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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 on August 26, 2022, the Company entered into (i) the SPD Structured Deposit Agreement XVII with SPD Bank, pursuant to which the Company agreed to purchase structured deposit in the principal amount of RMB350 million from SPD Bank; and (ii) the CBHB Structured Deposit Agreement V with CBHB, pursuant to which the Company agreed to purchase structured deposit in the principal amount of RMB300 million from CBHB.

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 the SPD Structured Deposit Agreement XVII were below 5%, the purchase of structured deposit under SPD Structured Deposit Agreement XVII does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules on a standalone basis. As the SPD Structured Deposit Agreement XVII was entered into with the same bank and the transaction thereunder is of a similar nature as the transaction under each of the SPD Structured Deposit Agreement XIV, XV and XVI (each of which remains outstanding as of the date of this announcement), the transactions contemplated under the SPD Structured Deposit Agreements shall be aggregated pursuant to Rule 14.22 of the Listing Rules.

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 CBHB Structured Deposit Agreement V were below 5%, the purchase of structured deposit under the CBHB Structured Deposit Agreement V does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules on a standalone basis. As the CBHB Structured Deposit Agreement V was entered into with the same bank and the transaction thereunder is of a similar nature as the transaction under each of the CBHB Structured Deposit Agreement I, II, III and IV (each of which remains outstanding as of the date of this announcement), the transactions contemplated under the CBHB 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 each of the SPD Structured Deposit Agreements and the CBHB Structured Deposit Agreements, each on an aggregated basis, exceeds 5% but all of the applicable percentage ratios are less than 25%, the purchase of structured deposits under each of the SPD Structured Deposit Agreements and the CBHB 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

Reference is made to the announcements of the Company in respect of the purchase of structured deposits from SPD Bank dated August 12, 2022 and June 2, 2022, respectively.

The Board announces that on August 26, 2022, the Company entered into (i) the SPD Structured Deposit Agreement XVII with SPD Bank, pursuant to which the Company agreed to purchase structured deposit in the principal amount of RMB350 million from SPD Bank; and (ii) the CBHB Structured Deposit Agreement V with CBHB, pursuant to which the Company agreed to purchase structured deposit in the principal amount of RMB300 million from CBHB.

THE STRUCTURED DEPOSIT AGREEMENTS

The principal terms of the SPD Structured Deposit Agreement XVII and the CBHB Structured Deposit Agreement V are set out as follows:

Agreement	SPD Structured Deposit Agreement XVII	CBHB Structured Deposit Agreement V
Date of purchase	August 26, 2022	August 26, 2022
Parties	(a) The Company; and (b) SPD Bank.	(a) The Company; and (b) CBHB.
Name of the product	SPD Bank Li Duo Duo Company Stable Profit 22JG3757 (Three-month Early Bird) RMB-denominated Structured Deposit Product* (上海浦東發展銀行利多多公司穩利 22JG3757 期(3 個月早鳥款)人民幣對公結構性存款)	CBHB WBS221198 Structured Deposit* (渤海銀行WBS221198結構性存款)
Type of return	Principal-guaranteed with variable return	Principal-guaranteed with variable return
Purchase amount	RMB350 million 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 SPD Structured Deposit Agreement XIII, without using the H-Share IPO proceeds of the Company.	RMB300 million The consideration of such purchase was determined on the basis of arm's length commercial terms. The structured deposit was purchased without using the H-Share IPO proceeds of the Company.
Term of deposit	From August 29, 2022 to November 29, 2022	From August 30, 2022 to December 5, 2022

Expected annualized floating rate of return

The initial price is the EUR-USD Bloomberg foreign exchange real time rate to be published on the “EUR CURRENCY QR” page of the website of Bloomberg at 2:00 p.m. (Beijing time) on August 30, 2022.

The initial price is the net valuation price of the 2021 phase I “Bond Connect” green financial bond issued by China Development Bank (國家開發銀行 2021 年第壹期“債券通”綠色金融債券) (bond short name: 21 Guo Kai Lv Zhai 01, bond code: 2102001.IB) to be published on www.chinabond.com.cn around 6:00 p.m. (Beijing time) on the last working day before August 30, 2022.

The observation price is the EUR-USD Bloomberg foreign exchange real time rate to be published on the “EUR CURRENCY QR” page of the website of Bloomberg at 2:00 p.m. (Beijing time) on November 23, 2022.

The observation price is the net valuation price of the 2021 phase I “Bond Connect” green financial bond issued by China Development Bank (國家開發銀行 2021 年第壹期“債券通”綠色金融債券) (bond short name: 21 Guo Kai Lv Zhai 01, bond code: 2102001.IB) to be published on www.chinabond.com.cn around 6:00 p.m. (Beijing time) on December 1, 2022.

The expected annualized floating rate of return will be 0% per annum if the observation price is less than 88.30% of the initial price.

The yield to maturity will be the guaranteed rate of return, being 1.60% per annum if the observation price is less than 95.00% of the initial price.

The expected annualized floating rate of return will be 1.60% per annum if the observation price is equal to or higher than 88.30% but less than 105.00% of the initial price.

The yield to maturity will be 3.60% per annum if the observation price is equal to or higher than 95.00% but less than 102.00% of the initial price.

The expected annualized floating rate of return will be 1.80% per annum if the observation price is equal to or higher than 105.00% of the initial price.

The yield to maturity will be 3.65% per annum if the observation price is equal to or higher than 102.00% of the initial price.

Principle for calculation of return and interest	<p>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</p> <p>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, i.e., the number of whole years × 360 + the number of whole months × 30 + the number of days (with beginning date inclusive and end date exclusive)</p>	<p>Expected return = principal × expected annualized rate of return × term of the product/365</p>
Right of early termination	<p>The Company has no right of early termination (redemption) for this product.</p> <p>SPD Bank has the right to early terminate this product according to the significant adjustments in national financial policies that affect the normal operation of the product and 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.</p>	<p>The Company has no right of early termination (redemption) for this product.</p> <p>CBHB has the right to early terminate this product if (i) the significant adjustments in national financial policies affect the normal operation of the product; (ii) extremely significant changes or emergency incidents occur in the market; and (iii) the financial instruments underlying this product have been terminated early, provided that it shall inform customers within two working days before the date of early termination and return principal and interests to customers within two working days after the date of early termination.</p>
Payment of principal and return	<p>The principal and the return of the product will be paid on the maturity date of the product.</p>	<p>The principal and the return of the product will be paid within two working days after the maturity date of the product.</p>
Extension rights	<p>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 websites or by other ways within two working days prior to the date of maturity of the product without further notice to the customers.</p>	<p>In the event that financial instruments underlying the product fail to pay the principal and return in a timely manner, the term of the product will be extended.</p>

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.

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.

CBHB

CBHB is a licensed bank in the PRC and a joint stock company established under the laws of the PRC, which provides corporate banking business, retail banking business, financial market business, financial technology business, assets and liabilities and financial management and other financial services in the PRC. Its shares are listed on the Hong Kong Stock Exchange (stock code: 9668). To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, CBHB 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 risks of each of the SPD Structured Deposit Agreement XVII and CBHB Structured Deposit Agreement V is low, but the Group could obtain a higher return as compared with fixed term deposit in commercial banks in the PRC.

The Directors consider that the terms of each of the SPD Structured Deposit Agreement XVII and the CBHB Structured Deposit Agreement V 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 contemplated under the SPD Structured Deposit Agreement XVII were below 5%, the purchase of structured deposit under SPD Structured Deposit Agreement XVII does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules on a standalone basis. As the SPD Structured Deposit Agreement XVII was entered into with the same bank and the transaction thereunder is of a similar nature as the transaction under each of the SPD Structured Deposit Agreement XIV, XV and XVI (each of which remains outstanding as of the date of this announcement), the transactions contemplated under the SPD Structured Deposit Agreements shall be aggregated pursuant to Rule 14.22 of the Listing Rules.

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 CBHB Structured Deposit Agreement V were below 5%, the purchase of structured deposit under the CBHB Structured Deposit Agreement V does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules on a standalone basis. As the CBHB Structured Deposit Agreement V was entered into with the same bank and the transaction thereunder is of a similar nature as the transaction under each of the CBHB Structured Deposit Agreement I, II, III and IV (each of which remains outstanding as of the date of this announcement), the transactions contemplated under the CBHB 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 each of the SPD Structured Deposit Agreements and the CBHB Structured Deposit Agreements, each on an aggregate basis, exceeds 5% but all of the applicable percentage ratios are less than 25%, the purchase of structured deposits under each of the SPD Structured Deposit Agreements and the CBHB 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 capitalized terms used herein shall have the following meanings:

“Board”	the board of Directors
“CBHB”	CHINA BOHAI BANK CO., LTD. (渤海銀行股份有限公司), a joint stock company established on December 30, 2005 in the PRC with limited liability pursuant to the relevant PRC laws and regulations, and its H Shares were listed on the Hong Kong Stock Exchange (Stock Code: 9668)
“CBHB Structured Deposit Agreement I, II, III and IV”	the structured deposit agreements entered into between the Company and CBHB dated March 1, 2022, June 30, 2022, July 26, 2022 and August 10, 2022, in relation to the purchase of structured deposit in the principal amount of RMB100 million, RMB200 million, RMB200 million and RMB60 million, respectively

“CBHB Structured Deposit Agreement V”	the structured deposit agreement entered into between the Company and CBHB dated August 26, 2022 in relation to the purchase of structured deposit in the principal amount of RMB300 million
“CBHB Structured Deposit Agreements”	the CBHB Structured Deposit Agreement I, II, III and IV and the CBHB Structured Deposit Agreement V
“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 Hong Kong 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”	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
“Group”	the Company and its subsidiaries
“H-Share IPO”	initial public offering of the H shares of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“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
“SPD Bank”	Shanghai Pudong Development Bank Co., Ltd. (上海浦東發展銀行股份有限公司), a joint stock company incorporated in the PRC with limited liability and a licensed bank in the PRC, whose shares are listed on the Shanghai Stock Exchange (stock code: 600000)
“SPD Structured Deposit Agreement XIII”	the structured deposit agreement entered into between the Company and SPD Bank dated May 20, 2022 in relation to the purchase of structured deposit in the principal amount of RMB350 million

“SPD Structured Deposit Agreement XIV, XV and XVI”	the structured deposit agreement entered into between the Company and SPD Bank dated June 2, 2022, August 12, 2022 and August 12, 2022 in relation to the purchase of structured deposit in the principal amount of RMB400 million, RMB100 million and RMB440 million, respectively
“SPD Structured Deposit Agreement XVII”	the structured deposit agreement entered into between the Company and SPD Bank dated August 26, 2022 in relation to the purchase of structured deposit in the principal amount of RMB350 million
“SPD Structured Deposit Agreements”	the Structured Deposit Agreement XIV, XV and XVI and the Structured Deposit Agreement XVII
“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 26, 2022

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*