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BQD  青岛银行

Bank of Qingdao Co., Ltd.*

青島銀行股份有限公司*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(H Shares Stock Code: 3866)

(Preference Shares Stock Code: 4611)

ANNOUNCEMENT PROPOSED ISSUANCE OF UNDATED CAPITAL BONDS

The board of directors (the “**Board**”) of Bank of Qingdao Co., Ltd. (the “**Bank**”) is pleased to announce that, a meeting of the Board which was held on 14 July 2021 has considered and approved, among the other things, the proposal regarding the issuance of undated capital bonds.

The Board has agreed that subject to the approval of authorisation by the shareholders of the Bank (the “**Shareholders**”) at the general meeting to the Board, the Board shall delegate such authorisation to the chairman, the president or the secretary to the Board of the Bank to specifically handle, after obtaining relevant regulatory authorities’ approvals, matters relating to the issuance of undated capital bonds in the interbank bond market in the PRC, with the total issue size of which not exceeding RMB10.0 billion (the “**Undated Capital Bonds**”).

The overall issuance plan of the Undated Capital Bonds is set out as follows:

1. Total issue size: Not exceeding RMB10.0 billion.
2. Bond maturity: The term of the bonds shall be consistent with the duration of the Bank’s continuing operations.
3. Interest rates of the bonds: Fixed interest rate, and determined jointly by the Bank and the lead underwriter based on the market conditions at the time of issuance.
4. Use of proceeds: Proceeds raised will be used to replenish other tier-one capital of the Bank.
5. Valid term of the resolution regarding the issuance of the Undated Capital Bonds: Valid for 36 months from the date of approval by the general meeting.

6. Issuance authorisation: In view of uncertainties in relation to the issuance of the Undated Capital Bonds by the Bank, such as changes in the time of issuance or market conditions, and in order to ensure the successful issuance of the Bank's Undated Capital Bonds, it is proposed to the general meeting to authorise the Board and the Board to delegate the authorisation to the chairman, the president or the secretary to the Board of the Bank, to specifically deal with relevant matters relating to the issuance of the Undated Capital Bonds, including but not limited to dealing with following matters in relation to filing and approval:
- (1) In relation to the issuance of the Undated Capital Bonds, to handle the filing, approval and verification procedures with the relevant regulatory authorities, to sign, execute, revise and complete all essential documents, and to determine and pay the expenses in relation to the issuance of the Undated Capital Bonds.
 - (2) Based on market conditions, to determine the timing, market and target subscribers, currency and amount, term, interest rate and method of the issuance of the Undated Capital Bonds by the Bank.
 - (3) To determine the specific terms of the bond issuance in accordance with the issuance plan above and the regulations and approvals by the relevant regulatory authorities, which include but not limited to writing down undated capital bonds as agreed upon occurrence of triggering events; to determine relevant matters in relation to the tranches, timing, size, currency and market of the bond issuance and the duration, rates, price, and target subscribers of the bonds as well as the method of issuance and of payment.
 - (4) To draft, revise, sign and execute all agreements, contracts and related documents during the bond issuance, to engage intermediaries, and to deal with other matters related to the bond issuance.
 - (5) In accordance with the latest regulatory requirements by the regulatory authorities, to make appropriate adjustments to the terms of issuance within the scope of the issuance plan determined at the general meeting (including but not limited to the determination of the amount of issuance, maturity of bonds, type of interest rate, and other terms required to be adjusted by the regulatory authorities, etc.).
 - (6) To handle other matters deemed necessary, appropriate or desirable for the issuance of the Undated Capital Bonds in accordance with domestic and overseas laws and regulations.

The aforementioned authorisations are valid for 36 months from the date of approval at the general meeting.

The above proposal will be submitted to the 2021 second extraordinary general meeting to be held on 3 August 2021 for consideration and approval. A circular containing, among the other things, a notice of information on the meeting, including time and place of the meeting, and further information on the above proposal will be dispatched to the Shareholders on 15 July 2021.

By order of the Board
Bank of Qingdao Co., Ltd.*
Guo Shaoquan
Chairman

Qingdao, Shandong Province, the PRC
14 July 2021

As at the date of this announcement, the Board comprises Mr. Guo Shaoquan, Mr. Wang Lin, Mr. Liu Peng and Ms. Lu Lan as executive directors; Mr. Zhou Yunjie, Mr. Rosario Strano, Ms. Tan Lixia, Mr. Marco Mussita, Mr. Deng Youcheng and Mr. Choi Chi Kin, Calvin as non-executive directors; Mr. Simon Cheung, Ms. Fang Qiaoling, Mr. Tingjie Zhang, Mr. Xing Lecheng and Mr. Zhang Xu as independent non-executive directors.

* *Bank of Qingdao Co., Ltd. is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry on banking and/or deposit-taking business in Hong Kong*