Clover Reports Full Year 2021 Financial Results

March 29, 2022

SHANGHAI, China, March 29, 2022 (GLOBE NEWSWIRE) -- Clover Biopharmaceuticals, Ltd. (Clover; HKEX: 02197), a global clinical-stage biotechnology company developing novel vaccines and biologic therapeutic candidates, today reported financial results for the year ended December 31, 2021.

“2021 was a remarkable year for Clover. We announced positive Phase 2/3 data for our COVID-19 vaccine candidate, raised significant capital including completing an IPO, and expanded our headcount to establish global development capabilities and prepare for commercial launch. We carried this momentum into the first quarter of 2022 by announcing exciting preliminary booster data against Omicron, results that drive us closer to achieving our vision of empowering humanity with a healthier future through transformative science,” **said Joshua Liang, Chief Executive Officer and Executive Director of Clover.** “Given the continued outbreaks of COVID-19 cases in China and across the globe, the demand for premium COVID-19 vaccines like our COVID-19 vaccine candidate couldn’t be stronger. We remain focused on completing our regulatory submissions and making our COVID-19 vaccine available in China and around the world as soon as possible.”

“Protein-based vaccines have been used for decades to protect people from viral infections and we are confident 2022 will be the year that protein-based COVID-19 vaccines, including ours, make a significant impact on the global fight to help end the pandemic,” **said Dr. Nicholas Jackson, President of Global Research and Development of Clover.** “Our COVID-19 vaccine candidate is potentially differentiated as it has demonstrated high efficacy against variants, potential best-in-field safety and tolerability, and only requires standard refrigeration storage and transportation conditions. We are also encouraged by the growing body of clinical evidence supporting the utilization of our COVID-19 vaccine candidate for both primary vaccination and as a universal booster. We look forward to generating additional booster data in the coming quarters, as well as continuing to advance other product candidates in our pipeline.”

Business Highlights:

SCB-2019 (CpG 1018/Alum), COVID-19 Vaccine Candidate

- **Regulatory Submissions:** In December 2021, Clover received feedback from the WHO following their GMP inspection of our manufacturing facility in Changxing, Zhejiang province, China. We have been augmenting the Changxing facility and we believe the facility continues to be on track for additional pre-approval GMP inspections in the second quarter of 2022. Activities at a CDMO site intending to support EMA and WHO submissions are continuing on track as well. Clover expects to complete regulatory submissions in the middle of 2022 to the NMPA and in the third quarter of 2022 to the EMA and the WHO, with ongoing preparations to commence commercial launch of SCB-2019 (CpG 1018/Alum) after receiving conditional approvals.
- **SPECTRA Follow-up Efficacy Analysis:** In March 2022, we announced that SCB-2019 (CpG 1018/Alum) maintained 100% efficacy against severe COVID-19 and demonstrated 95% efficacy against hospitalization at five months after the second dose in the primary vaccination setting against any SARS-CoV-2 strain. There was also no evidence that clinical efficacy against COVID-19 declined over a five-month period in individuals with prior SARS-CoV-2 infection who were subsequently boosted with SCB-2019 (CpG 1018/Alum). No safety concerns were observed in individuals dosed with SCB-2019 (CpG 1018/Alum) in this follow-up period.
- **Booster Data Including Omicron Neutralizing Antibodies:** In March 2022, we announced preliminary data from ongoing clinical trials that demonstrated a SCB-2019 (CpG 1018/Alum) booster dose in both homologous and heterologous booster settings induced strong immune responses and broad neutralization against all variants of concern, including Omicron.

SCB-2020S (CAS-1), Second-generation COVID-19 Vaccine Candidate

- **Clinical Trial Application (CTA) Approval:** In March 2022, SCB-2020S (CAS-1) received CTA approval in South Africa. We anticipate initiating a Phase 1 clinical trial in the first half of 2022.

Full Year 2021 Financial Highlights:

- Cash and cash equivalents were RMB2,767.4 million as of December 31, 2021, compared to RMB516.2 million as of December 31, 2020, primarily attributable to the proceeds generated from the Company’s Series C financing in March 2021 and the IPO of the Company in November 2021.
- Research and development expenses were RMB1,826.3 million for 2021, compared to RMB228.2 million for 2020. This increase was primarily attributable to (i) a significant increase in clinical trial expenses for the SPECTRA clinical trial, (ii) an increase in additional research and development expenses for the conduct of other clinical trials and preclinical studies and service fees paid to CDMOs to prepare for commercial launch, and (iii) an increase in employee salaries and benefits as

we continued hiring in clinical operations, CMC and project management to support the development and prepare for commercialization of SCB-2019 (CpG 1018/Alum).

- Administrative expenses were RMB345.7 million for 2021, compared to RMB76.4 million for 2020, which was primarily attributable to (i) the increase in management and administrative staff headcount to support the rapid expansion of the Company; (ii) the increase in third-party recruitment agency costs; (iii) IPO listing expenses; and (iv) the increase in consulting expenses associated with the anticipated commercialization of SCB-2019 (CpG 1018/Alum) and other operating and administrative activities.
- IFRS net loss was RMB6,016.3 million for 2021, compared to RMB912.9 million for 2020. The increase was primarily attributable to (i) the increase in research and development expenses and administrative expenses and (ii) the increase in the fair value loss on convertible redeemable preferred shares of RMB3,209.9 million, primarily attributable to the increase in the Company's valuation upon the completion of the IPO. The increase in the fair value loss on convertible redeemable preferred shares was non-cash and non-recurring.
- Non-IFRS adjusted loss was RMB2,083.5 million for 2021, compared to RMB315.2 million for 2020. Adjusted loss for the year represents the loss for the year excluding the effect brought by share-based payment expenses and certain non-cash items and non-recurring events, namely the fair value changes of convertible redeemable preferred shares.

About SCB-2019 (CpG 1018/Alum)
Employing the Trimer-Tag™ technology platform, Clover developed the SCB-2019 antigen, a stabilized trimeric form of the S-protein (referred to as S-Trimer™) based on the original strain of the SARS-CoV-2 virus. Clover created its COVID-19 vaccine candidate by combining SCB-2019 with Dynavax's (Nasdaq: DVAX) CpG 1018 advanced adjuvant and aluminium hydroxide (alum).

About Clover Biopharmaceuticals
Clover Biopharmaceuticals is a global clinical-stage biotechnology company committed to developing novel vaccines and biologic therapeutic candidates. The Trimer-Tag™ technology platform is a product development platform for the creation of novel vaccines and biologic therapies. Clover leveraged the Trimer-Tag™ technology platform to become a COVID-19 vaccine developer and created SCB-2019 (CpG 1018/Alum) to address the COVID-19 pandemic caused by SARS-CoV-2.

For more information, please visit Clover's website: www.cloverbiopharma.com and follow the company on LinkedIn.

Clover Forward-looking Statements
This press release contains certain forward-looking statements and information relating to us and our subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used, the words "aim," "anticipate," "believe," "could," "estimate," "expect," "going forward," "intend," "may," "might," "ought to," "plan," "potential," "predict," "project," "seek," "should," "will," "would" and the negative of these words and other similar expressions, as they relate to us or our management, are intended to identify forward-looking statements.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. We give no assurance that these expectations and assumptions will prove to have been correct. Because forward-looking statements relate to the future, they are participant to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our results may differ materially from those contemplated by the forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. We caution you therefore against placing undue reliance on any of these forward-looking statements. Any forward-looking statement made by us in this document speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Participant to the requirements of applicable laws, rules and regulations, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise. All forward-looking statements contained in this document are qualified by reference to this cautionary statement.

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