           | 3,474,600  | –  | None             | 0                                  |
| Jianfa LIU  | Domestic natural person               | 3,336,667        | 1.35           | 3,336,667  | –  | None             | 0                                  |
| Tianjin Qianrui Enterprise Management Partnership (Limited Partnership)   | Domestic non-state-owned legal person | 3,299,475        | 1.33           | 3,299,475  | –  | None             | 0                                  |
| China Merchants Bank Co., Ltd. – Huaxia SSE Science and Technology Innovation Board 50 Index Exchange Traded Fund | Domestic non-state-owned legal person | 2,189,095        | 0.88           | –  | –  | None             | 0                                  |

**Shareholdings of the top ten shareholders not subject to the selling restrictions**

| Name of Shareholder  | Number of shares<br>not subject to<br>selling restrictions<br>at the end of the<br>Reporting Period | Class and number of Shares     |            |
|--|---|--------------------------------|------------|
|  |   | Class                          | Number     |
| HKSCC NOMINEES LIMITED   | 98,062,297  | Overseas listed foreign shares | 98,062,297 |
| Future Industry Investment Fund (Limited Partnership)  | 4,614,198   | RMB ordinary shares            | 4,614,198  |
| China Merchants Bank Co., Ltd. – Huaxia SSE Science<br>and Technology Innovation Board 50 Index Exchange<br>Traded Fund  | 2,189,095   | RMB ordinary shares            | 2,189,095  |
| Hong Kong Securities Clearing Company Limited  | 2,073,687   | RMB ordinary shares            | 2,073,687  |
| Ge SUN   | 1,694,402   | RMB ordinary shares            | 1,694,402  |
| Bank of China Limited – China Merchants National<br>Securities Biomedical Index Classified Securities<br>Investment Fund | 1,167,998   | RMB ordinary shares            | 1,167,998  |
| Tianan Life Insurance Co., Ltd. – Traditional Products   | 1,000,056   | RMB ordinary shares            | 1,000,056  |
| Yifeng HUA   | 1,000,049   | RMB ordinary shares            | 1,000,049  |
| Industrial and Commercial Bank of China Limited – E<br>Fund SSE STAR 50 Exchange Traded Fund                             | 860,594   | RMB ordinary shares            | 860,594    |
| Bank of China Limited – Guotai CSI Biomedical<br>Exchange Traded Fund  | 658,670   | RMB ordinary shares            | 658,670    |

Description on the related party relationship or parties acting in concert among the aforesaid shareholders

Xuefeng YU, Tao ZHU, Dongxu QIU, Helen Huihua MAO, Tianjin Qianyi Enterprise Management Partnership (Limited Partnership), and Tianjin Qianrui Enterprise Management Partnership (Limited Partnership) are acting in concert. Apart from the above, the Company is not aware of any related party relationship between the shareholders or whether they are parties acting in concert.

Description on participation in margin trading and refinancing business by the top ten shareholders and the top ten shareholders not subject to the selling restrictions (if any)

Not applicable

### **III. OTHER IMPORTANT MATTERS**

#### **Other important information in relation to the operation of the Company during the Reporting Period to which investors are advised to pay attention**

Applicable    Not applicable

Since 2022, the domestic and overseas market environment of COVID-19 vaccines has changed significantly. The demand for COVID-19 vaccines has decreased significantly as compared with 2021. The growth rate of COVID-19 vaccination worldwide has decelerated, and the supply of COVID-19 vaccines exceeds the demand in some regions. COVID-19 vaccines have to be scrapped due to expiration of their shelf-life in many domestic and overseas countries, and some developing countries have even announced that they will no longer accept donations of COVID-19 vaccines. Meanwhile, with the grant of emergency use and launch of more COVID-19 vaccine products (including new Coronavirus variant vaccines and bivalent vaccines against variants of concern), the safety, effectiveness, accessibility, durability and pricing of products are all core competitive factors in the industry, and market competition is intensifying.

Due to the abovementioned reasons and our future usage plan, the Group conducted impairment tests on the COVID-19 vaccines related assets with signs of impairment and recognized a total provision of asset impairment for inventory amounting to RMB526.2 million from January to September, 2022.

### **IV. QUARTERLY REPORT**

#### **4.1 Audit opinion type of Quarterly Report**

Applicable    Not applicable

## 4.2 Financial Statements

### CONSOLIDATED BALANCE SHEET

September 30, 2022

Prepared by: CanSino Biologics Inc.

*Unit: Thousand; Currency: RMB; Type of audit: Unaudited*

| <b>Item</b>                             | <b>As of<br/>September 30, 2022</b> | <b>As of<br/>December 31, 2021</b> |
|---|-------------------------------------|------------------------------------|
| <b>Current assets:</b>                  |                                     |                                    |
| Monetary funds                          | 2,969,159                           | 5,645,030                          |
| Deposit reservation for balance         |                                     |                                    |
| Lending funds                           |                                     |                                    |
| Financial assets held for trading       | 3,453,173                           | 1,862,420                          |
| Derivative financial assets             |                                     | 255                                |
| Note receivables                        |                                     |                                    |
| Trade receivables                       | 312,013                             | 157,926                            |
| Financing receivables                   |                                     |                                    |
| Advances to suppliers                   | 344,900                             | 378,551                            |
| Premium receivables                     |                                     |                                    |
| Reinsurance accounts receivable         |                                     |                                    |
| Receivable from subcontracting reserves |                                     |                                    |
| Other receivables                       | 24,025                              | 19,152                             |
| Including: Interests receivable         |                                     |                                    |
| Dividend receivables                    |                                     |                                    |
| Redemptory monetary capital for sale    |                                     |                                    |
| Inventories                             | 880,460                             | 875,621                            |
| Contract assets                         |                                     |                                    |
| Assets classified as held for sale      |                                     |                                    |
| Non-current assets due within one year  |                                     | 275,201                            |
| Other current assets                    | 110,465                             | 75,688                             |
| Total current assets                    | 8,094,195                           | 9,289,844                          |

| <b>Item</b>                             | <b>As of<br/>September 30, 2022</b> | <b>As of<br/>December 31, 2021</b> |
|---|-------------------------------------|------------------------------------|
| <b>Non-current assets:</b>              |                                     |                                    |
| Issuing of loans and advances           |                                     |                                    |
| Debt investments                        |                                     |                                    |
| Other debt investments                  |                                     |                                    |
| Long-term receivables                   |                                     |                                    |
| Long-term equity investments            |                                     |                                    |
| Investments in other equity instruments |                                     |                                    |
| Other non-current financial assets      | 45,310                              | 45,310                             |
| Investment properties                   |                                     |                                    |
| Fixed assets                            | 1,546,555                           | 1,152,931                          |
| Construction in progress                | 888,990                             | 820,798                            |
| Bearer biological assets                |                                     |                                    |
| Oil-and-gas assets                      |                                     |                                    |
| Right-of-use assets                     | 231,251                             | 244,576                            |
| Intangible assets                       | 219,169                             | 172,115                            |
| Development disbursement                | 32,881                              | 26,190                             |
| Goodwill                                |                                     |                                    |
| Long-term prepaid expenses              | 17,877                              |                                    |
| Deferred income tax assets              | 144,589                             |                                    |
| Other non-current assets                | 318,468                             | 122,423                            |
| Total non-current assets                | 3,445,090                           | 2,584,343                          |
| <b>TOTAL ASSETS</b>                     | <b>11,539,285</b>                   | <b>11,874,187</b>                  |

| <b>Item</b>                                   | <b>As of<br/>September 30, 2022</b> | <b>As of<br/>December 31, 2021</b> |
|---|-------------------------------------|------------------------------------|
| <b>Current liabilities:</b>                   |                                     |                                    |
| Short-term borrowings                         | 1,546,998                           | 990,681                            |
| Borrowings from the Central Bank              |                                     |                                    |
| Borrowing funds                               |                                     |                                    |
| Financial liabilities held for trading        |                                     |                                    |
| Derivative financial liabilities              |                                     |                                    |
| Notes payables                                | 5,000                               |                                    |
| Trade payables                                | 438,266                             | 842,567                            |
| Advances from customers                       |                                     |                                    |
| Contract liabilities                          | 6,405                               | 193,217                            |
| Financial assets sold for repurchase          |                                     |                                    |
| Absorbing deposit and interbank deposit       |                                     |                                    |
| Receivings from vicariously traded securities |                                     |                                    |
| Receivings from vicariously sold securities   |                                     |                                    |
| Employee benefits payable                     | 158,558                             | 222,720                            |
| Taxes payable                                 | 4,607                               | 34,535                             |
| Other payables                                | 542,788                             | 456,409                            |
| Including: Interests payable                  |                                     |                                    |
| Dividend payables                             | 3,628                               |                                    |
| Fees and commissions payable                  |                                     |                                    |
| Reinsurance account payables                  |                                     |                                    |
| Liabilities classified as held for sale       |                                     |                                    |
| Non-current liabilities due within one year   | 67,539                              | 121,288                            |
| Other current liabilities                     |                                     |                                    |
| Total current liabilities                     | 2,770,161                           | 2,861,417                          |
| <b>Non-current liabilities:</b>               |                                     |                                    |
| Provision for insurance contracts             |                                     |                                    |
| Long-term borrowings                          | 603,135                             | 40,000                             |
| Bond payables                                 |                                     |                                    |
| Including: Preferred shares                   |                                     |                                    |
| Perpetual bonds                               |                                     |                                    |
| Lease liabilities                             | 201,695                             | 222,849                            |
| Long-term payables                            |                                     |                                    |
| Long-term employee benefits payable           |                                     |                                    |
| Accrued liabilities                           |                                     |                                    |
| Deferred income                               | 209,233                             | 201,480                            |
| Deferred income tax liabilities               |                                     | 557                                |
| Other non-current liabilities                 |                                     |                                    |
| Total non-current liabilities                 | 1,014,063                           | 464,886                            |
| <b>TOTAL LIABILITIES</b>                      | <b>3,784,224</b>                    | <b>3,326,303</b>                   |

| <b>Item</b>                                      | <b>As of<br/>September 30, 2022</b> | <b>As of<br/>December 31, 2021</b> |
|--|-------------------------------------|------------------------------------|
| <b>Owners' equity (or shareholders' equity):</b> |                                     |                                    |
| Paid-up capital (or share capital)               | 247,450                             | 247,450                            |
| Other equity instruments                         |                                     |                                    |
| Including: Preferred shares                      |                                     |                                    |
| Perpetual bonds                                  |                                     |                                    |
| Capital reserves                                 | 6,605,138                           | 6,597,898                          |
| Less: Treasury shares                            | 113,877                             |                                    |
| Other comprehensive income                       | 56                                  |                                    |
| Special reserves                                 |                                     |                                    |
| Surplus reserves                                 | 118,389                             | 118,389                            |
| General risk provisions                          |                                     |                                    |
| Undistributed profits                            | 359,338                             | 1,031,309                          |
| Total owners' equity (or shareholders' equity)   |                                     |                                    |
| attributable to the parent company               | 7,216,494                           | 7,995,046                          |
| Non-controlling interests                        | 538,567                             | 552,838                            |
| <b>TOTAL OWNERS' EQUITY</b>                      |                                     |                                    |
| <b>(OR SHAREHOLDERS' EQUITY)</b>                 | <b>7,755,061</b>                    | <b>8,547,884</b>                   |
| <b>TOTAL LIABILITIES AND</b>                     |                                     |                                    |
| <b>OWNERS' EQUITY</b>                            |                                     |                                    |
| <b>(OR SHAREHOLDERS' EQUITY)</b>                 | <b>11,539,285</b>                   | <b>11,874,187</b>                  |

*Legal representative:*  
**Xuefeng YU**

*Chief Financial Officer:*  
**Xi LUO**

*Person-in-charge of  
Accounting Department:*  
**Lu LI**

## CONSOLIDATED INCOME STATEMENT

*From January to September, 2022*

Prepared by: CanSino Biologics Inc.

*Unit: Thousand; Currency: RMB; Type of audit: Unaudited*

| Item  | First three<br>quarters of 2022<br>(From January<br>to September) | First three<br>quarters of 2021<br>(From January<br>to September) |
|---|---|---|
| <b>I. Total revenue</b>                             | 707,395   | 3,085,775   |
| Including: Operating Revenue                        | 707,395   | 3,085,775   |
| Interest income                                     |   |   |
| Earned premium                                      |   |   |
| Service charges and commission income               |   |   |
| <br><b>II. Total costs</b>                          | <br>942,202   | <br>1,855,020   |
| Including: Cost of operation                        | 241,686   | 1,046,604   |
| Interest payments                                   |   |   |
| Service charges and commission fee                  |   |   |
| Surrender charge fee                                |   |   |
| Net payments for insurance claims                   |   |   |
| Extraction of insurance obligations<br>net reserves |   |   |
| Policyholder dividend expenses                      |   |   |
| Reinsurance expenses                                |   |   |
| Business taxes and surcharges                       | 4,896   | 8,576   |
| Selling expenses                                    | 149,135   | 64,114  |
| Administrative expenses                             | 211,608   | 141,105   |
| Research and development expenses                   | 549,066   | 655,770   |
| Financial expenses                                  | (214,189)   | (61,149)  |
| Including: Interest expenses                        | 27,548  | 12,437  |
| Interest income                                     | 44,622  | 62,217  |

| <b>Item</b>   | <b>First three<br/>quarters of 2022<br/>(From January<br/>to September)</b> | <b>First three<br/>quarters of 2021<br/>(From January<br/>to September)</b> |
|---|---|---|
| Add: Other income   | 46,890  | 9,369   |
| Investment income (loss)  | 69,271  | 28,827  |
| Including: Share of investment profit of<br>associates and joint ventures |   |   |
| Derecognition gains on financial<br>assets measured at amortised cost     |   |   |
| Exchange earnings (losses)  |   |   |
| Net gains (losses) from hedging exposure                                  |   |   |
| Gains (losses) arising from changes<br>in fair value                      | 5,499   | 30,978  |
| Credit impairment loss  | (6,270)   | (4,052)   |
| Asset impairment loss   | (526,176)   | (626)   |
| Gains (losses) on assets disposal   |   |   |
| <b>III. Operating profit (loss)</b>                                       | <b>(645,593)</b>  | <b>1,295,251</b>  |
| Add: Non-operating income   | 136   | 1,113   |
| Less: Non-operating expenses  | 1,396   | 5,974   |
| <b>IV. Total profit (loss)</b>  | <b>(646,853)</b>  | <b>1,290,390</b>  |
| Less: Income tax expenses   | (158,171)   | (43,506)  |
| <b>V. Net profit (loss)</b>   | <b>(488,682)</b>  | <b>1,333,896</b>  |
| (I). Classified by operations continuity                                  |   |   |
| 1. Net profit (loss) from continuing operations                           | (488,682)   | 1,333,896   |
| 2. Net profit (loss) from discontinued operations                         |   |   |
| (II). Classified by ownership   |   |   |
| 1. Net profit (loss) attributable to shareholders of<br>the company       | (474,411)   | 1,333,896   |
| 2. Net profit (loss) attributable to minority<br>shareholders             | (14,271)  |   |

| <b>Item</b>  | <b>First three<br/>quarters of 2022<br/>(From January<br/>to September)</b> | <b>First three<br/>quarters of 2021<br/>(From January<br/>to September)</b> |
|--|---|---|
| <b>VI. Other comprehensive income, net of tax</b>  | 56  |   |
| (I). Other comprehensive income attributable to owners of the parent company, net of tax                           | 56  |   |
| 1. Other comprehensive income that will not be reclassified to profit or loss                                      |   |   |
| (1) Changes in the re-measurement of defined benefit plans   |   |   |
| (2) Other comprehensive income accounted for using equity method, which will not be reclassified to profit or loss |   |   |
| (3) Changes in fair value of investments in other equity instruments   |   |   |
| (4) Changes in fair value arising from the enterprise's credit risk  |   |   |
| 2. Other comprehensive income that will be reclassified to profit or loss  | 56  |   |
| (1) Other comprehensive income accounted for using equity method, which will be reclassified to profit or loss     |   |   |
| (2) Changes in fair value of other debt investments  |   |   |
| (3) Other comprehensive income arising from reclassifying financial assets   |   |   |
| (4) Provision for credit impairment of other debt investments  |   |   |
| (5) Cash flow hedging reserve  |   |   |
| (6) Exchange differences on translation of financial statements denominated in foreign currencies                  | 56  |   |
| (7) Others   |   |   |
| (II). Other comprehensive income attributable to minority shareholders, net of tax                                 |   |   |

| <b>Item</b>   | <b>First three<br/>quarters of 2022<br/>(From January<br/>to September)</b> | <b>First three<br/>quarters of 2021<br/>(From January<br/>to September)</b> |
|---|---|---|
| <b>VII.Total comprehensive profit</b>                                       | (488,626)   | 1,333,896   |
| (I). Total comprehensive profit attributable to shareholders of the company | (474,355)   | 1,333,896   |
| (II). Total comprehensive profit attributable to minority shareholders      | (14,271)  |   |
| <b>VIII.Earnings per share</b>  |   |   |
| (I). Basic earnings per share (RMB/share)                                   | (1.92)  | 5.39  |
| (II). Diluted earnings per share (RMB/share)                                | (1.92)  | 5.39  |

Under the circumstances that business combination under common control was effected in the current period, the net profit recognized by the merged party before the combination was nil, and the net profit recognized by the merged party in the corresponding period of last year was nil.

|   |  |   |
|---|--|---|
| <i>Legal representative:</i><br><b>Xuefeng YU</b> | <i>Chief Financial Officer:</i><br><b>Xi LUO</b> | <i>Person-in-charge of<br/>Accounting Department:</i><br><b>Lu LI</b> |
|---|--|---|

## CONSOLIDATED STATEMENTS OF CASH FLOWS

*From January to September, 2022*

Prepared by: CanSino Biologics Inc.

*Unit: Thousand; Currency: RMB; Type of audit: Unaudited*

| Item  | First three<br>quarters of 2022<br>(From January<br>to September) | First three<br>quarters of 2021<br>(From January<br>to September) |
|---|---|---|
| <b>I. Cash flows from operating activities:</b>                               |   |   |
| Cash received from sales of goods and rendering of services                   | 374,158   | 3,044,677   |
| Net increase in customer deposits and interbank<br>deposit payment            |   |   |
| Net increase in borrowing from the Central Bank                               |   |   |
| Net increase in funds borrowed from other<br>financial institutions           |   |   |
| Cash received from the receipt of the original<br>insurance contract premiums |   |   |
| Net cash received from reinsurance business                                   |   |   |
| Net increase in deposit of the insured and investment fund                    |   |   |
| Interest, fees and commission in cash   |   |   |
| Net increase in funds borrowed  |   |   |
| Net increase in capital for repurchase business                               |   |   |
| Net cash received from customer for acting as<br>securities trading agent     |   |   |
| Refund of taxes received  | 120,364   | 159,476   |
| Cash received relating to other operating activities                          | 269,070   | 129,531   |
| Subtotal of cash inflow from operating activities                             | 763,592   | 3,333,684   |
| Cash paid for goods and services  | 940,102   | 1,177,438   |
| Net increase in customer loans and advances                                   |   |   |
| Net increase in placements with the Central Bank<br>and Interbank             |   |   |
| Cash paid for claims on original insurance contract                           |   |   |
| Net increase in lending funds   |   |   |
| Cash paid for interest, fees, and commissions                                 |   |   |
| Cash paid for policy dividend   |   |   |
| Cash paid to and on behalf of employees                                       | 489,173   | 255,832   |
| Payments of taxes   | 51,066  | 2,900   |
| Cash paid relating to other operating activities                              | 676,529   | 654,241   |
| Subtotal of cash outflows from operating activities                           | 2,156,870   | 2,090,411   |
| Net cash flows from operating activities                                      | (1,393,278)   | 1,243,273   |

| Item   | First three<br>quarters of 2022<br>(From January<br>to September) | First three<br>quarters of 2021<br>(From January<br>to September) |
|--|---|---|
| <b>II. Cash flows from investing activities:</b>   |   |   |
| Cash received from disposal of investments   | 8,836,912   | 3,936,000   |
| Cash received from return on investments   | 85,984  | 32,365  |
| Net cash received from disposal of fixed assets,<br>intangible assets and other long-term assets |   |   |
| Net cash received from disposal of subsidiaries and<br>other business units                      |   |   |
| Cash received relating to other investing activities   | 438,048   |   |
| Subtotal of cash inflows from investing activities   | 9,360,944   | 3,968,365   |
| Cash paid to acquire fixed assets, intangible assets and<br>other long-term assets               | 862,618   | 919,069   |
| Cash paid to acquire investments   | 10,421,912  | 5,278,960   |
| Net increase in pledged loans  |   |   |
| Net cash paid to acquire subsidiaries and other<br>business units                                |   |   |
| Cash paid relating to other investing activities   |   | 3,480   |
| Subtotal of cash outflows from investing activities  | 11,284,530  | 6,201,509   |
| Net cash flows from investing activities   | (1,923,586)   | (2,233,144)   |
| <b>III. Cash flows from financing activities:</b>  |   |   |
| Cash received from capital contributions   |   | 604,890   |
| Including: Cash received from capital contributions of<br>minority shareholders of subsidiaries  |   | 604,890   |
| Cash received from borrowings  | 2,206,464   | 970,210   |
| Cash received relating to other financing activities   |   |   |
| Subtotal of cash inflows from financing activities   | 2,206,464   | 1,575,100   |
| Cash paid for repayments of debts  | 1,219,974   | 160,000   |
| Cash paid for distribution of dividends, profits or<br>interest payment                          | 225,161   | 5,395   |
| Including: Dividends and profits paid to minority<br>shareholders by subsidiaries                |   |   |
| Cash paid relating to other financing activities   | 132,724   | 12,642  |
| Subtotal of cash outflows from financing activities  | 1,577,859   | 178,037   |
| Net cash flow from financing activities  | 628,605   | 1,397,063   |

| Item  | First three<br>quarters of 2022<br>(From January<br>to September) | First three<br>quarters of 2021<br>(From January<br>to September) |
|---|---|---|
| <b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b> | 197,619   | 11,577  |
| <b>V. Net increase in cash and cash equivalents</b>                             | (2,490,640)   | 418,769   |
| Add: Balance of cash and cash equivalents at the beginning of the period        | 5,455,456   | 4,446,029   |
| <b>VI. Balance of cash and cash equivalents at the end of the Period</b>        | 2,964,816   | 4,864,798   |

|   |  |   |
|---|--|---|
| <i>Legal representative:</i><br><b>Xuefeng YU</b> | <i>Chief Financial Officer:</i><br><b>Xi LUO</b> | <i>Person-in-charge of<br/>Accounting Department:</i><br><b>Lu LI</b> |
|---|--|---|

**4.3 Adjustment to the financial statements at the beginning of the year of adopting new accounting standard or interpretation of standards since 2022**

Applicable     Not applicable

The announcement is hereby made.

Board of CanSino Biologics Inc.