**Code of A Share: 601166 Abbreviation of A Share: Industrial Bank Announcement Code: TEMP 2022-002**

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

Industrial Bank Co., Ltd.

Preannouncement on 2021 Annual Financial Results

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 key financial data for the year 2021 contained in this announcement are preliminary consolidated results of the Company and have not been audited by an accounting firm. Should there be any discrepancy, the data which will be included in the Company’s 2021 annual report shall prevail. Prospective investors should be aware of the potential risks in investment.

1. Key Financial Data and Indicators

Unit: RMB million

|  |  |  |  |
| --- | --- | --- | --- |
| **Items** | **2021**  **(unaudited)** | **2020**  **（audited）** | **Changes from the preceding year to this year（%）** |
| Revenue | 221,236 | 203,137 | 8.91 |
| Profit before provisions | 162,209 | 151,974 | 6.73 |
| Operating profit | 95,199 | 76,547 | 24.37 |
| Total profit | 95,310 | 76,637 | 24.37 |
| Net profit attributable to shareholders of the Parent Company | 82,680 | 66,626 | 24.10 |
| Net profit after deducting non-recurring profit/loss items attributable to shareholders of the Parent Company | 82,206 | 66,218 | 24.14 |
| Basic earnings per share (RMB) | 3.77 | 3.08 | 22.40 |
| Weighted average returns on net assets (%) | 13.94 | 12.62 | Up by 1.32 percentage points |
|  | **As at December 31, 2021**  **(unaudited)** | **As at December 31, 2021**  **(audited)** | **Changes from the preceding year to this year（%）** |
| Total assets | 8,601,324 | 7,894,000 | 8.96 |
| Total liabilities | 7,907,028 | 7,269,197 | 8.77 |
| Owner's equity attributable to shareholders of the Parent Company | 684,111 | 615,586 | 11.13 |
| Owner's equity attributable to common shareholders of the Parent Company | 598,309 | 529,784 | 12.93 |
| Common share capital | 20,774 | 20,774 | - |
| Net assets per share attributable to common shareholders of the Parent Company (RMB) | 28.80 | 25.50 | 12.93 |
| Non-performing loan ratio (%) | 1.10 | 1.25 | Down by 0.15 percentage points |
| Provision coverage (%) | 268.73 | 218.83 | Up by 49.90 percentage points |

Note: Earnings per share and weighted average return on net assets are calculated in accordance with *the No.9 Guidelines for the Preparation of Information Disclosures by Companies Issuing Public Securities—Calculation and Disclosure of Return on Net Assets and Earnings per Share (2010 Revised Version),* factoring in the ramifications of paying preferred share dividends and interest interests of perpetual bonds.

II. Description of Business Performance and Financial Position

During the reporting period, in response to the changes and the challenges posed by the pandemic, the Company earnestly implemented the national macro-control policies and fulfilled financial regulatory requirements. By following the 1234 Development Strategy, the Company strives to unlock the synergy of scale, efficiency and quality by pushing forward high-quality growth with ongoing efforts in optimizing the business structure.

In 2021, the total profit of the Company reached RMB 95,310,000,000, up by 24.37% year-on-year. Net profit attributable to shareholders of the Parent Company stood at RMB 82,680,000,000, a year-on-year increase of 24.10%, showing sound profitability. As of the end of 2021, the Company's total assets amounted to RMB8.601324 trillion, up by 8.96% compared with the end of the previous year, of which the balance of loans in local and foreign currencies reached RMB4.428183 trillion, an increase of 11.66% over the end of 2020. Total liabilities increased by 8.77%, amounting to RMB7.907028 trillion, with the balance of deposits in local and foreign currencies reaching RMB 4.311041 trillion, up by 6.63% compared with the end of 2020. Asset quality continued to improve. The Company's non-performing loan balance decreased by RMB 942 million from the end of the previous year, reaching RMB 48.714 billion, with a 1.10% non-performing loan ratio, down by 0.15 percentage points year-on-year. The provision coverage ratio stood at 268.73%, an increase of 49.90 percentage points year-on-year.

III. Risk Warning

The financial data for the year 2021 stated in this announcement are preliminary consolidated results of the Company and are subject to possible deviation from the audited results which will be included in the Company’s 2021 annual report, but the deviation is expected to be 10% at most. Prospective investors should be aware of the potential risks in investment.

IV. Documents for Reference

Comparative balance sheet and income statement signed and sealed by Lu Jiajin, Chairman of the Company, Tao Yiping, Governor of the bank, and Lai Fulong, Head of the Financial Institution.

It is hereby announced.

Board of Directors of Industrial Bank Co., Ltd.

January 10, 2022