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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)

INSIDE INFORMATION
UPDATES ON 2022 PRELIMINARY ANNUAL RESULTS

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

The major financial data for the year ended December 31, 2022 (the “**Reporting Period**”) contained in this announcement is preliminary accounting data and has not been audited or reviewed by the Company's independent auditors. The audited figures will be disclosed in the Company's 2022 annual report. Investors are reminded to exercise caution when making investment decisions.

I. MAJOR FINANCIAL DATA AND INDICATORS FOR THE YEAR OF 2022

Unit: RMB thousand

| Item | Reporting Period | Corresponding period of last year | Increase/ (decrease) (%) |
|-----------------------------------------------------------------------------------------------------------------|-------------------------|------------------------------------------|--------------------------------------|
| Total revenue | 1,034,595.4 | 4,299,702.3 | (75.94) |
| Operating profit (loss) | (1,171,872.0) | 1,940,794.7 | (160.38) |
| Total profit (loss) | (1,175,166.0) | 1,936,786.9 | (160.68) |
| Net profit (loss) attributable to shareholders of the Company | (901,921.6) | 1,914,390.0 | (147.11) |
| Net profit (loss) attributable to shareholders of the Company after deducting the non-recurring profit and loss | (1,021,024.0) | 1,797,037.7 | (156.82) |
| Basic earnings (loss) per share (in RMB) | (3.7) | 7.7 | (147.16) |
| Weighted average return (loss) on net assets (%) | (12.09) | 27.21 | Decreased by 39.30 percentage points |

| | As at the end of the Reporting Period | As at the beginning of the Reporting Period | Increase/ (decrease) (%) |
|-----------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------|-----------------------------|
| Total assets | 11,642,382.7 | 11,874,187.0 | (1.95) |
| Equity attributable to shareholders of the Company | 6,755,599.4 | 7,995,046.2 | (15.50) |
| Share capital (in thousand shares) | 247,449.9 | 247,449.9 | – |
| Net asset per share attributable to shareholders of the Company (in RMB) | 27.4 | 32.3 | (15.35) |

Notes:

1. The data as at the beginning of the Reporting Period is the same as the data statutorily required to be disclosed as at the end of last year.
2. The above financial data and indicators are based on the figures of the consolidated statements of the Company, which have not been audited or reviewed by the Company's independent auditors. The 2022 annual report of the Company to be released in due course shall be referred to for finalized results of the Company.

II. EXPLANATION OF OPERATING RESULTS AND FINANCIAL STATUS

(I) The operating conditions, financial status and the major factors affecting the operating results for the Reporting Period

For the Reporting Period, the total revenue of the Company amounted to approximately RMB1,034.60 million, representing a decrease of 75.94% as compared to the corresponding period of last year; the net loss attributable to shareholders of the Company amounted to approximately RMB901.92 million; and the net loss attributable to shareholders of the Company after deducting the non-recurring profit and loss amounted to approximately RMB1,021.02 million, representing a loss as compared to the corresponding period of last year.

As at the end of the Reporting Period, the total assets of the Company amounted to approximately RMB11,642.38 million, representing a decrease of 1.95% as compared to the beginning of the Reporting Period; and the equity attributable to shareholders of the Company amounted to approximately RMB6,755.60 million, representing a decrease of 15.50% as compared to the beginning of the Reporting Period.

During the Reporting Period, the domestic and overseas market environment of COVID-19 vaccines has changed significantly. The demand for COVID-19 vaccines has decreased significantly compared with the corresponding period of last year. The growth rate of COVID-19 vaccination worldwide has decelerated, and the supply of COVID-19 vaccines exceeds the demand in some regions. With the intensified competition of the market, the Company's revenue generated from the sales of COVID-19 vaccine products decreased significantly compared with the corresponding period of last year. Meanwhile, the sales expenses increased compared with the corresponding period of last year due to the continuous promotion of commercialization, and the Group recognized a provision for COVID-19 vaccine products related inventory with signs of impairment. As a result, the Company incurred a loss in the net profit attributable to shareholders of the Company.

(II) The main reasons for the increase/decrease of 30% or more of the relevant items in the above table

During the Reporting Period, the total revenue of the Company decreased by 75.94%, primarily due to the significant decrease in the demand of COVID-19 vaccines compared with the corresponding period of last year, the continuous intensified market competition and the significant decrease in sales of COVID-19 vaccine products of the Company. In addition, the Company's other commercialized products, namely the meningococcal conjugate vaccines, are still in the early phase of commercialization. The abovementioned factors lead to the significant decrease of the operating revenue of the Company as compared to the corresponding period of last year.

For the Reporting Period, the operating profit of the Company decreased by 160.38% to operating loss; the total profit of the Company decreased by 160.68% to total loss; the net profit attributable to shareholders of the Company decreased by 147.11% to a net loss position; the net profit attributable to shareholders of the Company after deducting the non-recurring profit and loss decreased by 156.82% to a net loss position; the basic earnings per share decreased by 147.16% to a basic loss per share; and the weighted average return on net assets decreased by 39.30% to a weighted average loss on the net assets. The aforesaid changes were primarily due to the facts that (i) the operating revenue of the Company decreased significantly, (ii) the Company maintained a relatively high level of investment in research and development; (iii) the Company incurred increasing sales expenses to advance the commercialization progress of its commercialized products, and (iv) the Group recognized a provision for COVID-19 vaccine products related inventory with signs of impairment.

III. WARNING OF RISKS

The major financial data for the year of 2022 contained in this announcement is preliminary accounting data, and has not been audited or reviewed by the Company's independent auditors. The audited figures will be disclosed in the Company's 2022 annual report. Investors are reminded to exercise caution when making investment decisions.

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

Hong Kong, February 27, 2023

As of the date of this announcement, the board of directors of the Company 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.