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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 TRANSACTIONS**

- (1) PROVISION OF EMPLOYEE INSURANCE TO ASSOCIATES OF TENCENT  
AND  
(2) REVISION OF 2021 ANNUAL CAP AND SETTING OF 2022 ANNUAL CAP  
OF CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF THE  
PROVISION OF INSURANCE PRODUCTS TO ASSOCIATES OF TENCENT**

On June 16, 2021, the Company entered into the Tencent Associates Insurance Agreements, comprising:

- (i) the Renewed Tencent Technology Employee Insurance Agreement, pursuant to which the Company agreed to provide comprehensive insurance services to employees of Tencent Technology and their immediate family members; and
- (ii) the Chongqing Ruideming Employee Insurance Agreement, pursuant to which the Company agreed to provide comprehensive insurance services to employees of Chongqing Ruideming and their immediate family members.

### **LISTING RULES IMPLICATIONS**

By virtue of it controlling the exercise of 10.21% of the voting power of the Company through Tencent Computer System, Tencent is a connected person and a substantial shareholder of the Company. Pursuant to Rule 14A.07(4) of the Listing Rules, each of Tencent Technology and Chongqing Ruideming are considered as associates of Tencent and connected persons of the Company. Accordingly, the entering into of the Tencent Associates Insurance Agreements constitutes a continuing connected transaction for the Company.

Pursuant to Rule 14A.81 of the Listing Rules, the transactions under the Tencent Associates Insurance Agreements are required to be aggregated with other transactions between the Company and the associates of Tencent under the New WeBank Insurance Agreements and the Expired Tencent Technology Employee Insurance Agreement.

As a result of the entry into the Tencent Associates Insurance Agreements, revision of the 2021 Annual Cap is required as the premium payable from associates of Tencent to the Company for the provision of insurance products for the year ending December 31, 2021 is expected to exceed the 2021 Annual Cap as disclosed in the August 2020 Announcement. Accordingly, the 2021 Annual Cap will be increased from RMB25 million to RMB30 million (the “**New 2021 Annual Cap**”). The 2022 Annual Cap is expected to be RMB16 million.

As the highest applicable percentage ratio calculated with reference to Rule 14.07 of the Listing Rules in respect of the New 2021 Annual Cap and the 2022 Annual Cap exceeds 0.1% but all of the applicable percentage ratios are less than 5%, the entering into of the Renewed Tencent Technology Employee Insurance Agreement and the Chongqing Ruideming Employee Insurance Agreement is subject to reporting, announcement and annual review requirements but is exempt from shareholders’ approval requirements under Chapter 14A of the Listing Rules.

On June 16, 2021 (after trading hours), the Company entered into the Tencent Associates Insurance Agreements, comprising:

- (i) an employee insurance agreement with Tencent Technology (the “**Renewed Tencent Technology Employee Insurance Agreement**”); and
- (ii) an employee insurance agreement with Chongqing Ruideming (the “**Chongqing Ruideming Employee Insurance Agreement**”).

The Renewed Tencent Technology Employee Insurance Agreement is a renewal of the Expired Tencent Technology Employee Insurance Agreement, details of which are set out in the section headed “Previous Insurance Agreements with associates of Tencent — Previous Employee Insurance Agreement with Tencent Technology” in this announcement.

Details of the Renewed Tencent Technology Employee Insurance Agreement and the Chongqing Ruideming Employee Insurance Agreement are set out below:

# **RENEWED TENCENT TECHNOLOGY EMPLOYEE INSURANCE AGREEMENT**

## **Date:**

June 16, 2021

## **Parties:**

- (i) the Company; and
- (ii) Tencent Technology.

## **Duration:**

Effective on the date of the agreement until May 31, 2022.

## **Payment term:**

The premium payment consists of a one-time initial premium payment. After the end of the policy year, the insurance premium will be adjusted and settled accordingly.

## **Subject matter:**

Pursuant to the Renewed Tencent Technology Employee Insurance Agreement, Tencent Technology will purchase, and the Company will provide, medical healthcare, disease and accident insurance policy for employees of Tencent Technology and their immediate family members (collectively, the “**Renewed Tencent Technology Employee Insurance Agreement Insured Persons**”).

The premiums to be received by the Company will be determined based on the number of the Renewed Tencent Technology Employee Insurance Agreement Insured Persons and the premium rate of the corresponding insurance products offered, which is payable based on a one-time initial premium payment with the remaining being settled at the end of the policy year after adjustment. The premiums received by the Company are comparable to those paid by independent third parties for similar types of insurance products or to the prevailing market prices. For pricing of the premiums, the Company takes into account the risk portfolio of the product itself, the product expense ratio and market competitive prices. The total premium under the policies is also based on the cover period and the number of employees covered during the period, and is adjusted in accordance with the employment period of the insured company’s employees. They are determined after careful examination and verification by the business management committee of the department. Members of

the committee conduct market analysis and various other procedures to determine all aspects of the product including the pricing. These prices must conform with the terms and regulations set by the Company and be approved by other relevant departments such as the actuary department and the operations management center. Premium rates of these products are either approved by or filed with the China Banking and Insurance Regulatory Commission.

## **CHONGQING RUIDEMING EMPLOYEE INSURANCE AGREEMENT**

### **Date:**

June 16, 2021

### **Parties:**

- (i) the Company; and
- (ii) Chongqing Ruideming.

### **Duration:**

Effective on the date of the agreement until May 31, 2022.

### **Payment term:**

The premium payment consists of a one-time initial premium payment. After the end of the policy year, the insurance premium will be adjusted and settled accordingly.

### **Subject matter:**

Pursuant to the Chongqing Ruideming Employee Insurance Agreement, Chongqing Ruideming will purchase, and the Company will provide, medical healthcare, disease and accident insurance policy for employees of Chongqing Ruideming and their immediate family members (collectively, the “**Chongqing Ruideming Employee Insurance Agreement Insured Persons**”).

The premiums to be received by the Company will be determined based on the number of the Chongqing Ruideming Employee Insurance Agreement Insured Persons and the premium rate of the corresponding insurance products offered, which is payable based on a one-time initial premium payment with the remaining being settled at the end of the policy year after adjustment. The premiums received by the Company are comparable to those paid by independent third parties for similar types of insurance products or to the prevailing market prices. For pricing of the premiums, the Company takes into account the risk portfolio of the product itself, the product expense ratio and market competitive prices. The total premium under the policies is

also based on the cover period and the number of employees covered during the period, and is adjusted in accordance with the employment period of the insured company's employees. They are determined after careful examination and verification by the business management committee of the department. Members of the committee conduct market analysis and various other procedures to determine all aspects of the product including the pricing. These prices must conform with the terms and regulations set by the Company and be approved by other relevant departments such as the actuary department and the operations management center. Premium rates of these products are either approved by or filed with the China Banking and Insurance Regulatory Commission.

## **PREVIOUS INSURANCE AGREEMENTS WITH ASSOCIATES OF TENCENT**

### *Previous Employee Insurance Agreement with Tencent Technology*

On June 1, 2020, the Company and Tencent Technology entered into the Expired Tencent Technology Employee Insurance Agreement, pursuant to which the Company agreed to provide comprehensive insurance services to employees of Tencent Technology for a one-year term. For further details of the Expired Tencent Technology Employee Insurance Agreement, please refer to the June 2020 Announcement.

### *Previous Insurance Agreements with WeBank*

On August 21, 2020, the Company and WeBank entered into the New WeBank Insurance Agreements, pursuant to which the Company agreed to provide disease, death and disability insurance services to employees of WeBank for a one-year term. Details of the New WeBank Employee Insurance Agreements are set out in the August 2020 Announcement.

## **HISTORICAL FIGURES**

Historical figures had been calculated on the basis of an aggregate of the total premium paid to the Company by associates of Tencent in respect of the provision of insurance products by the Company. For the years ended December 31, 2018, 2019 and 2020, the total premium paid by associates of Tencent to the Company for the provision of insurance products by the Company was approximately RMB4.22 million and RMB12.79 million and RMB16.95 million, respectively.

## **AGGREGATION OF ANNUAL CAPS, REVISION OF 2021 ANNUAL CAP AND SETTING OF 2022 ANNUAL CAP**

Since the Employee Insurance Agreements are of similar nature and have been entered into by the Company with associates of Tencent, the transactions contemplated under the Employee Insurance Agreements shall be aggregated pursuant to Rule 14A.81 of the Listing Rules. Accordingly, the annual caps in respect of the transactions under each of the Employee Insurance Agreements shall be aggregated, and such aggregate amount is used when calculating the relevant percentage ratios under Chapter 14A of the Listing Rules.

As a result of the entry into the Tencent Associates Insurance Agreements, revision of the 2021 Annual Cap is required as the premium payable by associates of Tencent to the Company for the provision of insurance products for the year ending December 31, 2021 is expected to exceed the 2021 Annual Cap as disclosed in the August 2020 Announcement. Accordingly, taking into account the aggregation of annual caps for the transactions between the Company and associates of Tencent under the Employee Insurance Agreements as required pursuant to Rule 14A.81 of the Listing Rules, the 2021 Annual Cap will be increased from RMB25 million to RMB30 million.

The New 2021 Annual Cap has been determined principally with reference to (i) the aggregate premium that has been paid to the Company during the year ending December 31, 2021 pursuant to the Expired Tencent Technology Employee Insurance Agreement and the New WeBank Insurance Agreements, and (ii) the premium expected to be payable to the Company for the year ending December 31, 2021 by (i) Tencent Technology under the Renewed Tencent Technology Employee Insurance Agreement and (ii) Chongqing Ruideming under the Chongqing Ruideming Employee Insurance Agreement.

For the purpose of calculating the 2022 Annual Cap, the Company will take into account the premium payable to the Company by Tencent Technology under the Renewed Tencent Technology Employee Insurance Agreement and by Chongqing Ruideming under the Chongqing Ruideming Employee Insurance Agreement. Therefore, the 2022 Annual Cap is expected to be RMB16 million.

## **REASONS FOR AND BENEFITS OF THE TRANSACTIONS WITH ASSOCIATES OF TENCENT**

The Company is one of only four companies with an online insurance license in China and it is in the ordinary course of the Company's business to provide different types of insurance products to a wide range of clients. This includes corporate clients that purchase insurance plans for their employees. It is beneficial to the Company to provide these insurance products to large corporations that have a large number of employees, such as Tencent and its associates.

We provide a wide range of insurance products in the ordinary and usual course of our business to associates of Tencent. Specifically, associates of Tencent purchase accident injury insurance and disease, death and disability insurance products from us for their employees. These insurance product agreements were entered into between us and these entities at arm's length. The entering into of the Tencent Associates Insurance Agreements represents an affirmation by Tencent Technology and Chongqing Ruideming of the Company's range of insurance products, indicating the determination and confidence of both parties to engage the Company for the provision of employee insurance products. The Company anticipates that the amount of insurance products provided to Tencent and its associates will continue to increase, hence bringing more revenue for the Company.

Having taken into account the above reasons and benefits, the Directors (including the independent non-executive Directors) consider that the terms of each of the Tencent Associates Insurance Agreements are fair and reasonable, and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, on normal commercial terms, and in the interests of the Company and its shareholders as a whole.

## **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 five major ecosystems, namely lifestyle consumption, consumer finance, health, auto and travel ecosystems.

Tencent Technology is a company incorporated in the PRC on February 24, 2000 and an associate of Tencent, a connected person of the Company. It is principally engaged in the sales and development of computer software and hardware, provision of information technology services and electronic product design services. To the best of the knowledge, information and belief of the Company having made all reasonable enquiry and based on internet searches conducted in the PRC, Tencent Technology is a wholly-owned subsidiary of Oriental Power Holdings Limited (中霸集團有限公司), which is in turn a wholly-owned subsidiary of Tencent. Tencent is a company listed on the Main Board of the Stock Exchange.

Chongqing Ruideming is a company incorporated in the PRC on May 24, 2016 and an associate of Tencent. It is principally engaged in the sales and development of computer software and hardware, provision of information technology services in the PRC, corporate management consulting and marketing planning. To the best of the knowledge, information and belief of the Company having made all reasonable enquiry and based on internet searches conducted in the PRC, Chongqing Ruideming is a wholly-owned subsidiary of Chongqing Tencent Information Technology Limited<sup>#</sup> (重慶騰訊信息技術有限公司), which is in turn a wholly-owned subsidiary of Tencent Technology.



## LISTING RULES IMPLICATIONS

By virtue of it controlling the exercise of 10.21% of the voting power of the Company through Tencent Computer System, Tencent is a connected person and a substantial shareholder of the Company. Each of Tencent Technology and Chongqing Ruideming is an associate of Tencent and are therefore connected persons of the Company. Accordingly, the entering into of each of the Renewed Tencent Technology Employee Insurance Agreement and the Chongqing Ruideming Employee Insurance Agreement constitutes continuing connected transactions for the Company.

Pursuant to Rule 14A.81 of the Listing Rules, the transactions under the Tencent Associates Insurance Agreements are required to be aggregated with other transactions between the Company and the associates of Tencent under the New WeBank Insurance Agreements and the Expired Tencent Technology Employee Insurance Agreement.

As the highest applicable percentage ratio calculated with reference to Rule 14.07 of the Listing Rules in respect of the New 2021 Annual Cap and the 2022 Annual Cap exceeds 0.1% but all of the applicable percentage ratios are less than 5%, the entering into of the Tencent Associates Insurance Agreements is subject to reporting, announcement and annual review requirements but is exempt from shareholders' approval requirements under Chapter 14A of the Listing Rules.

Mr. Weibiao Zhan, being a non-executive Director of the Company who is appointed by Tencent Computer System, has abstained from voting on the relevant Board resolutions in relation to the New Insurance Agreements and matters contemplated therein.

Save as disclosed, none of the Directors has any material interest in the matters contemplated therein nor is any of them required to abstain from voting on the relevant Board resolutions approving the Renewed Tencent Technology Employee Insurance Agreement, the Chongqing Ruideming Employee Insurance Agreement and the transactions contemplated thereunder.



## DEFINITIONS

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

“2021 Annual Cap”	the annual cap of RMB25 million for the continuing connected transactions in respect of the provision of insurance products to associates of Tencent by the Company for the year ending December 31, 2021 as disclosed in the August 2020 Announcement
“2022 Annual Cap”	the annual cap of RMB16 million for the continuing connected transactions in respect of the provision of insurance products to associates of Tencent by the Company for the year ending December 31, 2022
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“August 2020 Announcement”	Company’s announcement dated August 21, 2020 relating to the New WeBank Insurance Agreements
“Board”	the board of Directors of the Company
“Chongqing Ruideming”	Chongqing Ruideming Technology Development Company Limited <sup>#</sup> (重慶市瑞德銘科技發展有限公司), a company established under the laws of the PRC, an associate of Tencent and a connected person 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
“Employee Insurance Agreements”	the Renewed Tencent Technology Employee Insurance Agreement, the Chongqing Ruideming Employee Insurance Agreement, the New WeBank Insurance Agreements, and the Expired Tencent Technology Employee Insurance Agreement
“Expired Tencent Technology Employee Insurance Agreement”	an employee insurance agreement entered into between the Company and Tencent Technology dated June 1, 2020, details of which are set out in the June 2020 Announcement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Insuretech”	use of technology innovations designed to achieve savings and efficiency from the traditional insurance industry model
“June 2020 Announcement”	Company’s announcement dated June 1, 2020 relating to, among other matters, the Expired Tencent Technology Employee Insurance Agreement
“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)
“New WeBank Insurance Agreements”	the New WeBank Employee Insurance Agreement and the New WeBank Senior Management Insurance Agreement, further details of which are set out in the August 2020 Announcement
“PRC” or “China”	People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules

“Tencent”	Tencent Holdings Limited, a company incorporated in the Cayman Islands and listed on the Main Board of the Stock Exchange and a substantial shareholder of the Company
“Tencent Associates Insurance Agreements”	the Renewed Tencent Technology Employee Insurance Agreement and the Chongqing Ruideming Employee Insurance Agreement
“Tencent Computer System”	Shenzhen Tencent Computer Systems Company Limited (深圳市騰訊計算機系統有限公司) is a limited liability company incorporated in the PRC on November 11, 1998, one of the Company’s substantial shareholders and a subsidiary of Tencent
“Tencent Technology”	Tencent Technology (Shenzhen) Company Limited (騰訊科技(深圳)有限公司), a company incorporated in the PRC on February 24, 2000 and a wholly-owned subsidiary of Tencent
“WeBank”	WeBank Co., Ltd. <sup>#</sup> (深圳前海微眾銀行股份有限公司), a company established under the laws of the PRC, an associate of Tencent and a connected person of the Company
“%”	per cent

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

Shanghai, the PRC, June 16, 2021

*As at the date of this announcement, the board of directors of the Company comprises three executive directors, namely Mr. Yaping Ou (chairman), Mr. Hugo Jin Yi Ou and Mr. Xing Jiang<sup>##</sup>, three non-executive directors, namely Mr. Xinyi Han, Mr. Liangxun Shi 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.*

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

<sup>##</sup> *Mr. Xing Jiang shall be an executive director of the Company upon his qualification as a director of the Company being approved by the China Banking and Insurance Regulatory Commission.*

<sup>#</sup> *For identification purposes only*