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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 August 20, 2021, the Company entered into the Structured Deposit Agreement I with China CITIC Bank, pursuant to which the Company agreed to purchase structured deposit in the principal amount of RMB300 million from China CITIC Bank; (ii) on August 30, 2021, the Company entered into the Structure Deposit Agreement II with China CITIC 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 I in the principal amount of RMB140 million from China CITIC Bank; and (iii) on October 28, 2021, the Company entered into the Structure Deposit Agreement III with China CITIC Bank, pursuant to which the Company agreed to purchase structured deposit of a similar nature as the structured deposits purchased under the Structured Deposit Agreement I and Structured Deposit Agreement II in the principal amount of RMB200 million from China CITIC 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 contemplated under each of the Structured Deposit Agreements were below 5%, the purchase of structured deposit under each of the Structured Deposit Agreements does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules on a standalone basis.

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

As the Structured Deposit Agreement III was entered into with the same bank and the transaction contemplated thereunder is of a similar nature as the transactions under the Structured Deposit Agreement I and Structured Deposit Agreement II, the transactions contemplated 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 August 20, 2021, the Company entered into the Structured Deposit Agreement I with China CITIC Bank, pursuant to which the Company agreed to purchase structured deposit in the principal amount of RMB300 million from China CITIC Bank; (ii) on August 30, 2021, the Company entered into the Structure Deposit Agreement II with China CITIC 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 I in the principal amount of RMB140 million from China CITIC Bank; and (iii) on October 28, 2021, the Company entered into the Structure Deposit Agreement III with China CITIC Bank, pursuant to which the Company agreed to purchase structured deposit of a similar nature as the structured deposits purchased under the Structured Deposit Agreement I and Structured Deposit Agreement II in the principal amount of RMB200 million from China CITIC Bank.

THE STRUCTURED DEPOSIT AGREEMENTS

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

Agreement	Structured Deposit Agreement I	Structured Deposit Agreement II	Structured Deposit Agreement III
Date of purchase	August 20, 2021	August 30, 2021	October 28, 2021
Parties	(a) The Company; and (b) China CITIC Bank.	(a) The Company; and (b) China CITIC Bank.	(a) The Company; and (b) China CITIC Bank.
Name of the product	Win-Win Wisdom Credit Exchange Rate Linked 05794th RMB Structured Deposit Product* (共贏智信匯率掛鈎人民幣結構性存款 05794 期)	Win-Win Wisdom Credit Exchange Rate Linked 05899th RMB Structured Deposit Product* (共贏智信匯率掛鈎人民幣結構性存款 05899 期)	Win-Win Wisdom Credit Exchange Rate Linked 06836th RMB Structured Deposit Product* (共贏智信匯率掛鈎人民幣結構性存款 06836 期)
Type of product	Principal-guaranteed with variable return and closed-end structured deposit	Principal-guaranteed with variable return and closed-end structured deposit	Principal-guaranteed with variable return and closed-end structured deposit
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.	RMB140 million The Company is of the view that the consideration of such purchase was determined on the basis of arm's length commercial terms.	RMB200 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 Company's temporarily idle funds without using the H-Share IPO proceeds of the Company.	The structured deposit was purchased with the Company's temporarily idle funds without using the H-Share IPO proceeds of the Company.	The structured deposit was purchased with the Company's temporarily idle funds without using the H-Share IPO proceeds of the Company.
Term of deposit	From August 21, 2021 to November 19, 2021	From August 31, 2021 to November 29, 2021	From October 29, 2021 to November 29, 2021
Expected annualized rate of return	The initial price is the EUR-GBP Bloomberg foreign exchange fixing rate to be published on the "EURGBP CURRENCY BFIX" page of the website of Bloomberg at 3:00 p.m. (Tokyo time) on August 23, 2021. The observation price is the EUR-GBP Bloomberg foreign exchange fixing rate to be published on the "EURGBP CURRENCY BFIX" page of the website of Bloomberg at 3:00 p.m. (Tokyo time) on November 16, 2021. The expected annualized rate of return will be 3.65% per annum if the observation price decreased over 1.50% from the initial price. The expected annualized rate of return will be 3.25% per annum if the observation price decreased less than 1.50% (inclusive) from the initial price or increased less than 6.00% (inclusive) from the initial price.	The initial price is the EUR-GBP Bloomberg foreign exchange fixing rate to be published on the "EURGBP CURRENCY BFIX" page of the website of Bloomberg at 3:00 p.m. (Tokyo time) on September 1, 2021. The observation price is the EUR-GBP Bloomberg foreign exchange fixing rate to be published on the "EURGBP CURRENCY BFIX" page of the website of Bloomberg at 3:00 p.m. (Tokyo time) on November 23, 2021. The expected annualized rate of return will be 3.60% per annum if the observation price decreased over 1.50% from the initial price. The expected annualized rate of return will be 3.20% per annum if the observation price decreased less than 1.50% (inclusive) from the initial price or increased less than 6.00% (inclusive) from the initial price.	The initial price is the USD-CAD Bloomberg foreign exchange fixing rate to be published on the "USDCAD CURRENCY BFIX" page of the website of Bloomberg at 3:00 p.m. (Tokyo time) on November 1, 2021. The observation price is the USD-CAD Bloomberg foreign exchange fixing rate to be published on the "USDCAD CURRENCY BFIX" page of the website of Bloomberg at 3:00 p.m. (Tokyo time) on November 23, 2021. The expected annualized rate of return will be 3.60% per annum if the observation price increased over 1.50% from the initial price. The expected annualized rate of return will be 3.20% per annum if the observation price increased less than 1.50% (inclusive) from the initial price or decreased less than 3.50% (inclusive) from the initial price.

	The expected annualized rate of return will be 1.48% per annum if the observation price increased over 6.00% from the initial price.	The expected annualized rate of return will be 1.48% per annum if the observation price increased over 6.00% from the initial price.	The expected annualized rate of return will be 1.48% per annum if the observation price decreased over 3.50% from the initial price.
Principle for calculation of return and interest	Expected return = principal × expected annualized rate of return × number of days of interest accrual ÷ 365	Expected return = principal × expected annualized rate of return × number of days of interest accrual ÷ 365	Expected return = principal × expected annualized rate of return × number of days of interest accrual ÷ 365
Right of early termination	The Company has no right of early termination (redemption) for this product. China CITIC Bank has the right of early termination upon occurrence of, among others, material changes in laws or regulations or market conditions, provided that it shall publish an announcement thereof at its branches, websites or elsewhere within two working days after such events become known to it, and remit the principal and return (if any) to the Company within two business days upon termination.	The Company has no right of early termination (redemption) for this product. China CITIC Bank has the right of early termination upon occurrence of, among others, material changes in laws or regulations or market conditions, provided that it shall publish an announcement thereof at its branches, websites or elsewhere within two working days after such events become known to it, and remit the principal and return (if any) to the Company within two business days upon termination.	The Company has no right of early termination (redemption) for this product. China CITIC Bank has the right of early termination upon occurrence of, among others, material changes in laws or regulations or market conditions, provided that it shall publish an announcement thereof at its branches, websites or elsewhere within two working days after such events become known to it, and remit the principal and return (if any) to the Company within two business days upon 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.	The principal and the return of the product will be paid on the maturity date of the product.

INFORMATION ON THE PARTIES

The Company

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

China CITIC Bank

China CITIC Bank is a licensed bank in the PRC and a joint stock company established under the laws of the PRC, which provides a full range of financial products and services to its customers nationwide, with corporate banking, private banking and financial market operations being its principal business activities. Its H shares are listed on the Stock Exchange (stock code: 0998) and A shares are listed on the Shanghai Stock Exchange (stock code: 601998). To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, China CITIC 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

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DEFINITIONS

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

“Board”	the board of Directors
“CAD”	Canadian dollar, the lawful currency of Canada
“China CITIC Bank”	China CITIC Bank Corporation Limited, a joint stock company incorporated in the PRC with limited liability and a licensed bank in the PRC, whose H shares are listed on the Stock Exchange (stock code: 0998) and A shares are listed on the Shanghai Stock Exchange (stock code: 601998)
“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)
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Directors”	the director(s) of the Company
“EUR”	Euro, the lawful currency of the member states of the European Union
“GBP”	Great Britain Pound, the lawful currency of United Kingdom
“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, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Structured Deposit Agreement I”	the structured deposit agreement entered into between the Company and China CITIC Bank dated August 20, 2021 in relation to the purchase of structured deposit in the principal amount of RMB300 million

“Structured Deposit Agreement II”	the structured deposit agreement entered into between the Company and China CITIC Bank dated August 30, 2021 in relation to the purchase of structured deposit in the principal amount of RMB140 million
“Structured Deposit Agreement III”	the structured deposit agreement entered into between the Company and China CITIC Bank dated October 28, 2021 in relation to the purchase of structured deposit in the principal amount of RMB200 million
“Structured Deposit Agreements”	the Structured Deposit Agreement I, Structured Deposit Agreement II and Structured Deposit Agreement III
“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, October 28, 2021

As of the date of this announcement, the Board comprises Dr. Xuefeng YU, Dr. Shou Bai CHAO, Dr. Tao ZHU, Dr. Dongxu QIU and Ms. Jing WANG as executive Directors, 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*