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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 DEPOSIT

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The Board announces that on December 23, 2022, the Company entered into the CBHB Structured Deposit Agreement XI with CBHB, pursuant to which the Company agreed to purchase structured deposit in the principal amount of RMB150 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 CBHB Structured Deposit Agreement XI were below 5%, the purchase of structured deposit under the CBHB Structured Deposit Agreement XI 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 XI 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 Agreements VII, VIII, IX and X (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 the CBHB Structured Deposit Agreements exceeds 5% but all of the applicable percentage ratios are less than 25%, the purchase of structured deposits under 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

References are made to the announcements of the Company in respect of the purchase of structured deposits from CBHB dated December 9, 2022, November 18, 2022, November 1, 2022, October 14, 2022, respectively.

The Board announces that on December 23, 2022, the Company entered into the CBHB Structured Deposit Agreement XI with CBHB, pursuant to which the Company agreed to purchase structured deposit in the principal amount of RMB150 million from CBHB.

THE STRUCTURED DEPOSIT AGREEMENT

The principal terms of the CBHB Structured Deposit Agreement XI are set out as follows:

Agreement	CBHB Structured Deposit Agreement XI
Date of purchase	December 23, 2022
Parties	(a) The Company; and (b) CBHB.
Name of the product	CBHB WBS221623 Structured Deposit* (渤海銀行WBS221623結構性存款)
Type of return	Principal-guaranteed with variable return
Purchase amount	RMB150 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 CBHB Structured Deposit Agreement VI, without using the H Share IPO proceeds of the Company.
Term of deposit	From December 27, 2022 to March 31, 2023

Expected annualized floating rate of return	<p>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 December 27, 2022.</p> <p>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 March 29, 2023.</p> <p>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.</p> <p>The yield to maturity will be 3.22% per annum if the observation price is equal to or higher than 95.00% but less than 102.00% of the initial price.</p> <p>The yield to maturity will be 3.25% per annum if the observation price is equal to or higher than 102.00% of the initial price.</p>
Principle for calculation of return and interest	<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>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 within two working days after the maturity date of the product.</p>
Extension rights	<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 and development, manufacturing and commercialization of high quality vaccine products for human use worldwide.

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 H 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 DEPOSIT

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 the CBHB Structured Deposit Agreement XI 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 the CBHB Structured Deposit Agreement XI and the transaction 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 CBHB Structured Deposit Agreement XI were below 5%, the purchase of structured deposit under the CBHB Structured Deposit Agreement XI 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 XI 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 Agreements VII, VIII, IX and X (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 the CBHB Structured Deposit Agreements exceeds 5% but all of the applicable percentage ratios are less than 25%, the purchase of structured deposits under 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 and whose H shares were listed on the Hong Kong Stock Exchange (Stock Code: 9668)
“CBHB Structured Deposit Agreement VI”	the structured deposit agreement entered into between the Company and CBHB dated September 9, 2022 in relation to the purchase of structured deposit in the principal amount of RMB150 million
“CBHB Structured Deposit Agreement XI”	the structured deposit agreement entered into between the Company and CBHB dated December 23, 2022 in relation to the purchase of structured deposit in the principal amount of RMB150 million
“CBHB Structured Deposit Agreements”	the CBHB Structured Deposit Agreements VII, VIII, IX and X and the CBHB Structured Deposit Agreement XI
“CBHB Structured Deposit Agreements VII, VIII, IX and X”	the structured deposit agreements entered into between the Company and CBHB dated October 14, 2022, November 1, 2022, November 18, 2022 and December 9, 2022 in relation to the purchase of structured deposits in the principal amount of RMB200 million, RMB200 million, RMB60 million and RMB350 million, respectively
“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

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“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
“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, December 23, 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*