**Code of A Share: 601166 Securities Abbreviation: Industrial Bank Announcement Code: TEMP 2021-024**

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

**Industrial Bank Co., Ltd. Implementation Announcement of Distributing A Share Dividend of 2020 Annual**

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| 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:

* Distribution ratio of every share

Cash dividend of each A share: RMB RMB 0.802 (tax included)

* Relevant Date

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Type of Shares | Date of Record | Last Transaction Date | Ex-dividend Date | Date of Distributing Cash Dividends |
| A Share | 2021/6/28 | － | 2021/6/29 | 2021/6/29 |

* Differentiated bonus shares: No

# Session and Date of General Meeting of [Shareholder](http://www.youdao.com/w/shareholder/#keyfrom=E2Ctranslation)s Approving the Distribution Plan

This profit distribution plan was reviewed and passed in the 2020 Annual General Meeting of [Shareholder](http://www.youdao.com/w/shareholder/#keyfrom=E2Ctranslation)s of Industrial Bank Co., Ltd. (hereinafter referred to as the “Company”) held on June 11, 2021.

# Distribution Plan

## Year of distribution: Implementation Announcement of Distributing A Share Dividend of 2020 Annual

## Objectives:

All the shareholders of A share of the Company registered by Shanghai Branch of China Securities Depository and Clearing Company Limited (hereinafter referred to as CSDC Shanghai) by the time Shanghai Stock Exchange was closed on the afternoon of the date of record.

## Distribution plan:

This profit distribution plan is based on the total capital stock of 20,774,190,751 of the Company before implementation RMB 0.802 (tax included) cash dividend is distributed for each share, totaling RMB 16,660,900,982.30 cash dividends distributed (tax included).

# Relevant Date

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Type of Shares | Date of Record | Last Transaction Date | Ex-dividend Date | Date of Distributing Cash Dividends |
| A Share | 2021/6/28 | － | 2021/6/29 | 2021/6/29 |

# Implementation Method of Distribution

## Implementation method

Except for the Company's objectives of direct distribution, the Company entrusts CSDC Shanghai Branch through its capital liquidation system to distribute cash dividends of other A share to the shareholders who are registered after the closing of Shanghai Stock Exchange on the date of record and who have made specific transactions with the member institutions of Shanghai Stock Exchange. Investors who have made specific transactions may withdraw the cash dividends at the designated stock exchange on the date of distribution. The dividends of the shareholders who have not yet made specific transactions is temporarily kept by CSDC Shanghai Branch and will be distributed to them after they make specific transaction.

## Objectives of direct distribution

The cash dividends held by Hang Seng Bank Limited is distributed by the Company.

## Instructions to tax deduction

(1) As for natural person shareholders and shareholders of securities investment funds who hold A share of the Company, according to the provisions of the *Notice on Issues About Different Individual Income Tax Policies for Dividends of Listed Companies* (Cai Shui [2015] No. 101) and the *Notice on Issues About Implementation of Different Individual Income Tax Policies for Dividends of Listed Companies* (Cai Shui [2012] No. 85), if the holding period is less than 1 month (including 1 month), income from dividends and bonuses shall be included in the taxable income amount in full and the actual tax rate of dividends is 20%; if the holding period is from 1 month to 1 year (including 1 year), income from dividends and bonuses is temporarily deducted by 50% and included in the taxable income amount and the actual tax rate of dividends is 10%; if the holding period is more than 1 year, the individual income tax of income from dividends and bonuses is exempted.

The individual income tax for this cash dividend distribution is not withheld temporarily, RMB 0.802 cash dividend is distributed for each share. When natural person shareholders and shareholders of securities investment funds who hold A share of the Company transfer the shares, CSDC Shanghai Branch calculates the actual payable tax based on the holding period while the securities company or other trustee deducts such amount from personal and securities investment funds capital accounts and pay CSDC Shanghai Branch. CSDC Shanghai Branch pays the Company within 5 working days of the next month and the Company applies for tax payment with the competent tax authority within the statutory declaration period of the current month of taxation.

(2) As for qualified foreign institutional investor (QFII) shareholders who hold A share of the Company, according to the provisions of the *Notice on Issues Related to Chinese Resident Enterprises Paying Dividends and Bonus and Deducting Interest and Withholding Enterprise Income Tax for QFII* (Guo Shui Han [2009] No. 47), the Company shall deduct and withhold the enterprise income tax at the rate of 10%, with the after-tax actual cash dividend distributed for each share up to RMB 0.7218. If qualified foreign institutional investor (QFII) shareholders are involved in the treatment of tax convention (arrangement) benefits, they shall paid in accordance with the *Announcement of the State Administration of Taxation on Issuing the Administrative Measures for Non-resident Taxpayers Enjoying Treaty Benefits* (State Administration of Taxation Announcement No. 35 of 2019), and *Notice on Issues Related to Chinese Resident Enterprises Paying Dividends and Bonus and Deducting Interest and Withholding Enterprise Income Tax for QFII* (Guo Shui Han [2009] No. 47).

(3) As for investors (including enterprises and individual) of the Stock Exchange of Hong Kong Ltd. investing in A share of the Company in Shanghai Stock Exchange (hereinafter referred to as the “Hu Gu Tong”), the cash dividends are distributed in RMB to the account of nominal holders of shares by CSDC Shanghai Branch. The Company shall deduct income tax at the rate of 10% and apply to the competent tax authorities for withholding declaration according to the *Notice of the Ministry of Finance, State Administration of Taxation and China Securities Regulatory Commission on Tax Policies in Pilot Zones for Shanghai and Hong Kong Stock Market Trading Interconnection and Communication Mechanism* (Cai Shui [2014] No. 81), with the after-tax actual cash dividend distributed for each share up to RMB 0.7218. For SSE investors who are tax residents of other countries and the tax treaty between their home country and China stipulates that the dividend income tax rate is less than 10%, the tax deduction shall be executed in accordance with the *Announcement of the State Administration of Taxation on Issuing the Administrative Measures for Non-resident Taxpayers Enjoying Treaty Benefits* (State Administration of Taxation Announcement No. 35 of 2019), and *Notice on Tax Policies in Pilot Zones for Shanghai and Hong Kong Stock Market Trading Interconnection and Communication Mechanism* (Cai Shui [2014] No. 81).

The time arrangements for the equity registration date and cash dividend distribution date of SSE investors are the same as those of the Company's A share shareholders.

(4) As for A share shareholders of the Company (including institutional investor) identified as resident enterprise following the definition in the *Enterprise Income Tax Law of the People's Republic of China*, the income tax incurred from the cash dividend shall be paid by themselves and the pre-tax cash dividend actually distributed for each share is RMB 0.802.

# Consultation Method

Contact Department: Office of the Board of IB

Contact Number: 0591-87857530

Hereby Announced.

Board of Directors of Industrial Bank Co., Ltd.

June 23, 2021