

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

DISCLOSEABLE TRANSACTION PURCHASE OF STRUCTURED DEPOSITS

PURCHASE OF STRUCTURED DEPOSITS

The Board announces that (i) on July 30, 2021, the Company, entered into the Structured Deposit Agreement III with SPD Bank, pursuant to which the Company agreed to purchase structured deposit in the principal amount of RMB300 million from SPD Bank; and (ii) on August 19, 2021, the Company, entered into the Structured Deposit Agreement IV with SPD Bank, pursuant to which the Company agreed to purchase structured deposit of a similar nature as the structured deposit purchased under the Structured Deposit Agreement III in the principal amount of RMB600 million from SPD Bank.

LISTING RULES IMPLICATIONS

As all of the applicable percentage ratios (as calculated under Rule 14.07 of the Listing Rules) in respect of the transaction under the Structured Deposit Agreement III were below 5%, the purchase of structured deposit under the Structured Deposit Agreement III does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules on a standalone basis.

As the highest applicable percentage ratio in respect of the transaction under the Structured Deposit Agreement IV exceeds 5% but all of the applicable percentage ratios are less than 25%, the purchase of structured deposit under the Structured Deposit Agreement IV constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules on a standalone basis. As the Structured Deposit Agreement IV was entered into with the same bank and the transaction thereunder is of a similar nature as the transaction under the Structured Deposit Agreement III, the transactions under the Structured Deposit Agreements shall be aggregated pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio in respect of the purchase of structure deposits under the Structured Deposit Agreements, on an aggregate basis, exceeds 5% but all of the applicable percentage ratios are less than 25%, the purchase of structured deposits under the Structured Deposit Agreements constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board announces that (i) on July 30, 2021, the Company, entered into the Structured Deposit Agreement III with SPD Bank, pursuant to which the Company agreed to purchase structured deposit in the principal amount of RMB300 million from SPD Bank; and (ii) on August 19, 2021, the Company, entered into the Structured Deposit Agreement IV with SPD Bank, pursuant to which the Company agreed to purchase structured deposit of a similar nature as the structured deposit purchased under the Structured Deposit Agreement III in the principal amount of RMB600 million from SPD Bank.

THE STRUCTURED DEPOSIT AGREEMENTS

The principal terms of the Structured Deposit Agreements are set out as follows:

| Agreement | Structured Deposit Agreement III | Structured Deposit Agreement IV |
|----------------------------|---|--|
| Date of purchase | July 30, 2021 | August 19, 2021 |
| Parties | (a) The Company; and (b) SPD Bank. | (a) The Company; and (b) SPD Bank. |
| Name of the product | SPD Bank Li Duo Duo Company Stable Profit 21JG7622 (Bullish Three-tier) RMB-denominated Structured Deposit Product * (上海浦東發展銀行利多多公司穩利21JG7622 期(三層看漲)人民幣對公結構性存款) | SPD Bank Li Duo Duo Company Stable Profit 21JG6313 (Three-month Branch Exclusive Type B) RMB-denominated Structured Deposit Product * (上海浦東發展銀行利多多公司穩利21JG6313 期(3個月網點專屬B款)人民幣對公結構性存款) |
| Type of return | Principal-guaranteed with variable return | Principal-guaranteed with variable return |
| Purchase amount | RMB300 million The Company is of the view that the consideration of such purchase was determined on the basis of arm's length commercial terms. The structured deposit was purchased with the funds redeemed upon maturity of the structured deposit purchased under the Structured Deposit Agreement I, without using the H-Share IPO proceeds of the Company. | RMB600 million The Company is of the view that the consideration of such purchase was determined on the basis of arm's length commercial terms. The structured deposit was purchased with the funds redeemed upon maturity of the structured deposit purchased under the Structured Deposit Agreement II, without using the H-Share IPO proceeds of the Company. |

| | | |
|--|--|--|
| Term of deposit | From July 30, 2021 to August 30, 2021 | From August 20, 2021 to November 19, 2021 |
| Expected annualized floating rate of return | <p>The initial price is the EUR-USD Bloomberg foreign exchange fixing rate to be published on the “EUR CURRENCY BFIX” page of the website of Bloomberg at 10:00 a.m. (Beijing time) on August 2, 2021.</p> <p>The observation price is the EUR-USD Bloomberg foreign exchange fixing rate to be published on the “EUR CURRENCY BFIX” page of the website of Bloomberg at 10:00 a.m. (Beijing time) on August 25, 2021.</p> <p>The expected annualized floating rate of return will be 0% per annum if the observation price is less than 96.70% of the initial price.</p> <p>The expected annualized floating rate of return will be 1.75% per annum if the observation price is equal to or higher than 96.70% but less than 101.95% of the initial price.</p> <p>The expected annualized floating rate of return will be 1.95% per annum if the observation price is equal to or higher than 101.95% of the initial price.</p> | <p>The initial price is the EUR-USD Bloomberg foreign exchange fixing rate to be published on the “EUR CURRENCY BFIX” page of the website of Bloomberg at 10:00 a.m. (Beijing time) on August 23, 2021.</p> <p>The observation price is the EUR-USD Bloomberg foreign exchange fixing rate to be published on the “EUR CURRENCY BFIX” page of the website of Bloomberg at 2:00 p.m. (Beijing time) on November 16, 2021.</p> <p>The expected annualized floating rate of return will be 0% per annum if the observation price is less than 93.90% of the initial price.</p> <p>The expected annualized floating rate of return will be 1.80% per annum if the observation price is equal to or higher than 93.90% but less than 103.01% of the initial price.</p> <p>The expected annualized floating rate of return will be 2.00% per annum if the observation price is equal to or higher than 103.01% of the initial price.</p> |

| | | |
|---|---|---|
| Principle for calculation of return and interest | Expected return = principal × (guaranteed return rate (1.40%) + annualized floating rate of return) × number of days of interest accrual ÷ 360; actual return is calculated based on simple interest | Expected return = principal × (guaranteed return rate (1.40%) + annualized floating rate of return) × number of days of interest accrual ÷ 360; actual return is calculated based on simple interest |
| | Number of days of interest accrual = the number of days during the period from the date of calculation of the return to the expiry date; the number of whole years × 360 + the number of whole months × 30 + the number of days (with beginning date inclusive and end date exclusive) | Number of days of interest accrual = the number of days during the period from the date of calculation of the return to the expiry date; the number of whole years × 360 + the number of whole months × 30 + the number of days (with beginning date inclusive and end date exclusive) |
| Right of early termination | The customers have no right of early termination (redemption) for this product. | The customers have no right of early termination (redemption) for this product. |
| | SPD Bank has the right to early terminate this product according to the actual investment situation without further notice to the customers, provided that it shall publish an information announcement at its branches, or websites or in other means within two working days before the date of early termination. | SPD Bank has the right to early terminate this product according to the actual investment situation without further notice to the customers, provided that it shall publish an information announcement at its branches, or websites or in other means within two working days before the date of early termination. |
| Payment of principal and return | The principal and the return of the product will be paid on the maturity date of the product. | The principal and the return of the product will be paid on the maturity date of the product. |
| Extension rights | SPD Bank has the right to extend the maturity date of the product according to actual investment situation by publically announcing the extension of maturity date of the product at its branches, on its website or by other ways within two business days prior to the date of maturity of the product without further informing the customers. | SPD Bank has the right to extend the maturity date of the product according to actual investment situation by publically announcing the extension of maturity date of the product at its branches, on its website or by other ways within two business days prior to the date of maturity of the product without further informing the customers. |

INFORMATION ON THE PARTIES

The Company

The Company is dedicated to exploring best solutions to the prevention of infectious diseases through engaging in research and development, manufacturing and commercialization of high quality vaccine products for human use worldwide.

SPD Bank

SPD Bank is a licensed bank in the PRC and a joint stock company established under the laws of the PRC, which provides corporate and personal banking business, treasury business, finance leasing, asset management and other financial services in the PRC. Its shares are listed on the Shanghai Stock Exchange (stock code: 600000). To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, SPD Bank and its ultimate beneficial owners are parties independent of the Company and its connected persons as of the date of this announcement.

REASONS FOR AND BENEFITS OF THE PURCHASE OF STRUCTURED DEPOSITS

The Company is of the view that the reasonable and efficient use of temporary idle funds will enhance the overall capital gain of the Company, which is consistent with the core objectives of the Company to ensure capital safety and liquidity. The impact of risk factors on the expected rates of return of the Structured Deposit Agreements is low, but the Group could get a higher return as compared with fixed term deposit in commercial banks in the PRC.

The Directors consider that the terms of the Structured Deposit Agreements and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and in the ordinary course of business of the Group, and are in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As all of the applicable percentage ratios (as calculated under Rule 14.07 of the Listing Rules) in respect of the transaction under the Structured Deposit Agreement III were below 5%, the purchase of structured deposit under the Structured Deposit Agreement III does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules on a standalone basis.

As the highest applicable percentage ratio in respect of the transaction under the Structured Deposit Agreement IV exceeds 5% but all of the applicable percentage ratios are less than 25%, the purchase of structured deposit under the Structured Deposit Agreement IV constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules on a standalone basis. As the Structured Deposit Agreement IV was entered into with the same bank and the transaction thereunder is of a similar nature as the transaction under the Structured Deposit Agreement III, the transactions under the Structured Deposit Agreements shall be aggregated pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio in respect of the purchase of structure deposits under the Structured Deposit Agreements, on an aggregate basis, exceeds 5% but all of the applicable percentage ratios are less than 25%, the purchase of structured deposits under the Structured Deposit Agreements constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

Unless the context otherwise requires, the following terms used herein shall have the following meanings:

| | |
|----------------------------------|---|
| “Board” | the board of Directors |
| “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 of Hong Kong Limited (stock code: 6185) and the A Shares of which are listed on Sci-Tech Innovation Board of the Shanghai Stock Exchange (stock code: 688185) |
| “connected person(s)” | shall have the meaning ascribed thereto in the Listing Rules |
| “Directors” | the director(s) of the Company |
| “EUR” | Euro, the lawful currency of the member states of the European Union |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “H-Share IPO” | initial public offering of the H shares of the Company |
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| “PRC” | the People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “SPD Bank” | Shanghai Pudong Development Bank Co., Ltd., a joint stock company incorporated in the PRC with limited liability and a licensed bank in the PRC. Its shares are listed on the Shanghai Stock Exchange (stock code: 600000) |
| “Structured Deposit Agreement I” | the structured deposit agreement entered into between the Company and SPD Bank dated April 29, 2021 in relation to the purchase of structured deposit in the principal amount of RMB300 million, details of which are set out in the announcement of the Company dated May 17, 2021 in relation to the purchase of structured deposit |

| | |
|------------------------------------|---|
| “Structured Deposit Agreement II” | the structured deposit agreement entered into between the Company and SPD Bank dated May 17, 2021 in relation to the purchase of structured deposit in the principal amount of RMB600 million, details of which are set out in the announcement of the Company dated May 17, 2021 in relation to the purchase of structured deposit |
| “Structured Deposit Agreement III” | the structured deposit agreement entered into between the Company and SPD Bank dated July 30, 2021 in relation to the purchase of structured deposit in the principal amount of RMB300 million |
| “Structured Deposit Agreement IV” | the structured deposit agreement entered into between the Company and SPD Bank dated August 19, 2021 in relation to the purchase of structured deposit in the principal amount of RMB600 million |
| “Structured Deposit Agreements” | the Structured Deposit Agreement III and the Structured Deposit Agreement IV |
| “USD” | US dollar, the lawful currency of the United States of America |
| “%” | per cent. |

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

Hong Kong, August 19, 2021

As of the date of this announcement, the Board 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.

** For identification purpose only*