**Announcement Code: TEMP 2022-015**

**Code of A Share: 601166 Abbreviation of A Share: Industrial Bank**

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

**Code of Convertible Bonds:113052 Abbreviation of Convertible Bonds: Industrial Convertible Bonds**

Industrial Bank Co., Ltd.

Announcement on the Progress of Change in Shareholders’ Equity

The Board of Directors of the Company and all directors guarantee that the announcement does not contain any false account, misleading statement, or material omissions, and will collectively and individually take responsibility for ensuring the authenticity, accuracy, and integrity of the announcement.

This is to announce that today, Industrial Bank Co., Ltd. (“Company”) has received the *Agreement on the Gratuitous Transfer of State-Owned Shares of Listed Company* (“Agreement”) executed between Fujian Provincial Department of Finance and Fujian Financial Investment Co., Ltd. (“Fujian Financial Investment”). The highlights of the Agreement are as follows:

**I. Basic Information of the Transferred Shares**

Currently, Fujian Provincial Department of Finance holds 3,915,181,039 ordinary shares of the Company. Specifically, Fujian Provincial Department of Finance (general account) holds 3,511,918,625 shares, accounting for 16.91% of the Company’s total stock issued; Fujian Provincial Department of Finance (special account for transfer) holds 403,262,414 shares, accounting for 1.94% of the Company’s total stock issued, and this special account for transfer is a dedicated account of Fujian Provincial Department of Finance to receive transferred state capital for the enrichment of the social security fund in accordance with relevant regulations of the State Council and the Fujian Provincial People’s Government.

Under the *Agreement*, Fujian Provincial Department of Finance agrees to gratuitously transfer the Company’s 3,511,918,625 ordinary shares (accounting for 16.91% of the Company’s total stock issued) to Fujian Financial Investment on the benchmark transfer date of December 31, 2021.

**II. Rights and Obligations of Both Parties**

The rights and obligations of Fujian Provincial Department of Finance and Fujian Financial Investment shall be governed by the *Approval of Fujian Provincial People’s Government and the Gratuitous Transfer of Industrial Bank’s Shares* (Min Zheng Wen [2022] No.137) and the *Circular of the General Office of Fujian Provincial People’s Government on the Promulgation of the Implementation Regulations on the Roles and Responsibilities of Contributors to Local State-Owned Financial Capital of Fujian Province (Interim)* (Min Zheng Ban [2022] No.4).

**III. Consideration and Cost of the Transferred Shares**

This transfer of state-owned shares is gratuitous transfer, for which Fujian Financial Investment does not need to pay any consideration of the shares to Fujian Provincial Department of Finance. The taxes and fees arising from the performance of the agreement by both parties shall be borne by Fujian Provincial Department of Finance and Fujian Financial Investment, respectively.

**IV. Effectiveness of Agreement**

In accordance with relevant regulations, the *Agreement* shall become effective after the review and approval of shareholders’ qualifications by the China Banking and Insurance Regulatory Commission (CBIRC) in respect of the share transfer, as well as the compliance confirmation by the Shanghai Stock Exchange.

For the detailed information of this gratuitous transfer of state-owned shares, please refer to the *Brief Report on the Equity Change of Industrial Bank Co., Ltd.* (Fujian Provincial Department of Finance) and *Detailed Report on the Equity Change of Industrial Bank Co., Ltd.* (Fujian Financial Investment Co., Ltd. ).

**Board of Directors of Industrial Bank Co., Ltd.**

**March 22, 2022**