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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, 2021**

This announcement is made by CanSino Biologics Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 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, 2021 (the “**Reporting Period**”) are 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 auditors 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 made 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 29, 2021

*As at the date of this announcement, the board of directors comprises Dr. Xuefeng YU, Dr. Shou Bai CHAO, Dr. Tao ZHU and Dr. Dongxu QIU as executive directors, Mr. Qiang XU, 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.*

## I. IMPORTANT NOTICE

- 1.1 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.
- 1.2 All the Directors of the Company attended the Board meeting to consider the First Quarterly Report.
- 1.3 Xuefeng YU, the legal representative of the Company, Jing WANG, the chief financial officer of the Company, and Lu LI, the person responsible for the accounting department (head of the accounting department), confirm that the financial statements contained in the First Quarterly Report are true, accurate and complete.
- 1.4 The First Quarterly Report has not been audited by the auditors of the Group.

## II. BASIC INFORMATION OF THE GROUP

### 2.1 Key financial data

*Unit: Yuan; Currency: RMB*

	As at the end of the Reporting Period	As at the end of 2020	Increase/decrease as at the end of the Reporting Period as compared with the end of 2020 (%)
Total assets	7,523,166,742.99	6,748,073,711.72	11.49
Net assets attributable to the shareholders of the listed company	6,061,117,647.57	6,070,854,160.36	(0.16)

	<b>From the beginning of the year of 2021 to the end of the Reporting Period</b>	<b>From the beginning of 2020 to the end of the corresponding period of 2020</b>	<b>Increase/decrease as compared with the corresponding period of 2020 (%)</b>
Net cash flows from operating activities	(12,415,330.54)	(45,362,104.77)	Not applicable
Net cash flows from investing activities	8,094,413.75	(36,103,133.00)	Not applicable
Net cash flow from financing activities	228,283,550.03	(14,554,194.03)	Not applicable
	<b>From the beginning of the year of 2021 to the end of the Reporting Period</b>	<b>From the beginning of 2020 to the end of the corresponding period of last year</b>	<b>Increase/decrease as compared with the corresponding period of 2020 (%)</b>
Operating revenue	466,758,070.10	4,029,610.40	11,483.21
Net loss attributable to shareholders of the listed company	(14,114,144.59)	(23,102,574.29)	Not applicable
Net loss after deduction of non-recurring profit or loss attributable to shareholders of listed company	(19,980,866.44)	(35,343,455.34)	Not applicable
Weighted average loss on net assets (%)	(0.23)	(1.58)	Increased by 1.35 percentage points
Basic loss per share (RMB/Share)	(0.06)	(0.10)	Not applicable
Diluted loss per share (RMB/Share)	(0.06)	(0.10)	Not applicable
Proportion of research and development expenses to operating revenue (%)	57.80	981.05	Decreased by 923.25 percentage points

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

Applicable     Not applicable

*Unit: Yuan; Currency: RMB*

<b>Items</b>	<b>Amount for the Reporting Period</b>	<b>Notes</b>
Government grants recognized through 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	1,738,497.07	
Except effective hedging businesses that relate to the Company's normal business operations, profit or loss from fair value changes on transactional financial assets, derivative financial assets, transactional financial liabilities and derivative financial liabilities, and investment income from disposal of transactional financial assets, derivative financial assets, transactional financial liabilities, derivative financial liabilities and other creditor's investment.	3,690,302.40	
Other non-operating revenue and expenses other than the foregoing items	437,922.38	
<b>Total</b>	<b>5,866,721.85</b>	

## 2.2 Total number of shareholders, shareholding of the top ten shareholders and the top ten shareholders not subject to selling restrictions as at the end of the Reporting Period

Total number of shareholders

15,414

Name of Shareholder (Full name)	Number of shares held at the end of the Reporting Period	Percentage (%)	Shareholdings of the top ten shareholders		Pledged or frozen		Nature of shareholder
			Number of shares subject to selling restriction held	Number of restricted shares including shares lent by refinancing	Status of shares	Number of Shares	
HKSCC NOMINEES LIMITED	98,068,697	39.63%	–	–	unknown	–	Overseas corporation
Xuefeng YU	17,874,200	7.22%	6,284,017	6,284,017	None	0	Overseas natural person
Tao ZHU	17,874,200	7.22%	17,874,200	17,874,200	None	0	Domestic natural person
Dongxu QIU	17,114,200	6.92%	6,030,683	6,030,683	None	0	Overseas natural person
Helen Huihua MAO	16,334,200	6.60%	4,409,500	4,409,500	None	0	Overseas natural person
Future Industry Investment Fund (Limited Partnership)	8,855,336	3.58%	8,855,336	8,855,336	None	0	Domestic non-state-owned legal person
Shanghai Li'an Venture Capital Investment Center (Limited Partnership)	4,600,000	1.86%	4,600,000	4,600,000	None	0	Domestic non-state-owned legal person
Shanghai Nuoqianjin Venture Capital Investment Center (Limited Partnership)	3,928,800	1.59%	3,928,800	3,928,800	None	0	Domestic non-state-owned legal person
Jiaxing Huiguang Equity Investment Fund Partnership (Limited Partnership)	3,533,333	1.43%	3,533,333	3,533,333	None	0	Domestic non-state-owned legal person
Tianjin Qianyi Enterprise Management Partnership (Limited Partnership)	3,474,600	1.40%	3,474,600	3,474,600	None	0	Domestic non-state-owned legal person

**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	98,068,697	Overseas listed foreign shares (H Shares)	98,068,697
Hong Kong Securities Clearing Company Limited	419,726	RMB ordinary shares (A Shares)	419,726
Industrial and Commercial Bank of China Limited – Boshi Sci-tech Innovation Board Three-year Regular Opening Hybrid Securities Investment Fund	354,855	RMB ordinary shares (A Shares)	354,855
Shanghai Pudong Development Bank Co., Ltd. – Yongying Consumer Theme Flexible Allocation of Hybrid Securities Investment Fund	226,370	RMB ordinary shares (A Shares)	226,370
Shanghai Puxin Investment Management Co., Ltd. – Puxin No. 3 Private Equity Fund	204,687	RMB ordinary shares (A Shares)	204,687
China Construction Bank Corporation – Nanfang Medicine and Health Flexible Allocation of Hybrid Securities Investment Fund	167,775	RMB ordinary shares (A Shares)	167,775
CITIC Securities Company Limited	146,638	RMB ordinary shares (A Shares)	146,638
China Construction Bank Corporation – Agricultural Bank of China Huili Health Care Theme Equity Investment Fund	144,675	RMB ordinary shares (A Shares)	144,675
Industrial and Commercial Bank of China Limited – Huaxia Lexiang Health Flexible Allocation of Hybrid Securities Investment Fund	130,588	RMB ordinary shares (A Shares)	130,588
Rang LI	129,944	RMB ordinary shares (A Shares)	129,944

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

Xuefeng YU, Tao ZHU, Dongxu QIU, Helen Huihua MAO, and Tianjin Qianyi 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 other shareholders or whether they are parties acting in concert.

Description on preferred shareholders with voting rights restored and number of shares held

Not applicable.

**2.3 Total number of preferred shareholders, shareholding of the top ten preferred shareholders and the top ten preferred shareholders not subject to selling restrictions as at the end of the Reporting Period**

Applicable     Not applicable

### III. SIGNIFICANT EVENTS

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

√ Applicable    □ Not applicable

##### (I). Data analysis of Balance Sheet

Unit: Yuan; Currency: RMB

Item	As at the end of the Reporting Period	As at the end of 2020	Increase/decrease as at the end of the Reporting Period as compared with the end of 2020	Increase/decrease as at the end of the Reporting Period as compared with the end of 2020 (%)
Financial assets held for trading	365,834,958.90	666,639,616.43	(300,804,657.53)	(45.12)
Trade receivables	200,281,353.25	22,143,420.00	178,137,933.25	804.47
Prepayments	209,188,949.40	114,067,349.21	95,121,600.19	83.39
Other receivables	12,736,560.59	251,000.00	12,485,560.59	4,974.33
Inventories	340,192,783.13	170,512,571.77	169,680,211.36	99.51
Long-term receivables	1,047,956.52	–	1,047,956.52	Not applicable
Right-of-use assets	207,219,036.69	8,539,524.10	198,679,512.59	2,326.59
Long-term prepaid expenses	27,463,907.63	7,968,584.50	19,495,323.13	244.65
Short-term borrowings	196,642,759.26	–	196,642,759.26	Not applicable
Trade payables	242,509,888.44	60,572,892.92	181,936,995.52	300.36
Contract liabilities	66,005,816.58	420,000.00	65,585,816.58	15,615.67
Tax payables	1,620,758.39	1,158,684.01	462,074.38	39.88
Other payables	338,056,815.37	226,708,719.96	111,348,095.41	49.12
Non-current liabilities due				
within one year	73,482,162.66	48,746,427.39	24,735,735.27	50.74
Long-term borrowings	45,000,000.00	90,000,000.00	(45,000,000.00)	(50.00)
Lease liabilities	203,897,232.34	3,790,260.11	200,106,972.23	5,279.51
Non-controlling interests	53,362,194.57	–	53,362,194.57	Not applicable

##### Notes:

- Compared with the amount at the beginning of the year, the amount of financial assets held for trading decreased by RMB300,804,657.53, or 45.12%, due to the recovery of structural deposits and interest during the Reporting Period.
- Compared with the amount at the beginning of the year, the amount of trade receivables increased by RMB178,137,933.25, or 804.47%, primarily due to the increase in trade receivables generated from main businesses during the Reporting Period.
- Compared with the amount at the beginning of the year, the amount of prepayments increased by RMB95,121,600.19, or 83.39%, primarily due to the increase in advance payment and advance service payment during the Reporting Period.
- Compared with the amount at the beginning of the year, the amount of other receivables increased by RMB12,485,560.59, or 4,974.33%, primarily due to the increase in the deposit paid during the Reporting Period.

5. Compared with the amount at the beginning of the year, the amount of inventories increased by RMB169,680,211.36, or 99.51%, primarily due to the increase in raw materials and turnover materials for R&D and manufacturing during the Reporting Period.
6. Compared with the amount at the beginning of the year, the amount of long-term receivables increased by RMB1,047,956.52, primarily due to the deposit paid for leased facility by the Group during the Reporting Period.
7. Compared with the amount at the beginning of the year, the amount of right-of-use assets increased by RMB198,679,512.59, or 2,326.59%, primarily due to the leasing of facility during the Reporting Period.
8. Compared with the amount at the beginning of the year, the amount of long-term prepaid expenses increased by RMB19,495,323.13, or 244.65%, primarily due to the transfer of right-of-use assets decoration project to long-term prepaid expenses upon acceptance during the Reporting Period.
9. Compared with the amount at the beginning of the year, the amount of short-term borrowing increased by RMB196,642,759.26, primarily due to the increase in loan from banks during the Reporting Period.
10. Compared with the amount at the beginning of the year, the amount of trade payables increased by RMB181,936,995.52, or 300.36%, primarily due to the increase in the raw materials and turnover materials purchased for R&D and manufacturing during the Reporting Period.
11. Compared with the amount at the beginning of the year, the amount of contract liabilities increased by RMB65,585,816.58, or 15,615.67%, primarily due to the advances generated from main businesses during the Reporting Period.
12. Compared with the amount at the beginning of the year, the amount of tax payables increased by RMB462,074.38, or 39.88%, mainly due to the property tax accrual during the Reporting Period.
13. Compared with the amount at the beginning of the year, the amount of other payables increased by RMB111,348,095.41, or 49.12%, primarily due to the increase in the equipment, construction and service related payable during the Reporting Period.
14. Compared with the amount at the beginning of the year, the amount of non-current liabilities due within one year increased by RMB24,735,735.27, or 50.74%, primarily due to the repayment of borrowings and reclassification of long-term borrowings to non-current liabilities due within one year during the Reporting Period.
15. Compared with the amount at the beginning of the year, the amount of long-term borrowings decreased by RMB45,000,000.00, or 50.00%, primarily due to the reclassification of long-term borrowings to non-current liabilities due within one year during the Reporting Period.
16. Compared with the amount at the beginning of the year, the amount of lease liabilities increased by RMB200,106,972.23, or 5,279.51%, primarily due to the leasing of facility during the Reporting Period.
17. Compared with the amount at the beginning of the year, the amount of non-controlling interests increased by RMB53,362,194.57, primarily due to the investment received from minority shareholders of a subsidiary.



## (II). Data analysis of Profit & Loss

Unit: Yuan; Currency: RMB

Item	From the beginning of 2021 to the end of the Reporting Period (January to March)	From the beginning of last year to the end of the corresponding period of 2020 (January to March)	Increase/decrease as compared with the corresponding period of 2020 (%)
Operating Revenue	466,758,070.10	4,029,610.40	11,483.21
Operating Cost	224,043,873.65	342,919.34	65,234.28
Business taxes and surcharges	1,433,415.54	788,604.32	81.77
Selling expenses	7,170,135.49	1,647,833.29	335.13
Financial expenses	(28,716,006.85)	(15,515,999.08)	85.07
R&D expenses	269,788,313.80	39,532,670.46	582.44
Other income	1,965,253.06	11,356,205.23	(82.69)
Investment income	4,494,959.93	516,265.45	770.67
Gains (or losses) arising from changes in fair value	(804,657.53)	424,036.30	(289.76)
Asset impairment loss	(8,462.87)	-	Not applicable
Non-operating income	437,922.38	-	Not applicable
Non-operating expenses	-	55,625.93	(100.00)
Net loss	(15,751,950.02)	(23,102,574.29)	(31.82)

### Notes:

1. Compared with the amount at the corresponding period of previous year, the operating revenue increased by RMB462,728,459.70, or 11,483.21%, primarily due to the increase in revenue generated from main businesses during the Reporting Period.
2. Compared with the amount at the corresponding period of previous year, the operating costs increased by RMB223,700,954.31, or 65,234.28%, primarily due to the increase in cost resulting from the increased main businesses during the Reporting Period.
3. Compared with the amount at the corresponding period of previous year, the business taxes and surcharges increased by RMB644,811.22, or 81.77%, primarily due to increased stamp duty of the Company during the Reporting Period.
4. Compared with the amount at the corresponding period of previous year, the selling expenses increased by RMB5,522,302.20, or 335.13%, primarily due to the further commercialization of vaccine products and increase in the number of sales persons.
5. Compared with the amount at the corresponding period of previous year, the financial expenses decreased by RMB13,200,007.77, primarily due to the increase in interest income during the Reporting Period.
6. Compared with the amount at the corresponding period of previous year, the R&D expenses increased by RMB230,255,643.34, or 582.44%, primarily due to the increase in R&D investment in order to maintain the product technology and quality advantages in the future and improve the core competitiveness of the Company during the Reporting Period.

7. Compared with the amount at the corresponding period of previous year, the other income decreased by RMB9,390,952.17, or 82.69%, primarily due to the decrease in government grants during the Reporting Period.
8. Compared with the amount at the corresponding period of previous year, the investment income increased by RMB3,978,694.48, or 770.67%, primarily due to the investment gains generated from recovery of structural deposit during the Reporting Period.
9. Compared with the amount at the corresponding period of previous year, the gains arising from changes in fair value decreased by RMB1,228,693.83, or 289.76%, primarily due to the realization of the investment gains generated from recovery of structural deposits offset by the gains arising from changes in fair value during the Reporting Period.
10. Compared with the amount at the corresponding period of previous year, the asset impairment loss increased by RMB8,462.87, primarily due to the impairment loss on inventories during the Reporting Period.
11. Compared with the amount at the corresponding period of previous year, the non-operating income increased by RMB437,922.38, primarily due to the gains from Gates foundation during the Reporting Period.
12. Compared with the amount at the corresponding period of previous year, the non-operating expenses decreased by RMB55,625.93. The figure for the corresponding period of previous year is mainly caused by donation and disposal of fixed assets by the Company.
13. Compared with the amount at the corresponding period of previous year, the net loss decreased by RMB7,350,624.27, primarily due to the increase in revenue generated from main businesses during the Reporting Period.

### ***(III). Data analysis of Cash Flow***

*Unit: Yuan; Currency: RMB*

<b>Item</b>	<b>From the beginning of 2021 to the end of the Reporting Period (January to March)</b>	<b>From the beginning of last year to the end of the corresponding period of 2020 (January to March)</b>	<b>Changes (%)</b>
Net cash flows from operating activities	(12,415,330.54)	(45,362,104.77)	Not applicable
Net cash flows from investing activities	8,094,413.75	(36,103,133.00)	Not applicable
Net cash flows from financing activities	228,283,550.03	(14,554,194.03)	Not applicable

Notes:

1. Compared with the amount at the corresponding period of previous year, the outflow from operating activities decreased by RMB32,946,774.23, primarily due to the cash inflows generated from operating sales during the Reporting Period.
2. During the Reporting Period, the net cash flows from investing activities are inflows, while the net cash flows from investing activities are outflows at the corresponding period of previous year. The amount of change compared with the amount at the corresponding period of previous year is RMB44,197,546.75, primarily due to the increase in inflows generated from structural deposits redemption.
3. During the Reporting Period, the net cash flow from financing activities are inflows, while the net cash flows from financing activities are outflows at the corresponding period of previous year. The amount of change compared with the corresponding period of previous year is RMB242,837,744.06, primarily due to the increase in inflows generated from cash received by the parent company from short-term borrowing and cash received by a subsidiary from capital contributions of minority shareholders.

### **3.2 Analysis and description on the development of significant events, and impacts and solutions thereof**

Applicable  Not applicable

### **3.3 Undertakings that has not been duly fulfilled during the Reporting Period**

Applicable  Not applicable

### **3.4 Warnings and descriptions on forecasted loss or significant changes to the accumulated net profits from the beginning of the year to the end of the next reporting period or as compared with the corresponding period of the previous year**

Applicable  Not applicable

The Recombinant Novel Coronavirus Vaccine (Adenovirus Type 5 Vector) of the Company was granted emergency use authorization by Mexico, Pakistan and other countries, and was granted the conditional marketing authorization in China, which has a positive impact on the Company's operating revenue. Therefore, it is expected that the accumulated net profits from the beginning of the year to the end of the next reporting period may become positive. The aforesaid does not constitute a profit forecast, and is subject to the actual situation to be disclosed in the 2021 interim report of the Company.

Company Name	CanSino Biologics Inc.
Legal Representative	Xuefeng YU
Date	April 29, 2021

## IV. APPENDIX

### 4.1 Financial Statements

#### CONSOLIDATED BALANCE SHEET

March 31, 2021

Prepared by: CanSino Biologics Inc.

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

<b>Item</b>	<b>March 31, 2021</b>	<b>December 31, 2020</b>
<b>Current assets:</b>		
Monetary funds	4,679,846,608.50	4,447,029,798.94
Deposit reservation for balance		
Lending funds		
Financial assets held for trading	365,834,958.90	666,639,616.43
Derivative financial assets		
Note receivables		
Trade receivables	200,281,353.25	22,143,420.00
Financing receivables		
Advances to suppliers	209,188,949.40	114,067,349.21
Premium receivables		
Reinsurance accounts receivable		
Receivable from subcontracting reserves		
Other receivables	12,736,560.59	251,000.00
Including: Interests receivable		
Dividend receivables		
Redemptory monetary capital for sale		
Inventories	340,192,783.13	170,512,571.77
Contract assets		
Assets classified as held for sale		
Non-current assets due within one year		
Other current assets		
Total current assets	5,808,081,213.77	5,420,643,756.35

<b>Item</b>	<b>As at March 31, 2021</b>	<b>As at December 31, 2020</b>
<b>Non-current assets:</b>		
Issuing of loans and advances		
Debt investments		
Other debt investments		
Long-term receivables	1,047,956.52	–
Long-term equity investments		
Investments in other equity instruments		
Other non-current financial assets		
Investment properties		
Fixed assets	118,045,884.85	105,350,994.40
Construction in progress	878,713,422.20	760,055,201.29
Bearer biological assets		
Oil-and-gas assets		
Right-of-use assets	207,219,036.69	8,539,524.10
Intangible assets	36,545,361.22	36,894,168.62
Development disbursement	35,402,490.40	35,402,490.40
Goodwill		
Long-term prepaid expenses	27,463,907.63	7,968,584.50
Deferred income tax assets		
Other non-current assets	410,647,469.71	373,218,992.06
Total non-current assets	1,715,085,529.22	1,327,429,955.37
TOTAL ASSETS	7,523,166,742.99	6,748,073,711.72

Item	As at March 31, 2021	As at December 31, 2020
<b>Current liabilities:</b>		
Short-term borrowings	196,642,759.26	–
Borrowings from the Central Bank		
Borrowing funds		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payables		
Trade payables	242,509,888.44	60,572,892.92
Advances from customers		
Contract liabilities	66,005,816.58	420,000.00
Financial assets sold for repurchase		
Absorbing deposit and interbank deposit		
Receivings from vicariously traded securities		
Receivings from vicariously sold securities		
Employee benefits payable	55,501,162.59	71,861,844.99
Taxes payable	1,620,758.39	1,158,684.01
Other payables	338,056,815.37	226,708,719.96
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	73,482,162.66	48,746,427.39
Other current liabilities		
Total current liabilities	973,819,363.29	409,468,569.27
<b>Non-current liabilities:</b>		
Provision for insurance contracts		
Long-term borrowings	45,000,000.00	90,000,000.00
Bond payables		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	203,897,232.34	3,790,260.11
Long-term payables		
Long-term employee benefits payable		
Accrued liabilities		
Deferred income	185,970,305.22	173,960,721.98
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	434,867,537.56	267,750,982.09
TOTAL LIABILITIES	1,408,686,900.85	677,219,551.36

<b>Item</b>	<b>As at March 31, 2021</b>	<b>As at December 31, 2020</b>
<b>Owners' equity (or shareholders' equity) :</b>		
Paid-up capital (or share capital)	247,449,899.00	247,449,899.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	6,592,473,694.52	6,588,096,062.72
Less: Treasury shares		
Other comprehensive income		
Special reserves		
Surplus reserves		
General risk provisions		
Undistributed losses	(778,805,945.95)	(764,691,801.36)
Total owners' equity (or shareholders' equity)		
attributable to the parent company	6,061,117,647.57	6,070,854,160.36
Non-controlling interests	53,362,194.57	-
<b>TOTAL OWNERS' EQUITY</b>		
<b>(OR SHAREHOLDERS' EQUITY)</b>	<b>6,114,479,842.14</b>	<b>6,070,854,160.36</b>
<b>TOTAL LIABILITIES AND</b>		
<b>OWNERS' EQUITY</b>		
<b>(OR SHAREHOLDERS' EQUITY)</b>	<b>7,523,166,742.99</b>	<b>6,748,073,711.72</b>

*Legal representative:*  
**Xuefeng YU**

*Chief Financial Officer:*  
**Jing WANG**

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

**BALANCE SHEET OF THE PARENT COMPANY***March 31, 2021*

Prepared by: CanSino Biologics Inc.

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

<b>Item</b>	<b>As at March 31, 2021</b>	<b>As at December 31, 2020</b>
<b>Current assets:</b>		
Monetary funds	4,658,941,594.96	4,446,933,362.79
Financial assets held for trading	365,834,958.90	666,639,616.43
Derivative financial assets		
Note receivables		
Trade receivables	200,281,353.25	22,143,420.00
Financing receivable		
Advances to suppliers	192,733,528.31	114,067,349.21
Other receivables	5,140,497.83	251,000.00
Including: Interests receivable		
Dividend receivables		
Inventories	340,077,795.53	170,512,571.77
Contract assets		
Assets classified as held for sale		
Non-current assets due within one year		
Other current assets		
Total current assets	5,763,009,728.78	5,420,547,320.20
<b>Non-current assets:</b>		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	45,151,318.00	100,000.00
Investments in other equity instruments		
Other non-current financial assets		
Investment properties		
Fixed assets	117,963,760.96	105,350,994.40
Construction in progress	859,913,021.61	760,055,201.29
Bearer biological assets		
Oil-and-gas assets		
Right-of-use assets	7,132,483.42	8,539,524.10
Intangible assets	36,545,361.22	36,894,168.62
Development disbursement	35,402,490.40	35,402,490.40
Goodwill		
Long-term prepaid expenses	27,463,907.63	7,968,584.50
Deferred income tax assets		
Other non-current assets	359,799,489.99	373,218,992.06
Total non-current assets	1,489,371,833.23	1,327,529,955.37
<b>TOTAL ASSETS</b>	<b>7,252,381,562.01</b>	<b>6,748,077,275.57</b>



<b>Item</b>	<b>As at March 31, 2021</b>	<b>As at December 31, 2020</b>
<b>Current liabilities:</b>		
Short-term borrowings	196,642,759.26	–
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable		
Trade payables	242,394,900.84	60,572,892.92
Advances from customers		
Contract liabilities	66,005,816.58	420,000.00
Employee benefits payable	55,437,521.24	71,861,844.99
Tax payables	1,593,029.95	1,158,684.01
Other payables	321,041,384.87	226,708,719.96
Including: Interests payable		
Dividend payables		
Liabilities classified as held for sale		
Non-current liabilities due within one year	73,482,162.66	48,746,427.39
Other current liabilities		
Total current liabilities	956,597,575.40	409,468,569.27
<b>Non-current liabilities:</b>		
Long-term borrowings	45,000,000.00	90,000,000.00
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	2,352,708.53	3,790,260.11
Long-term payables		
Long-term employee benefits payable		
Accrued liabilities		
Deferred income	185,970,305.22	173,960,721.98
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	233,323,013.75	267,750,982.09
<b>TOTAL LIABILITIES</b>	<b>1,189,920,589.15</b>	<b>677,219,551.36</b>

<b>Item</b>	<b>As at March 31, 2021</b>	<b>As at December 31, 2020</b>
<b>Owners' equity (or shareholders' equity):</b>		
Paid-up capital (or share capital)	247,449,899.00	247,449,899.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserves	6,592,473,694.52	6,588,096,062.72
Less: Treasury shares		
Other comprehensive income		
Special reserves		
Surplus reserves		
Undistributed losses	(777,462,620.66)	(764,688,237.51)
<b>TOTAL OWNERS' EQUITY</b>		
<b>(OR SHAREHOLDERS' EQUITY)</b>	<b>6,062,460,972.86</b>	<b>6,070,857,724.21</b>
<b>TOTAL LIABILITIES AND</b>		
<b>OWNERS' EQUITY</b>		
<b>(OR SHAREHOLDERS' EQUITY)</b>	<b>7,252,381,562.01</b>	<b>6,748,077,275.57</b>

*Legal representative:*  
**Xuefeng YU**

*Chief Financial Officer:*  
**Jing WANG**

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

## CONSOLIDATED INCOME STATEMENT

From January to March, 2021

Prepared by: CanSino Biologics Inc.

Unit: Yuan; Currency: RMB; Type of audit: Unaudited

Item	For the first quarter of 2021	For the first quarter of 2020
<b>I. Total revenue</b>	466,758,070.10	4,029,610.40
Including: Operating Revenue	466,758,070.10	4,029,610.40
Interest income		
Earned premium		
Service charges and commission income		
<b>II. Total costs</b>	488,595,035.09	39,373,065.74
Including: Cost of operation	224,043,873.65	342,919.34
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	1,433,415.54	788,604.32
Selling expenses	7,170,135.49	1,647,833.29
Administrative expenses	14,875,303.46	12,577,037.41
R&D expenses	269,788,313.80	39,532,670.46
Financial expenses	(28,716,006.85)	(15,515,999.08)
Including: Interest expenses	(1,670,405.52)	–
Interest income	22,367,338.20	6,399,746.72
Add: Other income	1,965,253.06	11,356,205.23
Investment income	4,494,959.93	516,265.45
Including: Share of investment profit of associates and joint ventures		
Derecognition gains on financial assets measured at amortised cost		
Exchange earnings		
Net gains from hedging exposure		
Gains (or losses) arising from changes in fair value	(804,657.53)	424,036.30
Credit impairment loss		
Asset impairment loss	(8,462.87)	–
Gains on assets disposal		

Item	For the first quarter of 2021	For the first quarter of 2020
<b>III. Operating loss</b>	(16,189,872.40)	(23,046,948.36)
Add: Non-operating income	437,922.38	–
Less: Non-operating expenses	–	55,625.93
<b>IV. Total loss</b>	(15,751,950.02)	(23,102,574.29)
Less: Income tax expenses		
<b>V. Net loss</b>	(15,751,950.02)	(23,102,574.29)
(I). According to operating continuity		
1. Net loss from continuing operations	(15,751,950.02)	(23,102,574.29)
2. Net loss from discontinued operations		
(II). According to ownership		
1. Net loss attributable to shareholders of the parent company	(14,114,144.59)	(23,102,574.29)
2. Net loss attributable to minority shareholders	(1,637,805.43)	–
<b>VI. Other comprehensive income, net of tax</b>		
(I). Other comprehensive income attributable to owners of the parent company, net of tax		
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		

Item	For the first quarter of 2021	For the first quarter of 2020
2. Other comprehensive income that will be reclassified to profit or loss		
(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		
(7) Others		
(II).Other comprehensive income attributable to minority shareholders, net of tax		
<b>VII. Total comprehensive loss</b>	(15,751,950.02)	(23,102,574.29)
(I). Total comprehensive loss attributable to shareholders of the parent company	(14,114,144.59)	(23,102,574.29)
(II).Total comprehensive loss attributable to minority shareholders	(1,637,805.43)	-
<b>VIII.Loss per share:</b>		
(I). Basic loss per share (RMB/share)	(0.06)	(0.10)
(II).Diluted loss per share (RMB/share)	(0.06)	(0.10)

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 RMB0, 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>Jing WANG</b>	<i>Person-in-charge of Accounting Department:</i> <b>Lu LI</b>
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## INCOME STATEMENT OF THE PARENT COMPANY

From January to March, 2021

Prepared by : CanSino Biologics Inc.

Unit: Yuan; Currency: RMB; Type of audit: Unaudited

Item	For the first quarter of 2021	For the first quarter of 2020
<b>I. Operating Revenue</b>	466,758,070.10	4,029,610.40
Less: Cost of operation	224,043,873.65	342,919.34
Business taxes and surcharges	1,383,609.73	788,604.32
Selling expenses	7,170,135.49	1,647,833.29
Administrative expenses	13,561,145.49	12,574,773.49
R&D expenses	269,788,313.80	39,532,670.46
Financial expenses	(30,329,610.17)	(15,515,999.08)
Including: Interest expenses		
Interest income	22,310,530.71	6,399,746.72
Add: Other income	1,965,253.06	11,356,205.23
Investment income	4,494,959.93	516,265.45
Including: Share of investment profit of associates and joint ventures		
Derecognition gains on financial assets measured at amortised cost		
Net gains from hedging exposure		
Gains (or losses) arising from changes in fair value	(804,657.53)	424,036.30
Credit impairment losses		
Asset impairment losses	(8,462.87)	–
Gains on assets disposal		
<b>II. Operating loss</b>	(13,212,305.30)	(23,044,684.44)
Add: Non-operating income	437,922.15	–
Less: Non-operating expenses	–	55,625.93
<b>III. Total loss</b>	(12,774,383.15)	(23,100,310.37)
Less: Income tax expenses		
<b>IV. Net loss</b>	(12,774,383.15)	(23,100,310.37)
Net loss from continuing operations	(12,774,383.15)	(23,100,310.37)
Net loss from discontinued operations		

<b>Item</b>	<b>For the first quarter of 2021</b>	<b>For the first quarter of 2020</b>
<b>V. Other comprehensive income, net of tax</b>		
(I). Other comprehensive income that may 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. Change in fair value of investments in other equity instruments		
4. Changes in fair value arising from the enterprise's credit risk		
(II). Other comprehensive income that will be reclassified to profit or loss		
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		
7. Others		
<b>VI. Total comprehensive loss</b>	(12,774,383.15)	(23,100,310.37)
<b>VII. Loss per share</b>		
(I). Basic loss per share (RMB/share)	(0.05)	(0.10)
(II). diluted loss per share (RMB/share)	(0.05)	(0.10)
<i>Legal representative:</i> <b>Xuefeng YU</b>	<i>Chief Financial Officer:</i> <b>Jing WANG</b>	<i>Person-in-charge of Accounting Department:</i> <b>Lu LI</b>

## CONSOLIDATED STATEMENTS OF CASH FLOWS

From January to March, 2021

Prepared by: CanSino Biologics Inc.

Unit: Yuan; Currency: RMB; Type of audit: Unaudited

Items	For the first quarter of 2021	For the first quarter of 2020
<b>I. Cash flows from operating activities:</b>		
Cash received from sales of goods and rendering of services	363,358,068.51	131,995.40
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	54,542,586.52	53,784.12
Cash received relating to other operating activities	107,279,006.70	13,463,440.97
Subtotal of cash inflow from operating activities	525,179,661.73	13,649,220.49
Cash paid for goods and services	240,074,410.07	15,800,120.88
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	70,025,400.94	28,272,820.74
Payments of taxes	228,359.10	21,754.60
Cash paid relating to other operating activities	227,266,822.16	14,916,629.04
Subtotal of cash outflows from operating activities	537,594,992.27	59,011,325.26
Net cash flows from operating activities	(12,415,330.54)	(45,362,104.77)



Items	For the first quarter of 2021	For the first quarter of 2020
<b>II. Cash flows from investing activities:</b>		
Cash received from disposal of investments	300,000,000.00	180,000,000.00
Cash received from return on investments	4,764,657.53	3,293,924.80
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	–	229,091,000.00
Subtotal of cash inflows from investing activities	304,764,657.53	412,384,924.80
Cash paid to acquire fixed assets, intangible assets and other long-term assets	296,670,243.78	28,626,057.80
Cash paid to acquire investments	–	182,000,000.00
Net increase in pledged loans		
Net cash paid to acquire subsidiaries and other business units		
Cash paid relating to other investing activities	–	237,862,000.00
Subtotal of cash outflows from investing activities	296,670,243.78	448,488,057.80
Net cash flows from investing activities	8,094,413.75	(36,103,133.00)
<b>III. Cash flows from financing activities:</b>		
Cash received from capital contributions	55,000,000.00	–
Including: Cash received from capital contributions of minority shareholders of a subsidiary	55,000,000.00	–
Cash received from borrowings	196,535,024.22	–
Cash received relating to other financing activities		
Subtotal of cash inflows from financing activities	251,535,024.22	–
Cash paid for repayments of debts	20,000,000.00	10,000,000.00
Cash paid for distribution of dividends, profits or interest payment	1,570,048.10	1,985,133.35
Including: Dividends and profits paid to minority shareholders by subsidiaries		
Cash paid relating to other financing activities	1,681,426.09	2,569,060.68
Subtotal of cash outflows from financing activities	23,251,474.19	14,554,194.03
Net cash flow from financing activities	228,283,550.03	(14,554,194.03)
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>		
	8,373,686.18	9,143,124.56
<b>V. Net increase in cash and cash equivalents</b>		
Add: Balance of cash and cash equivalents at the beginning of the period	232,336,319.42	(86,876,307.24)
	4,446,029,003.38	201,973,212.01
<b>VI. Balance of cash and cash equivalents at the end of the period</b>		
	4,678,365,322.80	115,096,904.77

*Legal representative:*  
**Xuefeng YU**

*Chief Financial Officer:*  
**Jing WANG**

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

## STATEMENT OF CASH FLOWS OF THE PARENT COMPANY

From January to March 2021

Prepared by: CanSino Biologics Inc.

Unit: Yuan; Currency: RMB; Type of audit: Unaudited

Item	For the first quarter of 2021	For the first quarter of 2020
<b>I. Cash flows from operating activities:</b>		
Cash received from sales of goods or rendering of services	363,358,068.51	131,995.40
Refund of taxes received	54,542,586.52	53,784.12
Cash received relating to other operating activities	107,255,436.96	13,463,414.89
Subtotal of cash inflows from operating activities	525,156,091.99	13,649,194.41
Cash paid for goods and services	225,290,243.13	15,800,120.88
Cash paid to and on behalf of employees	69,883,153.17	28,272,820.74
Cash paid for taxes and surcharges	203,359.10	21,754.60
Cash paid relating to other operating activities	223,362,582.80	14,915,339.04
Subtotal of cash outflows from operating activities	518,739,338.20	59,010,035.26
Net cash flows from operating activities	6,416,753.79	(45,360,840.85)
<b>II. Cash flows from investing activities:</b>		
Cash received from disposal of investments	300,000,000.00	180,000,000.00
Cash received from return on investments	4,764,657.53	3,293,924.80
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	–	229,091,000.00
Subtotal of cash inflows from investing activities	304,764,657.53	412,384,924.80
Cash paid to acquire fixed assets, intangible assets and other long-term assets	236,258,869.15	28,626,057.80
Cash paid to acquire investments	–	182,000,000.00
Net cash paid to acquire subsidiaries and other business units	45,051,318.00	100,000.00
Cash paid relating to other investing activities	–	237,862,000.00
Subtotal of cash outflows from investing activities	281,310,187.15	448,588,057.80
Net cash flow from investing activities	23,454,470.38	(36,203,133.00)

Item	For the first quarter of 2021	For the first quarter of 2020
<b>III. Cash flows from financing activities</b>		
Cash received from capital contributions		
Cash received from borrowings	196,535,024.22	–
Cash received relating to other financing activities		
Subtotal of cash inflows from financing activities	196,535,024.22	–
Cash paid for repayments of debts	20,000,000.00	10,000,000.00
Cash paid for distribution of dividends, profits or interest payment	1,570,048.10	1,985,133.35
Cash paid relating to other financing activities	1,681,426.09	2,569,060.68
Subtotal of cash outflows from financing activities	23,251,474.19	14,554,194.03
Net cash flows from financing activities	173,283,550.03	(14,554,194.03)
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>		
	8,372,967.83	9,143,124.56
<b>V. Net increase in cash and cash equivalents</b>		
	211,527,742.03	(86,975,043.32)
Add: Balance of cash and cash equivalents at the beginning of the period	4,445,932,567.23	201,973,212.01
<b>VI. Balance of cash and cash equivalents at the end of the period</b>		
	4,657,460,309.26	114,998,168.69

<i>Legal representative:</i>	<i>Chief Financial Officer:</i>	<i>Person-in-charge of Accounting Department:</i>
<b>Xuefeng YU</b>	<b>Jing WANG</b>	<b>Lu LI</b>

**4.2 Adjustment to the financial statements of the first year of adopting new revenue standards and new leasing standards since 2021**

Applicable     Not applicable

**4.3 Explanation on retrospective adjustment on comparative data of the first year of adopting new revenue standards and new leasing standards since 2021**

Applicable     Not applicable

**4.4 Audit Report**

Applicable     Not applicable