

An abstract graphic on the left side of the slide, consisting of a dense network of interconnected lines and dots. The lines and dots are colored in a gradient from orange at the top to blue at the bottom, creating a sense of depth and connectivity.

PINGAN HEALTHCARE AND TECHNOLOGY COMPANY LIMITED

**平安健康医疗科技有限公司**

**Company Introduction**

**Stock Code: 01833.HK**



**平安好医生**  
PINGAN GOOD DOCTOR

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# Vision and Mission

## Mission

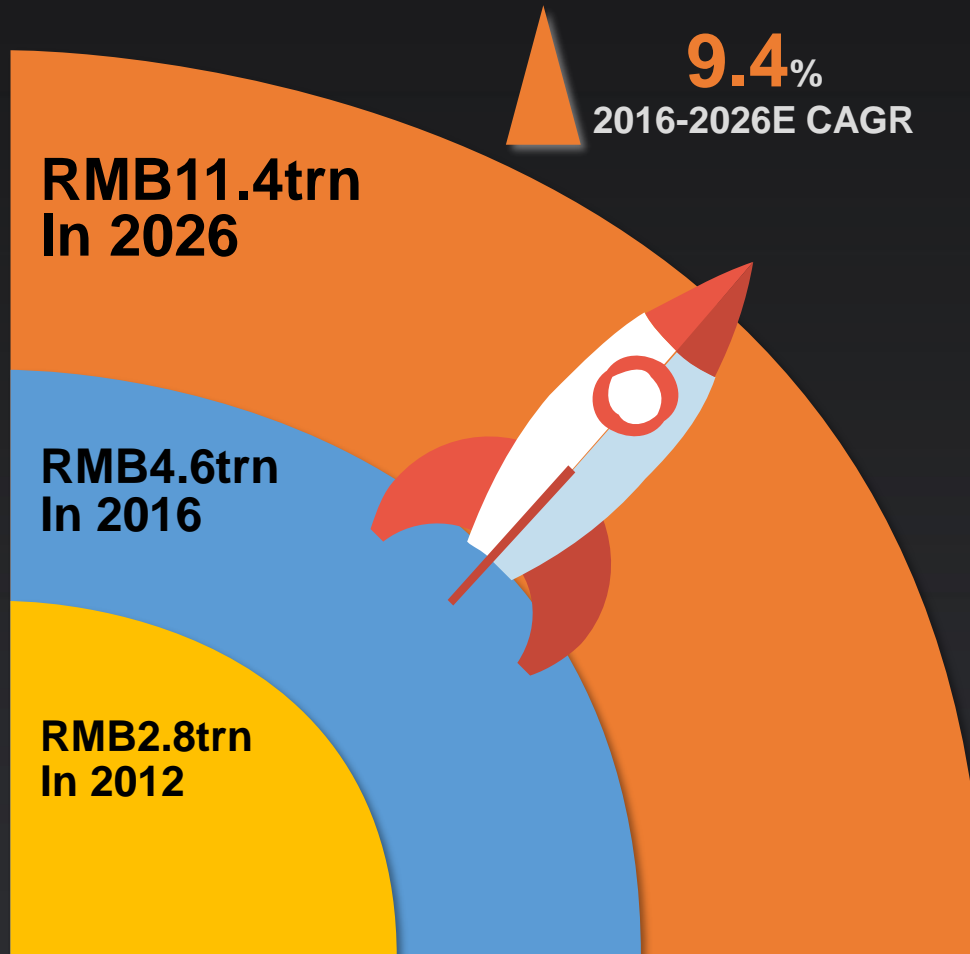
Build the largest **healthcare ecosystem** in the world and **promote healthy living empowered by technology**

## Vision

- ✓ A **family doctor** for every family
- ✓ An **e-health profile** for every person
- ✓ A **health management plan** for everyone

# China Healthcare Services Market: Massive, Growing with Structural Weaknesses

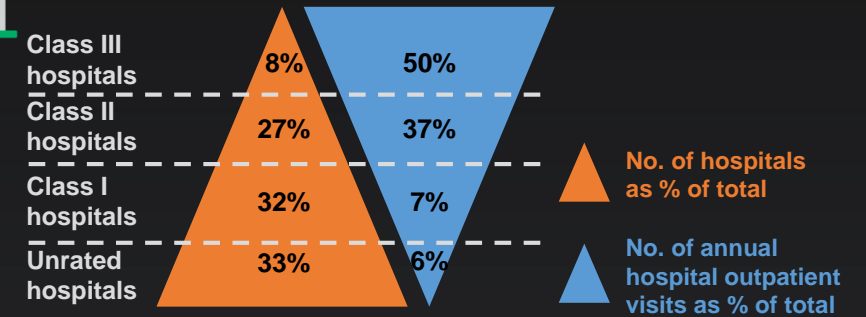
## Total healthcare expenditure in China



Current  
weaknesses in  
China's healthcare  
industry



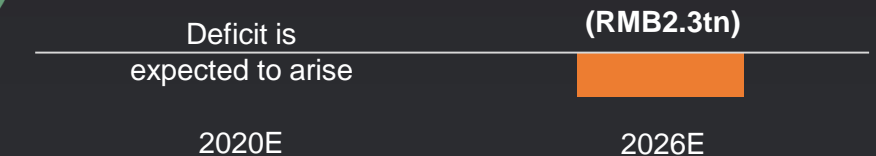
## Scarcity and uneven distribution of quality medical resources<sup>1</sup>



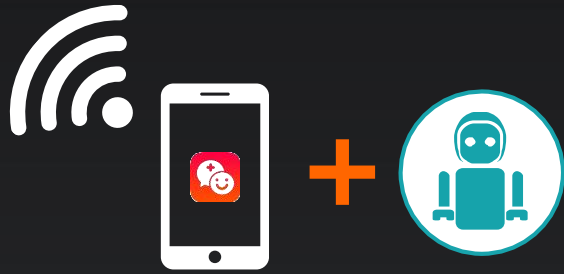
## Poor medical service experience<sup>1</sup>



## Expected deficit of the basic social medical insurance



# | Internet + AI is the Only Solution to Address the Pain Points



## Medical resources

- ✓ Leverage **Internet** to share medical resources in real-time across regions
- ✓ **AI Assistant** bridges the unmet demand for family doctors and alleviate pressure on physical medical institutions



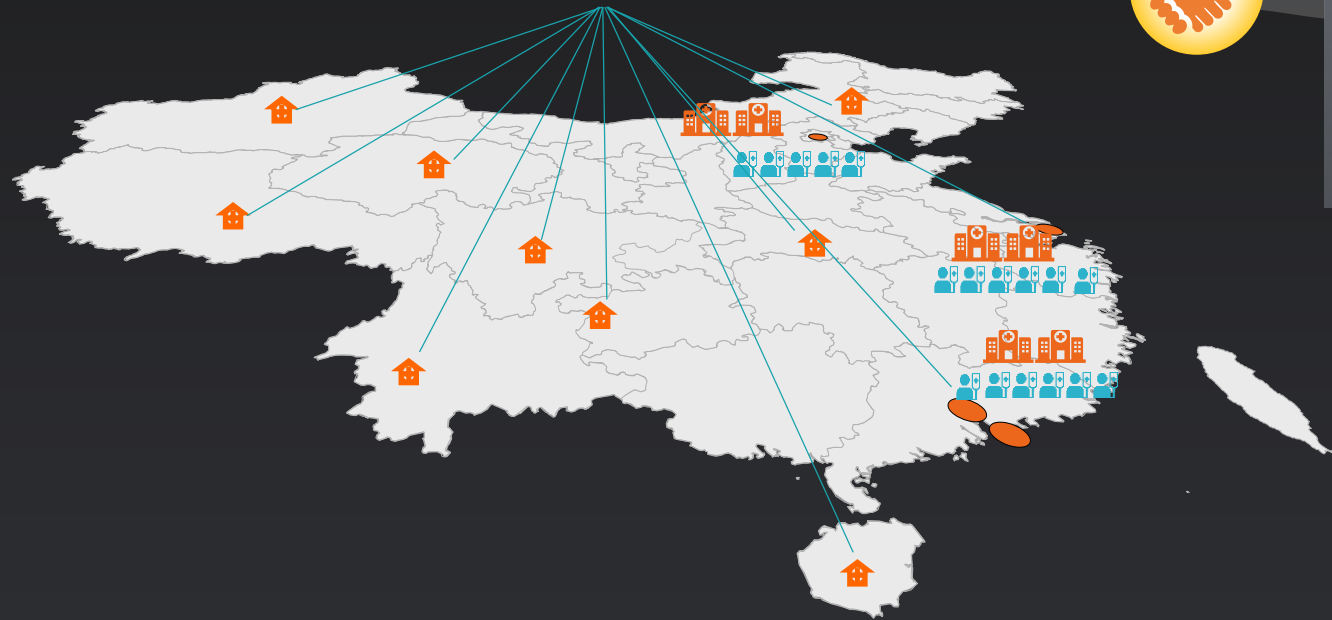
## User experience

- ✓ **24x7 access** to quality healthcare with minimal waiting time on users' fingertip
- ✓ **Lower** patient's medical-related **costs**

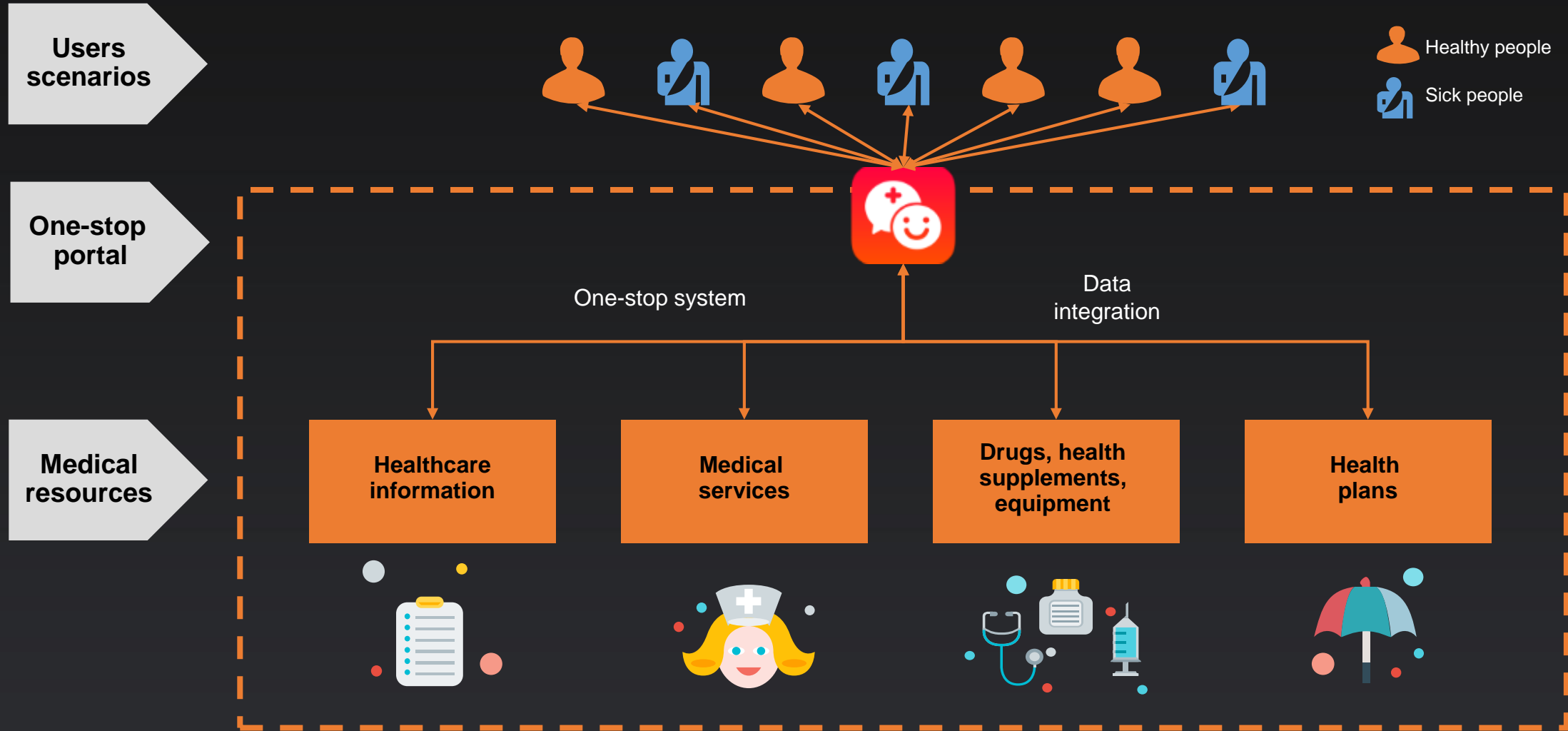


## Social impact

- ✓ Low cost and scalable model to improve **access to care**
- ✓ Improve overall **population health**



# | We Created a One-stop Healthcare Platform to Reshape User Behavior



Comprehensive and personalized healthcare with consistent quality of care

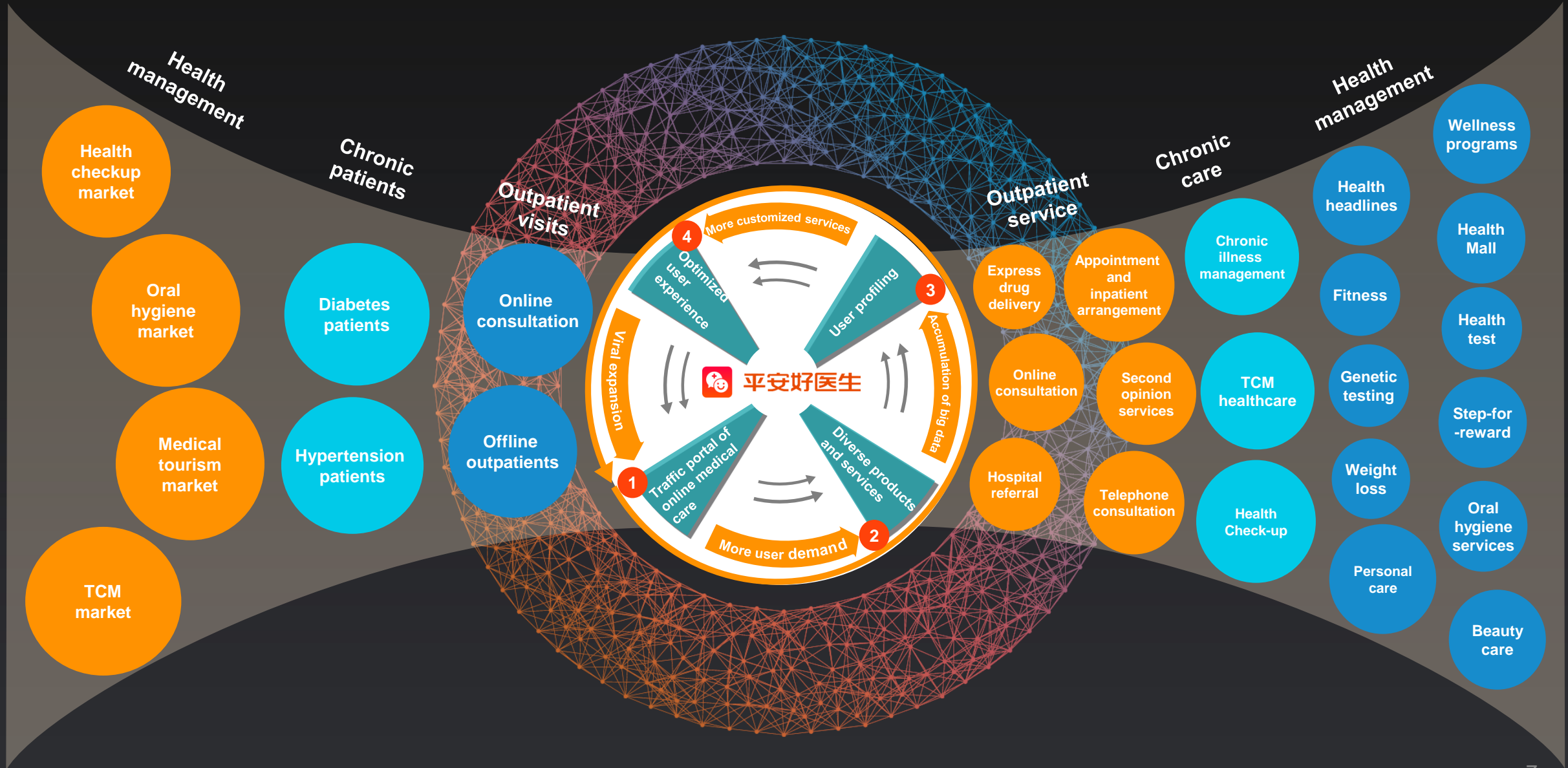


# Our Ecosystem Offers Comprehensive Services



Note: Class III hospitals are multi-regional hospitals with large capacity that provide multiple regions with high-quality professional medical services, undertake higher education and scientific research initiatives, which are designated as Class III hospitals by the NHFPC hospital classification system. Data as of December 31, 2017

# We are the Portal to Healthcare in China





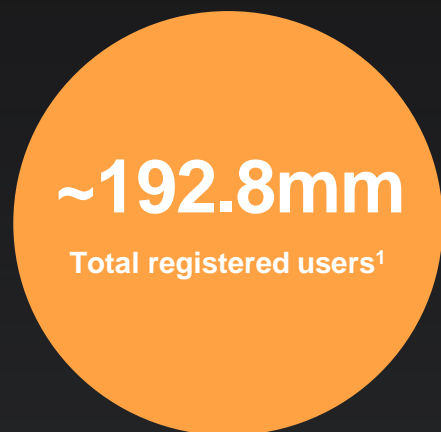


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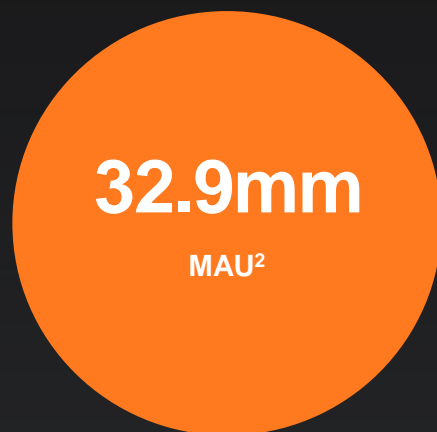
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# Investment Highligh

# 1 Unparalleled Market Leader in China's Rapidly Growing Internet Healthcare Industry



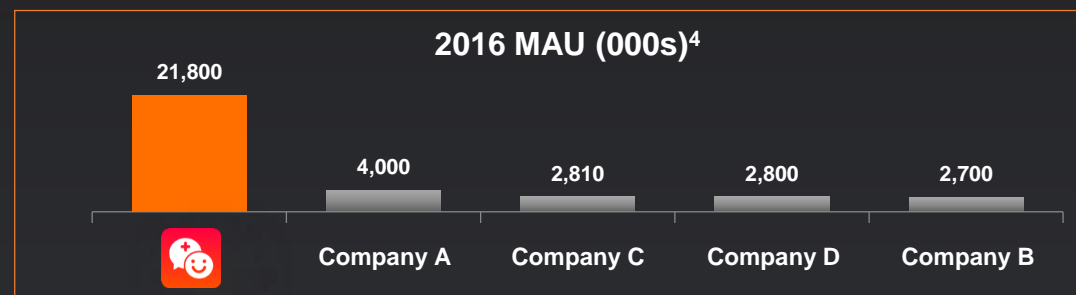
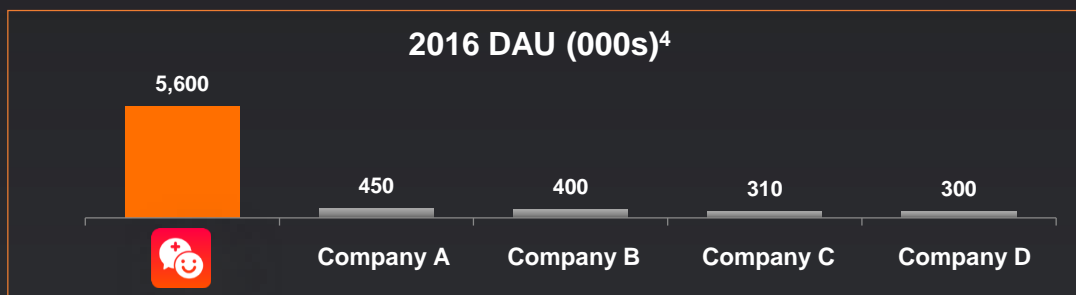
2015-2017 CAGR: 152.3%



2015-2017 CAGR: 142.4%



2015-2017 CAGR: 204.1%



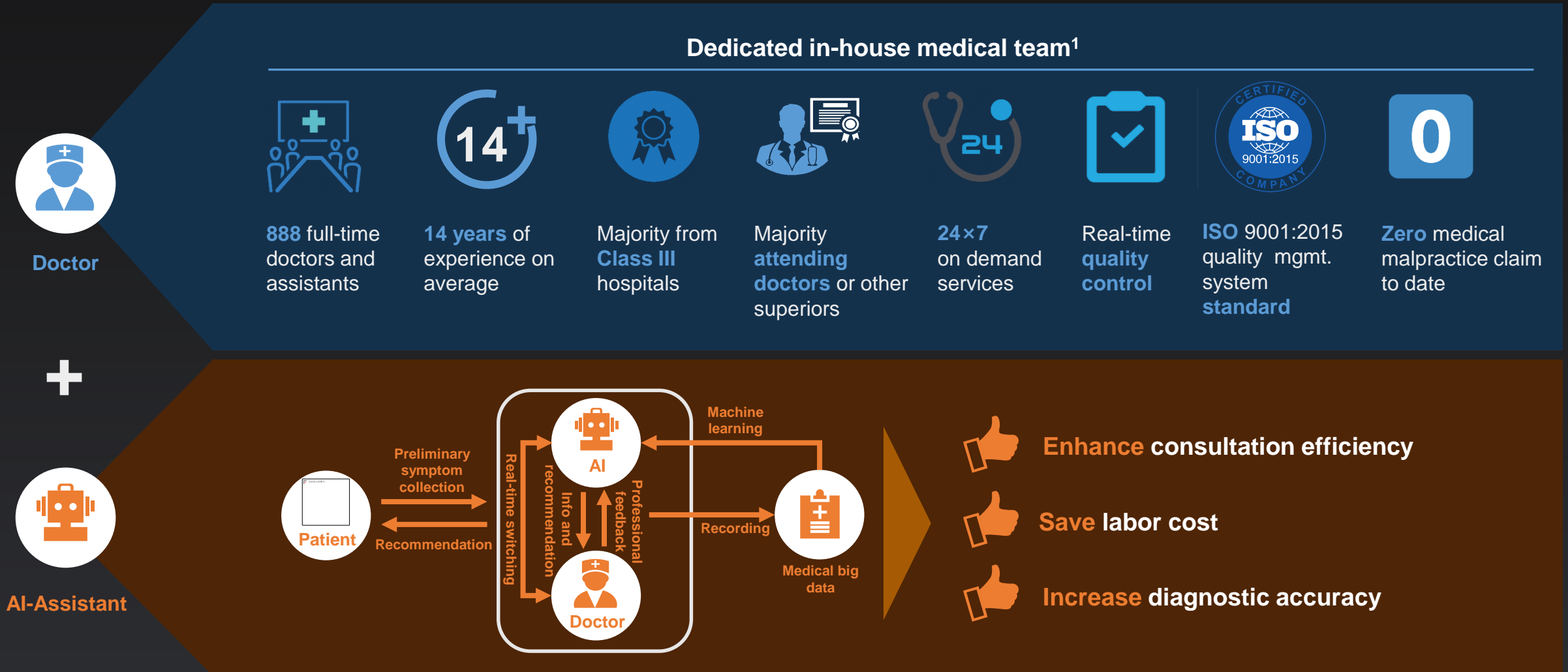
Source: Company Prospectus, Frost & Sullivan analysis

Note: ¹ Registered users as of year-end 2017. ² MAU as of average MAUs for each month in 2017. ³ Average in 2017. ⁴ Average in 2016.

## 2 Unique Business Model that Offers a One-stop Portal Connecting Users to Comprehensive Online and Offline Healthcare Resources

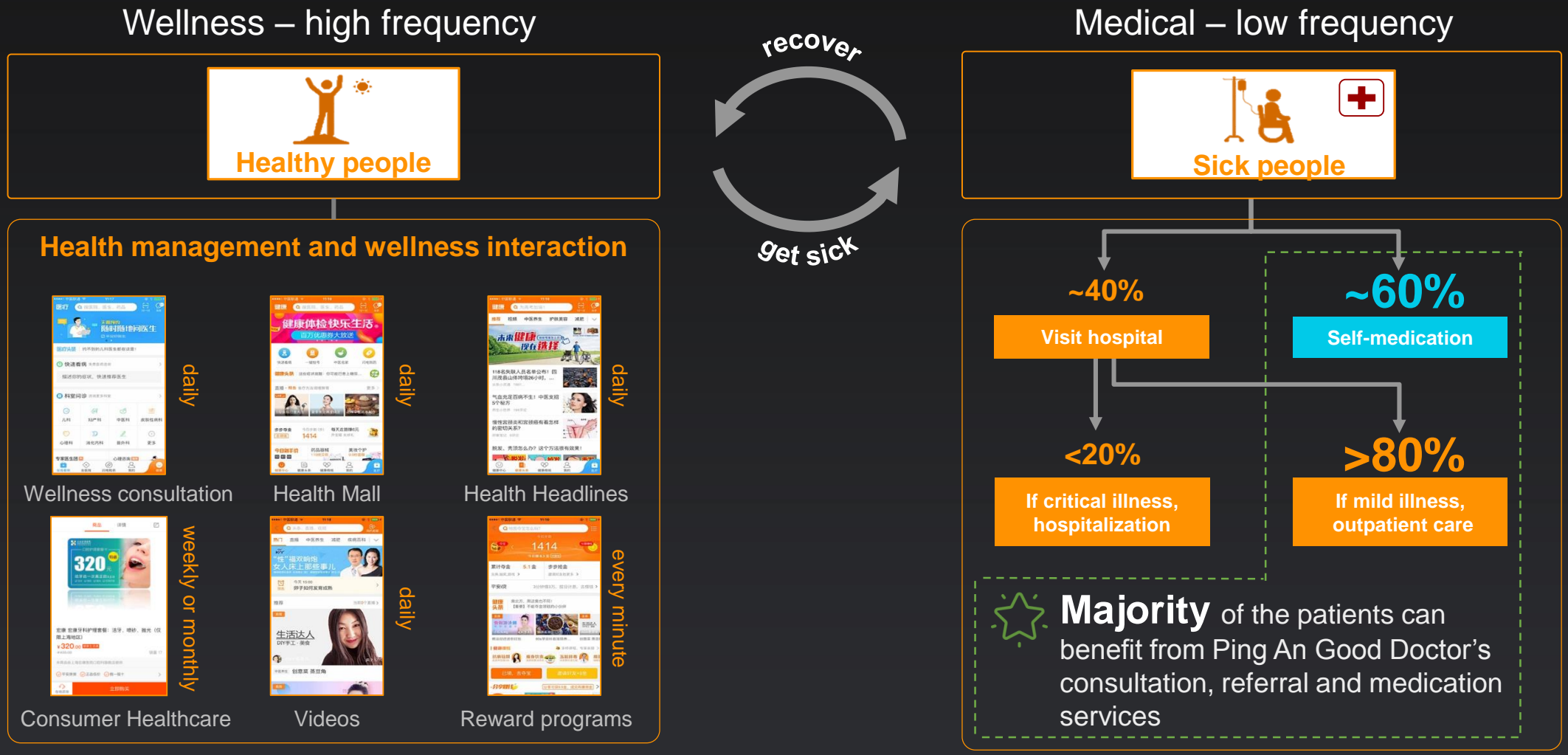


### 3 Superior User Experience Empowered by In-house Medical Team and Innovative Technological Solutions



**97% customer satisfaction rate<sup>2</sup>**

# 4 Strategically Maximize User Interactions and Engagement by Addressing Full Range of Healthcare Needs of Users

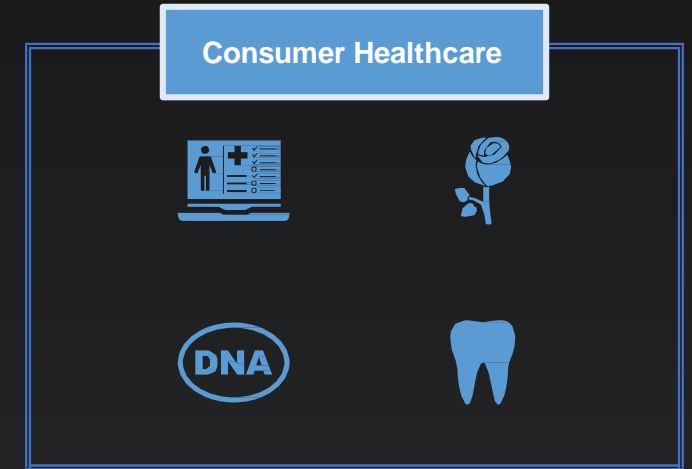
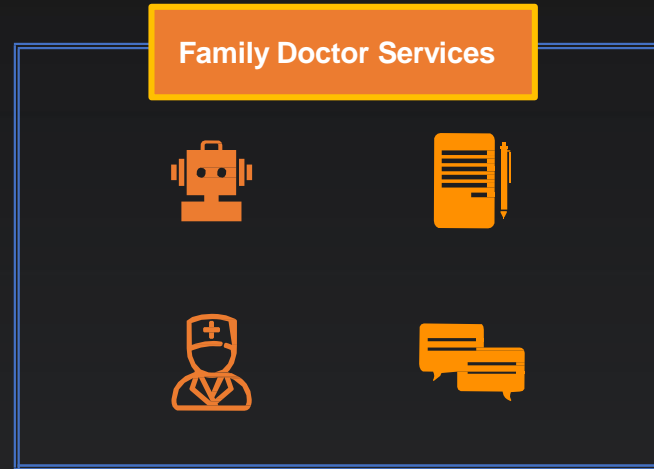
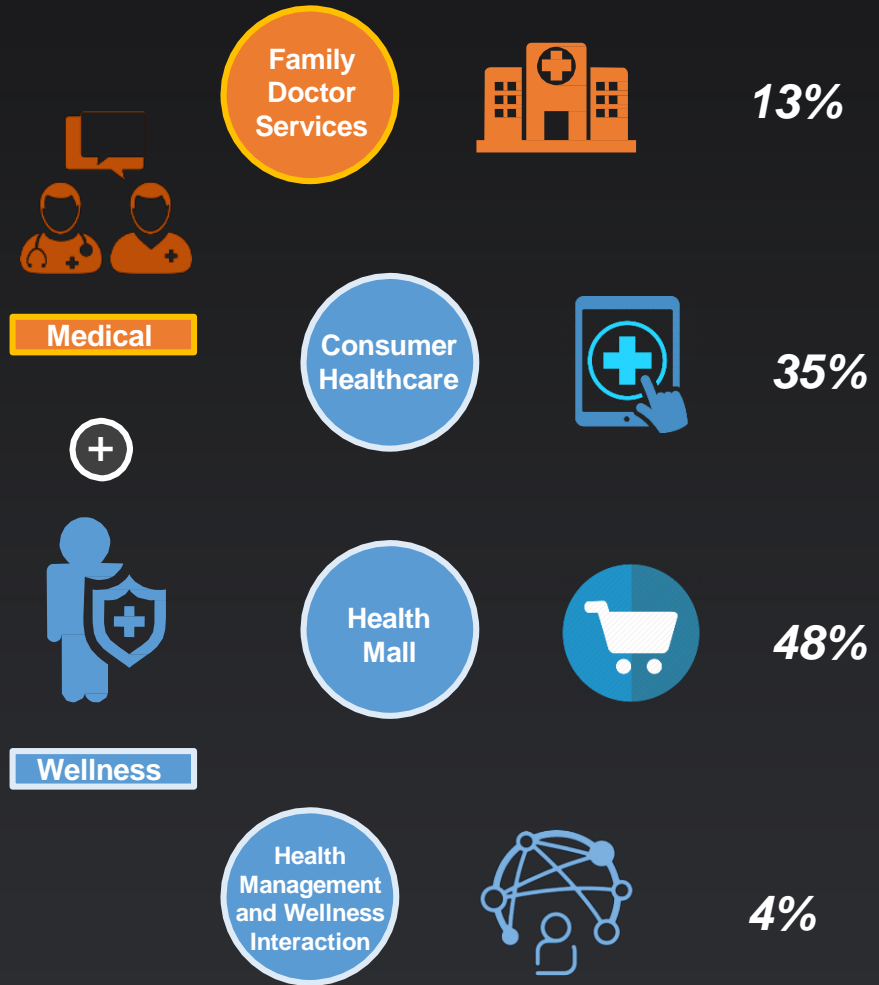


Note: Ratios estimated based on Frost & Sullivan Analysis and data from National Bureau of Statistics  
<sup>1</sup> Average ratio for 2017.



# 5 Staggering Historical Financial Performance Underpinned by Diversified Monetization Channels

Total revenue of **RMB 1.87bn** in 2017



# Visionary Management Team with Profound Internet and Medical Experiences



**Oliver Wang**  
Chairman and CEO



- Previously SVP of Alibaba and President of AliSoft (predecessor of AliCloud)
  - Led development of the technology platforms of Alibaba, Taobao and Alipay
  - Led AliSoft to provide online software services for SMEs in China
- Former Chief Technology Officer of Kingsoft; Served as software engineering manager at the headquarters of Microsoft
- Previously Chairman and CEO of Ping An Health Insurance and accumulated abundant experience in the medical health industry
- Recognized as the Leader and Founder in China SaaS by the China Software Industry Association in 2008, and as one of the 50 Innovators of China Business by CBN Weekly in 2016, and also awarded with Industry Achievement Award 2017 by Hurun Report in 2017



**Thomas Wu**  
CPO

- Over 10 years of experience in product designs and operations within Alibaba Group
- Senior director of merchant platform department of Taobao
- Operations director of the management software department of AliSoft



**Anita Bai**  
COO

- Over 15 years of experience in corporate operations and marketing
- Former CMO of Ping An Health Insurance
- Held multiple positions within AliSoft, including director of marketing and HR



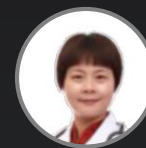
**Eric Wang**  
CTO

- Former Vice President of Technology of Alibaba
- Over 20 years of experience in Internet technology and computer system development and management



**Edwin Morris**  
CFO

- Former CFO of Asia Miles
- Profound experience in finance and accounting, previous roles include financial controller of Swire Properties Limited, senior manager of HUD Group, associate director of Shaw, Kwei & Partners



**Xie Hong**  
Head of  
online hospital

- Worked for Affiliated Hospital of Nanjing Medical University for over 20 years, previously as principal of sub-branch, associate director, and post-graduate tutor



**Wang Tingsong**  
Deputy head of  
online hospital

- Worked for A&E department at Ruijin Hospital for over 20 years as associate director



# Strong Shareholder Support from Ping An Group





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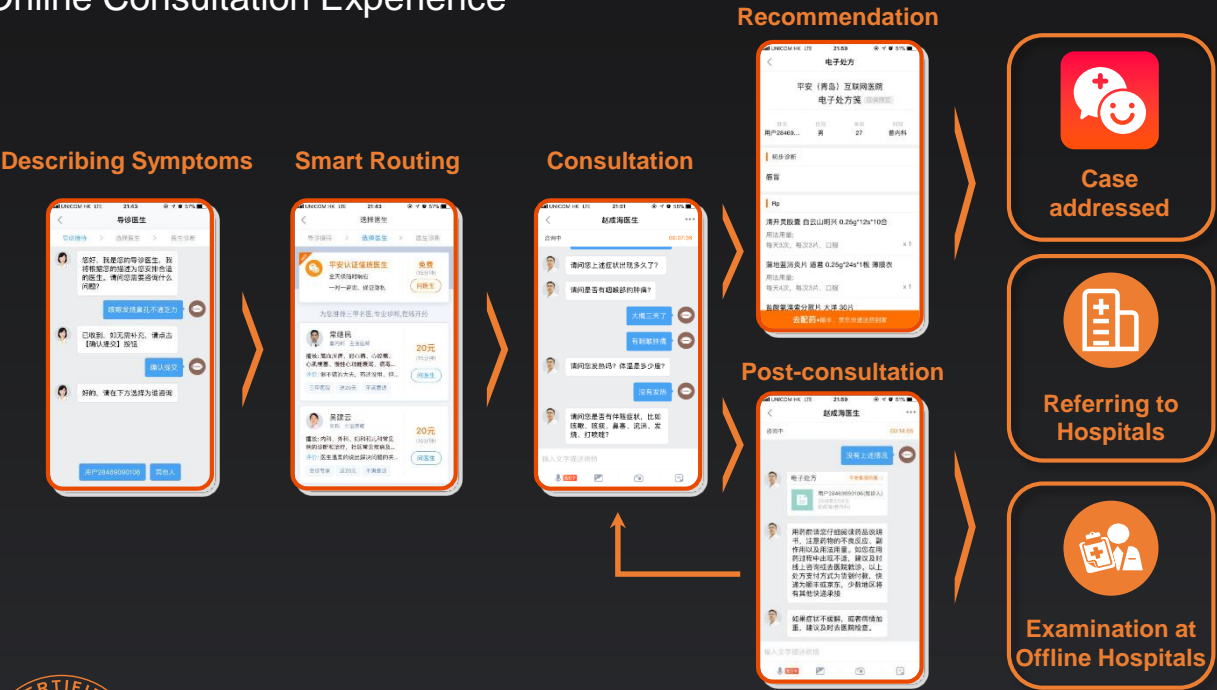
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# Business Overview

# 1 Family Doctor Services - Medical Services at Fingertips

## Fee-for-service model

### Online Consultation Experience



ISO quality standard

## Subscription model

### Membership Services



### Value-added Services in Collaboration with Insurers

#### Users

- Quality healthcare services
- Insurance proceeds

#### Insurance Companies

- Lower incident rate
- Increase competitiveness of insurance products

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Commercial Insurance Coverage

Source of revenue

- ✓ Fee-for-service for online consultation and other medical services
- ✓ Fee from value-added packages and membership plans



# Consumer Healthcare - Standardized Consumer Healthcare Service Packages

Categories of packaged services	Offline partners	Revenue contribution <sup>1</sup>	Promotion channels
 Health Check-up	  	81.2%	 Online promotion
 Genetic Testing	  	3.9%	
 Beauty Care	  	1.0%	
 Oral Hygiene	   	13.9%	 Offline promotion
 Overseas Health Check-up	   		
 More categories to be offered in the future	.....		

## Source of revenue

- ✓ Sale of customized consumer healthcare service packages to individuals as well as corporate clients

# 3 Health Mall - Strategic Channel for Ecosystem Monetization

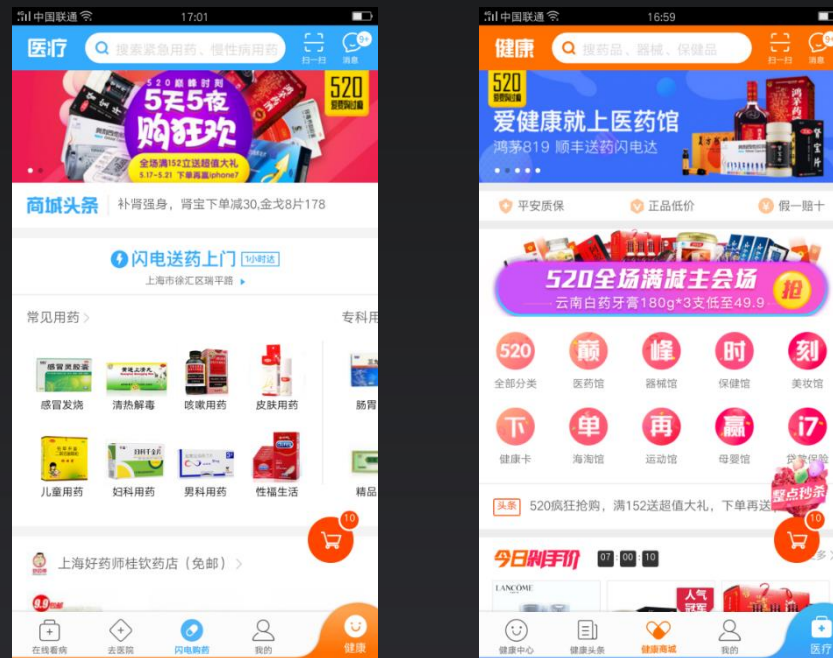
RMB 1,193.3 Million GMV<sup>1</sup>

537% YoY Growth

178,800 SKUs<sup>2</sup>

156% YoY Growth

Health Mall UI



Product Offerings

## Healthcare products (53%<sup>3</sup>)



Health Supplement



TCM & Chemical Drugs



Medical Device

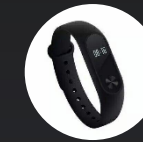
## Wellness products (23%<sup>3</sup>)



Personal Care



Maternal & Infant Care

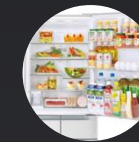


Sports & Fitness

## Other products (24%<sup>3</sup>)



Home Necessity



Home Appliance

Source of revenue

- ✓ Sales of products under direct sales model
- ✓ Commissions from marketplace model

# Health Management and Wellness Interaction - Maximize User Engagement

## Health Headlines<sup>1</sup>

- Average DAUs **>1.0 million**
- Daily average PV **~2.9 million**
- Daily average content feeds **~4,300**

### Health Headlines UI



## Reward Plans<sup>1</sup>

- Attracted **~13.2 million** new users to reward plans
- Average MAU **~18.4 million**

### Reward Plans UI



## Health Programs<sup>2</sup>

- **131** wellness programs available

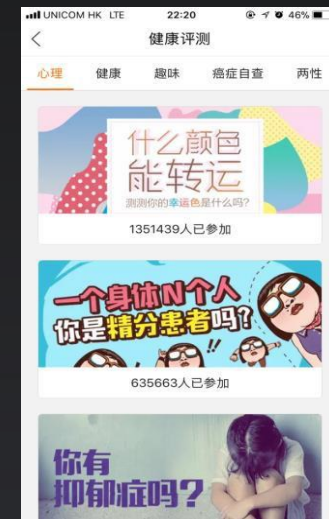
### Health Programs UI



## Health Tests

- Health tests concerning both physical health and psychology

### Health Tests UI



Source of  
revenue

✓ Advertising revenue



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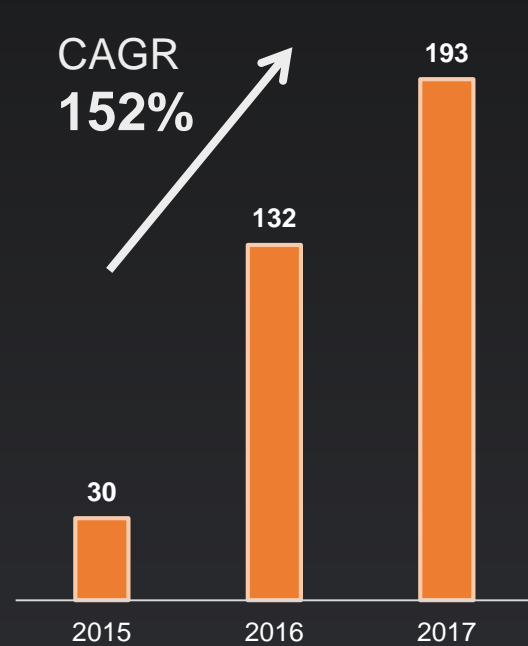
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# Financial Overview

# | Key Business Drivers

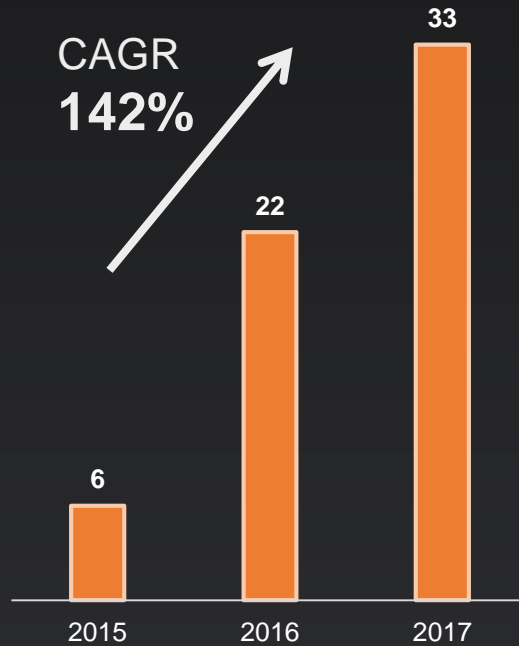
Registered user

(in millions)



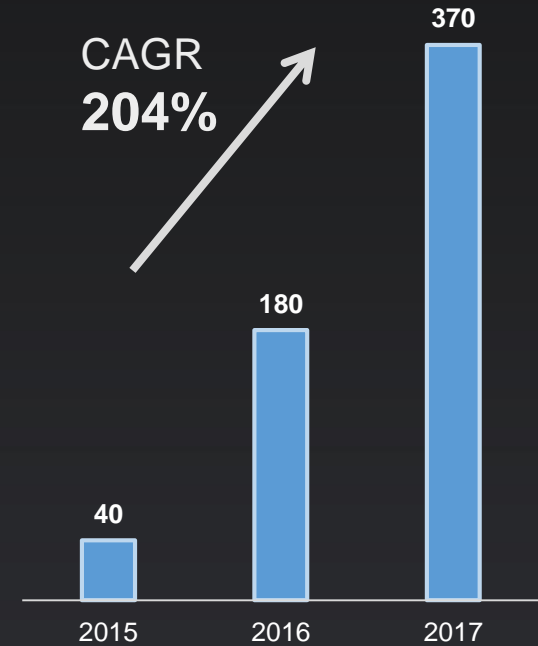
Monthly active user (MAU)<sup>1</sup>

(in millions)



Daily average online consultation

(in thousands)



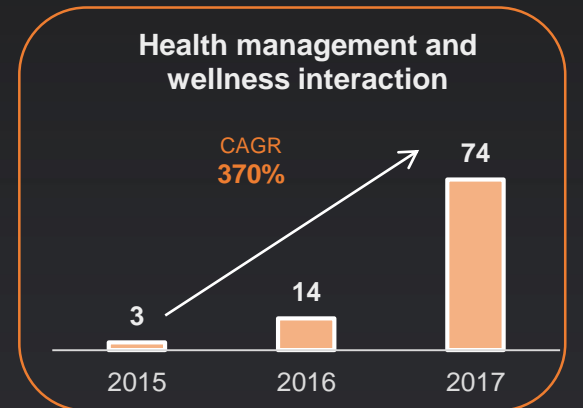
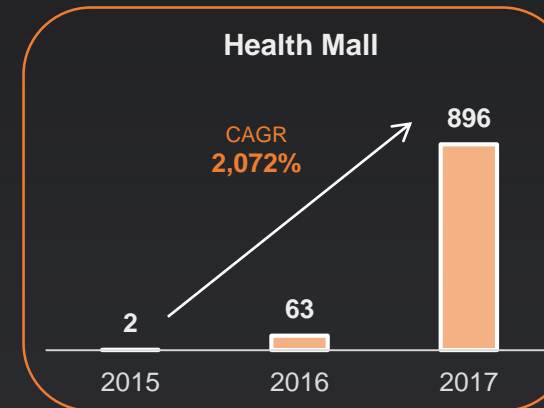
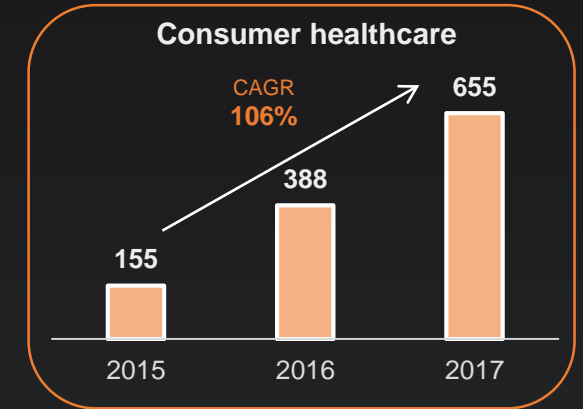
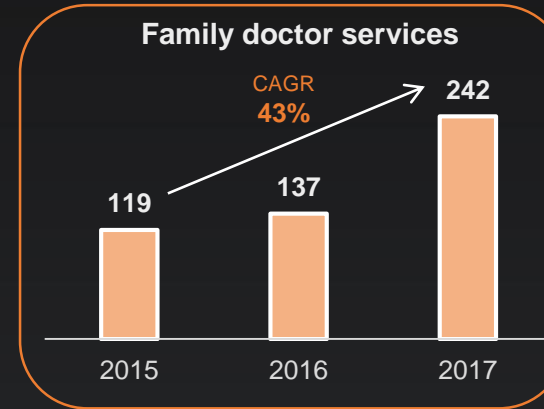
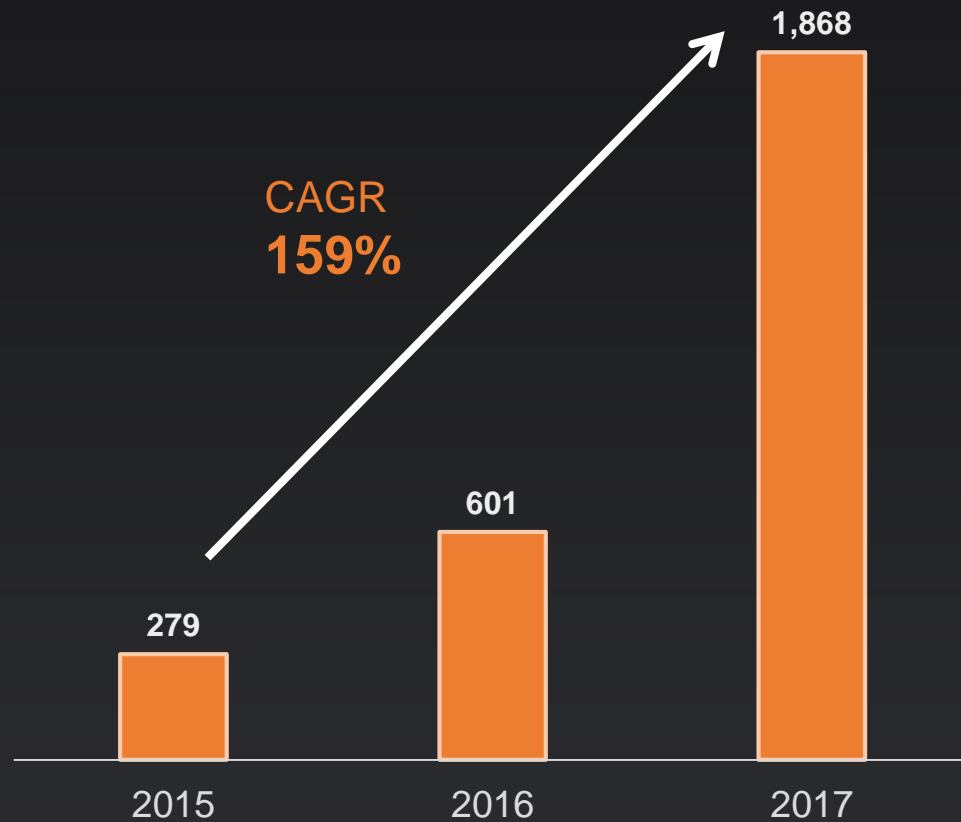
Note: all metrics as of December 31 of 2015, 2016 and 2017  
<sup>1</sup> Calculated as the average of MAUs for each calendar month



# Revenue Overview

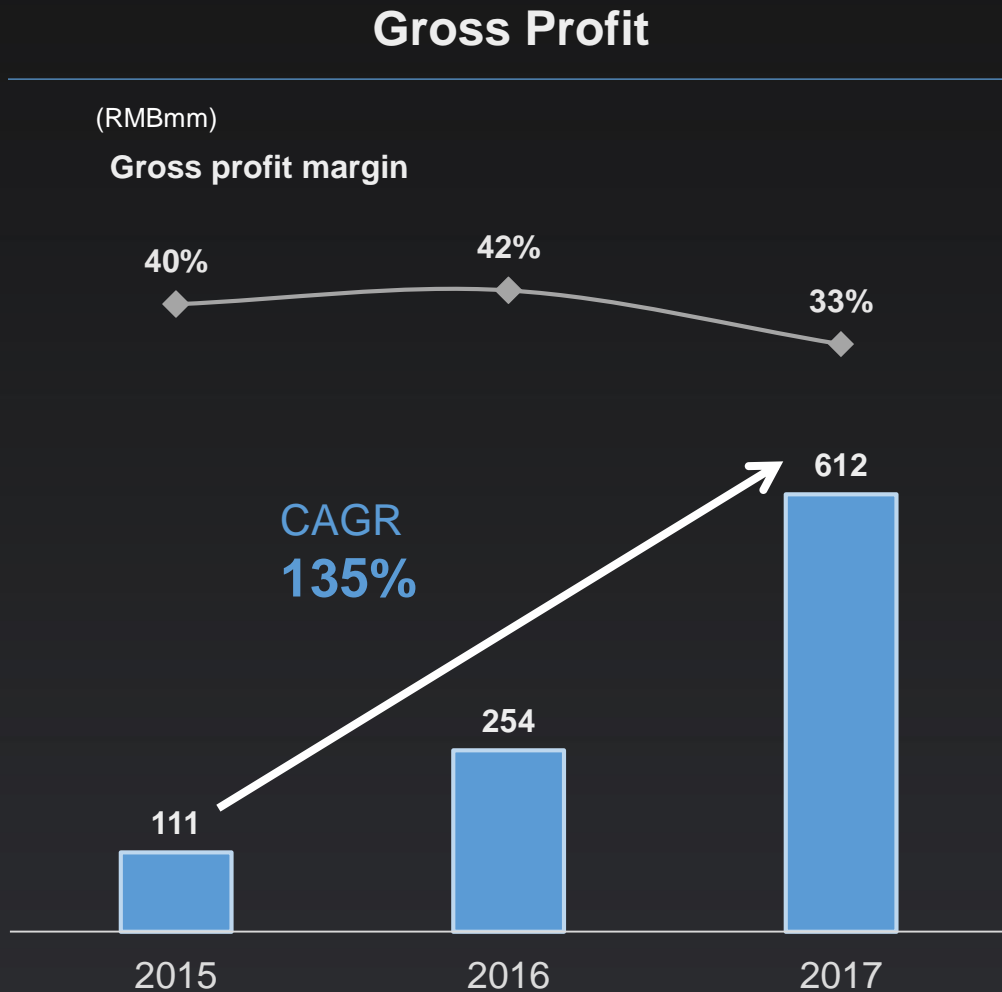
## Revenue

(RMBmm)



- All four business segment experienced significant growth from 2015 to 2017

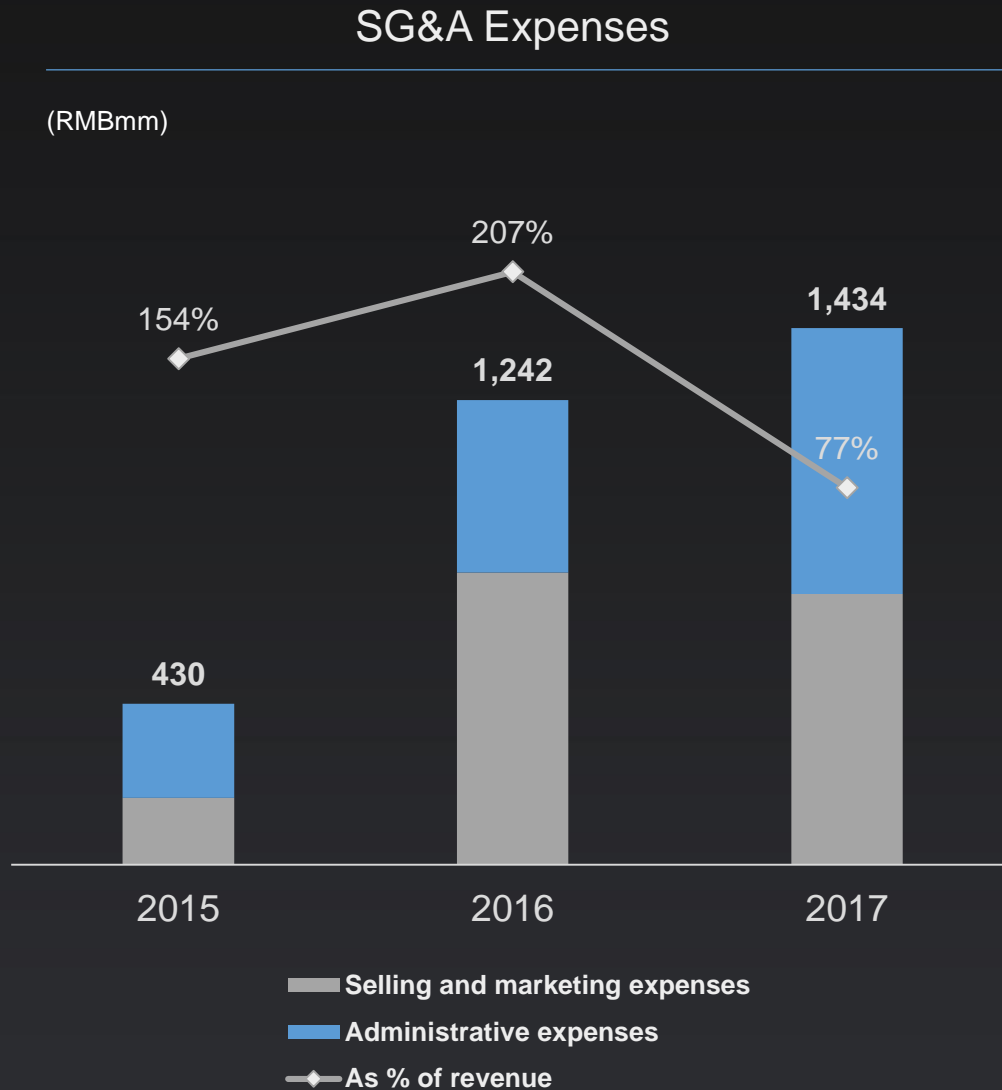
# Gross Profit Overview



## Analysis

- Gross profit increased significantly from 2015 to 2017
- The decrease in the gross margin in 2017 was mainly because the revenue from health mall business increased significantly in 2017, accounting for a greater proportion of total revenue compared to in 2016, while segment gross margin of health mall business had been relatively low compared to the other three segments

# | Expense Structure



## Key drivers

- Selling and Marketing Expenses decreased in 2017 mainly due to better targeted marketing in an effort to **improve cost-effectiveness of promotion expenses**, and a modification of the “health reward points” campaign
- Administrative Expenses increased in 2017 due to an increase in **employee benefit expenses** and the listing expenses

THANKS !

