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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2019

The Board of Directors is pleased to announce the audited consolidated annual results of the Group for the year ended December 31, 2019, together with the comparative figures for the corresponding periods in 2018. The consolidated financial statements of the Group for the Reporting Period have been reviewed by the Audit Committee and audited by the Company's auditors. Unless specified, figures in this announcement are prepared under the Hong Kong Financial Reporting Standards.

FINANCIAL SUMMARY

	For the Year ended December 31,	
	2019	2018
	(Audited)	(Audited)
	RMB'000	*RMB'000*
Operating Results		
Revenue	**–**	1,132
Operating loss	**(200,245)**	(138,578)
Loss before income tax	**(156,766)**	(138,281)
Loss for the year and total comprehensive loss	**(156,766)**	(138,281)
Loss per Share		
Basic and diluted loss per share	**(0.77)**	(0.90)

	As at December 31,	
	2019	2018
	(Audited)	(Audited)
	RMB'000	*RMB'000*
Financial Position		
Non-current assets	**990,253**	574,871
Current assets	**794,245**	221,004
Total assets	**1,784,498**	795,875
Total equity	**1,470,516**	502,317
Non-current liabilities	**189,687**	186,873
Current liabilities	**124,295**	106,685
Total liabilities	**313,982**	293,558
Total equity and liabilities	**1,784,498**	795,875

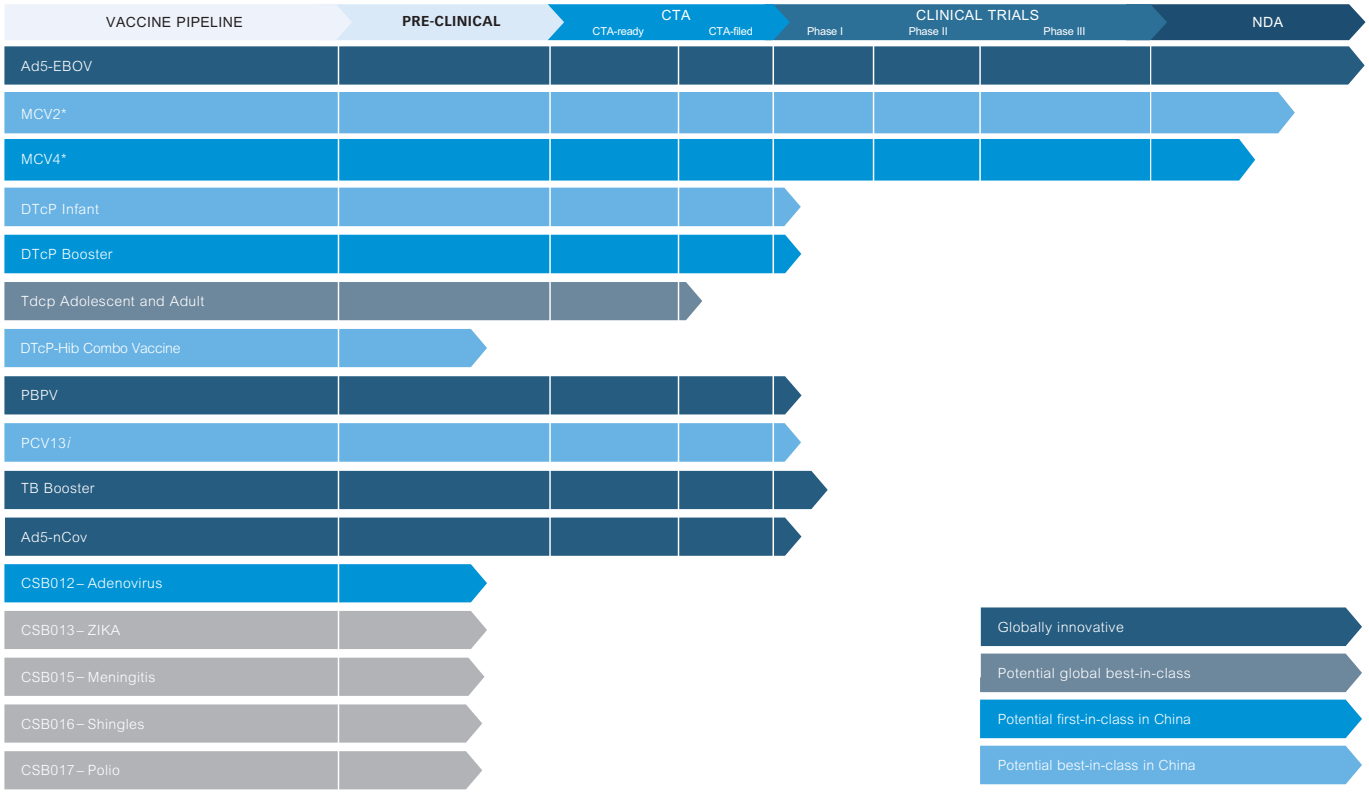
Overview

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. 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, our PBPV candidate and our Ad5-nCoV 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 16 vaccine candidates for 13 disease areas. In addition to our three near-commercial assets covering meningococcal diseases and Ebola virus disease, we have seven 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.

Business Review

During the year of 2019 and up to the date of this announcement, in addition to those disclosed in the Prospectus, the Group made following significant progress with respect to its product pipeline:

- ***NDA for MCV4***

  In November 2019, the NMPA has accepted our NDA for MCV4. This is our third NDA accepted by the NMPA following Ad5-EBOV and MCV2, and the first NDA for MCV4 being accepted in China. Later in December 2019, the Center for Drug Evaluation under the NMPA granted priority review status to our NDA for MCV4.

- ***CTA Approval for PCV13i***

  We have received the CTA approval for the PCV13*i* from the NMPA in April 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.

- ***Ad5-nCoV approved for clinical trial***

  In March 2020, the Recombinant Novel Coronavirus Disease Vaccine (Adenovirus Type 5 Vector), or Ad5-nCoV, a vaccine jointly developed by the Company and the Institute of Biotechnology, Academy of Military Medical Sciences, was approved for clinical trial after registration documents review.

Near Commercial-Stage Products

- ***MCV4***

  Our MCV4 candidate is a potential China first-in-class vaccine preventing meningitis, and the first NDA for MCV4 being accepted in China. It is designed to be comparable to vaccines manufactured by multinational companies which are widely used in developed countries.

  Our MCV4 candidate was found to be safe and well-tolerated, and showed good immunogenicity in all age groups in the clinical trials. 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. 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. In November 2019, the NMPA has accepted our NDA for MCV4. This is our third NDA accepted by the NMPA following Ad5-EBOV and MCV2, and the first NDA for MCV4 being accepted in China. Later in December 2019, the Center for Drug Evaluation under the NMPA granted priority review status to our NDA for MCV4. 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.

  We obtained an umbrella CTA approval for our MCV2 candidate in December 2015, and filed the NDA for our MCV2 candidate on January 31, 2019. In addition, we have completed validation of our manufacturing facilities and processes. We expect to go through pre-approval inspection in 2020 for licensure and launch our MCV2 candidate afterwards.

- ***Ad5-EBOV***

  Ad5-EBOV is jointly developed by the Institute of Biotechnology, 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.

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 complete Phase III clinical trial for our DTcP Infant candidate in 2022.

- ***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 all of the clinical trials for our DTcP Booster candidate by 2021.

- ***Tdcp Adolescent and Adult***

  Tdcp vaccines for adolescents and adults are in the routine vaccination schedule of developed countries. However, there are no approved Tdcp vaccines for adolescents and adults in China. 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.

In view of the recommendations of the Advisory Committee on Immunization Practices (ACIP) on the use of DTP booster vaccines in 2019, the Company believes that conducting clinical trials in North America is more in line with the company's development strategy and changed the original plan of conducting clinical trials in the European Union. We plan to conduct overseas clinical trails for our Tdcp Adolescent and Adult candidate first and then submit clinical trial applications in China by the end of 2020.

- ***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 seven 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 have commenced a phase Ia clinical trial and expect to complete the phase Ia clinical trial in 2020. We will initiate a phase Ib clinical trial and/or a phase II clinical trial according to the results of the phase Ia clinical trial.

- ***PCV13i***

We are developing a potential best-in-class improved PCV13 candidate, or PCV13*i*, which is designed to compete with a world-class 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 in April 2019. We have commenced a phase I clinical trial and expect to complete phase III clinical trial in 2022.

- ***Ad5-nCoV***

The Recombinant Novel Coronavirus Disease Vaccine (Adenovirus Type 5 Vector), or Ad5-nCoV, is jointly developed by our Company and the Institute of Biotechnology, Academy of Military Medical Sciences. Ad5-nCoV is a genetic engineered vaccine candidate with the replication-defective adenovirus type 5 as the vector to express SARS-CoV-2 spike protein, which intends to be used to prevent the disease caused by the novel coronavirus infection.

Ad5-nCoV was approved for clinical trial after registration documents review, and we have initiated the Phase I clinical trial.

- ***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, however the recruitment of eligible volunteers has progressed less than expected.

  We plan to file a CTA with the NMPA if the clinical results in Canada meet our expectations. 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.

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:

- ***DTcP-Hib 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 type of shingles vaccine. We plan to request a pre-CTA meeting with the NMPA for our Shingles vaccine candidate in 2020.

- ***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 Group'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 38,000 m^2. The facility is designed, constructed and operated to meet international standards. Our manufacturing facility was designed to have an annual bulk production capacity of approximately 70 million to 80 million doses. We believe our current production capacity is fully capable of supporting our commercialization plans for our near-commercial candidates as well as supporting manufacturing of clinical trial materials. We also plan to construct phase II production facilities to meet the Company's production and operation needs.

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 brands.

NMPA has carried out manufacturing and GMP inspections at our manufacturing facility. We have completed validation of our manufacturing facilities and processes. We expect to go through pre-approval inspection for licensure for our MCV2 and MCV4 candidates in 2020.

Intellectual Property

As of December 31, 2019, the Group owned 59 trademarks, including 33 in China, six in Hong Kong, five in Taiwan, one in the European Union, one in the United States and 13 in other countries and regions. As of the same date, the Group had filed two trademark applications in China, 11 in other countries and regions and also filed trademark applications through Madrid International Trademark System.

As of December 31, 2019, the Group owned 16 patents in China, two patents in the United States and one patent in the European Union. As of the same date, the Group had filed 11 patent applications in China, one patent application in the European Union and Canada, and one patent application in the United States and the European Union.

Important Events after the End of the Reporting Period

On January 16, 2020, the Company submitted the application materials in respect the Proposed Issue of A Shares, including the A Share prospectus (the "**A Share Prospectus**"), to the Shanghai Stock Exchange, and received a letter of acceptance issued by the Shanghai Stock Exchange in respect of the Company's application for the Proposed Issue of A Shares. On March 17, 2020, the Company submitted documents in relation to the Company's response to the letter of the first round of enquiry (the "**First Round Response**") in respect of the Proposed Issue of A Shares. The A Share Prospectus and the First Round Response were published on the website of the Review and Approval of the Issuance and Listing of Stock on the Science and Technology Innovation Board of the Shanghai Stock Exchange at (kcb.sse.com.cn) and the website of the Company at (www.cansinotech.com).

In March 2020, the Recombinant Novel Coronavirus Disease Vaccine (Adenovirus Type 5 Vector), a vaccine jointly developed by the Company and the Institute of Biotechnology, Academy of Military Medical Sciences, was approved for clinical trial after registration documents review.

The Novel Coronavirus outbreak around the world may have an impact on our business operations, such as causing delays in clinical trials, regulatory inspections and launch of vaccine products. It is difficult to estimate the full impact in the coming months given the dynamic nature of these circumstances. The Company will keep continuous attention on the situation and react actively to the impacts.

Save as disclosed above, there are no important events occurred after the end of Reporting Period and up to the date of this announcement.

Future and Outlook

According to China Insights Consultancy Limited, in terms of sales revenue, the total size of China's vaccine market increased from RMB23.3 billion in 2014 to RMB33.6 billion in 2018, and is expected to reach RMB116.1 billion in 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.

Cautionary Statement required under Rule 18A.08(3) of the Listing Rules: We cannot guarantee that we will ultimately develop or market our Core Products successfully.

Financial Review

Revenue

We did not generate any revenue for the year ended December 31, 2019. For the year ended December 31, 2018, we recorded revenue of RMB1.1 million from research and development services we provided to an independent third party to filter and validate certain antibodies through our advanced vaccine R&D platform technologies.

Other Income

Our other income decreased slightly from RMB20.0 million for the year ended December 31, 2018 to RMB19.0 million for the year ended December 31, 2019. Our other income primarily consisted of (i) government grants to support our research and development activities and manufacturing facility construction, (ii) investment income on wealth management products that we purchased from certain reputable commercial banks, and (iii) net income from sales of vaccine components.

Selling Expenses

Our selling expenses increased from nil for the year ended December 31, 2018 to RMB5.3 million for the year ended December 31, 2019, primarily because we initiated preparation for commercialization of our vaccine candidates.

Administrative Expenses

Our administrative expenses increased by 35.9% from RMB46.2 million for the year ended December 31, 2018 to RMB62.8 million for the year ended December 31, 2019, primarily due to (i) a RMB9.1 million increase in employee benefits expenses, and (ii) a RMB5.1 million increase in consulting fee (including auditors' remuneration).

Research and Development Expenses

Our research and development expenses increased by 33.5% from RMB113.6 million for the year ended December 31, 2018 to RMB151.7 million for the year ended December 31, 2019, primarily due to (i) a RMB27.0 million increase in employee benefits expenses, and (ii) a RMB7.5 million increase in depreciation and amortisation.

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

	Year ended December 31,			
	2019		2018	
	RMB'000	***%***	*RMB'000*	*%*
Employee Benefits expenses	**87,458**	**57.6**	60,411	53.2
Raw materials and consumables used	**26,557**	**17.5**	22,940	20.2
Depreciation and amortization	**18,150**	**12.0**	10,693	9.4
Testing fee	**10,628**	**7.0**	6,171	5.4
Others	**8,954**	**5.9**	13,431	11.8
Total	**151,747**	**100.0**	113,646	100.0

Finance Income – Net

Our net finance income increased significantly from RMB0.3 million for the year ended December 31, 2018 to RMB43.5 million for the year ended December 31, 2019, primarily due to (i) a RMB21.6 million increase in interest income on bank deposits, and (ii) a RMB21.6 million increase in exchange gains on foreign currency deposits.

Income Tax Expense

Our income tax expense for the years ended December 31, 2018 and 2019 was nil.

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 based on invoice date as at the dates indicated:

	As at December 31, 2019 ***RMB'000***	As at December 31, 2018 *RMB'000*
Within 1 year	**6,028**	6,539
Between 1 year and 2 years	**31**	–
Between 2 year and 3 years	**–**	112
More than 3 years	**112**	–
	6,171	6,651

Our trade payables decreased by 7.5% from RMB6.7 million as at December 31, 2018 to RMB6.2 million as at December 31, 2019. We did not have any material defaults in payment of trade payables for the year ended December 31, 2019.

Financial Resources, Liquidity and Capital Structure

Our net current assets increased significantly from RMB114.3 million as at December 31, 2018 to RMB670.0 million as at December 31, 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 RMB1,470.5 million as at December 31, 2019, representing an increase of 192.8% 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.

Significant Investments, Material Acquisitions and Disposals

During the year ended December 31, 2019, we did not make any significant investments or material acquisitions or disposals of subsidiaries, associates and joint ventures.

Future Plans for Material Investments or Capital Assets

We plan to apply approximately RMB550 million from the proceeds from the Proposed Issue of A Shares to construct phase II production facilities to meet the Company's production and operation needs.

Saved as disclosed above, the Group had no other material capital expenditure plan as at the date of this announcement.

Contingent Liabilities

As at December 31, 2019, the Group was not involved in any material legal, arbitration or administrative proceedings that, if adversely determined, and did not have any contingent liabilities, that, we expected would materially adversely affect our business, financial position or results of operations.

Capital Commitments

The capital commitments of the Group as at December 31, 2019 were RMB26.3 million, representing an increase of 85.2% 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*.

Charge on Assets

As at December 31, 2019, certain of the Group's property, plant and equipment have been pledged as collateral under the Group's borrowing arrangements. The carrying amount of property, plant and equipment pledged as collateral were RMB261.3 million as at December 31, 2019.

As at December 31, 2019, certain of the Group's land use rights have been pledged as collateral under the Group's borrowing arrangements. The carrying amount of land use rights pledged as collateral were RMB10.6 million as at December 31, 2019.

Saved as disclosed above, there were no other charges on the Group's assets as at December 31, 2019.

Exchange Rate Risk

The Group mainly operates in the PRC with most of the transactions settled in RMB. The Group is not exposed to foreign exchange risk as there are no significant financial assets or liabilities of the Group denominated in the currencies other than the functional currency, except for the cash and term deposits at bank in USD and HKD which were primarily received from the investors as capital contributions.

As at 31 December 2019, if RMB strengthened or weaken by 10% against USD with all other variables held constant, loss for the year ended 31 December 2019 would increase or decrease by RMB0.6 million (2018: RMB0.3 million).

As at 31 December 2019, if RMB strengthened or weaken by 10% against HKD with all other variables held constant, loss for the year ended 31 December 2019 would increase or decrease by RMB45.1 million (2018: nil).

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 December 31, 2019, the Company was in a net cash position and thus, gearing ratio is not applicable.

OTHER INFORMATION

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.

Corporate Governance

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 27, 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 for the following:

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.

Under code provision E.1.2 of the CG Code, the chairman of the board should attend the annual general meeting. Dr. Yu, the chairman of the Board, had not attended the annual general meeting of the Company held on June 28, 2019 because he traveled to the Democratic Republic of the Congo in response to the outbreak of Ebola virus. He delegated the duty of attending the annual general meeting to the chief operating officer of the Company, who the chairman considered a suitable person for taking up such duty. The chairman will use his best endeavors to attend all future shareholders' meetings of the Company.

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 Financial Statements

The financial statements for the year ended December 31, 2019 has been audited by independent auditors of the Company, namely, PricewaterhouseCoopers. The Audit Committee has reviewed together with the management and external auditors the accounting principles and policies adopted by the Company and the audited consolidated financial statements for the year ended December 31, 2019. The Audit Committee considered that the annual results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

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, equivalent to approximately RMB1,122.3 million. The table below sets out the planned applications of the net proceeds and actual usage up to December 31, 2019:

Use of proceeds	Planned applications *(RMB million)*	Percentage of total net proceeds *(%)*	Actual usage up to December 31, 2019 *(RMB million)*	Unutilized net proceeds as at December 31, 2019 *(RMB million)*
Research and development and commercialization of MCV candidates	505.1	45%	27.7	477.4
Research and development of DTcP candidates	224.5	20%	36.2	188.3
Research and development of other key products	168.3	15%	68.4	99.9
Continued research and development of our pre-clinical vaccine candidates	112.2	10%	45.9	66.3
Working capital and other general corporate purposes	112.2	10%	49.8	62.4
Total	1,122.3	100%	228	894.3

Based on our estimates, we currently intend to apply the unutilized net proceeds in accordance with the plan described in the Prospectus.

Final Dividends

The Directors do not recommend a final dividend for the Reporting Period (2018: Nil).

Annual General Meeting

The forthcoming annual general meeting of the Company (the "**AGM**") will be held on Friday, May 15, 2020. The notice of AGM will be published on the websites of the Company (www.cansinotech.com) and the Stock Exchange (www.hkexnews.hk) and despatched to the Shareholders in the manner as required by the Listing Rules in due course.

Closure of Register of Members

The register of members of H Shares will be closed from Wednesday, April 15, 2020 to Friday, May 15, 2020, both days inclusive, during which period no transfer of H Shares will be registered, in order to determine the holders of the H Shares who are entitled to attend and vote at the forthcoming AGM.

To be eligible to attend and vote at the AGM, all transfer documents must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, April 14, 2020 for registration.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

		Year ended 31 December	
		2019	2018
	Notes	***RMB'000***	*RMB'000*
Revenue	*4*	**–**	1,132
Other income	*5*	**19,000**	19,962
Selling expenses	*6*	**(5,287)**	–
Administrative expenses	*6*	**(62,786)**	(46,231)
Research and development expenses	*6*	**(151,747)**	(113,646)
Impairment loss of non-financial assets	*6*	**(241)**	–
Other gains-net		**816**	205
Operating loss		**(200,245)**	(138,578)
Finance income		**43,572**	297
Finance costs		**(93)**	–
Finance income-net		**43,479**	297
Loss before income tax		**(156,766)**	(138,281)
Income tax expense	*7*	**–**	–
Loss for the year and total comprehensive loss		**(156,766)**	(138,281)
Loss attributable to owners of the Company		**(156,766)**	(138,281)
Loss per share			
– Basic and diluted loss per share (in RMB)	*8*	**(0.77)**	(0.90)

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2019

	As at 31 December	
	2019	2018
	RMB'000	*RMB'000*
ASSETS		
Non-current assets		
Property, plant and equipment	**575,504**	507,449
Right-of-use assets	**32,716**	–
Land use rights	**–**	18,936
Intangible assets	**38,689**	32,320
Other receivables and prepayments	**36,476**	16,166
Term deposits with initial term of over three months	**306,868**	–
Total non-current assets	**990,253**	574,871
Current assets		
Inventories	**16,338**	8,494
Other receivables and prepayments	**23,114**	15,129
Financial assets at fair value through profit or loss	**111,526**	–
Financial assets at amortised cost	**–**	140,000
Term deposits with initial term of over three months	**440,817**	–
Cash and cash equivalents	**202,450**	57,381
Total current assets	**794,245**	221,004
Total assets	**1,784,498**	795,875

	As at 31 December	
	2019	2018
	RMB'000	*RMB'000*
EQUITY		
Equity attributable to owners of the Company		
Share capital and share premium	**1,792,933**	689,486
Capital reserves	**45,637**	24,119
Accumulated losses	**(368,054)**	(211,288)
Total equity	**1,470,516**	502,317
LIABILITIES		
Non-current liabilities		
Borrowings	**130,000**	150,000
Lease liabilities	**7,758**	–
Deferred income	**51,929**	36,873
Total non-current liabilities	**189,687**	186,873
Current liabilities		
Trade payables	**6,171**	6,651
Contract liabilities	**578**	–
Other payables and accruals	**80,638**	98,509
Borrowings	**20,239**	–
Lease liabilities	**8,802**	–
Deferred income	**7,867**	1,525
Total current liabilities	**124,295**	106,685
Total liabilities	**313,982**	293,558
Total equity and liabilities	**1,784,498**	795,875

1. GENERAL INFORMATION

CanSino Biologics Inc. (the "**Company**") was incorporated in Tianjin of the People's Republic of China (the "**PRC**") on 13 January 2009 as a limited liability company by Xuefeng Yu, Tao Zhu, Dongxu Qiu, Xuan Liu and Helen Huihua Mao. The address of the Company's registered office is 401-420, 4th Floor, Biomedical Park, 185 South Avenue, TEDA West District, Tianjin, the PRC. Upon approval by the shareholders' general meeting held on 10 February 2017, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC and changed its registered name from "Tianjin CanSino Biotechnology Inc. (天津康希諾生物技術有限公司)" to "CanSino Biologics Inc. (康希諾生物股份公司)" on 13 February 2017. The Company and its subsidiaries (collectively referred to as the "**Group**"), are principally engaged in the research and development, manufacturing and commercialisation of vaccine products for human use.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 28 March 2019 (the "**Listing**").

The consolidated financial statements are presented in Renminbi ("**RMB**") and rounded to nearest thousand yuan, unless otherwise stated.

2. CHANGES IN ACCOUNTING POLICIES

This note explains the impact of the adoption of HKFRS 16 Leases on the Group's financial statements.

The Group has adopted HKFRS 16 retrospectively from 1 January 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 1 January 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 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 5.212%.

	Total ***RMB'000***
Operating lease commitments disclosed as at 31 December 2018	25,853
Discounted using the lessee's incremental borrowing rate of at the date of initial application	22,614
Add: rental payable	1,621
Less: deposits as guarantee	(1,744)
Lease liability recognised as at 1 January 2019	22,491
Of which are:	
Current lease liabilities	8,845
Non-current lease liabilities	13,646
	22,491

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 31 December 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 31 December 2019 ***RMB'000***	As at 1 January 2019 *RMB'000*
Land use rights	**18,526**	18,936
Office rental	**12,764**	17,918
Motor vehicles	**1,004**	683
Office equipments	**422**	198
Total right-of-use assets	**32,716**	37,735

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

	As at 31 December 2018 *RMB'000*	Impact of first-time adoption of HKFRS 16 *RMB'000*	**As at 1 January 2019** ***RMB'000***
Right-of-use assets	–	37,735	**37,735**
Land use rights	18,936	(18,936)	**–**
Other receivables and prepayments	31,295	(2,739)	**28,556**
Lease liabilities	–	22,491	**22,491**
Other payables and accruals	98,509	(6,431)	**92,078**

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

(i) Impact on loss per share

There was no significant impact on loss per share for the year ended 31 December 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 1 January 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 are disclosed in Note 3.

3. LEASES

As explained in Note 2 above, The Group has changed its accounting policy for leases where the Group is the lessee. The new policy is described below and the impact of the change in Note 2.

Until 31 December 2018, leases of properties, motor vehicles and office equipments where the Group, as lessee, had substantially all the risks and rewards of ownership were classified as finance leases. Finance leases were capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, were included in other short-term and long-term payables. Each lease payment was allocated between the liability and finance cost. The finance cost was 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 property, plant and equipment acquired under finance leases was depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 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.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

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
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal 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.

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.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with short-term leases and all 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.

4. REVENUE

	Year ended 31 December	
	2019	2018
	RMB'000	*RMB'000*
Revenue from research and development service – at a point in time	**–**	1,132

The Group recognised the following liabilities related to contracts with customers:

	Year ended 31 December	
	2019	2018
	RMB'000	*RMB'000*
Contract liabilities – technical services	**578**	–

As at 31 December 2019, aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied was RMB1,591,000 (31 December 2018: nil), which management expects will be recognised as revenue during the next reporting period.

5. OTHER INCOME

	Year ended 31 December	
	2019	2018
	RMB'000	*RMB'000*
Investment income on wealth management products	**3,388**	12,438
Government grants	**13,460**	5,842
Net income from vaccine components	**2,136**	1,438
Others	**16**	244
	19,000	19,962

6. EXPENSES BY NATURE

	Year ended 31 December	
	2019	2018
	RMB'000	*RMB'000*
Changes in inventories of finished goods	**(229)**	–
Employee benefits expenses	**116,684**	76,433
Listing expenses	**14,886**	16,391
Depreciation and amortisation	**22,473**	12,019
Raw materials and consumables used	**26,681**	22,940
Utilities and office expenses	**9,530**	7,643
Consulting fee	**5,327**	2,338
Travelling and transportation expenses	**5,613**	3,776
Business tax and other transaction taxes	**2,955**	2,171
Testing fee	**10,628**	6,171
Auditors' remuneration		
– Audit services	**775**	150
– Other services	**376**	31
Operating lease rental expenses	**–**	5,960
Impairment losses on inventories	**241**	–
Others	**4,121**	3,854
	220,061	159,877

Note:

For the year ended 31 December 2019, expense relating to short-term leases of RMB451,000, primarily the rentals for employee apartments, was included in employee benefits expenses.

The vice president in charge of sales department joined the Group in March 2019, and the Group initiated preliminary market research and promotion for the commercialisation of vaccine products.

7. INCOME TAX EXPENSE

	Year ended 31 December	
	2019	2018
	RMB'000	*RMB'000*
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:

	Year ended 31 December	
	2019	2018
	RMB'000	*RMB'000*
Loss before income tax	**(156,766)**	(138,281)
Tax expense calculated at statutory tax rate of 25%	**(39,192)**	(34,570)
Impact of applying preferential tax rate	**15,677**	13,828
Expenses not deductible for taxation purposes	**85**	70
Previously unrecognised tax loss recognised as deferred tax assets	**(79)**	–
Temporary differences not recognised as deferred tax assets	**1,999**	1,951
Tax loss not recognised as deferred tax assets	**34,314**	28,740
Extra deduction of research and development expenses	**(12,804)**	(10,019)
Income tax expense	**–**	–

On 24 November 2016, the "Certificate of New Hi-tech Enterprise" was granted to the Company and renewed on 28 November 2019, and the Company becomes eligible for a corporate income tax rate of 15% for the year ended 31 December 2019 (2018: 15%).

8. 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.

	Year ended 31 December	
	2019	2018
	RMB'000	*RMB'000*
Loss for the year	**(156,766)**	(138,281)
Weighted average number of ordinary shares in issue *(in thousand)*	**203,252**	152,996
Basic loss per share *(in RMB)*	**(0.77)**	(0.90)

Under the 2015 Employee Share Plan and 2018 Employee Share Plan, 3,474,600, 3,299,475 and 1,207,150 shares are granted to 33, 42 and 3 eligible employees, respectively. Except for 52,590 shares which was granted and vested by Tao Zhu immediately under the 2018 Employee Share Plan, the effect of such shares held for share award scheme has not been taken into account in the calculation of basic loss per share, until the vesting requirements of remaining shares have been satisfied, or the special purpose vehicle is deconsolidated.

(b) Diluted loss per share

Diluted loss per share for the year ended 31 December 2019 is same with basic loss per share, since there are no share options or other equity securities of the Company in issue which if exercised would have a dilutive effect on the issued ordinary share capital as at 31 December 2019. As at 31 December 2018, the Group had potential dilutive shares related to the shares held for share award scheme. Due to the Group's negative financial results during the years ended 31 December 2018, shares held for share award scheme had anti-dilutive effect on the Group's loss per share. Thus, diluted loss per share was equivalent to the basic loss per share for the year ended 31 December 2018.

9. DIVIDENDS

No dividend has been declared by the Company for the year ended 31 December 2019 (2018: nil).

PUBLICATION OF THE 2019 CONSOLIDATED ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.cansinotech.com). The annual report for the year ended December 31, 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.

DEFINITIONS

"Audit Committee"	the audit committee of the Board
"Board" or "Board of Directors"	the board of directors of the Company
"Company", "our Company" or "the Company"	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
"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 one of the controlling shareholders

"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
"Group", "our Group", "the Group", "we", "us", "our" or "CanSino"	the Company and its subsidiary
"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 the Listing Date
"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"	the National Medical Products Administration of China (國家藥品監督管理局) or, where the context so requires, its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局)
"NDA"	new drug application

"Proposed Issue of A Shares"	the proposed initial public issue of not more than 24,800,000 A Shares, which will be listed on the Sci-Tech Innovation Board of the Shanghai Stock Exchange, details of which were set in the circular of the Company dated October 14, 2019
"Prospectus"	the prospectus issued by the Company dated March 18, 2019
"Reporting Period"	the year from January 1, 2019 to December 31, 2019
"Renminbi" or "RMB"	Renminbi Yuan, the lawful currency of China
"Shareholder(s)"	holder(s) of the 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 foreign investors and are not listed on any stock exchange

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

Hong Kong, March 27, 2020

As at the date of this announcement, the Board of Directors comprises Dr. Xuefeng YU, Dr. Shou Bai CHAO, Dr. Tao ZHU and Dr. Dongxu QIU as executive Directors, Mr. Qiang XU, Mr. Liang LIN, Ms. Nisa Bernice Wing-Yu LEUNG and Mr. Zhi XIAO as non-executive Directors, and Mr. Shiu Kwan Danny WAI, Ms. Zhu XIN, Mr. Shuifa GUI and Mr. Jianzhong LIU as independent non-executive Directors.