**Code of A share: 601166 Abbreviation of A Share: Industrial Bank Code: TEMP 2021-010**

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

Industrial Bank Co., Ltd.

Announcement on Giving Fujian Yango Group Co., Ltd. Series Related Transaction Quota

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.

**Prompt of Important Content**

On March 30, 2021, the 27th Meeting of the 9th Board of Directors of the Company reviewed and agreed to give the Related Legal Persons of Fujian Yango Group Co., Ltd. Series (hereinafter referred to as “Related Legal Persons of Yango Series”) credit related transaction quota of RMB 18.5 billion and non-credit related transaction quota of RMB 17.2 billion, with a validity period of 3 years. Related director Mr. Lin Tengjiao has abstained from voting. The above-mentioned related transactions are reasonable transactions in the Company’s daily business operations, which exert no significant impacts on the Company’s business activities and financial status, and will not affect the Company’s independence. The above-mentioned related transaction matters still need to be submitted to the Company’s general meeting of shareholders for deliberation, and the relevant related shareholders will withdraw from voting on the proposal of the Company’s general meeting of shareholders to consider this related transaction.

**I. Overview of Related Transaction**

The 27th Meeting of the 9th Board of Directors of the Company reviewed and approved the *Proposal on Giving Related Transaction Quota to certain Related Parties*, agreed to give the Related Legal Persons of Yango Series related transaction quota of RMB 35.7 billion, with a validity period of 3 years, including: credit related transaction quota of RMB 18.5 billion for Fujian Yango Group Co., Ltd. (hereinafter referred to as “Fujian Yango Group”) and its affiliated companies to carry out various short, medium and long term businesses, including: the main credit quota is RMB 16 billion, the investment limit under non-guarantee financial management is RMB 1 billion, and subsidiary’s financial asset investment limit is RMB 1.5 billion; non-credit related translation quota of RMB 17.2 billion with transaction types of structured deposits and wealth management, capital business, bond underwriting, trust and private placement services, and other comprehensive services.

The related transaction quota between the Company and the Related Legal Persons of Yango Series this time exceeds 5% of the audited net assets of the Company Group in the nearest period, which makes it a substantive related transaction. The above-mentioned related transaction matters have been audited by the Board of Directors of the Company, reviewed by the Related Transaction Control Committee and reviewed and approved by the Board of Directors, and still need to be submitted to the general meeting of shareholders for approval.

**II. Introduction of Related Parties**

(I) Basic Information of Related Parties

Fujian Yango Group was established in February 2002. The legal representative is Wu Jie, registered in Fuzhou, with a registered capital of RMB 7.96 billion. The shareholder structure is: Yango Holdings Co., Ltd. (43.88%), Wu Jie (43.75%), Lin Xueying (10.26%), Fuzhou Rongxingjie Investment Co., Ltd. (1.71%) and Fuzhou Kaishenghui Investment Co., Ltd. (0.40%). According to the *Acting-in-Concert Agreement* signed by Wu Jie and Mr. Lin Tengjiao, the actual controller of Yango Holdings, Wu Jie is entitled to 89.34% voting rights of Fujian Yango Group and is the actual controller of the Company, Lin Tengjiao and Wu Jie are persons acting in concert.

(II) Related Relationship with Listed Companies

Fujian Yango Group is the subsidiary of Yango Holdings Co., Ltd. (hereinafter referred to as “Yango Holdings”). Yango Holdings and its actual controller, Mr. Lin Tengjiao, hold 2.40% of the Company’s total shares and have director Mr. Lin Tengjiao stationed in the Company. The affiliates of Yango Holdings, Fujian Yango Group which is directly, indirectly, jointly controlled or significantly impacted on by Mr. Lin Tengjiao and his close relatives are Related Legal Persons of the Company.

**III. Main Content and Pricing Policy of Related Transaction**

(I) Main Content of Related Transaction

The Company’s 2018 annual general meeting of shareholders on May 27, 2019 gave an additional related transaction quota of RMB 4 billion to the Related Legal Persons of Yango Series. After the change, the total amount of the Related Legal Persons of Yango Series related transaction quota was RMB 41.2 billion, including: credit related transaction quota of RMB 22 billion, non-credit related translation quota of RMB 19.2 billion, valid until June 30, 2021.

As the original approval quota will expire on June 30, 2021, this re-approval will give the Related Legal Persons of Yango Series related transaction quota of RMB 35.7 billion, with a validity period of 3 years, including: credit related transaction quota of RMB 18.5 billion for Fujian Yango Group and its affiliated companies to carry out various short, medium and long term businesses, including: the main credit quota is RMB 16 billion, the investment limit under non-guarantee financial management is RMB 1 billion, and subsidiary’s financial asset investment limit is RMB 1.5 billion; non-credit related translation quota of RMB 17.2 billion with transaction types of structured deposits and wealth management, capital business, bond underwriting, trust and private placement services, and other comprehensive services.

(II) Pricing Policy

For related transactions between the Company and the Related Legal Persons of Yango Series, non-related transaction price of an independent third party will be referenced for the pricing of such transactions. In case of credit related transactions, if related credit conditions are not better than conditions for the same credit of other credit receivers, non-related transaction price of an independent third party will be referenced for related transaction price and settlement method is the same with that of non-related transaction of an independent third party; non-credit related transaction belongs to reasonable transaction during the daily business operation of the Company, and for such transactions, general business rules will be followed, and conditions not more favorable than those of similar transactions of non-related parties will be adopted.

**IV. Goal of Related Transaction and Influence of This Related Transaction on Listed Company**

Considering the continuous promotion of the cooperation between the Company and the Related Legal Persons of Yango Series in multiple business fields and the increasing demand for relevant businesses, the relevant businesses carried out by the Company with the Related Legal Persons of Yango Series is conducive to the further cooperation of all parties.

The above-mentioned related transactions are concluded based on market principles and general business rules or terms not more favorable than those applicable to independent third parties during the daily business of the Company, the transaction conditions will be fair and reasonable, in line with the interests of the Company and all shareholders, subject to relevant regulations requirements of the regulatory department and internal policies of the Company and without prejudice to the interests of the Company and minority shareholders, and will not have negative influence on current and future financial conditions of the Company and independence of listed company.

**V. Opinion of Independent Directors**

Independent directors Mr. Paul M. Theil, Mr. Zhu Qing, Mr. Liu Shiping, Mr. Su Xijia and Mr. Lin Hua of the Company, expressed the following independent opinions with regard above related transactions:

(I) Procedure. The above-mentioned related transactions have been audited by the Board of Directors, reviewed by the Related Transaction Control Committee and reviewed by the Board of Directors, which is in compliance with the regulations issued by CBIRC, SCRC, SSE and other regulatory authorities, and the Company’s Articles of Association and *Administrative Measures on Related Transactions*.

(II) Fairness. The above-mentioned related transactions belong to reasonable transactions during the daily business operation of the Company, and for such transactions, general business rules will be followed, and conditions not more favorable than those for similar transactions of non-related parties will be adopted, the transaction conditions are fair and reasonable, and such transactions are subject to relevant regulations requirements of the regulatory department and internal policies of the Company and without prejudice to the interests of the Company and shareholders (especially minority shareholders), and will not have negative influence on current and future financial conditions of the Company and independence of the listed company.

**VI. Contents of Reference Documents**

1. Resolution of the 24th Meeting of the Audit & Related Transaction Control Committee of the 9th Board of Directors of the Company;

2. Resolution of the 27th Meeting of the 9th Board of Directors of the Company;

3. Prior Approval Opinions Signed and Confirmed by Independent Directors;

4. Independent Opinions Signed and Confirmed by Independent Directors.

Hereby Announced.

Board of Directors of Industrial Bank Co., Ltd.

 March 30, 2021