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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)

CONTINUING CONNECTED TRANSACTION IN RELATION TO THE PERSONAL CREDIT GUARANTEE INSURANCE COOPERATION AGREEMENT

On January 12, 2023 (after trading hours), the Company entered into the Personal Credit Guarantee Insurance Cooperation Agreement with Ping An Bank Credit Card Centre (平安銀行股份有限公司信用卡中心) ("PABC"), pursuant to which the Company agreed to provide insurance services for PABC's personal credit card cash instalment products.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Ping An Insurance, a substantial shareholder of the Company, directly and indirectly holds approximately 58% equity interest in Ping An Bank, which in turn wholly owns PABC. Accordingly, PABC is an associate of Ping An Insurance and therefore a connected person of the Company under Chapter 14A of the Listing Rules.

As a result, the transactions contemplated under the Personal Credit Guarantee Insurance Cooperation Agreement constitute continuing connected transactions of the Company under the Listing Rules.

As the highest applicable percentage ratio calculated with reference to Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Personal Credit Guarantee Insurance Cooperation Agreement exceeds 0.1% but all of the applicable percentage ratios are less than 5%, the transactions contemplated under the Personal Credit Guarantee Insurance Cooperation Agreement are subject to reporting, announcement and annual review requirements but are exempt from Shareholders' approval requirements under Chapter 14A of the Listing Rules.

On January 12, 2023, the Company entered into the Personal Credit Guarantee Insurance Cooperation Agreement with PABC, pursuant to which the Company agreed to provide insurance services for PABC’s personal credit card cash instalment products.

Details of the Personal Credit Guarantee Insurance Cooperation Agreement are set out below:

PERSONAL CREDIT GUARANTEE INSURANCE COOPERATION AGREEMENT

- Date:** January 12, 2023
- Parties:** (1) the Company; and
(2) PABC
- Term:** Two years commencing from January 12, 2023, subject to renewal upon the mutual consent of the parties
- Subject Matter:** Provision of personal credit guarantee insurance services by the Company for PABC’s personal credit card cash instalment products.
- Pricing Policies:** For each of PABC’s personal credit card customers (“**customer**”) who applies for credit card cash instalment services, the Company will underwrite personal credit guarantee insurance for the relevant cash instalment services through the customer’s insurance, the insurance premium of which shall be payable by the customer and collected on behalf of the Company by PABC. The insurance premiums to be charged under the Personal Credit Guarantee Insurance Cooperation Agreement will be determined based on the Company’s risk analysis and assessment of each customer in accordance with its internal rules and procedures. The Company will also ensure that the insurance premiums charged shall be in line with insurance premiums charged by independent third parties to PABC’s customers for similar services and products.

Historical Transaction Amounts

The Company has not entered into any transactions with PABC prior to the Personal Credit Guarantee Insurance Cooperation Agreement. Accordingly, there is no historical transaction amount available.

Annual Caps

The Annual Caps for the Personal Credit Guarantee Insurance Cooperation Agreement are as follows:

Year ending December 31, 2023

RMB126 million

Year ending December 31, 2024

RMB142 million

Basis of Annual Caps

The Annual Caps were determined principally with reference to the following factors:

- (1) a forecast made by the Company based on the size of the qualified customer base, customer marketing conversion rates, approval rates and other factors taking into account PABC's business development and operational needs. In light of PABC's existing customers, the Company will conduct customer screening in accordance with risk assessment rules and procedures during the cooperation. The size of the customer base will gradually expand as the screening proceeds and becomes stable. For those qualified customers, PABC will actively promote such credit card cash instalment products via various marketing channels, which may improve customer marketing conversion rates. In addition, the Company may provide credit enhancement to its customers through insurance to improve the approval rates of customers who apply to PABC for such business;
- (2) recovery in consumption as the pandemic prevention and control measures in the PRC have been relaxed and the expectation that the scale of consumer credit will maintain steady growth with the introduction of policies related to expanding domestic demand and encouraging consumption, which in turn will attract more credit card customers to apply for credit card cash instalment products and drive consumption demand for the insurance products under the Personal Credit Guarantee Insurance Cooperation Agreement;
- (3) the Company's ability to leverage its advantages in internet products, technical innovations and experience through this cooperation with PABC, and seize the opportunities arising from the market and policies to bring stable growth in premiums to the Company; and

- (4) the estimated future demand for the insurance products under the Personal Credit Guarantee Insurance Cooperation Agreement taking into account inflation factors and the principal assumption that there will not be any adverse change or disruption in market conditions, operation and business environment or government policies which may materially affect the transactions under the Personal Credit Guarantee Insurance Cooperation Agreement during its term.

REASONS FOR AND BENEFITS OF THE PERSONAL CREDIT GUARANTEE INSURANCE COOPERATION AGREEMENT

The Company has long been committed to providing credit guarantee insurance products and solutions in the consumer finance ecosystem, and credit card related products, as an important part of the consumer finance ecosystem, represent a business area that the Company continues to expand. PABC is a well-known leading credit card issuer in the PRC with a large credit card customer base and provides customers with a series of bank credit products and services based on credit cards. In view of PABC's market position as a credit card issuer in the PRC market and its extensive experience in consumer finance, the Company believes that it will become an important ecosystem partner, and the cooperation with PABC is in line with the Company's business development strategy for the consumer finance ecosystem. Pursuant to the Personal Credit Guarantee Insurance Cooperation Agreement, the cooperation with PABC will benefit the Company and enable the Company to provide relevant insurance services for more customers through PABC, provide the Company with stable growth in revenue, enhance the Company's influence and brand awareness in the Internet insurance market, and is in the interests of the Company and the Shareholders as a whole.

The Directors (including all of the independent non-executive Directors) are of the view that the continuing connected transactions contemplated under the Personal Credit Guarantee Insurance Cooperation Agreement are conducted on normal commercial terms, were entered into in the ordinary and usual course of business of the Group, are fair and reasonable and in the interests of the Company and its Shareholders as a whole, and that the Annual Caps are fair and reasonable.

Mr. Liangxun Shi, a non-executive Director and the general manager of Ping An P&C, has abstained from voting on the relevant Board resolutions in relation to the Personal Credit Guarantee Insurance Cooperation Agreement.

Save as disclosed above, none of the Directors has any material interest in the Personal Credit Guarantee Insurance Cooperation Agreement, nor was any of them required to abstain from voting on the relevant Board resolutions.

INFORMATION ON THE PARTIES

The Company is an online Insuretech company in the PRC and is principally engaged in the provision of insurance products and solutions in the context of four major ecosystems, namely health, digital lifestyle, consumer finance and auto ecosystems.

The business scope of PABC covers the issuance of credit cards in domestic and foreign currency; domestic and foreign currency loans, settlement, remittance, foreign exchange settlement and foreign exchange under credit cards; agency for acquiring various bank cards domestically and abroad; agency for credit card issuance, payment and fund settlement for foreign financial institutions and international organizations; agency operation support, transaction processing and consulting services for credit card issuance and acquiring business for other banks or institutions; agency collection and payment, agency sales, credit investigation, consulting services and witness business under credit cards; agency financial services under credit cards; other credit card related business as approved by the China Banking Regulatory Commission. As at the date of this announcement, Ping An Insurance, a substantial shareholder of the Company and a world-leading technology-powered retail financial services group whose shares are listed on the Main Board of the Stock Exchange (stock code: 02318) and the Shanghai Stock Exchange (stock code: 601318), directly and indirectly holds approximately 58% equity interest in Ping An Bank, which in turn wholly owns PABC.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Ping An Insurance, a substantial shareholder of the Company, directly and indirectly holds approximately 58% equity interest in Ping An Bank, which in turn wholly owns PABC. Accordingly, PABC is an associate of Ping An Insurance and therefore a connected person of the Company under Chapter 14A of the Listing Rules.

As a result, the transactions contemplated under the Personal Credit Guarantee Insurance Cooperation Agreement constitute continuing connected transactions of the Company under the Listing Rules.

As the highest applicable percentage ratio calculated with reference to Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Personal Credit Guarantee Insurance Cooperation Agreement exceeds 0.1% but all of the applicable percentage ratios are less than 5%, the transactions contemplated under the Personal Credit Guarantee Insurance Cooperation Agreement are subject to reporting, announcement and annual review requirements but are exempt from Shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“Annual Caps”	the annual caps in respect of the total insurance premiums payable to the Company for the continuing connected transactions pursuant to the Personal Credit Guarantee Insurance Cooperation Agreement
“Board”	the board of Directors of the Company
“Company”	ZhongAn Online P & C Insurance Co., Ltd.* (眾安在綫財產保險股份有限公司), a joint stock limited company incorporated in the PRC with limited liability and carrying on business in Hong Kong as “ZA Online Fintech P & C” whose shares are listed on the Main Board of the Stock Exchange (stock code: 6060)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“continuing connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Insuretech”	use of technology innovations designed to achieve savings and efficiency from the traditional insurance industry model
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended and supplemented from time to time)

“Personal Credit Guarantee Insurance Cooperation Agreement”	the Personal Credit Guarantee Insurance Cooperation Agreement dated January 12, 2023 entered into between the Company and PABC for the provision of insurance services to and for PABC’s personal credit card cash instalment products
“Ping An Bank”	Ping An Bank Co., Ltd. (平安銀行股份有限公司), a joint stock limited company incorporated in the PRC listed on the Shenzhen Stock Exchange (stock code: 000001)
“Ping An Insurance”	Ping An Insurance (Group) Company of China, Ltd. (中國平安保險(集團)股份有限公司), a joint stock limited company incorporated in the PRC on March 21, 1988 listed on the Main Board of the Stock Exchange (stock code: 02318) and the Shanghai Stock Exchange (stock code: 601318), and one of the Company’s substantial shareholders
“Ping An P&C”	Ping An Property and Casualty Insurance Company of China, Ltd. (中國平安財產保險股份有限公司), a subsidiary of Ping An Insurance
“PRC”	the People’s Republic of China, which, for the purposes of this announcement only, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules

“%”

per cent

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

Shanghai, the PRC, January 12, 2023

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Xing Jiang and Mr. Gaofeng Li, five non-executive Directors, namely Mr. Yaping Ou, Mr. Liangxun Shi, Mr. Gang Ji, Mr. Shuang Zhang and Mr. Hugo Jin Yi Ou, and four independent non-executive directors, namely Mr. Wei Ou, Ms. Vena Wei Yan Cheng, Ms. Gigi Wing Chee Chan and Mr. Hai Yin.

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