

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

PING AN HEALTHCARE AND TECHNOLOGY COMPANY LIMITED

平安健康醫療科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1833)

CONTINUING CONNECTED TRANSACTIONS THE 2024 SERVICES PURCHASING AGREEMENT

INTRODUCTION

Kang Jian, a wholly-owned subsidiary of the Company, has entered into the 2024 Services Purchasing Agreement with Ping An on 19 March 2024, for a term commencing on 19 March 2024 and ending on 31 December 2024.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Ping An is the controlling shareholder of the Company and holds approximately 39.41% of the total issued share capital of the Company, and thus Ping An is a connected person of the Company. Therefore, the 2024 Services Purchasing Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the annual cap for the 2024 Services Purchasing Agreement is more than 0.1% but less than 5%, the 2024 Services Purchasing Agreement and the transactions contemplated thereunder are therefore subject to the reporting, announcement and annual review requirements but are exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

Kang Jian, a wholly-owned subsidiary of the Company, has entered into the 2024 Services Purchasing Agreement with Ping An on 19 March 2024, for a term commencing on 19 March 2024 and ending on 31 December 2024.

2024 SERVICES PURCHASING AGREEMENT

Principal Terms

Kang Jian, a wholly-owned subsidiary of the Company, entered into the 2024 Services Purchasing Agreement with Ping An on 19 March 2024, pursuant to which Ping An shall provide certain services to the Group, including financial services, administrative services, risk control services and human resources services. The term of the 2024 Services Purchasing Agreement commences on 19 March 2024 and ends on 31 December 2024. The service fees payable by Kang Jian to Ping An under the 2024 Services Purchasing Agreement are estimated to be RMB6.62 million, which will be paid in four equal instalments (subject to the final actual settlement amount).

Reasons for the Transactions

The Company has been purchasing various services from Ping An to fulfill its business and operational needs since its establishment. As a result of the strategic business relationship, Ping An has a comprehensive understanding of the Group's business and operational needs and has established a foundation of mutual trust. Considering the past experience in purchasing from Ping An, the Group is of the view that stable and quality services provided by Ping An can effectively and reliably meet the Group's needs, and entering into the 2024 Services Purchasing Agreement will minimize the disruption to the Company's operations and internal procedures.

Pricing Basis

The service fees payable under the 2024 Services Purchasing Agreement are determined on a cost-plus basis (i.e., cost plus a mark-up rate of 5%), and the profit margin is in line with the prevailing market price as assessed by an independent third party professional entity, and taking into account the factors such as the number and level of seniority of personnel required to provide relevant services by Ping An, the professional skills and responsibilities involved, and the resources required to complete the work.

Historical Amount Used as the Basis for Determining the Cap

For each of the three years ended 31 December 2023, the transactions between the Group and Ping An for the above purchasing services amounted to RMB10.03 million, RMB7.26 million and RMB6.9 million, respectively, which were conducted under the 2020 Services Purchasing Framework Agreement.

Annual Cap and Basis of Cap

The annual cap for the service fees payable by the Group under the 2024 Services Purchasing Agreement will be RMB6.62 million for the year ended 31 December 2024. The annual cap is determined with reference to the historical transaction amounts, changing trend, future demand and the expected increase in labour costs of the services provided by the service provider of the above purchasing services between the Group and Ping An.

INTERNAL CONTROL MEASURES

In order to ensure that the terms under the 2024 Services Purchasing Agreement are fair and reasonable, and the connected transactions are carried out under normal commercial terms, the Company has adopted the following internal control procedures:

- the Company has adopted and implemented a management system on connected transactions. Under such system, the audit and risk management committee under the Board is responsible for the review on compliance with relevant laws, regulations, the Company's policies and the Listing Rules in respect of the continuing connected transactions. In addition, the audit and risk management committee under the Board, the Board and various internal departments of the Company (including but not limited to the finance department and legal compliance department) are jointly responsible for evaluating the fairness of the terms, the pricing policy and annual cap under the 2024 Services Purchasing Agreement;
- the audit and risk management committee under the Board, the Board and various internal departments of the Company will also regularly monitor the fulfillment and the transaction progress under the 2024 Services Purchasing Agreement. The Board will also monitor the aggregate amount of all continuing connected transactions between the Group and Ping An Group and control the percentage of the aggregate amount under the continuing transactions of the Company's total revenue at a relatively stable level;
- the Company's independent non-executive Directors and auditors will conduct an annual review and provide an annual confirmation of the continuing connected transactions under the 2024 Services Purchasing Agreement, in accordance with the Listing Rules, confirming that the transactions were conducted in accordance with the terms of the agreement, on normal commercial terms and in accordance with the pricing policy.

The Company will comply with the relevant disclosure requirements in relation to connected transactions in a timely manner, provide the Shareholders and investors with sufficient information on connected transactions, and formalize the abovementioned internal control procedures to ensure that the pricing of the transactions is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

INFORMATION ON THE PARTIES

The Group is principally engaged in the provision of online medical and healthcare services, with “Managed Care + Family Doctor Membership + O2O Medical and Healthcare Services” as its main business model. By leveraging on the family doctor membership system, the Group undertakes the medical and healthcare needs of users, links up medical and healthcare resources and provides medical and healthcare products and services, expands the network of online and offline services, and builds up an all-in-one medical + healthcare services platform. Kang Jian, a wholly-owned subsidiary of the Company, is a limited liability company established in the PRC and its principal business activity is software and technical services.

Ping An is a joint stock limited company established in the PRC, and its shares have been listed on the Main Board of the Stock Exchange since 2004 and on the Shanghai Stock Exchange since 2007. It is an insurance and financial services group in the PRC with the ability to provide multiple insurance and financial services and products to corporate and retail customers.

OPINION FROM THE BOARD

The Directors (including the independent non-executive Directors) are of the view that the terms of the 2024 Services Purchasing Agreement and the transactions contemplated thereunder (including the annual cap for the year ended 31 December 2024) were determined after arm’s length negotiations, and are conducted in the ordinary and usual course of business of the Group and are on normal commercial terms as well as fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As Ms. Sin Yin Tan and Ms. Xin Fu hold directorships and/or other important positions in Ping An, they have therefore abstained from voting on the Board resolution approving the 2024 Services Purchasing Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the other Directors has any material interest in the transactions contemplated under the 2024 Services Purchasing Agreement that would require them to abstain from voting on this resolution at the Board meeting.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Ping An is the controlling shareholder of the Company and holds approximately 39.41% of the total issued share capital of the Company, and thus Ping An is a connected person of the Company. Therefore, the 2024 Services Purchasing Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the annual cap for the 2024 Services Purchasing Agreement is more than 0.1% but less than 5%, the 2024 Services Purchasing Agreement and the transactions contemplated thereunder are therefore subject to the reporting, announcement and annual review requirements but are exempt from independent 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 following meanings.

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“China” or “PRC”	the People’s Republic of China, excluding, for the purposes of this announcement only, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Company”	Ping An Healthcare and Technology Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Hong Kong Stock Exchange: 1833)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company, its subsidiaries and its consolidated affiliated entities
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Kang Jian”	Kang Jian Information Technology (Shenzhen) Co., Ltd., Shanghai Branch (康鍵信息技術(深圳)有限公司上海分公司), a branch of a company incorporated under the laws of the PRC on 13 February 2015 and a wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ping An”	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 under the laws of PRC and listed on the Shanghai Stock Exchange (stock code: 601318) and the Stock Exchange (stock code: 2318), the controlling shareholder of the Company
“Ping An Group”	Ping An and its subsidiaries

“RMB” or “Renminbi”	Renminbi, the lawful currency of China
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning as ascribed to it under the Listing Rules
“2020 Services Purchasing Framework Agreement”	a services purchasing framework agreement entered into between the Company and Ping An on 20 August 2020, which was approved by the Shareholders on 11 November 2020
“2024 Services Purchasing Agreement”	a services purchasing agreement entered into between Kang Jian and Ping An on 19 March 2024
“%”	per cent

By order of the Board
Ping An Healthcare and Technology Company Limited
Mr. Dou Li
Chairman

Shanghai, the PRC
19 March 2024

As at the date of this announcement, the Board comprises Mr. Dou Li as the Chairman and the executive Director and Mr. Jun Wu as the executive Director; Mr. Michael Guo, Ms. Fangfang Cai, Ms. Xin Fu and Mr. Ziyang Zhu as non-executive Directors; and Mr. Yunwei Tang, Mr. Tianyong Guo and Dr. Wing Kin Anthony Chow as independent non-executive Directors.