**Announcement Code: TEMP 2023-015**

**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 Renewal of

Services of an Accounting Firm

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 Notice:

# The Company plans to renew the services of KPMG Huazhen (Special General Partnership) for the year 2023 to conduct annual audits, semi-annual report reviews, and internal control audits. The engagement is intended to last for one year, and the total audit fee will amount to RMB9.12 million.

I. Overview of the Accounting Firm to be Renewed

1. Basic Information

KPMG Huazhen Certified Public Accountants was established in Beijing on August 18, 1992. It was approved by the Ministry of Finance to be converted into a special general partnership on July 5, 2012, and was renamed KPMG Huazhen Certified Public Accountants (Special General Partnership) (hereinafter referred to as KPMG Huazhen). It obtained a business license on July 10, 2012, and officially started operations on August 1, 2012.

KPMG Huazhen is headquartered in Beijing, whose registered address is 8F, No. 2 East Office Building, East Plaza, No. 1, East Chang'an Street, Dongcheng District, Beijing.

Zou Jun, the Chief Partner of KPMG Huazhen, is of Chinese nationality and qualified as a Chinese Certified Public Accountant (CPA)

As of December 31, 2022, KPMG Huazhen has 225 partners and 1,088 certified public accountants. Among them, more than 260 certified public accountants have signed audit reports on securities service business.

KPMG Huazhen's total business revenue audited in 2021 exceeded RMB 4 billion, of which audit business revenue exceeded RMB 3.8 billion (including domestic statutory securities business revenue of more than RMB 800 million, and other securities business revenue of more than RMB 1.1 billion, totaling more than RMB 1.9 billion).

In 2021, KPMG Huazhen audited annual reports from 72 listed company clients, and the total audit fee for listed companies' financial statements are RMB 455 million. These listed companies were mainly engaged in such industries as manufacturing, finance, electricity, heating, gas and water production and supply, wholesale and retail trade, transportation, storage and postal services, mining, real estate, leasing and business services, scientific research and technology services, water conservancy, environment and utilities management, information transmission, software and information technology services, health and social work, construction, culture, sports and recreation. Among the listed company clients for whom KPMG Huazhen provides audit services, 16 clients are in the same industry as Industrial Bank Co., Ltd (hereinafter referred to as the Company).

2. Investor Protection Capability

The sum of the cumulative compensation limit for occupational insurance purchased by KPMG Huazhen and the occupational risk fund accrued exceeds RMB 200 million, which is in compliance with relevant laws and regulations. In the past three years, KPMG Huazhen did not have to bear any civil liability due to civil litigation related to its practice.

3. Integrity Records

In the past three years, KPMG Huazhen and its practitioners have not received any criminal penalties, administrative penalties, or administrative supervisory measures from the SEC and its affiliated agencies. Moreover, they have not faced any self-regulatory measures or disciplinary actions from self-regulatory organizations, including stock exchanges and industry associations, pertaining to their professional practice.

(2) Project Information

1. Basic Information

The basic information of KPMG Huazhen as the project partner, signed certified public accountant and project quality control reviewer for the 2023 financial statement audit project of Industrial Bank Co., Ltd. is as follows:

Chen Sijie, the project partner of this project, obtained the qualification as a Chinese CPA in 2000. Chen Sijie started his practice at KPMG Huazhen in 1996. He has been engaged in the audit of listed companies since 2000 and has been providing audit services to the Company since 2019. Chen Sijie has signed or reviewed 10 audit reports of listed companies in the past three years.

Wu Zhongming, the signed CPA of this project, obtained the qualification as a Chinese CPA in 2012. Wu Zhongming started his practice at KPMG Huazhen in 2003. He has been engaged in the audit of listed companies since 2012 and has been providing audit services to the Company since 2021. Wu Zhongming has signed or reviewed 4 audit reports of listed companies in the past three years.

Song Chenyang, the quality control reviewer of this project, is qualified as a Chinese CPA. Song Chenyang has been engaged in the audit of listed companies since 1993 and has been providing audit services to the Company since 2019. Song Chenyang has signed or reviewed multiple audit reports of listed companies in the past three years.

2. Integrity Records

The project partner, signed certified public accountant, and project quality control reviewer have not received any criminal penalties, administrative penalties, or administrative supervisory measures from the SEC and its affiliated agencies. Moreover, they have not faced any self-regulatory measures or disciplinary actions from self-regulatory organizations, including stock exchanges and industry associations, pertaining to their professional practice.

3. Independence

KPMG Huazhen, project partners, signed certified public accountants, and project quality control reviewers have maintained their independence in accordance with the provisions of the code of professional ethics.

4. Audit Fees

KPMG Huazhen's audit service fees are determined according to such factors as the level of responsibility, complexity, work requirements, required working conditions and working hours, and the professional knowledge and work experience of employees at all levels who participate in the business. The audit fees for this project in 2023 are RMB 9.12 million, an increase of 3% over the previous year.

**II. Decision-making Procedures Performed by the Company**

(1) The 12th meeting of the Audit & Connected Transaction Control Committee of the 10th Board of Directors of the Company reviewed and approved the *Proposal on Appointing an Accounting Firm for 2023.* The members of the Audit & Connected Transaction Control Committee of the Board of Directors believed that KPMG Huazhen has complied with regulatory requirements in terms of professional qualification, professional competence, investor protection capability, independence and integrity and agreed to submit the proposal to the Board of Directors for review.

(2) All independent directors of the Company have issued prior approval opinions on the appointment of an accounting firm, and agreed to submit relevant proposals to the Company's Board of Directors for consideration in accordance with the relevant procedures of corporate governance, and issued independent opinions as follows:

KPMG Huazhen complies with regulatory requirements in terms of professional qualification, professional competence, investor protection capability, independence and integrity. The decision-making procedures for hiring KPMG Huazhen as the Company's accounting firm in 2023 are adequate and appropriate, and comply with relevant laws and regulations and the relevant provisions of the Company's articles of association, and the matter is agreed to be submitted to the general meeting of shareholders for consideration.

(3) The 15th meeting of the 10th Board of Directors of the Company deliberated on and approved the Proposal on Engaging an Accounting Firm for 2023. The voting results: Assent 10, Dissent 0, Abstain 0.

(4) The renewal of the appointment of an accounting firm still needs to be submitted to the Company's 2022 annual general meeting of shareholders for deliberation, and it will take effect from the date of approval by the Company's general meeting of shareholders.

It is hereby Announced.

Board of Directors of Industrial Bank Co., Ltd.

March 30, 2023