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Lufax Holding Ltd
陆金所控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6623)

(NYSE Stock Ticker: LU)

INSIDE INFORMATION
UNAUDITED FINANCIAL RESULTS FOR THE
QUARTER ENDED MARCH 31, 2024

This announcement is issued pursuant to Rule 13.09 of the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited and under Part XIVA of the Securities and Futures Ordinance (Cap. 571).

Lufax Holding Ltd (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, the “**Group**”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries and consolidated affiliated entities for the three months ended March 31, 2024.

The Company is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries and consolidated affiliated entities for the three months ended March 31, 2024 (the “**Q1 Results**”) published in accordance with applicable rules of the U.S. Securities and Exchange Commission (the “**SEC**”).

The Q1 Results have been prepared in accordance with the International Financial Reporting Standards. Attached hereto as Schedule I is the full text of the press release issued by the Company on April 22, 2024 (U.S. Eastern Time), in relation to the Q1 Results, some of which may constitute material inside information of the Company.

BASIS OF PREPARATION

The Q1 Results were prepared on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements of the Group for the year ended December 31, 2023.

TAKEOVERS CODE IMPLICATIONS

References are made to the announcement dated March 21, 2024 in relation to, among others, Rule 3.7 of the Takeovers Code (the “**Rule 3.7 Announcement**”). Unless the context requires otherwise, capitalized terms used herein shall have the same meanings as those defined in the Rule 3.7 Announcement.

This announcement is made after the commencement of the offer period (as defined under the Takeovers Code). Pursuant to Rule 10 of the Takeovers Code, the Group’s unaudited net profit/(loss) and unaudited net profit/(loss) attributable to owners of the Group for the three months ended March 31, 2024 constitute a profit forecast (the “**Estimate**”) and would need to be reported on by each of the financial adviser(s) and auditor(s) of the Company in accordance with Rule 10.1 and Rule 10.2 of the Takeovers Code.

The Estimate has been reported on by PricewaterhouseCoopers (“**PwC**”), the auditor of the Company, and UBS AG (acting through its Hong Kong Branch) (“**UBS**”), the financial adviser to the Company.

PwC has reported that, so far as the accounting policies and calculations are concerned, the directors of Company (the “**Directors**”) have properly compiled the Estimate in accordance with the bases adopted by the directors and as to whether the Estimate is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements of the Group for the year ended 31 December 2023. PwC has conducted their work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500, Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness) and with reference to Hong Kong Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the Hong Kong Institute of Certified Public Accountants.

UBS has discussed with the Directors, the Company’s senior management and the auditor of the Company the bases of preparation of the Estimate and is satisfied that the Estimate, for which the Directors are solely responsible, has been made by the Directors with due care and consideration.

The letters issued by PwC and UBS have been lodged with the Executive and the text of which are set out in Schedules II and III to this announcement, respectively. Each of PwC and UBS has given and has not withdrawn their consent to the issue of this announcement with the inclusion of its letter and references to use its name in the form and context in which they appear in this announcement. The Estimate has been reported on in accordance with Rule 10 of the Takeovers Code.

WARNINGS:

There is no assurance that the proposed resolution in relation to the Special Dividend will be approved at the AGM, or a mandatory general offer under Rule 26.1 of the Takeovers Code will be triggered.

This announcement contains forward-looking statements. These statements are made under the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as “will,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates” and similar statements. Statements that are not historical facts, including statements about the Company’s beliefs and expectations, are forward-looking statements. The Company has based these forward-looking statements largely on its current expectations and projections about future events and financial trends, which involve known or unknown risks, uncertainties and other factors, all of which are difficult to predict and many of which are beyond the Company’s control. These forward-looking statements include, but are not limited to, statements about the Company’s goals and strategies; the Company’s future business development, financial condition and results of operations; expected changes in the Company’s income, expenses or expenditures; expected growth of the retail credit enablement; the Company’s expectations regarding demand for, and market acceptance of, its services; the Company’s expectations regarding its relationship with borrowers, platform investors, funding sources, product providers and other business partners; general economic and business conditions; and government policies and regulations relating to the industry the Company operates in. Forward-looking statements involve inherent risks and uncertainties. Further information regarding these and other risks is included in the Company’s filings with the SEC and the Stock Exchange. All information provided in this announcement is as of the date of this announcement, and the Company does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

The Company’s shareholders and potential investors are advised not to place undue reliance on the Q1 Results and to exercise caution in dealing in securities of the Company, especially when assessing the merits and demerits of the Special Dividend and/or possible consequential mandatory general offer, and if they are in any doubt about their position, they should consult their professional adviser(s).

By order of the Board
Lufax Holding Ltd
Yong Suk CHO
Chairman of the Board and Chief Executive Officer

Hong Kong, April 23, 2024

As at the date of this announcement, the board of Directors of the Company comprises Mr. Yong Suk CHO and Mr. Gregory Dean GIBB as the executive Directors, Mr. Yonglin XIE, Ms. Xin FU and Mr. Yuqiang HUANG as the non-executive Directors and, Mr. Rusheng YANG, Mr. Weidong LI, Mr. Xudong ZHANG and Mr. David Xianglin LI as the independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

SCHEDULE I

Lufax Reports First Quarter 2024 Financial Results

SHANGHAI, April 23, 2024 – Lufax Holding Ltd (“Lufax” or the “Company”) (NYSE: LU and HKEX: 6623), a leading financial services enabler for small business owners in China, today announced its unaudited financial results for the first quarter ended March 31, 2024.

First Quarter 2024 Financial Highlights

- Total income was RMB6,964 million (US\$964 million) in the first quarter of 2024, compared to RMB10,078 million in the same period of 2023.
- Net loss was RMB830 million (US\$115 million) in the first quarter of 2024, compared to net profit of RMB732 million in the same period of 2023.

(In millions except percentages, unaudited)

	Three Months Ended March 31,			YoY
	2023	2024		
	RMB	RMB	USD	
Total income	10,078	6,964	964	(30.9%)
Total expenses	(8,964)	(6,517)	(903)	(27.3%)
Total expenses excluding credit impairment losses, finance costs and other (gains)/losses	(5,685)	(3,580)	(496)	(37.0%)
Credit impairment losses, finance costs and other (gains)/losses	(3,278)	(2,936)	(407)	(10.4%)
Net profit/(loss)	732	(830)	(115)	(213.3%)

First Quarter 2024 Operational Highlights

- Outstanding balance of loans enabled was RMB270.2 billion as of March 31, 2024 compared to RMB495.2 billion as of March 31, 2023, representing a decrease of 45.4%.
- Cumulative number of borrowers increased by 12.4% to approximately 21.7 million as of March 31, 2024 from approximately 19.4 million as of March 31, 2023.
- New loans enabled were RMB48.1 billion in the first quarter of 2024, compared to RMB57.0 billion in the same period of 2023, representing a decrease of 15.6%.
- During the first quarter of 2024, excluding the consumer finance subsidiary, the Company bore risk on 100% of its new loans enabled, up from 22.6% in the same period of 2023.
- As of March 31, 2024, including the consumer finance subsidiary, the Company bore risk on 48.3% of its outstanding balance, up from 24.5% as of March 31, 2023. Credit enhancement partners bore risk on 50.1% of outstanding balance, among which Ping An Property & Casualty Insurance Company of China, Ltd. accounted for a majority.
- As of March 31, 2024, excluding the consumer finance subsidiary, the Company bore risk on 41.6% of its outstanding balance, up from 20.4% as of March 31, 2023.

- For the first quarter of 2024, the Company's retail credit enablement business take rate¹ based on loan balance was 9.0%, as compared to 7.3% for the first quarter of 2023.
- C-M3 flow rate² for the total loans the Company had enabled, excluding the consumer finance subsidiary, was 1.0% in the first quarter of 2024, compared to 1.2% in the fourth quarter of 2023. Flow rates for the general unsecured loans and secured loans the Company had enabled were 1.0% and 0.7% respectively in the first quarter of 2024, as compared to 1.4% and 0.8% respectively in the fourth quarter of 2023.
- Days past due (“**DPD**”) 30+ delinquency rate³ for the total loans the Company had enabled, excluding the consumer finance subsidiary, was 6.6% as of March 31, 2024, as compared to 6.9% as of December 31, 2023. DPD 30+ delinquency rate for general unsecured loans was 7.4% as of March 31, 2024, as compared to 7.7% as of December 31, 2023. DPD 30+ delinquency rate for secured loans was 4.5% as of March 31, 2024, as compared to 4.4% as of December 31, 2023.
- DPD 90+ delinquency rate⁴ for total loans enabled, excluding the consumer finance subsidiary, was 4.4% as of March 31, 2024, as compared to 4.1% as of December 31, 2023. DPD 90+ delinquency rate for general unsecured loans was 5.0% as of March 31, 2024, as compared to 4.6% as of December 31, 2023. DPD 90+ delinquency rate for secured loans was 2.6% as of March 31, 2024, as compared to 2.6% as of December 31, 2023.
- As of March 31, 2024, the non-performing loan (NPL) ratio⁵ for consumer finance loans was 1.6% as compared to 1.5% as of December 31, 2023.

1 The take rate of retail credit enablement business is calculated by dividing the aggregated amount of loan enablement service fees, post-origination service fees, net interest income, guarantee income and the penalty fees and account management fees by the average outstanding balance of loans enabled for each period.

2 C-M3 flow rate estimates the percentage of current loans that will become non-performing at the end of three months, and is defined as the product of (i) the loan balance that is overdue from 1 to 29 days as a percentage of the total current loan balance of the previous month, (ii) the loan balance that is overdue from 30 to 59 days as a percentage of the loan balance that was overdue from 1 to 29 days in the previous month, and (iii) the loan balance that is overdue from 60 to 89 days as a percentage of the loan balance that was overdue from 30 days to 59 days in the previous month. Loans from legacy products and consumer finance subsidiary are excluded from the flow rate calculation.

3 DPD 30+ delinquency rate refers to the outstanding balance of loans for which any payment is 30 to 179 calendar days past due divided by the outstanding balance of loans. Loans from legacy products and consumer finance subsidiary are excluded from the calculation.

4 DPD 90+ delinquency rate refers to the outstanding balance of loans for which any payment is 90 to 179 calendar days past due divided by the outstanding balance of loans. Loans from legacy products and consumer finance subsidiary are excluded from the calculation.

5 Non-performing loan ratio for consumer finance loans is calculated by using the outstanding balance of consumer finance loans for which any payment is 91 or more calendar days past due and not written off, and certain restructured loans, divided by the outstanding balance of consumer finance loans.

Mr. Yong Suk Cho, Chairman and Chief Executive Officer of Lufax, commented, “During the first quarter, we maintained our emphasis on quality over quantity as we continued to prioritize operational prudence and long-term stability. Following the completion of five major de-risking and diversification actions, including four mix changes and one business model adjustment, we witnessed some improvements in our early risk indicators. However, we maintained a patient approach to ensure that this success will be sustainable. We have strategically shifted our product mix from SBO loans to a more diverse approach which puts a greater emphasis on consumer finance products. Meanwhile, all new loans during the quarter were either granted by our consumer finance subsidiary or enabled by our guarantee company under our 100% guarantee model. This switch will have a positive impact on our take rate as it eases the burden of elevated CGI premiums, though the upfront provisioning of these loans means our bottom-line will take longer to recover. In terms of asset quality, the C-M3 flow rate for our Puhui business improved from the fourth quarter of 2023 to the first quarter of 2024. Having already witnessed preliminary enhancements to some key operating metrics, we believe that our strategic initiatives have created a solid foundation for ongoing success. We will remain vigilant, and plan to embrace a cautious approach to our operations for the foreseeable future.”

Mr. Gregory Gibb, Co-Chief Executive Officer of Lufax, commented, “We began to feel the impact of our refined strategic initiatives during the first quarter of 2024. We witnessed the growth of our consumer finance business, with consumer finance loans accounting for 42% of new loan sales in the quarter, up from 24% in the same period last year. Consumer finance loans now comprise 14% of our total balance, an increase from both the year and quarter prior. We have also been growing the portion of loans under our 100% guarantee model, with 26% of Puhui’s loan balance now enabled under this model. As of the end of the first quarter, our take rate stood at 9.0% as we built up this balance, and we expect it to rise further in the future through ongoing strategic execution. The improvement in the macro environment, removal of temporary negative impacts from our geographic and direct sales restructuring in the third quarter, and the vintage run off as we build up a new book helped improve our asset quality.”

Mr. David Choy, Chief Financial Officer of Lufax, commented, “We remain committed to ongoing cost optimizations, as evidenced by the 37% year-over-year decrease in total expenses, excluding credit and asset impairment losses, finance costs, and other losses, and the 27% year-over-year decrease in our total expenses. Furthermore, our leverage level remains low, and both of our main operating entities are well-capitalized. Our guarantee subsidiary’s leverage ratio increased to 2.4x, driven by the increase of our guarantee balance associated with our increased risk exposure and the decrease of net assets due to the distribution of dividends, compared to a maximum regulatory limit of 10x. Our consumer finance company’s capital adequacy ratio stood at approximately 15.1%, exceeding the required 10.5% regulatory requirement. As of March 31, 2024, our cash at bank balance amounted to RMB39.4 billion.”

First Quarter 2024 Financial Results

TOTAL INCOME

Total income was RMB6,964 million (US\$964 million) in the first quarter of 2024, compared to RMB10,078 million in the same period of 2023, representing a decrease of 31%.

(In millions except percentages, unaudited)	Three Months Ended March 31,				YoY
	2023		2024		
	RMB	% of income	RMB	% of income	
Technology platform-based income	5,010	49.7%	2,553	36.7%	(49.0%)
Net interest income	3,349	33.2%	2,845	40.9%	(15.0%)
Guarantee income	1,417	14.1%	925	13.3%	(34.7%)
Other income	227	2.3%	319	4.6%	40.3%
Investment income	75	0.7%	322	4.6%	329.2%
Share of net profits of investments accounted for using the equity method	(0)	(0.0%)	(1)	(0.0%)	(58.5%)
Total income	<u>10,078</u>	<u>100.0%</u>	<u>6,964</u>	<u>100.0%</u>	<u>(30.9%)</u>

- **Technology platform-based income** was RMB2,553 million (US\$354 million) in the first quarter of 2024, compared to RMB5,010 million in the same period of 2023, representing a decrease of 49.0%, due to 1) the decrease of retail credit service fees due to the decrease in new loan sales and loan balance and 2) the decrease of referral and other technology platform-based income due to the decrease in transaction volume.
- **Net interest income** was RMB2,845 million (US\$394 million) in the first quarter of 2024, compared to RMB3,349 million in the same period of 2023, representing a decrease of 15.0%, mainly due to the decrease in loan balance, partially offset by the increase of net interest income from the Company's consumer finance business.
- **Guarantee income** was RMB925 million (US\$128 million) in the first quarter of 2024, compared to RMB1,417 million in the same period of 2023, representing a decrease of 34.7%, primarily due to the decrease in loan balance and a lower average fee rate.
- **Other income** was RMB319 million (US\$44 million) in the first quarter of 2024, compared to other income of RMB227 million in the same period of 2023. The increase was mainly due to the increased account management fees driven by improved collection performance.
- **Investment income** was RMB322 million (US\$45 million) in the first quarter of 2024, compared to RMB75 million in the same period of 2023, mainly due to the decrease of losses associated with certain risk assets, offset by the increase of income from investment assets.

TOTAL EXPENSES

Total expenses decreased by 27% to RMB6,517 million (US\$903 million) in the first quarter of 2024 from RMB8,964 million in the same period of 2023. This decrease was mainly due to the decrease in sales and marketing expenses by 50% to RMB1,518 million (US\$210 million) in the first quarter of 2024 from RMB3,030 million in the same period of 2023. Total expenses excluding credit impairment losses, finance costs and other (gains)/losses decreased by 37% to RMB3,580 million (US\$496 million) in the first quarter of 2024 from RMB5,685 million in the same period of 2023.

(In millions except percentages, unaudited)	Three Months Ended March 31,				YoY
	2023		2024		
	RMB	% of income	RMB	% of income	
Sales and marketing expenses	3,030	30.1%	1,518	21.8%	(49.9%)
General and administrative expenses	756	7.5%	483	6.9%	(36.2%)
Operation and servicing expenses	1,558	15.5%	1,327	19.1%	(14.8%)
Technology and analytics expenses	341	3.4%	252	3.6%	(26.1%)
Credit impairment losses	3,132	31.1%	2,861	41.1%	(8.6%)
Finance costs	189	1.9%	58	0.8%	(69.2%)
Other (gains)/losses – net	(42)	(0.4%)	17	0.2%	(138.9%)
Total expenses	<u>8,964</u>	<u>88.9%</u>	<u>6,517</u>	<u>93.6%</u>	<u>(27.3%)</u>

- **Sales and marketing expenses** decreased by 49.9% to RMB1,518 million (US\$210 million) in the first quarter of 2024 from RMB3,030 million in the same period of 2023. The decrease was mainly due to 1) the decreased loan-related expenses as a result of the decrease in loan balance and 2) decreased retention expenses and referral expenses from platform service attributable to the decreased transaction volume.
- **General and administrative expenses** decreased by 36.2% to RMB483 million (US\$67 million) in the first quarter of 2024 from RMB756 million in the same period of 2023, mainly due to the Company's expense control measures and the decrease in taxes and surcharges.
- **Operation and servicing expenses** decreased by 14.8% to RMB1,327 million (US\$184 million) in the first quarter of 2024 from RMB1,558 million in the same period of 2023, due to the Company's expense control measures and decrease of loan balance, partially offset by increased commission associated with improved collection performance.
- **Technology and analytics expenses** decreased by 26.1% to RMB252 million (US\$35 million) in the first quarter of 2024 from RMB341 million in the same period of 2023, primarily due to the Company's improved efficiency and expense control measures.
- **Credit impairment losses** decreased by 8.6% to RMB2,861 million (US\$396 million) in the first quarter of 2024 from RMB3,132 million in the same period of 2023, mainly due to the decrease in provision of loans and receivables as a result of the improvement of credit performance.

- **Finance costs** decreased by 69.2% to RMB58 million (US\$8 million) in the first quarter of 2024 from RMB189 million in the same period of 2023, mainly due to the decrease of interest expenses as a result of repayment of C-Round Convertible Promissory Notes and other debts, partially offset by the decrease of interest income from bank deposits.
- **Other losses** were RMB17 million (US\$2 million) in the first quarter of 2024, compared to other gains of RMB42 million in the same period of 2023, mainly due to the increase of foreign exchange losses.

NET LOSS

Net loss was RMB830 million (US\$115 million) in the first quarter of 2024, compared to a net profit of RMB732 million in the same period of 2023, as a result of the aforementioned factors and increased withholding tax of RMB1,050 million associated with one-off dividends that were paid by the Company's PRC subsidiaries in order to support the distribution of the special dividend the Company announced on March 21, 2024.

LOSS PER ADS

Basic and diluted loss per American Depositary Share ("ADS") were both RMB1.52 (US\$0.21) in the first quarter of 2024. Each one ADS represents two ordinary shares.

BALANCE SHEET

The Company had RMB39,442 million (US\$5,463 million) in cash at bank as of March 31, 2024, as compared to RMB39,599 million as of December 31, 2023. Net assets of the Company amounted to RMB92,825 million (US\$12,856 million) as of March 31, 2024, as compared to RMB93,684 million as of December 31, 2023.

Change in Management Team

Mr. David Siu Kam Choy has tendered his resignation as the chief financial officer of the Company due to personal reasons. Mr. Peiqing Zhu has been appointed as the new chief financial officer and the board secretary of the Company. This change will take effect on April 30, 2024.

Mr. Zhu joined Ping An Bank in April 2018, where he served as the general manager of the financial planning department at the Head Office of Ping An Bank from April 2018 to April 2024. Prior to that, Mr. Zhu served as the managing partner of the financial services industry in Greater China at Capgemini China from May 2016 to April 2018 and as the first vice president and deputy chief financial officer at United Overseas Bank (China) from May 2013 to May 2016. From June 2003 to May 2013, he held various positions at PricewaterhouseCoopers, Ernst & Young, and Deloitte Consulting, providing audit, financial management, risk, tax, and digital services to the financial industry. Mr. Zhu began his career at the Industrial and Commercial Bank of China in September 2002. Mr. Zhu received his bachelor's degree in economics at the University of International Business and Economics. Mr. Zhu is a member of the AICPA, the CIMA, the Association of Chartered Certified Accountants in the United Kingdom, and the Certified Public Accountants Australia.

Conference Call Information

The Company's management will hold an earnings conference call at 9:00 P.M. U.S. Eastern Time on Monday, April 22, 2024 (9:00 A.M. Beijing Time on Tuesday, April 23, 2024) to discuss the financial results. For participants who wish to join the call, please complete online registration using the link provided below in advance of the conference call. Upon registering, each participant will receive a set of participant dial-in numbers, the event passcode, and a unique access PIN, which can be used to join the conference call.

Registration Link: <https://dpreister.com/sreg/10188298/fc485dda60>

A live and archived webcast of the conference call will also be available at the Company's investor relations website at <https://ir.lufaxholding.com>.

The replay will be accessible through April 29, 2024, by dialing the following numbers:

United States: 1-877-344-7529
International: 1-412-317-0088
Conference ID: 2835954

About Lufax

Lufax is a leading financial services enabler for small business owners in China. The Company offers financing products designed principally to address the needs of small business owners. In doing so, the Company has established relationships with 85 financial institutions in China as funding partners, many of which have worked with the Company for over three years.

Exchange Rate Information

This announcement contains translations of certain RMB amounts into U.S. dollars at a specified rate solely for the convenience of the reader. Unless otherwise noted, all translations from RMB to U.S. dollars are made at a rate of RMB7.2203 to US\$1.00, the rate in effect as of March 31, 2024, as certified for customs purposes by the Federal Reserve Bank of New York.

Safe Harbor Statement

This announcement contains forward-looking statements. These statements are made under the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as “will,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates” and similar statements. Statements that are not historical facts, including statements about Lufax’s beliefs and expectations, are forward-looking statements. Lufax has based these forward-looking statements largely on its current expectations and projections about future events and financial trends, which involve known or unknown risks, uncertainties and other factors, all of which are difficult to predict and many of which are beyond the Company’s control. These forward-looking statements include, but are not limited to, statements about Lufax’s goals and strategies; Lufax’s future business development, financial condition and results of operations; expected changes in Lufax’s income, expenses or expenditures; expected growth of the retail credit enablement; Lufax’s expectations regarding demand for, and market acceptance of, its services; Lufax’s expectations regarding its relationship with borrowers, platform investors, funding sources, product providers and other business partners; general economic and business conditions; and government policies and regulations relating to the industry Lufax operates in. Forward-looking statements involve inherent risks and uncertainties. Further information regarding these and other risks is included in Lufax’s filings with the U.S. Securities and Exchange Commission. All information provided in this press release is as of the date of this press release, and Lufax does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

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LUFAX HOLDING LTD
UNAUDITED INTERIM CONDENSED CONSOLIDATED INCOME STATEMENTS
(All amounts in thousands, except share data, or otherwise noted)

	Three Months Ended March 31,		
	2023 RMB	2024 <i>RMB</i>	<i>USD</i>
Technology platform-based income	5,010,373	2,553,075	353,597
Net interest income	3,348,630	2,845,191	394,054
Guarantee income	1,416,759	925,248	128,145
Other income	227,462	319,183	44,206
Investment income	74,964	321,758	44,563
Share of net profits of investments accounted for using the equity method	(436)	(691)	(96)
Total income	<u>10,077,752</u>	<u>6,963,764</u>	<u>964,470</u>
Sales and marketing expenses	(3,030,053)	(1,518,096)	(210,254)
General and administrative expenses	(756,071)	(482,504)	(66,826)
Operation and servicing expenses	(1,557,889)	(1,327,421)	(183,846)
Technology and analytics expenses	(341,485)	(252,338)	(34,948)
Credit impairment losses	(3,131,800)	(2,861,484)	(396,311)
Finance costs	(188,639)	(58,156)	(8,055)
Other gains/(losses) - net	42,412	(16,502)	(2,286)
Total expenses	<u>(8,963,525)</u>	<u>(6,516,501)</u>	<u>(902,525)</u>
Profit before income tax expenses	1,114,227	447,263	61,945
Income tax expenses	(381,857)	(1,277,224)	(176,893)
Net profit/(loss) for the period	<u>732,370</u>	<u>(829,961)</u>	<u>(114,948)</u>
Net profit/(loss) attributable to:			
Owners of the Group	671,976	(870,463)	(120,558)
Non-controlling interests	60,394	40,502	5,609
Net profit/(loss) for the period	<u>732,370</u>	<u>(829,961)</u>	<u>(114,948)</u>
Earnings per share			
– Basic earnings/(loss) per share	<u>0.59</u>	<u>(0.76)</u>	<u>(0.11)</u>
– Diluted earnings/(loss) per share	<u>0.59</u>	<u>(0.76)</u>	<u>(0.11)</u>
– Basic earnings/(loss) per ADS	<u>1.18</u>	<u>(1.52)</u>	<u>(0.21)</u>
– Diluted earnings/(loss) per ADS	<u>1.18</u>	<u>(1.52)</u>	<u>(0.21)</u>

LUFAX HOLDING LTD
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS
OF FINANCIAL POSITION

(All amounts in thousands, except share data, or otherwise noted)

	As of December 31, 2023 <i>RMB</i>	As of March 31, 2024 <i>RMB</i>	<i>USD</i>
Assets			
Cash at bank	39,598,785	39,442,267	5,462,691
Restricted cash	11,145,838	14,662,440	2,030,724
Financial assets at fair value through profit or loss	28,892,604	32,848,689	4,549,491
Financial assets at amortized cost	3,011,570	2,937,778	406,878
Accounts and other receivables and contract assets	7,293,671	6,288,652	870,968
Loans to customers	129,693,954	116,572,471	16,145,101
Deferred tax assets	5,572,042	5,584,639	773,464
Property and equipment	180,310	174,039	24,104
Investments accounted for using the equity method	2,609	–	–
Intangible assets	874,919	877,961	121,596
Right-of-use assets	400,900	376,663	52,167
Goodwill	8,911,445	8,911,445	1,234,221
Other assets	1,444,362	1,228,805	170,188
	<hr/>	<hr/>	<hr/>
Total assets	237,023,009	229,905,849	31,841,592
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Liabilities			
Payable to platform users	985,761	832,667	115,323
Borrowings	38,823,284	42,114,863	5,832,841
Current income tax liabilities	782,096	752,420	104,209
Accounts and other payables and contract liabilities	6,977,118	5,835,253	808,173
Payable to investors of consolidated structured entities	83,264,738	75,562,879	10,465,338
Financing guarantee liabilities	4,185,532	3,690,790	511,169
Deferred tax liabilities	524,064	552,654	76,542
Lease liabilities	386,694	361,467	50,063
Convertible promissory note payable	5,650,268	5,752,392	796,697
Other liabilities	1,759,672	1,625,282	225,099
	<hr/>	<hr/>	<hr/>
Total liabilities	143,339,227	137,080,667	18,985,453
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	As of December 31, 2023 <i>RMB</i>	As of March 31, 2024 <i>RMB</i> <i>USD</i>	
Equity			
Share capital	75	75	10
Share premium	32,142,233	32,153,525	4,453,212
Treasury shares	(5,642,768)	(5,642,768)	(781,514)
Other reserves	155,849	116,026	16,069
Retained earnings	65,487,099	64,616,636	8,949,301
Total equity attributable to owners of the Company	<u>92,142,488</u>	<u>91,243,494</u>	<u>12,637,078</u>
Non-controlling interests	<u>1,541,294</u>	<u>1,581,688</u>	<u>219,061</u>
Total equity	<u><u>93,683,782</u></u>	<u><u>92,825,182</u></u>	<u><u>12,856,139</u></u>
Total liabilities and equity	<u><u>237,023,009</u></u>	<u><u>229,905,849</u></u>	<u><u>31,841,592</u></u>

LUFAX HOLDING LTD
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS
OF CASH FLOWS

(All amounts in thousands, except share data, or otherwise noted)

	Three Months Ended March 31,		
	2023	2024	<i>USD</i>
	<i>RMB</i>	<i>RMB</i>	
Net cash generated from/(used in) operating activities	3,286,049	502,532	69,600
Net cash generated from/(used in) investing activities	2,174,740	2,747,041	380,461
Net cash generated from/(used in) financing activities	(2,777,226)	499,183	69,136
Effects of exchange rate changes on cash and cash equivalents	33,680	6,701	928
	<hr/>	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	2,717,243	3,755,457	520,125
Cash and cash equivalents at the beginning of the period	29,537,511	18,480,096	2,559,464
	<hr/>	<hr/>	<hr/>
Cash and cash equivalents at the end of the period	<u>32,254,754</u>	<u>22,235,553</u>	<u>3,079,589</u>

SCHEDULE II

Letter on the Estimate issued by PricewaterhouseCoopers

The following is the text of a letter received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this announcement.



羅兵咸永道

The Board of Directors
Lufax Holding Ltd

23 April 2024

Dear Sirs,

Lufax Holding Ltd (the “Company”)

Estimate for Period Ended 31 March 2024

We refer to the estimate of the consolidated loss attributable to owners of the Company for the period ended 31 March 2024 (the “**Estimate**”) set forth in the announcement of the Company dated 23 April 2024 (the “**Announcement**”). The Company and its subsidiaries and consolidated affiliated entities collectively referred to as the “Group”.

We have been advised by the directors of the Company that the Estimate was prepared based on the unaudited condensed consolidated management accounts of the Group for the three months ended 31 March 2024, which had been prepared on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements of the Group for the year ended 31 December 2023 which conform with IFRS Accounting Standards issued by the International Accounting Standards Board (the “**IASB**”).

The Estimate is prepared by the directors of the Company and constitutes a profit forecast under Rule 10 of the Code on Takeovers and Mergers issued by The Securities and Futures Commission.

Directors’ Responsibilities

The Estimate has been prepared by the directors of the Company based on the unaudited condensed consolidated results as shown on the unaudited condensed consolidated management accounts of the Group for the three months ended 31 March 2024.

The Company’s directors are solely responsible for the Estimate.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management (“HKSQM”) 1 , *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant’s Responsibilities

Our responsibility is to express an opinion on the accounting policies and calculations of the Estimate based on our procedures.

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500, *Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness* and with reference to Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the HKICPA. Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the Company’s directors have properly compiled the Estimate in accordance with the bases adopted by the directors and as to whether the Estimate is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

Opinion

In our opinion, so far as the accounting policies and calculations are concerned, the Estimate has been properly compiled in accordance with the bases adopted by the directors as set out in the Announcement and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements of the Group for the year ended 31 December 2023.

Yours faithfully,

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong

SCHEDULE III

Comfort Letter issued by UBS AG Hong Kong Branch



UBS AG
Hong Kong Branch
2 International Finance Centre
52/F, 8 Finance Street
Central, Hong Kong
Tel. +852-2971-8888
www.ubs.com

23 April 2024

The Board of Directors
Lufax Holding Ltd
5/F, Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong

Dear Sirs,

We refer to the Group (as defined below)'s unaudited net loss and unaudited net loss attributable to owners of Lufax Holding Ltd. (the "**Company**", together with its subsidiaries and consolidated affiliated entities, the "**Group**") for the three months ended 31 March 2024 (the "**Estimate**") set forth in the announcement of the Company dated 23 April 2024 (the "**Announcement**") in relation to the Unaudited Financial Results for the Quarter Ended March 31, 2024. The Estimate is regarded as a profit forecast under the Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**") and therefore, is required to be reported on pursuant to Rule 10 of the Takeovers Code.

The Estimate has been prepared by the directors of the Company (the "**Directors**") based on the unaudited consolidated results of the Group for the three months ended 31 March 2024 as shown in the management accounts of the Group for the three months ended 31 March 2024, which has not been confirmed, audited or reviewed by the auditors of the Company and may differ from figures to be disclosed in the audited or unaudited consolidated financial statements to be published by the Company on an annual or semi-annual basis as applicable.

This letter is issued in compliance with the requirement under Note 1(c) to Rules 10.1 and 10.2 of the Takeovers Code. We have reviewed and discussed with you, the senior management and the auditor of the Company, the bases upon which the Estimate was prepared. We have also considered the letter on the Estimate for Period Ended 31 March 2024 dated 23 April 2024 issued by PricewaterhouseCoopers, the auditor of the Company, to you, the text of which is set out in the Schedule II to the Announcement, which stated that, so far as the accounting policies and calculations are concerned, the Estimate has been properly compiled in accordance with the bases adopted by the Directors as set out in the Announcement and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements of the Group for the year ended 31 December 2023.

We have not independently verified the computations leading to the Estimate. We have assumed that all information, materials and representations provided to us by the Company were true, accurate, complete and not misleading at the time they were supplied or made, and remained so up to the date of the Announcement and that no material fact or information has been omitted from the information and materials supplied. No representation or warranty, whether express or implied, is made by us on the accuracy, truth or completeness of such information, materials or representations. Accordingly, we accept no responsibility, whether expressly or implicitly, on the Estimate as set out in the Announcement.

On the basis of the foregoing and on the basis that the Directors are satisfied that there are no further matters that should be brought to our attention, in our view, the Estimate, for which you as the Directors are solely responsible, have been made and approved by the Directors with due care and consideration.

Yours faithfully,

For and on behalf of
UBS AG Hong Kong Branch

Samson LO
Managing Director

Jun LUO
Managing Director