

Announcement No.: Lin 2024-027

Stock Code: 601166

Stock Abbr.: Industrial Bank

Preferred Share Code: 360005, 360012, 360032

Preferred Share Abbr.: CIB Preferred 1, CIB Preferred 2, CIB Preferred 3

Convertible Bond Code: 113052

Convertible Bond Abbr.: CIB CB

Industrial Bank Co., Ltd.

Announcement on Granting Related Party Transaction Limits to Fujian Financial Investment Co., Ltd. and Its Affiliates

The Board of Directors and all directors of Industrial Bank Co., Ltd. (hereinafter referred to as the “**Company**”) hereby warrant that there are no false representations, misleading statements, or material omissions in this announcement, and jointly and severally assume legal responsibility for the authenticity, accuracy, and completeness of its contents.

Important Notes:

- Transaction Content

The 24th Meeting of the 10th Board of Directors of the Company reviewed and approved the granting of a related party credit transaction limit of RMB 55 billion and a related party non-credit transaction limit of RMB 150.152 billion to Fujian Financial Investment Co., Ltd. (hereinafter referred to as “**Fujian Financial Investment**”) and its affiliates, with a validity period of 3 years.

- The aforementioned routine related party transactions are transactions that occur in the Company’s daily business and will not have an adverse impact on the Company’s current or future financial condition, nor will they affect the Company’s independence.
- The aforementioned routine related party transactions shall be submitted to the general meeting of shareholders for deliberation.
- When the Board of Directors deliberated on the aforementioned related party transaction proposals, Mr. Chen Yichao, the connected director, abstained from voting.

I. Basic Information on Routine Related Party Transactions

(I) Deliberation Procedures for Routine Related Party Transactions

According to the *Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions*, the *Measures for the Administration of Independent Directors of Listed Companies*, the *Rules for the Listing of Stocks on the Shanghai Stock Exchange*, and the *Measures for the Administration of Related Party Transactions of Industrial Bank Co., Ltd.* (hereinafter referred to as the “*Measures for the Administration of Related Party Transactions*”) and other relevant regulations, the related party transaction limits between the Company and Fujian Financial Investment and its affiliates exceed 5% of the Company’s most recently audited net assets and 5% of the Company’s net capital at the end of the previous quarter, constituting a major related party transaction of the Company. Such transactions shall be reviewed by the Audit and Related Party Transactions Control Committee of the Board of Directors and deliberated by the Meeting of Independent Directors, submitted to the Board of Directors for deliberation, and then submitted to the general meeting of shareholders of the Company for approval.

On May 29, 2024, the 21st Meeting of the Audit and Related Party Transactions Control Committee of the 10th Board of Directors of the Company reviewed and approved the *Proposal on Granting Related Party Transaction Limits to Fujian Financial Investment Co., Ltd. and Its Affiliates* and agreed to submit it to the Board of Directors for deliberation; the 3rd Meeting of Independent Directors of 2024 deliberated on the aforementioned related party transaction proposals, and all 5 independent directors agreed to the related party transaction proposals. On May 30, 2024, the 24th Meeting of the 10th Board of Directors of the Company reviewed the proposals and approved the granting of a related party transaction limit of RMB 205.152 billion to Fujian Financial Investment and its affiliates.

Voting results of the Board of Directors on the related party transaction proposals: 11 votes in favor, 0 votes against, 0 abstentions, and Mr. Chen Yichao, the connected director, abstained from voting.

All independent directors of the Company issued independent opinions on the aforementioned related party transactions, believing that the aforementioned related party transactions are part of the Company’s daily business and have undergone corresponding approval procedures. When the Board of Directors deliberated on the aforementioned related party transaction proposals, the connected director abstained from voting. The aforementioned related party transactions follow the arm’s length principle, and the transaction terms are fair and reasonable without harming the interests of the Company and its shareholders, especially the small and medium shareholders. They will not have an adverse impact on the Company’s current or future financial condition, nor will they affect the Company’s independence, which is in line with the relevant regulations of regulatory authorities and the Company’s *Articles of Association*, *Measures for the Administration of Related Party Transactions*, and other provisions.

(II) Estimated Amount and Category of This Routine Related Party Transaction

The approved related party transaction limit granted to Fujian Financial Investment and its affiliates is RMB 205.152 billion, with a validity period of 3 years, including: a related party credit transaction limit of RMB 55 billion, used for various short-, medium- and long-term business varieties, etc.; a related party non-credit transaction limit of RMB 150.152 billion, of which the service-related transaction limit is RMB 1.657 billion, the asset transfer transaction limit is RMB 36.095 billion, the deposit-related (excluding demand deposits) transaction limit is RMB 106.8 billion, and the

limit for other transactions is RMB 5.6 billion.

(III) Main Considerations for Granting Related Party Transaction Limits to Fujian Financial Investment and Its Affiliates

In terms of credit business, the main considerations are that Fujian Financial Investment is a subsidiary of Fujian Provincial Department of Finance, and it will become the holding platform of Fujian Provincial Government for financial enterprises in the future, with broad development prospects. Fujian Financial Investment has high-quality assets, good profitability, strong solvency, and is a large group customer that the Company prioritizes to support. Fujian Financial Investment has made good contributions to the Company's overall benefits, and the risk is controllable during the credit period. With the limits determined based on previous business cooperation and new business, the Company will improve customer service and actively strive to improve credit utilization rate.

In terms of non-credit business, it is mainly based on the following factors: (1) The Company and Fujian Financial Investment and its affiliates will continue to carry out service-related businesses such as agency sales, bond underwriting, asset custody, and house leasing; (2) The Company will increase the asset transfer businesses such as bond trading, primary bond investment, asset securitization and other asset transfers with Fujian Financial Investment and its affiliates; (3) The Company will actively expand deposit businesses such as fixed-term deposits, structured deposits, call deposits, large-amount certificates of deposit, and interbank deposits with Fujian Financial Investment and its affiliates.

II. Introduction to Related Parties and Related Relationship

(I) Basic Information of the Related Party

Fujian Financial Investment is a provincial solely state-owned company established with the approval of the People's Government of Fujian Province. The controlling shareholder and actual controller of Fujian Financial Investment is Fujian Provincial Department of Finance. Fujian Financial Investment was established on February 28, 2022, with a unified social credit code of 91350000MA8UMNMH01, legal representative of Wan Chongwei, registered capital of RMB 100 billion, registered place in Fuzhou City, and main office at Block A, Zhongshan Building, No. 154, Hudong Road, Gulou District, Fuzhou City, Fujian Province. Fujian Financial Investment mainly engages in investment activities with its own funds; private equity investment fund management, venture capital fund management services, etc.

As of the end of 2023, Fujian Financial Investment had total consolidated assets of RMB 188.161 billion, net assets of RMB 128.75 billion, an asset-liability ratio of 31.57%, realized investment income of RMB 13.196 billion in 2023, and net profit of RMB 12.727 billion.

(II) Relationship with the Listed Company

As of December 31, 2023, Fujian Financial Investment held 16.91% of the Company's common shares, making it a shareholder holding more than 5% of the Company's shares. According to the *Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions*, the *Rules for the Listing of Stocks on the Shanghai Stock Exchange*, the *Measures for the Administration of Related Party Transactions of Industrial Bank Co., Ltd.* and other relevant regulations, Fujian

Financial Investment and its affiliates are related parties of the Company under the regulatory framework of the National Financial Regulatory Administration, the China Securities Regulatory Commission and the Shanghai Stock Exchange.

III. Main Content and Pricing Policy of Related Party Transactions

(I) Main Content of Related Party Transactions

The approved related party transaction limit granted to Fujian Financial Investment and its affiliates this time is RMB 205.152 billion, with a validity period of 3 years, specifically as follows: (1) a credit transaction limit of RMB 55 billion, used for various short-, medium- and long-term business varieties, etc. (2) a non-credit transaction limit of RMB 150.152 billion, of which the service-related transaction limit is RMB 1.657 billion, the asset transfer transaction limit is RMB 36.095 billion, the deposit-related (excluding demand deposits) transaction limit is RMB 106.8 billion, and the limit for other transactions is RMB 5.6 billion.

(II) Pricing Policy

The related party transactions between the Company and Fujian Financial Investment and its affiliates are priced with reference to the non-related party transaction prices of independent third parties. For example, in terms of credit-related related party transactions, the relevant credit conditions are not superior to those of similar credits granted to other credit subjects, the prices of related party transactions are determined with reference to the prices of non-related party transactions of independent third parties, and the settlement methods are the same as those for non-related party transactions of independent third parties; related party non-credit transactions are reasonable transactions in the Company's daily business operations, follow the arm's length principle, and are conducted on terms not superior to similar transactions with non-related parties.

IV. Purpose of Related Party Transactions and Their Impact on the Listed Company

The aforementioned related party transactions are all reasonable transactions in the Company's daily business operations, follow the arm's length principle, and are conducted on terms not superior to similar transactions with non-related parties. The transaction terms are fair and reasonable, comply with the relevant laws and regulations of regulatory authorities and the relevant provisions of the Company's internal systems, and do not harm the interests of the Company and its shareholders, especially the small and medium shareholders, and will not have an adverse impact on the Company's current or future financial condition, nor will they affect the Company's independence.

V. List of Documents Available for Inspection

1. Resolution of the 21st Meeting of the Audit and Related Party Transactions Control Committee of the 10th Board of Directors;
2. Resolution of the 3rd Meeting of Independent Directors of 2024;
3. Resolution of the 24th Meeting of the 10th Board of Directors;
4. Independent Opinions Confirmed by the Signatures of Independent Directors.

It is hereby announced.

Attachment: Industrial Bank Co., Ltd. Independent Opinions of Independent Directors
on Major Related Party Transactions

Board of Directors of Industrial Bank Co., Ltd.

May 30, 2024

Attachment:

Industrial Bank Co., Ltd.

Independent Opinions of Independent Directors on Major Related Party Transactions

In accordance with the *Corporate Governance Guidelines for Banking and Insurance Institutions*, the *Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions*, the *Rules for the Listing of Stocks on the Shanghai Stock Exchange*, and the *Articles of Association* and the *Measures for the Administration of Related Party Transactions* of Industrial Bank Co., Ltd. (hereinafter referred to as “CIB”), in view of the fact that CIB’s granting of related party transaction limits to Fujian Financial Investment Co., Ltd. and its affiliates constitutes a major related party transaction, we, as independent directors, hereby issue the following independent opinions on this related party transaction:

I. Procedural Aspects. CIB’s granting of related party transaction limits to Fujian Financial Investment Co., Ltd. and its affiliates has undergone corresponding review procedures. When the Board of Directors deliberated on the aforementioned related party transaction proposals, the connected director abstained from voting. The relevant procedures comply with the regulations issued by regulatory authorities such as the National Financial Regulatory Administration, the China Securities Regulatory Commission, and the Shanghai Stock Exchange, as well as CIB’s *Articles of Association* and *Measures for the Administration of Related Party Transactions*.

II. Fairness. The aforementioned related party transactions are reasonable transactions in CIB’s daily business operations, follow the arm’s length principle, and are conducted on terms not superior to similar transactions with non-related parties. The transaction terms are fair and reasonable, comply with the relevant laws and regulations of regulatory authorities and the relevant provisions of CIB’s internal systems, do not harm the interests of CIB and its shareholders, especially the small and medium shareholders, and will not have an adverse impact on CIB’s current or future financial condition, nor will they affect CIB’s independence.

Independent Directors: Ben Shenglin, Xu Lin, Wang Hongmei, Qi Yuan, Zhang Xuewen

May 30, 2024