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眾安在綫財產保險股份有限公司

ZHONGAN ONLINE P & C INSURANCE CO., LTD.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability and carrying on business in Hong Kong as "ZA Online Fintech P & C")

(Stock Code: 6060)

PROPOSED ADOPTION OF SUBSIDIARY SHARE OPTION SCHEMES

The Board is pleased to announce that three Subsidiaries of the Company, namely ZATI, ZA Life and ZA Tech, each plans to adopt a Subsidiary Share Option Scheme, being respectively the ZATI Share Option Scheme, ZA Life Share Option Scheme and ZA Tech Share Option Scheme, in order to provide the grantees for each of the respective Subsidiary Share Option Scheme with the opportunity to acquire proprietary interests in the respective Subsidiary, which will encourage the grantees of the respective Subsidiary to work towards enhancing the values of the Subsidiary and in turn benefiting the Company and its Shareholders as a whole.

The Directors consider that the terms for each of ZATI Share Option Scheme, ZA Life Share Option Scheme and ZA Tech Share Option Scheme, are fair and reasonable and in the interests of the Group and the Shareholders as a whole. The Board will convene a general meeting for the purposes of, among other things, seeking the approval from the Shareholders for the adoption of the ZATI Share Option Scheme, ZA Life Share Option Scheme and ZA Tech Share Option Scheme respectively, and authorising the board of directors of ZATI, ZA Life and ZA Tech to grant the respective share options pursuant to the respective Subsidiary Share Option Scheme and to allot and issue the shares of the respective Subsidiary pursuant to the exercise of the share options under the respective Subsidiary Share Option Scheme.

Each of the ZATI Share Option Scheme, ZA Life Share Option Scheme and ZA Tech Share Option Scheme will constitute a share option scheme under Chapter 17 of the Listing Rules.

A circular containing, among other things, details of Subsidiary Share Option Schemes and other information as required under the Listing Rules will be despatched to the Shareholders as soon as possible.

PROPOSED ADOPTION OF SUBSIDIARY SHARE OPTION SCHEMES

The Board is pleased to announce that on 18 September 2020, ZATI, ZA Life and ZA Tech, each proposes to adopt respectively the ZATI Share Option Scheme, ZA Life Share Option Scheme and ZA Tech Share Option Scheme, subject to Shareholders' approval being obtained. The adoption of Subsidiaries Share Option Schemes is also subject to relevant regulatory review. The major terms for each of the Subsidiary Share Option Scheme are summarized below.

Purpose of the Subsidiary Share Option Schemes

The purpose for each of the ZATI Share Option Scheme, ZA Life Share Option Scheme and ZA Tech Share Option Scheme is to enable the Subsidiaries to grant share options of the respective Subsidiary to the respective eligible participants as incentives or rewards for their contribution to the growth of the Group and to provide the Group with a more flexible means to reward, remunerate, compensate and/or provide benefits to the respective eligible participants of the Subsidiary Share Option Scheme.

Eligible participants for each of the ZATI Share Option Scheme, ZA Life Share Option Scheme and ZA Tech Share Option Scheme include classes of persons, at the sole determination of the board of directors of the respective Subsidiary, who have contributed or will contribute to the Group or invested entity, which particularly include but not limited to (a) any full-time key employee (or part-time key employee, applicable to ZATI Share Option Scheme and ZA Life Share Option Scheme only) of the respective Subsidiary; (b) any full-time employee (or part-time employee, applicable to ZATI Share Option Scheme and ZA Life Share Option Scheme only) of the holding companies of the respective Subsidiary and/or its subsidiaries; (c) any consultant or service providers (whether professional or otherwise and whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid) who provides support to the respective Subsidiary (only applicable to ZATI Share Option Scheme and ZA Life Share Option Scheme); and (d) any full-time employee (or part-time employee, applicable to ZATI Share Option Scheme and ZA Life Share Option Scheme only) that are on transfer or secondment between the respective Subsidiary, its holding company, any of its subsidiaries or joint venture entities (as the case may be).

Principal terms of the Subsidiary Share Option Schemes

A summary of the principle terms for each of the ZATI Share Option Scheme, ZA Life Share Option Scheme and ZA Tech Share Option Scheme is set out as follows. The terms for each of the Subsidiary Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

Conditions precedent of the Subsidiary Share Option Schemes

- (i) The respective Subsidiary Share Option Scheme shall take effect subject to the fulfilment of the conditions set out as follows:
 - (a) the passing of the necessary resolution by the board of directors and the shareholder(s) of the respective Subsidiary to approve and adopt the Subsidiary Share Option Scheme, and to authorise the board of directors of the respective Subsidiary to grant the respective share options and to allot, issue and deal with the shares which fall to be issued by the respective Subsidiary pursuant to the exercise of the respective share options under the Subsidiary Share Option Scheme; and
 - (b) the passing of the necessary resolution by the Board and the Shareholder(s) of the Company to approve and adopt the Subsidiary Share Option Schemes at general meeting pursuant to the requirements in Chapter 17 of the Listing Rules.
- (ii) If the conditions under each of the ZATI Share Option Scheme and ZA Life Share Option Scheme are not fulfilled within one (1) year, or if the conditions under ZA Tech Share Option Scheme are not fulfilled within reasonable time and in compliance with applicable laws and regulations, after the date of the board of directors of the respective Subsidiary's approval of the respective Subsidiary Share Option Scheme (or such later date as the board of directors of the respective Subsidiary may determine):-
 - (a) the Subsidiary Share Option Scheme shall immediately cease to take effect;
 - (b) any share options of the respective Subsidiary granted or agreed to be granted pursuant to the Subsidiary Share Option Scheme and any offer for the grant of share options of the respective Subsidiary shall be of no effect; and
 - (c) no person shall be entitled to any rights or benefits whatsoever or be under any obligations whatsoever under or in respect of the Subsidiary Share Option Scheme or any share options or offer for the grant of share options of the respective Subsidiary nor shall he make any claim or demand against the respective Subsidiary in relation thereto; and provided that any amount

paid by any grantee of the respective Subsidiary in consideration of any such share options so granted to him under the Subsidiary Share Option Scheme shall not in any event be refundable by the respective Subsidiary.

Duration and Administration

Subject to the fulfilment of conditions precedent of the respective Subsidiary Share Option Scheme and any early termination as may be determined by the board of directors of the respective Subsidiary, each of the Subsidiary Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from the respective adoption date of the Subsidiary Share Option Scheme.

The respective Subsidiary Share Option Scheme shall be subject to the administration of the board of directors of the respective Subsidiary whose decision (save as otherwise provided in the Subsidiary Share Option Scheme) shall be final and binding on all persons who may be affected thereby. The board of directors of the respective Subsidiary shall have the right (a) to interpret and construe the provisions of the respective Subsidiary Share Option Scheme, (b) to determine the persons who will be granted share options of the respective Subsidiary under the Subsidiary Share Option Scheme, the number of shares granted thereto, the respective exercise price and the respective conditions attached to the exercise requirements (c) the transferability of the share options of the respective Subsidiary, including the rights and restrictions to transfer such share options, and (d) to make such other decisions or determinations as it shall deem appropriate in the administration of the respective Subsidiary Share Option Scheme. With respect to the ZA Tech Share Option Scheme, the board of directors of ZA Tech shall have the right, to the formation of a committee of the board of directors of ZA Tech with specific administrative powers to implement the ZA Tech Share Option Scheme as and when required. Subject to prevailing requirements under Chapter 17 of the Listing Rules and/or other applicable requirements prescribed under the Listing Rules from time to time, the ZA Tech Share Option Scheme shall at all times be implemented and administered by the board of directors of ZA Tech in accordance with the terms of the subscription and shareholders' agreement entered into between ZA Tech, ZATI and SVF ZEN JVCo (Singapore) Pte. Ltd. on 31 July 2018.

Grant of Options

On and subject to the terms of the respective Subsidiary Option Scheme, the board of directors of the respective Subsidiary shall, pursuant to the respective Subsidiary's business development needs, review and determine in each year and at any time and from time to time within ten (10) years from the respective adoption date of the Subsidiary Option Scheme, to determine whether the share options of the respective Subsidiary shall be granted to the eligible participants of the respective Subsidiary and to make offers for the grant of share options thereof to any such eligible

participants achieving certain annual performance indicators, including financial and non-financial performance consideration and CG-5 considerations (applicable to ZATI Share Option Scheme and the employees of ZA Bank only) and other factors as may be determined at the sole discretion of the board of directors of the respective Subsidiary. Share options may be granted on such terms and conditions as stipulated in the offer letter of the respective Subsidiary Share Option Scheme in relation to their vesting, exercise or otherwise as the board of directors of the respective Subsidiary may determine in its absolute discretion, provided that such terms and conditions shall not be inconsistent with any other terms and conditions of the respective Subsidiary Share Option Scheme, the terms of the trust deed incidental to the respective Subsidiary Share Option Scheme, the relevant resolutions as passed by the board of directors of the respective Subsidiary and the requirements of applicable laws and regulations.

Vesting Conditions

Subject to the fulfillment of all terms and conditions for the grant of the share options made to grantees of the respective Subsidiary as set out in the offer letter of the respective Subsidiary and the respective Subsidiary Option Scheme, the vesting of such share options shall be subject to the following conditions:

- (a) provided the grantee of the respective Subsidiary shall be continuously employed by the Subsidiary, its holding company or its subsidiaries (as the case may be) through the vesting date, the awarded share options of the respective Subsidiary shall vest in accordance the vesting schedule as stipulated in the offer letter of the respective Subsidiary; and
- (b) other conditions (if any) as determined by the board of directors of the respective Subsidiary in its absolute discretion.

Exercise Price

The board of directors of the respective Subsidiary (through its administration committee) shall determine the exercise price for each of the share options of ZATI, ZA Life and ZA Tech at the time of grant and specify the respective exercise price in the offer letter of the respective Subsidiary in compliance with any applicable Listing Rules and laws from time to time.

REASONS FOR AND BENEFITS OF THE SUBSIDIARY SHARE OPTION SCHEMES

The Subsidiary Share Option Schemes will provide an opportunity for the eligible participants for each of ZATI, ZA Life and ZA Tech to have a personal stake in the respective Subsidiary in order to (i) motivate the eligible participants for each of ZATI, ZA Life and ZA Tech to optimize their performance efficiency for the benefit of the Group; and (ii) attract and retain or otherwise maintain an on-going business relationship with the eligible participants for each of ZATI, ZA Life and ZA Tech whose contributions are or will be beneficial to the long-term growth of the Group.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Directors consider that the terms for each of ZATI Share Option Scheme, ZA Life Share Option Scheme and ZA Tech Share Option Scheme, are fair and reasonable and in the interests of the Group and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

Each of the ZATI Share Option Scheme, ZA Life Share Option Scheme and ZA Tech Share Option Scheme is a share incentive scheme prepared for each of ZATI, ZA Life and ZA Tech respectively, in accordance with Chapter 17 of the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 17 of the Listing Rules.

A circular containing, among other things, details of the Subsidiary Share Option Schemes and other information as required under the Listing Rules will be despatched to the Shareholders as soon as possible.

INFORMATION ON THE SUBSIDIARIES

ZATI, a company incorporated in Hong Kong with limited liability, which is a non-wholly owned subsidiary indirectly held by the Company through its wholly-owned subsidiary ZhongAn Technology. ZATI is 51% held by ZhongAn Technology and 49% held by Sinolink Worldwide Holdings Limited. ZATI is established to explore international business development, collaboration and investment opportunities in the area of fintech and insurtech in overseas market.

ZA Life, a company incorporated in Hong Kong with limited liability, which is a non-wholly owned subsidiary of the Company directly held by ZATI. The Company holds interests in ZA Life through ZhongAn Technology and ZATI. ZA Life is 65%

held by ZATI and 35% held by Fubon Life Insurance (Hong Kong) Company Limited. ZA Life holds no other subsidiaries. ZA Life is a digital-only insurer in Hong Kong offering innovative insurance services and products to serve the needs of different people.

ZA Tech, a company incorporated in Hong Kong with limited liability, which is a non-wholly owned subsidiary of the Company directly held by ZATI. The Company holds interests in ZA Tech through ZhongAn Technology and ZATI. ZA Tech is 49% held by ZATI and 51% held by SVF ZEN JVCo (Singapore) Pte. Ltd. ZA Tech is established to boost the Company's technology solutions businesses outside China with an initial focus in Asia. ZA Tech supports digital transformation of insurance company with its next-generation insurance system built upon end-to-end cloud technologies.

As at the date of this announcement, the Subsidiary Share Option Schemes remain subject to the approval of the Shareholders. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Company's securities.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors of the Company
“CG-5”	the Guideline on a Sound Remuneration System in the Supervisory Policy Manual issued by the Hong Kong Monetary Authority
“Company”	ZhongAn Online P & C Insurance Co.,Ltd.*(眾安在线财产保险股份有限公司), a company incorporated in the People's Republic of China with limited liability, the shares of which are listed on the Main Board of Stock Exchange (stock code: 6060), which is an indirect holding company of ZATI
“Director(s)”	directors of the Company or any one of them
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administration Region of the PRC

“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Shareholder(s)”	shareholders of the Company
“Subsidiaries” (each a “Subsidiary”)	ZATI, ZA Life and ZA Tech
“Subsidiaries Share Option Schemes” (each a “Subsidiary Share Option Scheme”)	the ZATI Share Option Scheme, ZA Life Share Option Scheme and ZA Tech Share Option Scheme, proposed to be adopted by the Shareholders at a general meeting of the Company
“ZhongAn Technology”	ZhongAn Information and Technology Services Co., Ltd. (眾安信息技術服務有限公司), a wholly-owned subsidiary of the Company and a company incorporated in the People’s Republic of China
“ZATI”	ZhongAn Technologies International Group Limited (眾安科技(國際)集團有限公司), a non-wholly owned subsidiary of the Company and a company incorporated in Hong Kong with limited liability
“ZATI Share Option Scheme”	a share option scheme of ZATI proposed to be adopted by the Shareholders at a general meeting of the Company, also referred to as a Subsidiary Share Option Scheme
“ZA Bank”	ZA Bank Limited (眾安銀行有限公司), a wholly owned subsidiary of ZATI and a company incorporated in Hong Kong with limited liability
“ZA Life”	ZA Life Limited (眾安人壽有限公司), a non-wholly owned subsidiary of ZATI and a company incorporated in Hong Kong with limited liability
“ZA Life Share Option Scheme”	a share option scheme of ZA Life proposed to be adopted by the Shareholders at a general meeting of the Company, also referred to as a Subsidiary Share Option Scheme
“ZA Tech”	ZA Tech Global Limited, a non-wholly owned subsidiary of ZATI and a company incorporated in Hong Kong with limited liability

“ZA Tech Share Option Scheme” a share option scheme of ZA Tech proposed to be adopted by the Shareholders at a general meeting of the Company, also referred to as a Subsidiary Share Option Scheme

“%” per cent

* *For identification purpose only*

By order of the Board
ZhongAn Online P & C Insurance Co., Ltd.*
Yaping Ou
Chairman

Shanghai, the PRC, 18 September 2020

*As at the date of this announcement, the Board comprises three executive directors, namely Mr. Yaping Ou (chairman), Mr. Jin Chen and Mr. Hugo Jin Yi Ou, four non-executive directors, namely Mr. Xinyi Han, Mr. Liangxun Shi, Mr. Ming Yin and Mr. Weibiao Zhan**, and five independent non-executive directors, namely Mr. Shuang Zhang, Ms. Hui Chen, Mr. Yifan Li, Mr. Ying Wu and Mr. Wei Ou.*

* *For identification purposes only and carrying on business in Hong Kong as “ZA Online Fintech P&C”.*

** *Mr. Weibiao Zhan shall be a non-executive director of the Company upon his qualification as a director of the Company being approved by the China Banking and Insurance Regulatory Commission.*