**Code of A shares: 601166 Abbreviation of A Shares: Industrial Bank Code: TEMP 2021-001**

**Code of Preferred Stock: 360005, 360012, 360032 Abbreviation of Preferred Stock: Industrial Preferred 1, Industrial Preferred 2, Industrial Preferred 3**

Industrial Bank Co., Ltd.

Announcement on 2020 Preliminary Earnings Estimate

The Board of Directors of the Company and all directors guarantee there’s no false account, misleading statement or material omissions of the announcement, and will be jointly and severally responsible for the truthfulness, accuracy and integrity of the announcement.

The major financial data for 2020 contained in this announcement are preliminary accounting data of the group without being audited by an accounting firm. The specific data is subject to the data disclosed in the 2020 annual report of the Company. Investors are advised to pay attention to investment risks.

I. Primary Financial Data & Index

Unit: RMB 1 million

|  |  |  |  |
| --- | --- | --- | --- |
| **Item** | **2020**  **(Unaudited)** | **2019**  **(Audited)** | **Increase or Decrease (%)** |
| Business income | 203,137 | 181,308 | 12.04 |
| Pre-provision profit | 151,974 | 132,362 | 14.82 |
| Business profit | 76,547 | 74,266 | 3.07 |
| Total profit | 76,637 | 74,503 | 2.86 |
| Net profit attributable to shareholders of the parent company | 66,626 | 65,868 | 1.15 |
| Net profit attributable to shareholders of the parent company and excludes non-recurring profit and loss | 66,226 | 65,458 | 1.17 |
| Basic earnings per share (RMB) | 3.08 | 3.10 | (0.65) |
| ROE (%) | 12.62 | 14.02 | Decrease of 1.40 percentage points |
|  | **December 31, 2020**  **(Unaudited)** | **December 31, 2019**  **(Audited)** | **Increase or Decrease (%)** |
| Total assets | 7,895,372 | 7,145,681 | 10.49 |
| Total liabilities | 7,270,640 | 6,596,029 | 10.23 |
| Owner’s equity attributable to shareholders of the parent company | 615,515 | 541,360 | 13.70 |
| Owner’s equity attributable to ordinary shareholders of the parent company | 529,713 | 485,518 | 9.10 |
| Capital of common stock | 20,774 | 20,774 | - |
| Net assets per share attributable to ordinary shareholders of the parent company (RMB) | 25.50 | 23.37 | 9.10 |
| Non-performing loan ratio (%) | 1.25 | 1.54 | Decrease of 0.29 percentage points |
| Provision coverage ratio (%) | 218.83 | 199.13 | Increase of 19.70 percentage points |

Notes: Earnings per share and ROE are calculated based on *Compilation Rules for Information Disclosure by Companies Issuing Securities through Public Offering No.9 --- Calculation and Disclosure of Return on Equity and Earnings per Share* (revised in 2010), the impact of preferred stock dividends was considered.

II. Description of Operation Performance and Financial Conditions

During the reporting period, the Company responded actively to the changing situation and the challenge of the epidemic, conscientiously implemented the national macro-control policies and financial regulatory requirements, and firmly advanced the implementation of the “1234” strategy and “2344” strategy to ensure safety and stable development, help to prevent the epidemic, and increase support for the real economy. Various businesses have maintained sound development, and the quality of operations has been steadily improved.

In 2020, the Company realized a total profit of RMB 76.637 billion, a year-on-year increase of 2.86%; the net profit attributable to shareholders of the parent company was RMB 66.626 billion, a year-on-year increase of 1.15%, and the profitability remained at a good level. As of the end of 2020, the Company's total assets were RMB 7,895.372 billion, an increase of 10.49% from the end of the previous year; the balance of domestic and foreign currency deposits was RMB 4,042.894 billion, an increase of 7.55% from the end of the previous year; the balance of loans in domestic and foreign currencies was RMB 3,965.674 billion, an increase of 15.23% from the end of the previous year. Asset quality continued to improve. The Company's non-performing loan balance was RMB 49.656 billion, a decrease of RMB 3.366 billion from the end of the previous year; the non-performing loan ratio was 1.25%, a decrease of 0.29 percentage points from the end of the previous year; the provision coverage ratio was 218.83%, an increase of 19.70 percentage points from the end of the previous year.

III. Risk Warning

The 2020 data contained in this announcement are preliminary accounting data of the group, which may be different from those disclosed in the 2020 annual report of the Company. However, the discrepancy above will not exceed 10%. Investors are advised to pay attention to investment risks.

IV. Reference Documents

The Comparative Balance Sheet and Profit Statement signed and stamped by the president of the Company (acting on behalf of the Legal Representative) and the head of the financial institution.

Hereby Announced.

Board of Directors of Industrial Bank Co., Ltd.

January 14, 2021