SHANGHAI JUNSHI BIOSCIENCES CO., LTD.*
上海君實生物醫藥科技股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 1877)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2019

The board of directors (the "**Board**") of Shanghai Junshi Biosciences Co., Ltd.* (上海君實生物醫藥科技股份有限公司) (the "**Company**") hereby announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2019 (the "**Reporting Period**"), together with the comparative figures for the corresponding period in 2018. The unaudited condensed interim consolidated financial statements of the Group for the Reporting Period have been reviewed by the Audit Committee and the Company's auditors, Deloitte Touche Tohmatsu. Unless otherwise specified, financial figures in this announcement are prepared under the International Financial Reporting Standards ("**IFRSs**").

In this announcement, "we", "us" and "our" refer to the Company and where the context otherwise requires, the Group.

Financial Highlights

- Total revenue from sales reached RMB309 million in the first half of 2019, in which approximately RMB308 million was generated from booming sales of Toripalimab with gross profit at 87%.
- Our commitment in research and development ("**R&D**") continues, our R&D expenses were RMB369 million in the first half of 2019, representing a 69% increase compared to that of the first half of 2018, with promising progress in key clinical trials.
- Selling and distribution expenses were RMB111 million, mainly due to commercialisation of Toripalimab in early 2019.
- Total comprehensive expense was RMB289 million in the first half of 2019, representing a slight increase from RMB267 million in the first half of 2018, mainly due to profit generated from Toripalimab sales but offset by the increase in R&D expenses and administrative expenses.
- Net cash used in investing activities was RMB437 million in the first half 2019, mainly due to construction of the Lingang Production Base, which significantly supplement our current production capacity.

Business Highlights

During the Reporting Period, we achieved significant progress with respect to our operation, commercial stage products, pipelines and clinical trial programs, including:

- We announced the proposed application for listing on the Sci-Tech Innovation Board of the Shanghai Stock Exchange, and have submitted counseling materials for listing on Sci-Tech Innovation Board to the Shanghai Supervisory Commission of the China Securities Regulatory Commission on 25 April 2019. Considering the Company's own performance and future development strategies, the issue of A shares will further broaden our financing channels, improve the corporate governance, accelerate commercialization of drugs candidates, and play an important role in maintaining our leading position in the market.

- As of the date of this announcement, we have developed a product pipeline comprising 19 drug candidates which covers a wide variety of disease areas associated with high levels of unmet medical needs, using our core platforms and through collaborations with third parties.

- Revenue from sales of Toripalimab (Trade name: Tuoyi*), the core product of the Company, reached RMB308 million during the Reporting Period. Gross profit margin of sales was 87%, and sales expenses accounted for approximately 36% of sales revenue. A sound revenue component will further support our R&D investment.

  ➢ As of the date of this announcement, there were 11 pivotal clinical trials (Phase II or Phase III) for JS001 conducted or ready to be conducted simultaneously, including: urothelial carcinoma ("**UC**"), melanoma, non-small cell lung carcinoma ("**NSCLC**"), Triple-negative breast carcinoma ("**TNBC**"), esophageal carcinoma ("**EC**"), nasopharyngeal cancer ("**NPC**") and hepatocellular carcinoma ("**HCC**") etc..

  ➢ In June 2019, the following were presented in the form of posters or poster discussions at the American Society of Clinical Oncology, ASCO 2019: the interim results of Toripalimab (JS001) from the Phase II pivotal trial (NCT02915432) in China in patients with NPC, the preliminary results of Toripalimab (JS001) from the Phase II pivotal trial (NCT03113266) in China in patients with urothelial carcinoma (UC) and two analyses from the Phase II trial (NCT02915432) of solid tumors including "Tumor mutational burden identifies chemorefractory gastric cancer with overall survival advantage after receiving Toripalimab (JS001)" and "Association of frequent amplification of chromosome 11q13n in esophageal squamous cell cancer with clinical benefit to immune check point blockade".

  ➢ In August 2019, the clinical results of Tuoyi* (Toripalimab injection) in combination with Axitinib in patients with metastatic mucosal melanoma: an open-label Phase Ib trial were published in the Journal of Clinical Oncology (IF: 28.245).

  ➢ In August 2019, the abstract of "a PII Study of Toripalimab, in Combination with Chemotherapy in EGFR+ Advanced NSCLC Patients Failed to Prior EGFR TKI therapies" (NCT03513666) was released on World Conference on Lung Cancer, WCLC official website. Also, there will be a mini oral about this study to be presented on this conference on 9 September 2019.

- In April 2019, recombinant humanized anti-BTLA monoclonal antibody injection (TAB004/JS004) was approved by the US Food and Drug Administration ("**FDA**") for clinical trials.

- In August 2019, the investigational new drug application ("**IND**") for recombinant humanized anti-IL-17A monoclonal antibody injection (JS005) was approved by the National Medical Products Administration of China ("**NMPA**") for clinical trials.

- During the Reporting Period, our Wujiang Production Base in Suzhou completed its capacity upgrade, and its commercial capacity was expanded from 3 × 500L to 6 × 500L bioreactors. Also, we have completed major equipments installation of our Lingang Production Base in Shanghai and we expect manufacturing and validation of our drug candidates to begin in second half of 2019. The expansion increased our total production capacity to 33,000L, and will provide us additional capacity to support commercial production and clinical trials.

MANAGEMENT DISCUSSION AND ANALYSIS

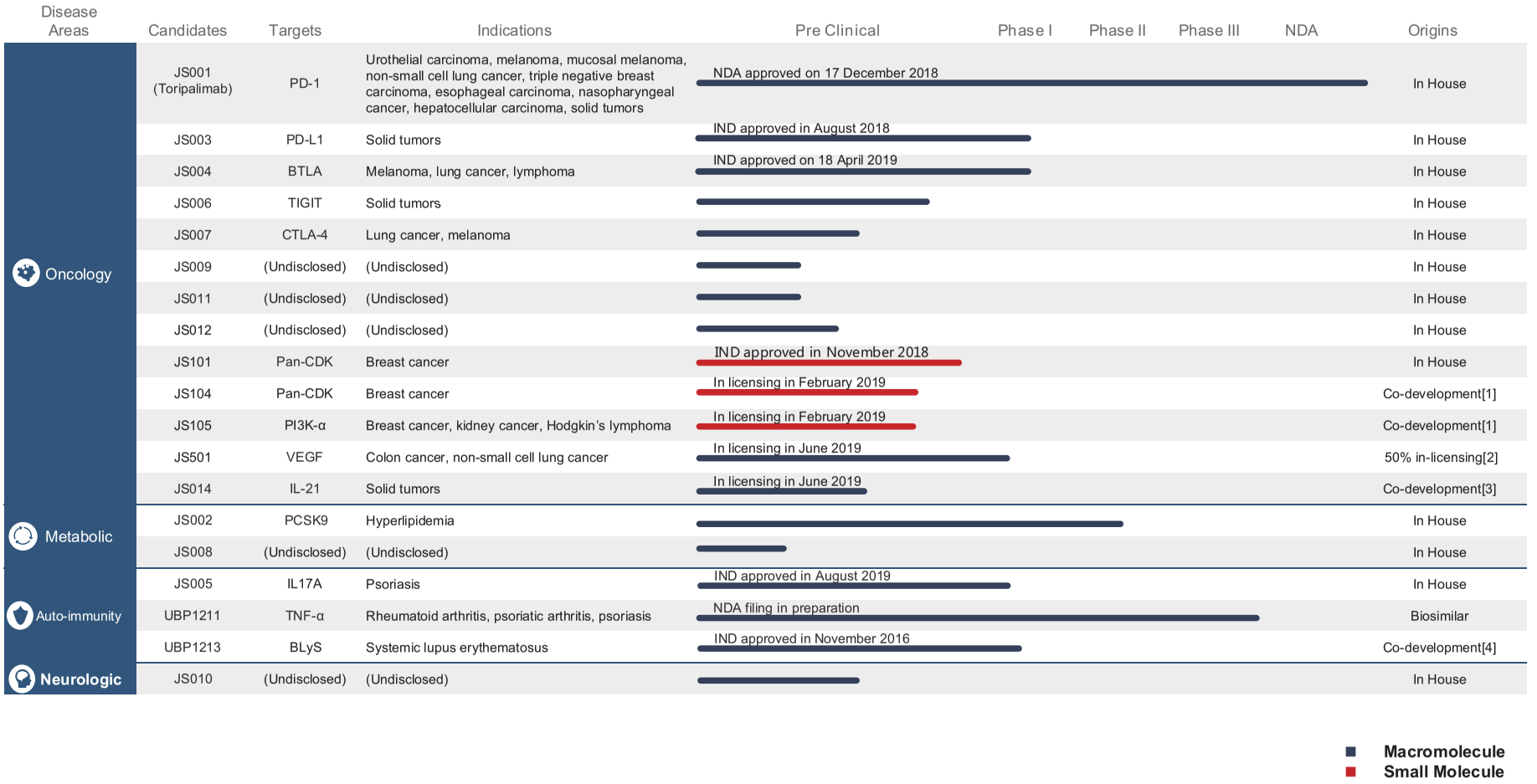
Overview

We are an innovation-driven biopharmaceutical company dedicated to the discovery and development of innovative drugs and their clinical research and commercialisation on a global scale. Since our very inception in December 2012, leveraging our advanced R&D platforms and globally integrated R&D process, we have developed a collection of drug candidates that we believe to have solid biological mechanisms. We strive to develop additional drug candidates for the fulfilment of unmet medical needs using our technology and innovation platforms in a sustainable manner.

Our mission is to provide patients with treatment options that work better and cost less. Equipped with our core platform technology of protein engineering, we stand at the frontier of R&D of macromolecular biologics.

Our aim is to develop first-in-class and best-in-class drugs through original innovation and become a pioneer in the area of translational medicine. As we supplement our product pipeline and explore drug combination therapies, we expect our innovation field to expand to R&D of more types of drugs, including small molecule drugs and antibody drug conjugates (or ADCs), as well as the exploration of the next-generation innovative therapies for cancer and autoimmune diseases.

Progress of Pipeline



[1] For further details, please refer to the Company's announcement dated 19 February 2019.

[2] For further details, please refer to the Company's announcement dated 24 June 2019.

[3] For further details, please refer to the Company's announcement dated 24 June 2019.

[4] For further details, please refer to page 217 of the Company's Prospectus dated 11 December 2018 ("**Prospectus**").

As of the date of this announcement, we have developed a product pipeline comprising 19 drug candidates which covers a wide variety of disease areas associated with high levels of unmet medical needs, using our core platforms and through collaborations with third parties. They include 13 oncology drug candidates, two drug candidates for metabolic diseases, three targeting inflammation or auto-immune diseases and one for the treatment of neurologic diseases.

Business Review

1. Key events during the Reporting Period

During the Reporting Period, the Company has achieved several breakthroughs with respect to the commercialisation of our core product Toripalimab (JS001), R&D, clinical trials programs, pipeline development programs and drugs in-licensing.

In January 2019, the clinical trial application for Toripalimab (JS001) in combination with the Vorolanib (CM082) of Anew Pharmaceutical Science and Technology (Shanghai) Co., Ltd.*, a wholly-owned subsidiary of Betta Pharmaceuticals Co., Ltd. (Shenzhen Stock Exchange stock code: 300558) was approved by the NMPA. CM082 is a multi-target receptor tyrosine kinase (RTKs) inhibitor against VEGFR and PDGFR targets that inhibits neovascularization and tumor growth and can overcome the high toxic side effects common to similar targeted drugs. For further details, please refer to the Company's announcement dated 18 January 2019.

In February 2019, Toripalimab (JS001) and donafenib tosylate (CM4307) were proposed to be used in combination in the clinical study on the treatment of advanced hepatocellular carcinoma. CM4307 is a new multi-target kinase type 1 inhibitor chemical drug developed by 蘇州澤璟生物製藥有限公司 (Suzhou Zelgen Biopharmaceuticals Co., Ltd.*) which displays antineoplastic effect in two ways. For further details, please refer to the Company's announcement dated 14 February 2019.

In February 2019, the Company and 潤佳(蘇州)醫藥科技有限公司 (Risen (Suzhou) Pharma Co., Ltd.*) ("**Risen**") signed a Technology Transfer and Collaboration Agreement, pursuant to which Rizen agreed to transfer 50% interest in each of the two inhibitors (a pan CDK inhibitor and a PI3K-inhibitor). The entering into of the Technology Transfer and Collaboration Agreement and the transactions contemplated thereunder constituted a discloseable transaction of the Company under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). For further details, please refer to the Company's announcement dated 19 February 2019.

In March 2019, IND for TAB004 or JS004 was accepted by the FDA and it was approved in April 2019. TAB004 or JS004 is a first in human recombinant humanized monoclonal antibody injection specifically to B- and T- lymphocyte attenuator (BTLA), which is intended for the treatment of advanced unresectable or metastatic solid tumors. For further details, please refer to the Company's announcements dated 25 March 2019 and 22 April 2019.

In April 2019, the Company and Jiangsu Ascentage Pharma Co., Ltd. ("**Ascentage**") entered into a cooperation agreement, pursuant to which the Company and Ascentage agreed to conduct clinical studies for the combination of Toripalimab (JS001) and IAP Inhibitor in mainland China. The cooperation areas shall include solid tumors and hematomas, especially refractory tumors, drug-resistant tumors, and other indications in China. For further details, please refer to the Company's announcement dated 8 April 2019.

From 1 June to 3 June 2019, the following, were presented in the form of posters or poster discussions at the American Society of Clinical Oncology, ASCO 2019: the interim results of Toripalimab (JS001) from the Phase II pivotal trial (NCT02915432) in China in patients with NPC, the preliminary results of Toripalimab (JS001) from the Phase II pivotal trial (NCT03113266) in China in patients with urothelial carcinoma (UC) and two analyses from the Phase II trial (NCT02915432) of solid tumors including "Tumor mutational burden identifies chemorefractory gastric cancer with overall survival advantage after receiving Toripalimab (JS001)" and "Association of frequent amplification of chromosome 11q13n in esophageal squamous cell cancer with clinical benefit to immune check point blockade".

In June 2019, the IND for JS005 was accepted by the NMPA. JS005 is the recombinant humanized anti-IL-17A monoclonal antibody injection independently developed by the Group. For further details, please refer to the Company's announcement dated 24 June 2019.

In June 2019, the Company entered into a stock purchase agreement with Anwita Biosciences, Inc. ("**Anwita**"). Meanwhile, the Company and Anwita entered into a license agreement to develop and commercialize AWT008 (a novel IL-21 fusion protein), in the greater China region (including mainland China, Taiwan, Macau, and Hong Kong). IL-21 is an active cytokine to stimulate the activation of innate and adaptive immune cells, such as natural killer (NK) cells and cytotoxic T cells. For further details, please refer to the Company's announcement dated 24 June 2019.

In June 2019, the Company entered into a Technology Transfer and Cooperative Agreement with Shanghai HUAOTA Biological Pharmaceutical Co., Ltd. ("**HUAOTA**"), pursuant to which, the Company agreed to purchase the existing R&D results of Avastin biosimilar (HOT-1010) from Huaaotai and subsequent technical support. HOT-1010 is a recombinant humanised anti-vascular endothelial growth factor (VEGF) monoclonal antibody injection, which has received clinical trial approval from the NMPA and is in Phase I clinical trial. For further details, please refer to the Company's announcement dated 24 June 2019.

During the Reporting Period, our Wujiang Production Base in Suzhou completed its capacity upgrade, and its commercial capacity was expanded from 3 × 500L to 6 × 500L bioreactors. Also, we have completed major equipments installation of our Lingang Production Base in Shanghai and we expect manufacturing and validation of drug products to begin in second half of 2019. The expansion increased our total production capacity to 33,000L, and will provide us additional capacity to support commercial production and clinical trials. We expect both production bases to provide us with sufficient manufacturing capacity to support our growth.

JS001 (anti-PD-1 mAb, Toripalimab)-Tuoyi (拓益)*

Up to the date of this announcement, the Company has conducted or has been ready to conduct 11 Phase II/Phase III pivotal clinical trials of the monotherapy or in combination with standard therapy for advanced melanoma, advanced esophageal cancer, adjuvant treatment of advanced hepatocellular carcinoma, non-small cell lung cancer, advanced nasopharyngeal cancer and urothelial carcinoma. Phase Ia clinical trial in the United States has been completed and Phase Ib is on-going. The Company is expanding its cooperation with more third parties to further explore the various efficacy and safety of Toripalimab in combination therapy.

The following chart summarises major clinical trials development status of JS001 as of the date of this announcement:

Areas	Indications	IND	Phase Ia	Phase Ib	Phase II	Phase III	NDA	NCT Number	Remarks
China	Melanoma(2L)							NCT03013101	Mono therapy, Commercialized
	Melanoma(1L)							NCT03430297	Mono therapy, pivotal trial
	Nasopharyngeal carcinoma							NCT02915432	Mono, single-arm pivotal trial
Asia Pacific	Nasopharyngeal carcinoma(1L)							NCT03581786	Combo with chemo, pivotal trial
China	Urothelial carcinoma							NCT03113266	Mono, single-arm pivotal trial
	Esophagus carcinoma							NCT03829969	Combo with chemo, pivotal trial
	TNBC							*	Combo with albumin-bound paclitaxel, pivotal trial
	NSCLC(EGFR-)							NCT03856411	Combo with chemo, pivotal trial
	NSCLC(EGFR-TKI failed)							NCT03924050	Combo with chemo, pivotal trial
	NSCLC(Neoadjuvant)							*	Pivotal trial, ready to conduct
	SCLC							NCT04012606	Combo with chemo, pivotal trial
	HCC(adjuvant)							NCT03859128	Mono, Pivotal trial
U.S.	Solid Tumors							NCT03474640	6 indications

* In planning phase

Abbreviations: 2L=second line; 1L=first line; TNBC=triple negative breast cancer; NSCLC=non-small cell lung cancer; SCLC=small cell lung cancer; HCC=hepatocellular carcinoma

Our arrangements for JS001 mainly include: with reference to the product characteristics, clinical data and prescription information, we establish the brand image of Tuoyi* (拓益) and set up effective marketing strategies and plans. In view of market potential and product characteristics, we will carry out meaningful Investigator Sponsored Study ("**ISS**") and Real World Study ("**RWS**") to find the best immune tumor program.

As of the date of this announcement, we have nearly 300 employees in the Commercial Marketing Department with a majority of them from oncology department of international and multinational corporations such as Roche, AstraZeneca and Bayer, as well as other well-known domestic companies. We will work on the training and expansion of professional sales personnel.

UBP1211 (anti-TNF- α mAb; Humira Biosimilar)

UBP1211, the first biosimilar developed by the Group, has finished Phase I and Phase III clinical trials. Phase III clinical results showed that UBP1211 and Humira were equivalent in Pharmacokinetics and effectiveness, and the safety profiles were similar. The Company is about to submit NDA soon.

JS002 (anti-PCSK9 mAb)

JS002 is the first domestic anti-PCSK9 monoclonal antibody approved by NMPA for clinical trials for the treatment of hyperlipidemia in the PRC. As of the date of this announcement, JS002 has completed Phase I clinical trials in healthy volunteers in China and we are conducting Phase II clinical trial in patients with hyperlipidemia. Also, preparations for Phase III clinical studies in a wider patient population are being initiated. Based on the clinical research data, JS002 showed satisfactory safety and tolerability profile. No serious adverse events (SAE) or any withdrawal due to adverse events (AE) were reported during the study. In terms of lowering LDL-C, JS002 showed a comparable lipid reduction and longer duration compared with products of the same target.

2. Subsequent Events after the Reporting Period

In July 2019, we signed a collaboration agreement with Suzhou Sinovent Pharmaceuticals Co., Ltd. ("**Sinovent**"). According to the agreement, Sinovent intends (as a sponsor) to carry out the drug combination clinical trials of Toripalimab and XNW7201 in the treatment of digestive tract tumors (including esophageal cancer, gastric cancer and colorectal cancer) in mainland China. For further details, please refer to the Company's announcement dated 31 July 2019.

In February 2018, the Company issued the 2018 innovative start-ups convertible loan (創新創業可轉換公司債券) (the "**Convertible Bonds**") in a principal amount of RMB200 million. The Convertible Bonds were listed on the Shanghai Stock Exchange. Further details of the Convertible Bonds and its terms are set out in the section headed "Our History and Development" of the prospectus of the Company dated 11 December 2018. If the Company applies to its local securities regulatory bureau for guidance on the listing and offering of A shares and such application has been accepted, the Company is entitled to redeem the outstanding Convertible Bonds at nominal value together with accrued interests thereon. The Company submitted its listing counseling materials to the Shanghai Supervisory Commission of the China Securities Regulatory Commission on 6 May 2019, and exercised its right of early redemption and fully redeemed the outstanding Convertible Bonds in the aggregate principal amount of RMB200 million. The Convertible Bonds have been fully redeemed and delisted from the Shanghai Stock Exchange from 8 July 2019. Further details of the redemption are set out in the Company's announcements dated 25 June 2019 and 26 June 2019.

In August 2019, the clinical results of Tuoyi* (Toripalimab injection) in combination with Axitinib in patients with metastatic mucosal melanoma: an open-label Phase Ib trial were published in the Journal of Clinical Oncology (IF: 28.245).

In August 2019, the abstract of "a PII Study of Toripalimab, in Combination with Chemotherapy in EGFR+ Advanced NSCLC Patients Failed to Prior EGFR TKI therapies" (NCT03513666) was released on World Conference on Lung Cancer, WCLC official website. Also, there will be a mini oral about this study to be presented on this conference on 9 September 2019.

In August 2019, recombinant humanized anti-IL-17A monoclonal antibody injection (JS005) received clinical trial approval from the NMPA.

Future and Prospects

The Company strives to become an innovative biopharmaceutical company with global competitiveness harboring full industrial chain operations integrating R&D, manufacturing and commercialisation. To achieve such vision, we will accelerate the R&D of drugs and drug commercialisation, including the domestic trials of JS001 on the indications of multiple tumors and the multicenter-clinical trials of JS001 in the United States and other countries, with an emphasis on the IND application and clinical trials of first-in-class drugs. In addition, the Company will continue to expand the product pipeline, carrying out the exploration and R&D of new drug targets in the small molecule field and promoting the cooperation with outstanding small-molecule drug companies, while proceeding with the tracking and exploratory study of potential targets that apply to macromolecular drugs. In terms of manufacturing, the Company plans to further enhance the fermentation productivity of macromolecular drugs and seek more advanced production techniques to lower the costs and meet market demand.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2019

	NOTES	For the six months ended 30 June 2019 RMB'000 (Unaudited)	2018 RMB'000 (Audited)
Continuing operations			
Revenue	3	**309,306**	–
Cost of sales		**(40,579)**	–
Gross profit		**268,727**	–
Other income		**12,523**	2,635
Other gains and losses		**(9,468)**	(4,829)
Impairment loss in respect of trade and other receivables, net of reversal		**750**	(615)
Selling and distribution expenses		**(110,687)**	–
Research and development expenses		**(368,737)**	(217,778)
Administrative expenses		**(102,639)**	(49,792)
Share of loss of a joint venture		**–**	(3)
Share of loss of an associate		**(160)**	–
Other operating expenses		**–**	(156)
Finance costs		**(8,697)**	(2,439)
Loss before tax		**(318,388)**	(272,977)
Income tax credit	4	**28,889**	70
Loss for the period from continuing operations		**(289,499)**	(272,907)
Discontinued operations			
Profit for the period from discontinued operations		**–**	147
Loss for the period		**(289,499)**	(272,760)
Other comprehensive income for the period			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**152**	4,886
Fair value gain on the investments in debt instruments measured at fair value through other comprehensive income ("**FVTOCI**")		**–**	227
Reclassification to profit or loss upon disposal of investments measured at FVTOCI		**–**	262
Other comprehensive income for the period		**152**	5,375
Total comprehensive expense for the period		**(289,347)**	(267,385)

	NOTE	For the six months ended 30 June 2019 RMB'000 (Unaudited)	2018 RMB'000 (Audited)
(Loss) profit for the period attributable to owners of the Company			
– from continuing operations		**(289,189)**	(272,875)
– from discontinued operations		**–**	89
Loss for the period attributable to owners of the Company		**(289,189)**	(272,786)
(Loss) profit for the period attributable to non-controlling interests			
– from continuing operations		**(310)**	(32)
– from discontinued operations		**–**	58
(Loss) profit for the period attributable to non-controlling interests		**(310)**	26
		(289,499)	(272,760)
Total comprehensive (expense) income for the period attributable to:			
Owners of the Company		**(289,037)**	(267,411)
Non-controlling interests		**(310)**	26
		(289,347)	(267,385)
Loss per share	*2*		
From continuing and discontinued operations			
– Basic (RMB yuan)		**(0.37)**	(0.46)
– Diluted (RMB yuan)		**(0.37)**	(0.46)
From continuing operations			
– Basic (RMB yuan)		**(0.37)**	(0.46)
– Diluted (RMB yuan)		**(0.37)**	(0.46)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	NOTES	At 30 June 2019 RMB'000 (Unaudited)	At 31 December 2018 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment		**1,220,069**	939,341
Prepaid lease payments		**–**	74,408
Right-of-use assets		**155,346**	–
Other intangible assets		**4,158**	1,455
Interest in an associate		**2,740**	–
Interest in a joint venture		**1,027**	1,027
Deferred tax assets		**30,585**	1,288
Other assets, prepayments and other receivables		**433,359**	311,607
Other financial assets		**18,000**	18,000
		1,865,284	1,347,126
Current assets			
Inventories		**111,368**	48,468
Trade receivables	*6*	**137,187**	–
Other assets, prepayments and other receivables		**222,557**	92,630
Other financial assets		**2,016**	5,516
Restricted bank deposit		**6,828**	–
Bank balances and cash		**2,295,949**	2,763,570
		2,775,905	2,910,184
Current liabilities			
Trade and other payables	*7*	**311,656**	291,322
Contract liabilities		**–**	1,111
Convertible loan notes	*9*	**227,250**	–
Borrowings	*8*	**159,955**	178,632
Lease liabilities		**13,845**	–
		712,706	471,065
Net current assets		**2,063,199**	2,439,119
Total assets less current liabilities		**3,928,483**	3,786,245

	NOTES	At 30 June 2019 RMB'000 (Unaudited)	At 31 December 2018 RMB'000 (Audited)
Non-current liabilities			
Borrowings	*8*	**390,256**	150,000
Contract liabilities		**28,302**	28,302
Convertible loan notes	*9*	**–**	241,763
Deferred income		**48,709**	45,047
Lease liabilities		**29,672**	–
		496,939	465,112
Net assets		**3,431,544**	3,321,133
Capital and reserves			
Share capital	*10*	**784,147**	760,310
Reserves		**2,648,820**	2,561,936
Equity attributable to owners of the Company		**3,432,967**	3,322,246
Non-controlling interests		**(1,423)**	(1,113)
Total equity		**3,431,544**	3,321,133

Notes to the Condensed Consolidated Financial Statements

1. GENERAL

Shanghai Junshi Biosciences Co., Ltd. (the "**Company**") was established in the People's Republic of China (the "**PRC**") on 27 December 2012 and converted into a joint stock company with limited liability in May 2015. In August 2015, the Company's domestic shares became listed on the National Equities Exchange and Quotations ("**NEEQ**") (stock code 833330). On 24 December 2018, the Company's H shares became listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (stock code 1877). Its ultimate controlling party is Mr. Xiong Jun, who is also the chairman and executive director of the Company.

The principal activities of the Company and its subsidiaries (the "**Group**") are mainly discovery, development and commercialisation of innovative drugs.

The condensed consolidated financial statements are presented in Renminbi ("**RMB**") which is also the functional currency of the Company.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 ("**IAS 34**") *Interim Financial Reporting* issued by the International Accounting Standards Board ("**IASB**") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

2. LOSS PER SHARE

(a) Basic

From continuing and discontinued operations

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Loss for the period attributable to owners of the Company for the purpose of basic loss per share	**(289,189)**	(272,786)

Number of shares:

	For the six months ended 30 June	
	2019	2018
	(Unaudited)	(Audited)
Weighted average number of ordinary shares for the purpose of basic loss per share	**783,092,953**	595,420,718

From continuing operations

The calculation of the basic loss per share from continuing operations attributable to the owners of the Company is based on the following data:

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Loss for the period attributable to owners of the Company	**(289,189)**	(272,786)
Less: Profit for the period from discontinued operations attributable to owners of the Company	**–**	89
Loss for the period for the purpose of basic loss per share from continuing operations	**(289,189)**	(272,875)

From discontinued operations

Basic earnings per share for the discontinued operations is RMB0.01 cent (audited) for the six months ended 30 June 2018, based on the profit for the period from the discontinued operations of RMB89,000 (audited) for the six months ended 30 June 2018, and the denominators detailed above for the basic loss per share from continuing and discontinued operations.

(b) Diluted

The Group issued the convertible loan notes on 23 February 2018 as set out in Note 9. For the purpose of calculation of diluted loss per share, it did not assume conversion of the convertible loan notes since their assumed conversion would result in a decrease in loss per share.

The Group granted share options on 14 May 2018 and over-allotment options as per underwriting agreement entered into on 16 December 2018. The over-allotment options was exercised in January 2019. The computation of diluted loss per share for the periods ended 30 June 2019 and 2018 does not assume the exercise of the Company's outstanding share options and the over-allotment share options since their assumed exercise would result in a decrease in loss per share.

3. REVENUE AND SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results:

Continuing operations

	Sales of pharmaceutical products For the six months ended 30 June		**Others**[(Note)] **For the six months ended 30 June**		**Total For the six months ended 30 June**	
	2019	2018	**2019**	2018	**2019**	2018
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Audited)	**(Unaudited)**	(Audited)	**(Unaudited)**	(Audited)
At a point in time	**308,341**	–	**965**	–	**309,306**	–

Note: The corresponding revenue represents service income which did not contribute over 10% of the total revenue of the Group. So it does not constitute a reportable segment.

Starting from the Reporting Period, the Group generated revenue from sales of pharmaceutical products. For the purposes of resource allocation and assessment, the Group's management reviews the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole. No other discrete financial information is provided other than the Group's results and financial position as a whole. Accordingly, only entity-wide disclosures are presented.

4. INCOME TAX CREDIT

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Continuing operations		
Current tax	**–**	–
(Under) overprovision in prior year:		
United States Corporate Income Tax	**(408)**	–
PRC Enterprise Income Tax ("**EIT**")	**–**	64
	(408)	64
Deferred tax	**29,297**	6
Total income tax credit related to continuing operations	**28,889**	70

Under the law of the PRC Enterprise Income Tax (the "**EIT Law**") and implementation regulations of the EIT Law, the basic tax rate of the Company and its PRC subsidiaries is 25% for both periods.

上海君實生物工程有限公司 Shanghai Junshi Biotechnology Co., Ltd.* has been accredited as a "High and New Technology Enterprise" by the Science and Technology Bureau of Shanghai and relevant authorities on 2 November 2018 for a term of three years, and has been registered with the local tax authorities for enjoying the reduced 15% EIT rate. Accordingly, the profits derived by the subsidiary is subject to 15% EIT rate for the reporting period. The qualification as a High and New Technology Enterprise will be subject to review by the relevant tax authorities in the PRC for every three years.

During the six months ended 30 June 2019 and 2018, the US Tax Cuts and Jobs Act ("**Act**") reduces the US Federal Corporate Income Tax rate to a flat rate of 21%.

TopAlliance Biosciences Inc., a wholly-owned subsidiary of the Company, is subject to the US California Corporate Income Tax rate of 8.84% for both periods.

5. DIVIDENDS

No dividend was paid, declared or proposed during both periods. The directors of the Company have determined that no dividend will be paid in respect of both periods.

6. TRADE RECEIVABLES

The Group allows an average credit period of from 30 to 45 days to its trade customers.

The following is an analysis of trade receivables by age (net of loss allowance) presented based on invoice dates:

	At 30 June 2019	At 31 December 2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
0 to 30 days	**119,594**	–
31 to 90 days	**17,593**	–
	137,187	–

7. TRADE AND OTHER PAYABLES

	At 30 June 2019	At 31 December 2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade payables		
– related parties	**–**	3,620
– third parties	**47,430**	36,558
Accrued expenses in respect of		
– construction cost of properties under construction	**64,012**	80,025
– research and development expenses	**76,136**	81,049
– selling and distribution expenses	**24,947**	7,867
– others	**14,681**	13,394
Salary and bonus payables	**69,051**	50,901
Other tax payables	**10,865**	2,126
Payables for issue costs	**3,264**	14,415
Other payables	**1,270**	1,367
	311,656	291,322

Payment terms with suppliers are mainly with credit term of 15 to 60 days (2018: 15 days to 60 days) from the time when the goods and services are received from the suppliers. The following is an aging analysis of trade payables presented based on invoice date at the end of the reporting period:

	At 30 June 2019	At 31 December 2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
0 to 30 days	**35,912**	33,372
31 to 60 days	**5,334**	198
61 to 180 days	**3,068**	81
Over 180 days	**3,116**	6,527
	47,430	40,178

8. BORROWINGS

	At 30 June 2019 *RMB'000* (Unaudited)	At 31 December 2018 *RMB'000* (Audited)
Bank borrowings		
– secured	**390,578**	150,225
– unsecured	**159,633**	18,132
	550,211	168,357
Other borrowings – unsecured	**–**	160,275
Total borrowings	**550,211**	328,632
The maturity profile of bank(s) and other borrowings is as follows:		
– within one year	**159,955**	178,632
– within a period of more than one year but not exceeding five years	**390,256**	150,000
	550,211	328,632
Less: amount due within one year shown under current liabilities	**(159,955)**	(178,632)
Amount shown under non-current liabilities	**390,256**	150,000

9. CONVERTIBLE LOAN NOTES

On 9 February 2018, the Company obtained no objection letter from the Shanghai Stock Exchange for the issue of convertible loan notes in a principal amount of no more than RMB500,000,000. On 23 February 2018, the Company issued convertible loan notes in a principal amount of RMB200,000,000 to qualified investor.

The movement of the convertible loan notes for the period is set out as below:

	Fair value of convertible loan notes *RMB'000*
At 23 February 2018 (date of issuance)	200,000
Change in fair value charged to profit or loss	9,601
At 30 June 2018 and 1 July 2018 (Audited)	209,601
Change in fair value charged to profit or loss	22,795
Change in fair value charged to other comprehensive income attributable to change in credit risk	9,367
At 31 December 2018 (Audited)	241,763
Change in fair value charged to profit or loss	(14,513)
At 30 June 2019 (Unaudited)	227,250

The Company has used the binominal option pricing model to determine the fair value of the convertible loan notes as of the date of issuance and at the end of each period.

10. SHARE CAPITAL

	Total number of shares	Amount *RMB'000*
Registered, issued and fully paid at RMB1.0 per share:		
At 1 January 2018 (Audited)	584,750,000	584,750
Issue of domestic ordinary shares by private equity placement on 7 March 2018 *(Note a)*	16,650,000	16,650
At 30 June 2018 (Audited)	601,400,000	601,400
H shares issued upon initial public offering *(Note b)*	158,910,000	158,910
At 31 December 2018 (Audited)	760,310,000	760,310
H shares issued upon over-allotment options exercised *(Note c)*	23,836,500	23,837
At 30 June 2019 (Unaudited)	**784,146,500**	**784,147**

Notes:

(a) On 7 March 2018, the Company completed an issue of 16,650,000 domestic ordinary shares. The net proceeds received from the issue amounted to RMB297,955,000, after deduction of issue expenses of RMB1,745,000. Part of the proceeds, amounting to RMB16,650,000, was credited as issued and fully paid share capital, and the remaining balance (after deduction of issue expenses) of RMB281,305,000 was credited to share premium.

(b) On 24 December 2018, the Company issued 158,910,000 new H shares at HK$19.38 (equivalent to RMB17.07) per share for a total gross proceeds of HK$3,079,676,000 (equivalent to RMB2,713,194,000) by way of initial public offering of the Company on the Stock Exchange. The proceeds of RMB158,910,000 representing the par value of the shares of the Company, were credited to the Company's share capital. The remaining proceeds of RMB2,554,284,000 were credited to share premium account of the Company. On the same date, the Company's H shares was listed on the Stock Exchange.

(c) On 9 January 2019, the Company issued 23,836,500 new H shares at HK$19.38 (equivalent to RMB16.94) per share for a total gross proceeds of HK$461,951,000 (equivalent to RMB403,838,000) from the exercise of over-allotment options from initial public offering of the Company on the Stock Exchange. The proceeds of RMB23,836,500 representing the par value of the shares of the Company, were credited to the Company's share capital. The remaining proceeds of RMB380,001,500 were credited to the share premium account of the Company.

All the new shares rank pari passu with the existing shares of the same class in all respects.

Financial Review

1. Revenue

The Group revenue reached RMB309 million during the Reporting Period, mainly due to the commercialisation of PD-1 (Toripalimab) in the first half of 2019, of which RMB308 million was attributed to the sales of PD-1.

2. Other income

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Continuing operations		
Interest income from bank and time deposits	**11,815**	1,615
Government grants *(Note)*	**708**	1,020
	12,523	2,635

Note: Government grants include subsidies from the PRC government which are specifically for (i) the capital expenditure incurred for plant and machinery, which are recognised as income over the useful life of the related assets; (ii) the incentive and other subsidies for research and development activities of the Group upon meeting the attached conditions and (iii) the incentives which have no specific conditions attached to the grants.

3. R&D Expenses

Our R&D expenses mainly include clinical trial expenses, preclinical study costs, reagents and consumables, staff salary and welfare and depreciation and amortisation. For the six months ended 30 June 2018 and 2019, we incurred R&D expenses in the amount of approximately RMB217.8 million and RMB368.7 million, respectively. The significant increase in our R&D expenses was mainly due to (i) increases in clinical trial expenses and preclinical study costs, as we initiated a number of preclinical research and clinical trials for several new indications and accelerated the progress of clinical trials; (ii) increases in our staff salary and welfare for R&D personnel, which was primarily due to the increase in the number of our R&D staff.

4. Selling and Distribution Expenses

Our selling and distribution expenses mainly include selling staff costs, marketing and promotion activities and travelling cost. For the six months ended 30 June 2019, our selling and distribution expenses were RMB110.7 million due to the mounting sales and marketing activities for the PD-1 commercialisation.

5. Administrative Expenses

Our administrative expenses primarily consist of administrative staff cost, office administration expenses, depreciation and amortisation and audit and consultancy fees. For the six months ended 30 June 2018 and 2019, our administrative expenses were RMB49.8 million and RMB102.6 million, respectively. The significant increase was in line with business expansion.

6. Liquidity and Capital Resources

As at 30 June 2019, our bank balance and cash was RMB2,295.9 million compared to RMB2,763.6 million as at 31 December 2018. The decrease was mainly due to our R&D investment, in production base in Lingang and repayment of loans.

7. Non-IFRSs Measures

To supplement the Group's condensed consolidated financial statements which are prepared in accordance with the IFRSs, the Company has provided adjusted total comprehensive expenses for the period (excluding effects from non-cash related items and one-off events which include but not limited to fair value changes of convertible loan notes, share-based payment expenses, net exchange losses, and listing expenses), as additional financial measures, which are not required by, or presented in accordance with, the IFRSs. The Company believes that the non-IFRSs financial measures are useful for understanding and assessing underlying business performance and operating trends, and that the Company's management and investors may benefit from referring to these non-IFRSs financial measures in assessing the Group's financial performance by eliminating the impact of certain unusual and non-recurring items that the Group does not consider indicative of the performance of the Group's business. However, the presentation of these non-IFRSs financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with the IFRSs. You should not view the non-IFRSs financial results on a stand-alone basis or as a substitute for results under the IFRSs or as being comparable to results reported or forecasted by other companies.

Non-IFRSs adjusted total comprehensive expenses for the period:

	For the six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
IFRSs total comprehensive expense for the period	**(289,347)**	(267,385)
Add:		
Loss (gain) on fair value changes of convertible loan notes measured at FVTPL	**(24,419)**	1,881
Listing expense	**–**	156
Share-based payment expenses	**6,166**	3,893
Net exchange losses	**33,949**	–
Adjusted total comprehensive expense for the period	**(273,651)**	(261,455)

8. Global Offering and Use of Proceeds

On 24 December 2018, the Company issued 158,910,000 new H Shares at HK$19.38 (equivalent to RMB17.07) per H Share for total gross proceeds of HK$3,079.7 million (equivalent to RMB2,713.2 million) by way of initial public offering of the Company on the Stock Exchange.

On 4 January 2019, the over-allotment option was fully exercised and the Company issued an aggregate of 23,836,500 H Shares for total gross proceeds of HK$462.0 million.

The total proceeds from the issue of new H Shares by the Company in its H Shares listing on the Stock Exchange (the "**Listing**") (after deducting portions of the underwriting fees and related Listing expenses) amounted to approximately RMB3,003.4 million*(Note)* and the balance of unutilised net proceeds of approximately RMB2,012.9 million as at 30 June 2019.

The net proceeds from the Listing are being utilised in accordance with the purposes set out in the Prospectus. The table below sets out the planned application of the net proceeds in the Prospectus and actual usage up to 30 June 2019.

	Percentage	**Net proceeds** *(RMB'000)*	**Interests** *(RMB'000)*	**Utilized proceeds** *(RMB'000)*	**Unutilized proceeds** *(RMB'000)*
The R&D and commercialisation of the Group's Core Product, JS001	40%	1,201,356	–	579,778	621,578
The R&D of the Group's other drug candidates to fund clinical trials	16%	480,542	–	114,357	366,185
The construction of the Lingang Production Base and the Wujiang Production Base	9%	270,305	–	270,305	–
The Group's investment in and acquisition of companies in the pharmaceutical sector	25%	750,847	–	3,700	747,147
The Group's working capital and other general corporate purposes	10%	300,339	11,117	33,456	278,000
Total	**100%**	**3,003,389**	**11,117**	**1,001,596***	**2,012,910***

* including interests

Note:

It included approximately RMB113.9 million which forms part of the Listing expenses payable settled after the receipt of IPO proceeds. By excluding this portion, the net proceeds planned for applications amount to approximately RMB3,003.4 million.

On 29 August 2019, the Board has resolved to change the use of proceeds from the Listing. For further details regarding the change in use of proceeds and the reasons for such change, please refer to the Company's announcement dated 29 August 2019.

SIGNIFICANT CHANGES IN ACCOUNTING POLICIES

Principal accounting policies

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values, as appropriate.

Other than changes in accounting policies resulting from application of new and amendments to IFRSs, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2019 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2018.

Application of new and amendments of IFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to IFRSs issued by the IASB which are mandatorily effective for the annual period beginning on or after 1 January 2019 for the preparation of the Group's condensed consolidated financial statements:

IFRS 16	Leases
IFRIC 23	Uncertainty over Income Tax Treatments
Amendments to IFRS 9	Prepayment Features with Negative Compensation
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to IFRSs	Annual Improvements to IFRS Standards 2015 – 2017 Cycle

Except as described below, the application of the new and amendments to IFRSs in the current period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

Impacts and changes in accounting policies of application on IFRS 16 *Leases*

The Group has applied IFRS 16 for the first time in the current interim period. IFRS 16 superseded IAS 17 *Leases* ("**IAS 17**"), and the related interpretations.

On transition, the Group has made the following adjustments upon application of IFRS 16:

As at 1 January 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities by applying IFRS 16.C8(b)(ii) transition. The Group recognised lease liabilities of RMB46,468,000 and right-of-use assets of RMB123,132,000 at 1 January 2019. The transition to IFRS 16 has no impact on the accumulated losses at 1 January 2019.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average lessees' incremental borrowing rates applied is 5.22%.

	At 1 January 2019 *RMB'000*
Operating lease commitments disclosed as at 31 December 2018	51,273
Lease liabilities discounted at relevant incremental borrowing rates	47,892
Less: Recognition exemption – short-term leases	(1,424)
Lease liabilities relating to operating leases recognised upon application of IFRS 16 as at 1 January 2019	46,468
Analysed as:	
Current	12,182
Non-current	34,286
	46,468

The carrying amount of right-of-use assets as at 1 January 2019 comprises the following:

	Notes	Right-of-use assets *RMB'000*
Right-of-use assets relating to operating leases recognised upon application of IFRS 16		46,468
Reclassified from prepaid lease payments	*(a)*	74,408
Reclassified from operating lease prepayments	*(b)*	2,256
		123,132
By class:		
Leasehold lands		74,408
Leasehold lands and building		48,724
		123,132

Impact on the condensed consolidated statement of financial position

The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position at 1 January 2019. Line items that were not affected by the changes have not been included.

	Notes	Carrying amounts previously reported at 31 December 2018 RMB'000	Adjustments RMB'000	Carrying amounts under IFRS 16 at 1 January 2019 RMB'000
Non-current assets				
Right-of-use assets	*(a),(b)*	–	123,132	123,132
Prepaid lease payments	*(a)*	74,408	(74,408)	–
Current assets				
Other assets, prepayments and other receivables	*(b)*	92,630	(2,256)	90,374
Non-current liabilities				
Lease liabilities		–	(12,182)	(12,182)
Current liabilities				
Lease liabilities		–	(34,286)	(34,286)

Notes:

(a) Upfront payments for leasehold lands in the PRC were classified as prepaid lease payments as at 31 December 2018. Upon application of IFRS 16, prepaid lease payments amounting to RMB74,408,000 were reclassified to right-of-use assets.

(b) Prepaid rental expenses were classified as other assets, prepayments and other receivables as at 31 December 2018. Upon application of IFRS 16, the prepayments amounting to RMB2,256,000 were reclassified to right-of-use assets.

(c) Before the application of IFRS 16, the Group considered refundable rental deposits paid as rights and obligations under leases to which IAS 17 applied. Based on the definition of lease payments under IFRS 16, such deposits are not payments relating to the right to use of the underlying assets and were adjusted to reflect the discounting effect at transition. However, no adjustments are made as the directors of the Company considered that the discounting effect is immaterial to the condensed consolidated financial statements upon application of IFRS 16.

PROPOSED ISSUE OF A SHARES AND LISTING ON THE SCI-TECH INNOVATION BOARD OF THE SHANGHAI STOCK EXCHANGE

The Company submitted the listing counseling materials in relation to the initial public offering and listing of A shares on the Sci-Tech Innovation Board of the Shanghai Stock Exchange to the Shanghai Supervisory Commission of the China Securities Regulatory Commission (the "**Shanghai Securities Regulatory Bureau**"). The counseling and filing were announced on the website of the Shanghai Securities Regulatory Bureau on 5 May 2019. The Company is currently receiving counseling from China International Capital Corporation Limited.

On 17 June 2019, Shareholders of the Company approved at the annual general meeting, the 2019 first class meeting of Domestic Shareholders and the 2019 first class meeting of H Shareholders, the proposed issue of not more than 87,130,000 A shares of the Company and the application to the Shanghai Stock Exchange for the listing of, and permission to deal in, the A shares on the Sci-Tech Innovation Board of the Shanghai Stock Exchange and related matters. The issue of A shares will be subject to, among other things, the approvals by the Shanghai Stock Exchange and registration with the China Securities Regulatory Commission. In relation to the issue of A shares, the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 10.08 of the Listing Rules, pursuant to which the Company originally undertook to the Stock Exchange that, except pursuant to the Global Offering (including any allotment and issue of shares pursuant to the over-allotment option, the pre-IPO options and the Convertible Bonds) or for the circumstances provided under Rule 10.08(1) to (4) of the Listing Rules, at any time during the period of six months from the listing date, being 24 December 2018, the Company shall not, without the prior written consent of the Stock Exchange or unless in compliance with the requirements of the Listing Rules, allot or issue or agree to allot or issue any shares or other securities convertible into equity securities of the Company. For details of the Company's proposed issue of A shares and waiver from strict compliance of Rule 10.08 of the Listing Rules, please refer to the Company's announcement dated 30 April 2019 and supplemental circular dated 27 May 2019.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company redeemed the Convertible Bonds with effect from 8 July 2019. Please also refer to the "Subsequent events after the Reporting Period" above for further details.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiry with each of the Directors, all the Directors confirmed that they had complied with such code of conduct during the Reporting Period.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

At the 2018 annual general meeting held on 17 June 2019 (the "**AGM**"), the Shareholders passed a special resolution in relation to the amendments of the Articles of Association of the Company (the "**Articles**"). The amendments to the Articles in relation to the expansion of its scope of business and share repurchase by the Company came into effect upon the resolution being passed at the AGM. For further details of the amendments to the Articles, please refer to the Company's circular dated 24 April 2019.

CHANGE IN SUPERVISORS OF THE COMPANY

During the Reporting Period and up to the date of this announcement, the composition of the board of supervisors of the Company (the "**Board of Supervisors**") changed as follows:

Mr. Wu Yu (chairman of the Board of Supervisors) – *appointed as chairman of the Board of Supervisors on 10 July 2019*
Ms. Nie Anna – *appointed on 7 May 2019*
Ms. Li Ruolin – *appointed on 7 May 2019*
Ms. Wang Pingping
Mr. Liu Jun – *appointed on 17 June 2019*
Mr. Liu Hongchuan (previously chairman of the Board of Supervisors) – *resigned on 30 April 2019, effective on 7 May 2019 (as employee representative supervisor) and 10 July 2019 (as chairman of the Board of Supervisors)*
Mr. Gao Yucai – *resigned on 30 April 2019, effective on 7 May 2019*
Mr. Yan Jiawei – *resigned on 9 April 2019 with immediate effect*

CORPORATE GOVERNANCE

The Board is committed to maintaining high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has applied the principles and code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 14 to the Listing Rules. The Board is of the view that, during the Reporting Period, the Company has complied with all code provisions as set out in the CG Code.

AUDIT COMMITTEE

The audit committee of the Company ("**Audit Committee**") consists of three independent non-executive Directors, being Dr. He Jia (Chairman of the Audit Committee), Mr. Chen Xinjun and Mr. Qian Zhi and one non-executive Director, being Mr. Li Cong. The primary duties of the Audit Committee are to assist the Board in providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of the Group and overseeing the audit process.

The Audit Committee has reviewed, together with the management and external auditors, the accounting principles and policies adopted by the Group and the condensed consolidated financial statements for the Reporting Period.

REVIEW OF INTERIM RESULTS

The interim results of the Group for the six months ended 30 June 2019 have not been audited, but have been reviewed by the Audit Committee.

INTERIM DIVIDEND

The Board does not recommend any payment of an interim dividend for the Reporting Period.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT FOR THE REPORTING PERIOD

This interim results announcement has been published on the websites of the Company (www.junshipharma.com), the Stock Exchange (http://www.hkexnews.hk) and the NEEQ (www.neeq.com.cn), and the interim report for the Reporting Period containing all the information required by the Listing Rules will be dispatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board of
Shanghai Junshi Biosciences Co., Ltd.*
Mr. Xiong Jun
Chairman

Shanghai, the PRC, 29 August 2019

As at the date of this announcement, the board of directors of the Company comprises Mr. Xiong Jun, Dr. Li Ning, Dr. Feng Hui, Mr. Zhang Zhuobing, Dr. Wu Hai and Dr. Yao Sheng as executive Directors; Mr. Tang Yi, Mr. Li Cong, Mr. Yi Qingqing and Mr. Lin Lijun as non-executive Directors; and Dr. Chen Lieping, Dr. He Jia, Mr. Chen Xinjun, Mr. Qian Zhi and Dr. Roy Steven Herbst as independent non-executive Directors.

* *For identification purpose only*