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(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 09677)

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PROPOSED ISSUANCE OF DOMESTIC SHARES TO SPECIFIC TARGET PLACEEES AND PROPOSED NON-PUBLIC ISSUANCE OF H SHARES

The Board is pleased to announce that, in order to improve the capital adequacy ratio of the Bank, ensure that the capital adequacy ratio meets regulatory requirements, safeguard the steady growth of various businesses and effectively support the development of the real economy, on July 31, 2025, the Board passed a resolution proposing the issuance of no more than 758,020,103 Domestic Shares and no more than 153,834,000 H Shares to the eligible subscribers. The net proceeds from the Issuance, after deducting relevant issuance expenses, will be entirely used to supplement the Bank's core Tier 1 capital. The Issuance will be issued under a Specific Mandate and will constitute a change in the class rights of domestic Shareholders and H Shareholders of the Bank under the Articles of Association. In accordance with the Articles of Association and the Hong Kong Listing Rules, the Bank will convene the Extraordinary General Meeting and the Class Meetings to seek Shareholders' approval for the grant of a Specific Mandate to proceed with the Issuance.

POTENTIAL CONNECTED TRANSACTIONS WITH CONTROLLING SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS TO SUBSCRIBE FOR DOMESTIC SHARES

The target places of the Issuance of Domestic Shares may include Shandong Hi-Speed Group and its controlled subsidiary, Shandong Hi-Speed, which are the Controlling Shareholder and Substantial Shareholder of the Bank, respectively. The Bank is negotiating with Shandong Hi-Speed Group and Shandong Hi-Speed on the specific terms of the subscription of Domestic Shares. The subscription terms for the participation of Shandong Hi-Speed Group and Shandong Hi-Speed in the Issuance (including but not limited to the number of Domestic Shares subscribed and the subscription price, etc.) will be determined in accordance with the subscription agreement then signed. The Bank will issue a separate announcement with respect to the list of specific investors participating in the subscription and the connected transactions in relation to Shandong Hi-Speed's Subscription in compliance with the Hong Kong Listing Rules in due course.

As Shandong Hi-Speed Group, Shandong Hi-Speed and their associates are connected persons of the Bank, Shandong Hi-Speed's Subscription will constitute a connected transaction of the Bank pursuant to the Hong Kong Listing Rules and is subject to the announcement, reporting and independent Shareholders' approval under Chapter 14A of the Hong Kong Listing Rules. The Bank will convene an EGM and a Class Meeting to seek independent Shareholders' approval for Shandong Hi-Speed's Subscription.

The Bank has established an Independent Board Committee comprising of all independent non-executive directors to advise independent Shareholders on Shandong Hi-Speed's Subscription pursuant to the Hong Kong Listing Rules. The Bank has appointed Gram Capital Limited as the independent financial adviser to advise the Independent Board Committee and independent Shareholders on Shandong Hi-Speed's Subscription.

PROPOSED CHANGES IN REGISTERED CAPITAL AND CONSEQUENTIAL AMENDMENTS TO THE RELEVANT PROVISIONS OF THE ARTICLES OF ASSOCIATION

Upon completion of the Issuance, the Bank's registered capital and the number of Shares will be changed accordingly, and the provisions in the Articles of Association relating to the Bank's registered capital, the number of Shares and the share capital structure also need to be amended to reflect the relevant changes arising from the Issuance. The Bank shall submit the application materials for change of registered capital to the banking regulatory authority in accordance with the requirements of domestic and overseas laws, regulations and other regulatory documents. Upon approval, the Bank will amend the relevant provisions of the Articles of Association and register the change with the market regulatory authority, Hong Kong Companies Registry and other relevant authorities.

EGM, CLASS MEETINGS AND CIRCULAR

The Bank will hold an EGM for the purpose of considering and if thought fit, approving, among other things, the Issuance of Domestic Shares, the Issuance of H shares, Shandong Hi-Speed's Subscription and the proposed changes in registered capital and consequential amendments to the relevant provisions of the Articles of Association. The Bank will also hold Class Meetings to seek the approval of holders of Domestic Shares and H shares respectively for the Issuance and Shandong Hi-Speed's Subscription. The Bank will dispatch, where practicable, a circular containing, among other things, further information on the Issuance of Domestic Shares, the Issuance of H shares, Shandong Hi-Speed's Subscription, the proposed changes in registered capital and consequential amendments to the relevant provisions of the Articles of Association and other related matters, together with the notice of the EGM and the Class Meetings in due course in accordance with the requirements of the Hong Kong Listing Rules.

As the Issuance and Shandong Hi-Speed's Subscription are subject to the satisfaction of certain conditions, they may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Bank's securities.

This announcement is made pursuant to Rule 13.09 of the Hong Kong Listing Rules and Part XIVA of the SFO.

1. THE ISSUANCE

The Board is pleased to announce that, in order to improve the capital adequacy ratio of the Bank, ensure that the capital adequacy ratio meets regulatory requirements, safeguard the steady growth of various businesses and effectively support the development of the real economy, on July 31, 2025, the Board passed a resolution proposing the Issuance of no more than 758,020,103 Domestic Shares and no more than 153,834,000 H Shares to the eligible subscribers. The net proceeds from the issuance, after deducting relevant issuance expenses, will be entirely used to supplement the Bank's core Tier 1 capital. The Issuance will be issued under a Specific Mandate.

(I) PROPOSED ISSUANCE OF DOMESTIC SHARES TO SPECIFIC TARGET PLACES

On July 31, 2025, the Board approved the resolution on the Issuance of Domestic Shares and proposed to seek approval from Shareholders in relation to the granting of Specific Mandate at the EGM and the Class Meetings, to approve and authorize the Board to issue no more than 758,020,103 Domestic Shares to eligible subscribers (proposed to include Shandong Hi-Speed Group and Shandong Hi-Speed). The details of the Issuance of Domestic Shares are set out below:

Type and par value of Shares to be issued	:	The type of shares to be issued under the Issuance is ordinary domestic shares, to be subscribed in RMB, with par value of RMB1.00 each.
Number of Shares to be issued	:	The number of Domestic Shares to be issued under the Issuance of Domestic Shares will not exceed 758,020,103 shares, representing approximately 15.25% of the number of Domestic Shares of the Bank in issue prior to the Issuance of Domestic Shares. The actual number of shares to be issued will be determined in accordance with the approval of the issuance plan by the relevant regulatory authorities.
Target places	:	The target places of the Issuance of Domestic Shares are eligible existing domestic state-owned Shareholders of the Bank. Among them, Shandong Hi-Speed Group and Shandong Hi-speed intend to participate in the Issuance of Domestic Shares according to their existing shareholding ratio. The actual target places of the Issuance of Domestic Shares and the number of shares to be subscribed shall be subject to the approval of the regulatory authorities.

The subscription terms for the participation of Shandong Hi-Speed Group and Shandong Hi-Speed in the Issuance of Domestic Shares (including but not limited to the number of Shares subscribed and the subscription price, etc.) will be determined in accordance with the subscription agreement then signed.

Pricing and total proceeds:	<p>The issue price of the Issuance of Domestic Shares was determined to be RMB3.29 per share in accordance with market practices and regulatory requirements, taking into account the capital market conditions and the share price of the Bank's H shares, with due consideration of Shareholders' interests, acceptability of the investors and issue risks, the approximate proceeds raised will not exceed RMB2,493,886,139.</p> <p>Given that the Bank will also proceed with the Issuance of H Shares, the issue price of Domestic Shares is consistent with the issue price of H Shares adjusted for exchange rates.</p>
Method of Issuance	: The Issuance of Domestic Shares will be conducted by way of targeted issuance of shares to eligible existing domestic state-owned Shareholders of the Bank under Specific Mandate.
Timing of Issuance	: The Board shall select an appropriate occasion and window to complete the Issuance of Domestic Shares according to market conditions after obtaining the approval of the Issuance of Domestic Shares from the Shareholders and the approval/registration of the relevant regulatory authorities (including but not limited to securities regulatory authorities, banking regulatory authorities and their dispatched authorities) and within the validity period of the issuance plan approved by the Shareholders at the EGM and the Class Meetings. Given that the Bank will also proceed with the Issuance of H Shares, the Issuance of Domestic Shares will be completed simultaneously with or not earlier than the Issuance of H Shares.
Use of proceeds	: The net proceeds raised from the Issuance of Domestic Shares after deducting related issuance costs will be entirely used to replenish core Tier 1 capital of the Bank.
Distribution of retained profit	: The retained profit accrued before the Issuance of Domestic Shares will be shared by existing and new Shareholders upon the Issuance of Domestic Shares in proportion to their respective shareholdings.

Lock-up arrangement : The new Domestic Shares of the Bank held by investors participating in the Issuance of Domestic Shares will be transferred in accordance with the Company Law of the People's Republic of China, the Interim Measures for the Administration of Equity of Commercial Banks, Implementation Measures for Administrative Licensing Matters of Domestic Commercial Banks by the China Banking and Insurance Regulatory Commission, the Articles of Association and other relevant regulations. Among them, subscribers holding 5% or more of the Bank's outstanding shares after the completion of the Issuance of Domestic Shares, or Shareholders holding less than 5% of the outstanding shares but with significant influence over the operation and management of the Bank, shall not transfer the newly subscribed shares within five years from the date of the issuance of the new shares to them. The aforesaid material influence includes, but is not limited to, the assignment of directors, supervisors or senior management to the Bank, influencing the Bank's financial and operation and management decisions through agreements or other means, and other circumstances as determined by the banking supervisory and regulatory authorities or their dispatching authorities. Save as aforesaid, there are no other lock-up arrangements for the Issuance of Domestic Shares.

Validity period : The validity period for the plan of the Issuance of Domestic Shares shall remain valid for 12 months from the date on which resolutions are considered and approved at the Extraordinary General Meeting and the Class Meetings. The Board may seek for the consideration and approval of the extension of the validity period for the plan of the Issuance of Domestic Shares at general meetings depending on the circumstances.

The relevant proposals for the Issuance of Domestic Shares can only be implemented after being considered and approved by special resolutions at the EGM and the Class Meetings, and approved/registered by relevant regulatory authorities such as banking regulatory authorities and China securities regulatory authorities, and finally subject to the scheme approved/registered by the regulatory authorities.

(II) PROPOSED NON-PUBLIC ISSUANCE OF H SHARES

On July 31, 2025, the Board also approved the resolution on the proposed Issuance of H Shares and proposed to seek approval from Shareholders in relation to the granting of Specific Mandate at the EGM and the Class Meetings, to approve and authorize the Board to issue no more than 153,834,000 H Shares to eligible subscribers. The details of the Issuance of H Shares are set out below:

Type and par value of Shares to be issued : The type of Shares to be issued under the Issuance of H Shares is ordinary H Shares, which are subscribed in Hong Kong dollars with par value of RMB1.00 each.

Number of Shares to be issued : The number of H Shares to be issued under the Issuance of H Shares will not exceed 153,834,000 Shares, representing approximately 15.25% of the Bank's issued H Shares prior to the Issuance. The actual issue number is subject to the approval of the issuance plan by relevant regulatory authorities, market conditions and the actual conditions of the Bank.

In addition, as the Bank will also conduct the Issuance of Domestic Shares, the actual number of H Shares to be issued by the Bank will be determined with reference to the actual number of Domestic Shares to be issued, so as to maintain the minimum public float imposed by the Hong Kong Stock Exchange on the Bank upon completion of the Issuance of H Shares and Domestic Shares.

Target placees : The target placees of the Issuance of H Shares shall be investors who are eligible for the subscription of H Shares of the Bank. The selection of placees is subject to market conditions and the situation of the Bank.

Method of pricing and total proceeds	:	The issue price of the Issuance of H Shares is determined to be RMB3.29 per share equivalent to Hong Kong dollars (converted at the central parity rate announced by the People's Bank of China on the Board meeting date), in accordance with market practice and regulatory requirements, the then capital market conditions and the pricing of the Issuance of Domestic Shares, with due consideration of interest of the Shareholders, acceptability to the investors and issuance risk, and the approximate proceeds raised will not exceed RMB506,113,860.
Method of Issuance	:	The Issuance of H Shares will be conducted by way of targeted issuance of shares to investors who are eligible for the subscription of H Shares of the Bank under Specific Mandate.
Timing of Issuance	:	The Board of the Bank shall select an appropriate occasion and window to complete the issuance of new H Shares according to market conditions after obtaining the approval of the Issuance of H Shares from the Shareholders and the approval of the relevant regulatory authorities (including but not limited to the banking regulatory authorities and their local offices) and within the validity period of the Issuance of H Shares plan approved by the Shareholders at the Extraordinary General Meeting and the Class Meetings. Given that the Bank will also proceed with the Issuance of Domestic Shares, the Issuance of H Shares will be completed simultaneously with or earlier than the Issuance of Domestic Shares.
Use of proceeds	:	The net proceeds raised from the Issuance of H Shares after deducting related issuance costs will be entirely used to replenish core Tier 1 capital of the Bank.
Distribution of retained profit	:	The retained profit accrued before the Issuance of H Shares will be shared by existing and new Shareholders upon the Issuance of H Shares in proportion to their respective shareholdings.

- Validity period** : The validity period of the Issuance of H Shares shall remain valid for 12 months from the date on which resolutions are considered and approved at the Extraordinary General Meeting and the Class Meetings. The Board may seek for the consideration and approval of the extension of the validity period for the plan of the Issuance of H Shares at general meetings depending on the actual circumstances.
- Listing arrangement** : Application will be made by the Bank for the listing and permission to deal in the Issuance of H Shares on the Hong Kong Stock Exchange.

The relevant proposals on the Issuance of H Shares shall be implemented after being reviewed by special resolutions at the Extraordinary General Meeting and the Class Meetings, and approved by relevant regulatory authorities such as banking regulatory and administrative authorities, and ultimately subject to the plan approved by regulatory authorities.

(III) GRANT OF AUTHORITY TO THE BOARD TO HANDLE MATTERS IN RELATION TO THE ISSUANCE

According to the need of the Issuance, a proposal is to be put forward at the EGM and the Class Meetings for the Shareholders to authorize the Board, who would in turn authorise the chairman to handle matters in relation to the Issuance, including but not limited to:

1. Subject to the approval of the issuance plan at the EGM and the Class Meetings, to modify, improve and implement the issuance plan under its constraints with reference to the opinions of domestic and overseas regulatory authorities and the Hong Kong Stock Exchange, taking into consideration the market environment and the actual situation of the Bank, including but not limited to determining the number of shares to be issued, the issue price, method of pricing, target placees, issue time, use of proceeds, lock-up period and other matters in relation to the Issuance; to make corresponding adjustments to matters in relation to the Issuance, such as details of the issuance plan (including suspending and terminating the implementation of the issuance plan) in the event of any change in the relevant laws, regulations or normative documents, or in regulatory policies or market conditions, except for matters which require re-voting at the general meetings according to relevant laws, regulations, normative documents and the Articles of Association.

2. To negotiate with the placing agent(s) and/or subscriber(s) on the subscription of the shares (including the terms of the share subscription agreement(s)) according to the issuance plan, and to decide, execute, implement and complete the placing agreement and/or share subscription agreement (including supplementary agreement(s) as required).
3. To handle all matters related to the examination, registration, filing, approval and consent of the Issuance with domestic and overseas regulatory authorities and the Hong Kong Stock Exchange according to the issuance plan (including applying to the Hong Kong Stock Exchange for the Issuance of new H Shares listed and traded on the Hong Kong Stock Exchange); To sign, implement, modify and submit to domestic and overseas institution, organization and individuals all necessary documents in relation to the Issuance; To do all necessary, expedient or desirable acts related to the Issuance.
4. To prepare, modify, execute, submit, publish, disclose, implement, suspend, terminate all agreements, contracts, announcement, circulars or other relevant legal documents in relation to the Issuance; To engage financial advisors, placing agents, law firms, accounting firms and other intermediary agencies in relation to the Issuance, as well as determine and pay for the associated costs for the Issuance.
5. To amend the terms in relation to the Bank's registered capital, share capital structure and other corresponding terms in the Articles of Association, and proceed with the modification, registration and filing with the Bank's registration authorities and other relevant governmental authorities upon the completion of the Issuance.
6. To handle share registration and listing matters, increase the registered capital of the Bank subject to the outcome of the Issuance, and to proceed with relevant approval procedures with the regulatory authorities and relevant registration and filing procedures (including application for change of the Bank's company registration particulars and replacement of business license) with the market supervision authority upon the completion of the Issuance.
7. To complete the registration procedures for the non-public Issuance of Domestic Shares to specific target placees with the equity custodian institution for Domestic Shares.

8. To approve and authorize the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, on behalf of the Bank (i) to issue share certificates to placees and to register the placees in the register of H Shares in Hong Kong as holders of the new H Shares; and/or (ii) to issue share certificates to HKSCC Nominees Limited as holder of the new H Shares under the instruction of the placees and in accordance with the relevant guidelines of the Hong Kong Stock Exchange, and to deliver the share certificates to Hong Kong Securities Clearing Company Limited for deposition into the Central Clearing and Settlement System accounts maintained and operated by Hong Kong Securities Clearing Company Limited and to register HKSCC Nominees Limited in the register of H Shares of the Bank in Hong Kong as holder of the new H Shares.
9. To take all necessary acts to handle other matters related to the Issuance within the scope permitted by relevant laws and regulations.

The above authorizations will be effective for 12 months from the dates on which they are considered and approved at the First EGM of 2025, the First Domestic Shareholders Class Meeting of 2025 and the First H Shareholders Class Meeting of 2025. The Board may put forward proposal to extend the validity period of the authorizations at the general meetings for consideration and approval according to actual situation.

(IV) SPECIFIC MANDATE FOR THE ISSUANCE

The Issuance will be conducted under the Specific Mandate, and will constitute a variation of class rights of the Domestic Shareholders and H Shareholders of the Bank under the Articles of Association. Pursuant to the Articles of Association and the Hong Kong Listing Rules, the Bank will convene an EGM and Class Meetings to seek approval from Shareholders in relation to the granting of the Specific Mandate to conduct the Issuance.

(V) FUND-RAISING ACTIVITIES OF THE BANK FOR THE PAST TWELVE MONTHS

The Directors confirm that the Bank has not carried out any fund-raising activities in relation to the issuance of its equity securities within the 12 months immediately preceding the date of this announcement.

(VI) EFFECT OF THE ISSUANCE ON THE SHAREHOLDING STRUCTURE OF THE BANK

Once allotted, the new Domestic Shares and new H Shares to be issued under the Issuance will rank pari passu in all respect with those Domestic Shares and H Shares already issued when those new Domestic Shares and H Shares are issued and allotted.

Assuming that there are no other changes to the total issued share capital of the Bank other than the Issuance from the date of this announcement to the date of the completion of the Issuance, the shareholding structure of the Bank (1) as at the date of this announcement; (2) immediately after the completion of the Issuance of H Shares (assuming the number of H Shares to be issued is 153,834,000 shares, and the Issuance of Domestic Shares is not completed); (3) immediately after the completion of the Issuance (assuming the number of Domestic Shares to be issued is 758,020,103 shares and the number of H Shares to be issued is 153,834,000 shares during the Issuance) is set out as below:

	As at the date of this announcement		Immediately after the completion of the Issuance of H Shares (assuming only H Shares are issued)		Immediately after the completion of the Issuance	
	Number of shares	Approximate percentage of total issued shares of the Bank	Number of shares	Approximate percentage of total issued shares of the Bank	Number of shares	Approximate percentage of total issued shares of the Bank
Domestic Shares	4,971,197,344	83.13%	4,971,197,344	81.04%	5,729,217,447	83.13%
H Shares	1,008,861,000	16.87%	1,162,695,000	18.96%	1,162,695,000	16.87%
Total	<u>5,980,058,344</u>	<u>100%</u>	<u>6,133,892,344</u>	<u>100%</u>	<u>6,891,912,447</u>	<u>100%</u>

Note: Certain amounts and percentage figures included in the table above have been subject to rounding adjustments, any discrepancy between the total amount and the arithmetical sum of the amounts listed is due to rounding.

2. POTENTIAL CONNECTED TRANSACTIONS OF SHANDONG HI-SPEED'S SUBSCRIPTION

The target places of the Issuance of Domestic Shares may include Shandong Hi-Speed Group and its controlled subsidiary, Shandong Hi-Speed, which are the Controlling Shareholder and Substantial Shareholder of the Bank, respectively. The Bank is negotiating with Shandong Hi-Speed Group and Shandong Hi-Speed on the specific terms of the subscription of Domestic Shares. The subscription terms for the participation of Shandong Hi-Speed Group and Shandong Hi-Speed in the Issuance (including but not limited to the number of shares subscribed and the subscription price, etc.) will be determined in accordance with the subscription agreement then signed. The Bank will issue a separate announcement with respect to the list of specific investors participating in the Issuance and the connected transactions in relation to Shandong Hi-Speed's Subscription in compliance with the Hong Kong Listing Rules in due course.

As Shandong Hi-Speed Group, Shandong Hi-Speed and their associates are connected persons of the Bank, Shandong Hi-Speed's Subscription will constitute a connected transaction of the Bank pursuant to the Hong Kong Listing Rules and is subject to the announcement, reporting and independent Shareholders' approval under Chapter 14A of the Hong Kong Listing Rules. The Bank will convene an EGM and a Class Meeting to seek independent Shareholders' approval for the Shandong Hi-Speed's Subscription. Shandong Hi-Speed Group and Shandong Hi-Speed and their associates shall abstain from voting on the proposals in relation to the Issuance and Shandong Hi-Speed's Subscription considered at the EGM and the Class Meetings.

The Bank has established an Independent Board Committee comprising of all independent non-executive directors to advise independent Shareholders on the Shandong Hi-Speed's Subscription. The Bank has appointed Gram Capital Limited as the independent financial adviser (a licensed corporation to engage in Type 6 (advising on corporate finance) of the regulated activities under the SFO), advising the Independent Board Committee and independent Shareholders on the Shandong Hi-Speed's Subscription.

3. PROPOSED CHANGES IN REGISTERED CAPITAL AND CONSEQUENTIAL AMENDMENTS TO THE RELEVANT PROVISIONS OF THE ARTICLES OF ASSOCIATION

Upon completion of the Issuance, the Bank's registered capital and the number of Shares will be changed accordingly, and the provisions in the Articles of Association relating to the Bank's registered capital, the number of Shares and the share capital structure also need to be amended to reflect the relevant changes arising from the Issuance. The Bank shall submit the application materials for changes of registered capital to the banking regulatory authority in accordance with the requirements of domestic and overseas laws, regulations and other regulatory documents. Upon approval, the Bank will amend the relevant provisions of the Articles of Association and register the change with the market regulatory authority, Hong Kong Companies Registry and other relevant authorities.

4. EGM, CLASS MEETINGS AND CIRCULAR

The Bank will hold an EGM and submit special resolutions for the purpose of considering and if thought fit, approving, among other things, the Issuance of Domestic Shares, the Issuance of H Shares, Shandong Hi-Speed's Subscription and the proposed change in registered capital and consequential amendments to the relevant provisions of the Articles of Association. The Bank will hold Class Meetings and propose special resolutions to seek the approval of holders of Domestic Shares and H Shares respectively for the Issuance. Shandong Hi-Speed Group and Shandong Hi-Speed participating in the subscription and their respective associates shall abstain from voting on the proposals in relation to the Issuance and Shandong Hi-Speed's Subscription considered at the EGM and the Class Meetings. As at the date of this announcement, save as disclosed, to the best of the knowledge, information and belief of the Directors, no other Shareholder has a material interest in the Issuance or the Shandong Hi-Speed's Subscription and shall abstain from voting on the proposals pertaining to the approval for relevant resolutions at the EGM and the Class Meetings. As Mr. MENG Dongxiao, an executive Director, and Mr. CHEN Xiaojun, Mr. JIAO Weifeng and Mr. KANG Jian, non-executive Directors, are nominated by Shandong Hi-Speed Group and Shandong Hi-Speed respectively, Mr. MENG Dongxiao, Mr. CHEN Xiaojun, Mr. JIAO Weifeng and Mr. KANG Jian are deemed to have material interests in the Board resolutions approving the matters relating to the Issuance and the proposed change in registered capital and consequential amendments to the relevant provisions of the Articles of Association, and have abstained from voting thereon. As at the date of this announcement, save as disclosed above, no other Directors are deemed to have material interests in the resolutions approving the matters relating to the Issuance and the proposed change in registered capital and consequential amendments to the relevant provisions of the Articles of Association and are required to abstain from voting on the Board resolutions.

The Bank expects to dispatch, where practicable, a circular containing, among other things, further information on the Issuance of Domestic Shares, the Issuance of H Shares, Shandong Hi-Speed's Subscription, the proposed changes in registered capital and consequential amendments to the relevant provisions of the Articles of Association and other related matters, together with the notice of the EGM and the Class Meetings in due course in accordance with the requirements of the Hong Kong Listing Rules.

5. GENERAL INFORMATION

The Bank

The Bank is a joint stock company incorporated with limited liability and validly subsisting in the PRC.

The Bank is a joint stock limited liability company incorporated in the PRC in July 1997 and its H Shares are listed on the Main Board of the Hong Kong Stock Exchange (H Share stock code: 09677). The Bank is principally engaged in taking deposits from the public, extending short-term, medium-term and long-term loans, effecting domestic settlements, discounting bills, and acting as an agent for issuance of, settlement for, and underwriting of, government bonds, and other financial services.

Shandong Hi-Speed Group

Shandong Hi-Speed Group was established in July 1997, which is a state-owned capital investment company in the field of infrastructure in Shandong Province and a Fortune Global 500 company with a registered capital of RMB92.2 billion and total assets exceeding RMB1.7 trillion. Shandong Hi-Speed Group vigorously develops its core business of infrastructure, committing to building an infrastructure investment, construction, operation and service provider and an industry leader with outstanding main business and strong core competitiveness, and provide strong support for the construction of “Strong transportation province” in Shandong Province. Shandong Hi-Speed Group operates and manages 9,070 kilometers of expressways, of which 7,335 kilometers are in Shandong province, accounting for 84% of the province, and has six listed companies, namely Shandong Hi-Speed Company Limited (600350.SH), Shandong Hi-Speed Road & Bridge Group Co., Ltd. (000498.SZ), Shandong Hi-Speed Holdings Group Limited (00412.HK), Qilu Expressway Company Limited (01576.HK), Weihai Bank Co., Ltd. (09677.HK), and Shandong Hi-Speed New Energy Group Limited (01250.HK). It has been awarded domestic AAA-level and International A-level credit ratings.

Shandong Hi-Speed

Shandong Hi-Speed was established in 1999, with approximately 70.57% of its equity held by Shandong Hi-Speed Group. In March 2002, it was listed on the Shanghai Stock Exchange, with a registered capital of RMB4.835 billion. The company is primarily engaged in the investment and operation of transportation infrastructure, as well as equity investments in upstream and downstream sectors related to the expressway industry chain.

This announcement does not constitute an invitation or offer to acquire, purchase, or subscribe for securities of the Bank.

As the Issuance and Shandong Hi-Speed’s Subscription are subject to the fulfillment of certain conditions, the Issuance and Shandong Hi-Speed’s Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Bank’s securities.

6. DEFINITIONS

In this announcement, the following expressions shall have the following meanings, unless the context otherwise requires:

“Articles of Association”	Articles of Association of the Bank (as amended, modified or otherwise supplemented from time to time)
“associate(s)”	has the meaning as ascribed to it in the Hong Kong Listing Rules
“Bank”	Weihai Bank Co., Ltd.* (formerly known as Weihai City Commercial Bank Co., Ltd.), a joint stock company established in the PRC in July 1997 in accordance with relevant PRC laws and regulations, and (as the context requires) includes its predecessor, branches and sub-branches (excluding subsidiaries)
“Board”	the board of directors of the Bank
“Class Meeting(s)”	the general designation for the first domestic shareholders class meeting of 2025 and the first H shareholders class meeting of 2025 held immediately after the conclusion of the EGM, to approve the proposed Issuance, Shandong Hi-Speed’s Subscription and related authorization matters
“connected person(s)”	has the meaning as ascribed to it in the Hong Kong Listing Rules
“Controlling Shareholder(s)”	has the meaning as ascribed to it in the Hong Kong Listing Rules
“Director(s)”	the director(s) of the Bank
“Domestic Share(s)”	ordinary shares in issue, with a nominal value of RMB1.00 each, which are subscribed for or credited as fully paid in RMB
“Extraordinary General Meeting” or “EGM”	the Bank will convene and hold the first extraordinary general meeting in 2025 to consider and if thought fit, to approve the Issuance and relevant authorization, Shandong Hi-Speed’s Subscription and proposed changes in registered capital and consequential amendments to the relevant provisions of the Articles of Association

“H Share(s)”	the ordinary share(s) issued by the Bank in Hong Kong under the Global Offering, with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars, and are listed and traded on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	an independent board committee consisting of all independent non-executive Directors (namely Mr. FAN Chi Chiu, Mr. WANG Yong, Ms. SUN Zuying, Mr. YANG Yunhong and Mr. PENG Feng)
“Issuance”	the Issuance of Domestic Shares and the Issuance of H Shares
“Issuance of Domestic Share(s)”	the Bank intends to non-publicly issue no more than 758,020,103 Domestic Shares (intent to include Shandong Hi-Speed Group and Shandong Hi-Speed) to specific target placees through the Specific Mandate
“Issuance of H Share(s)”	the Bank intends to non-publicly issue no more than 153,834,000 H shares through the Specific Mandate
“PRC” or “China”	the People’s Republic of China, but for the purpose of this announcement only, excluding Hong Kong, Macau and Taiwan region unless the context otherwise requires
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“Shandong Hi-Speed”	Shandong Hi-Speed Company Limited (山東高速股份有限公司), a limited liability company incorporated in the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600350.SH) As at the date of this announcement, Shandong Hi-Speed Group holds approximately 70.57% of its interest
“Shandong Hi-Speed Group”	Shandong Hi-Speed Group Co. Ltd., a company established in the PRC with limited liability. As at the date of this announcement, it jointly holds 47.16% of the Bank’s total Shares with Shandong Hi-Speed and are the Controlling Shareholders of the Bank
“Shandong Hi-Speed’s Subscription”	subscription under the Issuance of Domestic Shares by Shandong Hi-Speed Group and Shandong Hi-Speed
“Share(s)”	Domestic Shares and H Shares of the Bank
“Shareholder(s)”	holder(s) of the Shares
“Specific Mandate”	a specific mandate for the Issuance granted by the Shareholders at the EGM and the Class Meetings
“Substantial Shareholder(s)”	has the meaning as ascribed to it in the Hong Kong Listing Rules
“%”	Percent

Weihai Bank Co., Ltd.*
Board of Directors

Weihai, China
July 31, 2025

As at the date of this announcement, the Board of the Bank comprises Mr. MENG Dongxiao, Mr. ZHANG Wenbin, Mr. LU Jiliang and Mr. JIANG Yi as executive Directors; Mr. CHEN Xiaojun, Mr. ZHAO Bing, Mr. JIAO Weifeng, Mr. KANG Jian and Ms. LI Jie as non-executive Directors; Mr. FAN Chi Chiu, Mr. WANG Yong, Ms. SUN Zuying, Mr. YANG Yunhong and Mr. PENG Feng as independent non-executive Directors.

* Weihai Bank 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.