

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

**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, 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 “**Third Quarterly Report**”) of the Group for the nine months ended September 30, 2021 (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 made 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, 2021

*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: Yuan; Currency: RMB*

Item	Amount for the period	Increase/decrease as compared with the corresponding period of 2020 (%)	Amount from the beginning of the year to the end of the Reporting Period	Increase/decrease as compared with the corresponding period of 2020 (%)
Operating revenue	1,024,320,530.52	62,199.88	3,085,775,466.38	54,286.51
Net profit attributable to shareholders of the listed company	396,762,938.64	Not applicable	1,333,895,747.93	Not applicable
Net profit after deduction of non-recurring profit or loss attributable to shareholders of listed company	375,435,340.16	Not applicable	1,274,702,774.79	Not applicable
Net cash flows from operating activities	474,750,433.68	Not applicable	1,243,273,461.70	Not applicable
Basic earnings per share (RMB/Share)	1.60	Not applicable	5.39	Not applicable
Diluted earnings per share (RMB/Share)	1.60	Not applicable	5.39	Not applicable
Weighted average return on net assets (%)	5.50	Not applicable	19.78	Not applicable
Research and development expenses	108,690,828.22	58.24	675,422,072.93	282.21

<b>Item</b>	<b>Amount for the period</b>	<b>Increase/ decrease as compared with the corresponding period of 2020 (%)</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 2020 (%)</b>
Proportion of research and development expenses to operating revenue (%)	10.61	Decreased by 4166.97 percentage points	21.89	Decreased by 3092.72 percentage points

<b>Item</b>	<b>As at the end of the Reporting Period</b>	<b>As at the end of 2020</b>	<b>Increase/decrease as at the end of the Reporting Period as compared with the end of 2020 (%)</b>
Total assets	10,885,218,247.28	6,748,073,711.72	61.31
Total owners' equity (or shareholders' equity) attributable to the shareholders of the listed company	7,420,158,343.56	6,070,854,160.36	22.23

*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: Yuan; Currency: RMB*

Item	Amount for the period	Amount from the beginning of the year to the end of 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	2,346,950.25	9,142,073.27	
Except 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 and financial liabilities held for trading, and investment income from disposal of financial assets held for trading, financial liabilities held for trading, and financial assets available for sales	24,440,007.41	59,805,389.48	
Other non-operating revenue and expenses other than the foregoing items	(5,052,381.65)	(4,861,172.07)	
Less: Effect of income tax	406,977.53	4,893,317.54	
Total	21,327,598.48	59,192,973.14	

Statement regarding 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 2020/ corresponding period of 2020 (%)	Reasons
Operating revenue	54,286.51	Primarily due to the increase in vaccine sales from the beginning of the year to the end of the Reporting Period, since our Recombinant COVID-19 Vaccine (Type 5 Adenovirus Vector) obtained the emergency use authorization in Mexico, Pakistan and other countries, and was granted the conditional marketing authorization by the NMPA in mainland China.
Net profit attributable to shareholders of the listed company	Not applicable	Primarily due to the commercialization of vaccine products, the Company achieved a turnaround from loss to profit from the beginning of the year to the end of the Reporting Period.
Net profit after deduction of non-recurring profit or loss attributable to shareholders of listed company	Not applicable	Primarily due to the commercialization of vaccine products, the Company achieved a turnaround from loss to profit from the beginning of the year to the end of the Reporting Period.
Net cash flows from operating activities	Not applicable	From the beginning of the year to the end of the Reporting Period, the net cash flows from operating activities are inflows, while they were outflows during the corresponding period of previous year, primarily due to the increased income from operating sales from the beginning of the year to the end of the Reporting Period.
Basic earnings per share (RMB/Share)	Not applicable	Primarily due to the significant increase in profit from the beginning of the year to the end of the Reporting Period.
Diluted earnings per share (RMB/Share)	Not applicable	Primarily due to the significant increase in profit from the beginning of the year to the end of the Reporting Period.

<b>Item</b>	<b>Increase/decrease as at the end of the Reporting Period as compared with the end of 2020/ corresponding period of 2020 (%)</b>	<b>Reasons</b>
Weighted average return on net assets (%)	Not applicable	Primarily due to the significant increase in profit from the beginning of the year to the end of the Reporting Period.
Research and development expenses	282.21	Primarily due to the increase in research and development investment from the beginning of the year to the end of the Reporting Period in order to maintain the technology and quality advantages of the future products and improve the core competitiveness.
Proportion of research and development expenses to operating revenue (%)	Decreased by 3,092.72 percentage points	Primarily due to the higher increase of income from operating sales than the increase of research and development expenses from the beginning of the year to the end of the Reporting Period.
Total assets	61.31	Primarily due to the realization of a turnaround from loss to profit, thus net profit attributable to shareholders of the listed company increased. Since the outbreak of COVID-19 pandemic, in order to meet market needs and support the commercial-scale manufacture of COVID-19 vaccines, inventories, fixed assets and many other assets increased significantly at the end of the Reporting Period.

## II. SHAREHOLDERS INFORMATION

### 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	19,018	Total number of preferred shareholders with voting rights restored as at the end of the Reporting Period	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	Pledged or frozen Status of shares	Number of shares
HKSCC NOMINEES LIMITED	Overseas corporation	98,067,097	39.63	–	–	Unknown	–
Xuefeng YU	Overseas natural person	17,874,200	7.22	6,284,017	6,284,017	None	0
Tao ZHU	Domestic 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	16,334,200	6.60	4,409,500	4,409,500	None	0
Future Industry Investment Fund (Limited Partnership)	Domestic non-state-owned legal person	8,814,401	3.56	–	–	None	0
Shanghai Li'an Venture Capital Investment Center (Limited Partnership)	Domestic non-state-owned legal person	4,600,000	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	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

**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	98,067,097	Overseas listed foreign shares	98,067,097
Future Industry Investment Fund (Limited Partnership)	8,814,401	RMB ordinary shares	8,814,401
Shanghai Li'an Venture Capital Investment Center (Limited Partnership)	4,600,000	RMB ordinary shares	4,600,000
Suzhou Litai Venture Capital Investment Center (Limited Partnership)	3,109,454	RMB ordinary shares	3,109,454
Hong Kong Securities Clearing Company Limited	2,924,866	RMB ordinary shares	2,924,866
China Construction Bank Corporation – Yinhu Wealth Theme of Hybrid Securities Investment Fund	2,181,167	RMB ordinary shares	2,181,167
Shenzhen Dachen Chuanglian Equity Investment Fund Partnership (Limited Partnership)	1,826,718	RMB ordinary shares	1,826,718
Ge SUN	1,735,000	RMB ordinary shares	1,735,000
Suzhou Qiming Rongxin Equity Investment Partnership (Limited Partnership)	1,195,470	RMB ordinary shares	1,195,470
Suzhou Huyanglin Venture Capital Center (Limited Partnership)	1,192,505	RMB ordinary shares	1,192,505

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

1. 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.
2. Shanghai Li'an Venture Capital Investment Center (Limited Partnership) and Suzhou Litai Venture Capital Investment Center (Limited Partnership) are investment vehicles managed by Lilly Asia Ventures, and are acting in concert.
3. 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 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)

Suzhou Huyanglin Venture Capital Center (Limited Partnership) held 540,005 shares through ordinary account and 652,500 shares through credit securities account.

### 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. On July 23, 2021, CanSino Biologics (Shanghai) Co., Ltd.\* (康希諾生物(上海)有限公司), a wholly-owned subsidiary of the Company, was established, followed by the formation of CanSino (Shanghai) Biotechnology Co., Ltd.\* (康希諾(上海)生物科技有限公司) and CanSino (Shanghai) Biologics R&D Co., Ltd.\* (康希諾(上海)生物研發有限公司). The Company plans to initiate an innovative vaccine R&D and manufacture base project in Shanghai, and accelerate the construction of synthetic biotechnology platform, R&D and industrialization of innovative vaccines.
2. On September 30, 2021, the Group A and Group C Meningococcal Conjugate Vaccine (CRM197) independently developed by the Company, Menphecía®, has obtained the certificates for first batch of lots release issued by National Institutes for Food and Drug Control. This means that the vaccine is officially launched in China, providing greater protection in preventing diseases associated with group A and group C meningococcal bacterial infections.

### IV. QUARTERLY REPORT

#### 4.1 Audit opinion type of Quarterly Report

Applicable    Not applicable

## 4.2 Financial Statements

### CONSOLIDATED BALANCE SHEET

September 30, 2021

Prepared by: CanSino Biologics Inc.

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

Item	As of September 30, 2021	As of December 31, 2020
<b>Current assets:</b>		
Monetary funds	5,139,096,202.52	4,447,029,798.94
Deposit reservation for balance	–	–
Lending funds	–	–
Financial assets held for trading	1,985,695,589.05	666,639,616.43
Derivative financial assets	–	–
Note receivables	–	–
Trade receivables	481,556,188.09	22,143,420.00
Financing receivables	–	–
Advances to suppliers	328,928,400.07	114,067,349.21
Premium receivables	–	–
Reinsurance accounts receivables	–	–
Receivable from subcontracting reserves	–	–
Other receivables	6,756,291.05	251,000.00
Including: Interests receivables	–	–
Dividend receivables	–	–
Redemptory monetary capital for sale	–	–
Inventories	590,097,330.71	170,512,571.77
Contract assets	–	–
Assets classified as held for sale	–	–
Non-current assets due within one year	–	–
Other current assets	37,855,662.16	–
Total current assets	8,569,985,663.65	5,420,643,756.35

<b>Item</b>	<b>As of September 30, 2021</b>	<b>As of December 31, 2020</b>
<b>Non-current assets:</b>		
Issuing of loans and advances	–	–
Debt investments	–	–
Other debt investments	–	–
Long-term receivables	1,876,944.95	–
Long-term equity investments	–	–
Investments in other equity instruments	–	–
Other non-current financial assets	29,600,000.00	–
Investment properties	–	–
Fixed assets	896,185,370.82	105,350,994.40
Construction in progress	768,077,932.34	760,055,201.29
Bearer biological assets	–	–
Oil-and-gas assets	–	–
Right-of-use assets	214,537,971.04	8,539,524.10
Intangible assets	115,236,581.64	36,894,168.62
Development disbursement	39,367,941.02	35,402,490.40
Goodwill	–	–
Long-term prepaid expenses	19,799,163.90	7,968,584.50
Deferred income tax assets	43,506,032.42	–
Other non-current assets	187,044,645.50	373,218,992.06
Total non-current assets	2,315,232,583.63	1,327,429,955.37
<b>TOTAL ASSETS</b>	<b>10,885,218,247.28</b>	<b>6,748,073,711.72</b>

Item	As of September 30, 2021	As of December 31, 2020
<b>Current liabilities:</b>		
Short-term borrowings	850,639,154.70	–
Borrowings from the Central Bank	–	–
Borrowing funds	–	–
Financial liabilities held for trading	–	–
Derivative financial liabilities	–	–
Notes payables	–	–
Trade payables	613,226,066.73	60,572,892.92
Advances from customers	–	–
Contract liabilities	354,913,694.75	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	156,030,343.04	71,861,844.99
Taxes payable	4,316,104.04	1,158,684.01
Other payables	411,988,714.90	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	118,034,909.27	48,746,427.39
Other current liabilities	582,567,899.54	–
Total current liabilities	3,091,716,886.97	409,468,569.27
<b>Non-current liabilities:</b>		
Provision for insurance contracts	–	–
Long-term borrowings	–	90,000,000.00
Bond payables	–	–
Including: Preferred shares	–	–
Perpetual bonds	–	–
Lease liabilities	203,501,484.92	3,790,260.11
Long-term payables	–	–
Long-term employee benefits payable	–	–
Accrued liabilities	–	–
Deferred income	169,841,531.83	173,960,721.98
Deferred income tax liabilities	–	–
Other non-current liabilities	–	–
Total non-current liabilities	373,343,016.75	267,750,982.09
TOTAL LIABILITIES	3,465,059,903.72	677,219,551.36

<b>Item</b>	<b>As of September 30, 2021</b>	<b>As of 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	6,603,504,497.99	6,588,096,062.72
Less: Treasury shares	–	–
Other comprehensive income	–	–
Special reserves	–	–
Surplus reserves	–	–
General risk provisions	–	–
Undistributed profits (losses)	569,203,946.57	(764,691,801.36)
Total owners' equity (or shareholders' equity)		
attributable to the parent company	7,420,158,343.56	6,070,854,160.36
Non-controlling interests	–	–
<b>TOTAL OWNERS' EQUITY</b>		
<b>(OR SHAREHOLDERS' EQUITY)</b>	<b>7,420,158,343.56</b>	<b>6,070,854,160.36</b>
<b>TOTAL LIABILITIES AND OWNERS'</b>		
<b>EQUITY (OR SHAREHOLDERS'</b>		
<b>EQUITY)</b>	<b>10,885,218,247.28</b>	<b>6,748,073,711.72</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, 2021

Prepared by: CanSino Biologics Inc.

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

Item	First three quarters of 2021 (From January to September)	First three quarters of 2020 (From January to September)
<b>I. Total revenue</b>	3,085,775,466.38	5,673,787.90
Including: Operating Revenue	3,085,775,466.38	5,673,787.90
Interest income	–	–
Earned premium	–	–
Service charges and commission income	–	–
<b>II. Total costs</b>	1,855,021,421.90	226,078,056.82
Including: Cost of operation	1,046,603,838.77	503,402.59
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	8,577,940.60	2,744,287.13
Selling expenses	64,113,503.38	8,125,674.50
Administrative expenses	141,105,074.75	50,747,828.35
R&D expenses	655,770,308.43	176,716,264.71
Financial expenses	(61,149,244.03)	(12,759,400.46)
Including: Interest expenses	12,437,287.53	–
Interest income	(62,216,613.74)	(21,412,768.03)

<b>Item</b>	<b>First three quarters of 2021 (From January to September)</b>	<b>First three quarters of 2020 (From January to September)</b>
Add: Other income	9,368,829.26	29,405,560.36
Investment income	28,827,316.40	4,292,063.78
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 arising from changes in fair value	30,978,073.08	10,009,993.45
Credit impairment loss	(4,051,726.10)	—
Asset impairment loss	(625,649.54)	—
Gains on assets disposal	—	—
<b>III. Operating profit (loss)</b>	<b>1,295,250,887.58</b>	<b>(176,696,651.33)</b>
Add: Non-operating income	1,112,683.77	973,884.24
Less: Non-operating expenses	5,973,855.84	168,544.05
<b>IV. Total profit (loss)</b>	<b>1,290,389,715.51</b>	<b>(175,891,311.14)</b>
Less: Income tax expenses	(43,506,032.42)	—
<b>V. Net profit (loss)</b>	<b>1,333,895,747.93</b>	<b>(175,891,311.14)</b>
(I). Classified by operations continuity		
1. Net profit (loss) from continuing operations	1,333,895,747.93	(175,891,311.14)
2. Net profit (loss) from discontinued operations	—	—
(II). Classified by ownership		
1. Net profit (loss) attributable to shareholders of the company	1,333,895,747.93	(175,891,311.14)
2. Net profit (loss) attributable to minority shareholders	—	—

Item	First three quarters of 2021 (From January to September)	First three quarters of 2020 (From January to September)
<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	—	—
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>Item</b>	<b>First three quarters of 2021 (From January to September)</b>	<b>First three quarters of 2020 (From January to September)</b>
<b>VII.Total comprehensive profit (loss)</b>	1,333,895,747.93	(175,891,311.14)
(I). Total comprehensive profit (loss) attributable to shareholders of the company	1,333,895,747.93	(175,891,311.14)
(II). Total comprehensive profit attributable to minority shareholders	-	-
<b>VIII.Earnings (loss) per share</b>		
(I). Basic earnings (loss) per share(RMB/share)	5.39	(0.78)
(II). Diluted earnings (loss) per share (RMB/share)	5.39	(0.78)

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>
---	--	---

## CONSOLIDATED STATEMENTS OF CASH FLOWS

From January to September, 2021

Prepared by: CanSino Biologics Inc.

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

Item	First three quarters of 2021 (From January to September)	First three quarters of 2020 (From January to September)
<b>I. Cash flows from operating activities:</b>		
Cash received from sales of goods and rendering of services	3,044,676,784.10	5,516,212.30
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	159,476,222.53	8,251,056.83
Cash received relating to other operating activities	129,530,983.89	80,278,908.65
Subtotal of cash inflow from operating activities	3,333,683,990.52	94,046,177.78
Cash paid for goods and services	1,177,437,980.81	105,607,898.95
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	255,831,862.59	99,293,238.34
Payments of taxes	2,899,645.71	1,136,233.19
Cash paid relating to other operating activities	654,241,039.71	59,980,199.46
Subtotal of cash outflows from operating activities	2,090,410,528.82	266,017,569.94
Net cash flows from operating activities	1,243,273,461.70	(171,971,392.16)

Item	First three quarters of 2021 (From January to September)	First three quarters of 2020 (From January to September)
<b>II. Cash flows from investing activities:</b>		
Cash received from disposal of investments	3,936,000,000.00	1,499,000,000.00
Cash received from return on investments	32,364,847.93	15,994,281.54
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	-	1,063,539,672.93
Subtotal of cash inflows from investing activities	3,968,364,847.93	2,578,533,954.47
Cash paid to acquire fixed assets, intangible assets and other long-term assets	919,068,846.49	160,537,098.87
Cash paid to acquire investments	5,278,960,383.57	5,001,000,000.00
Net increase in pledged loans	-	-
Net cash paid to acquire subsidiaries and other business units	-	-
Cash paid relating to other investing activities	3,479,411.60	696,276,672.93
Subtotal of cash outflows from investing activities	6,201,508,641.66	5,857,813,771.80
Net cash flows from investing activities	(2,233,143,793.73)	(3,279,279,817.33)
<b>III. Cash flows from financing activities:</b>		
Cash received from capital contributions	604,890,000.00	4,983,775,680.00
Including: Cash received from capital contributions of minority shareholders of subsidiaries	604,890,000.00	-
Cash received from borrowings	970,210,136.59	-
Cash received relating to other financing activities	-	-
Subtotal of cash inflows from financing activities	1,575,100,136.59	4,983,775,680.00
Cash paid for repayments of debts	160,000,000.00	20,000,000.00
Cash paid for distribution of dividends, profits or interest payment	5,395,376.38	5,287,084.44
Including: Dividends and profits paid to minority shareholders by subsidiaries	-	-
Cash paid relating to other financing activities	12,641,598.66	17,197,607.42
Subtotal of cash outflows from financing activities	178,036,975.04	42,484,691.86
Net cash flow from financing activities	1,397,063,161.55	4,941,290,988.14

Item	First three quarters of 2021 (From January to September)	First three quarters of 2020 (From January to September)
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>	11,576,166.67	(8,571,532.03)
<b>V. Net increase in cash and cash equivalents</b>	418,768,996.19	1,481,468,246.62
Add: Balance of cash and cash equivalents at the beginning of the period	4,446,029,003.38	201,973,212.01
<b>VI. Balance of cash and cash equivalents at the end of the period</b>	4,864,797,999.57	1,683,441,458.63

<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>
---	--	---

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

Applicable     Not applicable

The announcement is hereby made.

Board of CanSino Biologics Inc.