



Canaan Announces Closing of Registered Direct Offering of US\$170.0 Million of its ADSs and Warrants

BEIJING, May 5, 2021 /PRNewswire/ -- Canaan Inc. (NASDAQ: CAN) ("Canaan" or the "Company"), a leading high-performance computing solutions provider, today announced for the closing of a registered direct offering of \$170.0 million of its American Depositary Shares ("ADS"), each ADS representing 15 Class A ordinary shares of the Company, par value US\$0.00000005 per share (the "Class A Ordinary Shares"), or US\$12.60 per ADS. The Company has also issued to the investors warrants (the "Warrants") to purchase up to an aggregate of 4,047,620 ADSs (representing 60,714,300 Class A Ordinary Shares), at an exercise price of \$16.38 per ADS, which Warrants have a term of three years from the date of issuance.

The net proceeds from this offering will be used for research and development and expansion of production scale, and working capital and general corporate purposes as disclosed in the prospectus supplement to be filed in connection with the offering.

FT Global Capital, Inc. acted as the sole bookrunning placement agent and Valuable Capital Limited acted as co-placement agent for the transaction. Simpson Thacher & Bartlett acted as the Company's U.S. legal counsel and Schiff Hardin LLP acted as the legal counsel for FT Global Capital.

These securities were offered through a prospectus supplement pursuant to the Company's effective shelf registration statement and the base prospectus contained therein. A shelf registration statement (SEC Filing No. 333-255470) relating to these securities has been filed with the Securities and Exchange Commission (the "SEC") on April 23, 2021 and became effective automatically pursuant to SEC Rule 462(e).

A prospectus supplement related to the offering has been filed with the SEC on April 30, 2021. This press release does not constitute an offer to sell or the solicitation of an offer to buy, and these securities cannot be sold in any state in which this offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state. Any offer will be made only by means of a prospectus, including a prospectus supplement, forming a part of the effective registration statement.

About Canaan Inc.

Established in 2013, Canaan Inc. provides high-performance computing solutions to efficiently solve complex problems. In 2016, Canaan successfully initiated the production of its first 16nm chip and passed the test to receive China's national high-tech enterprise certification. In 2018, Canaan achieved major technological breakthroughs to launch the K210, the world's first-ever RISC-V-based edge artificial intelligence (AI) chip, which is now widely used for access control in situations such as smart door locks and more. Canaan Inc. is currently focused on the research and development of advanced technology, including such areas as AI chips, AI algorithms, AI architectures, system on a chip (SoC) integration and chip integration. Using the AI chip as its base, Canaan Inc. has established an intellectual value chain. Canaan Inc. also provides a suite of AI service solutions and is able to tailor these solutions to the needs of its partners. For more information, please visit: investor.canaan-creative.com.

Safe Harbor Statement

This announcement contains forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" and similar statements. Among other things, the business outlook and quotations from management in this announcement, as well as Canaan Inc.'s strategic and operational plans, contain forward-looking statements. Canaan Inc. may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission ("SEC") on Forms 20-F and 6-K, in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about Canaan Inc.'s beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: the Company's goals and strategies; the Company's future business development, financial condition and results of operations; the expected growth of the Bitcoin industry and the price of Bitcoin; the Company's expectations regarding demand for and market acceptance of its products, especially its Bitcoin mining equipment; the Company's expectations regarding maintaining and strengthening its relationships with production partners and customers; the Company's investment plans and strategies, fluctuations in the Company's quarterly operating results; competition in its industry in China; and relevant government policies and regulations relating to the Company and cryptocurrency. Further information regarding these and other risks is included in the Company's filings with the SEC, including its registration statement on Form F-1, as amended, and its annual reports on Form 20-F. All information provided in this press release and in the attachments is as of the date of this press release, and Canaan Inc. does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

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