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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 company incorporated in the People's Republic of China with limited liability)

(H Shares Stock Code: 3866)

(Preference Shares Stock Code: 4611)

**ANNOUNCEMENT ON INVESTING IN THE ESTABLISHMENT
OF A WEALTH MANAGEMENT SUBSIDIARY**

This announcement is made by Bank of Qingdao Co., Ltd. (the “**Bank**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Bank is pleased to announce that in order to meet the latest requirements of regulatory authorities, achieve risk segregation of the wealth management business, promote the healthy development of wealth management business, and optimize the organization and management system, the Bank intends to invest in the establishment of a wealth management subsidiary with the plan as follows:

1. Nature of the enterprise: Limited liability company;
2. Name of the enterprise : Qingyin Wealth Management Co., Ltd. (tentative name which is subject to final approval of the regulatory authorities);
3. Registered capital: RMB1 billion; and
4. Shareholders and percentage of capital contributed: The wealth management subsidiary is established solely by the Bank.

The investing in the establishment of the wealth management subsidiary is still subject to the fulfillment of procedures such as approval of, registration and filing with relevant government authorities. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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

Shandong, the PRC, 7 December 2018

As at the date of this announcement, the Board comprises Mr. Guo Shaoquan, Mr. Wang Lin, Mr. Yang Fengjiang 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. Wong Tin Yau, Kelvin, Mr. Chen Hua, Ms. Dai Shuping, Mr. Simon Cheung and Ms. Fang Qiaoling 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.*