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If you are in doubt about this circular, you should consult your stockbroker, other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **CanSino Biologics Inc.**, you should at once hand this circular together with the form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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This circular appears for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

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)

**(1) CHANGE IN USE OF THE REMAINING UNUTILIZED
PROCEEDS RECEIVED FROM THE LISTING OF THE
COMPANY'S H SHARES
(2) USE OF PART OF THE OVER-RAISED
PROCEEDS RECEIVED FROM THE LISTING OF THE
COMPANY'S A SHARES
TO PERMANENTLY SUPPLEMENT WORKING CAPITAL
AND
NOTICE OF THE 2020 FIRST EXTRAORDINARY GENERAL MEETING**

A notice convening the EGM of CanSino Biologics Inc. to be held at Conference Room, Level 11, CITIC Securities Tower, No. 48 Liangmaqiao Road, Chaoyang District, Beijing, PRC on Friday, October 9, 2020 at 2:30 p.m. is set out in this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.cansinotech.com>).

Shareholders who intend to appoint a proxy to attend the EGM shall complete and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the EGM (i.e. not later than 2:30 p.m. on Thursday, October 8, 2020) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM if they so wish.

References to dates and time in this circular are to Hong Kong dates and time.

September 21, 2020

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
NOTICE OF THE 2020 FIRST EXTRAORDINARY GENERAL MEETING	N-1

DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“A Share(s)”	ordinary shares in the share capital of our Company with a nominal value of RMB1.00 each and listed on the Sci-Tech Innovation Board of the Shanghai Stock Exchange and traded in RMB
“A Share Offering”	the Company’s initial public offering of 24,800,000 A Shares and listing on the Sci-Tech Innovation Board of Shanghai Stock Exchange on August 13, 2020
“Articles of Association” or “Articles”	the articles of association of the Company, as amended from time to time
“Board of Directors” or “Board”	the board of Directors
“China” or the “PRC”	the People’s Republic of China, for the purpose of this circular, excluding the regions of Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Company”	CanSino Biologics Inc. (康希諾生物股份公司), a company incorporated in the PRC with limited liability
“Director(s)”	the director(s) of the Company
“EGM”	the 2020 first extraordinary general meeting of the Company to be held on Friday, October 9, 2020 at 2:30 p.m.
“H Share(s)”	overseas listed foreign share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong Dollars and listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	September 15, 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Prospectus”	the prospectus issued by the Company dated March 18, 2019
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising A Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD

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)

Executive Directors:

Dr. Xuefeng YU (Chairman and chief executive officer)
Dr. Shou Bai CHAO
Dr. Tao ZHU (朱濤)
Dr. Dongxu QIU

Non-Executive Directors:

Mr. Qiang XU (許強)
Mr. Liang LIN (林亮)
Ms. Nisa Bernice Wing-Yu LEUNG (梁穎宇)
Mr. Zhi XIAO (肖治)

Independent Non-executive Directors:

Mr. Shiu Kwan Danny WAI (韋少琨)
Ms. Zhu XIN (辛珠)
Mr. Shuifa GUI (桂水發)
Mr. Jianzhong LIU (劉建忠)

Headquarters and Registered

Office in the PRC:
401-420, 4th Floor
Biomedical Park
185 South Avenue
TEDA West District
Tianjin
PRC

*Principal Place of Business
in Hong Kong:*

Room 1901, 19/F
Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

September 21, 2020

To the Shareholders

Dear Sir/Madam,

**(1) CHANGE IN USE OF THE REMAINING UNUTILIZED
PROCEEDS RECEIVED FROM THE LISTING OF THE
COMPANY'S H SHARES**

**(2) USE OF PART OF THE OVER-RAISED
PROCEEDS RECEIVED FROM THE LISTING OF THE
COMPANY'S A SHARES**

**TO PERMANENTLY SUPPLEMENT WORKING CAPITAL
AND**

NOTICE OF THE 2020 FIRST EXTRAORDINARY GENERAL MEETING

I. INTRODUCTION

The purpose of this circular is to provide you with the notice of the EGM and the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the EGM.

LETTER FROM THE BOARD

At the EGM, ordinary resolutions will be proposed to consider, (and if thought fit) approve:

- (1) the proposed change in use of the remaining unutilized proceeds received from the listing of the Company's H Shares ("**Proposed Change in Use of Proceeds**"); and
- (2) the proposed use of part of the over-raised proceeds received from the listing of the Company's A Shares (the "**Over-raised Proceeds**") to permanently supplement working capital ("**Proposed Use of Over-raised Proceeds**").

II. DETAILS OF THE RESOLUTIONS

Ordinary Resolutions

(1) Proposed Change in Use of Proceeds

The Company was listed on the Stock Exchange on March 28, 2019 and received net proceeds (after deduction of underwriting commissions and related costs and expenses) from the listing and the exercise of over-allotment option of approximately HK\$1,309.8 million, equivalent to approximately RMB1,122.3 million (the "**IPO Proceeds**").

It was disclosed under the section headed "Future Plans and Use of Proceeds" in the Prospectus that the Company intended to use the IPO Proceeds (adjusted on a pro-rata basis according to the net proceeds) for the following purposes:

- (i) approximately RMB897.9 million (representing 80% of the net proceeds) is expected to be used for the research and development and commercialization of the Company's core products, as well as other key products in the product pipeline;
- (ii) approximately RMB112.2 million (representing 10% of the net proceeds) is expected to be used for continued research and development of the Company's pre-clinical vaccine candidates; and
- (iii) approximately RMB112.2 million (representing 10% of the net proceeds) is expected to be used for working capital and other general corporate purposes.

As at June 30, 2020, approximately RMB682.8 million of the IPO Proceeds remain unutilized.

For the purpose of realizing the overall interests of the Company and the Shareholders, as well as the Company's strategic development goals, taking into account the net proceeds received from the A Shares Offering, together with the market collaboration with Pfizer and the Company's operation needs, in order to strengthen the Company's capital efficiency, the Board proposed to change the use of RMB420.0 million of the unutilized IPO proceeds, which is originally allocated for the commercialization of MCV candidates, to (i) cooperation, licensing

LETTER FROM THE BOARD

and introduction of advanced technologies, vaccine candidates and biological products; (ii) development of vaccine candidates; and (iii) acquisition of high-quality assets related to vaccines and biological products. Save for the aforesaid change, there are no other proposed changes in the use of the IPO Proceeds. An analysis of the utilization of the IPO Proceeds as at June 30, 2020 and the proposed change of allocation of unutilized IPO Proceeds are summarized as follows:

	Proposed use of IPO Proceeds as disclosed in the Prospectus (RMB million)	Utilized IPO Proceeds as at June 30, 2020 (RMB million)	Unutilized IPO Proceeds as at June 30, 2020 (RMB million)	Proposed change of allocation of unutilized IPO Proceeds (RMB million)	Expected Revised allocation of unutilized IPO Proceeds (RMB million)	Expected time of full utilisation of remaining balance
Research and development and commercialization of MCV candidates	505.1	46.9	458.2	(420.0)	38.2	By the end of 2021
Research and development of DTcP candidates	224.5	57.9	166.6	-	166.6	By the end of 2023
Research and development of other key products	168.3	126.5	41.8	-	41.8	By the end of 2021
Continued research and development of our pre-clinical vaccine candidates	112.2	101.5	10.7	-	10.7	By the end of 2020
Working capital and other general corporate purposes	112.2	106.7	5.5	-	5.5	By the end of 2020
(i) cooperation, licensing and introduction of advanced technologies, vaccine candidates and biological products; (ii) development of vaccine candidates; and (iii) acquisition of high-quality assets related to vaccines and biological products	-	-	-	420.0	420.0	By the end of 2023

The Proposed Change in Use of Proceeds has been approved by the Board, and is subject to the approval by the Shareholders by way of an ordinary resolution at the EGM.

Proposed Use of Over-raised Proceeds

Under the premise of ensuring the capital needs for the projects in relation to the use of proceeds from the A Share Offering, in order to meet the company's liquidity needs, improve the efficiency of the use of proceeds, reduce financial costs, enhance the Company's profitability, and safeguard the interests of the Shareholders, according to relevant rules and regulations and the Company's Articles and internal policies, taking into account the Company's operation needs and financial positions, the Board proposed to use RMB1,190.0

LETTER FROM THE BOARD

million of the Over-raised Proceeds, accounting for 29.9% of the Over-raised Proceeds, to permanently supplement working capital. Such proceeds will be used for the Company's production and operation activities related to its primary business.

The Company undertakes that (i) the accumulated amount used to supplement working capital in every 12 months will not exceed 30% of the total amount of Over-raised Proceeds; (ii) the use of the Over-raised Proceeds to permanently supplement working capital will not affect the capital needs for the construction project in relation to the use of proceeds from the A Share Offering; and (iii) no high-risk investment or financial assistance to others will be made within 12 months after the working capital is supplemented.

The Proposed Use of Over-raised Proceed has been approved by the Board, and is subject to the approval by the Shareholders by way of an ordinary resolution at the EGM.

III. THE EGM

The EGM will be held at Conference Room, Level 11, CITIC Securities Tower, No. 48 Liangmaqiao Road, Chaoyang District, Beijing, PRC on Friday, October 9, 2020 at 2:30 p.m. Notice convening the EGM is set out on pages N-1 to N-2 of this circular and published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and of the Company (<http://www.cansinotech.com>).

IV. CLOSURE OF REGISTER OF MEMBERS OF H SHARES

The register of members of H Shares of the Company is closed from Wednesday, September 9, 2020 to Friday, October 9, 2020, both days inclusive, during which period no transfer of H Shares shall be registered, in order to determine the holders of the H Shares of the Company who are entitled to attend and vote at the forthcoming EGM to be held on October 9, 2020.

To be eligible to attend and vote at the EGM, all properly completed transfer documents should have been 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 for registration.

V. PROXY ARRANGEMENT

The form of proxy of the EGM is enclosed and published on the websites of the Stock Exchange and the Company.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. For holders of H Shares, the form of proxy should be returned to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; for holders of A Shares, the form of proxy should

LETTER FROM THE BOARD

be returned to the Company's headquarters and registered office in the PRC at 401-420, 4th Floor, Biomedical Park, 185 South Avenue, TEDA West District, Tianjin, PRC by personal delivery or by post, not less than 24 hours before the time fixed for holding the EGM (i.e. not later than 2:30 p.m. on Thursday, October 8, 2020) or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or at any other adjourned meeting should you so wish.

VI. VOTING BY POLL

Any vote of Shareholders at the EGM must be taken by poll except where the chairman of the EGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company shall publish the poll results announcement in the manner prescribed under Rule 13.39(5) of the Listing Rules. Accordingly, the chairman of the EGM will exercise his power under the Articles of Association to demand a poll in relation to all the proposed resolutions at the EGM.

To the best of the Directors' knowledge, information and belief, none of the Shareholders are required to abstain from voting at the EGM.

VII. RECOMMENDATION

The Board considers that all the resolutions proposed at the EGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of these proposed resolutions.

VIII. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

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

NOTICE OF THE 2020 FIRST EXTRAORDINARY GENERAL MEETING

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)

NOTICE OF THE 2020 FIRST EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2020 first extraordinary general meeting (the “EGM”) of CanSino Biologics Inc. (the “**Company**”) will be held at Conference Room, Level 11, CITIC Securities Tower, No. 48 Liangmaqiao Road, Chaoyang District, Beijing, PRC on Friday, October 9, 2020 at 2:30 p.m. for the following purposes:

ORDINARY RESOLUTIONS

- 1 To consider and approve the proposed change in use of the remaining unutilized proceeds received from the listing of the Company’s H Shares; and
- 2 To consider and approve the proposed use of part of the over-raised proceeds received from the listing of the Company’s A Shares to permanently supplement working capital.

For and on behalf of the Board
CanSino Biologics Inc.
Xuefeng YU
Chairman

Hong Kong, September 21, 2020

Notes:

1. All resolutions at the EGM will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The results of the poll will be published on the websites of the Company at www.cansinotech.com and Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the EGM.
2. Any shareholder entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a shareholder of the Company.
3. In order to be valid, the instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be completed and returned to the Company’s headquarters and registered office in the PRC (for holders of A Shares) or the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (for holders of H shares), at least 24 hours before the EGM (i.e. not later than 2:30 p.m. on Thursday, October 8, 2020) or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude a shareholder from attending and voting at the EGM or any adjourned meeting thereof should he/she so wish.

NOTICE OF THE 2020 FIRST EXTRAORDINARY GENERAL MEETING

4. For the purpose of determining the list of holders of H shares who are entitled to attend the EGM, the H share register of members of the Company is closed from September 9, 2020 to October 9, 2020, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of the shares shall ensure all transfer documents accompanied by the relevant share certificates have been 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 for registration.
5. In case of joint shareholders, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding.
6. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.
7. A shareholder or his/her proxy should produce proof of identity when attending the EGM.
8. References to date and time in this notice are to Hong Kong dates and time.

As at the date of this notice, 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.