**Code of Securities:** **601166 Securities abbreviation:** **Industrial Bank**

**Announcement Number:** **TEMP 2022-037**

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| **Code of Preferred Stock:** **360005, 360012, 360032**  **Code of Convertible Bonds: 113052** | **Abbreviation of Preferred Stocks:** **Industrial Preferred 1, Industrial Preferred 2, Industrial Preferred 3**  **Abbreviation of Convertible Bonds: Industrial Convertible Bonds** |

**Industrial Bank Co., Ltd**

**Announcement of Implementation of**

**Annual Equity Distribution for 2021**

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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. |

# Important notes:

* Distribution ratio of every share

Cash dividend of each A share: RMB1.035 (tax included)

* Relevant Date

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Type of Shares | Date of Record | Last Trading Day | Ex-dividend Date | Date of Distributing Cash Dividends |
| A share | 2022/6/15 | - | 2022/6/16 | 2022/6/16 |

* Differentiated bonus shares: No

# Session and Date of General Meeting Approving the Distribution Plan

This profit distribution plan was reviewed and passed in the General Meeting of 2021 of Industrial Bank Co., Ltd (hereinafter referred to as the Company), held on May 27, 2022.

# Distribution Plan

## Year of distribution: 2021

## Objectives:

All the holders of A shares 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 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. RMB1.035 (tax included) cash dividend is distributed for each share, totaling RMB21,501,287,427.29 cash dividends distributed.

# Relevant Date

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Type of Shares | Date of Record | Last Trading Day | Ex-dividend Date | Date of Distributing Cash Dividends |
| A share | 2022/6/15 | - | 2022/6/16 | 2022/6/16 |

# Implementation Method of Distribution

## Implementation method

Apart from the objectives of direct distribution, the Company entrusts CSDC Shanghai to, through its capital liquidation system, distribute cash dividends to other A-share holders 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. Shareholders 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 and will be distributed to them after they make specific transaction.

## Objectives of direct distribution

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

## Instructions to tax deduction

(1) As for natural person shareholders and securities investment funds, 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 Implementing 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), the dividend income will be fully included in the taxable income, and the tax rate of dividends is 20%; if the holding period is between 1 month and 1 year (including 1 year), 50% of the dividend is excluded from taxable income, and the tax rate is 10%; if the holding period is longer than 1 year, the dividend is excluded from the taxable individual income.

The individual income tax for this dividend distribution is not withheld temporarily, and the cash dividend per share is RMB1.035. When the shares are transferred by natural person shareholders or securities investment funds, CSDC Shanghai calculates the actual payable tax based on the holding period while the securities company or other trustee deducts such amount from personal capital accounts and pay CSDC Shanghai. CSDC Shanghai 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, according to the provisions of the *Notice on Issues Related to Chinese Resident Enterprises Paying Dividends and Bonus to QFII, Deducting Interest and Withholding Corporate Income Tax for QFII* (Guo Shui Han [2009] No. 47), the Company shall deduct and withhold the corporate income tax at the rate of 10% in a unified way, with the after-tax actual cash dividend distributed for each share up to RMB0.9315. If the QFII shareholders are entitled to preferential tax treaty (arrangement) benefits, the provisions of *the Notice of the State Administration of Taxation on the Issuance of Administrative Measures for Non-Resident Taxpayers Eligible for Tax Treaty Benefits* (State Administration of Taxation Announcement No. 35 of 2019) and the *Notice on Issues Related to Chinese Resident Enterprises Paying Dividends and Bonus to QFII, Deducting Interest and Withholding Corporate Income Tax for QFII* (Guo Shui Han [2009] No. 47), shall be implemented.

(3) As for investors (including enterprise and individual) of the Stock Exchange of Hong Kong investing in A share of the Company in Shanghai Stock Exchange (Shanghai Stock Connect), the cash dividends are distributed in RMB to the account of nominal holders of shares by CSDC Shanghai. The tax deduction is executed 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); the individual income tax shall be withheld at the rate of 10%, with the after-tax actual cash dividend distributed for each share up to RMB0.9315. Withholding declarations shall be submitted to the competent tax authorities. For Shanghai Stock Connect investors who are taxpayers of countries that have signed tax agreements with China, stipulating a tax rate of less than 10% on dividend income, the provisions *the Notice of the State Administration of Taxation on the Issuance of Administrative Measures for Non-Resident Taxpayers Eligible for Tax Treaty Benefits* (State Administration of Taxation Announcement No. 35 of 2019) and *the Notice on Tax Policies in Pilot Zones for Shanghai and Hong Kong Stock Market Trading Interconnection and Communication Mechanism* (Cai Shui [2014] No. 81) shall be implemented. The record date and cash dividend payment date for Shanghai Stock Connect investors is consistent with that for the Company's A-share shareholders.

(4) As for other A share investors (including institutional investors) of the Company identified as resident enterprise following the definition in the *Corporate Income Tax Law of the People's Republic of China,* the income tax incurred from the dividend shall be paid by themselves and the pre-tax cash dividend actually distributed for each share is RMB1.035.

# Consultation

Contact Department: Office of the Board of Industrial Bank

Contact Number: 0591-87857530

It is hereby announced.

　　　Board of Directors of Industrial Bank Co., Ltd.

June 9, 2022