
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in ZhongAn Online P & C Insurance Co., Ltd., you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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ZhongAn Insurance

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)

REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2017
REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2017
REPORT OF THE AUDITORS AND AUDITED FINANCIAL STATEMENTS OF
THE COMPANY FOR THE YEAR ENDED DECEMBER 31, 2017
RE-APPOINTMENT OF AUDITORS FOR THE YEAR 2018
GENERAL MANDATE TO ISSUE SHARES
PERFORMANCE REPORT OF THE DIRECTORS FOR THE YEAR 2017
PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS
FOR THE YEAR 2017
REPORT ON RELATED PARTY TRANSACTIONS AND
THE IMPLEMENTATION OF ITS MANAGEMENT SYSTEM
FOR THE YEAR 2017
REPORT ON REVIEW AND ANALYSIS OF SOLVENCY FOR THE YEAR 2017
AND
NOTICE OF THE 2018 ANNUAL GENERAL MEETING

A notice convening the AGM to be held at Conference Room 1, 2/F, 219 Yuanmingyuan Road, Huangpu District, Shanghai, the PRC at 10:00 a.m. on Wednesday, June 20, 2018 is set out on pages 31 to 33 of this circular.

If you intend to appoint a proxy to attend the AGM, you are required to complete and return the accompanying proxy form in accordance with the instructions printed thereon not less than 24 hours before the time appointed for the holding of the AGM (i.e. before 10:00 a.m. on Tuesday, June 19, 2018) or any adjournment thereof (as the case may be).

If you intend to attend the AGM in person or by proxy, you are required to complete and return the accompanying reply slip in accordance with the instructions printed thereon on or before Thursday, May 31, 2018. Completion and return of a proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

* *For identification purposes only and carrying on business in Hong Kong as "ZA Online Fintech P & C"*
References to time and dates in this circular are to Hong Kong time and dates.

April 24, 2018

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context otherwise requires:

“AGM”	the 2018 annual general meeting of the Company to be held at Conference Room 1, 2/F, 219 Yuanmingyuan Road, Huangpu District, Shanghai, the PRC at 10:00 a.m. on Wednesday, June 20, 2018, to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 31 to 33 of this circular, or any adjournment thereof
“Articles of Association”	the Articles of Association of ZhongAn Online P & C Insurance Co., Ltd.
“Board” or “Board of Directors”	the board of directors of the Company
“CIRC”	China Insurance Regulatory Commission (中國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”, the H Shares of which are listed on the main board of the Hong Kong Stock Exchange (Stock Code: 6060)
“Director(s)”	the director(s) of the Company
“Domestic Shares”	ordinary shares of RMB1 each issued by the Company, which are subscribed for in RMB or credited as fully paid up
“H Shares”	overseas listed foreign invested ordinary shares in the share capital of the Company, with a nominal value of RMB1 each, which are subscribed for and traded in Hong Kong dollars, and “H Shares” means any such Shares
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	April 18, 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended and supplemented from time to time
“PRC”	the People’s Republic of China

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	shares in the share capital of the Company with a nominal value of RMB1 each
“Shareholder(s)”	shareholder(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“%”	per cent

LETTER FROM THE BOARD



ZhongAn Insurance

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)

Executive Directors:

Mr. Yaping Ou (*Chairman of the Board*)
Mr. Jin Chen (*Chief Executive Officer*)
Mr. Hugo Jin Yi Ou

Registered office, headquarters and principal place of business in the PRC:

4-5/F, Associate Mission Building
169 Yuanmingyuan Road
Shanghai, The PRC

Non-executive Directors:

Mr. Xinyi Han
Mr. Jimmy Chi Ming Lai
Mr. Guoping Wang
Mr. Xiaoming Hu
Mr. Fang Zheng

Principal place of business in Hong Kong:

Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

Independent non-executive Directors:

Mr. Shuang Zhang
Ms. Hui Chen
Mr. Li Du
Mr. Yifan Li
Mr. Ying Wu

April 24, 2018

To the Shareholders

Dear Sir or Madam,

**REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2017
REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2017
REPORT OF THE AUDITORS AND AUDITED FINANCIAL STATEMENTS OF
THE COMPANY FOR THE YEAR ENDED DECEMBER 31, 2017
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REPORT ON REVIEW AND ANALYSIS OF SOLVENCY FOR THE YEAR 2017
AND
NOTICE OF THE 2018 ANNUAL GENERAL MEETING**

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

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide you the notice of the AGM and the information on the resolutions to be considered at the AGM to enable you to make an informed decision on whether to vote for or against the resolutions at the AGM.

2. BUSINESS TO BE CONSIDERED AT THE AGM

Ordinary resolutions to be proposed at the AGM for the Shareholders to consider and approve include: (i) report of the Board of Directors for the year 2017; (ii) report of the Supervisory Committee for the year 2017; (iii) report of the auditors and audited financial statements of the Company for the year ended December 31, 2017; and (iv) re-appointment of auditors for the year 2018.

A special resolution to be proposed at the AGM for the Shareholders to consider and approve is: grant of a general mandate to the Board to issue Shares.

Matters to be proposed at the AGM for the Shareholders' consideration only and not for approval include: (i) review the performance report of the Directors for the year 2017; (ii) review the performance report of the independent Directors for the year 2017; (iii) review the report on the related party transactions and the implementation of its management system for the year 2017; and (iv) review the report on review and analysis of solvency for the year 2017.

In order to enable you to have a better understanding of the resolutions proposed at the AGM and to make well-informed decisions, the Company has provided detailed information in this circular, including explanatory information to the proposed matters to be considered at the AGM (see Appendix I), proposal on the grant of a general mandate to issue Shares (see Appendix II), the performance report of the Directors for the year 2017 (see Appendix III), the performance report of the independent Directors for the year 2017 (see Appendix IV), the report on the related party transactions and the implementation of its management system for the year 2017 (see Appendix V) and the report on review and analysis of solvency for the year 2017 (see Appendix VI).

3. THE 2018 ANNUAL GENERAL MEETING

The Company will convene the AGM at Conference Room 1, 2/F, 219 Yuanmingyuan Road, Huangpu District, Shanghai, the PRC at 10:00 a.m. on Wednesday, June 20, 2018. The notice of the AGM is set out on pages 31 to 33 of this circular.

In order to determine the list of Shareholders who are entitled to attend the AGM, the register of members of the Company will be closed from Monday, May 21, 2018 to Wednesday, June 20, 2018, both days inclusive. For unregistered holders of Shares of the Company who intend to attend the AGM, share certificates accompanied by transfer documents must be lodged with the Company's H share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H Shares) or the Company's office of the Board of Directors at 4-5/F, Associate Mission Building, 169 Yuanmingyuan Road, Shanghai, the PRC (for holders of Domestic Shares) no later than 4:30 p.m. on Friday, May 18, 2018 for registration. Shareholders whose names appear on the register of members of the Company on Wednesday, June 20, 2018 shall be entitled to attend and vote at the AGM.

LETTER FROM THE BOARD

The proxy form and the reply slip for the use at the AGM are enclosed to this circular and are also published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.zhongan.com). Shareholders who intend to appoint a proxy to attend the AGM shall complete the proxy form and return the same to the Company's H share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H Shares) or the Company's office of the Board of Directors at 4-5/F, Associate Mission Building, 169 Yuanmingyuan Road, Shanghai, the PRC (for holders of Domestic Shares) not less than 24 hours before the time fixed for the holding of the AGM (i.e. before 10:00 a.m. on Tuesday, June 19, 2018). Completion and return of a proxy form will not preclude a shareholder from attending and voting in person at the AGM or any adjournment thereof if he so wishes. Shareholders who intend to attend the AGM in person or by proxy, shall complete the reply slip and return the same to the Company's H share registrar, Tricor Investor Services Limited (for holders of H Shares) or the Company's office of the Board of Directors (for holders of Domestic Shares) on or before Thursday, May 31, 2018 by hand, by mail or by fax, with the same addresses as above.

All voting at the AGM will be conducted by poll.

4. RECOMMENDATION

The Board considers that the resolutions set out in the notice of the AGM for consideration and approval by the Shareholders are in the interests of the Company and the Shareholders as a whole and accordingly recommends the Shareholders to vote in favor of the resolutions to be proposed at the AGM.

5. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable inquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

By order of the Board
ZhongAn Online P & C Insurance Co., Ltd.
Jin Chen
Chief Executive Officer

I. TO CONSIDER AND APPROVE THE REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2017

For details of the Report of the Board of Directors for the year 2017 of the Company, please refer to the Report of the Board of Directors set out in the 2017 Annual Report of the Company. The 2017 Annual Report of the Company has been published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (www.zhongan.com) on April 23, 2018.

II. TO CONSIDER AND APPROVE THE REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2017

For details of the Report of the Supervisory Committee for the year 2017 of the Company, please refer to the Report of the Supervisory Committee set out in the 2017 Annual Report of the Company.

III. TO CONSIDER AND APPROVE THE REPORT OF THE AUDITORS AND AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED DECEMBER 31, 2017

For details of the Report of the Auditors and audited financial statements of the Company for the year ended December 31, 2017 of the Company, please refer to the Report of the Auditors and audited financial statements set out in the 2017 Annual Report of the Company.

This resolution has been approved at the 14th meeting of the second session of the Board and is hereby submitted to the AGM for consideration and approval.

IV. TO CONSIDER AND APPROVE THE RE-APPOINTMENT OF AUDITORS FOR THE YEAR 2018

The Board proposes to re-appoint PricewaterhouseCoopers as the international auditors of the Company and PricewaterhouseCoopers Zhong Tian LLP as the PRC auditors of the Company for the year 2018 until conclusion of the next annual general meeting, and to authorise the Board to authorise the management to fix the auditors' remuneration.

This resolution has been approved at the 14th meeting of the second session of the Board and is hereby submitted to the AGM for consideration and approval.

V. TO CONSIDER AND APPROVE THE GRANT OF THE GENERAL MANDATE TO ISSUE SHARES

In accordance with the requirements of the relevant laws and regulations, the Listing Rules and other regulatory documents as well as the practices of the H share capital market, it is submitted at the AGM to approve the grant of a general mandate to the Board to issue Shares and certain matters in relation to the Board's authorisation. Please refer to Appendix II to this circular for the detailed proposal.

This resolution has been approved at the 14th meeting of the second session of the Board and is hereby submitted to the AGM for consideration and approval.

VI. TO REVIEW THE PERFORMANCE REPORT OF THE DIRECTORS FOR THE YEAR 2017

According to the relevant requirements of regulatory provisions, the Company has prepared a performance report of the Directors for the year 2017. The Company's performance report of the Directors for the year 2017 is set out in Appendix III to this circular. This report is submitted for the Shareholders' review only and no Shareholders' approval is required.

VII. TO REVIEW THE PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS FOR THE YEAR 2017

According to the requirements of the Guidelines on the Operation of the Board of Directors of Insurance Companies (《保險公司董事會運作指引》) and the Interim Measures on the Administration of Independent Directors of Insurance Companies (《保險公司獨立董事管理暫行辦法》), the independent directors of insurance companies shall submit a report on their performance of duties to the general meeting every year and submit the same to the CIRC for filing purpose. The Company's performance report of the independent Directors for the year 2017 is set out in Appendix IV of this circular. This report is submitted for the Shareholders' review only and no Shareholders' approval is required.

VIII. TO REVIEW THE REPORT ON THE RELATED PARTY TRANSACTIONS AND THE IMPLEMENTATION OF ITS MANAGEMENT SYSTEM FOR THE YEAR 2017

In accordance with the relevant requirements under the Interim Measures on the Administration of Related Party Transactions of Insurance Companies (《保險公司關聯交易管理暫行辦法》) (Bao Jian Fa [2007] No. 24) and the Guidelines for Supervision on Consolidation of Accounts of Insurance Groups (《保險集團併表監管指引》) (Bao Jian Fa [2014] No. 96) issued by the CIRC, the Company has prepared a report on the related party transactions and the implementation of its management system for the year 2017. The report is set out in Appendix V to this circular. This report is submitted for the Shareholders' review only and no Shareholders' approval is required.

IX. TO REVIEW THE REPORT ON REVIEW AND ANALYSIS OF SOLVENCY FOR THE YEAR 2017

In accordance with the relevant requirements under the Notice on Printing and Issuing The Solvency Regulatory Rules (No. 1—17) for Insurance Companies (《關於印發保險公司償付能力監管規則(1—17號)的通知》) (Bao Jian Fa [2015] No. 22) and the Notice on Matters in respect of the Formal Implementation of China Risk-oriented Solvency System (《關於正式實施中國風險導向的償付能力體系有關事項的通知》) (Bao Jian Cai Hui [2016] No. 10) issued by the CIRC, the Company has prepared a report on review and analysis of solvency for the year 2017. The report is set out in Appendix VI to this circular. This report is submitted for the Shareholders' review only and no Shareholders' approval is required.

1. Details of the proposal

- (1) Subject to the conditions listed in paragraphs (2), (3) and (4) below and the minimum percentage held by the public as required by the Listing Rules, the Board shall be authorised to separately or concurrently authorise, allot, issue, grant and/or otherwise deal with H Shares and/or Domestic Shares (including securities that are convertible into Shares, or options, and warrants that carry rights to subscribe for any Shares or securities that are convertible into Shares, or other similar securities) during the Relevant Period (as defined below).

Notwithstanding the fulfillment of the conditions set out in paragraphs (2), (3) and (4) below, if the allotment of voting Shares will result in a de facto change of control of the Company, the Board shall separately obtain authorisation by way of a special resolution before making such an allotment.

- (2) It is proposed that the number of H Shares, Domestic Shares (including securities that are convertible into Shares, or options, warrants or other similar securities with rights to subscribe for or convert to Shares) (which shall be calculated on the basis of the number of H Shares and Domestic Shares that such securities can be converted into) to be authorised, allotted, issued, granted and/or otherwise dealt with by the Board shall not exceed 20% of the respective total face value of H Shares or Domestic Shares of the Company issued as of the date of passing of this resolution at the AGM.
- (3) For the purposes of this resolution, “Relevant Period” means the period from the passing of this special resolution at the AGM until the earliest of one of the following:
1. the conclusion of the next annual general meeting of the Company following the passing of this resolution at the AGM;
 2. the expiration of the 12-month period following the passing of this resolution at the AGM;
 3. the date on which the general mandate to issue Shares and matters such as authorisations of the Board as set out in this resolution are revoked or revised by a special resolution of the Shareholders in a general meeting.
- (4) The Board shall exercise the authorisation pursuant to the PRC Company Law, the PRC Securities Law and the Listing Rules and all other applicable laws, regulations and requirements of any other government or regulatory authorities and with the approval by China Securities Regulatory Commission and/or other relevant governmental authorities in the PRC.

- (5) The Board is authorised to determine the specific issue proposal, including but not limited to: 1. the class and number of the Shares proposed to be issued; 2. the pricing mechanism and/or issue price (including price range); 3. the opening and closing date of such issue; 4. use of proceeds; 5. the making or granting of relevant proposals, agreements and share options which may involve the exercise of such power; and 6. any other details that the specific issue proposal shall include, as required by the relevant laws, regulations and other regulatory documents as well as other requirements of the relevant regulatory authorities and the stock exchanges of the places where the Shares are listed.
- (6) The Board is authorised to implement the issue proposal and to increase the registered capital of the Company to reflect the Shares issued by the Company as authorised by this resolution, to make such appropriate and necessary amendments to the Articles of Association regarding issued Shares and registered capital as well as to take any other action and complete any formality required to effect the issue proposal and the increase in the registered capital of the Company.

2. Related authorisations

To increase the efficiency in decision-making, reduce the internal approval procedures and seize market opportunities, in relation to the general mandate to issue Shares, it is proposed to the Board and in turn to the general meeting to authorise the Board, and the Board further authorises the chairman, to deal with matters regarding the general mandate to issue Shares, and to authorise the chairman to delegate to any executive Director, chief executive officer to jointly or severally handle the matters relating to issuing Shares under the general mandate. The specific details of the above authorisation to the chairman by the Board and the delegation by the chairman shall be determined by the Board upon the exercise of the general mandate under this resolution.

According to the provisions of the Guidelines for the Operation of Board of Directors of Insurance Companies issued by the CIRC, each year, the Board of Directors shall conduct performance appraisal of directors and submit a performance report to the shareholders' general meeting and the Supervisory Committee. In 2017, under the guidance of regulatory authorities and with the support of shareholders' entities, the members of the second session of the Board of Directors conscientiously performed their duties in accordance with the regulatory provisions and the Articles of Association, including making decisions on matters within the scope of authority of the Board of Directors through Board meetings and by other lawful means and supervising senior management personnel, thus earnestly safeguarding the legitimate rights and interests of the Company, Shareholders, insured persons and other stakeholders. The relevant information is reported as follows:

I. Composition of the Board of Directors

(I) Composition and Changes of the Board of Directors

In 2017, the composition and changes of the second session of the Board of Directors are as follows:

No.	Name	Position	Changes in 2017
1	Yaping Ou	Chairman of the Board and executive Director	Turned from a non-executive Director to an executive Director on September 8, 2017
2	Xinyi Han	Non-executive Director	/
3	Jimmy Chi Ming Lai	Non-executive Director	/
4	Guoping Wang	Non-executive Director	/
5	Xiaoming Hu	Non-executive Director	/
6	Jin Chen	Executive Director and chief executive officer	/
7	Fang Zheng	Non-executive Director	Turned from an independent non-executive Director to a non-executive Director on March 9, 2017

No.	Name	Position	Changes in 2017
8	Hugo Jin Yi Ou	Executive Director	Became a non-executive Director in a by-election on July 3, 2017, and turned from a non-executive Director to an executive Director on November 27, 2017
9	Shuang Zhang	Independent non-executive Director	/
10	Hui Chen	Independent non-executive Director	/
11	Li Du	Independent non-executive Director	/
12	Yifan Li	Independent non-executive Director	/
13	Ying Wu	Independent non-executive Director	Became an independent non-executive Director in a by-election on July 4, 2017

(II) Composition and Changes of Special Committees under the Board of Directors

In 2017, the composition and changes of the special committees under the second session of the Board of Directors are as follows:

Name of Special Committees under the Board of Directors	Before May 31, 2017	After May 31, 2017	Note
Audit Committee	Chairman of the committee: Hui Chen Members: Jimmy Chi Ming Lai, Guoping Wang	Chairman of the committee: Hui Chen Members: Yifan Li, Guoping Wang	
Remuneration and Nomination Committee	Chairman of the committee: Shuang Zhang Members: Yaping Ou, Li Du	Chairman of the committee: Shuang Zhang Members: Yaping Ou, Li Du	
Investment Strategy Committee	Chairman of the committee: Yaping Ou Members: Xinyi Han, Jin Chen	Chairman of the committee: Jin Chen Members: Xinyi Han, Jimmy Chi Ming Lai, Hugo Jin Yi Ou	The appointment of Hugo Jin Yi Ou took effect on July 3, 2017
Risk Management Committee	Chairman of the committee: Xiaoming Hu Members: Fang Zheng, Yifan Li	Chairman of the committee: Fang Zheng Members: Xiaoming Hu, Ying Wu	The appointment of Ying Wu took effect on July 4, 2017

II. Attendance Record of Directors at Board Meetings

The following table sets out the attendance of Directors at Board meetings in 2017:

Name	Required attendance	Attendance in person	Attendance by proxy	Absence	Note
Yaping Ou	9	9	0	0	
Xinyi Han	9	9	0	0	
Jimmy Chi Ming Lai	9	9	0	0	
Guoping Wang	9	9	0	0	
Xiaoming Hu	9	8	1	0	Xiaoming Hu was unable to attend the third meeting of the second session of the Board of Directors for personal reasons, and thus authorised Xinyi Han to attend on his behalf.
Jin Chen	9	9	0	0	
Fang Zheng	9	9	0	0	
Hugo Jin Yi Ou	6	6	0	0	
Hui Chen	9	9	0	0	
Shuang Zhang	9	8	1	0	Shuang Zhang was unable to attend the ninth meeting of the second session of the Board of Directors for personal reasons, and thus authorised Li Du to attend on his behalf.
Li Du	9	9	0	0	
Yifan Li	9	9	0	0	
Ying Wu	6	6	0	0	

III. Voting and Opinions of Directors at Board Meetings

In 2017, the second session of the Board of Directors held a total of nine meetings, at which 86 resolutions were carefully deliberated and unanimously passed (save for abstention from voting by related directors) and nine reports were received.

In each of the deliberations, the Directors prudently and independently exercised their voting rights and expressed constructive opinions and suggestions to effectively advance the tasks involved.

First, the Board of Directors helped complete the IPO of the Company. The Company was successfully listed in Hong Kong on September 28, 2017, which further reinforced the Company's overall strength and can continuously strengthen its brand building, laying a solid foundation for the subsequent development of the Company. Meanwhile, as a Fintech and new economy company serving the real economy, the Company has created a significant impact by establishing itself as exemplar of the new economy after its IPO, setting a new trend concerning the new economy in the Hong Kong stock market and gaining market recognition.

Second, the Board of Directors strengthened risk management and improved risk prevention capabilities according to the Company's actual situation. The Board of Directors procured the Company to guard against all kinds of risks, strengthened construction of internal systems, insisted on both compliance and innovation, unwaveringly implemented the business strategy of "Focus and Stability", and struck a balance between compliance and innovation, between scale and efficiency, and between short-term benefits and long-term strategies to pursue sustainable development.

Third, upholding the business philosophy of "Serving and Safeguarding the Internet" and the mission of "Making Insurance Warmer", the Board of Directors, while vigorously developing the principal business of Internet insurance, leveraged the intermediary forces of the IPO including the investment banks, law firms and compliance advisors involved to standardise and improve the Company's corporate governance measures and procedures, thus reinforcing the foundation of the Company' corporate governance.

IV. Work Done by the Directors to Understand the Operation of the Company and their Feedback to the Company

In 2017, the Directors learned about the Company's operation and management through various channels to build grounds for their scientific and prudent decision-making. First, the Directors regularly received the business reports of the management to keep abreast of the Company's business operations; second, the Directors maintained close and effective communication with the members of the Supervisory Committee to obtain supervisors' opinions and suggestions on the Company's business development; third, the Directors learned about the news, regulatory developments and financial data concerning the Company from the monthly newsletters provided by the Company.

In 2017, all Directors diligently and effectively fulfilled their duties as directors. After carefully examining the management's business reports received, the Directors expressed independent and objective opinions on the Company's operation and management and major related party transactions, thereby safeguarding the legitimate rights and interests of the Company, its minority shareholders and other stakeholders.

V. Directors' Participation in Training

In 2017, in order to improve and update their knowledge and skills and enhance their ability to perform duties, the Directors proactively participated in various training courses organised by regulatory agencies, industry organisations and corporate organisations, including Training on Insurance Asset Management Practices, Hong Kong IPO Training for Directors, Supervisors and Senior Executives and Corporate Governance Training. According to the relevant requirements of the CIRC, details of the training hours of the Directors are set out below:

Name	Training hours
Yaping Ou	102
Xinyi Han	134
Jimmy Chi Ming Lai	102
Guoping Wang	102
Xiaoming Hu	102
Jin Chen	102
Fang Zheng	105
Hugo Jin Yi Ou	81
Hui Chen	134
Shuang Zhang	102
Li Du	134
Yifan Li	102
Ying Wu	81

ZhongAn Online P & C Insurance Co., Ltd.

April 3, 2018

Hui Chen

According to Document No. 1317 (Bao Jian Xu Ke [2016] No. 1317) issued by the China Insurance Regulatory Commission (“CIRC”), I formally took office as independent Director of the second session of the Board of Directors of ZhongAn Online P & C Insurance Co., Ltd. (“**ZhongAn Online**”) on December 21, 2016 while serving as the chairman of the Audit Committee under the second session of the Board of Directors. I hereby submit my performance report for 2017 in accordance with the relevant requirements of the CIRC and the Board of Directors.

In 2017, I performed my duties as an independent Director in accordance with the relevant laws and regulations and the Articles of Association by attending the meetings of the Board of Directors and the Audit Committee, carefully reviewing the resolutions and reports concerned, and expressing my opinions and suggestions at those meetings from the perspective of safeguarding the interests of Shareholders and promoting the Company’s development with a prudent, rigorous and responsible attitude.

I. Attendance at Board Meetings in 2017

In 2017, I attended in person nine board meetings that I was obliged to attend. At the Board meetings in 2017, I participated in the deliberation of each resolution, voiced my stance on whether to vote for each resolution, and expressed specific views and opinions on some resolutions.

II. Attendance at Special Committee Meetings in 2017

In 2017, as the chairman of the Audit Committee under the Board of Directors, I convened and held seven meetings of the committee. I also submitted the opinions and suggestions of the Audit Committee on resolutions to the Board of Directors. The details are as follows:

- (I) On January 20, 2017, we held the first meeting of the Audit Committee under the second session of the Board of Directors to deliberate five resolutions and review two reports;
- (II) From April 17 to May 31, 2017, we held the second meeting of the Audit Committee under the second session of the Board of Directors to deliberate 16 resolutions;
- (III) On June 26, 2017, we held the third meeting of the Audit Committee under the second session of the Board of Directors to deliberate 13 resolutions and review one report;
- (IV) On July 24, 2017, we held the fourth meeting of the Audit Committee under the second session of the Board of Directors to deliberate 10 resolutions;
- (V) On October 23, 2017, we held the fifth meeting of the Audit Committee under the second session of the Board of Directors to deliberate six resolutions;

APPENDIX IV PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS FOR THE YEAR 2017

(VI) On November 27, 2017, we held the sixth meeting of the Audit Committee under the second session of the Board of Directors to deliberate two resolutions and review one report; and

(VII) On December 28, 2017, we held the seventh meeting of the Audit Committee under the second session of the Board of Directors to deliberate two resolutions.

III. Work Done to Understand the Company's Developments

In 2017, I learned about the Company's developments mainly by receiving business analysis reports, financial reports and audit reports of the Company at the meetings of the Board of Directors and the Audit Committee. I also had special talks with the Company's auditors for the statutory year to learn about the audit of the Company.

IV. Participation in Training

In 2017, I actively participated in various on-site and online training courses organised by regulatory authorities and industry organisations, and carefully studied the literature on policies and measures related to my profession with a view to better performing my duties. In 2017, I took a 32-hour on-site training called Training Class for New Directors, Supervisors and Senior Management Personnel organised by the CIRC, a 24-hour video training courses on Insurance Asset Management Practices organised by the Insurance Asset Management Association of China, a 70-hour Hong Kong IPO Training for Directors, Supervisors and Senior Executives organised by the investment banks and counsels engaged by ZhongAn Online, and a 4-hour Corporate Governance Training organised by the Hong Kong Stock Exchange, and studied the Analysis of Corporate Governance Practice Disclosure in 2016 Annual Reports on the official website of the Hong Kong Stock Exchange for four hours. In total, I completed 134 hours of training.

V. Performance Self-evaluation

In 2017, I performed my duties faithfully and diligently in strict compliance with relevant laws and regulations and the Articles of Association. I took an active part in the survey activities organised by the Company, attended Board meetings and special committee meetings, participated in the discussions and decision-making on major issues, and expressed my opinions on the issues concerned independently and prudently. I leveraged my expertise and experience to play a role in resolving key issues concerning the Company's major special projects, risks, audits, internal control, compliance and related party transactions.

April 2018

**APPENDIX IV PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS
FOR THE YEAR 2017**

Shuang Zhang

In 2017, I served as an independent Director of the second session of the Board of Directors of ZhongAn Online P & C Insurance Co., Ltd. (“**ZhongAn Online**”) (Bao Jian Xu Ke [2014] No. 942, effective from November 14, 2014) while serving as the chairman of Remuneration and Nomination Committee under the second session of the Board of Directors. I hereby submit my performance report for 2017 as an independent Director in accordance with the Company Law of the People’s Republic of China, the Insurance Law of the People’s Republic of China, the Provisional Measures for the Administration of Independent Directors of Insurance Companies and the Articles of Association of ZhongAn Online P & C Insurance Co., Ltd.

I. Attendance at Board Meetings in 2017

In 2017, I attended nine board meetings in person or by proxy (authorising another Director to attend on my behalf), the details of which are set out in Table 1 below:

Table 1:

Unit (meetings)	Required attendance	Attendance in person	Attendance by proxy	Absence	Attendance rate
Board meetings in 2017	9	8	1 (Authorising Director Li Du to attend on my behalf)	0	100%

At the board meetings in 2017, a total of 86 resolutions were deliberated and nine reports were received. I carefully deliberated and reviewed all the resolutions and reports, and discussed the relevant contents with the Directors, supervisors and senior management personnel of the Company. As an independent Director of the Company, I always hold a prudent, rigorous and responsible work attitude to express independent opinions on the Company’s major issues such as related party transactions.

APPENDIX IV PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS FOR THE YEAR 2017

II. Attendance at Special Committee Meetings in 2017

In addition, as the chairman of the Remuneration and Nomination Committee, I convened and held five meetings of the Remuneration and Nomination Committee in 2017, the details of which are set out in Table 2 below:

Table 2:

Unit (meetings)	Required attendance	Attendance in person	Attendance by proxy	Absence	Attendance rate
Meetings of the Remuneration and Nomination Committee in 2017	5	5	0	0	100%

At the five meetings of the Remuneration and Nomination Committee in 2017, I deliberated 10 resolutions and reviewed one report. I worked with other members of the committee to express opinions on the appointment, dismissal and remuneration of the Directors and senior management personnel of the Company, and the establishment and revision of the relevant measures and requirements for personnel management of the Company, and then made recommendations to the Board of Directors.

III. Participation in Training

As an independent Director of a Hong Kong-listed Internet insurance company, I am well aware that in order to perform my duties better, I need to keep track of not only the latest regulatory policies and industry developments in mainland China, but also the relevant policies on Hong Kong-listed companies and the requirements of Hong Kong regulators on directors. As such, in 2017, in addition to participating in the training courses organised by regulatory authorities in mainland China (e.g. Insurance Asset Management Practices organised by the Insurance Asset Management Association of China), I also took courses such as Hong Kong IPO Training for Directors, Supervisors and Senior Executives and Hong Kong Corporate Governance Training, and studied the Analysis of Corporate Governance Practice Disclosure in 2016 Annual Reports on the website of the Hong Kong Stock Exchange.

IV. Performance Self-evaluation

In 2017, I performed my duties as an independent non-executive Director of the Company in a law-abiding, diligent, faithful and independent manner, and attended board meetings in accordance with the relevant requirements to express opinions or insights on the resolutions deliberated at the meetings.

April 2018

Li Du

As an independent non-executive Director of the Company since December 21, 2016, I have also served as a member of the Remuneration and Nomination Committee. Pursuant to the relevant regulatory requirements, I hereby report my performance of duties in 2017.

I. Attendance at Meetings

(I) Board Meetings

In 2017, I attended in person nine Board meetings that I was obliged to attend, representing an attendance rate of 100%. I deliberated a total of 86 resolutions and received nine reports. At the Board meetings in 2017, I voted for all the resolutions to be voted on without abstaining from or voting against any resolution. Moreover, I independently expressed my opinions to fulfill my duties as an independent non-executive Director.

(II) Meetings of the Remuneration and Nomination Committee

In 2017, I attended in person five meetings of the Remuneration and Nomination Committee that I was obliged to attend, representing an attendance rate of 100%. I deliberated a total of 10 resolutions and received four reports. At the meetings of the Remuneration and Nomination Committee in 2017, I voted for all the resolutions to be voted on without abstaining from or voting against any resolution. In addition, I independently expressed my opinions to fulfill my duties as a member of the Remuneration and Nomination Committee.

II. Work Done to Understand the Company's Developments

(I) In 2017, I learned about the Company's operations mainly by receiving business analysis reports at the meetings of the Board of Directors and the Remuneration and Nomination Committee.

(II) In 2017, I took part in the course on Hong Kong IPO Training for Directors, Supervisors and Senior Executives organised by the investment banks and counsels engaged by the Company to learn about the specific requirements on the independent non-executive directors of ZhongAn Online.

In addition, I took the course on Corporate Governance Training organised by the Hong Kong Stock Exchange and studied the Analysis of Corporate Governance Practice Disclosure in 2016 Annual Reports on the website of the Hong Kong Stock Exchange in respect of the actual conditions of ZhongAn Online, so as to better perform my duties as an independent non-executive Director.

III. Participation in Training

In addition to the above courses I took and the documents I studied for the Hong Kong IPO of the Company, I also proactively participated in various on-site and online training courses organised by regulatory authorities and industry organisations in 2017, including but not limited to the Training Class for New Directors, Supervisors and Senior Management Personnel organised by the CIRC and the video training courses on Insurance Asset Management Practices organised by the Insurance Asset Management Association of China.

IV. Performance Self-evaluation

In 2017, as an independent Director of ZhongAn Online, I performed my duties by attending the meetings of the Board of Directors and the Remuneration and Nomination Committee in accordance with the relevant laws and regulations and the Articles of Association, carefully reviewing the resolutions and reports and expressing my opinions and suggestions thereon.

April 2018

**APPENDIX IV PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS
FOR THE YEAR 2017**

Yifan Li

According to Document No. 1325 (Bao Jian Xu Ke [2016] No. 1325) issued by the China Insurance Regulatory Commission (“CIRC”), I formally took office as independent Director of the second session of the Board of Directors of ZhongAn Online P & C Insurance Co., Ltd. (“ZhongAn Online”) on December 21, 2016, and successively served as a member of the Risk Management Committee and a member of the Audit Committee under the second session of the Board of Directors.

As an independent non-executive Director of the Company, it is my responsibility to supervise the Board of Directors and provide the Board of Directors with independent advice. I hereby submit my performance report for 2017 in accordance with the relevant requirements of the CIRC and the Board of Directors.

I. Attendance at Board Meetings in 2017

In 2017, I attended in person nine Board meetings that I was obliged to attend. At the Board meetings in 2017, I voted for all the resolutions to be voted on without abstaining from or voting against any resolution, and elaborated on my independent views on the resolutions that needed independent opinions (such as those on related party transactions).

II. Attendance at Special Committee Meetings in 2017

In 2017, I successively served as a member of the Risk Management Committee and the Audit Committee under the Board of Directors, attended the meetings of such committees to express my independent opinions, and submitted opinions and suggestions to the Board of Directors. Details of the meetings are as follows:

No.	Date	Name of meeting	Number of resolutions deliberated	Number of reports reviewed
(I) Risk Management Committee under the Board of Directors				
1	January 20, 2017	First meeting of the Risk Management Committee under the second session of the Board of Directors	6	2
2	April 17 to May 31, 2017	Second meeting of the Risk Management Committee under the second session of the Board of Directors	3	/

**APPENDIX IV PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS
FOR THE YEAR 2017**

No.	Date	Name of meeting	Number of resolutions deliberated	Number of reports reviewed
(II) Audit Committee under the Board of Directors				
1	June 26, 2017	Third meeting of the Audit Committee under the second session of the Board of Directors	13	1
2	July 24, 2017	Fourth meeting of the Audit Committee under the second session of the Board of Directors	10	/
3	October 23, 2017	Fifth meeting of the Audit Committee under the second session of the Board of Directors	6	/
4	November 27, 2017	Sixth meeting of the Audit Committee under the second session of the Board of Directors	2	1
5	December 28, 2017	Seventh meeting of the Audit Committee under the second session of the Board of Directors	2	/

III. Ways to Learn About the Company’s Operation and Management

I learned about the Company’s operation and management by attending the above meetings, reading the reports publicly disclosed by the Company, and communicating with the Shareholders, the Directors and colleagues in various departments of the Company.

IV. Participation in Training

In 2017, I also took a total of 102 hours of training including the Insurance Asset Management Practices to better understand industry policies and regulatory requirements, so as to better perform my duties as an independent director of the Company.

**APPENDIX IV PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS
FOR THE YEAR 2017**

V. Performance of Duties

In 2017, I performed my duties as an independent Director in accordance with the relevant laws and regulations and the Articles of Association by attending the meetings of the Board of Directors, the Risk Management Committee and the Audit Committee, carefully reviewing the resolutions and reports concerned, and expressing my opinions and suggestions at those meetings from the perspective of safeguarding the interests of Shareholders and promoting the Company's development with a prudent, rigorous and responsible attitude.

April 2018

Ying Wu

According to Document No. 695 (Bao Jian Xu Ke [2017] No. 695) issued by the China Insurance Regulatory Commission (“CIRC”), I formally took office as independent director of the second session of the Board of Directors of ZhongAn Online P & C Insurance Co., Ltd. (“ZhongAn Online”) on July 4, 2017 while serving as a member of the Risk Management Committee under the second session of the Board of Directors. I hereby submit my performance report for 2017 in accordance with the relevant requirements of the CIRC and the Board of Directors.

I. Attendance at Board Meetings in 2017

In 2017, I attended in person six Board meetings that I was obliged to attend. At the Board meetings in 2017, after thorough communication and discussions with the Directors, supervisors and senior management personnel of the Company, I voted for all the resolutions to be voted on, and elaborated on my independent views on the resolutions that needed independent opinions (such as those on related party transactions).

II. Attendance at Special Committee Meetings in 2017

In 2017, as a member of the Risk Management Committee under the second session of the Board of Directors, I attended the third and fourth meetings of the Risk Management Committee on July 24, 2017 and October 23, 2017 respectively to deliberate eight resolutions in total and provide my opinions to further the decision-making process of the Board of Directors.

III. Participation in Training

In 2017, I actively participated in various on-site and online training courses organised by regulatory authorities and industry organisations, and carefully studied the literature on policies and measures related to my profession with a view to better performing my duties. In 2017, I took courses on Training on Anti-money Laundering for Proposed Directors, Supervisors and Senior Executives, Hong Kong IPO Training for Directors, Supervisors and Senior Executives and Corporate Governance Training, and studied the Analysis of Corporate Governance Practice Disclosure in 2016 Annual Reports on the official website of the Hong Kong Stock Exchange.

IV. Performance of Duties

In 2017, I performed my duties as an independent non-executive Director of the Company in a law-abiding, diligent, faithful and independent manner by attending Board meetings in accordance with the relevant requirements to express opinions or insights on the resolutions deliberated at such meetings from the perspective of safeguarding the interests of Shareholders and promoting the Company’s development with a prudent, rigorous and responsible attitude.

April 2018

In 2017, the Company continuously and diligently adhered to laws, regulations and regulatory requirements governing related party transactions, and optimised and improved the related party transaction management process, so as to ensure that the management system for related party transactions is continuously operated in a standardised and efficient manner. In accordance with the requirements set out in the Provisional Measures on the Administration of Related Party Transactions (Bao Jian Fa [2007] No. 24) issued by the CIRC, information on the status of related party transactions and implementation of the management system for related party transactions of the Company for 2017 is reported as follows:

I. UPDATES ON THE LIST OF RELATED PARTIES

In accordance with the criteria for determining related parties as set out by the CIRC, the Ministry of Finance of the PRC and the Hong Kong Stock Exchange, and in order to further establish and improve the its filing mechanism for related party information, the Company reports its related relationships and potential conflict of interest to the Shareholders and management of the Company at least every six months and updates the list of its related parties based on the report. The Company also updates the list of its related parties in its ordinary course of business from time to time.

II. INFORMATION ON THE IMPLEMENTATION OF RELATED PARTY TRANSACTION AGREEMENTS

In 2017, the transaction value of the related party transactions conducted by the Company throughout the year amounted to RMB3.793 billion, including insurance funds used for investment purposes and funds under entrusted management of RMB2.741 billion in total, handling charges and technical service fees of RMB573 million, premium revenue of RMB29 million and capital increase in its wholly-owned subsidiaries of RMB450 million. The agreements involved in the above related party transactions complied with stringent approval and appropriate disclosure procedures. The pricing principles of the related party transactions were fair, and the terms of such transactions were fair and reasonable. The relevant responsible departments monitored the implementation of the related party transactions and regularly verified the types of business, the amounts incurred and the balances at the end of the reporting period thereof to ensure compliant implementation of the related party transactions and that the related party transactions were conducted in the interests of the Company and the Shareholders as a whole.

**III. INFORMATION ON THE IMPLEMENTATION OF INTERNAL DECISION-MAKING
PROCESS OF RELATED PARTY TRANSACTIONS**

The Company strictly followed the internal decision-making process of the related party transactions in accordance with the Provisional Measures on the Administration of Related Party Transactions issued by the CIRC and other relevant requirements. In addition, according to Notice of the China Insurance Regulatory Commission on Matters Relating to Strengthening Management of Related Party Transactions by Insurance Companies (Bao Jian Fa [2017] No. 52) issued on June 23, 2017, the Company established the Related Party Transaction Control Committee to take charge of identification and maintenance of related parties, management, examination, approval and risk control for related party transactions. The Related Party Transaction Control Committee is chaired by Mr. Jin Chen, executive Director and chief executive officer, and comprises the compliance controller, the chief financial officer and other relevant members of the management.

In terms of general related party transactions, the Company considered and approved or filed such transactions by strictly following the regulatory requirements and the Company's internal approval procedures. In terms of major related party transactions, to ensure compliance with the consideration and approval procedures for related party transactions, the Company stringently followed the regulatory requirements and corporate governance procedures and submitted the same to the board meetings or shareholders' general meetings for approval.

**IV. INFORMATION ON THE REPORTING OF MAJOR RELATED PARTY TRANSACTIONS
AND INFORMATION DISCLOSURE**

Pursuant to the relevant requirements of the Provisional Measures on the Administration of Related Party Transactions and the Notice of China Insurance Regulatory Commission on Issues Relating to Further Strengthening Information Disclosure for Related Party Transactions of Insurance Companies (Bao Jian Fa [2016] No. 52), a total of 17 related party transactions constituted major related party transactions of the Company. Provisional information disclosure documents for all the above major related party transactions were prepared and submitted to the CIRC within the regulatory timelines, and disclosed on the websites of the Company (<https://www.zhongan.com/>) and the Insurance Association of China (<http://www.iachina.cn/>).

**V. FILING AND REVISION OF THE MANAGEMENT SYSTEM FOR RELATED PARTY
TRANSACTIONS**

In 2017, no amendments were made to the management system for related party transactions of the Company.

VI. SPECIAL AUDIT ON RELATED PARTY TRANSACTIONS

In accordance with the requirements set out in the Provisional Measures on the Administration of Related Party Transactions issued by the CIRC, the internal audit department of the Company conducted a special field audit on the Company's related party transactions between January 15, 2018 and February 10, 2018. The internal audit team put forward recommendations to improve the management of related party transactions, which promoted the compliant operation of the management system for related party transactions.

In 2018, the Company will continue to fully implement various regulatory requirements of the CIRC and the Hong Kong Stock Exchange regarding management of related party transactions and strictly fulfill the obligations in respect of the management of related party transactions, so as to improve the standards of related party transactions management of the Company and uphold the interests of the Company and the Shareholders.

The report is hereby submitted.

February 28, 2018

REVIEW AND ANALYSIS OF SOLVENCY FOR THE FOUR QUARTERS OF 2017**I. SUMMARY OF THE OVERALL QUARTERLY SOLVENCY STATUS FOR 2017**

The Company's annual solvency margin ratio for 2017 was far above the Company's risk tolerance and regulatory minimum requirements (please refer to the section headed "Quarterly Solvency Information" below for details).

In the first and second quarters of 2017, the Company's rapid development of businesses and its aggressive launch of investment activities resulted in a gradual decline in its solvency margin ratio. With its successful initial public offering of new shares to investors in late September, however, the solvency margin ratio of the Company for the third quarter substantially rose as compared with that of the previous quarter. Subsequently, the Company completed the over-allotment in October, and the funds so raised had not been utilised for investment as at the end of the fourth quarter, which led to a slight increase in solvency margin ratio for the fourth quarter as compared with that of the previous one.

II. ANALYSIS OF THE QUARTERLY SOLVENCY STATUS FOR 2017

In the first half of 2017, the Company's premium revenue recorded a rapid increase of 89.90% year-on-year due to its vigorous development of business. At the same time, the Company actively carried out various equity investment activities, including but not limited to the capital increase of RMB450 million in ZhongAn Information and Technology Services Co., Ltd., which resulted in mounting capital associated with insurance risk and market risk and the gradual decline in the overall solvency margin ratio for the first half of 2017.

On September 28, 2017, the Company received HK\$11.607 billion from its listing on the Hong Kong Stock Exchange, with a significant increase in its admitted capital. Despite the rapid growth trend maintained in its business and the fast increase in the usage of insurance risk capital, the Company's overall comprehensive solvency margin ratio rose from 528.06% for the second quarter to 1,135.21% for the third quarter.

Following the initial public offering of new shares to investors at the end of September, the Company received a further amount of HK\$1,740 million upon the exercise of the over-allotment option on October 27, 2017. The newly raised proceeds were not subsequently used for investment within a short timeframe as foreign exchange settlement took some time and gradual building of positions required opportune timing. As such, the capital expenditures were low during the quarter. In addition, the Company's SARMRA score for 2017 rose to 76.11 points, higher than that of the previous year, which also helped reduce the proportion of provision for minimum capital used to control risks to some extent. As a result of the combined effect of the above factors, the overall comprehensive solvency margin ratio for the fourth quarter increased from 1,135.21% to 1,178.31%.

III. CONCLUSION

The Company had sufficient solvency in 2017, but it is expected that with the further aggressive development of its insurance business and various types of investment in the future, the usage of a variety of risk capital will continue to increase, leading to a gradual decline in its solvency margin ratio. The Company will continue to step up efforts in the monitoring and dynamic forecast of its solvency margin ratio and make timely adjustments to its business development strategy according to the actual conditions, so as to ensure the progressive implementation of its rapid, sound and sustainable development strategy within the established risk appetite and risk tolerance range.

Annex: Key solvency data for the four quarters of 2017

Item	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4
Admitted assets	91.63	83.20	88.34	191.59	205.16
Admitted liabilities	24.58	19.16	25.37	32.92	36.50
Actual capital	67.05	64.04	62.97	158.67	168.65
Core tier 1 capital	67.05	64.04	62.97	158.67	168.65
Core tier 2 capital	—	—	—	—	—
Ancillary tier 1 capital	—	—	—	—	—
Ancillary tier 2 capital	—	—	—	—	—
Minimum capital	9.28	10.16	11.92	13.98	14.31
Minimum capital for quantitative risks	8.99	9.84	11.55	13.54	14.04
Minimum capital for insurance risk associated with life insurance business	—	—	—	—	—
Minimum capital for insurance risk associated with non-life insurance business	3.39	3.60	4.96	6.61	8.29
Minimum capital for market risk	5.62	6.44	6.80	7.82	6.58
Minimum capital for credit risk	3.20	3.21	4.00	3.86	4.16
Diversification effect of quantitative risks	3.23	3.41	4.21	4.75	4.99
Loss absorption effect for special-type insurance contracts	—	—	—	—	—
Minimum capital for control risk	0.29	0.32	0.37	0.44	0.27
Supplement capital	—	—	—	—	—
Core solvency margin surplus	57.77	53.88	51.05	144.69	154.34
Core solvency margin ratio (%)	722.45%	630.47%	528.06%	1,135.21%	1,178.31%
Comprehensive solvency margin surplus	57.77	53.88	51.05	144.69	154.34
Comprehensive solvency margin ratio (%)	722.45%	630.47%	528.06%	1,135.21%	1,178.31%

Note: Only the solvency margin ratios for the fourth quarter of 2016 and the fourth quarter of 2017 have been audited.



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)

NOTICE OF THE 2018 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2018 annual general meeting (the "AGM") of ZhongAn Online P & C Insurance Co., Ltd. (the "Company") will be held at Conference Room 1, 2/F, 219 Yuanmingyuan Road, Huangpu District, Shanghai, the PRC at 10:00 a.m. on Wednesday, June 20, 2018 for the purposes of considering, and if thought fit, approving the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the report of board of directors for the year 2017.
2. To consider and approve the report of supervisory committee for the year 2017.
3. To consider and approve the report of the auditors and audited financial statements of the Company for the year ended December 31, 2017.
4. To consider and approve the re-appointment of auditors for the year 2018.

SPECIAL RESOLUTION

5. To consider and approve the grant of a general mandate to the board of directors to issue shares.

NOTICE OF THE 2018 ANNUAL GENERAL MEETING

AS REPORTING DOCUMENTS

1. To review the performance report of the directors for the year 2017.
2. To review the performance report of the independent directors for the year 2017.
3. To review the report on related party transactions and the implementation of its management system for the year 2017.
4. To review the report on review and analysis of solvency for the year 2017.

By order of the Board
ZhongAn Online P & C Insurance Co., Ltd.
Jin Chen
Chief Executive Officer

Shanghai, the PRC, April 24, 2018

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

Notes:

1. In order to determine the list of Shareholders who are entitled to attend the AGM, the register of members of the Company will be closed from Monday, May 21, 2018 to Wednesday, June 20, 2018, both days inclusive. For unregistered holders of Shares of the Company who intend to attend the AGM, share certificates accompanied by transfer documents must be lodged with the Company's H share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H shares of the Company) or the Company's office of the board of directors at 4-5/F, Associate Mission Building, 169 Yuanmingyuan Road, Shanghai, the PRC (for holders of domestic shares of the Company) no later than 4:30 p.m. on Friday, May 18, 2018 for registration. Shareholders whose names appear on the register of members of the Company on Wednesday, June 20, 2018 shall be entitled to attend and vote at the AGM.
2. A Shareholder entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote in his stead. A proxy need not be a Shareholder of the Company but must attend the AGM in person to represent the relevant Shareholder.

The instrument appointing a proxy must be in writing under the hand of a Shareholder or his attorney duly authorised in writing. If the Shareholder is a corporation, that instrument must be executed either under its common seal or under the hand of its director(s) or duly authorised attorney. If that instrument is signed by an attorney of the Shareholder, the power of attorney authorising that attorney to sign or other authorisation document must be notarised.

NOTICE OF THE 2018 ANNUAL GENERAL MEETING

In order to be valid, the proxy form together with the notarised power of attorney or other authorisation document (if any) must be deposited at the Company's H share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H shares of the Company) or the Company's office of the board of directors at 4-5/F, Associate Mission Building, 169 Yuanmingyuan Road, Shanghai, the PRC (for holders of domestic shares of the Company) not less than 24 hours before the time fixed for the holding of the AGM (i.e. before 10:00 a.m. on Tuesday, June 19, 2018) or any adjournment thereof (as the case may be). Completion and return of a proxy form will not preclude a shareholder from attending and voting in person at the AGM or any adjournment thereof if he so wishes.

3. Shareholders who intend to attend the AGM in person or by proxy should deposit the reply slip at the Company's H share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H shares of the Company) or the Company's office of the board of directors at 4-5/F, Associate Mission Building, 169 Yuanmingyuan Road, Shanghai, the PRC (for holders of domestic shares of the Company) respectively on or before Thursday, May 31, 2018 by hand, by post or by fax.
4. According to the provisions of the Articles of Association, any vote of shareholders at a general meeting must be taken by poll. As such, the resolutions set out in this notice of the AGM will be voted on by way of poll.
5. The AGM is expected to last for half a day. Shareholders or their proxies attending the AGM (or any adjournment thereof) shall produce their identity documents. Shareholders or their proxies attending the AGM shall be responsible for their own travelling and accommodation expenses.
6. References to time and dates in this notice are to Hong Kong time and dates.