



Ping An Good Doctor 2018 Annual Results

Ping An Healthcare and Technology Company Limited

Highlights

Potentials

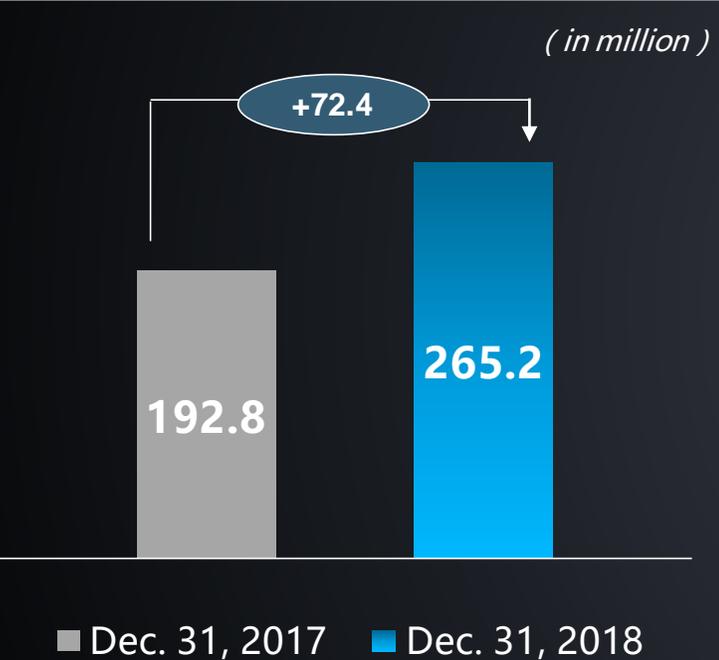
Financials



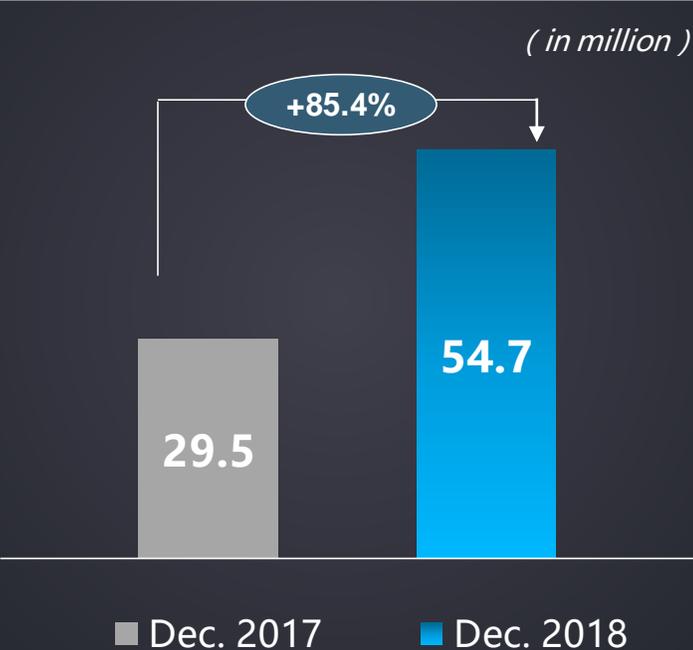
Sustained Traffic Growth and Higher Penetration of Internet Healthcare



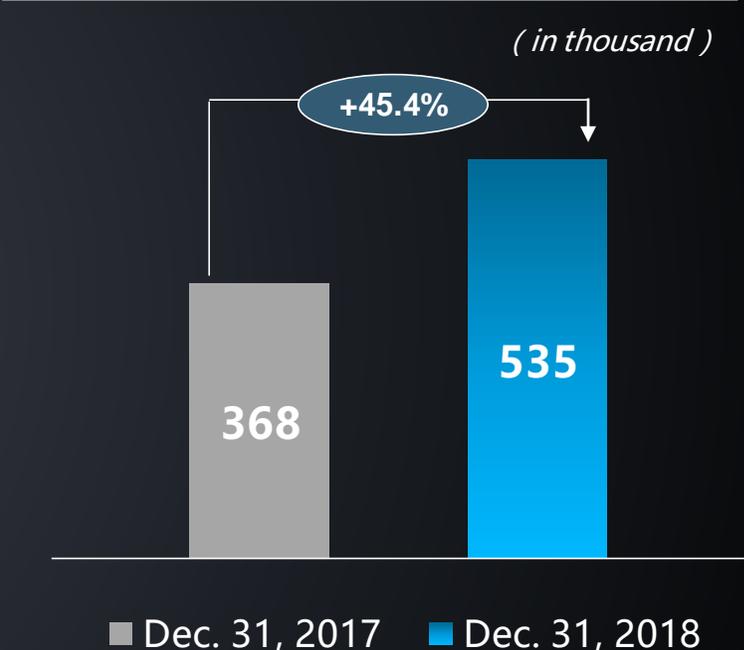
◆ Total registered users



◆ MAU¹



◆ Daily average consultations



Note:

1. MAU refers to the active users who access our service/product platform through the app, WAP or plug-ins at least once during the month of December 2017 and December 2018

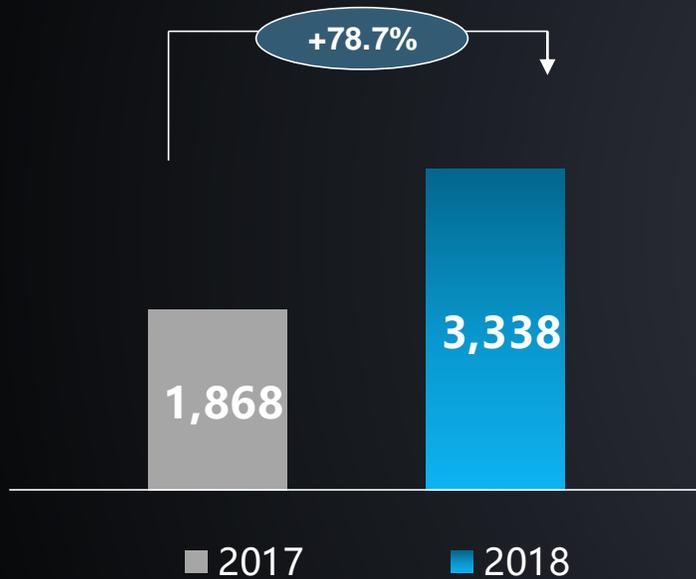


Rapid Revenue Growth and Increased Monetization of Family Doctor Services



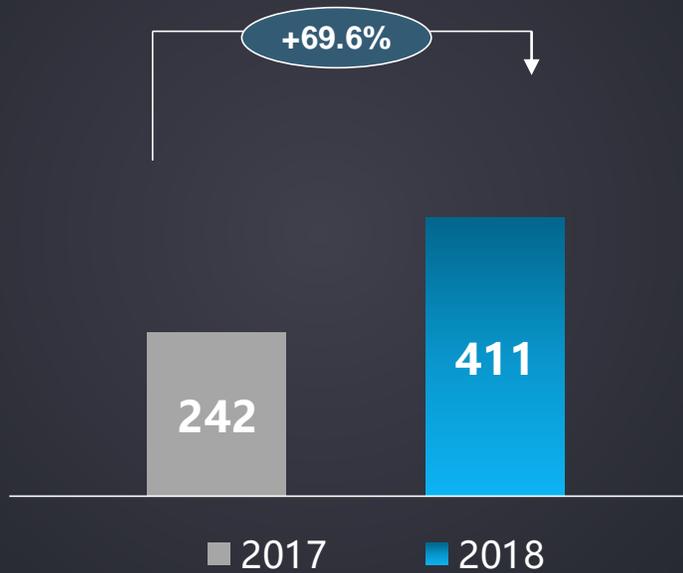
◆ Revenue

(in RMB million)



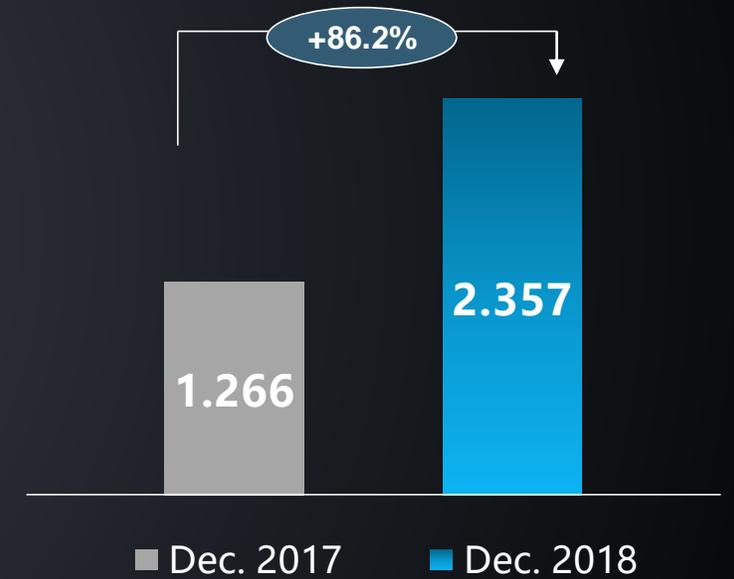
◆ Revenue from Family Doctor Services

(in RMB million)



◆ MPU¹

(in million)



Notes:

1. MPU refers to monthly paying users, namely the number of users who purchased our products or services on our platform during the month of December 2017 and December 2018
2. The average annual conversion rate of paying users increased from 2.7% in 2017 to 3.6% in 2018



Highlights

Potentials

Financials

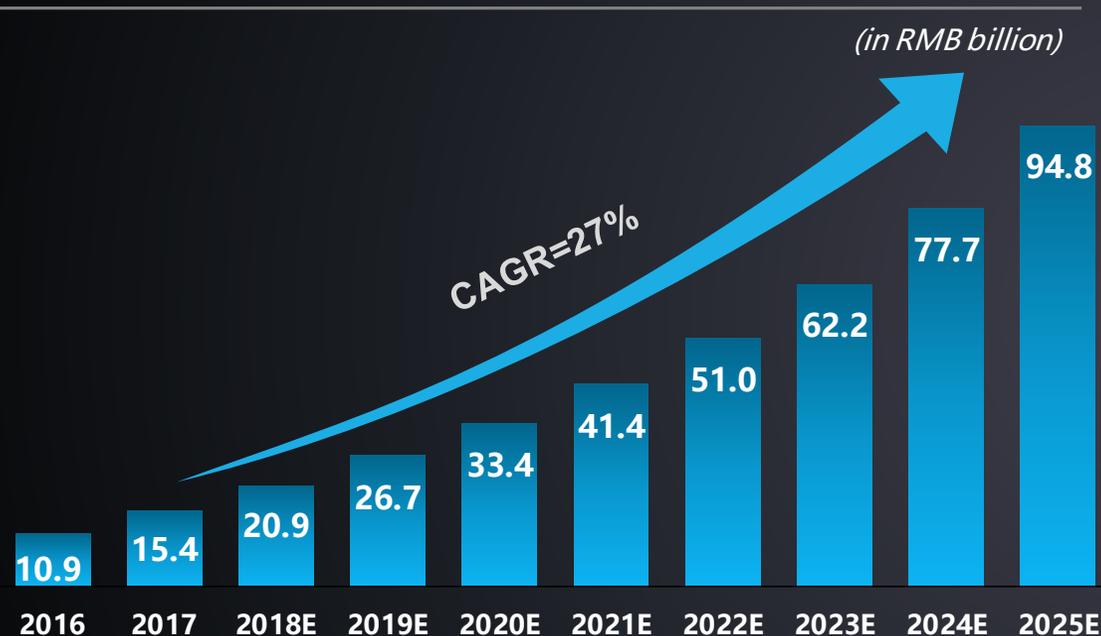


Tremendous Market Potential



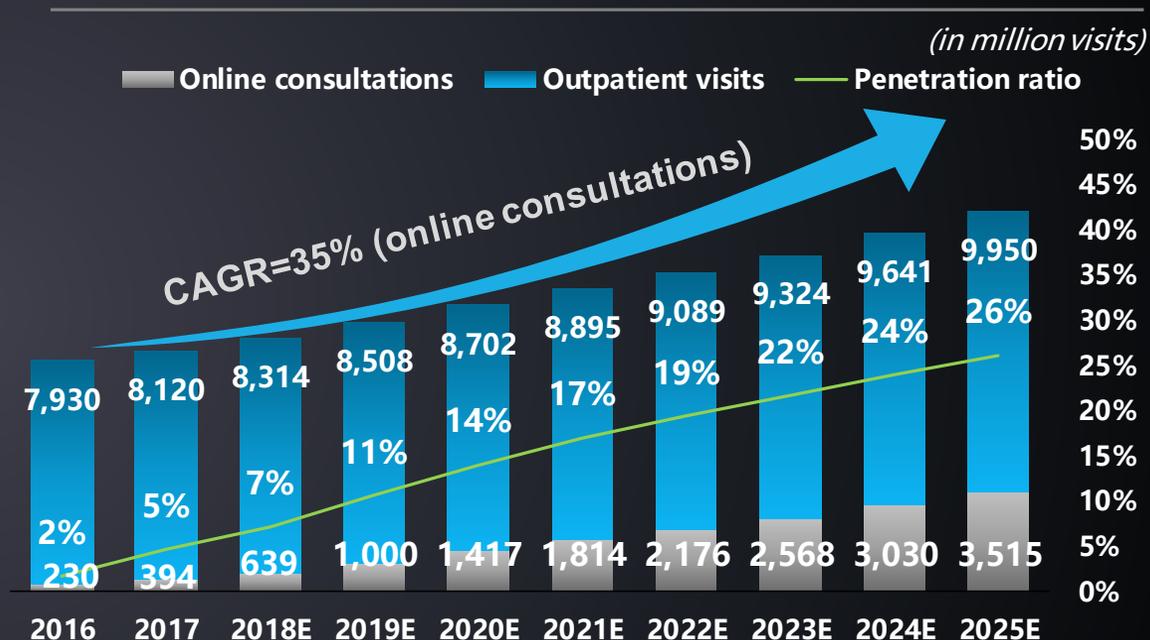
◆ Internet healthcare market

(in RMB billion)



◆ Penetration ratio of internet healthcare market¹

(in million visits)



Notes:

1. Penetration rate = online consultations / (online consultations + outpatient visits). Online consultations include both free-of-charge and fee-for-service consultations.

Source: National Health Commission of PRC, National Bureau of Statistics, and Frost & Sullivan.



Promising Future for Global Internet Healthcare



Favorable policies worldwide promoting internet healthcare



China: Administrative measures for online hospitals and online consultations have been released to support the establishment of online hospitals and provide online consultation to serve the patients, and to encourage private sector to participate to provide family doctor services.

United States: Centers for Medicare and Medicaid Services (CMS) has encouraged provision of medical services via audio/video applications and health platforms for patients, and has proposed to include telemedicine into the national health insurance program.

France: Charges for telemedicine (video consultations) are the same as those for traditional consultations. The government budget estimates that there will be one million remote consultations by 2020.

India: Online pharmacies are required to register with the Central Drug Standards Control Organization (CDSCO). Offline retailers are encouraged to cooperate with online pharmaceutical platforms



Continually Enhancing Competitive Advantages



- 1 Leading position in internet healthcare industry
- 2 Unique business models to build one-stop healthcare ecosystem
- 3 Superior user experience empowered by AI-assisted in-house medical team
- 4 Comprehensive Medicare + Healthcare services to maximize user engagement
- 5 Rapidly growing revenue with diversified monetization channels
- 6 Best-in-class management team and strong shareholder support



Leading Position in Internet Healthcare Industry



China's population



MAUs of apps ranked No.2-
No. 10 in the industry



Number of daily consultations
in a large 3A hospital

Note:
1. China's population is the total number of Chinese people at the end of 2017 released by the National Bureau of Statistics; the number of registered users of Ping An Good Doctor is as of December 31, 2018.
2. The number of active users of Ping An Good Doctor in December 2018
3. Source: data for December 2018 collected by Analysys



Unique Business Models to Build One-stop Healthcare Ecosystem



- 
 3,000+ partner hospitals, including 1,200+ Grade III 3A hospitals
- 
 5,000+ contracted external doctors from Grade III 3A hospitals to provide services online
- 
 15,000+ partner pharmacies
- 
 1,300+ partner checkup centers and 120+ medical beauty clinics
- 
 ~400 traditional Chinese medicine clinics and 1,200+ dental clinics
- 
 ~ 47,000 clinics are using the cloud clinic system



Superior User Experience Empowered by AI-assisted In-house Medical Team



A dedicated in-house medical team



Doctors



1,196¹ in-house medical staff members



An average 14 years of experience applied



Mostly come from Class 3 hospitals



Mostly attending physicians or above



24/7 on demand services



Real-time quality control



ISO 9001:2015 Standard



Zero medical malpractice claim to date

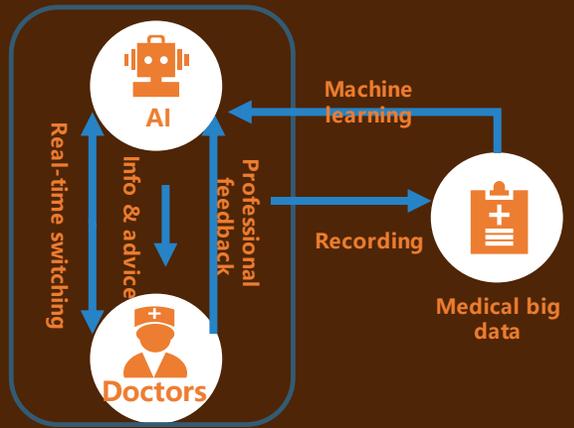
+



AI



Patient



~410 million consultations recorded



Cover 3,000+¹ diseases and applied comprehensive medical departments



Used by 100+ hospitals

Note:
1. As of December 31, 2018

User satisfaction rate: **98%**



Comprehensive Medicare + Healthcare Services to Maximize User Engagement



Rapid Revenue Growth with Diversified Monetization Channels



Family doctor service

- Insurance cooperation
- Membership
- Fee-for-service consultation
- E- prescription
-

Membership Product:

Members served:

1 Million +

Revenue:

RMB200 Million +



Consumer healthcare

- Health checkup
- Medical beauty
- Dental care
- Gene test
-

Health Checkup

Customers served:

1 Million +



Health mall

- Chinese and Western medicine
- Medical device
- Nutrition and health supplement
- Maternal and infant product
- Sports and fitness product
-

GMV¹:

RMB2,970 million+

SKU: **610,000+**



Health management and wellness interaction

- Brand marketing
- Health course
- Incentive plan
- Health information
-

MAU²:

54.7 Million

Health Content:

1 Million +

Note:

1. GMV: Gross merchandise volume, the total value of all orders placed on our platform

2. MAU refers to the active users who access our service/ product platform through the app, WAP or plug-ins at least once during the month of December 2018



Visionary Management Team with Profound Internet and Healthcare Experience



Oliver Wang
Chairman and Chief Executive Officer



- Served as the SVP of Alibaba and the President of AliSoft (predecessor of AliCloud)
- Served as the Chief Technology Officer of Kingsoft and the software engineering manager at the headquarters of Microsoft
- Served as the Chairman and CEO of Ping An Health and accumulated deep healthcare experience
- Honored as the Leader of SaaS by the China Software Industry Association in 2008, and as one of the Top 50 Innovators in China by CBN Weekly in 2016; awarded with the Hurun Industry Achievement Award 2017, and Top 10 Founders 2018 by The Founder Magazine



Thomas Wu
Chief Product Officer

- Over 10 years of experience in product designs and operations within Alibaba Group
- Served as the Senior Director of Merchant Platform Business Unit of Taobao
- Served as the Operations Director of Software Department of AliSoft



Anita Bai
Chief Operating Officer

- Over 15 years of experience in corporate operations and marketing
- Served as the Chief Marketing Officer of Ping An Health
- Held multiple positions with AliSoft, including Director of Marketing and Human Resources



Eric Wang
Chief Technology Officer

- Served as the Vice President of Technology of Alibaba
- Over 20 years of experience in internet technology and system development and management



Edwin Morris
Chief Finance Officer

- Served as the CFO of Asia Miles
- Profound experience in finance and accounting; served as Financial Controller of Swire Properties Limited, senior manager of Hong Kong United Dockyards Limited, and Associate Director of ShawKwei & Partners



Xu Zhihong
Chief Sales Officer

- Over 30 years of experience in the marketing, channel development, product and customer development areas of insurance industry
- Served as the Deputy General Manager of Ping An Life Hubei Branch, General Manager of Ping An Annuity Hubei Branch, and Deputy General Manager of Ping An Annuity
- Served as the General Manager of Ping An Wanjia Healthcare Investment Management Co., Ltd.



Xie Hong
Head of Online Hospital

- Served as the head of a branch hospital, the associated chief physician and postgraduate tutor in the Affiliated Hospital of Nanjing Medical University for more than 20 years.



Wang Tingsong
Deputy Head of Online Hospital

- Worked as an associated chief physician in the Emergency Department of Ruijin Hospital for more than 20 years



Strong Shareholder Support from Ping An Group



- Reputation of Ping An can build user's trust immediately

- Cross-sell to over 182 million retail customers and 513 million internet users¹

- Strong sales and marketing support by leveraging on 1.43 million¹ sales agents



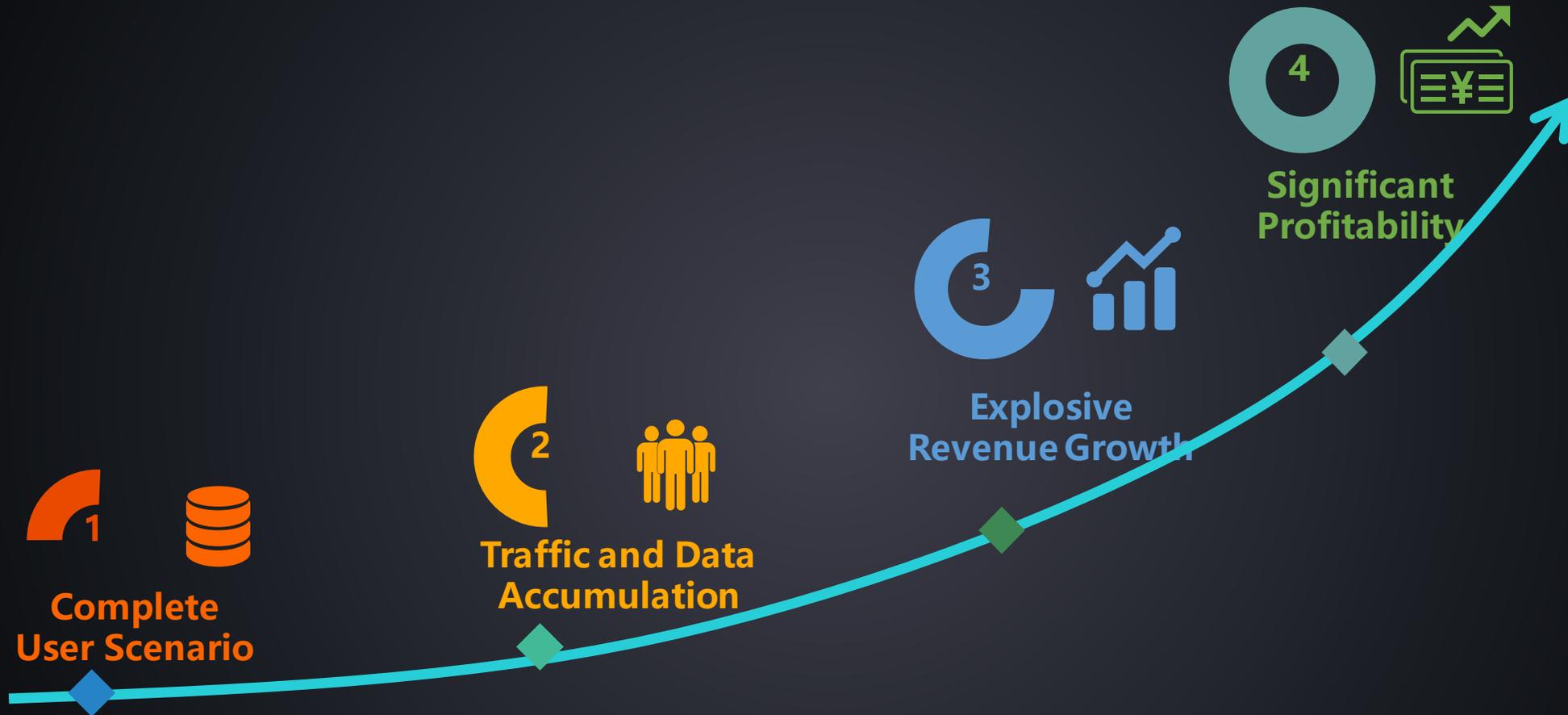
- Well positioned to benefit from the close relationship with government

- Commercial insurance coverage; NBV of the life and health insurance exceeds RMB55 billion¹
- Tremendous untapped Opportunities

Note:
1. As of September 30, 2018



Clear Growth Path



Highlights

Potentials

Financials



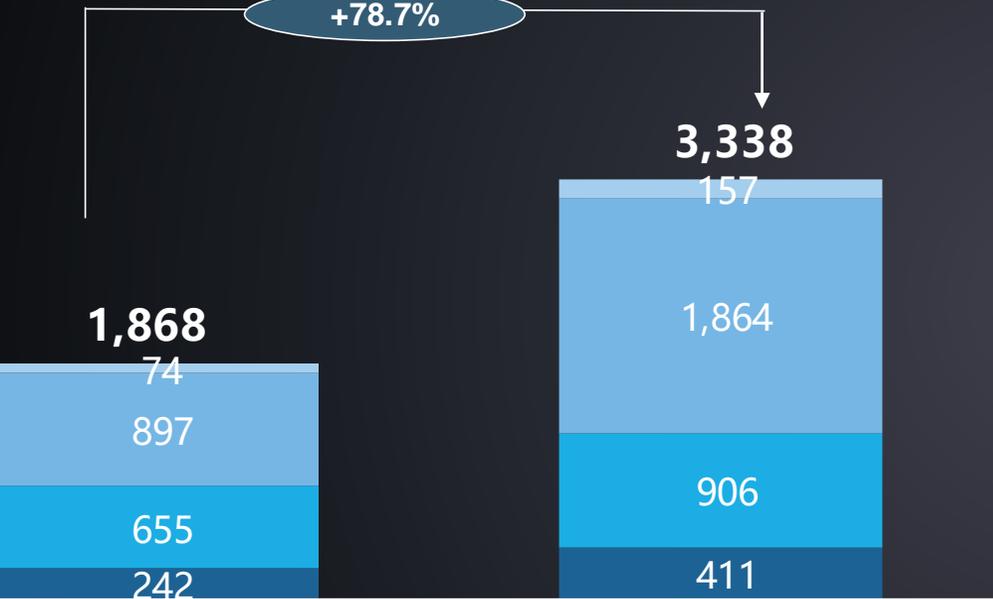
Revenue and Gross Profit by Segment



◆ Revenue by segment

(in RMB million)

+78.7%

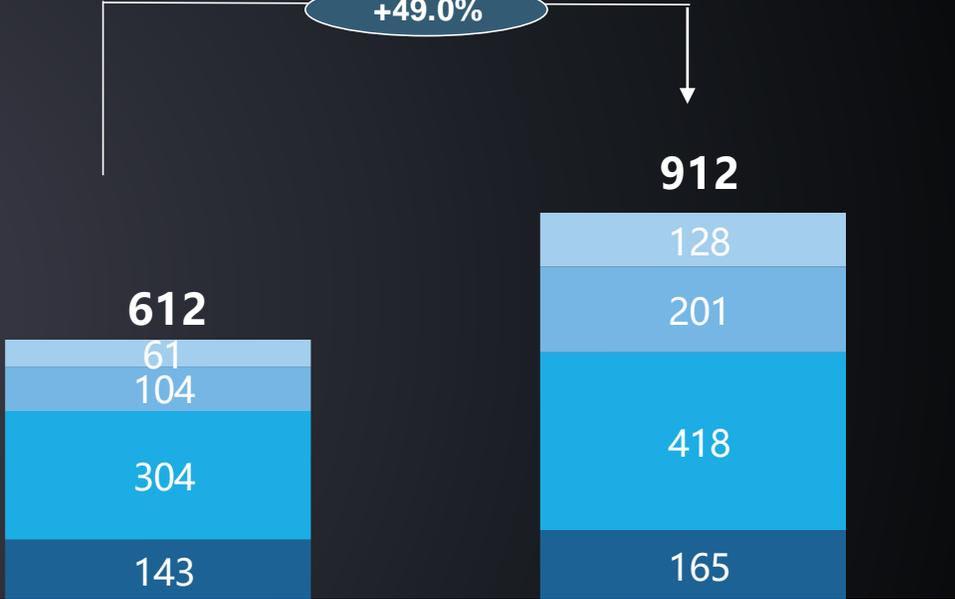


- Health management and wellness interaction
- Health mall
- Consumer healthcare
- Family doctor services

◆ Gross profit by segment

(in RMB million)

+49.0%



- Health management and wellness interaction
- Health mall
- Consumer healthcare
- Family doctor services



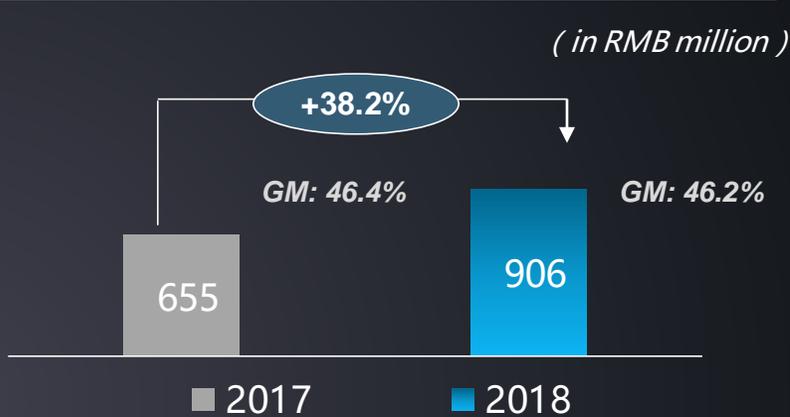
Revenue and Gross Profit by Segment



◆ Family doctor services



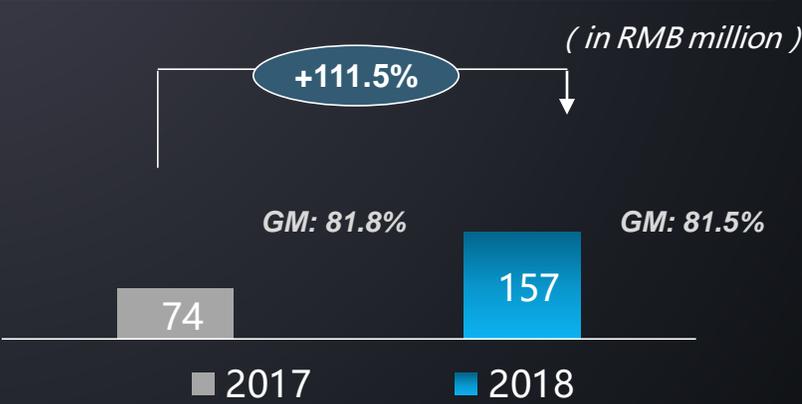
◆ Consumer healthcare



◆ Health mall



◆ Health management and wellness interaction

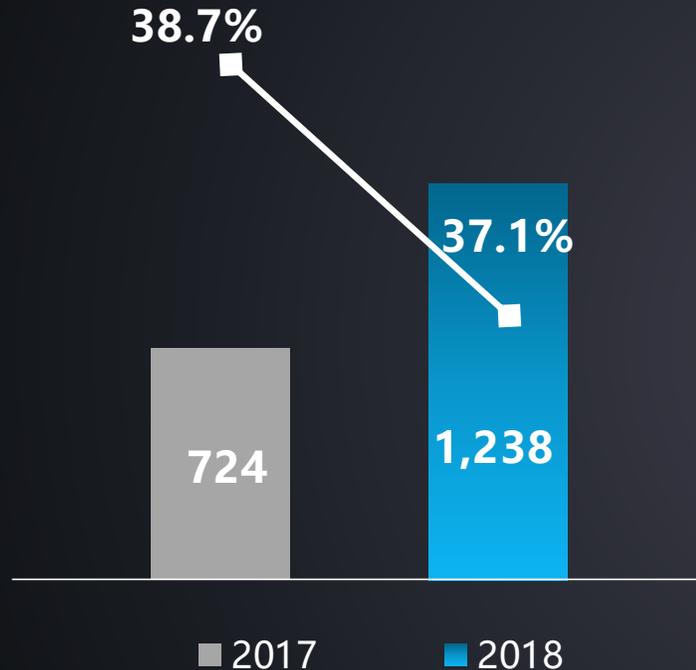


Operating Expenses



◆ Sales and marketing expenses (% of revenue)

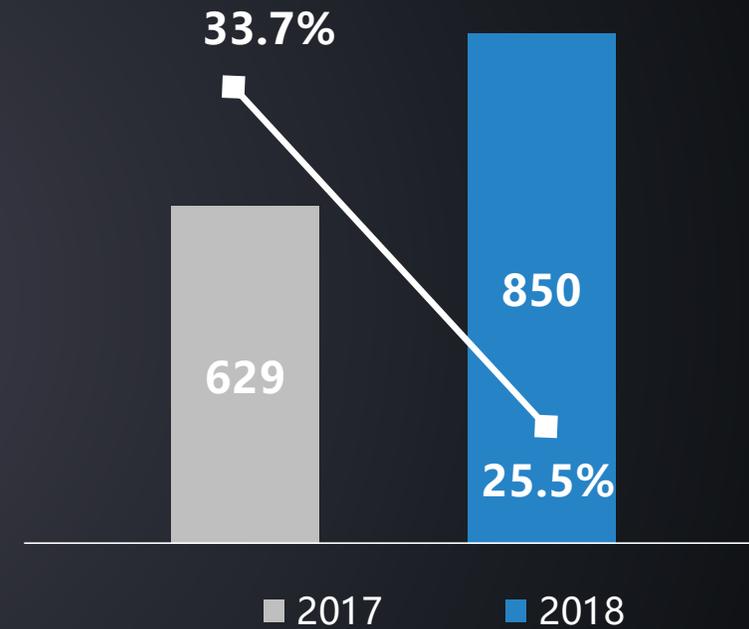
(in RMB million)



Sales and marketing expenses in 2018 was 37.1% of the revenue, down from 38.7% in 2017.

◆ Administrative expenses¹ (% of revenue)

(in RMB million)



Administrative expenses excluding listing expenses and share-based payments in 2018 was 25.5% of the revenue, down from 33.7% in 2017.

Note:

1. One-off listing expenses and share-based payments have been eliminated from administrative expenses.



2018 Simplified Income Statement



In RMB million	2018	2017	Year-on-year growth
I. Revenue	3,338	1,868	78.7%
II. Cost of sales	(2,426)	(1,256)	93.2%
III. Gross profit	912	612	49.0%
IV. Operating expenses ¹	(2,088)	(1,352)	54.4%
V. Other revenue	28	25	13.2%
VI. Operating loss	(1,148)	(715)	60.6%
<i>Operating loss margin</i>	<i>34.4%</i>	<i>38.3%</i>	<i>- 3.9 pps</i>
VII. Finance income/(costs), foreign exchange gain/(loss), and others	380	(205)	N/A
VIII. Share-based payments + one-off listing expenses	(145)	(82)	76.8%
IX. Net loss	(913)	(1,002)	(8.8%)

Note: 1. One-off listing expenses and share-based payments have been eliminated from administrative expenses.



Thank you !

