

Ping An Good Doctor 2020 Interim Results

AUGUST 2020



Contents

A decorative orange line graphic that starts from the left, goes up, then right, then down, then right, and finally up to the right edge of the slide.A large orange circle with a white border. Inside the circle, there is a faint, intricate network pattern of orange dots and lines. The circle is positioned on the left side of the slide, partially overlapping a large orange diagonal band.

Operating
highlights

A large gray circle with a white border. It is positioned on the right side of the slide, partially overlapping a large gray diagonal band.

Strategic
blueprint

Immense Potential: Broad prospects for Internet healthcare in China

User Behavior Change

Ping An Good Doctor Operating Metrics performance during COVID-19:

1.11+ Bn

Accumulated Visits¹

10x

Accumulated New Daily Consultations by Registered Users²

9x

New Registered Users on APP³

Policy Encouragement

Rolling out policies that facilitate and benefit the people to promote the development of **telemedicine, online consultation, and Internet hospitals**; deepening the reform of the healthcare security system to promote **SHI reimbursement for online healthcare**⁴

AI Empowerment

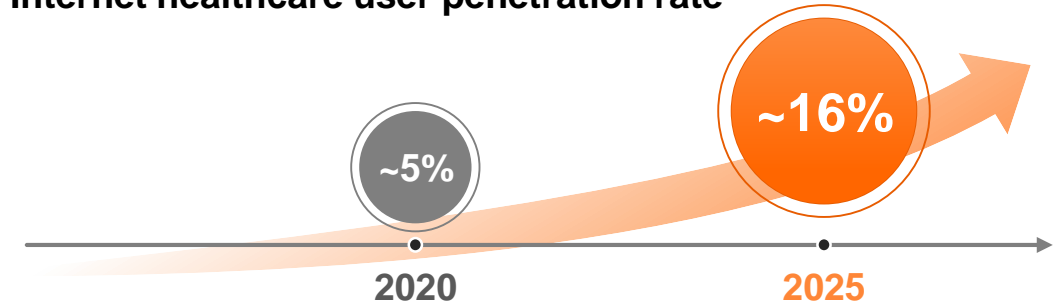
99.4%

Accuracy of Ping An Good Doctor's smart triage online consultation system

3,000+

Diseases covered by Ping An Good Doctor's AI-based medical system

Internet healthcare user penetration rate⁵



Internet healthcare services provided in the year (person-times)⁶



1. It is the cumulative visits to the platform from 20 January 2020 to 10 February 2020. 2. The multiple here is based on the comparison of the daily average number of APP registered users between the period from 22 January 2020 to 6 February 2020 and the period from 1 January 2020 to 21 January 2020; 3. The multiple here is based on the comparison of average daily consultations of new app users between the period from 22 January 2020 to 6 February 2020, and the period from 1 January 2020 to 20 January 2020; 4. The Opinions of the General Office of the State Council on Promoting the Development of "Internet + Healthcare"; 5. In 2019, the number of Internet healthcare users in China was 45 million, accounting for 3.2% of the total population, which is expected to grow at a CAGR of 31.2%; 6. Internet healthcare services provided in the year (person-times): 270 million in 2019; the figure for 2020 is an estimated value after the pandemic; its CAGR from 2020 to 2025 is expected to be basically the same with that of user growth.

Financial and Operating Highlights Overview

1

User Growth



- Number of registered users reached **346 million**

2

Revenue Increase



- Revenue grew by **21%** year on year
- Revenue from online medical services, the core business, grew by **107%** year on year

3

Network Expansion



- **14** internet hospitals projects have already in operation
- Partnering with over **111,000** offline pharmacies

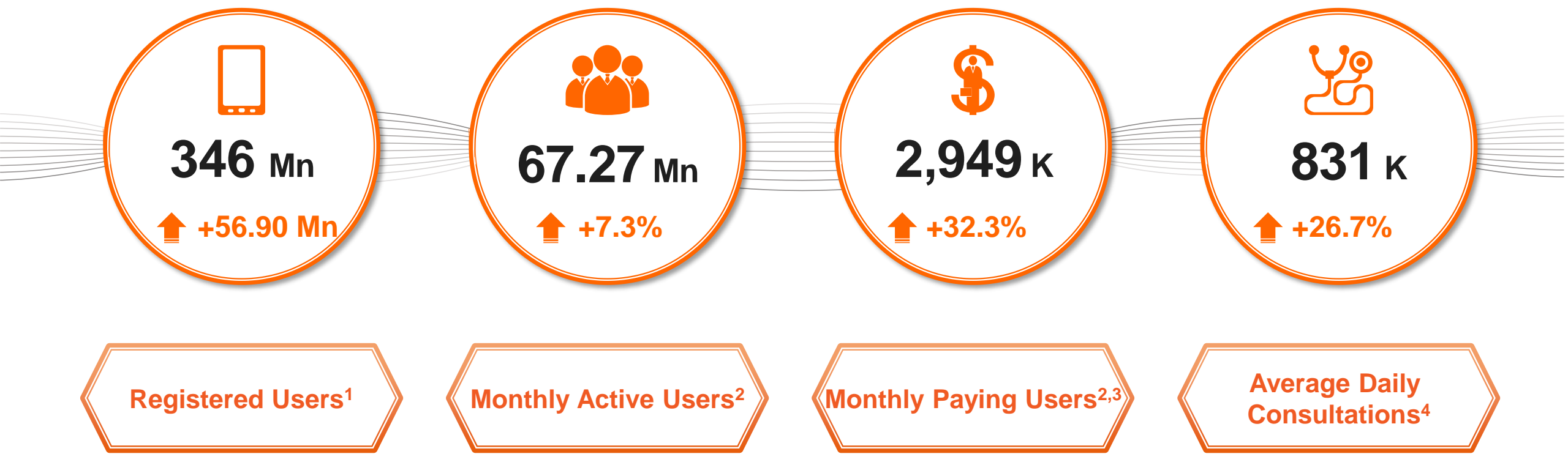
4

Social Responsibilities



- Fully assisting government in fighting COVID-19
- Included in **MSCI ESG** indexes and rated as **BBB**

Operating Indicators: New record high with online medical services monetization focus



Note: 7.3%, 32.3%, and 26.7% above all refer to year-on-year growth, and 56.90 million refers to the cumulative increments over the twelve months from 30 June 2019 to 30 June 2020.

1. As of 30 June 2020, users from the plug-in of Ping An Group accounted for 50.2% of total number of registered users.
2. Monthly active users and monthly paying users refer to users who accessed or purchased our products and/or services on our platform through mobile apps, plug-ins, WAP or other channels at least once in June 2019 and June 2020.
3. The average conversion rate of paying users increased from 3.7% in 1H 2019 to 5.1% in 1H 2020.
4. Average daily consultations refer to average consultations per day in 1H 2020.

Financial Performance: Core Business stood out and Overall Revenue grew steadily

1H 2020
Revenue

2,747 Mn

↑ Up 21% YoY

1H 2020
Online Medical
Services Revenue

695 Mn

↑ Up 107% YoY

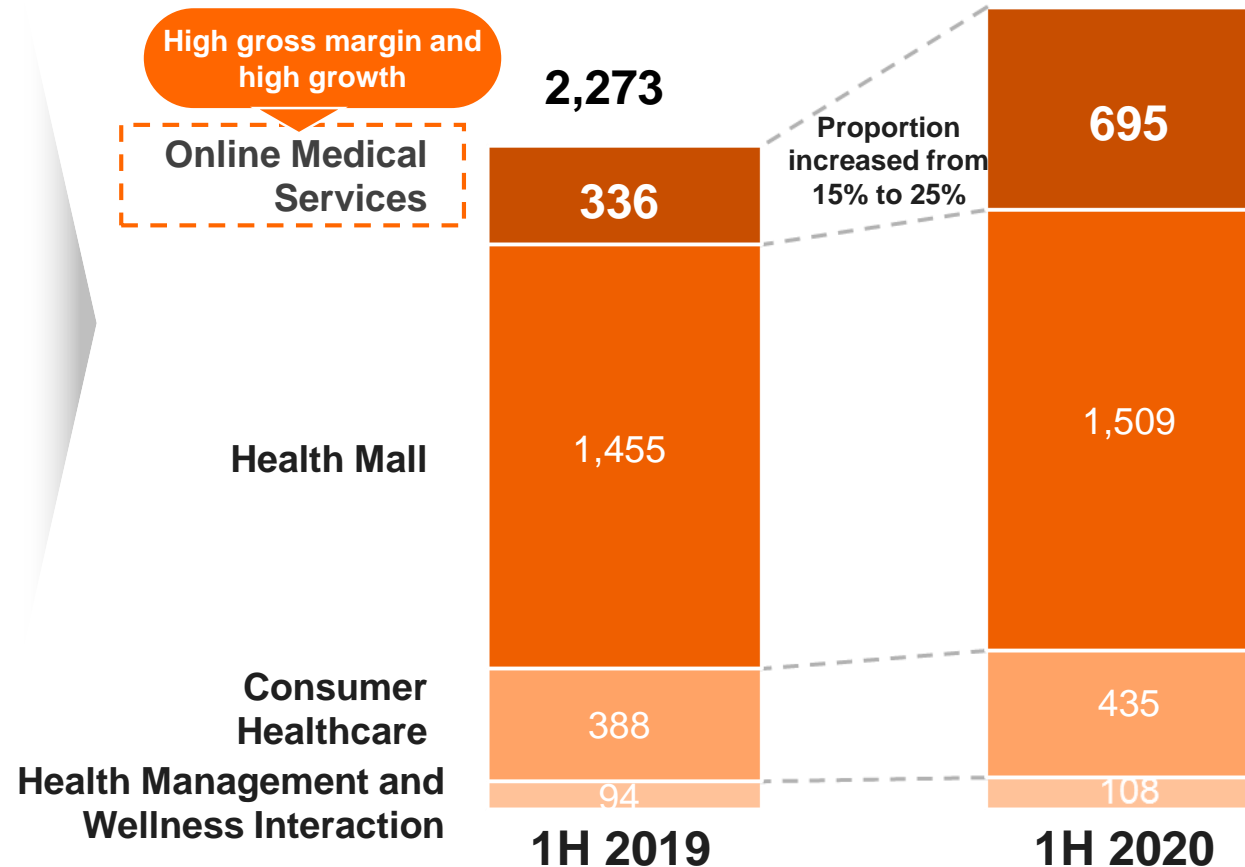
1H 2020
Net Loss

213 Mn

↓ Narrowed by
22% YoY

Revenue by business segment

(in RMB million)



Revenue
Growth

Gross Margin

2019 1H 2020 1H

22%

30%

107%

51%

55%

4%

7.4%

9.2%

12%

35%

49%

15%

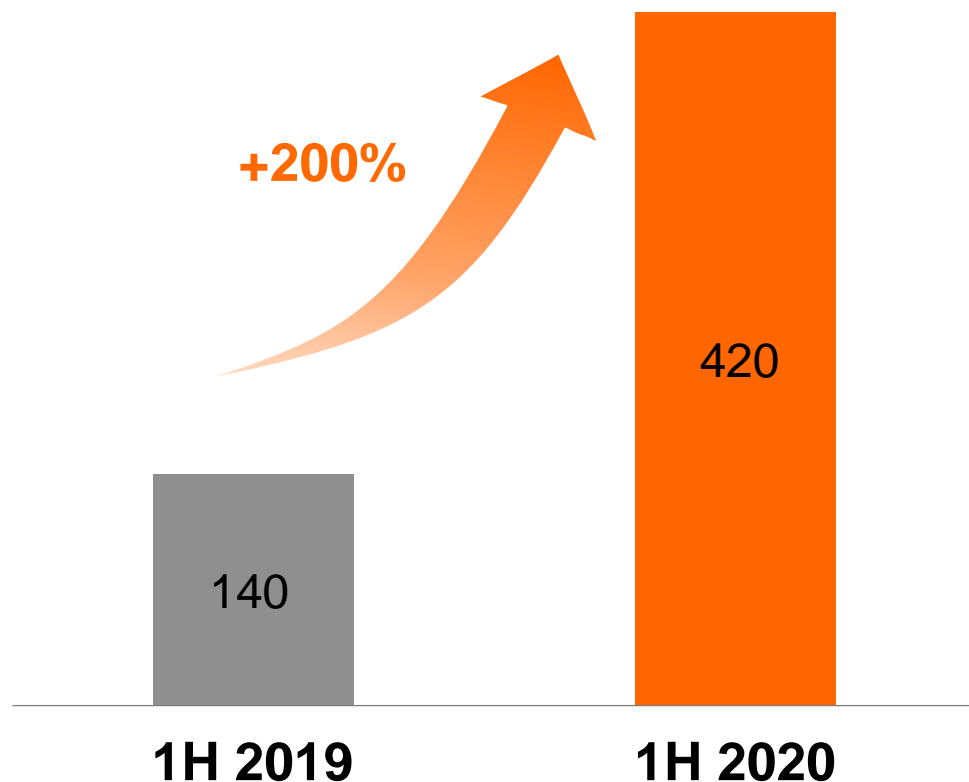
85%

85%

Financial Performance: Membership products robust growth driven by service capabilities strengthening

Membership products revenue

(in RMB million)



Types of membership products



Health 360

- Upgraded to Health Guard 360 with fully upgraded membership benefits, leading to a continuous improvement to user satisfaction
- % of critical illness insurance policies having this product as a rider increased by **7.1 percentage points** compared with the same period last year



Private Doctor

- User satisfaction of Our Private Doctor Membership services has reached **99.9%** in 1H 2020
- Private Doctor served more than **500** corporate clients, and is continuously developing corporate clients



New Products

- A new membership product **An Zhen Wu You (Safe Diagnosis and Worry-Free) Million-cover Medical Insurance** has been launched with Ping An Property & Casualty, which serves as an attachment with insurance policies to offer different types of health management benefits targeting three scenarios of “serious illness, minor illness, and health.”

Offline Presence: Internet hospital projects acceleration aiming at comprehensive Social Health Insurance blueprint

- As of the mid August 2020, Ping An Good Doctor has signed contracts for constructing internet hospitals by working closely with offline hospitals, and 14 of them have already in operation. These Internet hospitals will be gradually put into operations and actively connected to local SHI payment systems. Meanwhile, we have realized **the connection with local SHI payment systems in Hubei , Dongguan and Yinchuan.**

Progress of the Co-Construction model

- Actively contracting with offline hospitals for Co-Constructing Internet Hospitals:** having built presence in cities including Shenzhen, Guangzhou, Chengdu and Wuhan;
- The contracted projects will be gradually launched and put into operations,** bringing convenient, efficient and safe services such as online consultation and prescription refilling to local citizens. Among them, **the Internet hospital in Dongguan has realized SHI payment**

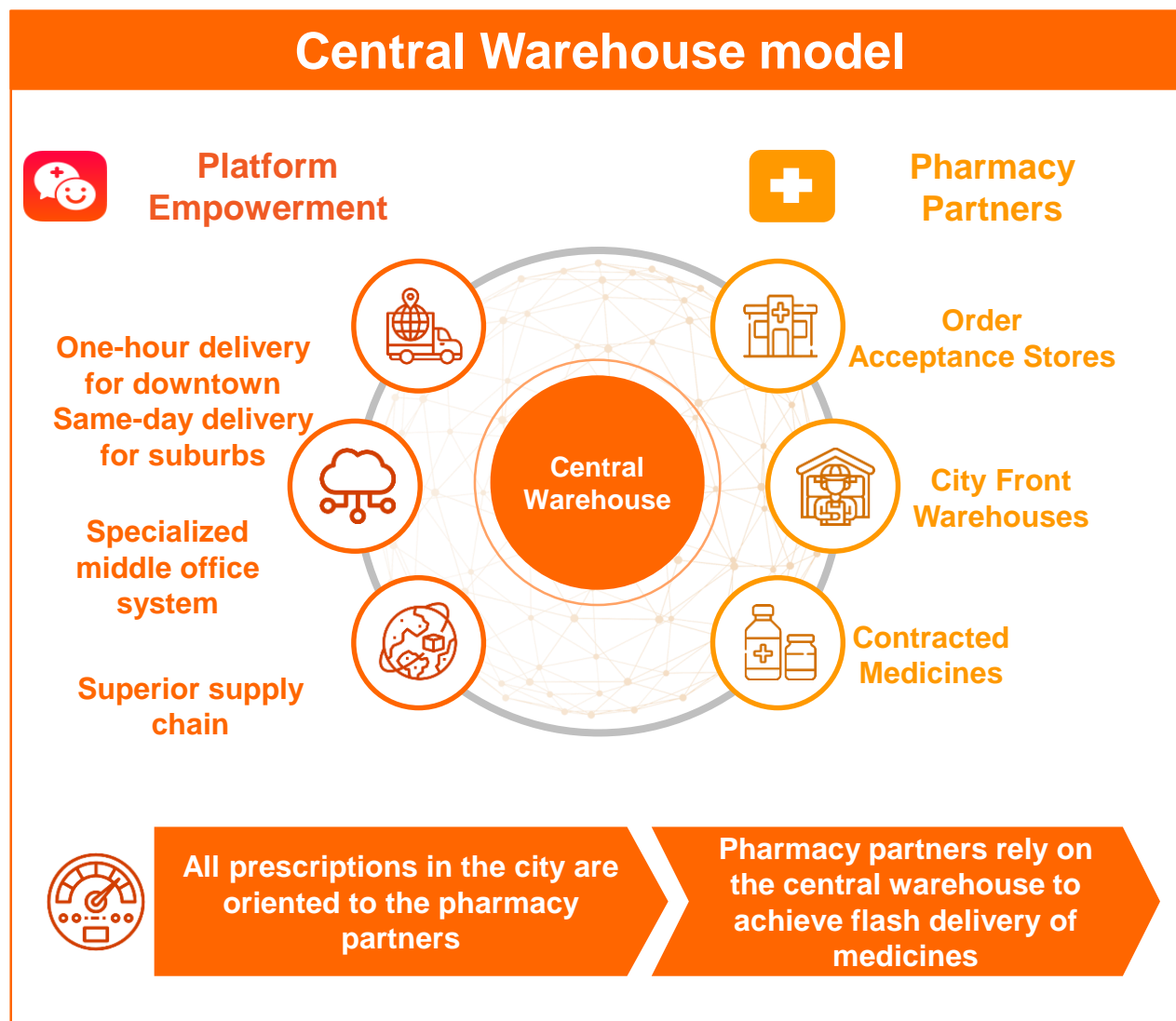
Progress of the Self-Construction model

- Fully deploying for Self-Construction Internet Hospitals:** having built presence in cities including Shanghai, Yinchuan, Qingdao, Chengdu and Hefei;
- The self-constructed Internet Hospitals will be gradually launched and put into operations,** among which **the self-constructed Internet Hospitals in Hubei and Yinchuan have realized the local SHI payment.**

Layout of Internet Hospitals



Offline Presence: Deepening pharmacy collaboration to achieve ecosystem synergies



- Ping An Good Doctor's Pharmacy Collaboration ¹ covered over **111,000** stores in **32** provincial-level administrative regions in China.

- The Central Warehouse Pharmacy Service has been launched in **40** cities including **Guangzhou, Wuhan, Beijing and Shanghai**, greatly accelerating the delivery efficiency.²

- Since the vigorous roll-out of the Central Warehouse project, the increase in the orders of the cities with a Central Warehouse is about **twice**³ that of cities without a Central Warehouse.

1. Data as of 30 June 2020;
 2. Data as of mid-August 2020;
 3. Data was obtained by comparing the average order volume in March 2020 and July 2020.

Social Responsibility: Brand Recognition continues to increase on the practice of Public Welfare and Corporate Responsibilities

Anti-pandemic Efforts

- Setup of a specialized group within 24 hours to fight against COVID-19, and launch of a dedicated portal for COVID-19 related online consultation;
- Partnership with 62 governments at all levels to launch real time online medical consultation and hotline;
- Provision of 24/7 free online consultations to 30+ internet industry leaders;
- Launch of an English version of the global anti-pandemic consulting platform;
- Organization of volunteer village doctor training services in cooperation with relevant government departments;
- Release of pandemic-related popular science videos, with a total of 115 million views



Authoritative Media Reports

- Made appearance in CCTV “News Live Room”
- Interviewed by CCTV in “Economic Half Hour”
- Interviewed by CCTV in “News Broadcast”
- Interviewed by Reuters and Wall Street Journal

Market Rating and Certification

- Awarded our first ESG rating by MSCI ESG Index and rated as BBB
- Awarded the highest level of AI certification by WONCA
- Included in the Hang Seng Tech Index

Content

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**Operating
highlights**



Strategic blueprint

Strategic Upgrade: Four Strategic Focuses



Channel: Users, Insurance, Enterprises, and Internet Hospitals as four core entrances

Achieved in 1H 2020



Users

346 million registered users
67.27 million MAU
830,000+ (average) consultations per day



Insurance

The first Health 360 membership service customized for Ping An's critical illness insurance continued to grow rapidly, actively exploring membership products for more insurance products and companies



Enterprises

Already covered 500+ companies and **400,000+** employees for healthcare and medical check services

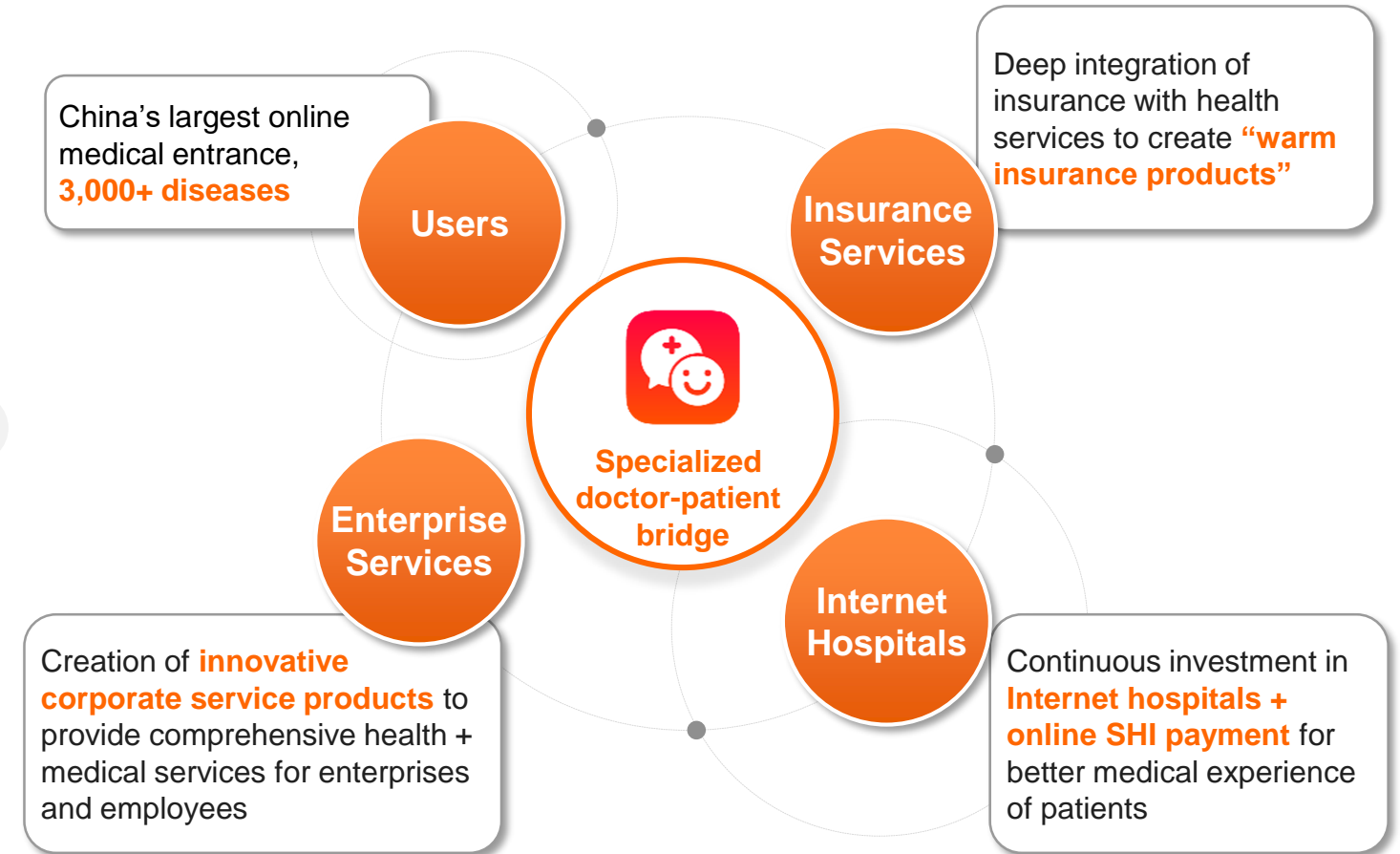


Hospitals

Already launched **14** Internet hospitals, and obtained SHI licenses for the ones in Hubei, Yinchuan and Dongguan



Strategic Upgrade



Health Management: O2O services centered on Private Doctors

Achieved in 1H 2020

Private
Doctors

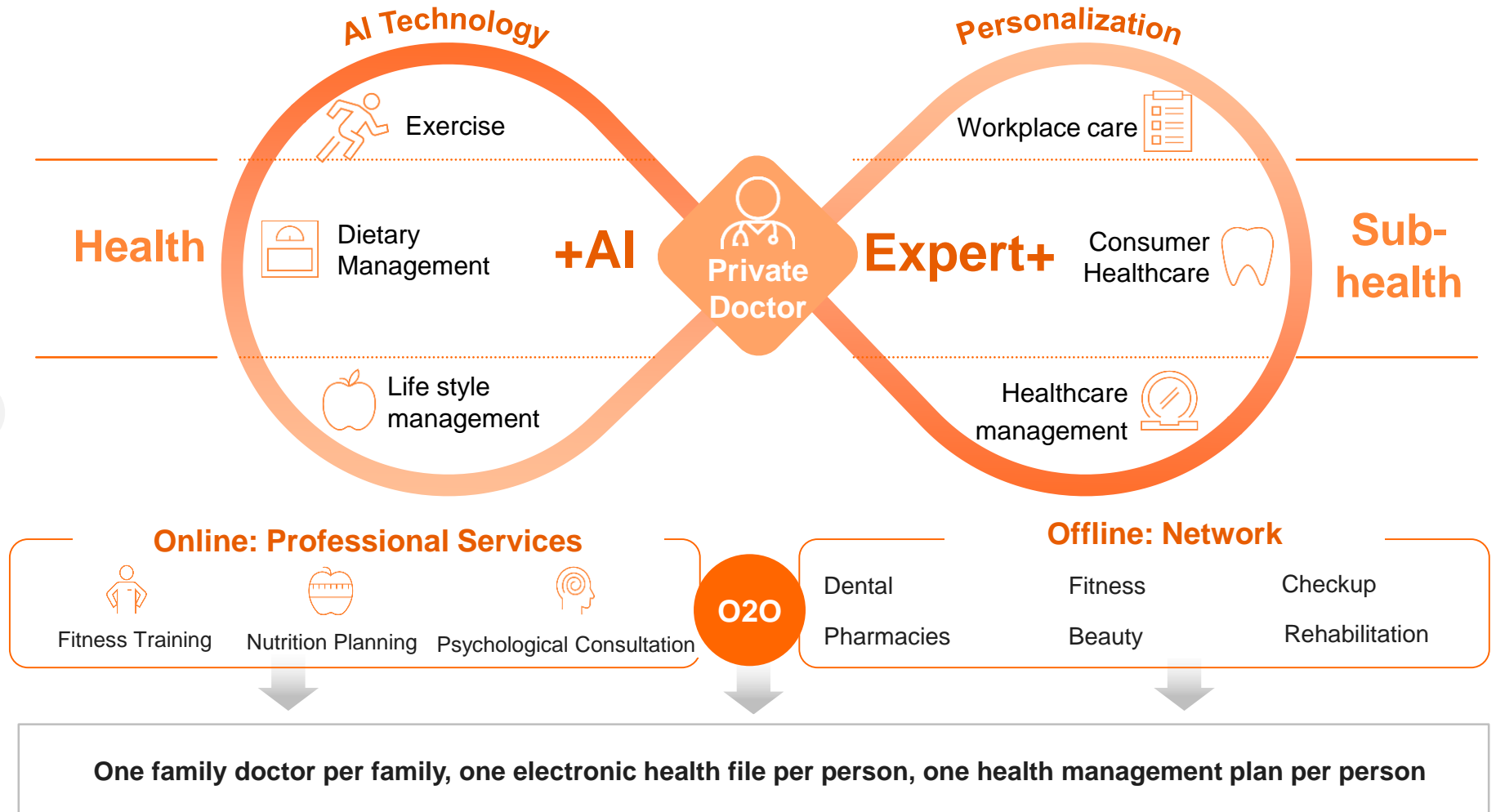
500+
Enterprise
Customers

Checkup
Centers

2,000+
Checkup
Centers

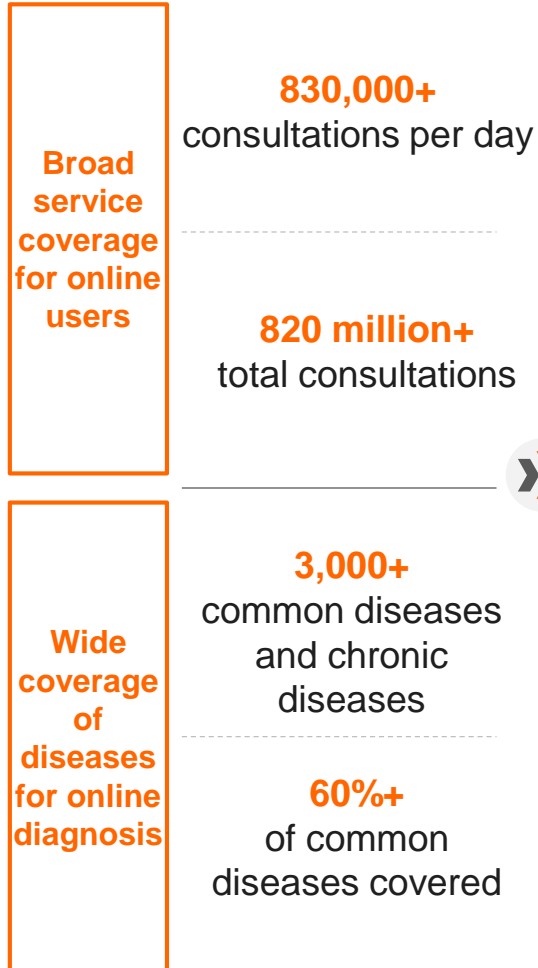


Strategic Upgrade



Medical Service: General Practice + Specialties

Achieved in 1H 2020



Strategic Upgrade

Online Consultations



Mobile Apps

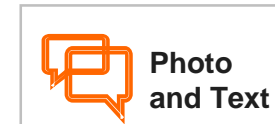


Photo and Text



Phone



Audio



Video



Vital Signs

Seamless O2O



Closed-loop O2O Testing



Follow-up Management



Referral and Consultation



Private Doctor

Doctor System: Four-layer Doctor Structure plus Workbench

Achieved in 1H 2020



In-house Medical Team

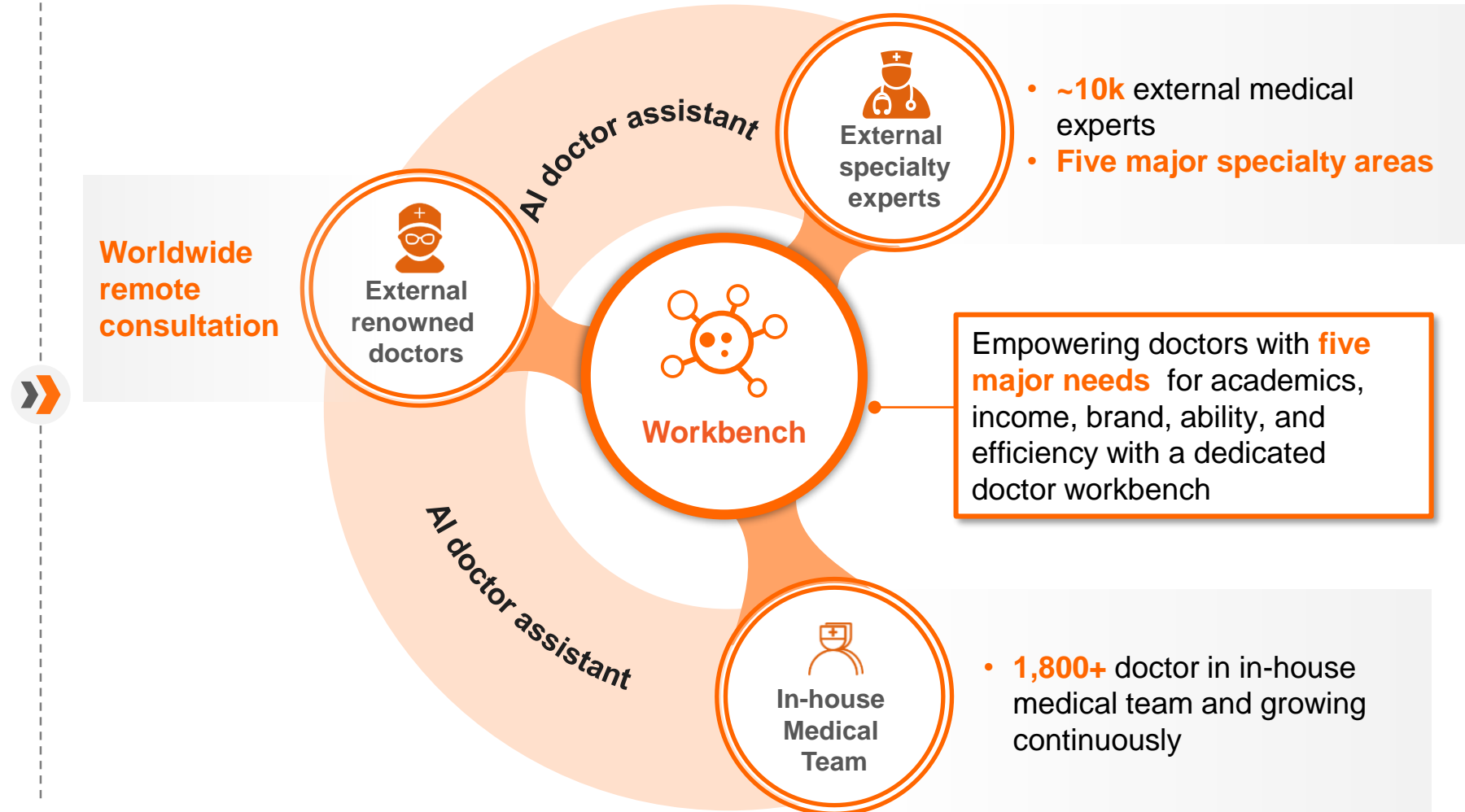
1,800+



External Medical Experts

~10K

Strategic Upgrade



Technology: continuous improvement in massive Data Accumulation and Core Technology

Four Smart Systems

- Smart AI-based **Diagnosis** System
- Smart **Severe Disease Monitoring** System
- **Prescription Automatic Screening** System
- Smart **Medical Safety Monitoring** Platform

Internationally Certified

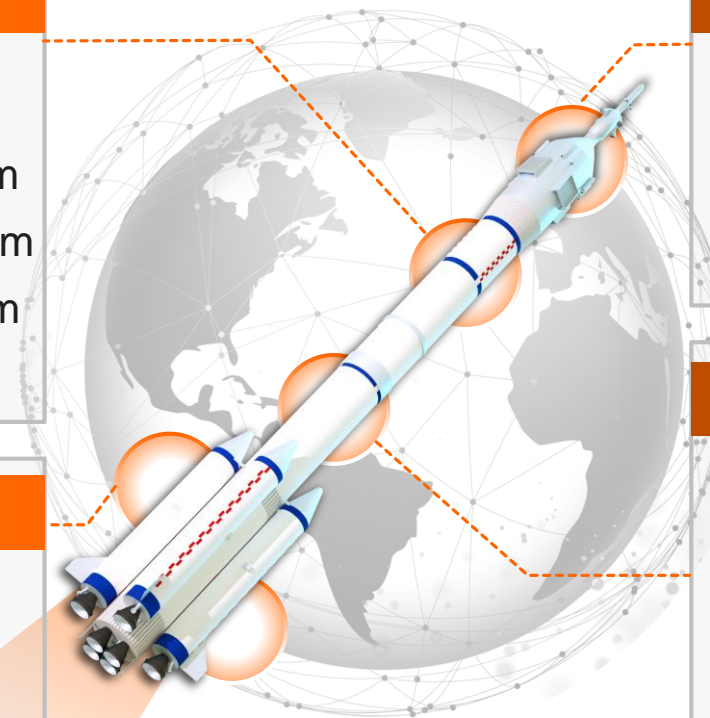
AI diagnosis and treatment assistant obtained the **highest level of certification by WONCA**

Massive Data

- **600,000+** medicine atlas records
- Knowledge of **3,000+** diseases
- **2 million+** health Q&As

Mature Technologies

- **825 million** consultation records
- Applied in-house in **23** specialties
- Quickly **launched application for COVID-19** and conducted algorithm-based consultation triage

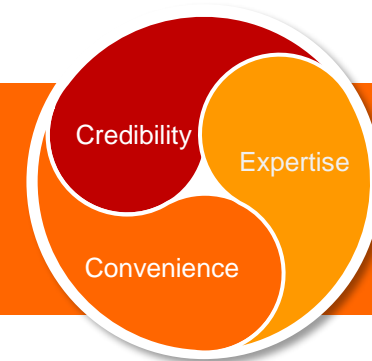


Future Goal: Internet healthcare service provider of “Credibility, Expertise, Convenience”



**Ping An
Good Doctor's
development goal**

Under the belief of “Credibility, Expertise, Convenience”, we are committed to become China’s largest Internet healthcare service provider with scale, advanced models, and barrier



Leader in Internet Healthcare

- Comprehensive doctor network
- Seamless experience
- Large scale SHI online payments



Pioneer of new business models

- Innovative monetization
- Diverse channels
- Quality services



Builder of formidable barriers

- Renowned overseas doctors
- Advanced technologies
- Long-term competencies



Appendix – 2020 Interim Income Statement Overview

In RMB million	Jan-Jun 2020	Jan-Jun 2019	YOY growth
I. Revenue	2,747	2,273	21%
II. Cost of sales	(1,925)	(1,781)	8%
III. Gross profit	822	492	67%
IV. Expenses and taxes¹	(1,133)	(865)	31%
V. Other income, finance income – net, net foreign exchange gains and others	183	159	15%
VI. Share of losses of associates and joint ventures	(55)	(4)	1275%
VII. Options	(30)	(56)	-46%
VIII. Net profit (loss)	(213)	(274)	-22%

1. The expenses exclude employee option expenses.

Appendix – Revenue and Gross Margin by Segments

(RMB)million	By Segment	Six months ended 30 June		Year-on-year change
		2020	2019	
Revenue	Online medical services	695	336	106.8%
	Consumer healthcare	435	388	12.2%
	Health mall	1,509	1,455	3.7%
	– individual consumers	692	715	-3.1%
	– corporate clients	817	740	10.3%
	Health management and wellness interaction	108	94	14.6%
Total of revenue		2,747	2,273	20.9%
Gross margin	Online medical services	54.6%	50.5%	+4.1 percentage points
	Consumer healthcare	48.9%	34.9%	+14.0 percentage points
	Health mall	9.2%	7.4%	+1.8 percentage points
	– individual consumers	14.1%	10.1%	+4.0 percentage points
	– corporate clients	5.0%	4.7%	+0.3 percentage point
	Health management and wellness interaction	84.7%	84.8%	-0.1 percentage point
Total of gross margin		30%	22%	+8.3 percentage points

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Other than statements of historical facts, this presentation contains “forward-looking statements”. All statements, including but not limited to, forecasts, targets, estimates and business plans that the Company predicts or expects that they may or will happen in the future are forward-looking statements. Forward-looking statements involve, in general or in particular, known and unknown risks and uncertainties. Statements containing words or idiomatic words such as “potential”, “estimate”, “foresee”, “expect”, “aim”, “intend”, “plan”, “believe”, “will”, “may”, “shall” and similar terms can be regarded as forward-looking statements.

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Thank you

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