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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 2022 ANNUAL CAP AND SETTING OF 2023 ANNUAL CAP OF CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF THE PROVISION OF INSURANCE PRODUCTS TO ASSOCIATES OF TENCENT**

On June 1, 2022, the Company entered into the New 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 family members;
- (ii) the Renewed Tencent Ruideming Employee Insurance Agreement, pursuant to which the Company agreed to provide comprehensive insurance services to employees of Tencent Ruideming and their family members; and
- (iii) the Tencent Music Employee Insurance Agreement, pursuant to which the Company agreed to provide air travel accident insurance services to employees of Tencent Music and their 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, Tencent Ruideming and Tencent Music are considered as associates of Tencent and connected persons of the Company. Accordingly, the entering into of the New 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 New Tencent Associates Insurance Agreements are required to be aggregated with other transactions between the Company and the associates of Tencent under the Expired Agreements.

As a result of the entry into the New Tencent Associates Insurance Agreements, revision of the 2022 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, 2022 is expected to exceed the 2022 Annual Cap as disclosed in the June 2021 Announcement. Accordingly, the 2022 Annual Cap will be increased from RMB16 million to RMB65 million (the “**New 2022 Annual Cap**”). The 2023 Annual Cap is expected to be RMB40 million.

As the highest applicable percentage ratio calculated with reference to Rule 14.07 of the Listing Rules in respect of the New 2022 Annual Cap and the 2023 Annual Cap exceeds 0.1% but all of the applicable percentage ratios are less than 5%, the entering into of the New 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.

On June 1, 2022 (after trading hours), the Company entered into the New Tencent Associates Insurance Agreements, comprising:

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

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

**RENEWED TENCENT TECHNOLOGY EMPLOYEE INSURANCE AGREEMENT**

**Date:**

June 1, 2022

**Parties:**

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

**Duration:**

One year from June 1, 2022 to May 31, 2023.

**Payment term:**

The premium payment shall be a one-time lump sum at the beginning of the policy period. The remaining premiums shall be settled all at once at the end of the policy year.

**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 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. The premium payment shall be a one-time lump sum at the beginning of the policy period. The remaining premiums shall be settled all at once at the end of the policy year. 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. The insurance terms and rates schedules are either approved by or filed with the CBIRC.

## **RENEWED TENCENT RUIDEMING EMPLOYEE INSURANCE AGREEMENT**

### **Date:**

June 1, 2022

### **Parties:**

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

### **Duration:**

One year from June 1, 2022 to May 31, 2023.

### **Payment term:**

The premium payment shall be a one-time lump sum at the beginning of the policy period. The remaining premiums shall be settled all at once at the end of the policy year.

### **Subject matter:**

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

The premiums to be received by the Company will be determined based on the number of the Renewed Tencent Ruideming Employee Insurance Agreement Insured Persons and the premium rate of the corresponding insurance products offered. The premium payment shall be a one-time lump sum at the beginning of the policy period. The remaining premiums shall be settled all at once at the end of the policy year. 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. The insurance terms and rates schedules are either approved by or filed with the CBIRC.

## **TENCENT MUSIC EMPLOYEE INSURANCE AGREEMENT**

### **Date:**

June 1, 2022

### **Parties:**

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

### **Duration:**

One year from June 1, 2022 to May 31, 2023.

### **Payment term:**

The premium payment shall be a one-time lump sum at the beginning of the policy period. The remaining premiums shall be settled all at once at the end of the policy year.

### **Subject matter:**

Pursuant to the Tencent Music Employee Insurance Agreement, Tencent Music will purchase, and the Company will provide, air travel accident insurance policy for employees of Tencent Music and their family members (collectively, the “**Tencent Music Employee Insurance Agreement Insured Persons**”).

The premiums to be received by the Company will be determined based on the number of the Tencent Music Insurance Agreement Insured Persons and the premium rate of the corresponding insurance products offered. The premium payment shall be a one-time lump sum at the beginning of the policy period. The remaining premiums shall be settled all at once at the end of the policy year. 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. The insurance terms and rates schedules are either approved by or filed with the CBIRC.

## **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, 2019, 2020 and 2021, the total premium paid by associates of Tencent to the Company for the provision of insurance products by the Company was approximately RMB12.79 million, RMB16.95 million, and RMB23.61 million, respectively.

## **AGGREGATION OF ANNUAL CAPS, REVISION OF 2022 ANNUAL CAP AND SETTING OF 2023 ANNUAL CAP**

Since the New Tencent Associates Insurance Agreements and the Expired Agreements are of similar nature and have been entered into by the Company with associates of Tencent, the transactions contemplated under the New Tencent Associates Insurance Agreements and the Expired Agreements shall be aggregated pursuant to Rule 14A.81 of the Listing Rules. Accordingly, the annual caps in respect of the transactions under the New Tencent Associates Insurance Agreements and the Expired 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 New Tencent Associates Insurance Agreements, revision of the 2022 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, 2022 is expected to exceed the 2022 Annual Cap as disclosed in the June 2021 Announcement. Accordingly, taking into account the aggregation of annual caps for the transactions between the Company and associates of Tencent under the New Tencent Associates Insurance Agreements and the Expired Agreements as required pursuant to Rule 14A.81 of the Listing Rules, the 2022 Annual Cap will be increased from RMB16 million to RMB65 million.

The New 2022 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, 2022 pursuant to the Expired Agreements, and (ii) the premium expected to be payable to the Company for the year ending December 31, 2022 by (i) Tencent Technology under the Renewed Tencent Technology Employee Insurance Agreement, (ii) Tencent Ruideming under the Renewed Tencent Ruideming Employee Insurance Agreement and (iii) Tencent Music under the Tencent Music Employee Insurance Agreement. The Company has maintained friendly cooperative relationships with the associates of Tencent. The insurance services provided by the Company in previous years have been recognized by Tencent Technology and Tencent Ruideming. In 2022, the number of insurance coverage areas and insured persons have both risen exponentially. The number of insurance coverage areas regarding services to Tencent Technology will increase from 4 to 5, and the number of insured persons will increase by 1.5 times; the number of insurance coverage areas regarding services to Tencent Ruideming will increase from 1 to 5, the number of insured persons will be doubled.

For the purpose of calculating the 2023 Annual Cap, the Company has taken into account the premium expected to be payable to the Company by Tencent Technology under the Renewed Tencent Technology Employee Insurance Agreement, by Tencent Ruideming under the Renewed Tencent Ruideming Employee Insurance Agreement and by Tencent Music under the Tencent Music Employee Insurance Agreement. Therefore, the 2023 Annual Cap is expected to be RMB40 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 medical 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 New Tencent Associates Insurance Agreements represents an affirmation by Tencent Technology, Tencent Ruideming and Tencent Music of the Company's range of insurance products, indicating the determination and confidence of these 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 New 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 four major ecosystems, namely health, digital lifestyle, consumer finance and auto ecosystems.

Tencent Technology is a company established 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.



Tencent Ruideming is a company established 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, Tencent 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.

Tencent Music is a company established in the PRC on February 22, 2017 and an associate of Tencent. It is principally engaged in the development of digital games and learning, cultural creativity and design services consultation and planning, music and art consultation, and personal image 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 Music is a wholly-owned subsidiary of Tencent Music Entertainment Hong Kong Limited (騰訊音樂娛樂香港有限公司), which is in turn a wholly-owned subsidiary of TME, which is in turn a non-wholly owned subsidiary of Tencent.

## **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, Tencent Ruideming and Tencent Music 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, the Renewed Tencent Ruideming Employee Insurance Agreement and Tencent Music Employee Insurance Agreement constitutes continuing connected transactions for the Company.

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

As the highest applicable percentage ratio calculated with reference to Rule 14.07 of the Listing Rules in respect of the New 2022 Annual Cap and the 2023 Annual Cap exceeds 0.1% but all of the applicable percentage ratios are less than 5%, the entering into of the New 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.

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 Renewed Tencent Ruideming Employee Insurance Agreement, the Tencent Music 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:

|                                       |  |
|---------------------------------------|--|
| “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 as disclosed in the June 2021 Announcement   |
| “2023 Annual Cap”                     | the annual cap of RMB40 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, 2023  |
| “associate(s)”                        | has the meaning ascribed to it under the Listing Rules   |
| “Board”                               | the board of Directors of the Company  |
| “CBIRC”                               | the China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會)  |
| “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   |

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|---|--|
| “Director(s)”   | the director(s) of the Company   |
| “Expired Agreements”                                      | the Expired Tencent Ruideming Employee Insurance Agreement and the Expired Tencent Technology Employee Insurance Agreement   |
| “Expired Tencent Ruideming Employee Insurance Agreement”  | an employee insurance agreement entered into between the Company and Tencent Ruideming dated June 16, 2021, details of which are set out in the June 2021 Announcement     |
| “Expired Tencent Technology Employee Insurance Agreement” | an employee insurance agreement entered into between the Company and Tencent Technology dated June 16, 2021, details of which are set out in the June 2021 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 2021 Announcement”                                  | Company’s announcement dated June 16, 2021 relating to, among other matters, the Expired Agreements  |
| “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 Tencent Associates Insurance Agreements”             | the Renewed Tencent Technology Employee Insurance Agreement, the Renewed Tencent Ruideming Employee Insurance Agreement and the Tencent Music Employee Insurance Agreement |
| “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 (stock code: 700)   |
| “Tencent Computer System” | Shenzhen Tencent Computer Systems Company Limited (深圳市騰訊計算機系統有限公司), a limited liability company established in the PRC on November 11, 1998, one of the Company’s substantial shareholders and a subsidiary of Tencent   |
| “Tencent Music”           | Tencent Music Entertainment Technology (Shenzhen) Co., Ltd. (騰訊音樂娛樂科技(深圳)有限公司), a company established in the PRC, an associate of Tencent and a connected person of the Company  |
| “Tencent Ruideming”       | Tencent Ruideming (Chongqing) Technology Development Company Limited <sup>#</sup> (騰訊瑞德銘(重慶)科技發展有限公司) (formerly known as Chongqing Ruideming Technology Development Company Limited (重慶市瑞德銘科技發展有限公司)), a company established in the PRC, an associate of Tencent and a connected person of the Company |
| “Tencent Technology”      | Tencent Technology (Shenzhen) Company Limited (騰訊科技(深圳)有限公司), a company established in the PRC on February 24, 2000 and a wholly-owned subsidiary of Tencent   |
| “TME”                     | Tencent Music Entertainment Group (騰訊音樂娛樂集團), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the New York Stock Exchange (NYSE: TME), 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 1, 2022

*As at the date of this announcement, the board of directors of the Company comprises two executive directors, namely Mr. Yaping Ou (chairman) and Mr. Hugo Jin Yi Ou, two non-executive directors, namely Mr. Liangxun Shi and Mr. Gang Ji, and four independent non-executive directors, namely Mr. Shuang Zhang, Ms. Hui Chen, Mr. Wei Ou and Ms. Vena Wei Yan Cheng.*

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

# *For identification purposes only*