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)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2019

The Board of Directors is pleased to announce the unaudited condensed consolidated interim results of the Company for the six months ended June 30, 2019, together with the comparative figures for the corresponding period in 2018 as follows.

FINANCIAL SUMMARY

	Six months ended June 30,			
	2019	2018	Changes	
	RMB'000	*RMB'000*	*RMB'000*	*%*
	(Unaudited)	(Audited)		
Revenue	**–**	–	–	–
Operating loss	**(88,586)**	(51,557)	(37,029)	71.8%
Loss before income tax	**(69,677)**	(51,481)	(18,196)	35.3%
Loss for the period and total comprehensive loss	**(69,677)**	(51,481)	(18,196)	35.3%
Basic and diluted loss per share	**(0.38)**	(0.34)	(0.04)	11.8%

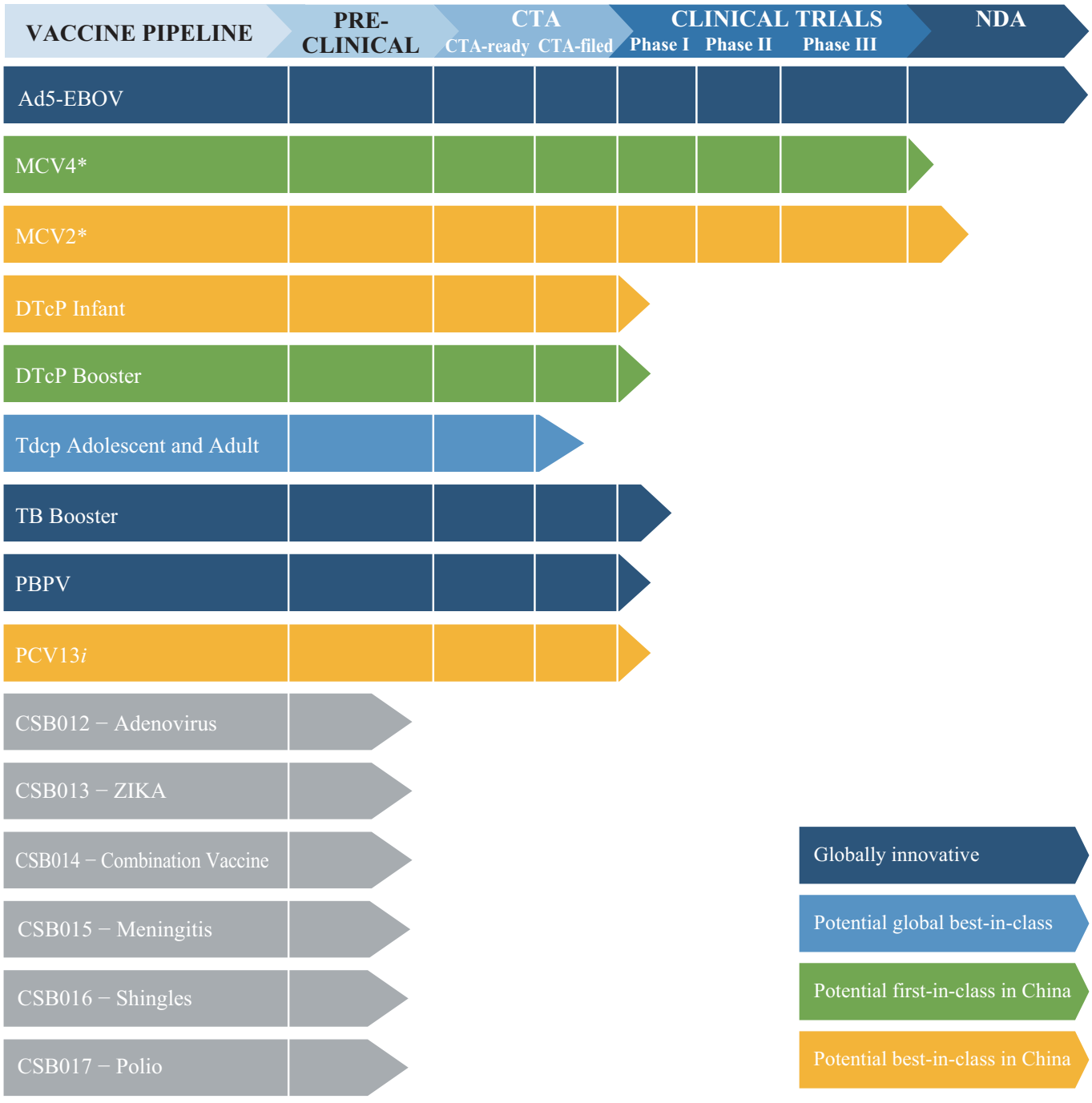
CORPORATE PROFILE

CanSino's mission is to develop, manufacture and commercialize high quality, innovative and affordable vaccines. Our mission is being fulfilled by an accomplished team of founders and senior management – world-class scientists with a record of leading the development of innovative international vaccines at global pharmaceutical companies such as Sanofi Pasteur, AstraZeneca and Wyeth (now Pfizer). Other management members are also vaccine industry veterans from leading multi-national and domestic biologics companies.

Our vaccine pipeline, which is strategically designed to address China's vast and underserved market, can be summarized into three categories: (i) globally innovative vaccines to serve China's unmet medical needs (such as Ad5-EBOV, our TB Booster candidate and our PBPV candidate); (ii) potential first-in-class vaccines in China developed to replace the current primary vaccines with higher-quality world-class vaccines (such as our DTcP vaccine candidates and MCV4 candidate); and (iii) potential best-in-class vaccines in China developed to compete with the imported products in the PRC market (such as our PCV13*i* candidate).

We are developing 15 vaccine candidates for 12 disease areas. In addition to our three near-commercial assets covering meningococcal diseases and Ebola virus disease, we have six vaccine candidates in clinical trial stage or CTA stage. We also have six pre-clinical vaccine candidates, including one combination vaccine candidate. To date, we have not commercialized any products, and we cannot guarantee that we will be able to successfully develop and commercialize our drug candidates.

Our product pipeline is set out below as at the date of this announcement:



* *denotes a Core Product.*

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the first half of 2019, in addition to those disclosed in the Prospectus, the Company made following significant progress with respect to its product pipeline:

- **CTA Approval for PCV13*i***

  We have received the CTA approval for PCV13*i* from the NMPA on April 19, 2019. PCV13*i* is designed to compete with a world-class standard PCV13 product for children under 2 years old. We have made improvements in the conjugate design and manufacturing processes of our PCV13 candidate based on our proprietary conjugate vaccine manufacturing know-how.

- **Pre-NDA Meeting Application for MCV4**

  We completed the NDA application package for our MCV4, and submitted for the pre-NDA meeting to the NMPA on July 5, 2019. We will make the NDA filing as soon as practicable based on NMPA's response. The filing is potentially the first NDA for MCV4 in China, and our MCV4 candidate is a potential China first-in-class vaccine preventing meningitis which was found to be safe and well-tolerated, and showed good immunogenicity in age groups from 3 months to 6 years old. It is designed to be comparable to vaccines manufactured by multinational companies which are widely used in developed countries.

NEAR COMMERCIAL-STAGE PRODUCTS

- **MCV4**

  Our MCV4 candidate is a potential China first-in-class vaccine preventing meningitis. It is designed to be comparable to vaccines manufactured by multinational companies which are widely used in developed countries. We are one of two domestic companies with an MCV4 candidate at phase III clinical trial or later stage.

  Our MCV4 candidate was found to be safe and well-tolerated, and showed good immunogenicity in all age groups. Compared with MPSV4 products, our MCV4 candidate has an age indication covering populations from 3 months to 6 years old, therefore covering infants below 12 months old where the incidence of meningococcal disease is the highest. Compared with MCV2 products with an age indication for population below 23 months old, our MCV4 candidate covers two additional serogroups, Y and W135, which translates to broader protection. In addition, the polysaccharides of our MCV4 candidate are free of phenol, a toxic substance, while most competitor meningococcal vaccines contain phenol.

  We obtained an umbrella CTA approval for the MCV4 candidate in December 2015. In preparation for the CTA filing with the CFDA (currently known as NMPA) for our MCV4 candidate, we did not have material communications with the CFDA. We have completed the phase III clinical trial of our MCV4 candidate, and have received the clinical trial report. We completed the NDA application package for our MCV4, and submitted for the pre-NDA meeting to the NMPA on July 5, 2019. We will make the NDA filing as soon as practicable based on NMPA's response. In addition, we have completed validation of our manufacturing facilities and processes. We expect to go through pre-approval inspection for licensure in 2020 and to launch our MCV4 candidate after the inspection.

- **MCV2**

  Our MCV2 candidate is a potential China best-in-class bi-valent meningococcal vaccine. It is expected to compete with domestic MCV2 products marketed by well-known manufacturers in China.

  Compared with the primary MCV2 products currently approved in China, our phase III clinical trial showed that our MCV2 candidate demonstrated a superior safety profile in the age group of 3 months and superior immunogenicity in the age groups of 6 to 23 months. In addition, our MCV2 candidate does not contain any adjuvants. Although $Al(OH)_3$ is widely used as an adjuvant in human vaccines, there is a growing concern about the accumulated amount of $Al(OH)_3$ used in vaccines for pediatrics.

  We obtained an umbrella CTA approval for our MCV2 candidate in December 2015. In preparation for the CTA filing with the CFDA for our MCV2 candidate, we did not have material communications with the CFDA. We filed the NDA for our MCV2 candidate on January 31, 2019, and expect to receive the response from NMPA by the end of 2019. In addition, we intend to supplement our NDA with results of ongoing persistence and booster studies as they become available. In addition, we have completed validation of our manufacturing facilities and processes. We expect to go through pre-approval inspection in 2019 for licensure and launch our MCV2 candidate afterwards.

- **Ad5-EBOV**

  Ad5-EBOV is jointly developed by the Institute of Biotechnology of Academy of Military Medical Sciences and us. It uses adenovirus vector technology to induce the immune response. Ad5-EBOV is the first approved Ebola virus vaccine in China for emergency use and national stockpile. There is no other approved Ebola virus vaccine in China.

  Compared with the current vaccine and vaccine candidates, Ad5-EBOV has advantages including (i) it has a better stability profile attributable to its freeze-dried dosage form and is approved to be stored between 2°C to 8°C for 12 months; (ii) it is an inactive non-replicating viral vector vaccine with less safety concerns; and (iii) it is a potential broad spectrum protection vaccine against the Zaire Ebola virus.

  Ad5-EBOV received NDA approval in China in October 2017 only for emergency use and national stockpile. According to the NDA approval, the approved Ad5-EBOV contains 8.0×10^{10} viral particles per dose, and one dose (2 vials) is recommended for primary vaccination. The shelf life of Ad5-EBOV is 12 months. We have obtained the GMP certificate for Ad5-EBOV.

  We currently do not expect Ad5-EBOV to contribute significantly to our business commercially in the future, primarily because the global stockpile and emergency use market for Ad5-EBOV is limited and steady at RMB200 million per year for the next decade and the potential traveler market size is expected to be less than RMB300 million by 2030, as disclosed in the Prospectus. We do not expect to incur significant costs or allocate significant resources for further studies of Ad5-EBOV, nor do we have any material commitments with respect to Ad5-EBOV. Our further studies of Ad5-EBOV will depend on the PRC government's plan with respect to Ebola vaccines, and we expect to rely primarily on government grants to conduct such studies, if any.

DRUG CANDIDATES IN THE PIPELINE

- **DTcP Infant**

  We are developing a potential best-in-class DTcP vaccine for infants, or DTcP Infant candidate, for primary vaccination. The manufacturing process of DTaP vaccines involves co-purification of the pertussis antigens, which results in the quantities of each pertussis antigen varying from batch to batch. In contrast, each pertussis antigen of DTcP vaccines is purified individually and are subsequently combined in a defined ratio, hence ensuring a fixed and consistent composition. Compared with Pentaxim, the only DTcP vaccine in China, our DTcP Infant candidate contains three pertussis antigens as compared to two pertussis antigens, which translates to better protection.

  We received the CTA approval for our DTcP Infant candidate in January 2018. We have commenced a phase I clinical trial in China and expect to conduct further clinical trials in China. Considering that we have obtained an umbrella CTA approval for this candidate and based on our experience with the clinical trials for our MCV candidates, which also received umbrella CTA approvals, we expect to conduct Phase III clinical trial for our DTcP Infant candidate in 2020.

- **DTcP Booster**

  There are no DTP booster vaccines for children in China. Our DTcP Booster candidate is a potential China first-in-class DTcP booster vaccine for children, which is designed to have the same composition as our DTcP Infant candidate and therefore has the same safety, immunogenicity and manufacturing productivity profiles.

  We received CTA approval for our DTcP Booster candidate in January 2018. We have commenced a phase I clinical trial in China and expect to conduct further clinical trials in China. Considering that we have obtained an umbrella CTA approval for this candidate and based on our experience with the clinical trials for our MCV candidates, which also received umbrella CTA approvals, we expect to complete the clinical trials for our DTcP Booster candidate by 2020.

- **Tdcp Adolescent and Adult**

  DTP booster vaccines for adolescents and adults are in the routine vaccination schedule of developed countries. However, there are no approved DTP booster vaccines for adolescents and adults in China. Moreover, EU countries have also reported a shortage of such vaccines in recent years. Our Tdcp Adolescent and Adult candidate is a potential global best-in-class vaccine developed to compete against world-class vaccines such as Boostrix and Adacel. As compared with the composition of our DTcP Infant candidate, our Tdcp Adolescent and Adult candidate contains a slightly higher amount of the TT antigen, and reduced amounts of pertussis antigens (FHA, PT and PRN) and the DT antigen in line with international industry standards.

The CTA for our Tdcp Adolescent and Adult candidate was accepted by the CFDA in August 2016. However, as this was a new vaccine in China, the Pharmacopoeia of China did not provide specifications and standards for such vaccine, and we did not reach an agreement with the CFDA on the selection of potency standards. In January 2018, we submitted a request to withdraw our CTA to the CFDA, which was accepted in February 2018.

There are well-established potency standards for Tdcp vaccines in the EU. As such, we requested a pre-CTA meeting with the Federal Agency for Medicines and Health Products of Belgium (the "**FAMHP**") in December 2018 together with a briefing package including pre-clinical studies and clinical development plans for inspection. The pre-CTA meeting was held on February 27, 2019 and the FAMHP has not raised any material concerns with respect to our Tdcp candidate. We plan to file a CTA for our Tdcp Adolescent and Adult candidate in Belgium (as the reference member state in the EU) in 2019. We also plan to file a CTA in China by the end of 2020.

- **TB Booster**

We are developing a globally innovative TB Booster candidate for the BCG-vaccinated population. The phase Ia clinical trial showed the Ad5Ag85A TB candidate to be safe and well tolerated, and able to boost the immunity in the BCG-vaccinated population. We obtained a world-wide exclusive license from McMaster University to develop and commercialize products in the tuberculosis field based on technology information rights owned by McMaster University related to TB Booster and its phase I clinical trial, as well as a non-exclusive sub-license to relevant adenovirus patent rights licensed to McMaster University.

Our phase Ib clinical trial is being conducted in Canada to evaluate the safety and immune responses stimulated by the TB Booster candidate in the blood and lungs. The first two volunteers were vaccinated in April 2018. We expect the phase Ib clinical trial to be completed by the end of 2019.

We plan to file a CTA with the NMPA in 2019 following the completion of the phase Ib clinical trial in Canada. As a globally innovative vaccine candidate with two clinical trials completed overseas and selected as National Science and Technology Major Project, we believe our TB Booster candidate will qualify for priority review by the NMPA. Upon receiving CTA approval, we expect to only require bridging clinical studies prior to commencing a phase II clinical trial in 2020 because we will have overseas clinical data for our TB Booster candidate. As we have not filed a CTA with the NMPA, we have not had any material communications with the NMPA to date.

- **PBPV**

  PBPV is a globally innovative pneumococcal vaccine candidate. Currently, PPV23 products and PCV13 products are all serotype-based and therefore are effective against only up to 23 pneumococcal serotypes but not able to protect against all of the 90 plus serotypes. Our PBPV candidate is not serotype-dependent. Our PBPV candidate adopts antigens that are based on the pneumococcal surface protein A, or PspA, a highly-conserved protein which is expressed by virtually all pneumococci. The results from a large global study showed that over 99% of the clinical isolates from 7 different countries are classified as PspA family 1 or family 2 strains. Our in-house study also demonstrated that approximately 98% of the strains isolated in the city of Nanjing belong to PspA families 1 or 2. Therefore, our PBPV candidate has the potential to have a much broader coverage in the elderly than that offered by the current PPV23 and PCV13 products.

  The CTA for our PBPV candidate was approved in October 2018. We plan to initiate a phase I clinical trial for our PBPV candidate in adults in 2019 and a phase III clinical trial in 2022.

- **PCV13*i***

  We are developing a potential best-in-class improved PCV13 candidate, or PCV13*i*, which is designed to compete with a world-class standard PCV13 product for children under 2 years old. We have made improvements in the conjugate design and manufacturing processes of our PCV13 candidate based on our proprietary conjugate vaccine manufacturing know-how.

  We received the CTA approval for the PCV13*i* from the NMPA on April 19, 2019. We expect to initiate the phase I clinical trial by the end of 2019, phase III clinical trial in 2020 and receive NDA in 2024.

PRE-CLINICAL PROGRAMS WITH PROOF OF CONCEPT

We have six vaccine candidates in pre-clinical programs, including one combination vaccine candidate and five other disease-specific vaccine candidates targeting shingles, meningitis, polio, adenovirus and Zika. In particular:

- **Combo Vaccine**

  We expect to file the CTA of DTcP-Hib combo vaccine in 2020.

- **Adenovirus Vaccine**

  We have completed the construction of the pilot plant for our Adenovirus Vaccine candidate. We expect to file the CTA of Adenovirus Vaccine in 2020.

- **Shingles Vaccine**

  Shingles, also known as herpes zoster, has a high incidence rate among the elderly. It causes significant pain in patients, and therefore leads to high healthcare expenditure. We will seek to leverage our viral vector platform technology to develop a new generation shingles vaccine with significant better efficacy than the current primary vaccines.

- **Meningitis B Vaccine**

  Current conjugate vaccines protect against serogroups A, C, W135 and Y, which are the most frequent causes of the disease in China, but not serogroup B. Serogroup B Neisseria meningitis has become a major emerging cause of meningitis since the development of conjugate vaccines. We will seek to leverage our strengths in protein structure design to develop a meningitis B vaccine to address this emerging unmet medical need.

- **Inactivated Polio Vaccine ("IPV")**

  The global effort to eradicate polio has contributed to a high demand for IPV, for which there is currently also a supply shortage. The development of IPV will enable us to leverage our DTcP vaccine portfolio to form a combination vaccine, and compete with global blockbuster vaccines.

THE COMPANY'S FACILITIES

To date, our manufacturing activities have been primarily limited to those for product registration purposes. We own and operate a commercial-scale manufacturing facility located in Tianjin city currently with a total gross floor area of approximately 37,000 M^2. The facility is designed, constructed and operated to meet international standards. Our manufacturing facility has an annual bulk production capacity of approximately 70 million to 80 million doses, which is higher than the average production capacity at 30 million to 50 million doses of the top five largest domestic privately-owned vaccine companies in China in terms of sales revenue. We believe our current production capacity will be fully capable of supporting our commercialization plans for our near-commercial candidates as well as supporting manufacturing of clinical trial materials in the foreseeable future.

Our manufacturing facility is equipped with advanced equipment and machinery include fermentation, purification, conjugation, and ultrafiltration, auto-packaging and filling machinery. Many of our major manufacturing equipment are manufactured by leading international and domestic suppliers.

NMPA has carried out manufacturing and GMP inspections at our manufacturing facility. We are currently conducting validation of our manufacturing facilities and processes. We expect to go through pre-approval inspection for licensure for our MCV2 and MCV4 candidates by the end of 2019 and 2020, respectively.

QUALITY MANAGEMENT

Our quality management team is divided into quality assurance, quality control and validation teams. Our quality assurance team is responsible for establishing comprehensive quality policies, ensuring our compliance with global quality guidelines and maintaining all quality related documentation. Our quality control team is responsible for quality test, inspection and review for all our products and raw materials. Our validation team is responsible for quality inspection and validation of our machinery, facilities and manufacturing processes. We have a comprehensive quality management system with stringent policies relating to vaccine research, development and manufacturing. Moreover, our quality management system is designed to ensure that we are in compliance with GMP, Pharmacopoeia and labelling requirements and other applicable laws and regulations. Quality issues are documented, escalated to and reviewed by the senior management of the Company. We also conduct a formal risk assessment and justification in accordance with the standards and procedures under our quality management system and policies. In addition, we have established a quality management committee, which is supervised by the management and responsible for formulating quality objectives and quality policies, assigning responsibilities, coordinating resources and implementing regular quality reviews.

FUTURE AND OUTLOOK

As disclosed in our Prospectus, China's vaccine market is vast due to its large population, which is estimated to be approximately 1,409.8 million in 2017 and is expected to reach 1,463.0 million by 2030. Our mission is to develop, manufacture and commercialize high quality, innovative and affordable vaccines.

To accomplish that mission, we will continue to advance our near-commercial candidates towards the NDA approval and develop our clinical trial stage assets through our in-house research and development and medical/clinical teams. Also, we will continue to discover and develop new vaccine candidates through both in-house research and development and external collaborations. In order to support our continuous growth, we plan to establish and strengthen our commercialization infrastructure, and expand our marketing and commercialization team. We will continue to evaluate possible global collaborations and acquisitions of high-potential assets.

IMPORTANT EVENTS AFTER THE END OF THE FINANCIAL PERIOD

Save as disclosed under the section "Business Review" in this announcement, there are no important events occurred after the end of Reporting Period and up to the date of this announcement.

FINANCIAL REVIEW

Revenue

For the six months ended June 30, 2018 and 2019, we had not commercialized any products and therefore did not record any revenue.

Selling Expenses

Our selling expenses increased from nil for the six months ended June 30, 2018 to RMB1.7 million for the six months ended June 30, 2019, primarily because we initiated preparation for commercialization of our vaccine candidates.

Administrative Expenses

Our administrative expenses increased by 178.4% from RMB12.5 million for the six months ended June 30, 2018 to RMB34.8 million for the six months ended June 30, 2019, primarily due to (i) an increase of RMB13.0 million in listing expenses; and (ii) an increase of RMB4.2 million in employee benefit expenses for non-research and development personnel.

Research and Development Expenses

Our research and development expenses increased by 17.6% from RMB49.0 million for the six months ended June 30, 2018 to RMB57.6 million for the six months ended June 30, 2019, primarily due to an increase of RMB14.3 million in employee benefit expenses for our research and development personnel.

The following table sets forth the components of our research and development expenses for the period indicated.

	Six months ended June 30,			
	2019		2018	
	RMB'000	***%***	*RMB'000*	*%*
	(Unaudited)		(Audited)	
Employee benefit expenses	**35,752**	**62.0%**	21,403	43.7%
Raw materials and consumables used	**9,696**	**16.8%**	13,585	27.7%
Depreciation and amortization	**7,739**	**13.4%**	4,696	9.6%
Testing fee	**1,281**	**2.2%**	3,407	7.0%
Others	**3,174**	**5.6%**	5,934	12.0%
Total	**57,642**	**100.0%**	49,025	100.0%

Other Income

Our other income decreased by 46.0% from RMB10.0 million for the six months ended June 30, 2018 to RMB5.4 million for the six months ended June 30, 2019, primarily due to a RMB5.6 million decrease in investment income on wealth management products, partially offset by the income of RMB1.9 million generated from the sales of vaccine components to an Italian vaccine manufacturer.

Finance Income – Net

Our finance income increased significantly from RMB0.1 million for the six months ended June 30, 2018 to RMB19.4 million for the six months ended June 30, 2019, primarily due to an interest income of RMB6.4 million from bank deposits and exchange gains on foreign currency deposits of RMB13.0 million. Due to the adoption of HKFRS 16 from January 1, 2019, we recorded interest and finance charges paid/payable for lease liabilities of RMB0.5 million for the six months ended June 30, 2019. As such, we recorded net finance income of RMB18.9 million for the six months ended June 30, 2019.

Income Tax Expense

Our income tax expense for the six months ended June 30, 2018 and 2019 were nil.

Intangible Assets

Our intangible assets were RMB32.3 million and RMB33.9 million as at December 31, 2018 and June 30, 2019, respectively, which primarily consist of capitalized clinical trial expenses.

Inventories

Our inventories comprised raw materials and consumable materials used in the research and development of our vaccine candidates. Our inventories increased by 40.0% from RMB8.5 million as at December 31, 2018 to RMB11.9 million as at June 30, 2019, primarily due to our increased procurement of raw materials and consumable materials, reflecting our increased research and development activities and our preparation for commercialization.

Other Receivables and Prepayments

The following table sets forth the components of our other receivables and prepayments as of the dates indicated:

	As at June 30, 2019 ***RMB'000*** **(Unaudited)**	As at December 31, 2018 *RMB'000* (Audited)
Value added tax recoverable	**21,180**	12,228
Prepayments to suppliers of property, plant and equipment	**4,818**	1,882
Prepayments to other suppliers	**4,276**	3,546
Receivables of interest on term deposits	**2,871**	–
Receivables of vaccine components sale	**1,198**	286
Staff advances	**977**	300
Deposits as guarantee	**348**	2,377
Receivable of investment income on wealth management products	**163**	466
Prepayments of listing expenses	**–**	10,210
Others	**2,007**	–
	37,838	31,295
Less: non-current portion	**(27,044)**	(16,166)
Current portion	**10,794**	15,129

The increase in our other receivables and prepayments from RMB31.3 million as at December 31, 2018 to RMB37.8 million as at June 30, 2019 was primarily due to (i) an increase of RMB9.0 million in value added tax recoverable; (ii) an increase of RMB2.9 million in prepayments to suppliers of property, plant and equipment; and (iii) an increase of RMB2.9 million in receivables of interest on term deposits, partially offset by (i) a decrease of RMB2.0 million in deposits as guarantee; and (ii) a decrease of RMB10.2 million in prepayments of listing expenses.

Trade Payables

Our trade payables mainly included payments to be paid to raw material suppliers. The following table sets forth the aging analysis of our trade payables as at the dates indicated:

	As at June 30, 2019 ***RMB'000*** **(Unaudited)**	As at December 31, 2018 *RMB'000* (Audited)
Within 1 year	**3,790**	6,539
Between 1 year and 2 years	**89**	–
Between 2 year and 3 years	**–**	112
More than 3 years	**112**	–
	3,991	6,651

Our trade payables decreased by 40.3% from RMB6.7 million as at December 31, 2018 to RMB4.0 million as at June 30, 2019, mainly as a result of payments to suppliers during the first half of 2019. We did not have any material defaults in payment of trade payables for the six months ended June 30, 2019.

Other Payables and Accruals

The following table sets forth the components of our other payables and accruals as at the dates indicated:

	As at June 30, 2019 ***RMB'000*** **(Unaudited)**	As at December 31, 2018 *RMB'000* (Audited)
Other payables to suppliers of property, plant and equipment	**36,328**	65,546
Accrued listing expenses	**10,392**	8,940
Payroll and welfare payable	**4,010**	12,816
Consulting fees	**857**	1,045
Accrued taxes other than income tax	**295**	233
Interest payable	**218**	239
Utilities	**215**	190
Rental payable	**–**	6,431
Deposits from suppliers	**–**	6
Others	**4,494**	3,063
	56,809	98,509

Our other payables and accruals decreased by 42.3% from RMB98.5 million as at December 31, 2018 to RMB56.8 million as at June 30, 2019, primarily due to (i) a decrease of RMB29.2 million in other payables to suppliers of property, plant and equipment; (ii) a decrease of RMB8.8 million in payroll and welfare payable; and (iii) a decrease of RMB6.4 million in rental payable, which transferred to lease liabilities.

Financial Resources, Liquidity and Capital Structure

Our net current assets increased by 637.2% from RMB114.3 million as at December 31, 2018 to RMB842.6 million as at June 30, 2019, primarily because the Company raised funds through the Global Offering. The management is confident that the Company's financial resources is sufficient for its daily operations.

The capital of the Company comprises Domestic Shares, Unlisted Foreign Shares and H Shares. Total equity attributable to owners of the Company amounted to RMB1,560.7 million as at June 30, 2019, representing an increase of 210.7% as compared with that of RMB502.3 million as at December 31, 2018. Such increase was due to the issuance of H Shares pursuant to the Global Offering.

Gearing Ratio

Gearing ratio is calculated using interest-bearing borrowings less cash and cash equivalents and term deposits with initial term of over three months, divided by total equity and multiplied by 100%. As at June 30, 2019, the Company was in a net cash position and thus, gearing ratio is not applicable.

Exchange Rate Risk

In the first half of 2019, the Company has converted the majority of the proceeds from Listing into Renminbi in tranches, with the remaining amounts reserved for additional conversions as needed. Accordingly, we are exposed to exchange rate risk. The management of the Company monitors our foreign exchange exposure and will consider hedging such risk should the need arise.

Capital Commitments

The capital commitments of the Company as at June 30, 2019 were RMB24.3 million, representing an increase of 71.1% as compared with that of RMB14.2 million as at December 31, 2018, primarily because we initiated the construction of our manufacturing facilities for PCV13*i*.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED JUNE 30, 2019

	Notes	Six months ended June 30, 2019 ***RMB'000*** **(Unaudited)**	2018 *RMB'000* (Audited)
Selling expenses		**(1,674)**	–
Administrative expenses		**(34,751)**	(12,481)
Research and development expenses		**(57,642)**	(49,025)
Other income		**5,394**	9,956
Other gains/(losses)-net		**87**	(7)
Operating loss		**(88,586)**	(51,557)
Finance income		**19,413**	119
Finance costs		**(504)**	(43)
Finance income-net		**18,909**	76
Loss before income tax		**(69,677)**	(51,481)
Income tax expense	*5*	**–**	–
Loss for the period and total comprehensive loss		**(69,677)**	(51,481)
Loss attributable to owners of the Company		**(69,677)**	(51,481)
Loss per share	*6*		
– Basic and diluted loss per share (in RMB)		**(0.38)**	(0.34)

CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2019

	Notes	**As at June 30, 2019** ***RMB'000*** **(Unaudited)**	As at December 31, 2018 *RMB'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**525,175**	507,449
Right-of-use assets		**34,537**	–
Land use rights		**–**	18,936
Intangible assets		**33,898**	32,320
Other receivables and prepayments		**27,044**	16,166
Term deposits with initial term of over three months		**300,000**	–
Total non-current assets		**920,654**	574,871
Current assets			
Inventories		**11,862**	8,494
Other receivables and prepayments		**10,794**	15,129
Financial assets at fair value through profit or loss		**40,058**	–
Financial assets at amortised cost		**60,000**	140,000
Term deposits with initial term of over three months		**353,534**	–
Cash and cash equivalents		**452,921**	57,381
Total current assets		**929,169**	221,004
Total assets		**1,849,823**	795,875

	Notes	As at June 30, 2019 RMB'000 (Unaudited)	As at December 31, 2018 RMB'000 (Audited)
EQUITY			
Equity attributable to owners of the Company			
Share capital and share premium		**1,805,998**	689,486
Capital reserves		**35,707**	24,119
Accumulated losses		**(280,965)**	(211,288)
Total equity		**1,560,740**	502,317
LIABILITIES			
Non-current liabilities			
Borrowings		**140,000**	150,000
Lease liabilities		**10,875**	–
Deferred income		**51,609**	36,873
Total non-current liabilities		**202,484**	186,873
Current liabilities			
Trade payables	*8*	**3,991**	6,651
Other payables and accruals		**56,809**	98,509
Borrowings		**10,000**	–
Lease liabilities		**10,301**	–
Deferred income		**5,498**	1,525
Total current liabilities		**86,599**	106,685
Total liabilities		**289,083**	293,558
Total equity and liabilities		**1,849,823**	795,875

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED JUNE 30, 2019

	Share capital *RMB'000*	Share premium *RMB'000*	Capital reserves *RMB'000*	Accumulated losses *RMB'000*	Total Equity *RMB'000*
Balance at January 1, 2019 (Audited)	**160,951**	**528,535**	**24,119**	**(211,288)**	**502,317**
Comprehensive income					
– Loss for the period	**–**	**–**	**–**	**(69,677)**	**(69,677)**
Transaction with owners					
– Issuance of shares	**61,699**	**1,054,813**	**–**	**–**	**1,116,512**
– Share-based payments	**–**	**–**	**11,588**	**–**	**11,588**
Balance at June 30, 2019 (Unaudited)	**222,650**	**1,583,348**	**35,707**	**(280,965)**	**1,560,740**

	Share capital *RMB'000*	Share premium *RMB'000*	Capital reserves *RMB'000*	Accumulated losses *RMB'000*	Total equity *RMB'000*
Balance at January 1, 2018 (Audited)	156,444	515,556	8,339	(73,007)	607,332
Comprehensive income					
– Loss for the period	–	–	–	(51,481)	(51,481)
Transaction with owners					
– Issuance of shares	4,507	12,979	–	–	17,486
– Share-based payments	–	–	5,821	–	5,821
Balance at June 30, 2018 (Audited)	160,951	528,535	14,160	(124,488)	579,158

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS ENDED JUNE 30, 2019

	Six months ended June 30,	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Cash flows from operating activities		
Cash used in operations	**(78,933)**	(54,728)
Interests received	**3,538**	119
Net cash used in operating activities	**(75,395)**	(54,609)
Cash flows from investing activities		
Purchase of property, plant and equipment	**(55,300)**	(80,269)
Purchase of wealth management products	**(395,000)**	(858,200)
Addition of term deposits with initial term of over three months	**(653,534)**	–
Proceeds from disposal of wealth management products	**435,000**	945,200
Proceeds from disposal of property, plant and equipment	**–**	34
Purchase of intangible assets	**(1,717)**	(93)
Receipt of asset related government grants	**15,150**	–
Receipt of investment income on wealth management products	**2,489**	8,000
Proceeds from restricted cash	**–**	4,074
Payments for restricted cash	**–**	(2,334)
Net cash (used in)/generated from investing activities	**(652,912)**	16,412
Cash flows from financing activities		
Interest paid	**(3,963)**	(3,609)
Net proceeds from share issued	**1,127,770**	17,486
Proceeds from borrowings	**–**	41,667
Principal elements of lease payments	**(1,706)**	–
Payment of listing expenses	**(11,258)**	(6,326)
Net cash generated from financing activities	**1,110,843**	49,218
Net increase in cash and cash equivalents	**382,536**	11,021
Cash and cash equivalents at the beginning of period	**57,381**	18,247
Exchange gains/(losses) on cash and cash equivalents	**13,004**	(43)
Cash and cash equivalents at the end of period	**452,921**	29,225

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED JUNE 30, 2019

1. BASIS OF PREPARATION

This condensed consolidated interim financial information ("Condensed Financial Information") has been prepared in accordance with Hong Kong Accounting Standard 34, "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This Condensed Financial Information should be read in conjunction with the consolidated financial statements included in the Accountants' Report set forth in Appendix I to the Prospectus, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA.

2. ACCOUNTING POLICIES

The accounting policies applied to this Condensed Financial Information are consistent with those of the consolidated financial statements included in the Accountants' Report presented in the Prospectus.

The following new standards, amendments and interpretations to existing standards which have been issued but not yet effective on January 1, 2019 are applicable to the Company and its subsidiaries (together, the "Group") and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
Amendments to HKAS 1 and HKAS 8	Definition of material	January 1, 2020
Amendment to HKFRS 3	Definition of a business	January 1, 2020
HKFRS 17	Insurance contracts	January 1, 2021
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

3. CHANGES IN ACCOUNTING POLICIES

This note explains the impact of the adoption of HKFRS 16 Leases on the Group's financial statements and discloses the new accounting policies that have been applied from January 1, 2019 in Note 3(b) below.

The Group has adopted HKFRS 16 retrospectively from January 1, 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on January 1, 2019.

(a) Adjustments recognised on adoption of HKFRS 16

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of HKAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of January 1, 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on January 1, 2019 was 5.212%.

	Total *RMB'000*
Operating lease commitments disclosed as at December 31, 2018	25,853
Discounted using the lessee's incremental borrowing rate of at the date of initial application	22,416
Add: rental payable	1,621
Less: deposits as guarantee	(1,744)
Lease liability recognised as at January 1, 2019	22,293
Of which are:	
Current lease liabilities	8,788
Non-current lease liabilities	13,505
	22,293

The associated right-of-use assets for land use rights were measured on a retrospective basis as if the new rules had always been applied. Other right-of-use assets for property leases were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at December 31, 2018. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

The recognised right-of-use assets relate to the following types of assets:

	As at June 30, 2019 *RMB'000* (Unaudited)	As at January 1, 2019 *RMB'000* (Unaudited)
Land use rights	18,731	18,936
Office rental	15,341	17,918
Motor vehicles	465	568
Total right-of-use assets	34,537	37,422

The change in accounting policy affected the following items in the balance sheet on January 1, 2019:

- right-of-use assets – increase by RMB37,422,000
- land use rights – decrease by RMB18,936,000
- other receivable – decrease by RMB2,056,000
- prepayments – decrease by RMB568,000
- other payable – decrease by RMB6,431,000
- lease liabilities – increase by RMB22,293,000.

There was no impact on retained earnings on January 1, 2019.

(i) Impact on loss per share

There was no significant impact on loss per share for the six months to June 30, 2019 as a result of the adoption of HKFRS 16.

(ii) Practical expedients applied

In applying HKFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at January 1, 2019 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying HKAS 17 and HK(IFRIC) 4 *Determining whether an Arrangement contains a Lease.*

(b) The Group's leasing activities and how these are accounted for

The Group leases various offices and motor vehicles. Rental contracts are typically made for fixed periods of 3 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Until the 2018 financial year, leases of offices and motor vehicles were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From January 1, 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received, and
- any initial direct costs

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. There is no short-term leases or leases of low-value assets as at June 30, 2019.

4. SEGMENT

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Group.

The Group is principally engaged in the research and development of vaccine products for human use. Management reviews the operating results of the business as one operating segment to make decisions about resources to be allocated. Therefore, the CODM of the Company regards that there is only one segment which is used to make strategic decisions.

The major operating entity of the Group is domiciled in the PRC. Accordingly, the Group's results were primarily derived in the PRC.

As at June 30, 2019 and December 31, 2018, all of the Group's assets were located in the PRC.

5. INCOME TAX EXPENSE

	Six months ended June 30,	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Current income tax expense	**–**	–
Deferred income tax expense	**–**	–
	–	–

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the statutory tax rate as follows:

	Six months ended June 30,	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Loss before income tax	**(69,677)**	(51,481)
Tax expense calculated at statutory tax rate of 25%	**(17,419)**	(12,870)
Impact of applying preferential tax rate	**6,968**	5,148
Expenses not deductible for taxation purposes	**64**	23
Tax loss and temporary differences not recognised as deferred tax assets	**15,251**	10,457
Extra deduction of research and development expenses	**(4,864)**	(2,758)
Income tax expense	**–**	–

On November 24, 2016, the "Certificate of New Hi-tech Enterprise" was granted to the Company, and the Company becomes eligible for a corporate income tax rate of 15% for six months ended June 30, 2018 and 2019.

6. LOSS PER SHARE

(a) Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding.

	Six months ended June 30,	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Loss for the period	**(69,677)**	(51,481)
Weighted average number of ordinary shares in issue (in thousand)	**185,609**	152,969
Basic loss per share (in RMB)	**(0.38)**	(0.34)

(b) Diluted loss per share

The Group had potential dilutive shares related to the shares held for share award scheme. Due to the Group's negative financial results, shares held for share award scheme has anti-dilutive effect on the Group's loss per share. Thus, diluted loss per share is equivalent to the basic loss per share.

7. DIVIDENDS

No dividend has been declared by the Company for the six months ended June 30, 2019 (June 30, 2018: Nil).

8. TRADE PAYABLES

The aging analysis of trade payables is as follows:

	As at June 30, 2019	As at December 31, 2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year	**3,790**	6,539
Between 1 year and 2 years	**89**	–
Between 2 year and 3 years	**–**	112
More than 3 years	**112**	–
	3,991	6,651

The carrying amounts of trade payables are denominated in RMB, and approximate their fair values due to short-term maturities.

OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standard of corporate governance to safeguard the interests of the Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the code provisions of the CG Code as its own code of corporate governance. The CG Code has been applicable to the Company with effect from the Listing Date and was not applicable to the Company during the period from January 1, 2019 to March 28, 2019.

The Board is of the view that the Company has complied with all applicable code provisions of the CG Code since the Listing Date up to the date of this announcement, except that in respect of code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer of the Company are not separate and are both performed by Dr. Yu. The Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) decision to be made by our Board requires approval by at least a majority of our Directors; (ii) Dr. Yu and the other Directors are aware of and undertake to fulfil their fiduciary duties as Directors, which require, among other things, that he acts for the benefit and in the best interests of our Company and will make decisions for our Company accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of the Company. Moreover, the overall strategic and other key business, financial, and operational policies of our Company are made collectively after thorough discussion at both Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of our Company in order to assess whether separation of the roles of chairman of the Board and chief executive officer is necessary.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by the Directors and Supervisors.

Having made specific enquiry of all Directors and Supervisors, all of them have confirmed that they have complied with the Model Code throughout the period from the Listing Date to the date of this announcement. No incident of non-compliance of the Model Code by the employees who are likely to be in possession of inside information of the Company was noted by the Company.

REVIEW OF INTERIM RESULTS

The independent auditors of the Company, namely, PricewaterhouseCoopers, have carried out a review of the interim financial information in accordance with the Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The Audit Committee has jointly reviewed with the management and the independent auditors of the Company the accounting principles and policies adopted by the Company and discussed internal control and financial reporting matters (including the review of the unaudited interim results for the six months ended June 30, 2019) of the Company. The Audit Committee considered that the interim results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

INTERIM DIVIDEND

The Board does not recommend any payment of an interim dividend for the six months ended June 30, 2019.

USE OF PROCEEDS FROM LISTING

The H Shares were listed on the Main Board of the Stock Exchange on the Listing Date. The Company received net proceeds (after deduction of underwriting commissions and related costs and expenses) from the IPO and the exercise of over-allotment option of approximately HK$1,309.8 million.

Up to June 30, 2019, we used approximately RMB37.5 million from the proceeds mentioned above, including (i) RMB12.1 million for the research and development and commercialization of our MCV candidates; (ii) RMB5.3 million for the research and development of our DTcP vaccine candidates; (iii) RMB6.3 million for the research and development of our TB Booster, PBPV and PCV13*i* candidates; (iv) RMB8.4 million for the research and development of our pre-clinical vaccine candidates; and (v) RMB5.4 million for working capital and other general corporate purposes.

Based on our estimates, which we believe are consistent with industry practice, we currently intend to apply these net proceeds for the purposes as same as what we described in the Prospectus.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

The Company had not purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

PUBLICATION OF THE 2019 CONDENSED CONSOLIDATED INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.cansinotech.com). The interim report of the Company for the six months ended June 30, 2019 containing all the information in accordance with the requirements under the Listing Rules, will be despatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

APPRECIATION

We wish to express our sincere gratitude to our shareholders and business partners for their continued support, and to our employees for their dedication and hard work.

"Audit Committee"	the audit committee of the Board
"Board" or "Board of Directors"	the board of directors of the Company
"CanSino", "Company"; "the Company" or "We"	CanSino Biologics Inc. (康希諾生物股份公司), a joint stock company incorporated in the PRC with limited liability on February 13, 2017, or, where the context requires (as the case may be), its predecessor, Tianjin CanSino Biotechnology Inc. (天津康希諾生物技術有限公司), a company incorporated in the PRC with limited liability on January 13, 2009
"CFDA"	China Food and Drug Administration (國家食品藥品監督管理總局), the PRC governmental authority responsible for regulating food and drugs before the Institutional Reform Plan in 2018
"CG Code"	the Corporate Governance Code as set out in Appendix 14 to the Listing Rules
"China" or "the PRC"	the People's Republic of China excluding, for the purpose of this announcement, Hong Kong, Macau Special Administrative Region and Taiwan
"Core Product(s)"	has the meaning ascribed to it in Chapter 18A of the Listing Rules; for purposes of this announcement, our Core Products include our MCV2 candidate and MCV4 candidate
"CTA"	clinical trial application, the PRC equivalent of investigational new vaccine application
"Director(s)"	the director(s) of the Company
"Domestic Shares"	ordinary shares in the share capital of our Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi by domestic investors
"Dr. Yu"	Dr. Xuefeng YU, chairman of the Board, executive Director, chief executive officer and general manager of the Company, our co-founder and controlling shareholder
"Global Offering"	the offer of H Shares for subscription as described in the Prospectus

"GMP"	Good Manufacturing Practice, guidelines and regulations from time to time issued pursuant to the PRC Drug Administration Law (《中華人民共和國藥品管理法》) as part of quality assurance which aims to minimize the risks of contamination, cross contamination, confusion and errors during the manufacture process of pharmaceutical products and to ensure that pharmaceutical products subject to these guidelines and regulations are consistently produced and controlled in conformity to quality and standards appropriate for their intended use
"H Shares"	overseas listed shares in the share capital of our Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HK dollars
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKFRS"	the Hong Kong Financial Reporting Standards
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IFRS"	International Financial Reporting Standards
"Listing" or "IPO"	the listing of the H Shares on the Main Board of the Stock Exchange on March 28, 2019
"Listing Date"	March 28, 2019, being the date on which the H Shares were listed on the Main Board
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
"Main Board"	the Main Board of the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules
"NMPA"	National Medical Products Administration, the institution that performs the functions of CFDA instead according to the Institutional Reform Plan of the State Council
"NDA"	new drug application
"Prospectus"	the prospectus issued by the Company dated March 18, 2019
"Reporting Period"	the six-month period from January 1, 2019 to June 30, 2019
"Renminbi" or "RMB"	Renminbi Yuan, the lawful currency of China
"Shareholder(s)"	holder(s) of Shares

"Share(s)"	shares in the share capital of our Company, with a nominal value of RMB1.00 each, comprising our Domestic Shares, Unlisted Foreign Shares and H Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervisor(s)"	supervisor(s) of our Company
"Unlisted Foreign Shares"	ordinary shares issued by our company with a nominal value of RMB1.00 each and are held by foreign investors and are not listed on any stock exchange

In this announcement, the terms "associate", "connected person" and "controlling shareholder" shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

By Order of the Board
CanSino Biologics Inc.
Xuefeng YU
Chairman

Hong Kong, August 22, 2019

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, Dr. Luis BARRETO and Dr. Pierre Armand MORGON as independent non-executive Directors.