



平安好医生

2019 Interim Results



平安健康医疗科技有限公司
PING AN HEALTHCARE AND TECHNOLOGY



Operation Highlights

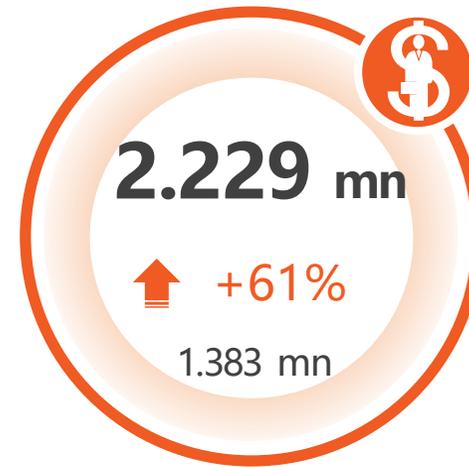
Operational metrics improved steadily with continuous growth in Online Medical Services



Registered users¹



MAU²



MPU³



Average daily consultations⁴

Note: In the figure above, 29%、61% and 24% refer to year-on-year growth, 61mn refers to 12-month cumulative increase from 2018.6.30 to 2019.6.30

1.As of June 30, 2019, users from plug-ins of Ping An Group accounted for 49.5% of the total number of registered users

2.Active users/ Paying users who access/paying services or products through mobile apps, WAP or plug-in channels at least once during month of June 2018 and month of June 2019

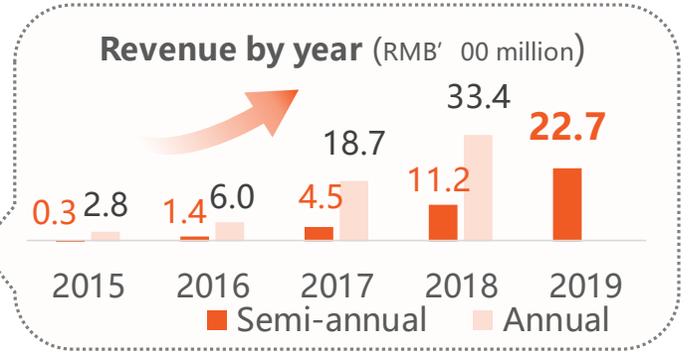
3.The average conversion rate of paying users increased from 3.1% in 2018 1H to 3.7% in 2019 1H

4. Refer to average daily consultation cases during first half of 2019

Robust revenue growth in core business segment as monetization capabilities strengthened



Total revenue for 1H 2019
2,273 mn ↑ YoY+102%



336 mn
 ↑ YoY+81%

Online medical services

388 mn
 ↑ YoY+56%

Consumer healthcare

715mn
 ↑ YoY+61%

Health mall -individual consumers

94mn
 ↑ YoY+56%

Health management & wellness interaction

741mn
 ↑ YoY+302%

Health mall -corporate clients

Note:
 1. The above amounts are expressed in RMB

Breakthrough in partnership cooperation creates vibrant and diversified channels



70 mn¹ + individual clients



Expanding financial and insurance channels



Membership products



Creating high value-added medical services to enhance competitiveness

Note:

1. The number of individual clients from China Everbright Bank is the total number of debit cards issued as at the end of 2018; the number of individual clients from PRL, Mingsheng Life and PKU Founder Life is the total number of clients as at the end of 2018



Strategy Execution

Bright prospects for internet healthcare with favorable and intensive policy support



Finalizing

**Details on payment
by Social Health
Insurance**

2019.7-Response of the Medical Insurance Bureau to Recommendation 2056 of the Second Session of the Thirteenth National People's Congress: The preliminary draft of the rules on Internet medical charges has been formulated and will be published no later than the end of September after consultation and improvement.



Supporting

**Payment by
Social Health
Insurance**

2019.6-The General Office of the State Council issued the Notice on the Key Tasks of Deepening the Reform of the Medical and Health System in 2019, which clearly stipulates that the Medical Insurance Bureau will formulate the policy document on Internet medical fees and medical insurance payment by the end of September.



Encouraging

**Development
of internet
hospitals**

2018.4-The general office of the State Council issued the opinions on promoting the development of Internet + medical health, calling for the establishment and improvement of the Internet charging policy to support the development of the industry.

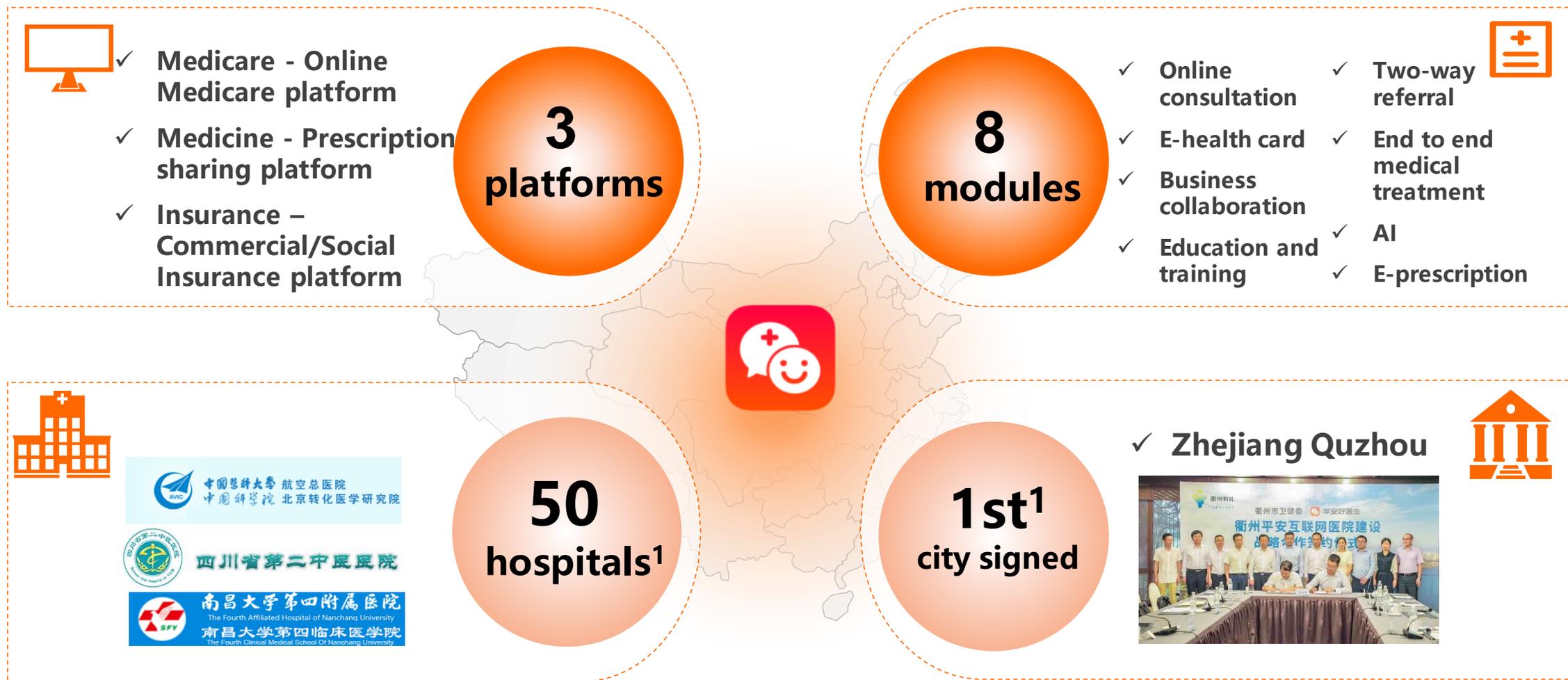


Advocating

**Insurance + health
management**

2017.11-The Regulations on Health Insurance Management (Draft for Consultation) of the Insurance Regulatory Commission clearly states that it will promote the development of health insurance and enhance the level of people's health insurance.

Ecosystem strategy: Hospital Solution helps governments and hospitals improve efficiency



Note :
1. As of July 31, 2019

Ecosystem strategy : Pharmacy Solution empowers pharmacies to create new landscape for retail business 平安好医生

 **32,000**¹ partner pharmacies

01 Scanning code for consultation

02 Private doctor services

03 O2O express drug delivery

04 Direct payment by commercial insurance

05 Supply chain

06 Financial services

07 Membership benefits

08 Brand empowerment



Note:
1. As of June 30 2019

Ecosystem strategy : Clinic Solution comprehensively enhances primary healthcare



Clinic Service platform

- An open platform connecting clinics and primary medical institutions
- Direct system access and payment by Social Health Insurance



47,000
clinics covered



Empowering of clinics

- AI-assisted diagnosis
- Chronic disease management
- Expand specialties



Training and certification

- Standard certification for clinics
- Introduce products + services, improve clinical quality of clinics



3,000 clinics
connected to the
Social Health
Insurance
reimbursement and
payment system



Note:

1. As of June 30 2019
2. Picture for illustrations only

Strategy deployment: Village Doctor Solution improves quality of rural medical services and fulfill social responsibilities



Free medical services in poverty-stricken areas



Health checkup



Village Doctor APP



Training for village doctors



Rural healthcare support



Product strategy : Private Doctor Service directly addresses healthcare pain points



Misdiagnosis rate ¹



Number of people in poverty due to illness ²



Mortality rate of chronic diseases ³

Note :

1.Source : Studies by 《 Medical Consultation Literature Database 》

2.Source : 2018 3-year work conference for national healthcare and poverty alleviation

3.Source : 2018 national healthcare survey, the number of deaths due to chronic illness

Product strategy : Private Doctor Service comprehensively takes care of you all the time



Li Tao

Urology

Former associated chief physician at Tongji Hospital of Tongji University

10+ years of clinical experience
Postdoctoral in medicine



Zhang Xiao Juan

Dermatology

Former associated chief physician at Guangzhou Women and Children's Hospital

30+ years of clinical experience



Wang Ting Song

Internal Medicine

Former associated chief physician at Ruijin Hospital of Jiaotong University School of Medicine

25+ years of clinical experience



Wang Ning

Orthopedics

Former associated chief physician at Chinese PLA General Hospital

18+ years of clinical experience
Double doctor's degrees at home and abroad



Liu Sai Nan

Neurology

Former associated chief physician at Chinese PLA General Hospital

23+ years of clinical experience
Postdoctoral in medicine



Yi Ren Liang

Internal Medicine

Former associated chief physician at Guangzhou General Hospital of Guangzhou Military Command

24+ years of clinical experience

Renowned doctors as your private doctors

 **Trust**
Dedicated caring by Renowned doctors

 **Proactive**
Tailored health management plans

 **Affordable**
Comprehensive, high-quality and one-stop services

 **Worldwide**
Integrating the world class medical resources

Product strategy: Private Doctor Service ushers in a new era of healthcare



Strangers



Acquaintances



Passive



Pro-active



Open Shelf



Recommendation



Transaction-based



Trust-based

A Robust healthcare ecosystem provides strong foundation for Private Doctor Service



3,000+
partner hospitals (including
1,400+ Grade III 3A hospitals)

5,000+
contract doctors
(associated chief physicians or
above at Grade III 3A hospitals)

32,000+
Pharmacies in partnership

47,000+
clinics utilizing our
cloud clinic system



150+
medical beauty clinics

400+
traditional Chinese
medicine (TCM) clinics

1,600+
health check-up centers

1,700+
dental clinics

Note:
1. As of June 30 2019

Our core capabilities create significant barriers for Private Doctor Services



Professional team

- **1,193** in-house medical staff members
- BSI/ISO Certified
- Five medical centers
- 7/24 service



AI capability

- Cutting-edge AI-assisted diagnosis system
- **500 million+** consultations records
- Used by **nearly 150** offline hospitals



Operational Excellence

- **289** million users
- **62.7** million monthly active users
- user satisfaction rate at **98%**



Data capability

- Big data platform
- Supercomputing platform
- Data security

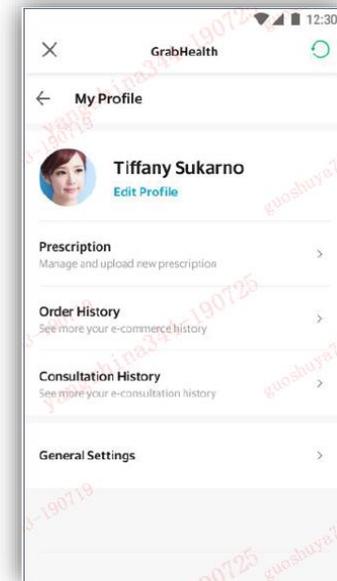
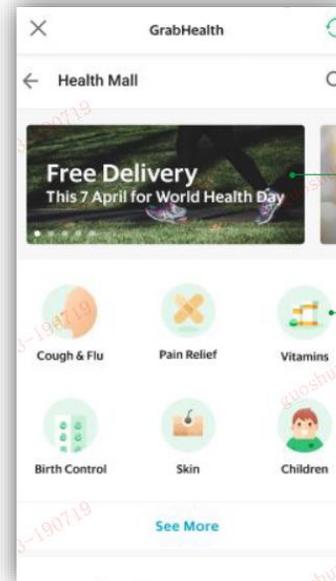
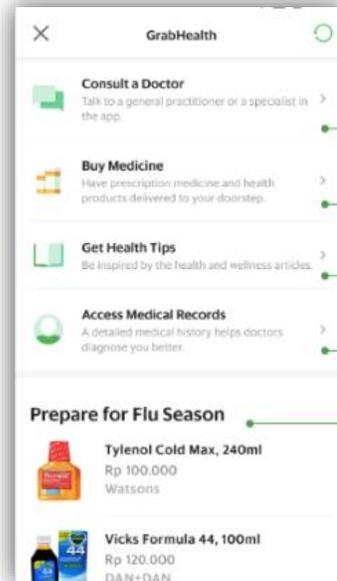
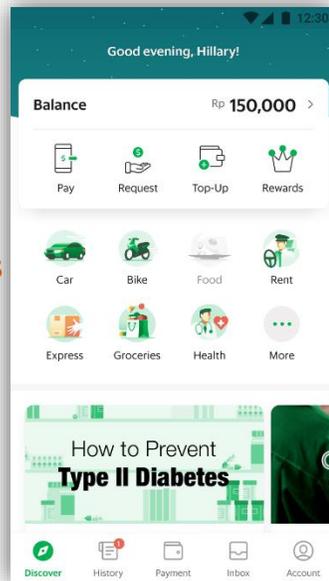
Globalization strategy : leverage AI technology and business model to empower global partners



Southeast Asia
640 million
population

- **Rapid coverage** – we have established a Singapore-based joint venture for expanding into the market in Southeast Asia. We will cover the local markets rapidly by virtue of Grab' s huge traffic.
- **First launch in Indonesia** - we will start to provide online consultation, health mall and other healthcare services for users in Indonesia via collaboration with Grab in 2019

Product
interfaces



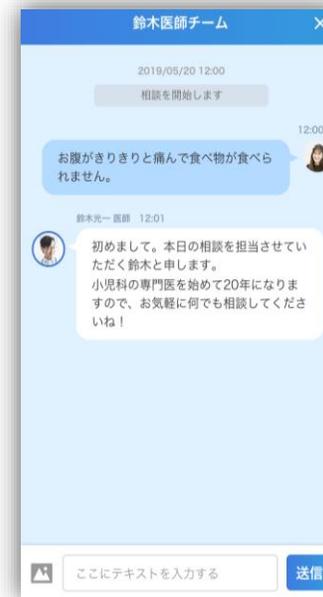
Globalization strategy: leverage AI technology and business model to empower global partners



Japan
130 million
population

- **Powerful collaboration** – April 2019, we entered into joint venture agreement and established Japan Joint Venture together with Softbank, remarks an important foot print for our debut in Japan online healthcare market.
- **Win-win cooperation** – together with Softbank we will consolidate quality local partners including hospitals, doctors, insurance companies, pharmacies, logistics and delivery companies to bring quality Internet healthcare services to users in Japan.

Product
interfaces





Financial Performance

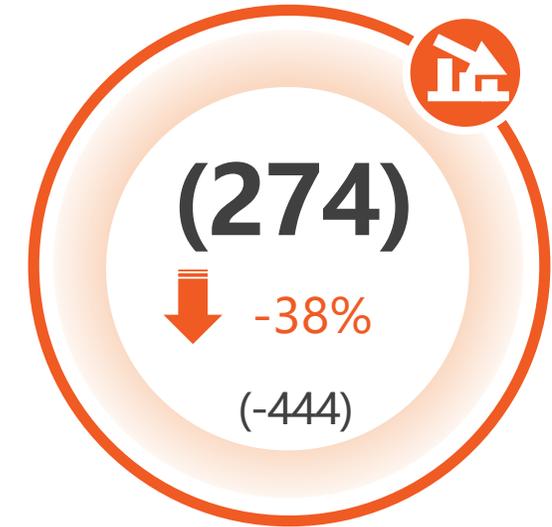
Revenue grew rapidly and net loss narrowed significantly



Online Medical Services Revenue
(RMB in millions)



Total Revenue
(RMB in millions)



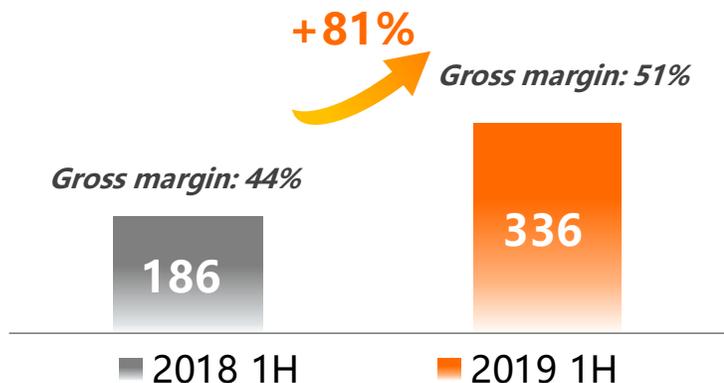
Net loss
(RMB in millions)

Note : In the figure above, 81%、102% and -38% refer to year-on-year growth

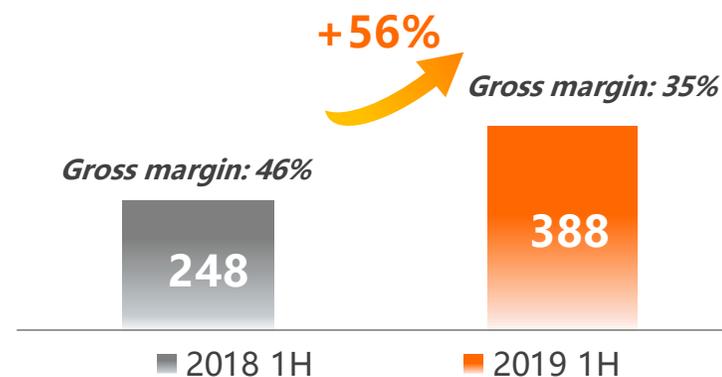
Recorded across all segments while quality of earnings continued to improve



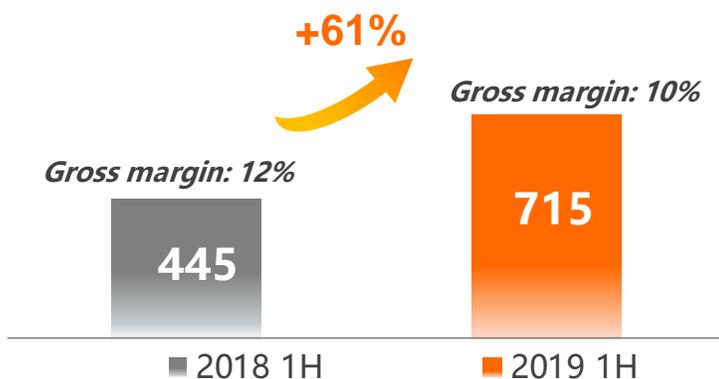
Online medical service (RMB in millions)



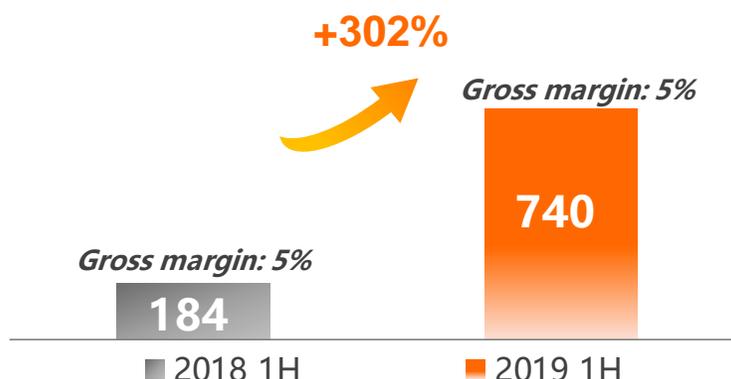
Consumer healthcare (RMB in millions)



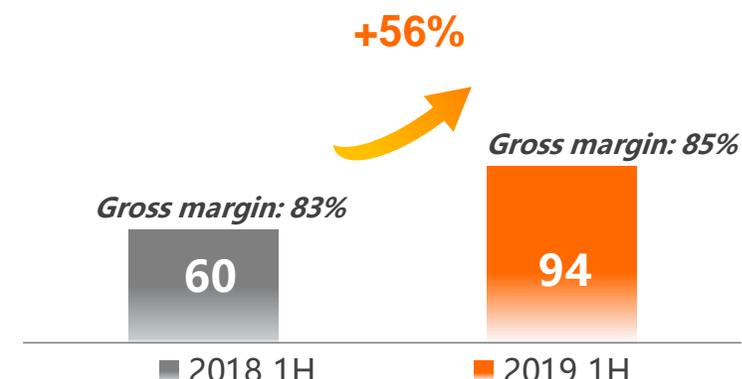
Health mall – Individual consumers (RMB in millions)



Health mall – Corporate Clients (RMB in millions)



Health management and wellness interaction (RMB in millions)



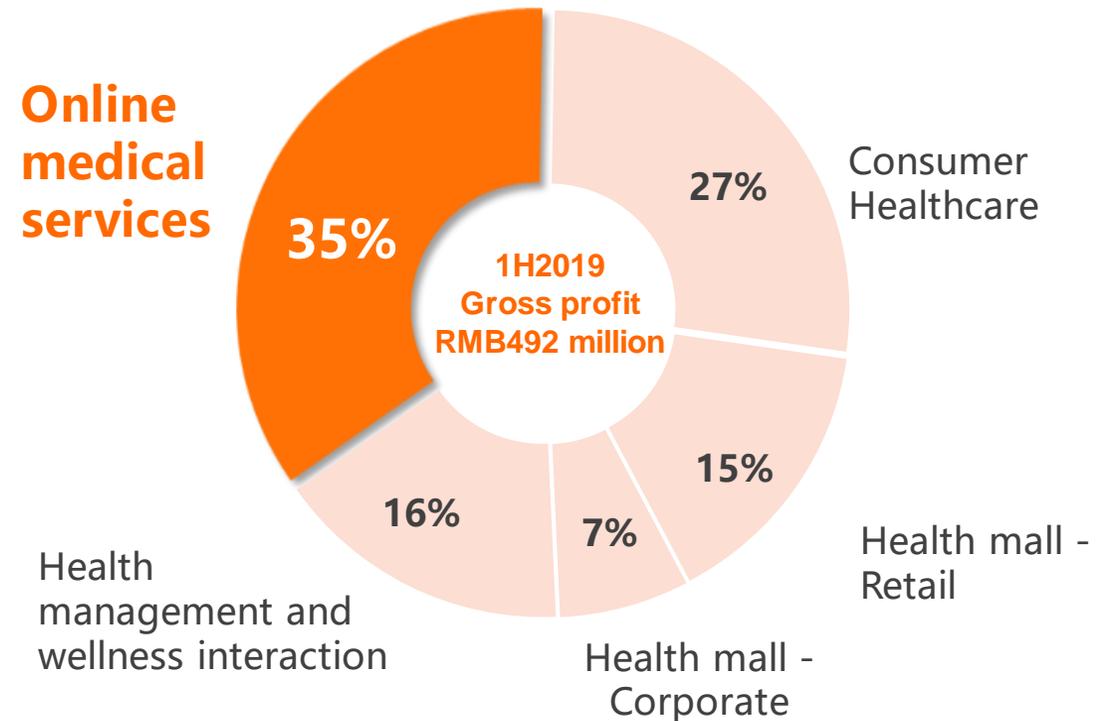
Note: 1. As of June 30 2019

Online medical services contributes the most as 平安好医生 overall profits grow strongly

Gross profit (RMB in millions)



Contribution (%) to gross profit by business segment



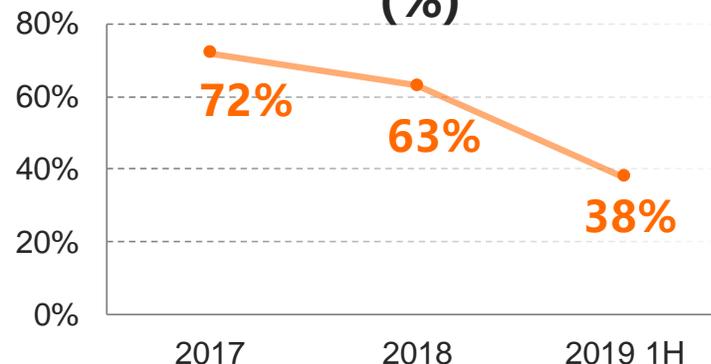
Note : In the figure above, 59% refers to year-on-year growth

Operational efficiency improved significantly and operating loss narrowed year on year

(RMB in millions) **2018 1H** **2019 1H**

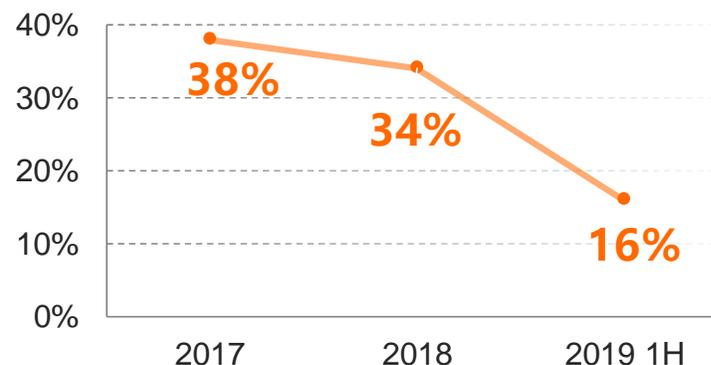
Total of expenses	770	865
Selling expenses	472	377
Administrative expenses	298	488
Operating loss	(453)	(364)

Expense-to-Revenue Ratio (%)



Revenue grew significantly

Operating loss rate (%)



Operating loss and net loss narrowed year on year



Operating loss ratio and net loss ratio declined greatly

Note:

1. Expenses excluded expenses of options and one-off expense related to IPO

Appendix - Interim Condensed Income Statement for 2019



RMB in millions	Jan. - Jun. 2019	Jan. - Jun. 2018	Year-on-year growth
I. Revenue	2,273	1,123	102%
II. Cost of sales	(1,781)	(814)	119%
III. Gross profit	492	309	59%
IV. Expenses and taxes ¹	(865)	(770)	12%
V. Other income	9	8	13%
VI. Operating profit (loss)	(364)	(453)	(20%)
<i>Operating loss rate</i>	<i>16%</i>	<i>40%</i>	<i>- 24 percentage points</i>
VII. Net finance income, exchange gains/losses and others	146	87	68%
VIII. Options + IPO expense	(56)	(78)	(28%)
IX. Net profit (loss)	(274)	(444)	(38%)

Note:

1. Expenses exclude share-based payment expenses, net foreign exchange gains, fair value gains on financial assets and listing expenses.

THANK YOU