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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)**

**FIRST QUARTERLY REPORT FOR THE  
THREE MONTHS ENDED MARCH 31, 2023**

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 “**First Quarterly Report**”) of the Group for the three months ended March 31, 2023 (the “**Reporting Period**”) is provided. The financial information contained in the First 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 First Quarterly Report is written in both Chinese and English. In the case of any discrepancies, the Chinese version of the First Quarterly Report shall prevail.

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

Hong Kong, April 28, 2023

*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 First 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 First 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 First Quarterly Report are true, accurate and complete.

Whether the First Quarterly Report has been audited.

Yes  No

## I. BASIC INFORMATION OF THE GROUP

### 1.1 Key financial data and indicators

*Unit: Thousand; Currency: RMB*

<b>Item</b>	<b>Amount for the Reporting Period</b>	<b>Increase/(decrease) as compared with the corresponding period of 2022 (%)</b>
Operating revenue	100,553	(79.86)
Net profit attributable to shareholders of the listed company	(139,547)	(214.94)
Net profit after deduction of non-recurring profit or loss attributable to shareholders of the listed company	(179,076)	(317.82)
Net cash flows from operating activities	(345,404)	Not Applicable
Basic earnings per share (RMB/Share)	(0.57)	(216.33)
Diluted earnings per share (RMB/Share)	(0.57)	(216.33)
Weighted average return on net assets (%)		Decreased by 3.60 percentage points
	(2.09)	
Research and development expenses	150,871	(5.36)
Proportion of research and development expenses to operating revenue (%)		Increased by 118.12 percentage points
	150.04	

Item	As at the end of the Reporting Period	As at the end of 2022	Increase/(decrease) as at the end of the Reporting Period as compared with the end of 2022 (%)
Total assets	11,215,389	11,468,960	(2.21)
Total owners' equity attributable to the shareholders of the listed company	6,611,175	6,748,090	(2.03)

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

*Unit: Thousand; Currency: RMB*

Item	Amount for the 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	32,423	
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	24,824	
Other non-operating revenue and expenses other than the foregoing items	(8,118)	
Less: Effect of income tax	6,371	
Effect of non-controlling interests after tax	3,229	
Total	39,529	

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) as at the end of the Reporting Period as compared with the end of 2022/ corresponding period of 2022 (%)	Reasons
Operating revenue	(79.86)	Primarily due to the significantly decreased demand of COVID-19 vaccine as compared with the corresponding period last year and the price adjustment of our COVID-19 vaccine products, operating revenue decreased significantly compared with the corresponding period last year, which led to net loss attributable to shareholders of the listed company.
Net profit attributable to shareholders of the listed company	(214.94)	
Net profit after deduction of non-recurring profit or loss attributable to shareholders of the listed company	(317.82)	
Net cash flows from operating activities	Not Applicable	Primarily due to the decrease of payment for raw material purchase.
Basic earnings per share (RMB/Share)	(216.33)	Primarily due to the decrease in operating profit of the Group.
Diluted earnings per share (RMB/Share)	(216.33)	
Proportion of research and development expenses to operating revenue (%)	Increased by 118.12 percentage points	Primarily due to the greater decline ratio of operating revenue than the decline ratio of research and development expenses during 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	23,808	Total number of preferred shareholders with voting rights restored as at the end of the Reporting Period (if any)	Not applicable
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#### 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	Pledged or frozen Status of shares	Number of Shares
HKSCC NOMINEES LIMITED	Overseas corporation	98,066,497	39.63	–	–	Unknown	–
Xuefeng YU	Overseas natural person	17,874,200	7.22	6,284,017	6,284,017	None	0
Tao ZHU	Overseas natural person	17,874,200	7.22	17,874,200	17,874,200	None	0
Dongxu QIU	Overseas natural person	17,114,200	6.92	6,030,683	6,030,683	None	0
Helen Huihua MAO	Overseas natural person	15,195,441	6.14	4,409,500	4,409,500	None	0
Tianjin Qianyi Enterprise Management Partnership (Limited Partnership)	Domestic non-state-owned legal person	3,474,600	1.40	3,474,600	3,474,600	None	0
Jianfa LIU	Domestic natural person	3,336,667	1.35	3,336,667	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	3,299,475	None	0
Future Industry Investment Fund (Limited Partnership)	Domestic non-state-owned legal person	2,883,810	1.17	–	–	None	0
Xuan LIU	Domestic natural person	1,550,000	0.63	1,550,000	1,550,000	None	0

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

Name of Shareholder	Number of shares not subject to selling restrictions at the end of the Reporting Period	Class and number of Shares	
		Class	Number
HKSCC NOMINEES LIMITED	98,066,497	Overseas listed foreign shares	98,066,497
Future Industry Investment Fund (Limited Partnership)	2,883,810	RMB ordinary shares	2,883,810
Ge SUN	1,403,742	RMB ordinary shares	1,403,742
BARCLAYS BANK PLC	1,395,072	RMB ordinary shares	1,395,072
Hong Kong Securities Clearing Company Limited	1,244,198	RMB ordinary shares	1,244,198
Bank of China Limited – China Merchants National Securities Biomedical Index Classified Securities Investment Fund	1,116,645	RMB ordinary shares	1,116,645
CanSino Designated Securities Repurchase Account	683,748	RMB ordinary shares	683,748
Hui CHEN	634,653	RMB ordinary shares	634,653
Enterprise annuity scheme of Industrial and Commercial Bank of China Limited – China Construction Bank	465,025	RMB ordinary shares	465,025
Huatai Premium Commingled No. 4 Pension Product – Bank of China Limited	442,212	RMB ordinary shares	442,212

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. Xuan LIU is the sister of the spouse of Xuefeng YU. 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

1. To further broaden the Company's international financing channels, enhance the Company's international brand and image, meet the Company's overseas business development needs, and promote the Company's globalization strategy, the Company intends to issue Global Depository Receipts ("GDRs") and apply for the admission of the same to listing on the SIX Swiss Exchange AG. For details, please refer to the Indicative Announcement on the Intention to Issue Global Depository Receipt and Apply for Admission to Listing on SIX Swiss Exchange AG (Announcement No. 2023-002) disclosed by the Company on January 11, 2023.
2. According to the financial statements of the Company for the three months ended March 31, 2023, the accumulated undistributed profits of the Company amounted to RMB-215,229,160.88 and the total share capital of the Company amounted to RMB247,449,899 as of March 31, 2023. The Company's uncovered losses reached one-third of the total paid-up share capital. On April 28, 2023, the Company held the Thirteenth Meeting of the Second Session of the Board and the Twentieth Meeting of the Second Session of the Board of Supervisors to consider and approve the proposal on the unrecovered losses of the Company amounting to one-third of the total paid-up share capital. The resolution is subject to the consideration at the general meeting of the Company.

## IV. QUARTERLY REPORT

### 4.1 Audit opinion type of Quarterly Report

Applicable     Not applicable

### 4.2 Financial Statements

#### CONSOLIDATED BALANCE SHEET

*March 31, 2023*

Prepared by: CanSino Biologics Inc.

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

<b>Item</b>	<b>As of March 31, 2023</b>	<b>As of December 31, 2022</b>
<b>Current assets:</b>		
Monetary funds	3,455,655	3,464,734
Deposit reservation for balance		
Lending funds		
Financial assets held for trading	1,924,824	2,482,057
Derivative financial assets		
Note receivables		
Trade receivables	867,841	855,490
Financing receivables		
Advances to suppliers	139,485	120,885
Premium receivables		
Reinsurance accounts receivable		
Receivable from subcontracting reserves		
Other receivables	3,467	5,083
Including: Interests receivable		
Dividend receivables		
Redemptory monetary capital for sale		
Inventories	788,349	677,777
Contract assets		
Assets classified as held for sale		
Non-current assets due within one year		
Other current assets	140,960	124,159
Total current assets	7,320,581	7,730,185



<b>Item</b>	<b>As of March 31, 2023</b>	<b>As of December 31, 2022</b>
<b>Non-current assets:</b>		
Issuing of loans and advances		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	3,252	3,250
Investments in other equity instruments		
Other non-current financial assets	51,865	46,865
Investment properties		
Fixed assets	1,521,081	1,502,483
Construction in progress	1,391,200	1,341,969
Bearer biological assets		
Oil-and-gas assets		
Right-of-use assets	219,512	224,552
Intangible assets	213,210	220,924
Development disbursement	38,921	37,815
Goodwill		
Long-term prepaid expenses	13,201	14,140
Deferred income tax assets	226,677	196,410
Other non-current assets	215,889	150,367
Total non-current assets	3,894,808	3,738,775
<b>TOTAL ASSETS</b>	<b>11,215,389</b>	<b>11,468,960</b>

<b>Item</b>	<b>As of March 31, 2023</b>	<b>As of December 31, 2022</b>
<b>Current liabilities:</b>		
Short-term borrowings	1,321,514	1,529,805
Borrowings from the Central Bank		
Borrowing funds		
Financial liabilities held for trading		
Derivative financial liabilities	598	–
Notes payables	32,896	32,896
Trade payables	216,413	220,224
Advances from customers		
Contract liabilities	985	1,480
Financial assets sold for repurchase		
Absorbing deposit and interbank deposit		
Receivings from vicariously traded securities		
Receivings from vicariously sold securities		
Employee benefits payable	190,631	182,408
Taxes payable	8,306	23,719
Other payables	519,711	585,757
Including: Interests payable		
Dividend payables		
Fees and commissions payable		
Reinsurance account payables		
Liabilities classified as held for sale		
Non-current liabilities due within one year	98,040	94,530
Other current liabilities	231,089	253,889
Total current liabilities	2,620,183	2,924,708
<b>Non-current liabilities:</b>		
Provision for insurance contracts		
Long-term borrowings	1,098,325	878,008
Bond payables		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	199,294	198,287
Long-term payables		
Long-term employee benefits payable		
Accrued liabilities		
Deferred income	219,552	222,355
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	1,517,171	1,298,650
TOTAL LIABILITIES	4,137,354	4,223,358

<b>Item</b>	<b>As of March 31, 2023</b>	<b>As of December 31, 2022</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	6,610,580	6,607,981
Less: Treasury shares	150,169	150,169
Other comprehensive income	154	121
Special reserves		
Surplus reserves	118,389	118,389
General risk provisions		
Undistributed profits	(215,229)	(75,682)
Total owners' equity (or shareholders' equity)		
attributable to the parent company	6,611,175	6,748,090
Non-controlling interests	466,860	497,512
<b>TOTAL OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)</b>	<b>7,078,035</b>	<b>7,245,602</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY)</b>	<b>11,215,389</b>	<b>11,468,960</b>

*Legal representative:*  
**Xuefeng YU**

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

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

## CONSOLIDATED INCOME STATEMENT

*From January to March, 2023*

Prepared by: CanSino Biologics Inc.

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

<b>Item</b>	<b>First quarter of 2023 (From January to March)</b>	<b>First quarter of 2022 (From January to March)</b>
<b>I. Total revenue</b>	100,553	499,355
Including: Operating Revenue	100,553	499,355
Interest income		
Earned premium		
Service charges and commission income		
<b>II. Total costs</b>	338,230	414,625
Including: Cost of operation	65,187	148,474
Interest payments		
Service charges and commission fee		
Surrender charge fee		
Net payments for insurance claims		
Extraction of insurance obligations net reserves		
Policyholder dividend expenses		
Reinsurance expenses		
Business taxes and surcharges	1,939	1,489
Selling expenses	54,983	34,310
Administrative expenses	60,547	64,101
Research and development expenses	149,765	157,155
Financial expenses	5,809	9,096
Including: Interest expenses	8,762	9,444
Interest income	22,519	14,084

Item	First quarter of 2023 (From January to March)	First quarter of 2022 (From January to March)
Add: Other income	33,379	22,297
Investment income (losses are represented by “-”)	17,655	16,418
Including: Share of investment profit of associates and joint ventures	2	-
Derecognition gains on financial assets measured at amortised cost		
Exchange earnings (losses are represented by “-”)		
Net gains from hedging exposure (losses are represented by “-”)		
Gains arising from changes in fair value (losses are represented by “-”)	7,169	4,592
Credit impairment loss (losses are represented by “-”)	(11,181)	(3,143)
Asset impairment loss (losses are represented by “-”)	(1,692)	(3,020)
Gains on assets disposal (losses are represented by “-”)		
<b>III. Operating profit (losses are represented by “-”)</b>	<b>(192,347)</b>	<b>121,874</b>
Add: Non-operating income	58	62
Less: Non-operating expenses	8,177	1,041
<b>IV. Total profit (total losses are represented by “-”)</b>	<b>(200,466)</b>	<b>120,895</b>
Less: Income tax expenses	(30,267)	6,600
<b>V. Net profit (net losses are represented by “-”)</b>	<b>(170,199)</b>	<b>114,295</b>
(I). Classified by operations continuity		
1. Net profit from continuing operations (net losses are represented by “-”)	(170,199)	114,295
2. Net profit from discontinued operations (net losses are represented by “-”)		
(II). Classified by ownership		
1. Net profit attributable to shareholders of the company (net losses are represented by “-”)	(139,547)	121,413
2. Net profit attributable to minority shareholders (net losses are represented by “-”)	(30,652)	(7,118)

Item	First quarter of 2023 (From January to March)	First quarter of 2022 (From January to March)
<b>VI. Other comprehensive income, net of tax</b>	33	–
(I). Other comprehensive income attributable to owners of the parent company, net of tax	33	–
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	33	–
(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	33	–
(7) Others		
(II). Other comprehensive income attributable to minority shareholders, net of tax		

<b>Item</b>	<b>First quarter of 2023 (From January to March)</b>	<b>First quarter of 2022 (From January to March)</b>
<b>VII. Total comprehensive profit</b>	(170,166)	114,295
(I). Total comprehensive profit attributable to shareholders of the company	(139,514)	121,413
(II). Total comprehensive profit attributable to minority shareholders	(30,652)	(7,118)
<b>VIII. Earnings per share</b>		
(I). Basic earnings per share (RMB/share)	(0.57)	0.49
(II). Diluted earnings per share (RMB/share)	(0.57)	0.49

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 RMB0.

<i>Legal representative:</i> <b>Xuefeng YU</b>	<i>Chief Financial Officer:</i> <b>Xi LUO</b>	<i>Person-in-charge of Accounting Department:</i> <b>Lu LI</b>
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## CONSOLIDATED STATEMENTS OF CASH FLOWS

*From January to March, 2023*

Prepared by: CanSino Biologics Inc.

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

Item	First quarter of 2023 (From January to March)	First quarter of 2022 (From January to March)
<b>I. Cash flows from operating activities:</b>		
Cash received from sales of goods and rendering of services	55,920	143,191
Net increase in customer deposits and interbank deposit payment		
Net increase in borrowing from the Central Bank		
Net increase in funds borrowed from other financial institutions		
Cash received from the receipt of the original 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 securities trading agent		
Refund of taxes received	17,028	59,726
Cash received relating to other operating activities	67,350	27,452
Subtotal of cash inflow from operating activities	140,298	230,369
Cash paid for goods and services	101,508	355,831
Net increase in customer loans and advances		
Net increase in placements with the Central Bank 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	156,793	165,077
Payments of taxes	23,938	28,253
Cash paid relating to other operating activities	203,463	279,356
Subtotal of cash outflows from operating activities	485,702	828,517
Net cash flows from operating activities	(345,404)	(598,148)



Item	First quarter of 2023 (From January to March)	First quarter of 2022 (From January to March)
<b>II. Cash flows from investing activities:</b>		
Cash received from disposal of investments	2,700,000	2,115,000
Cash received from return on investments	17,653	20,294
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities	69,583	–
Subtotal of cash inflows from investing activities	2,787,236	2,135,294
Cash paid to acquire fixed assets, intangible assets and other long-term assets	215,236	229,304
Cash paid to acquire investments	2,140,000	2,800,000
Net increase in pledged loans		
Net cash paid to acquire subsidiaries and other business units		
Cash paid relating to other investing activities	604,009	–
Subtotal of cash outflows from investing activities	2,959,245	3,029,304
Net cash flows from investing activities	(172,009)	(894,010)
<b>III. Cash flows from financing activities:</b>		
Cash received from capital contributions		
Including: Cash received from capital contributions of minority shareholders of subsidiaries		
Cash received from borrowings	409,783	517,416
Cash received relating to other financing activities	142	–
Subtotal of cash inflows from financing activities	409,925	517,416
Cash paid for repayments of debts	392,162	398,527
Cash paid for distribution of dividends, profits or interest payment	23,057	7,435
Including: Dividends and profits paid to minority shareholders by subsidiaries		
Cash paid relating to other financing activities	5,181	88,731
Subtotal of cash outflows from financing activities	420,400	494,693
Net cash flow from financing activities	(10,475)	22,723

Item	First quarter of 2023 (From January to March)	First quarter of 2022 (From January to March)
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>	(19,486)	(12,150)
<b>V. Net increase in cash and cash equivalents</b>	(547,374)	(1,481,585)
Add: Balance of cash and cash equivalents at the beginning of the period	3,391,268	5,455,456
<b>VI. Balance of cash and cash equivalents at the end of the Period</b>	2,843,894	3,973,871

<i>Legal representative:</i> <b>Xuefeng YU</b>	<i>Chief Financial Officer:</i> <b>Xi LUO</b>	<i>Person-in-charge of Accounting Department:</i> <b>Lu LI</b>
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**4.3 Adjustment to the financial statements at the beginning of the year of adopting new accounting standard or interpretation of standards since 2023**

Applicable     Not applicable

The announcement is hereby made.

Board of CanSino Biologics Inc.