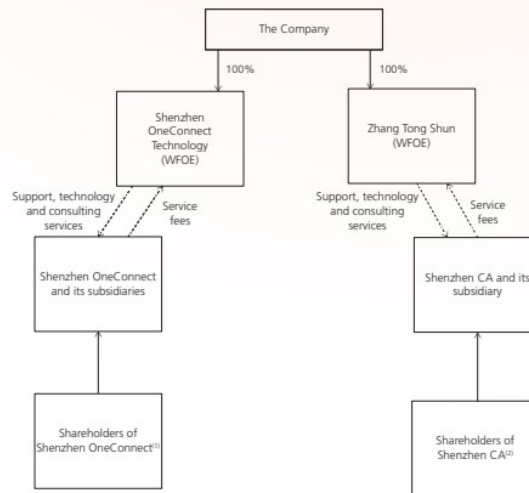


The following simplified diagram illustrates the flow of economic benefits from the consolidated affiliated entities to the Group under the Contractual Arrangements as at the latest practicable date for ascertaining certain information in this Annual Report before its publication:



Notes:

- (1) Shenzhen OneConnect is held by Ping An Financial Technology as to 44.3%, Shanghai Jin Ning Sheng Enterprise Management Limited Partnership (上海金寧盛企業管理合夥企業(有限合夥)) ("Shanghai Jin Ning Sheng") as to 7.4%, Shenzhen Lanxin Enterprise Management Co., Ltd. (深圳蘭析企業管理有限公司) ("Shenzhen Lanxin") as to 22.2% and Guang Feng Qi as to 26.2%. Ping An Financial Technology is a wholly-owned subsidiary of Ping An. Shanghai Jin Ning Sheng is held by Mr. Jie Li (李捷) and Mr. Jie Yu (喻傑) as to 70% and 30%, respectively. Shenzhen Lanxin is held by Mr. Jie Li and Ms. Liang Xu (許良) as to 50% each. Mr. Jie Li is the chief technology officer of the Company, Mr. Jie Yu is the head of the human resources department of the Company, and Ms. Liang Xu was previously the head of human resources department of the Company and is currently the general manager of the operation management department of Ping An Technology (Shenzhen) Co., Ltd. (平安科技(深圳)有限公司) ("Ping An Technology"), a subsidiary of Ping An Group. Guang Feng Qi is held by Mr. Wenwei Dou and Ms. Wenjun Wang, two of the non-executive Directors, as to 50% each.
- (2) Shenzhen CA is held by Shanghai Jinlinlin Enterprise Management Partnership (Limited Partnership) (上海錦琳麟企業管理合夥企業(有限合夥)) ("Shanghai Jinlinlin") as to 99.91%, and the remaining equity interest is owned by Shenzhen E-Commerce Certification Co., Ltd. (深圳市政信電子商務有限公司) as to 0.05% and Shenzhen Electronic Certification Center Co., Ltd. (深圳市電子證書認證中心有限公司) as to 0.04%. Shanghai Jinlinlin is held by Mr. Jie Li and Ms. Liang Xu as to 50% each.
- (3) "→" denotes direct legal and beneficial ownership in the equity interest.
- (4) "—>" denotes contractual relationship.

Summary of Material Terms of the Contractual Arrangements

1. Shenzhen OneConnect Consolidated Affiliated Entities

(a) *Exclusive Business Cooperation Agreement*

Pursuant to the exclusive business cooperation agreement entered into between Shenzhen OneConnect Technology and Shenzhen OneConnect, Shenzhen OneConnect Technology or its designated party has the exclusive right to provide Shenzhen OneConnect with business support, technology and consulting services. In exchange for these services, Shenzhen OneConnect will pay Shenzhen OneConnect Technology an annual service fee, equal to Shenzhen OneConnect's profit before tax, after recovering any accumulated losses of Shenzhen OneConnect and its subsidiaries from the preceding fiscal year, and deducting working capital, costs, expenses, tax and other statutory contributions required for that fiscal year. Upon receiving the management accounts and operating data, Shenzhen OneConnect Technology may issue to Shenzhen OneConnect an invoice for the service fees. The parties agreed that Shenzhen OneConnect Technology may, without consent of Shenzhen OneConnect, adjust the amount and payment time of the service fees at its sole discretion, by giving Shenzhen OneConnect at least ten days prior written notice.

Without the prior written consent of Shenzhen OneConnect Technology, Shenzhen OneConnect may not accept any services covered by this agreement from any third party, and may not cooperate with any third party in respect of the subject matter of this agreement.

Shenzhen OneConnect and Shenzhen OneConnect Technology have agreed that Shenzhen OneConnect Technology will exclusively own the proprietary rights, ownership, interests and intellectual property rights produced or created in connection with the performance of this agreement.

Unless mutually terminated, this agreement will remain effective for ten years, and it will be automatically renewed for another five years, unless Shenzhen OneConnect Technology objects in writing thirty days prior to this agreement's expiry.

(b) *Exclusive Equity Purchase Option Agreement*

Pursuant to the exclusive equity purchase option agreement entered into between Shenzhen OneConnect Technology, Shenzhen OneConnect and the direct and indirect equity holders of Shenzhen OneConnect (the "**Shareholders of Shenzhen OneConnect**"), the direct equity holders of Shenzhen OneConnect have irrevocably and unconditionally granted Shenzhen OneConnect Technology or any third party designated by Shenzhen OneConnect Technology an exclusive option to purchase, from time to time, all or a portion of their respective equity interest in Shenzhen OneConnect. The purchase price for these equity interests will be the higher of (i) the nominal price and (ii) the lowest price permitted by applicable PRC law. This agreement also provides that within a specified period following the date of receiving the purchase price for these equity interests, the relevant direct shareholders of Shenzhen OneConnect must return all such purchase price to Shenzhen OneConnect Technology or its designee.

Shenzhen OneConnect and the Shareholders of Shenzhen OneConnect have jointly and severally undertaken that it may not, or will not procure in his/her/its capacity as shareholder of Shenzhen OneConnect to, without the prior written consent of Shenzhen OneConnect Technology:

- (i) in any manner supplement, change or amend the articles of association and bylaws of Shenzhen OneConnect, increase or decrease its registered capital, or otherwise change its structure of registered capital;
- (ii) permit the sale, transfer, mortgage or otherwise disposal of the legitimate or beneficial rights and interests in assets, businesses or incomes of Shenzhen OneConnect, or permit the creation of any encumbrance over the same, except for transactions conducted by Shenzhen OneConnect in its daily business activities;
- (iii) cause or permit Shenzhen OneConnect to incur, succeed to, guarantee, or permit the existence of, any debts, except for debts (i) which are incurred in daily business activities other than through loans; and (ii) which have been disclosed to Shenzhen OneConnect Technology and have been approved by the same in writing;
- (iv) cause Shenzhen OneConnect to sign any contract with value exceeding RMB1 million, except for contracts signed in daily business activities;
- (v) cause Shenzhen OneConnect to provide loans, credits or any form of guarantee to any person, except for financial service transactions carried out by Shenzhen OneConnect in its daily business activities;
- (vi) cause or permit Shenzhen OneConnect to merge or combine with, or acquire or invest in any third party, or cause or permit Shenzhen OneConnect to sell assets with a value of more than RMB1 million; and
- (vii) permit Shenzhen OneConnect to distribute dividends to its shareholders in any form, but at the written request of Shenzhen OneConnect Technology, Shenzhen OneConnect shall immediately distribute all distributable profits to its shareholders.

Each of the Shareholders of Shenzhen OneConnect have also jointly and severally undertaken that, among other things:

- (i) without the prior written consent of Shenzhen OneConnect Technology, the direct shareholders of Shenzhen OneConnect shall not require Shenzhen OneConnect to carry out dividend distribution or other forms of profit distribution with regard to the equity interest owned by them in Shenzhen OneConnect, or propose any resolution of the shareholders' meeting in relation thereto, or vote for such resolution. In any case, unless otherwise determined by Shenzhen OneConnect Technology, if the direct shareholders of Shenzhen OneConnect receives Shenzhen OneConnect's income, profit distribution and dividend, the direct shareholders of Shenzhen OneConnect shall, to the extent permitted under the PRC laws, immediately pay or transfer such profits, profit distribution and dividends to Shenzhen OneConnect Technology or its designee;
- (ii) Shenzhen OneConnect shall immediately notify Shenzhen OneConnect Technology of any lawsuit, arbitration or administrative procedure that may occur or may occur in relation to the equity interest owned by the direct shareholders in Shenzhen OneConnect;

Directors' Report

- (iii) the direct shareholders of Shenzhen OneConnect shall procure that the shareholders' meeting or the board of directors of Shenzhen OneConnect takes a vote to approve the transfer of the equity interests as specified in this agreement, and take any and all other actions that Shenzhen OneConnect Technology may require;
- (iv) in order to maintain their ownership of their equity interest in Shenzhen OneConnect, the direct shareholders of Shenzhen OneConnect shall sign such documents, take such actions, lodge such appeal, and make such defence against all claims as are necessary and appropriate;
- (v) at the request of Shenzhen OneConnect Technology, the direct shareholders of Shenzhen OneConnect shall appoint as the director of Shenzhen OneConnect any person designated by Shenzhen OneConnect Technology;
- (vi) at the request of Shenzhen OneConnect Technology at any time, the direct shareholders of Shenzhen OneConnect shall immediately and unconditionally transfer its equity interest in Shenzhen OneConnect to Shenzhen OneConnect Technology or its designee in accordance with the equity purchase option specified under this agreement, and the direct shareholders of Shenzhen OneConnect hereby waived the right of first refusal (if any); and
- (vii) if the direct shareholders of Shenzhen OneConnect have any residual rights to the equity interest under this agreement, the equity pledge agreement or the equity proxy voting agreement signed by the parties to this agreement, they shall not exercise such rights unless instructed in writing by Shenzhen OneConnect Technology.

Unless terminated upon the parties' agreement, this agreement will remain effective for ten years, and will be automatically renewed for another five years, unless Shenzhen OneConnect Technology objects to the renewal in writing thirty days prior this agreement's expiry.

(c) *Exclusive Asset Purchase Option Agreement*

Pursuant to the exclusive asset purchase option agreement entered into between Shenzhen OneConnect Technology, Shenzhen OneConnect and the Shareholders of Shenzhen OneConnect, Shenzhen OneConnect has irrevocably and unconditionally granted Shenzhen OneConnect Technology or any third party designated by Shenzhen OneConnect Technology an exclusive option to purchase, from time to time, all or a portion of its assets. Subject to any valuation required by applicable PRC law at the time of the exercise of this option, the purchase price will be the higher of (i) the nominal price and (ii) the lowest price permitted by applicable PRC law.

Shenzhen OneConnect and the Shareholders of Shenzhen OneConnect have provided substantially similar undertakings in favour of Shenzhen OneConnect Technology as under the exclusive equity purchase option agreement.

Unless terminated upon the parties' agreement, this agreement will remain effective for ten years, and will be automatically renewed for another five years, unless Shenzhen OneConnect Technology objects to the renewal in writing thirty days prior this agreements' expiry.

(d) *Equity Pledge Agreement*

Pursuant to the equity pledge agreement entered into between Shenzhen OneConnect Technology, Shenzhen OneConnect and the Shareholders of Shenzhen OneConnect, each direct shareholder of Shenzhen OneConnect has pledged all of its respective equity interest in Shenzhen OneConnect to Shenzhen OneConnect Technology, to guarantee the performance of Shenzhen OneConnect and the Shareholders of Shenzhen OneConnect of their respective obligations under the exclusive equity and asset purchase option agreements, the equity voting proxy agreement, the exclusive business cooperation agreement and the letters of undertakings of individual shareholders, as well as their respective liabilities arising from any breach. If Shenzhen OneConnect or any of the Shareholders of Shenzhen OneConnect breaches any obligations under these agreements, Shenzhen OneConnect Technology, as pledgee, may dispose of the pledged equity and to be compensated by the proceeds from the disposal of such equity.

Each of the Shareholders of Shenzhen OneConnect agreed that before the obligations under the contractual arrangements are discharged and the amounts payable prescribed under these agreements are fully paid (other than those for the purpose of performing its obligations under the contractual arrangements), the direct shareholders of Shenzhen OneConnect will not dispose of the pledged equity interest, create or allow any encumbrance on the pledged equity interest that may have material adverse effects on the pledgee's rights under this agreement without Shenzhen OneConnect Technology's prior written consent. This agreement will remain effective until Shenzhen OneConnect and the Shareholders of Shenzhen OneConnect have discharged all their obligations and fully paid all the amounts payable under the relevant contractual arrangements.

(e) *Equity Voting Proxy Agreement*

Pursuant to the equity voting proxy agreement entered into among Shenzhen OneConnect Technology, Shenzhen OneConnect and the Shareholders of Shenzhen OneConnect, each shareholder of Shenzhen OneConnect and its subsidiaries irrevocably authorizes the persons designated by Shenzhen OneConnect Technology (including but not limited to the directors of Shenzhen OneConnect Technology, their successors and any liquidator in place of such directors) to act on its behalf to exercise all of such shareholder's voting and other rights associated with the shareholder's equity interest in Shenzhen OneConnect and the subsidiaries of Shenzhen OneConnect, including, among others:

- (i) to convene and attend shareholders' meetings of Shenzhen OneConnect;
- (ii) to exercise the voting rights of shareholders of Shenzhen OneConnect, including selling, transferring, pledging or disposing of all or part of the equity interest, and participating in profit sharing or any form of distribution of Shenzhen OneConnect;
- (iii) designating and appointing the directors, supervisors and other senior management of Shenzhen OneConnect; and
- (iv) signing meeting minutes and submitting documents to relevant company registration authorities.

The term of this agreement is the same as that of the exclusive business cooperation agreement described above.

Directors' Report

(f) *Letters of Undertaking of Individual Shareholders*

Under these letters of undertaking, the indirect individual shareholders of Shenzhen OneConnect have separately irrevocably undertaken, in the event of his or her death or loss of capacity or any other events that could possibly affect his or her capacity to fulfil his or her obligations under the contractual arrangement of Shenzhen OneConnect, that he or she will unconditionally transfer his or her equity interest in Shenzhen OneConnect to any person designated by Shenzhen OneConnect Technology, and the transferee will be deemed to be a party to the contractual arrangements and will assume all of his or her rights and obligations as such under the contractual arrangements. Each signing indirect shareholder represented that his or her spouse has no ownership interest in his or her equity interest in Shenzhen OneConnect.

Each signing indirect shareholder further represented that in any circumstances, he or she will not, directly or indirectly, commit any conduct, measure, action or omission that is contrary to the purpose and intention of the contractual arrangements, that leads or may lead to any conflict of interest between Shenzhen OneConnect and the Group, and that if, during his or her performance of the contractual arrangements, there is a conflict of interest between the signing indirect shareholder and the Group, the signing indirect shareholder will protect the legal interests of Shenzhen OneConnect Technology under the contractual arrangements and follow the instructions of the Company.

(g) *Spousal Consent Letters*

Under the spousal consent letters, the spouse of each indirect individual shareholder of Shenzhen OneConnect agreed that he or she was aware of the equity interest beneficially owned by his or her spouse in Shenzhen OneConnect and the relevant contractual arrangements in connection with such equity interest. The signing spouse unconditionally and irrevocably confirmed that he or she does not have any equity interest in Shenzhen OneConnect and committed not to impose any adverse assertions upon his or her spouse's respective equity interest. Each signing spouse further committed that he or she will take all necessary measures for the performance of the relevant contractual arrangements.

2. Shenzhen CA Consolidated Affiliated Entities

Zhang Tong Shun, Shenzhen CA and the equity holders of Shenzhen CA entered into a series of contractual agreements containing terms substantially similar to the contractual arrangements among Shenzhen OneConnect Technology, Shenzhen OneConnect and the Shareholders of Shenzhen OneConnect as described in the subsection above.

Progress of the Contractual Arrangements during the Reporting Period

There was no material change in the Contractual Arrangements and/or the circumstances under which they were adopted during the Reporting Period. For the Reporting Period, save as disclosed above, none of the Contractual Arrangements had been unwound on the basis that none of the restrictions that led to the adoption of the Contractual Arrangements had been removed.

As of December 31, 2024, the Group had not encountered interference or encumbrance from any PRC governing bodies in operating the businesses through its consolidated affiliated entities under the Contractual Arrangements.

Risks relating to the Contractual Arrangements

There are certain risks that are associated with the Contractual Arrangements, including:

- The Company is a Cayman Islands holding company with no equity ownership in the consolidated affiliated entities and conduct its operations in China through (i) its PRC subsidiaries and (ii) its VIEs with which it has maintained contractual arrangements.
- If the PRC government finds that the agreements that establish the structure for operating the Group's businesses in China do not comply with applicable PRC laws and regulations, or if these laws or regulations or their interpretations change, the Group could be subject to severe penalties or be forced to relinquish interests in those operations.
- The contractual arrangements with the VIEs and their respective shareholders may not be as effective in providing operational control or enabling the Group to derive economic benefits as a direct ownership of a controlling equity interest would be.

Directors' Report

- The Group may lose the ability to use and enjoy assets held by its VIEs that are critical to the operation of its business if the VIEs declare bankruptcy or become subject to a dissolution or liquidation proceeding.
- Any failure by the VIEs, their respective subsidiaries or shareholders to perform their obligations under the contractual arrangements with them would have a material adverse effect on the Group's business.
- The ultimate beneficial shareholders of the VIEs may have conflicts of interest with the Group, which may materially and adversely affect the Group's business.
- The Group conducts its business operations in the PRC through its VIEs and their subsidiaries by way of contractual arrangements, but certain of the terms of the contractual arrangements may not be enforceable under PRC laws.
- Substantial uncertainties exist with respect to the interpretation and implementation of the Foreign Investment Law 《中華人民共和國外商投資法》 and how it may affect the viability of the Group's current corporate structure, corporate governance and business operations.
- There may be a potential impact to the Company if the contractual arrangements with the VIEs, their respective subsidiaries and shareholders are not treated as domestic investment.
- The contractual arrangements may be subject to scrutiny by the PRC tax authorities, and a finding that the Group owes additional taxes could substantially reduce its consolidated net income.

For details of the risks associated with the Contractual Arrangements, please refer to the section headed "Risk Factors – Risks Relating to our Corporate Structure" in the Listing Document.

Measures relating to the Contractual Arrangements

The Group has adopted the following measures to ensure the effective operation of the Group with the implementation of the Contractual Arrangements and its compliance with the Contractual Arrangements:

- Major issues arising from the implementation and compliance with the Contractual Arrangements or any regulatory enquiries from government authorities will be submitted to the Board, if necessary, for review and discussion on an occurrence basis;
- the Board will review the overall performance of and compliance with the Contractual Arrangements at least once a year;
- the Company will disclose the overall performance of and compliance with the Contractual Arrangements in its annual reports; and

- the Company will engage external legal advisors or other professional advisors, if necessary, to assist the Board to review the implementation of the Contractual Arrangements, review the legal compliance of the WFOEs and its consolidated affiliated entities to deal with specific issues or matters arising from the Contractual Arrangements.

Listing Rules Implications and Waiver from the Stock Exchange

In respect of the Contractual Arrangements with regard to the Shenzhen OneConnect Consolidated Affiliated Entities, the highest applicable percentage ratio (other than the profits ratio) under the Listing Rules in respect of the transactions associated with the Contractual Arrangements is expected to be more than 5%. As such, the transactions will be subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Accordingly, the Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with (i) the announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the transactions contemplated under the Contractual Arrangements pursuant to Rule 14A.105 of the Listing Rules, (ii) the requirement of setting an annual cap for the transactions under the Contractual Arrangements under Rule 14A.53 of the Listing Rules, and (iii) the requirement of limiting the term of the Contractual Arrangements to three years or less under Rule 14A.52 of the Listing Rules, in respect of the Contractual Arrangements involving the Shenzhen OneConnect Consolidated Affiliated Entities. The waiver applies for so long as the Shares are listed on the Stock Exchange, and subject however to various conditions set out in the section headed "Connected Transactions – The Contractual Arrangements" in the Listing Document.

Confirmation from Independent Non-executive Directors

All independent non-executive Directors have reviewed the Contractual Arrangements with regard to the Shenzhen OneConnect Consolidated Affiliated Entities and have confirmed that during the Reporting Period:

- those continuing connected transactions have been entered into in accordance with the relevant provisions of the Contractual Arrangements;
- no dividends or other distributions have been made by the Shenzhen OneConnect Consolidated Affiliated Entities to the holders of its equity interests which are not otherwise subsequently assigned or transferred to the Group; and
- any new contracts entered into, renewed or reproduced between the Group and Shenzhen OneConnect Consolidated Affiliated Entities during the year ended December 31, 2024 are fair and reasonable, or advantageous to the Shareholders of the Company, so far as the Group is concerned and in the interests of the Company and the Shareholders of the Company as a whole.

Directors' Report

Confirmation from the Company's Independent Auditor

The Company's external auditor, PricewaterhouseCoopers, has carried out relevant procedures in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Review of Historical Financial Information" and with reference to Practice Note 740 (Revised) "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants on the transactions carried out pursuant to the aforementioned Contractual Arrangements and has provided a letter to the Board confirming that, with respect to the aforesaid continuing connected transactions entered into among Shenzhen OneConnect Technology, Shenzhen OneConnect and the Shareholders of Shenzhen OneConnect under the Contractual Arrangements in the Reporting Period:

- (1) nothing has come to the auditor's attention that causes the auditor to believe that the disclosed continuing connected transactions have not been approved by the Board;
- (2) nothing has come to the auditor's attention that causes the auditor to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (3) nothing has come to the auditor's attention that causes the auditor to believe that dividends or other distributions have been made by the Shenzhen OneConnect Consolidated Affiliated Entities to the holders of the equity interests of the Shenzhen OneConnect Consolidated Affiliated Entities which are not otherwise subsequently assigned or transferred to the Group.

Fundraising Activities

(i) Listing on the NYSE

In December 2019, the Company completed an initial public offering and was listed on the NYSE (the "**Listing on the NYSE**"). The Company issued and sold an aggregate of 31,200,000 ADSs (excluding ADSs offered in the exercise of the over-allotment option), representing 93,600,000 Shares at a public offering price of US\$10.0 per ADS. In January 2020, the underwriters for the initial public offering partially exercised their over-allotment options to purchase an addition of 3,520,000 ADSs. The net proceeds received by the Company totaled approximately US\$311.0 million. The intended purposes for such net proceeds was set out in the prospectus filed with the Securities and Exchange Commission (the "**SEC**") on December 13, 2019 as follows, assuming no exercise of any over-allotment option:

- approximately 33% for enhancement of platform and technology capabilities;
- approximately 12% for international expansion and strategic investments;
- approximately 8% for sales and marketing activities to enhance the Company's brand and acquire customers; and
- approximately 47% for general corporate purposes.

(ii) Net Proceeds from the Follow-on Offering

In August 2020, the Company completed a follow-on public offering on the NYSE (the "**Follow-on Offering**") of 20,700,000 ADSs (included the exercise in full of the underwriters' option to purchase additional ADSs), representing an aggregate of 62,100,000 Shares at a price of US\$18.0 per ADS. The net proceeds raised was approximately US\$372.6 million, after deducting underwriting discounts and commissions and before deducting the offering expenses payable by the Company. The intended purposes for such net proceeds was set out in the prospectus filed with the SEC on August 14, 2020 as follows, assuming no exercise of any over-allotment option:

- approximately 42% for enhancement of platform and technology capabilities;
- approximately 21% for international expansion and strategic investments; and
- approximately 36% for general corporate purposes.

As of December 31, 2024, the Company has used approximately (i) RMB589.4 million (US\$83.0 million) for enhancement of its platform and technology capabilities; (ii) RMB139.2 million (US\$19.6 million) for international expansion and strategic investments; and (iii) RMB1,706.0 million (US\$240.3 million) for general corporate purposes including sales and marketing activities to enhance the Company's brand and acquire customers. No net proceeds were utilized during the year ended December 31, 2024. As of the date of this Annual Report, the Company plans to utilize the remaining net proceeds from the Listing on the NYSE and the Follow-on Offering in accordance with the intended purposes as disclosed in the prospectuses filed with the SEC within the next seven to eight years, depending on actual business needs and based on the information currently available to the Company.

Directors' Report

Directors' and Chief Executive's Interests and/or Short Positions in Shares, Underlying Shares and Debentures

As at December 31, 2024, so far as is known to the Directors, the interests and/or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) required to be entered into the register required to be kept by the Company pursuant to Section 352 of the SFO, or (iii) otherwise notified to the Company and the Stock Exchange pursuant to the Model Code set out in Appendix C3 of the Listing Rules were as follows:

Interest in shares or underlying shares of the Company

Name of Director	Capacity/Nature of interest	Number of shares or underlying shares	Approximate percentage of shareholding interest ⁽¹⁾
Mr. Chongfeng Shen	Beneficial interest ⁽²⁾	2,908,851	0.25%
Mr. Wenwei Dou	Interest in controlled corporation ⁽³⁾	385,077,588	32.91%
Ms. Wenjun Wang	Interest in controlled corporation ⁽³⁾	385,077,588	32.91%

Notes:

- (1) The calculation is based on the total number of 1,169,980,653 Shares as at December 31, 2024.
- (2) As at December 31, 2024, pursuant to the Stock Incentive Plan, Mr. Chongfeng Shen has been granted 2,540,001 performance unit shares, subject to the conditions (including vesting conditions) of such award. Mr. Chongfeng Shen also directly held 368,850 Shares pursuant to the vesting of performance unit shares granted under the Stock Incentive Plan. Mr. Chongfeng Shen has resigned as an executive Director on February 5, 2025.
- (3) Rong Chang is held by Mr. Wenwei Dou and Ms. Wenjun Wang, two of the non-executive Directors, as to 50% each as nominee shareholders for the benefit of certain directors, supervisors and senior employees of Ping An and its subsidiaries or associates. Pursuant to an amended and restated concert party agreement entered into between Rong Chang and Sen Rong (each defined below) on May 12, 2021, the aforementioned parties agreed to collectively exercise their shareholder rights in the Company and act in concert in all matters involving the operation and management of the Company. Sen Rong further agreed to entrust Rong Chang to exercise its voting rights at general meetings of the Company on its behalf. As such, under the SFO, Mr. Wenwei Dou and Ms. Wenjun Wang are deemed to be interested in an aggregate of 385,077,588 Shares held or controlled by Rong Chang.

Save as disclosed above, as at December 31, 2024, so far as is known to the Directors, none of the Directors and the chief executive of the Company had or were deemed to have any interest and/or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company under Divisions 7 and 8 of Part XV of the SFO or recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Substantial Shareholders' Interests and/or Short Positions in Shares and Underlying Shares

As at December 31, 2024, the interests and/or short positions of persons (other than the Directors and chief executive of the Company) in the shares or underlying shares of the Company (within the meaning of Part XV of the SFO) which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

Name of shareholder	Capacity/Nature of interest	Number of shares or underlying shares	Approximate percentage of shareholding interest ⁽¹⁾
Rong Chang Limited ("Rong Chang") ^{(2) (3)}	Beneficial interest	385,077,588	32.91%
Sen Rong Limited ("Sen Rong") ^{(3) (4) (5)}	Beneficial interest	188,061,642	16.07%
Ping An ^{(5) (6)}	Interest in controlled corporations	375,764,724	32.12%
Computershare Hong Kong Trustees Limited ⁽⁷⁾	Trustee	80,391,570	6.87%

Notes:

(1) The calculation is based on the total number of 1,169,980,653 issued Shares as at December 31, 2024.

(2) As of December 31, 2024, Rong Chang was held by two of the non-executive Directors, Mr. Wenwei Dou and Ms. Wenjun Wang, as to 50% each as nominees on behalf of certain senior employees of Ping An and its subsidiaries and associates. Under the SFO, each of Mr. Wenwei Dou and Ms. Wenjun Wang are deemed to be interested in the Shares held or controlled by Rong Chang.

(3) Pursuant to an amended and restated concert party agreement entered into between Rong Chang and Sen Rong on May 12, 2021, the aforementioned parties agreed to collectively exercise their shareholder rights in the Company and act in concert in all matters involving the operation and management of the Company. Sen Rong further agreed to entrust Rong Chang to exercise its voting rights at general meetings of the Company on its behalf. As such, Rong Chang and Sen Rong as a concert group led by Rong Chang were collectively interested in approximately 32.91% of the total issued capital of the Company as at December 31, 2024. Rong Chang and Sen Rong have further agreed that in the event either party is unable to exercise its rights as a Shareholder due to applicable laws and regulations and the articles of association of the Company (including but not limited to the exercise of its voting rights on matters to be resolved by shareholders of the Company), such party shall notify the other party, and the other party shall not be required act in concert with such party on the relevant matter.

Directors' Report

- (4) As of December 31, 2024, Sen Rong was wholly-owned by Yi Chuan Jin Limited ("Yi Chuan Jin"), which was in turn held by Mr. Jie Li (李捷) and Ms. Liang Xu (薛良) as to 50% each. Mr. Jie Li is the chief technology officer of the Company, and Ms. Liang Xu was previously the head of human resources department of the Company and is currently the general manager of the operation management department of Ping An Technology, a subsidiary of Ping An Group. Under the SFO, each of Mr. Jie Li and Ms. Liang Xu are deemed to be interested in the Shares held by Sen Rong. In addition, pursuant to the Stock Incentive Plan and as of December 31, 2024, (a) Mr. Jie Li has been granted 1,058,003 performance share units, and is entitled to receive up to 267,300 Shares pursuant to options granted, subject to the conditions (including vesting conditions) of such awards. Mr. Jie Li is also entitled to 191,040 Shares held by the Depositary, of which 35,850 Shares were pursuant to the exercise of options granted and 155,190 Shares were pursuant to the vesting of performance share units granted; and (b) Ms. Liang Xu is entitled to receive up to 39,270 Shares pursuant to options granted, subject to the conditions (including vesting conditions) of such award, and is also entitled to 51,450 Shares held by the Depositary pursuant to the exercise of options granted.
- (5) Pursuant to the amended and restated option agreement dated May 12, 2021 (the "**Amended and Restated Option Agreement**"), each of Mr. Jie Li and Ms. Liang Xu has granted call options (the "**Offshore Call Options**") to Bo Yu Limited ("**Bo Yu**") over their respective 5,000 ordinary shares in the issued share capital of Yi Chuan Jin (representing 100% of his/her shares in Yi Chuan Jin), and all securities in Yi Chuan Jin which are derived from such shares after the date of the Amended and Restated Option Agreement and of which he/she is the beneficial owner or to which he/she is entitled from time to time (the "**Option Shares**"). Bo Yu may exercise the Offshore Call Options, in whole or in part, according to the following schedule: (a) up to 50% of the Offshore Call Options may be exercised from the date of the Amended and Restated Option Agreement until the third anniversary thereof; and (b) 100% of the Offshore Call Options may be exercised, during the period commencing immediately after the third anniversary of the date of the Amended and Restated Option Agreement and ending on the tenth anniversary of the first day of such period, or such other period as extended by Bo Yu. In exercising the Offshore Call Options, in lieu of receiving the Option Shares, Bo Yu may elect to receive all or part of the Shares held by Sen Rong and therefore indirectly owned by Mr. Jie Li and Ms. Liang Xu through their holding of the Option Shares, and all securities in the Company which are derived from such Shares after the date of the Amended and Restated Option Agreement and of which he/she is the beneficial owner or to which he/she is entitled from time to time, in lieu of the Option Shares. Mr. Jie Li and Ms. Liang Xu are each entitled to his/her voting rights in Yi Chuan Jin prior to Bo Yu's exercise of the Offshore Call Options. The exercise price per Option Share is calculated pursuant to a formula, which is based upon a predetermined value, as adjusted by, among other things, (a) the volume weighted average price of the Shares of the Company during a defined period and (b) dividends, distributions and certain dilutive events.
- (6) (i) Bo Yu, a wholly-owned subsidiary of An Ke Technology Company Limited, which was in turn wholly-owned by Ping An Financial Technology, a wholly-owned subsidiary of Ping An, directly held 353,077,356 Shares as of December 31, 2024; and (ii) China Ping An Insurance Overseas (Holdings) Limited ("**Ping An Overseas**"), a subsidiary of Ping An, directly held 22,687,368 Shares represented by 756,245.60 ADSs based on public filings and to the knowledge of the Company. Ping An is a company listed on the Stock Exchange (stock code: 2318) and the Shanghai Stock Exchange (stock code: 601318). Ping An may further, through Bo Yu, indirectly receive up to 188,061,642 ordinary shares upon Bo Yu's exercise of options under the Amended and Restated Option Agreement. Under the SFO, each of An Ke Technology Company Limited and Ping An Financial Technology are deemed to be interested in the Shares held by Bo Yu, and Ping An is deemed to be interested in the aggregate of Shares held by Bo Yu and Ping An Overseas.
- (7) The Shares are held on trust for grantees under the Stock Incentive Plan of the Company.

Save as disclosed above, as at December 31, 2024, so far as is known to the Directors, no person (not being a Director or chief executive of the Company) had or was deemed to have any interest and/or short position in the shares or underlying shares of the Company which was required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

Directors' Right to Acquire Shares or Debentures

Save as otherwise disclosed in this Annual Report, at no time during the Reporting Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouses or minor children, or were any such rights exercised by them; nor was the Company, any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other corporations.

Permitted Indemnity Provision

Pursuant to the Articles of Association and subject to applicable laws and regulations, every Director shall be indemnified and secured harmless against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained, other than by reason of such Director own dishonesty, willful default or fraud, in or about the conduct of the Company's business or affairs (including as a result of any mistake of judgment) or in the execution or discharge of his duties, powers, authorities or discretions, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by such Director in defending (whether successfully or otherwise) any civil proceedings concerning the Company or its affairs in any court whether in the Cayman Islands or elsewhere. Such permitted indemnity provision has been in force during the Reporting Period.

In addition to the indemnities provision as set out in the Articles of Association, Directors' liability insurance is currently in place, and was in place during the Reporting Period, to protect the Directors of the Company against potential costs and liabilities arising from claims against them.

Sufficient Public Float

During the Reporting Period and up to the latest practicable date for ascertaining certain information in this Annual Report before its publication, according to the public information obtainable by the Company and to the knowledge of the Directors, the Company has maintained the minimum public float to the extent permitted by the Stock Exchange.

Stock Incentive Plan

The following is a summary of the principal terms of the stock incentive plan adopted in November 2017 (which was amended from time to time) (the "**Stock Incentive Plan**"). The Stock Incentive Plan permits the award of options, performance share units ("**PSUs**") or other share-based awards to eligible participants. The Stock Incentive Plan will not be funded by any allotment of new shares under any general mandates or specific mandates. For further details of the Stock Incentive Plan, please refer to "Statutory and General information – D. Stock Incentive Plan" in Appendix III of the Listing Document.

1. Purpose

The purpose of the Stock Incentive Plan is to attract and retain the best available personnel to promote long-term sustainable development of the Group, maximize Shareholder value, and to achieve to a win-win outcome for the Company, the Shareholders and the employees.

Directors' Report

2. Participants

The Group's employees or any other individual as determined by the plan administrator, in its sole discretion, is eligible to participate in the Stock Incentive Plan.

3. Total number of shares available

Pursuant to the Listing Rules, the total number of Shares which may be issued and/or transferred upon the vesting or exercise of all options that may be granted pursuant to the Stock Incentive Plan and any other share award schemes of the Company in aggregate shall not exceed 10% of the total number of Shares in issue immediately upon the listing (the "Listing") of the Shares on the Stock Exchange (the "Plan Limit"), being 116,998,065 Shares. As of the date of this annual report, none of the Plan Limit has been utilized. Any share awards in the form of options that were granted prior to the Listing under the Stock Incentive Plan will not be counted for the purpose of the Plan Limit. The total number of Shares to be issued and/or transferred upon exercise of all outstanding options under the Stock Incentive Plan and all other share award schemes of the Company granted and yet to be exercised shall not exceed 30% of the total number of Shares in issue from time to time.

Notwithstanding the foregoing, the Compensation and Nomination Committee of the Board has resolved that only existing Shares in issue, including those issued to the Depositary for bulk issuance of ADSs, shall however be used in settlement of awards which have been exercised or vested (as appropriate) in accordance with the terms of the Stock Incentive Plan. The Stock Incentive Plan will not be funded by any allotment of new shares under any general mandates or specific mandates.

4. Maximum entitlement of each participant

Unless approved by the Shareholders in general meeting, the total number of Shares issued and/or transferred, and to be issued and/or transferred upon, the vesting or exercise of the options granted to each grantee (including both exercised, cancelled and outstanding options) in any twelve (12)-month period shall not exceed 1% of the Shares in issue.

5. Period to exercise option

The exercise period of the options granted shall commence from the date on which the relevant options become vested and ending on the expiry date which shall be ten years from the grant date, subject to the terms of the Stock Incentive Plan and the share option agreement signed by the grantee.

6. Vesting period

Except as otherwise approved by the Board and subject to forfeiture and arrangement on termination of employment or service, awards granted will be vested in four years and up to 25% of the awards will become vested in any given year, provided that the vesting of PSUs shall be further subject to the termination of the lock-up period of the initial public offering of the Shares on the NYSE. The first vesting date shall be the first anniversary date of the grant date (or the next day if there is no anniversary date). The number of awards vested each year is subject to adjustment based on a performance index each year. For the first three vestings, any unvested portion of awards due to adjustment of the performance index can be, and can only be, carried over to the next vesting. For the fourth vesting, any unvested portion due to adjustment of the performance index will be forfeited. In addition, awards that can be vested in a year will be forfeited if certain performance index is not met.

7. Present status of the Stock Incentive Plan

Options

As at December 31, 2024, the aggregate number of underlying Shares pursuant to the outstanding options granted under the Stock Incentive Plan is 6,830,110 Shares.

Details of the outstanding options granted under the Stock Incentive Plan during the Reporting Period are as follows:

Name of Grantee	Date of grant ⁽¹⁾⁽²⁾	Date of expiration	Vesting period ⁽³⁾	Exercise Price (RMB/ Share)	Number of Shares					
					Outstanding as at January 1, 2024	Granted during the Reporting Period	Exercised during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Outstanding as at December 31, 2024
Five highest paid individuals in aggregate	November 7, 2017 to June 1, 2019	November 6, 2027 to May 31, 2029	4 years	1.33 to 52.00	627,300	0	0	0	0	627,300
Other employees, related entity participants and service providers	November 7, 2017 to July 26, 2019	November 6, 2027 to July 25, 2029	4 years	1.33 to 52.00	7,514,510	0	0	1,311,700	0	6,202,810
Total					8,141,810	0	0	1,311,700	0	6,830,110

Directors' Report

Notes:

- (1) No consideration was required to be paid for the grant of options.
- (2) The fair value of the share options granted is set out in Note 28 to the consolidated financial statements.
- (3) The exercise period of the options granted shall commence from the date on which the relevant options become vested and ending on the expiry date which shall be ten years from the grant date, subject to the terms of the Stock Incentive Plan and the share option agreement signed by the grantee.

Performance share units ("PSUs")

As of December 31, 2024, the aggregate number of underlying Shares pursuant to the outstanding PSUs granted under the Stock Incentive Plan is 23,129,137 Shares.

Details of the outstanding PSUs granted under the Stock Incentive Plan during the Reporting Period are as follows:

				Exercise Price						
Name of Grantee	Date of grant ⁽¹⁾⁽²⁾	Date of expiration	Vesting period	(RMB/ Share)		Number of Shares				
					Granted	Vested	Lapsed	Cancelled	Outstanding	
					Outstanding as at January 1, 2024	during the Reporting Period ⁽³⁾	during the Reporting Period	during the Reporting Period	during the Reporting Period	as at December 31, 2024
Former Director										
Mr. Chongfeng Shen ⁽⁴⁾	January 2, 2022	January 1, 2032	4 years	N/A	1,740,001	0	0	0	0	1,740,001
	December 16, 2022	December 15, 2032	4 years	N/A	800,000	0	0	0	0	800,000
Five highest paid individuals in aggregate ⁽⁵⁾	September 10, 2021 to December 16, 2024	September 9, 2031 to December 15, 2034	4 years	N/A	2,306,445	600,000	0	0	0	2,906,445
Other employees, related entity participants and service providers	September 10, 2019 to December 16, 2024	September 9, 2029 to December 15, 2034	4 years	N/A	25,679,677	410,000	0	8,406,986	0	17,682,691
Total					30,526,123	1,010,000	0	8,406,986	0	23,129,137

Notes:

- (1) No consideration was required to be paid for the grant of PSUs.
- (2) The fair value of the PSUs granted is set out in Note 28 to the consolidated financial statements.
- (3) The grant date was December 16, 2024. The closing price of the Shares immediately before the date of grant was HK\$0.73/Share and US\$2.56/ADS. Please see Notes 3, 4 and 28 to the consolidated financial statements for details on the fair value at the date of grant and accounting standard and policy adopted for the calculation of fair value of the underlying Shares. There was no performance target attached to the PSUs granted during the Reporting Period.
- (4) Mr. Chongfeng Shen resigned as an executive Director on February 5, 2025.
- (5) Does not include any Directors or former Directors as details of the PSUs granted to such persons have been disclosed above.

Directors' Report

Others

As of the December 31, 2024, the Company has not granted any other types of share-based awards.

8. Amount payable upon acceptance

No consideration is required to be paid for the grant of options or other awards.

9. Basis for determining exercise price of options granted or the purchase price of shares awarded

The administrator of the Stock Incentive Plan shall determine the exercise price of options granted, which for options granted during the Reporting Period, shall not be lower than the higher of the following: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the grant date; or (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the grant date.

10. Remaining life of the Stock Incentive Plan

Unless terminated earlier, the Stock Incentive Plan shall be valid and effective for a period of ten years commencing on the date of adoption of the Stock Incentive Plan, after which period no further options shall be granted. All awards granted that are outstanding on the tenth anniversary of the effective date of the Stock Incentive Plan shall remain in force according to the terms of the Stock Incentive Plan and the applicable share option agreement. Before the expiration of the validity period of the Stock Incentive Plan, it may be extended accordingly with the approval of the Board.

Corporate Governance

Details of the principal corporate governance practices adopted by the Company are set out in the section of "Corporate Governance Report" of this Annual Report.

Auditor

The consolidated financial statements for the year ended December 31, 2024 have been audited by PricewaterhouseCoopers, which will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-appointment. A resolution on the re-appointment of PricewaterhouseCoopers as the auditor of the Company will be proposed at the AGM.

For and on behalf of the Board

Mr. Dangyang Chen *(Chairman and Chief Executive Officer)*

April 24, 2025

Biographical Details of Directors and Senior Management

Directors

As of the date of this Annual Report, the Directors and details of each of their experience are as follows:

Executive Director

Mr. Dangyang Chen (陳當陽), aged 45, served at Ping An Property & Casualty Insurance Company of China, Ltd. ("Ping An Property and Casualty Insurance") from September 2021 to February 2025, during which he has undertaken the positions of assistant president and chief technology officer. He was responsible for promoting digital transformation, including implementing technological regulatory requirements, building scientific and technological data capabilities and managing technical teams and talent. Ping An Property & Casualty Insurance is a subsidiary of Ping An. Ping An Insurance (Group) Company of China, Ltd. ("Ping An") is a company listed on the Hong Kong Stock Exchange (stock code: 2318 (HKD counter) and 82318 (RMB counter)) and the Shanghai Stock Exchange (stock code: 601318), and is a controlling shareholder of the Company. Prior to joining Ping An Group, Mr. Chen served as the chief technology officer of the insurance business group of Ant Group Co., Ltd. from June 2015 to September 2021. From August 2007 to June 2015, Mr. Chen held various positions at China CITIC Bank Corporation Limited (中信銀行股份有限公司), including serving as deputy director at the chief engineer's office.

Mr. Chen received his doctorate degree in engineering and his bachelor's degree in engineering from Beihang University (北京航空航天大學) in July 2007 and July 2002, respectively.

Non-Executive Directors

Mr. Michael Guo (郭曉濤), aged 53, joined the Group in November 2023 as a non-executive Director, and is mainly responsible for providing professional opinion and judgment to the Board. Mr. Guo is also currently serving as an executive director and the co-chief executive officer and senior vice president of Ping An Insurance (Group) Company of China, Ltd. and its subsidiaries.

Mr. Guo joined Ping An Group in September 2019 and successively served as the special assistant to the chairman and executive vice president of Ping An Property & Casualty Insurance Company of China, Ltd., and as the vice chief human resources officer and the chief human resources officer of Ping An Group. Mr. Michael Guo has been serving as a non-executive director of Ping An Healthcare and Technology Company Limited, a company listed on the Hong Kong Stock Exchange (stock code: 1833) since March, 2024, a non-executive director of Ping An Life Insurance Company of China, Ltd. since May 2024, a director of Ping An Property & Casualty Insurance Company Of China, Ltd. since August 2024, a non-executive director of Ping An Bank Co., Ltd. (平安銀行股份有限公司), a company listed on the Shenzhen Stock Exchange (SZSE: 000001), since September 2024, an executive director of Ping An Insurance (Group) Company of China, Ltd. since September 2024 and a director of Peking University Medical Management Co., Ltd. since December 2024. Prior to joining Ping An Group, Mr. Guo served as a partner and a managing director at Boston Consulting Group, and a global co-chief executive officer of capital market businesses at Wills Towers Watson.

Mr. Guo obtained his bachelor's degree in information and control engineering from Xi'an Jiaotong University and MBA degree from the University of New South Wales.

Biographical Details of Directors and Senior Management

Ms. Xin Fu (付欣), aged 45, joined the Group in November 2022 as a non-executive Director, and is mainly responsible for providing professional opinion and judgment to the Board. Ms. Fu is currently serving as an executive director, the senior vice president and chief financial officer (financial director) of Ping An Group.

She joined Ping An Group in October 2017 as the general manager of its planning department, and successively served as the deputy chief financial officer, the director of the strategic development center and chief operating officer of Ping An Group. Ms. Fu has been serving as a director of Lufax Holding Ltd., a company listed on both the Hong Kong Stock Exchange (stock code: 6623) and the NYSE (stock ticker: LU) since November 2022, and as a director of Ping An Healthcare and Technology Company Limited ("**Ping An Good Doctor**"), a company listed on the Hong Kong Stock Exchange (stock code: 1833) since March 2023. Ms. Fu has been serving as a non-executive director of Ping An Life Insurance Company of China, Ltd. and Ping An Asset Management Co., Ltd. since September 2023 and April 2023, respectively. Ms. Fu has also been serving as a non-executive director of Ping An Bank Co., Ltd. (平安银行股份有限公司) ("**Ping An Bank**"), a company listed on the Shenzhen Stock Exchange (SZSE: 000001), since March 2024, an executive director of Ping An since September 2024, a director of Peking University Medical Management Co., Ltd. since December 2024 and the chief financial officer (financial director) of Ping An since March 2025.

Prior to joining Ping An Group, Ms. Fu served as a partner of Roland Berger Management consulting in financial services practices, and as an executive director of PricewaterhouseCoopers, responsible for coordinating projects such as in finance and fintech services for over 10 years.

Ms. Fu received a master's degree in business administration from Shanghai Jiao Tong University, PRC, in June 2012.

Mr. Wenwei Dou (董文偉), aged 59, joined the Group in October 2017 as a non-executive Director. Mr. Dou has also served as a director of Shenzhen OneConnect Smart Technology Co., Ltd. (深圳壹聯通智能科技有限公司) ("**Shenzhen OneConnect**") since December 2017. Mr. Dou is mainly responsible for providing professional opinion and judgment to the Board.

Mr. Dou also serves as a director in various entities within the Ping An HealthKonnnect group and as a director or supervisor within the Lufax group. Between October 2017 and February 2020, Mr. Dou served as a non-executive director of Ping An Good Doctor. Mr. Dou joined Ping An Group in April 1997, and had served in various legal and compliance positions since then.

Mr. Dou received his bachelor's degree and master's degree in law from Jilin University, China in July 1989 and May 1994, respectively.

Biographical Details of Directors and Senior Management

Ms. Wenjun Wang (王文君), aged 57, has served as a non-executive Director since November 2021, and is mainly responsible for providing professional opinion and judgment to the Board, after having previously served as a Director between October 2017 and June 2019. Ms. Wang joined the Group in September 2017 as a director of Shenzhen OneConnect.

Ms. Wang joined Ping An Group in 1996. She served as the general manager of staff service management of the human resources centre in Ping An Group from June 1996 to March 2011, the employee representative supervisor from May 2006 to March 2011, the general manager of the party working department of Ping An Bank, a company listed on the Shenzhen Stock Exchange (stock code: 000001) from March 2011 to September 2022, and a general manager of the security department of Ping An Bank from April 2013 to November 2016.

Ms. Wang received her bachelor's degree of arts in English from Shanghai International Studies University, China in July 1989 and her master's degree of public administration from Xi'an Jiaotong University, China in June 2006. Ms. Wang obtained an economics professional qualification (intermediate) from the Shenzhen position management office, China (中國深圳市職稱管理辦公室) (now known as Shenzhen Human Resources and Social Security Bureau, China) in November 1997.

Independent Non-Executive Directors

Dr. Yaolin Zhang (張耀麟), aged 67, has served as an independent non-executive Director since February 2019. Dr. Zhang is the chairperson of the Compensation and Nomination Committee of the Company. Dr. Zhang is mainly responsible for providing independent opinion and judgment to the Board.

Dr. Zhang has more than 30 years of experience in finance and banking. Dr. Zhang served as chairman of the board of directors and chief executive officer of Shenzhen Ya Zhi Mei Ju Information Technology Co., Ltd. from February 2019 to September 2023, and has been serving as an independent director of the Bank of Ningxia Co., Ltd. since December 2019 and as an independent director of Dongguan Trust Co., Ltd. since August 2019. Dr. Zhang was independent director of Bank of Luoyang Co., Ltd. between August 2017 and May 2022. Dr. Zhang was the person responsible for the establishment of the Shenzhen branch of Shanghai Pudong Development Bank ("SPD Bank"), and served as president of the branch from August 2010 to May 2015. Prior to that, Dr. Zhang served as a vice president of Ping An Bank from November 2008 to August 2010. From June 1998 to October 2008, Dr. Zhang served in various positions in SPD Bank, including as vice president and president of the Guangzhou branch and vice president of SPD Bank. From July 1987 to June 1998, Dr. Zhang served in various management positions at China Construction Bank.

Dr. Zhang received his bachelor's degree of science in physics from Fudan University, China in October 1982, his master's degree in economics from Wuhan University, China in August 1987, his doctorate degree in law from Wuhan University, China in June 1996, and his executive master of business administration degree from the China Europe International Business School, China in June 2007.

Biographical Details of Directors and Senior Management

Mr. Tianruo Pu (潘天若), aged 56, has served as an independent non-executive Director since September 2019. Mr. Pu is the chairperson of the Audit Committee of the Company. Mr. Pu is mainly responsible for providing independent opinion and judgment to the Board.

Mr. Pu currently serves as an independent director of various listed companies, including Fresh2 Group Limited (formerly known as AnPac Bio-Medical Science Co., Ltd.) (formerly NASDAQ: ANPC; now NASDAQ: FRES) since October 2022, Autohome Inc. listed on the Hong Kong Stock Exchange (stock code: 2518) and the NYSE (stock ticker: ATHM), since December 2016, and 3SBio Inc. listed on the Hong Kong Stock Exchange (stock code: 1530), since May 2015. Previously, Mr. Pu served as a director of various companies listed on the NYSE or NASDAQ, including Renren Inc. (NYSE: RENN) from December 2016 to July 2020, Kaixin Auto Holdings (NASDAQ: KXIN) from April 2019 to July 2020, Luckin Coffee Inc. (NASDAQ: LK) from March 2020 to June 2020 and JMU Limited (now known as Mercury Fintech Holding Inc.) (formerly NASDAQ: JMU; now NASDAQ: MFH) from April 2015 to November 2019. Mr. Pu has extensive work experience in finance and accounting in both the United States and China. Mr. Pu served as the chief financial officer of various companies, including Zhaopin Ltd. (formerly NYSE: ZPIN) from 2016 to 2018, UTStarcom Holdings Corp. (NASDAQ: UTSI) from 2012 to 2014 and China Nuokang Bio-Pharmaceutical Inc. (formerly NASDAQ: NKBPF) from 2008 to 2012.

Mr. Pu received his bachelor's degree of arts in diplomatic English from China Foreign Affairs University, China in July 1991, his master's degree of science in accounting from the University of Illinois, United States in May 1996 and his master's degree in business administration from the J. L. Kellogg Graduate School of Management at Northwestern University, United States, in June 2000.

Mr. Wing Kin Anthony Chow (周永健), aged 74, has served as an independent non-executive Director since October 2020. Mr. Chow is a member of the Audit Committee and the Compensation and Nomination Committee of the Company. Mr. Chow is mainly responsible for providing independent opinion and judgment to the Board.

Mr. Chow has been serving as a non-executive director of Kingmaker Footwear Holdings Ltd., a company listed on the Hong Kong Stock Exchange (stock code: 1170), since May 1994, an independent non-executive director of Ping An Good Doctor since May 2018, an independent non-executive director of Beijing North Star Company Limited, a company listed on the Hong Kong Stock Exchange (stock code: 0588), since May 2021 and an independent non-executive director of China Resources Beverage (Holdings) Company Limited, a company listed on the Hong Kong Stock Exchange (stock code: 2460), since October 2024. He was also an independent non-executive director of MTR Corporation Limited, a company listed on the Hong Kong Stock Exchange (stock code: 0066), between May 2016 and May 2022, and an independent non-executive director of S.F. Holding Co., Ltd., a company listed on the Shenzhen Stock Exchange (stock code: 2352), between December 2016 and December 2022.

Mr. Chow is a solicitor admitted to practice in Hong Kong and England and Wales. He has been a practicing solicitor in Hong Kong for more than 40 years and is the senior consultant of Messrs. Guantao & Chow Solicitors and Notaries. Mr. Chow is a China-appointed attesting officer. Mr. Chow was a member of The National Committee of the Chinese People's Political Consultative Conference from 2003 to 2023, the president of The Law Society of Hong Kong from 1997 to 2000, chairman of the Process Review Panel for the SFC from 2006 to 2012 and chairman of Process Review Panel for the Financial Reporting Council from 2015 to 2020.

Biographical Details of Directors and Senior Management

Mr. Chow was awarded the Justice of the Peace in 1998 and the Silver Bauhinia Star medal in 2003 by the Hong Kong Special Administrative Region. He was also awarded the Honorary Fellowship of the Hong Kong Institute of Education in 2010, the Honorary Fellowship of King's College London in July 2013, the Roll of Honor by the Law Society of Hong Kong in 2015, Doctor of Social Science honoris causa of Hong Kong Metropolitan University (formerly known as The Open University of Hong Kong) in December 2018, and Doctor of Laws honoris causa of The Hong Kong University of Science and Technology in November 2021.

Mr. Koon Wing Ernest Ip (葉冠榮), aged 64, has served as an independent non-executive Director since November 2021. Mr. Ip is a member of the Audit Committee of the Company. Mr. Ip is mainly responsible for providing independent opinion and judgment to the Board.

Mr. Ip has over 35 years of experience in accounting and auditing. Mr. Ip has been serving as the group chief financial officer of the Fung Group since 2019, which comprises, among others, Li & Fung Limited, a company formerly listed on the Hong Kong Stock Exchange (stock code: 0494), Fung (1937) Management Limited and Convenience Retail Asia Limited, a company listed on the Hong Kong Stock Exchange (stock code: 0831). Mr. Ip has also been serving as an independent director of PAOB Bank Limited (formerly known as Ping An OneConnect Bank (Hong Kong) Limited since August 2021, and an independent non-executive director of Media Chinese International Limited, a company listed on both the Hong Kong Stock Exchange (stock code: 0685) and Bursa Malaysia Securities Berhad (stock code: 5090), since July 2021. As an independent non-executive director of PAOB, Mr. Ip has the general responsibility of providing independent advice and guidance to the board of PAOB without involvement in its daily operations and management. Additionally, Mr. Ip is a member of the board risk management committee and chairperson of the board audit committee of PAOB, and is responsible for overseeing, monitoring and reviewing PAOB's risk management framework and structure, financial reporting, internal audit function and the work of PAOB's external auditor. Prior to joining the Fung Group, Mr. Ip was a partner at PricewaterhouseCoopers Limited from 1993 until his retirement in 2019.

Mr. Ip holds several key positions in regulatory authorities and business associations. Currently, Mr. Ip is a member of the Takeovers & Mergers Panel of the SFC and the Takeovers Appeal Committee of the SFC. He is also a member of the Guangdong Provincial Committee of the Chinese People's Political Consultative Conference, the vice president of the Council for the Promotion of Guangdong-Hong Kong-Macao cooperation and a senior advisor of the Accounting Professional Committee for Hong Kong region of the Council for the Promotion of Guangdong-Hong Kong-Macao cooperation. He was the Listing Committee member of the Hong Kong Stock Exchange from 2003 to 2009, a member of the Dual Filing Advisory Group of the SFC from 2008 to 2014 and the president of the Hong Kong Business Accountants Association in 2022.

Mr. Ip graduated with a professional diploma in accountancy from the accounting faculty of the Hong Kong Polytechnic, Hong Kong (now known as Hong Kong Polytechnic University) in November 1984. Mr. Ip has been a fellow member of the Association of Chartered Certified Accountants since February 1992, a fellow member of the Hong Kong Institute of Certified Public Accountants since December 1994 and a fellow member of the Certified Practising Accountant Australia since February 2012.

Biographical Details of Directors and Senior Management

Senior Management

As of the date of this Annual Report, the members of the senior management team and details of each of their experience are as follows:

Mr. Danyang Chen (陳當陽) is an executive Director, the chairman of the Board and the chief executive officer. See "Directors" in this section for his biographical details.

Mr. Xiao Tang (唐曉), aged 44, joined the Group in October 2024 and is currently the general manager. Mr. Tang is mainly responsible for the digital bank business.

Mr. Tang has over 25 years experience in banking services. Prior to joining the Company, Mr. Tang served as an executive director and the president of BOC Financial Technology Co., Ltd. from December 2020 to September 2024. Before that, Mr. Tang served as a executive vice president of the Suzhou subsidiary of CCB Fintech Co., Ltd. and the general manager of customer service department of Wuhan business group from April 2018 to November 2020. From July 2001 to April 2018, Mr. Tang served in different positions of China Construction Bank, including department head of the testing and promotion department of Wuhan data center, and head of the innovation department.

Mr. Tang received his bachelor's degree in electronic information from Wuhan University of Technology in 2001, and his master's degree in business administration from Huazhong University of Science and Technology in 2006.

Mr. Rubo Lin (林如波), aged 52, joined the Group in August 2024 and is currently the chief financial officer and a joint company secretary of the Company. As the chief financial officer, Mr. Lin is mainly responsible for the Company's finance and planning.

Mr. Lin has over 20 years experience in technology, media and telecommunications industry and capital market. Prior to joining the Company, Mr. Lin served as the chief financial officer of Ping An Technology, a leading fintech company in China. Before that, Mr. Lin served in different senior management positions of various companies from 2010 to 2020, including chief financial officer of Lenovo Group Ltd's global mobile business unit, finance general manager of WeChat business division in Tencent and chief financial officer of Shenzhen Xiaoman Technology Co. Ltd. From 1999 to 2010, Mr. Lin worked for Microsoft, Dell and IBM in U.S./China and he held various managerial roles in service finance, business control, strategic planning, digital transformation and cloud services.

Mr. Lin received his bachelor's degree in international business and economics from Hunan University in 1994, and his master's degree of business and administration from Kelley School of Business at Indiana University Bloomington in 2005.

Biographical Details of Directors and Senior Management

Joint Company Secretaries

As of the date of this Annual Report, the joint company secretaries and details of each of their experience are as follows:

Mr. Rubo Lin (林如波), is the chief financial officer and was appointed as one of the joint company secretaries on April 11, 2025. See “Senior Management” in this section for his biographical details.

Ms. Chan Yuen Mui (陳婉梅) was appointed as one of the joint company secretaries on April 11, 2025. Ms. Chan has over 15 years of experience in corporate secretarial and commercial administration fields. She currently serves as the Manager, Entity Solutions of Computershare Hong Kong Investor Services Limited. Ms. Chan obtained a Bachelor of Business Administration degree with Honours from Hong Kong Baptist University and a Master of Corporate Governance degree from The Hong Kong Polytechnic University. She is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

Independent Auditor's Report

To the Shareholders of OneConnect Financial Technology Co., Ltd.
(incorporated in the Cayman Islands with limited liability)

Opinion

What we have audited

The consolidated financial statements of OneConnect Financial Technology Co., Ltd. (the "Company") and its subsidiaries (the "Group"), which are set out on pages 92 to 217, comprise:

- the consolidated balance sheet as at December 31, 2024;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Goodwill impairment assessments
- Impairment loss allowance for trade receivables and contract assets
- Recognition of deferred tax assets

Independent Auditor's Report

Key Audit Matter	How our audit addressed the Key Audit Matter
Goodwill impairment assessments <p>Refer to notes 4(d) and 15 to the consolidated financial statements.</p> <p>As at December 31, 2024, the net carrying amount of goodwill amounted to RMB157,260 thousands, which was regarded as attributable to the cash generating unit ("CGU") of Technology Solutions segment.</p> <p>Goodwill impairment assessment is performed by management at least annually or more frequently if events or changes in circumstances indicate that a CGU to which goodwill has been allocated may be impaired. Based on the results of the impairment assessment, the carrying value of the CGU, to which the goodwill was allocated, exceeded its recoverable amount, and therefore RMB131,901 thousands impairment loss on the goodwill was recognised as at December 31, 2024.</p> <p>The recoverable amount of the CGU was determined based on the value-in-use calculations using cash flow projections.</p> <p>We focused on this area because the estimation of recoverable amount is subject to high degree of estimation uncertainty. The inherent risk in relation to the impairment assessment of goodwill is considered significant due to subjectivity of the significant assumptions used, and significant judgements involved in the impairment assessment, including revenue growth rates, long-term growth rate, profit margin and pre-tax discount rate.</p>	<p>In response to this key audit matter, we performed the following procedures:</p> <ul style="list-style-type: none">• We obtained an understanding of the management's internal control and assessment process of goodwill impairment and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity and changes in assumptions used in the impairment tests;• We evaluated the outcome of prior period assessment of goodwill impairment to assess the effectiveness of management's estimation process;• We evaluated and tested the controls over the impairment assessment of goodwill;• We evaluated the reasonableness of revenue growth rate, long-term growth rate, profit margin based on the current and historical business performance of the CGU; the management's future business plan and market development, and the consistency with evidence obtained in other areas of the audit;• We utilised professionals with specialised skill and knowledge to assist in the evaluation of the appropriateness of the goodwill impairment assessment method, long-term growth rate and pre-tax discount rate adopted by the management.• We tested the completeness, accuracy and relevance of the underlying data used and the mathematical accuracy of the calculation in the goodwill impairment assessment;• We assessed the adequacy of the disclosures related to goodwill impairment in the context of the applicable financial reporting framework. <p>Based on the procedures performed, we considered that management's judgments and assumptions applied in the assessment of goodwill impairment are supported by the evidence obtained.</p>

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Impairment loss allowance for trade receivables and contract assets</p> <p>Refer to notes 4(a), 5.1(b)(ii), 6.2(b) and 20 to the consolidated financial statements.</p> <p>As at December 31, 2024, the gross balance of trade receivables and contract assets were amounted to RMB582,068 thousands and RMB125,842 thousands, respectively, and the impairment loss allowances for these assets were amounted to RMB75,533 thousands and RMB62,422 thousands, respectively.</p> <p>The impairment loss allowances were determined using the expected credit loss ("ECL") model. Management applied the simplified approach in determining ECL which used a lifetime expected impairment loss allowance for all trade receivables and contract assets. Management grouped trade receivables and contract assets based on their shared credit risk characteristics and the age of the underlying receivables, and then determined the impairment loss allowance on the basis of exposure at default and ECL rates, which considered historical credit loss experience adjusted to reflect current and forward-looking information.</p> <p>We focused on this area because the impairment loss allowance is subject to high degree of estimation uncertainty. The inherent risk in relation to the impairment loss allowances is considered significant due to the complexity of the ECL model, subjectivity of significant assumptions used, and significant judgements involved in the grouping of trade receivables and contract assets, and the determination of ECL rates.</p>	<p>In response to this key audit matter, we performed the following procedures:</p> <ul style="list-style-type: none"> • We obtained an understanding of the management's internal control and assessment process of provision for impairment of trade receivables and contract assets and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity and subjectivity; • We evaluated and tested controls over the impairment of trade receivables and contract assets, including the grouping of trade receivables and contract assets and the determination of ECL rates; • We evaluated the appropriateness of the ECL model; • We evaluated the reasonableness of significant assumptions used by management relating to grouping of trade receivables and contract assets by considering the credit risk characteristics and the age of the underlying assets; • We evaluated the reasonableness of significant assumptions used by management relating to ECL rates by considering (i) the appropriateness of historical period selection, historical credit loss experience, current status of the assets and other relevant information; and (ii) the appropriateness of forward-looking information and macroeconomic factors affecting the expected ability of customers to settle receivables; • We tested the completeness, accuracy, and relevance of underlying data used and the mathematical accuracy of the ECL model. <p>Based on the procedures performed, we considered that management's judgments and assumptions applied in the assessment of impairment loss allowance for trade receivables and contract assets are supported by evidence obtained.</p>

Independent Auditor's Report

Key Audit Matter	How our audit addressed the Key Audit Matter
Recognition of deferred tax assets <p>Refer to notes 4(b) and 35 to the consolidated financial statements.</p> <p>As at December 31, 2024, the balance of the Group's deferred tax assets was RMB313,805 thousands.</p> <p>The recognition of deferred tax assets was based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in future periods, against which existing deductible temporary differences can be utilized. To determine the future taxable profits, reference was made to the latest available profit forecasts. Where the temporary difference is related to the carry-forward of operating losses, relevant tax law was considered on a jurisdictional basis to determine the availability of such losses to offset future taxable profits.</p> <p>We focused on this area because the estimation of sufficient future taxable profits is subject to high degree of estimation uncertainty. The inherent risk in relation to the recognition of deferred tax assets is considered significant due to subjectivity of significant assumptions used, and significant judgements involved in the forecast of sufficient future taxable profits used to support the recognition of the deferred tax assets.</p>	<p>In response to this key audit matter, we performed the following procedures:</p> <ul style="list-style-type: none">• We obtained an understanding of the management's internal control and assessment process of recognition of deferred tax assets and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and the level of other inherent risk factors such as complexity, subjectivity and changes in assumptions used in recognition of deferred tax assets;• We evaluated and tested the controls over the recognition of deferred tax assets, including controls over the forecast of future taxable profits used to support the recognition of the deferred tax assets;• We obtained management's calculation sheets of deferred tax assets and tested the completeness and accuracy of the underlying data used and the mathematical accuracy of the calculation sheets;• We evaluated the reasonableness of significant assumptions and estimates used by management in estimating future taxable profits, by (i) considering the results of a retrospective comparison of forecasted taxable profits in prior year to actual results in the current year; (ii) comparing revenue growth rate and profit margin in the current year forecast to historical results and industry trends; and (iii) comparing whether the forecast was consistent with evidence obtained in other areas of the audit. <p>Based on the procedures performed, we considered that management's judgments and assumptions applied in the recognition of deferred tax assets are supported by the evidence obtained.</p>

Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and the Audit Committee for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Independent Auditor's Report

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Independent Auditor's Report

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Wenping Yao.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, April 24, 2025

Consolidated statement of comprehensive income

	Note	Year ended December 31,	
		2023	2024
		RMB'000	RMB'000
		(Note 12)	
Continuing operations			
Revenue	6.2(a)	3,521,591	2,248,103
Cost of revenue	7	(2,195,574)	(1,443,606)
Gross profit		1,326,017	804,497
Research and development expenses	7	(955,201)	(510,898)
Selling and marketing expenses	7	(241,612)	(177,285)
General and administrative expenses	7	(375,128)	(305,110)
Net impairment losses on financial and contract assets	5.1(b)	(40,544)	(31,255)
Other income, gains or loss-net	9	69,183	(83,482)
Operating loss		(217,285)	(303,533)
Finance income	10	29,580	67,484
Finance costs	10	(20,086)	(13,289)
Finance income – net	10	9,494	54,195
Share of gains of associate and joint venture – net	16	4,607	–
Impairment charges on associate	16	(7,157)	–
Loss before income tax		(210,341)	(249,338)
Income tax expense	11	(9,762)	(455,368)
Loss for the year from continuing operations		(220,103)	(704,706)
Discontinued operations			
(Loss)/profit from discontinued operations (attributable to owners of the Company)	12	(151,373)	209,499
Loss for the year		(371,476)	(495,207)
Loss attributable to:			
– Owners of the Company		(362,715)	(459,677)
– Non-controlling interests		(8,761)	(35,530)
		(371,476)	(495,207)
(Loss)/profit attributable to owners of the Company arises from:			
– Continuing operations		(211,342)	(669,176)
– Discontinued operations		(151,373)	209,499
		(362,715)	(459,677)

Consolidated statement of comprehensive income

	Note	Year ended December 31,	
		2023	2024
		RMB'000	RMB'000
		(Note 12)	
Other comprehensive (loss)/income, net of tax			
Items that may be subsequently reclassified to profit or loss			
– Foreign currency translation differences of continuing operations	27	(5,744)	(2,702)
– Exchange differences on translation of discontinued operations	12, 27	9,624	177
– Changes in the fair value of debt instruments measured at fair value through other comprehensive income of discontinued operations	12, 27	500	6,056
– Disposal of subsidiaries	12, 27	–	18,237
Items that will not be subsequently reclassified to profit or loss			
– Foreign currency translation differences	27	22,336	31,636
– Changes in the fair value of equity instruments measured at fair value through other comprehensive income	27	–	(3,204)
Other comprehensive income for the year, net of tax		26,716	50,200
Total comprehensive loss for the year		(344,760)	(445,007)
Total comprehensive loss for the year attributable to:			
– Owners of the Company		(335,999)	(409,477)
– Non-controlling interests		(8,761)	(35,530)
		(344,760)	(445,007)
Loss per share for loss from continuing operations attributable to owners of the Company (expressed in RMB per share)			
– Basic and diluted	13	(0.19)	(0.61)
Loss per ADS for loss from continuing operations attributable to owners of the Company (expressed in RMB per share)			
– Basic and diluted	13	(5.82)	(18.42)
Loss per share for loss attributable to the owners of the Company (expressed in RMB per share)			
– Basic and diluted	13	(0.33)	(0.42)
Loss per ADS for loss attributable to the owners of the Company (expressed in RMB per share)			
– Basic and diluted	13	(9.99)	(12.66)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated balance sheet

		As at December 31,	
		2023	2024
	Note	RMB'000	RMB'000
ASSETS			
Non-current assets			
Property and equipment	14	85,076	43,895
Intangible assets	15	471,371	195,636
Deferred tax assets	35	768,276	313,805
Financial assets measured at fair value through other comprehensive income	18	1,372,685	–
Restricted cash and time deposits over three months	24	5,319	–
Prepayments and other receivables	21	6,663	6,506
Trade receivables	20	–	10,106
Total non-current assets		2,709,390	569,948
Current assets			
Trade receivables	20	710,669	496,429
Contract assets	6.2(b)	95,825	63,420
Prepayments and other receivables	21	905,691	342,221
Financial assets measured at amortized cost from virtual bank	22	3,081	–
Financial assets measured at fair value through other comprehensive income	18	853,453	–
Financial assets at fair value through profit or loss	23	925,204	455,016
Derivative financial assets	33	38,008	40,356
Restricted cash and time deposits over three months	24	447,564	51,940
Cash and cash equivalents	25	1,379,473	1,947,922
Total current assets		5,358,968	3,397,304
Total assets		8,068,358	3,967,252
EQUITY AND LIABILITIES			
EQUITY			
Share capital	26	78	78
Shares held for share incentive scheme	28	(149,544)	(149,544)
Other reserves	27	10,989,851	11,041,209
Accumulated losses		(7,873,614)	(8,333,291)
Equity attributable to equity owners of the Company		2,966,771	2,558,452
Non-controlling interests		(18,979)	(54,509)
Total equity		2,947,792	2,503,943

Consolidated balance sheet

	Note	As at December 31,	
		2023	2024
		RMB'000	RMB'000
LIABILITIES			
Non-current liabilities			
Trade and other payables	29	28,283	10,670
Contract liabilities	6.2(b)	17,126	12,946
Deferred tax liabilities	35	2,079	–
Total non-current liabilities		47,488	23,616
Current liabilities			
Trade and other payables	29	1,981,288	993,842
Payroll and welfare payables		385,908	311,190
Contract liabilities	6.2(b)	138,563	115,501
Short-term borrowings	30	251,732	19,160
Customer deposits	31	2,261,214	–
Other financial liabilities from virtual bank	32	54,373	–
Total current liabilities		5,073,078	1,439,693
Total liabilities		5,120,566	1,463,309
Total equity and liabilities		8,068,358	3,967,252

The accompanying notes are an integral part of these consolidated financial statements.

The financial statements on pages 92 to 217 were approved by the Board of Directors on April 24, 2025 and were signed on its behalf.

Dangyang Chen
Director, Chairman
and Chief Executive Officer

Wenjun Wang
Director

Rubo Lin
Chief Financial Officer

Consolidated statement of changes in equity

	Note	Attributable to owners of the Company						Total equity RMB'000
		Share capital RMB'000	Shares held for share incentive scheme RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Total RMB'000	Non-controlling interest RMB'000	
As at January 1, 2023		78	(149,544)	10,953,072	(7,510,899)	3,292,707	(14,652)	3,278,055
Loss for the year		-	-	-	(362,715)	(362,715)	(8,761)	(371,476)
Other comprehensive income, net of tax								
– Foreign currency translation differences	27	-	-	26,216	-	26,216	-	26,216
– Fair value changes on financial assets measured at fair value through other comprehensive income	27	-	-	500	-	500	-	500
Total comprehensive loss for the year		-	-	26,716	(362,715)	(335,999)	(8,761)	(344,760)
Transactions with equity holders:								
Share-based payments:								
– Value of employee services and business cooperation arrangements	27, 28	-	-	14,497	-	14,497	-	14,497
Transactions with non-controlling interests	27, 29(ii)	-	-	(4,434)	-	(4,434)	4,434	-
Total transactions with equity holders at their capacity as equity holders for the year		-	-	10,063	-	10,063	4,434	14,497
As at December 31, 2023		78	(149,544)	10,989,851	(7,873,614)	2,966,771	(18,979)	2,947,792

Consolidated statement of changes in equity

	Note	Attributable to owners of the Company						Total equity RMB'000
		Share capital RMB'000	incentive scheme RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Total RMB'000	Non-controlling interest RMB'000	
As at January 1, 2024		78	(149,544)	10,989,851	(7,873,614)	2,966,771	(18,979)	2,947,792
Loss for the year		–	–	–	(459,677)	(459,677)	(35,530)	(495,207)
Other comprehensive income, net of tax								
– Foreign currency translation differences	27	–	–	29,111	–	29,111	–	29,111
– Fair value changes on financial assets measured at fair value through other comprehensive income	27	–	–	2,852	–	2,852	–	2,852
– Disposal of subsidiaries	12	–	–	18,237	–	18,237	–	18,237
Total comprehensive income for the year		–	–	50,200	(459,677)	(409,477)	(35,530)	(445,007)
Transactions with equity holders:								
Share-based payments:								
– Value of employee services and business cooperation arrangements	27, 28	–	–	1,158	–	1,158	–	1,158
Total transactions with equity holders at their capacity as equity holders for the year		–	–	1,158	–	1,158	–	1,158
As at December 31, 2024		78	(149,544)	11,041,209	(8,333,291)	2,558,452	(54,509)	2,503,943

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

	Note	Year ended December 31,	
		2023	2024
		RMB'000	RMB'000
Cash flows from operating activities			
Cash used in operations	36(a)	(637,746)	(271,334)
Income tax paid		(10,715)	(5,515)
Net cash used in operating activities		(648,461)	(276,849)
Cash flows from investing activities			
Payments for property and equipment		(5,981)	(6,113)
Payments for intangible assets		(31,488)	(21,310)
Payments for financial assets measured at fair value through other comprehensive income		(1,867,657)	(1,326,461)
Payments for Investment in Jointly controlled entities	16	(2,550)	–
Payments for financial assets at fair value through profit or loss		(914,500)	(882,752)
Proceeds for settlement of derivatives		40,342	19,263
Release of restricted cash and time deposits over three months, net		207,896	15,569
Proceeds from sales of property and equipment		699	533
Proceeds from disposal of subsidiaries-net	12	–	723,171
Receipts of loans to related parties		1,600	–
Proceeds from sales of financial assets measured at fair value through other comprehensive income		1,991,143	1,217,277
Proceeds from disposal of investment in associate	16	199,200	–
Proceeds from sales of financial assets at fair value through profit or loss		686,626	1,354,351
Interest received on financial assets at fair value through profit or loss		13,304	12,728
Net cash generated from investing activities		318,634	1,106,256
Cash flows from financing activities			
Proceeds from short-term borrowings	36(c)	235,000	–
Proceeds from exercise of shares under share incentive scheme		–	–
Payments of lease liabilities	36(c)	(60,922)	(36,259)
Repayments of short-term borrowings	36(c)	(273,000)	(235,000)
Interest paid	36(c)	(11,403)	(8,064)
Transactions with non-controlling interests		(15,000)	–
Payments for shares held for share incentive scheme		(88,280)	–
Increase in restricted cash		–	(2,929)
Net cash used in financing activities		(213,605)	(282,252)
Net (decrease)/increase in cash and cash equivalents		(543,432)	547,155
Cash and cash equivalents at the beginning of the year		1,907,776	1,379,473
Effects of exchange rate changes on cash and cash equivalents		15,129	21,294
Cash and cash equivalents at the end of year	25	1,379,473	1,947,922

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1 General information and basis of presentation

1.1 General information

OneConnect Financial Technology Co., Ltd. (the "Company") was incorporated in the Cayman Islands on October 30, 2017 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The Company completed its initial public offering ("IPO") on December 13, 2019 on the New York Stock Exchange. The Company has listed by way of introduction its ordinary shares on the Main Board of the Stock Exchange of Hong Kong Limited on July 4, 2022.

On November 30, 2022, the Company announced its plans to change the ratio of its American Depositary Share ("ADS") to its ordinary shares (the "ADS Ratio") from the current ADS Ratio of one ADS to three ordinary shares to a new ADS Ratio of one ADS to thirty ordinary shares. The change in the ADS Ratio became effective on December 12, 2022. For all the periods presented, basic and diluted loss per ADS have been revised assuming the change of ADS ratio from a ratio of one ADS to three ordinary share to a new Ratio of one ADSs to thirty ordinary shares occurred at the beginning of the earliest period presented.

The Company, its subsidiaries, its controlled structured entities ("Structured Entities", "Variable Interest Entities" or "VIEs") and their subsidiaries ("Subsidiaries of VIEs") are collectively referred to as the "Group". The Group is principally engaged in providing cloud-platform-based Fintech solutions, online information service and operating support service to financial institutions (the "Listing Business") mainly in the People's Republic of China (the "PRC"). The Company does not conduct any substantive operations of its own but conducts its primary business operations through its subsidiaries, VIEs and subsidiaries of VIEs in the PRC. Further details of the VIEs are set out in Note 1.2 below.

These financial statements are presented in Chinese Renminbi ("RMB"), unless otherwise stated.

1.2 Organization and principal activities

As at December 31, 2024, the Company had direct or indirect interests in the following major subsidiaries (which are all corporations) including consolidated structured entities.

Company name	Place and date of incorporation/ establishment	Principal activities and place of operations	Issued and paid-in capital/ Registered capital	Equity interest held by the Group As at December 31		Note
				2023	2024	
Subsidiaries						
Jin Tai Yuan Limited	British Virgin Islands/ October 27, 2017	Investment holding, BVI	USD747,940,498	100%	100%	
Jin Cheng Long Limited	Hong Kong/ October 30, 2017	Investment holding, Hong Kong, the PRC.	USD747,940,498	100%	100%	
OneConnect Financial Technology (Hong Kong) Limited	Hong Kong/March 15, 2018	Software and technology service, information transmission, Hong Kong, the PRC.	USD1	100%	100%	

1 General information and basis of presentation (Continued)

1.2 Organization and principal activities (Continued)

Company name	Place and date of incorporation/ establishment	Principal activities and place of operations	Issued and paid-in capital/ Registered capital	Equity interest held by the Group As at December 31		Note
				2023	2024	
OneConnect Financial Technology (Singapore) Co., Pte. Ltd.	Singapore/March 26, 2018	Software and technology service, information transmission, Singapore.	SGD47,900,000	100%	100%	
PT OneConnect Financial Technology Indonesia	Indonesia/December 04, 2018	Software and technology service, information transmission, Indonesia.	IDR10,000,000,000	100%	100%	
Shenzhen OneConnect Technology Services Co., Ltd. ("Shenzhen OneConnect Technology")	the PRC/January 04, 2018	Technology promotion and computer application services, Shenzhen, the PRC.	RMB4,903,181,996/ RMB4,960,000,000	100%	100%	
Beijing Vantage Point Technology Co., Ltd. ("Vantage Point Technology")	the PRC/July 18, 2008	Software and technology service, information transmission, Beijing, the PRC.	RMB13,333,529	51.67%	51.67%	(i)
Shenzhen OneConnect Information Technology Service Company Limited ("Shenzhen OneConnect Information Technology")	the PRC/January 31, 2019	Software and technology service, information transmission, Shenzhen, the PRC.	RMB100,000,000	51%	51%	
Beijing BER Technology Company Ltd. ("BER Technology")	the PRC/March 30, 2006	Software and technology service, information transmission, Shenzhen, the PRC.	RMB22,950,000	100%	100%	(i)
Zhang Tong Shun (Guangzhou) Technology Co., Ltd. ("Zhang Tong Shun")	the PRC/May 9, 2019	Information technology advisory services, Guangzhou, the PRC.	RMB10,000,000	100%	100%	(i)
VIEs						
OneConnect Smart Technology Co., Ltd. (Shenzhen) ("Shenzhen OneConnect")	the PRC/September 15, 2017	Software and technology service, information transmission, Shenzhen, the PRC.	RMB1,200,000,000	100%	100%	
Shenzhen E-Commerce Safety Certificates Administration Co., Ltd. ("Shenzhen CA")	the PRC/August 11, 2000	E-commerce security certificate administration, Shenzhen, the PRC.	RMB543,500,000	98.9%	98.9%	(i)

1 General information and basis of presentation (Continued)

1.2 Organization and principal activities (Continued)

Company name	Place and date of incorporation/ establishment	Principal activities and place of operations	Issued and paid-in capital/ Registered capital	Equity interest held by the Group As at December 31		Note
				2023	2024	
Subsidiaries of the VIEs						
Shanghai OneConnect Financial Technology Co., Ltd. ("Shanghai OneConnect") *	the PRC/December 29, 2015	Software and technology service, asset management and consulting, Shanghai, the PRC.	RMB1,200,000,000	100%	100%	
Shenzhen Kechuang Insurance Assessment Co., Ltd. ("Kechuang")*	the PRC/August 27, 2001	Insurance survey and loss adjustment, Shenzhen, the PRC.	RMB4,000,000	100%	100%	
Shenzhen OneConnect Chuangpei Technology Co., Ltd. ("Chuangpei")*	the PRC/June 1, 2016	Software and technology service, information transmission, Shenzhen, the PRC.	RMB10,000,000	100%	100%	
Zhuhai Yirongtong Asset Management Co., Ltd. ("Yirongtong") *	the PRC/June 21, 2016	Asset management and consulting, Zhuhai, the PRC.	RMB12,000,000	100%	100%	
Ping An OneConnect Cloud Technology Co., Ltd. ("OneConnect Cloud Technology")	the PRC/June 27, 2016	Software and technology service, information transmission, Shenzhen, the PRC.	RMB500,000,000	100%	100%	

* Subsidiaries of Shenzhen OneConnect

Note:

(i) The subsidiaries were acquired by the Group through business combination.

PRC laws and regulations prohibit or restrict foreign ownership of companies that provide internet-based business, which include activities and services provided by the Group. The Group operates its business operations in the PRC through a series of contractual arrangements entered into among a wholly-owned subsidiary of the Company and VIEs that legally owned by equity holders ("Nominee Shareholders") authorized by the Group (collectively, "Contractual Arrangements"). The Contractual Arrangements include Exclusive Equity Purchase Option Agreement, Exclusive Business Cooperation Agreement, Exclusive Asset Option Agreement, Equity Pledge Agreement, Shareholder Voting Proxy Agreement, Letters of Undertakings and Spousal Consent Letters.

Under the Contractual Arrangements, the Company has the power to control the management, and financial and operating policies of the VIEs, has exposure or rights to variable returns from its involvement with the VIEs, and has the ability to use its power over the VIEs to affect the amount of the returns. As a result, all these VIEs are accounted for as consolidated structured entities of the Company and their financial statements have also been consolidated by the Company.

1 General information and basis of presentation (Continued)

1.2 Organization and principal activities (Continued)

The principal terms of the Contractual Arrangements are further described below:

(a) Contractual agreements with Shenzhen OneConnect

– *Exclusive Equity Purchase Option Agreement*

Pursuant to the exclusive equity purchase option agreement entered into between Shenzhen OneConnect Technology, Shenzhen OneConnect, the direct shareholders of Shenzhen OneConnect, and the shareholders of the direct shareholders of Shenzhen OneConnect, (each refer to as the "Indirect Shareholder", together with the direct shareholders of Shenzhen OneConnect, "the Shenzhen OneConnect Shareholders") (the "Exclusive Equity Purchase Option Agreement"), Shenzhen OneConnect Technology has the irrevocable and exclusive right to purchase, or to designate one or more persons to purchase, from Shenzhen OneConnect Shareholders all or any part of their equity interests in Shenzhen OneConnect at any time and from time to time in Shenzhen OneConnect Technology's absolute discretion to the extent permitted by PRC laws. Unless terminated upon the parties' agreement, this agreement will remain effective for ten years, and will be automatically renewed for another five years, unless Shenzhen OneConnect Technology objects to the renewal in writing thirty days prior this agreement's expiry.

– *Exclusive Business Cooperation Agreement*

Pursuant to the exclusive business cooperation agreement entered into between Shenzhen OneConnect Technology and Shenzhen OneConnect, Shenzhen OneConnect agreed to engage Shenzhen OneConnect Technology as its exclusive provider of business support, technical and consulting services. In exchange for these services, Shenzhen OneConnect shall pay a service fee, which is equal to Shenzhen OneConnect's profit before tax, after deducting any accumulated losses of Shenzhen OneConnect and its subsidiaries from the preceding fiscal year, working capital, costs, expenses, tax and other statutory contribution in relation to the respective fiscal year. The service fee shall be paid annually and shall be wired to the designated bank account of Shenzhen OneConnect Technology upon issuance of invoice by Shenzhen OneConnect Technology. The effective term of this agreement is the same as that of the Exclusive Equity Purchase Option Agreement described above.

1 General information and basis of presentation (Continued)

1.2 Organization and principal activities (Continued)

(a) Contractual agreements with Shenzhen OneConnect (Continued)

– Exclusive Asset Option Agreement

Pursuant to the exclusive asset option agreement entered into between Shenzhen OneConnect Technology, Shenzhen OneConnect and the Shenzhen OneConnect Shareholders (the "Exclusive Asset Option Agreement"), Shenzhen OneConnect Technology has the irrevocable and exclusive right to purchase, or to designate one or more persons to purchase, from Shenzhen OneConnect all or any part of its assets at any time at Shenzhen OneConnect Technology's absolute discretion and to the extent permitted by PRC laws. The consideration shall be the higher of (a) a nominal price or (b) the lowest price as permitted under applicable PRC laws. The effective term of this agreement is the same as that of the Exclusive Equity Purchase Option Agreement described above.

– Equity Pledge Agreement

Pursuant to the equity pledge agreement entered into between Shenzhen OneConnect Technology, Shenzhen OneConnect and the Shenzhen OneConnect Shareholders (the "Equity Pledge Agreement"), the Registered Shareholders agreed to pledge as first charge all of their equity interests in Shenzhen OneConnect to Shenzhen OneConnect Technology as collateral security for any and all of the guaranteed debt under the Contractual Arrangements and to secure the performance of their obligations under the Contractual Arrangements. During the pledge period, Shenzhen OneConnect Technology is entitled to receive any dividends or other distributable benefits arising from the equity.

The pledge in favor of Shenzhen OneConnect Technology takes effect upon the completion of registration with the relevant administration for industry and commerce of China and shall remain valid until Shenzhen OneConnect Shareholders and Shenzhen OneConnect have discharged all their obligations and fully paid all the amounts payable under the Contractual Arrangements.

– Shareholder Voting Proxy Agreement

Shenzhen OneConnect Technology, Shenzhen OneConnect, the Shenzhen OneConnect Shareholders and the subsidiaries of Shenzhen OneConnect entered into a shareholder voting proxy agreement. Pursuant to this agreement, each shareholder of Shenzhen OneConnect and its subsidiaries irrevocably authorizes the persons designated by Shenzhen OneConnect Technology to act on its behalf to exercise all of such shareholder's voting and other rights associated with the shareholder's equity interest in Shenzhen OneConnect and the subsidiaries of Shenzhen OneConnect, such as the right to appoint or designate directors, supervisors and officers, as well as the right to sell, transfer, pledge or dispose of all or any portion of the shares held by such shareholder. The effective term of this agreement is the same as that of the Exclusive Equity Purchase Option Agreement described above.

1 General information and basis of presentation (Continued)

1.2 Organization and principal activities (Continued)

(a) Contractual agreements with Shenzhen OneConnect (Continued)

– Letters of Undertakings

Each Indirect Shareholder signed a letter of undertakings to the Company. Under these letters, the signing Indirect Shareholder has separately irrevocably undertaken, in the event of his or her death or loss of capacity or any other events that could possibly affect his or her capacity to fulfil his or her obligations under the contractual arrangement of Shenzhen OneConnect, that he or she will unconditionally transfer his or her equity interest in Shenzhen OneConnect to any person designated by Shenzhen OneConnect Technology and the transferee will be deemed to be a party to the contractual arrangements and will assume all of his or her rights and obligations as such under the contractual arrangements. Each signing Indirect Shareholder represents that his or her spouse has no ownership interest in his or her equity interests in Shenzhen OneConnect. Each signing Indirect Shareholder further represents that in any circumstances, he or she will not, directly or indirectly, commit any conduct, measure, action or omission that is contrary to the purpose and intention of the contractual arrangements, that leads or may lead to any conflict of interest between Shenzhen OneConnect and OneConnect Financial Technology Co., Ltd. and/or its subsidiaries, and that if, during his or her performance of the contractual arrangements, there is a conflict of interest between the signing Indirect Shareholder and OneConnect Financial Technology Co., Ltd. and/or its subsidiaries, the signing Indirect Shareholder will protect the legal interests of Shenzhen OneConnect Technology under the contractual arrangements and follow the instructions of the Company.

– Spousal Consent Letters

Under the spousal consent letters, each signing spouse respectively agreed that he or she was aware of the equity interest beneficially owned by his or her spouse in Shenzhen OneConnect and the relevant Contractual Arrangements in connection with such equity interest. The signing spouse unconditionally and irrevocably confirmed that he or she does not have any equity interest in Shenzhen OneConnect and committed not to impose any adverse assertions upon his or her spouse's respective equity interest. Each signing spouse further confirmed that such equity interest may be disposed of pursuant to the relevant Contractual Arrangements, and committed that he or she will take all necessary measures for the performance of those arrangements.

1 General information and basis of presentation (Continued)

1.2 Organization and principal activities (Continued)

(b) Contractual agreements with Shenzhen CA

Shenzhen CA and certain of its shareholders holding in the aggregate 98.9% of the equity interest in Shenzhen CA entered into a series of contractual agreements with Zhang Tong Shun. These agreements contain terms substantially similar to the contractual arrangements among Shenzhen OneConnect, Shenzhen OneConnect Shareholders and Shenzhen OneConnect Technology described above.

(c) Risks in relation to the VIEs

In the opinion of the Company's management, the Contractual Arrangements discussed above have resulted in the Company, Shenzhen OneConnect Technology and Zhang Tong Shun having the power to direct activities that most significantly impact the VIEs, including appointing key management, setting up operating policies, exerting financial controls and transferring profit or assets out of the VIEs at its discretion. The Company has the power to direct activities of the VIEs and can have assets transferred out of the VIEs under its control. Therefore, the Company considers that there is no asset in any of the VIEs that can be used only to settle obligations of the VIEs, except for registered capital, capital reserve and PRC statutory reserves of the VIEs totalling RMB1,782 million and RMB1,786 million as of December 31, 2023 and 2024, respectively. Currently there is no contractual arrangement that could require the Company to provide additional financial support to the VIEs. As the Company is conducting its Internet-related business mainly through the VIEs, the Company may provide such support on a discretionary basis in the future, which could expose the Company to a loss. As the VIEs organized in the PRC were established as limited liability companies under PRC law, their creditors do not have recourse to the general credit of Shenzhen OneConnect Technology and Zhang Tong Shun for the liabilities of the VIEs, and Shenzhen OneConnect Technology and Zhang Tong Shun do not have the obligation to assume the liabilities of these VIEs.

In the opinion of the Company's management, the contractual arrangements among its subsidiaries, the VIE and their respective Nominee Shareholders are in compliance with current PRC laws and are legally binding and enforceable. However, uncertainties in the interpretation and enforcement of the PRC laws, regulations and policies could limit the Company's ability to enforce these contractual arrangements. In addition, the enforceability of the contractual agreements between the Company, the VIE and its shareholders depends on whether the Company's shareholders or their PRC holding entities will fulfil these contractual agreements. As a result, the Company may be unable to consolidate the VIE and VIE's subsidiaries in the consolidated financial statements.

1 General information and basis of presentation (Continued)

1.2 Organization and principal activities (Continued)

(c) Risks in relation to the VIEs (Continued)

On March 15, 2019, the Foreign Investment Law was formally passed by the thirteenth National People's Congress and it became effective on January 1, 2020. The Foreign Investment Law replaced the Law on Sino Foreign Equity Joint Ventures, the Law on Sino Foreign Cooperative Joint Ventures and the Law on Foreign Capital Enterprises and became the legal foundation for foreign investment in the PRC. The Implementation Regulations for the Foreign Investment Law was promulgated by the State Council on December 26, 2019, became effective on January 1, 2020, and replaced the corresponding implementation rules of the Law on Sino-Foreign Equity Joint Ventures, the Law on Sino-Foreign Cooperative Joint Ventures and the Law on Foreign-Capital Enterprises.

The Foreign Investment Law stipulates certain forms of foreign investment. However, the Foreign Investment Law does not explicitly stipulate contractual arrangements such as those we rely on as a form of foreign investment. Notwithstanding the above, the Foreign Investment Law stipulates that foreign investment includes "foreign investors investing through any other methods under laws, administrative regulations or provisions prescribed by the State Council." Future laws, administrative regulations or provisions prescribed by the State Council may possibly regard Contractual Arrangements as a form of foreign investment. If this happens, it is uncertain whether the Contractual Arrangements with the VIE and its shareholders would be recognized as foreign investment, or whether the Contractual Arrangements would be deemed to be in violation of the foreign investment access requirements. As well as the uncertainty on how the Contractual Arrangements will be handled, there is substantial uncertainty regarding the interpretation and the implementation of the Foreign Investment Law. The relevant government authorities have broad discretion in interpreting the law. Therefore, there is no guarantee that the Contractual Arrangements, the business of the VIEs and financial conditions of the Company will not be materially and adversely affected.

The Company's ability to control VIEs also depends on rights provided to Shenzhen OneConnect Technology and Zhang Tong Shun, under the Shareholder Voting Proxy Agreement, to vote on all matters requiring shareholder approval. As noted above, the Company believes Shareholder Voting Proxy Agreement is legally enforceable, but they may not be as effective as direct equity ownership. In addition, if the corporate structure of the Group or the Contractual Arrangements between the Shenzhen OneConnect Technology, and Zhang Tong Shun, the VIEs and their respective shareholders and subsidiaries were found to be in violation of any existing PRC laws and regulations, the relevant PRC regulatory authorities could:

- revoke the Group's business and operating licenses;
- require the Group to discontinue or restrict its operations;

1 General information and basis of presentation (Continued)

1.2 Organization and principal activities (Continued)

(c) Risks in relation to the VIEs (Continued)

- impose fines or confiscate any of the Group's income that they deem to have been obtained through illegal operations;
- require the Group to restructure the ownership structure or operations, re-apply for the necessary licenses or relocate its businesses, staff and assets;
- impose additional conditions or requirements with which the Group may not be able to comply; or
- restrict or prohibit the Group's use of the proceeds from public offerings or other of the Group's financing activities to finance the business and operations of the VIEs and their subsidiaries; or
- take other regulatory or enforcement actions against the Group that could be harmful to the Group's business.

The imposition of any of these restrictions or actions may result in a material adverse effect on the Company's ability to conduct its business. In addition, if the imposition of any of these restrictions causes the Company to lose the right to direct the activities of the VIEs or the right to receive their economic benefits, the Company would no longer be able to consolidate the financial statements of the VIEs. In the opinion of management, the likelihood of losing the benefits in respect of the Company's current ownership structure or the contractual arrangements with its VIEs is remote.

The following are major financial statements amounts and balances of the Group's VIEs and subsidiaries of VIEs (i.e. Shenzhen OneConnect, Shenzhen CA and their subsidiaries) of December 31, 2023 and 2024 and for the years ended December 31, 2023 and 2024.

Notes to the consolidated financial statements

1 General information and basis of presentation (Continued)

1.2 Organization and principal activities (Continued)

(c) Risks in relation to the VIEs (Continued)

	As at December 31,	
	2023	2024
	RMB'000	RMB'000
Total current assets	3,058,529	1,938,718
Total non-current assets	603,914	377,103
Total assets	3,662,443	2,315,821
Total current liabilities	6,676,641	5,608,821
Total non-current liabilities	24,291	18,283
Total liabilities	6,700,932	5,627,104

	For the year ended December 31,	
	2023	2024
	RMB'000	RMB'000
Total revenue	3,261,285	2,058,979
Net loss	(68,079)	(271,927)
Net cash used in operating activities	(149,778)	(91,370)
Net cash generated from investing activities	75,598	313,138
Net cash used in financing activities	(508,121)	(352,204)
Net decrease in cash and cash equivalents	(582,301)	(130,436)
Cash and cash equivalents, beginning of the year	906,252	323,951
Cash and cash equivalents, end of the year	323,951	193,515

The above financial statements amounts and balances have included intercompany transactions which have been eliminated on the Company's consolidated financial statements.

As of December 31, 2023 and 2024, the total assets of Group's VIEs were mainly consisting of cash and cash equivalents, trade receivable, contract assets, prepayments and other receivables, financial assets at fair value through profit or loss, property and equipment, intangible assets and deferred tax assets. As of December 31, 2023 and 2024, the total liabilities of VIEs were mainly consisting of trade and other payables, payroll and welfare payables, contract liabilities and short-term borrowings.

2 Basis of preparation and changes in accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets measured at fair value through other comprehensive income, financial assets at fair value through profit or loss and derivative financial assets and liabilities, which are carried at fair value and subsequent changes are recognized in the statement of comprehensive income.

The preparation of the consolidated financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4 below.

2.2 Recent accounting pronouncements

(a) New and amended standards and interpretations adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing January 1, 2024:

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 – Non-current liabilities with covenants
- Amendments to IFRS 16 – Lease liability in sale and leaseback
- Amendments to IAS 7 and IFRS 7 – Supplier finance arrangements

The amendments listed above did not have material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

2 Basis of preparation and changes in accounting policies (Continued)

2.2 Recent accounting pronouncements (Continued)

(b) New standards and amendments to standards and interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards and interpretations have been issued but not effective during the year 2024 and have not been early adopted by the Group in preparing these consolidated financial statements:

	Effective for annual periods beginning on or after
Amendments to IAS 21 – Lack of Exchangeability	January 1, 2025
Amendments to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments	January 1, 2026
Annual improvements to IFRS – Volume 11	January 1, 2026
IFRS 18 – Presentation and Disclosures in Financial Statements	January 1, 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	January 1, 2027

2 Basis of preparation and changes in accounting policies (Continued)

2.2 Recent accounting pronouncements (Continued)

(b) New standards and amendments to standards and interpretations not yet adopted (Continued)

The Group is in the process of assessing potential impact of the above new amendments that is relevant to the Group upon initial application. According to the preliminary assessment, the above new amendments, other than IFRS 18, are not expected to have any significant impact on the Group's consolidated balance sheets and results of operations upon adopting the above new amendments. IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements. The Group is currently assessing the detailed implications of applying IFRS 18 on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of IFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:
 - Foreign exchange differences currently aggregated in the line item 'other income, gains or loss – net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
 - IFRS 18 has specific requirements on the category in which derivative gains or losses are recognised – which is the same category as the income and expenses affected by the risk that the derivative is used to manage. Although the Group currently recognises gains or losses in operating profit, there might be a change to where these gains or losses are recognised, and the Group is currently evaluating the need for change.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the Group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.

2 Basis of preparation and changes in accounting policies (Continued)

2.2 Recent accounting pronouncements (Continued)

(b) New standards and amendments to standards and interpretations not yet adopted (Continued)

- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
 - o management-defined performance measures;
 - o a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
 - o for the first annual period of application of IFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information will be restated in accordance with IFRS 18.

2.3 Changes in accounting policies

Borrowings are classified as current liabilities unless, at the end of the reporting period, if the Group has a right to defer settlement of the liability for at least 12 months after the reporting period. Covenants that the Group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the reporting period do not affect the classification.

This new policy did not result in a change in the classification of Group's borrowings. The Group did not make retrospective adjustments as a result of adopting the amendments to IAS 1.

3 Summary of accounting policy information

3.1 Material accounting policies

3.1.1 Revenue recognition

Revenue represents the amount of consideration the Group is entitled to upon the transfer of promised goods or services in the ordinary course of the Group's activities and is recorded net of value-added tax ("VAT"). Revenues are recognized when or as control of the asset or service is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the goods and services may be transferred over time or at a point in time. Control of the goods and services is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates and enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods and services transfers over time, revenue is recognized over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation.

Otherwise, revenue is recognized at a point in time when the customer obtains control of the goods and services.

The progress towards complete satisfaction of the performance obligation is measured based on one of the following methods that best depict the Group's performance in satisfying the performance obligation:

- direct measurements of the value transferred by the Group to the customer; or
- the Group's efforts or inputs to the satisfaction of the performance obligation.

When either party to a contract has performed, the Group presents the contract in the statement of financial position as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

A contract asset is the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer. If the value ascribed to the services rendered by the Group exceed the payment, a contract asset is recognized. Judgement is required in determining whether a right to consideration is unconditional and thus qualifies as a receivable.

3 Summary of accounting policy information (Continued)

3.1 Material accounting policies (Continued)

3.1.1 Revenue recognition (Continued)

A receivable is recorded when the Group has an unconditional right to consideration on the date the payment is due even if it has not yet performed under the contract.

If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the Group presents the contract as a contract liability when the payment is made or the payment is due (whichever is earlier). A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. A contract liability is recognized as revenue upon transfer of control to the customers of the promised license, products and services.

Some of the Group's contracts with customers contain multiple performance obligations. For these contracts, the Group accounts for individual performance obligations separately if they are distinct. The transaction price is allocated to the separate performance obligations on a relative standalone selling price basis. Although each of the performance obligations sometimes has a separate contractual price agreed in the contract, the management compares the contractual price with observable standalone market price, if any, or cost plus a margin price to assess the reasonableness of the pricing. If the contractual price for each performance obligation is assessed to be on market price basis, the Group uses the contractual price to measure and recognize revenue for each performance obligation. If the contractual price for each performance obligation is assessed to be not on market price basis, the Group reallocates the total contract price to the identified performance obligations based on its best estimated standalone selling price of each performance obligation.

Only the contracts for implementation (Note 3.1.1(a)) and business origination services (Note 3.1.1(b)) contain significant financing components. As a practical expedient, the Group does not account for financing components if the period between when the Group transfers the promised goods or services to the customer and when the customer pays for those goods or services is one year or less.

Incremental costs of obtaining customer contract primarily consist of sales commissions and are capitalized as an asset. The Group amortizes assets recognized from capitalizing costs to obtain a contract on a systematic basis to profit or loss, consistent with the pattern of revenue recognition to which the asset relates. As a practical expedient, the Group recognize the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the Group otherwise would have recognized is one year or less.

The following is a description of the accounting policy for the principal revenue streams of the Group.

3 Summary of accounting policy information (Continued)

3.1 Material accounting policies (Continued)

3.1.1 Revenue recognition (Continued)

(a) Implementation and post-implementation support services

Implementation services represent customer-specific software development or customization services provided to customers for the use of the Group's software in cloud offerings or on-premise IT environment. The implementation contract is either on a time and material basis or fixed-fee basis. The Group invoices fees for implementation services based on actual time and materials incurred to date or according to pre-agreed payment schedules. After development, license to use the software is granted to the customer with an indefinite life. The customer cannot benefit from the implementation service on its own without the license. The perpetual license is a result of the implementation service. The implementation service and the perpetual license are highly interrelated and within the context of the contract, the promise of the Group is to transfer the implementation service together with the perpetual license as one output to its customers. Both the implementation service and the perpetual license to use the software are not distinct and thus should be combined together as one performance obligation. And there is no sales/usage-based royalty for the licence to use the software in the arrangement.

The Group's customer contracts often include both implementation services and post-implementation support services. Customers can benefit from implementation service and post-implementation support service on their own, and those services are clearly stated in the contract and are separately identifiable, they are not integrated or interrelated with each other, and do not significantly affect each other.

For implementation services, revenue is recognized over time if the Group's performance (i) provides all of the benefits received and consumed simultaneously by the customer, (ii) creates and enhances an asset that the customer controls as the Group performs, or (iii) does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Accordingly, revenue for implementation contracts is recognized over the contract terms by reference to the progress of work performed, which is measured based on costs incurred toward satisfying the performance obligation, relative to total costs expected to be incurred to the complete satisfaction of the performance obligation. Otherwise revenue is recognized at a point in time when control of the promised services is transferred to the customer.

For post-implementation support services, the performance obligation is to stand ready to provide technical support and unspecified updates and upgrades on a when-and-if-available basis. The customers simultaneously receive and consume the benefits of these support services as the Group performs and revenue is recognized based on time elapsed and thus ratably over the term of the support arrangement.

3 Summary of accounting policy information (Continued)

3.1 Material accounting policies (Continued)

3.1.1 Revenue recognition (Continued)

(b) Transaction based service

The Group derives its transaction based service revenue primarily from business origination services, risk management services, operation support services and other services.

Business origination services

The Group provides business origination services by assisting financial institutions in customer acquisition for their products including loans, wealth management products and insurance policies etc.

In order to satisfy its performance obligations (that is generating customer leads for financial institutions), the Group designs marketing plans, sources leads and analyses the leads. The Group generates customer leads for financial institutions through its own platform or from channel partners. The leads, which are sourced from the Group's own platform or from the channel partners, are grouped together and are screened and analysed by the Group to ensure that they meet customers' criteria. When the leads are sourced from the channel partners, the Group determined that it is the principal in providing the business origination services to the financial institutions because the Group controls the leads sourced from channel partners, screens and analyses the leads before delivering those leads to customers. For business origination services, the Group is primarily responsible for fulfilling the promise to generate customer leads to financial institutions and has full discretion in establishing the price for the business origination services provided to financial institutions, as well as the selection of and determination of prices paid to the channel partners. Accordingly, the Group records revenue based on the gross amount payable by the financial institutions and records the amount payable to the channel partners as cost of revenue. The Group normally charges its customers based on successful referrals at fixed charge rates. The revenue for business origination services is recognized when a referral is successfully accepted by financial institutions.

The Group determined that it is not the legal lender and legal borrower (or receiver of deposits from investors) in the loan origination and repayment process. Therefore, the Group does not record loans receivable and payable arising from the loans between lenders and borrowers. The Group acts as an agent to facilitate such loans.