
THIS SUPPLEMENTAL CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt about this supplemental 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 supplemental circular together with the enclosed supplemental 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 supplemental 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)

SUPPLEMENTAL CIRCULAR
PROPOSED CHANGE IN USE OF PROCEEDS
FROM A SHARE OFFERING
AND
SUPPLEMENTAL NOTICE OF 2020 ANNUAL GENERAL MEETING

This supplemental circular should be read together with the 2020 AGM Circular.

A supplemental notice of the AGM of CanSino Biologics Inc. to be held as originally scheduled at Conference Room, Level 11, CITIC Securities Tower, No. 48 Liangmaqiao Road, Chaoyang District, Beijing, PRC at 1:30 p.m on Friday, May 28, 2021 is being despatched to the Shareholders together with this supplemental circular.

The Supplemental Proxy Form for use at the AGM is enclosed with this supplemental circular. The Supplemental Proxy Form is to be used for the supplemental resolution set out in the supplemental notice and will not affect the validity of duly completed Original Proxy Form in respect of the resolutions set out in the notice of the AGM included in the circular of the Company dated April 20, 2021. Shareholders who intend to appoint a proxy to attend the AGM and vote on the resolution set out in the supplemental notice of AGM shall complete and return the Supplemental Proxy Form in accordance with the instructions printed thereon. For holders of H Shares, please return the Supplemental Proxy Form together with any documents of authority to 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 as soon as possible and in any event not later than 24 hours before the time appointed for holding the AGM. If you have already appointed a proxy to attend and act on your behalf at the AGM but do not return the Supplemental Proxy Form, your proxy will have the right to vote on the supplemental resolution at his/her discretion. Completion and return of the Original Proxy Form and/or the Supplemental Proxy Form will not preclude you from attending and voting at the AGM, or any adjournment thereof should you so wish.

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

May 12, 2021

CONTENTS

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

DEFINITIONS

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

“2020 AGM Circular”	the circular of the Company in respect of the AGM dated April 20, 2021
“2020 AGM Notice”	the notice of the 2020 AGM of the Company dated April 20, 2021
“AGM” or “Annual General Meeting”	the 2020 annual general meeting of the Company to be held on Friday, May 28, 2021 at 1:30 p.m.
“A Share(s)”	ordinary shares in the share capital of the 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 IPO Proceeds”	the net proceeds (after deduction of underwriting commissions and related costs and expenses) of approximately RMB4,979.5 million received by the Company from its A Share Offering
“A Share Offering”	the initial public offering of 24,800,000 A Shares and listing of the A Shares of Company on the Sci-Tech Innovation Board of Shanghai Stock Exchange on August 13, 2020
“Board”	the board of Directors
“CanSino Innovative Vaccine Industrial Campus Project”	an upgrade and replacement of the construction plan of phase II production facilities originally planned by the Company in its A Share Offering prospectus
“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, the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 6185) and the A Shares of which are listed on Sci-Tech Innovation Board of the Shanghai Stock Exchange (stock code: 688185)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries

DEFINITIONS

“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
“Latest Practicable Date”	May 5, 2021, being the latest practicable date prior to the printing of this supplemental circular for ascertaining certain information in this supplemental circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Original Proxy Form”	the form of proxy in respect of the resolutions set out in the 2020 AGM Circular
“PRC”	the People’s Republic of China, for the purpose of this supplemental circular, excluding the regions of Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Results Announcement”	the annual results announcement of the Company for the year ended December 31, 2020 published by the Company on March 26, 2021
“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
“Supplemental Proxy Form”	a supplemental form of proxy for use at the AGM in respect of the resolution as set out in this supplemental circular

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
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

May 12, 2021

To the Shareholders

Dear Sir/Madam,

**SUPPLEMENTAL CIRCULAR
PROPOSED CHANGE IN USE OF PROCEEDS
FROM A SHARE OFFERING
AND**

SUPPLEMENTAL NOTICE OF 2020 ANNUAL GENERAL MEETING

I. INTRODUCTION

References are made to (i) the Results Announcement which set out, inter alia, the details of utilization of the A-Share IPO Proceeds; (ii) the 2020 AGM Circular dated April 20, 2021, which sets out the time and venue of the AGM and contains the resolutions to be put forward at the AGM for Shareholders' consideration and approval; and (iii) the announcement dated April 29, 2021 in relation to the proposed change in use of the A-Share IPO Proceeds. This supplemental circular should be read together with the 2020 AGM Circular which contains, inter alia, the 2020 AGM Notice.

LETTER FROM THE BOARD

The purpose of this supplemental circular is to provide you with, among other things, detailed information regarding the proposed change in use of the A-Share IPO Proceeds and a supplemental notice convening the AGM.

II. DETAILS OF THE RESOLUTION

Ordinary Resolution

(11) Proposed Change in Use of the A-Share IPO Proceeds

Overview of the Proposed Change in Use of the A-Share IPO Proceeds

The Company received A-Share IPO Proceeds of approximately RMB4,979.5 million, which include:

- (1) approximately RMB550.0 million of the A-Share IPO Proceeds planned for construction of phase II production facilities, which has not been utilized as of the Latest Practicable Date;
- (2) approximately RMB450.0 million of the A-Share IPO Proceeds planned for other purposes as set out in the section titled “Use of A-Share IPO Proceeds” in the Results Announcement, which is being utilized as scheduled; and
- (3) approximately RMB3,979.5 million of over-raised proceeds from A Share Offering, among which, RMB1,190.0 million has been used to permanently supplement working capital as approved by the Shareholders at the extraordinary general meeting held on October 9, 2020. As of the Latest Practicable Date, approximately RMB2,789.5 million of over-raised proceeds from A Share Offering remained unutilized. As disclosed in the Results Announcement, further application of the over-raised proceeds from A Share Offering shall be approved by the Board as well as the Shareholders at a general meeting.

For the reasons set out below, on April 29, 2021, the Board has resolved to change the use of part of the unutilized A-Share IPO Proceeds. The Board proposed to upgrade and replace the construction plan of phase II production facilities with the CanSino Innovative Vaccine Industrial Campus Project. The total capital expenditure to be invested into the CanSino Innovative Vaccine Industrial Campus Project is expected to be approximately RMB2,244.7 million, which will be funded by (1) the proposed change of use in the unutilized A-Share IPO Proceeds planned for the construction of phase II production facilities, being approximately RMB550.0 million, as well as any interests generated therefrom; (2) the proposed application of a portion of the unutilized over-raised proceeds from the A Share Offering of RMB550.0 million; and (3) the Group’s internal resources and bank borrowings to be arranged by the Company (if any) to cover the remaining amount. The Company expects to complete the utilization of the above proceeds in the CanSino Innovative Vaccine Industrial Campus Project by the end of 2024.

LETTER FROM THE BOARD

Save for the aforesaid changes, there are no other proposed changes in the use of the A-Share IPO Proceeds.

Reasons for Change in Use of the A-Share IPO Proceeds

The pandemic of COVID-19 has a significant impact on the development of the vaccine industry. Taking into the account the trend of the vaccine industry and the Company's long-term development strategies, the Company keeps improving its capabilities of research and development, manufacturing, testing and storage. As a result, the Company proposed to upgrade and replace the construction plan of phase II production facilities with the CanSino Innovative Vaccine Industrial Campus Project, by establishing new manufacturing lines and supporting facilities to satisfy its long-term development strategies. The proposed change in the use of the A-Share IPO Proceeds is expected to enhance the Company's manufacturing capacity, improve its profitability and competitiveness, and further enhance the efficiency of the use of A-Share IPO Proceeds.

The Board confirms that there is no material change in the business nature of the Group and considered that the proposed change in the use of the A-Share IPO Proceeds will not have any material adverse impact on the existing business and operations of the Group and is in the best interests of the Company and its Shareholders as a whole.

III. THE AGM

A supplemental notice of the AGM to be held as originally scheduled at Conference Room, Level 11, CITIC Securities Tower, No. 48 Liangmaqiao Road, Chaoyang District, Beijing, PRC at 1:30 p.m. on Friday, May 28, 2021 is being despatched to the Shareholders together with this supplemental circular.

Save as disclosed in this supplemental circular, please refer to the 2020 AGM Circular and 2020 AGM Notice for details of the ordinary resolutions numbered 1 to 10 and a special resolution to be proposed at the AGM, eligibility for attending the AGM, appointment of proxy, registration procedures, closure of register of members and other relevant matters.

IV. PROXY ARRANGEMENT

The register of members of H Shares is closed from Wednesday, April 28, 2021 to Friday, May 28, 2021, both days inclusive, during which period no transfer of H Shares will 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 AGM to be held on Friday, May 28, 2021.

To be eligible to attend and vote at the AGM, all properly completed transfer documents must 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 no later than 4:30 p.m. on Tuesday, April 27, 2021 for registration.

LETTER FROM THE BOARD

The Supplemental Proxy Form for use at the AGM is enclosed with this supplemental circular. The Supplemental Proxy Form is to be used for the supplemental resolution set out in the supplemental notice of AGM and will not affect the validity of duly completed Original Proxy Form in respect of the resolutions set out in the 2020 AGM Notice included in the 2020 AGM Circular. Shareholders who intend to appoint a proxy to attend the AGM and vote on the resolution set out in the supplemental notice of AGM shall complete and return the Supplemental Proxy Form in accordance with the instructions printed thereon. For holders of H Shares, please return the Supplemental Proxy Form together with any documents of authority to 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 as soon as possible and in any event not later than 24 hours before the time appointed for holding the AGM. If you have already appointed a proxy to attend and act on your behalf at the AGM but do not return the Supplemental Proxy Form, your proxy will have the right to vote on the supplemental resolution at his/her discretion. Completion and return of the Original Proxy Form and/or the Supplemental Proxy Form will not preclude you from attending and voting at the AGM, or any adjournment thereof should you so wish.

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

V. RECOMMENDATION

The Board considers that the resolution set out in this supplemental circular to be proposed at the AGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favor of this proposed resolution.

VI. RESPONSIBILITY STATEMENT

This supplemental 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 supplemental 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 supplemental circular misleading.

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

SUPPLEMENTAL NOTICE OF 2020 ANNUAL 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)

SUPPLEMENTAL NOTICE OF 2020 ANNUAL GENERAL MEETING

Reference is made to the notice (the “**2020 AGM Notice**”) of the 2020 annual general meeting (the “**AGM**”) of CanSino Biologics Inc. (the “**Company**”) dated April 20, 2021, which states the time and venue of holding the AGM and the resolutions to be proposed at the AGM for the Company’s shareholders’ approval. This supplemental notice shall be read together with the 2020 AGM Notice.

SUPPLEMENTAL NOTICE IS HEREBY GIVEN THAT the AGM of the Company will be held at Conference Room, Level 11, CITIC Securities Tower, No. 48 Liangmaqiao Road, Chaoyang District, Beijing, the People’s Republic of China on Friday, May 28, 2021 at 1:30 p.m. as originally scheduled, to consider and approve the following resolution in addition to the resolutions set out in the 2020 AGM Notice:

ORDINARY RESOLUTION

11. To consider and approve the proposed change in use of the net proceeds received from the Company’s A share offering in August 2020.

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

Hong Kong, May 12, 2021

SUPPLEMENTAL NOTICE OF 2020 ANNUAL GENERAL MEETING

Notes:

1. A supplemental form of proxy (the “**Supplemental Proxy Form**”) containing the ordinary resolution numbered 11 is enclosed with the supplemental circular of the Company dated May 12, 2021 (the “**Supplemental Circular**”).
2. The Supplemental Proxy Form in respect of the above resolution has been enclosed with the Supplemental Circular. The Supplemental Proxy Form is to be used for the supplemental resolution set out in this supplemental notice and will not affect the validity of duly completed form of proxy in respect of the resolutions set out in the 2020 AGM Notice. If you have already appointed a proxy to attend and act on your behalf at the AGM but do not return the Supplemental Proxy Form, your proxy will have the right to vote on the supplemental resolution at his/her discretion. Please refer to the section headed “Proxy Arrangement” on page 5 of the Supplemental Circular for other arrangements on the completion and submission of the Supplemental Proxy Form.
3. Please refer to the Company’s circular dated April 20, 2021 and the 2020 AGM Notice for details of ordinary resolutions numbered 1 to 10 and a special resolution to be considered at the AGM, eligibility for attending the AGM, appointment of proxy, registration procedures, closure of register of members and other relevant matters.
4. References to dates and time in this supplemental notice are to Hong Kong dates and time.

As at the date of this supplemental 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.