



平安好医生

## Ping An Healthcare and Technology Company Limited reports

### revenue of RMB 2.747 billion for H1 2020

**The revenue from online medical service, the core business of the company, grew 106.8% year-on-year, and the revenue from member products rose over 200% year-on-year**

(20 August 2020, Hong Kong) -- **Ping An Good Doctor** ("Ping An Good Doctor", 01833.HK), the world's leading online healthcare platform, announced the revenue of RMB 2.747 billion for the first half of this year, according to the company's latest financial report.

Ping An Good Doctor performed strongly despite the economic headwind and market downturn with its online medical business—which grew by 106.8% year on year—now contributing RMB 695 million to the company's overall total revenue.

### Driven by outstanding performance of the core business, overall revenue maintained steady growth

The COVID-19 pandemic has brought a huge impact on China's economy and the everyday life of ordinary people. On the other hand, it has greatly driven the demand for online medical services and enhanced the degree to which online diagnosis and treatment services are being embraced and adopted by both the Chinese government and the general public, accelerating the development of the online medical sector.

In the first half of 2020, Ping An Good Doctor's core online medical business further strengthened its service capabilities and significantly enhanced its profitability. During the reporting period, the online medical business recorded a strong growth of 106.8% in revenue to RMB 695 million, accounting for 25.3% of the company's total revenue, surging 10.5 percentage points compared to 14.8% in the corresponding period of 2019. Driven by the strong growth of the core business, the company's total revenue reached RMB 2.747 billion, a rise of 20.9%. Net loss narrowed by 22.1% year on year to RMB 213 million.

Thanks to enhanced efficiency of the management teams and of business operations, Ping An Good Doctor continued to see growth in user traffic, with a strategic focus on the monetization of its medical services. As of the end of June 2020, the company's total number of registered users reached 346 million, an increase of 30.98 million compared to the end of 2019 and 56.9 million from a year earlier. The daily average number of consultations reached 831,000 in the first half of 2020, up 26.7% year on year. In June 2020, the number of monthly active users and paid users reached 67.27 million and 2.95 million respectively, up 7.3% and 32.3% over the prior-year period.

## **Ping An Good Doctor provides medical care services covered by the SHI and accelerates establishment of Internet hospitals**

In recent years, online medicine services have become a major force driving the roll out of the tripartite healthcare system reform while playing a key role in improving the quality of medical services and reducing medical costs. The outbreak of COVID-19 has propelled the implementation of the policies for the **SHI** payment system, which is further backed by multiple prudential and municipal governments. In response to the government's call, Ping An Good Doctor is undertaking an effort to make sure that its medicare services are covered by the **SHI**, while expanding the development of its internet hospitals.

As of the middle of August 2020, Ping An Good Doctor had signed agreements with a number of provincial and municipal hospitals across China to establish internet hospitals. The company has signed contracts for constructing internet hospitals by working closely with offline hospitals, and 14 of them have already in operation. The rest will be gradually put into operations and actively connected to local SHI payment systems. Now, the company has already connected to the provincial platform in Hubei province as well as the platforms serving Dongguan in Guangdong province and Yinchuan in Ningxia Hui Autonomous Region, providing convenient, efficient and secure online medical services to local residents. In addition, Ping An Good Doctor empowers public hospitals by, in large measure, facilitating access to online diagnosis and treatment as the online medical services provider has started providing virtual follow-up visits and prescription refilling services to patients who have been treated in person at a local hospital. Of note, the regional Internet hospital platform in Fuzhou set up by Ping An Good Doctor at the end of 2019 became operational in mid-July 2020. Looking forward, the company expects to connect to more local online medical insurance platforms and accelerate the establishment of Internet hospitals by investing more resources and capital within an accelerated timeline by leveraging Ping An Group's collaborative advantages.

Ping An Good Doctor is firmly dedicated to its corporate social responsibility, with one of the results the firm's active response to the government's Health China 2030 Plan, which, at the same time, can serve as a vehicle for further business expansion. Of note, the company has worked closely with local governments to promote the country's rural healthcare programs. As of June 30, 2020, the company had upgraded 900 health clinics in outlying and hard-to-reach areas, trained nearly 1 million doctors working in rural districts and provided free healthcare services to over 66,000 living outside of China's urbanized regions. By doing so, the company has greatly alleviated the shortage of medical resources in rural areas while effectively improving the quality of medical services and the health of populations in economically-disadvantaged zones.

## **The company posts strong growth in sales of member products thanks to its enhanced medical service capabilities**

With its ongoing commitment to strengthening medical service capabilities, the company has established a good reputation among users while further expanding the user base with revenue from existing member products growing 200% year on year to over 420 million yuan in the reporting period.

In early 2020, the company rolled out Health Guard 360, the upgrade version of Health 360, its first member product launched two years ago. The new service has been highly praised by insurance policy holders, agents and users for its capabilities in providing health benefit enhancements at no extra cost. In the first half of 2020, the sales of Health Guard 360 showed a significant year on year growth.

Additionally, Ping An Good Doctor has to date provided the employees of over 500 corporate customers across the real estate, medicine and retail sectors with comprehensive services, including one-on-one online consultations with doctors practicing in the private sector and assisting or accompanying the patients throughout the entire process of their visits at physical healthcare organizations, from outpatient registration and payment to diagnosis.

## **The company engages in a strategic upgrade with a goal of bridging professional doctor and patient**

Market demand coupled with favorable policies have given the Internet Healthcare industry a significant boost, evidenced by the degree to which the market has expanded, while competition has intensified. In order to strengthen health and medical services, enhance the infrastructure of the overall ecosystem, both online and offline, while consolidating its leadership position within the industry, Ping An Good Doctor undertook a comprehensive strategic upgrade in mid-2020 with the mission of building a professional doctor-patient communications bridge. Relying on the firm's already well-established and recognized trust and professionalism while seeking to make the "visit" with the doctor as convenient as possible, the company is striving to build the leading, most competitive Internet medical service platform in China. Ping An Good Doctor expects to gain an outstanding share of China's market.

Ping An Good Doctor plans to continue investing more resources in individual users (patients), insurance customers (policy holders), corporate customers (corporate employees) and internet hospitals (built in tandem with local hospitals) to strengthen online medical services and health management services, while actively expanding the offline cooperation network, a grouping of facilities that conduct annual and periodic checkups, lab testing, fitness training and beauty care, to create a one-stop closed-loop ecosystem.

Ping An Good Doctor will continue to increase investment, expand its own medical team, proactively identify and link up with well-known medical resources both in China and abroad.

The company will build a global network for doctors with multi-sited licensed practice and further grow the online business, while widening the scope of collaborative efforts with offline medical institutions, to provide patients with more comprehensive and professional medical services.

*Ping An Healthcare and Technology Company Limited reports revenue of RMB 2.747 billion for H1 2020  
The revenue from online medical service, the core business of the company, grew 106.8% year-on-year  
The revenue from member products rose over 200% year-on-year  
20 August 2020*

### **Ping An Healthcare And Technology Company Limited**

Ping An Healthcare And Technology Company Limited ("Ping An Good Doctor", 1833.HK) is a leading one-stop healthcare ecosystem platform in China. It strives to provide every family with a family doctor, every person with an e-profile and everyone with a healthcare management plan through "mobile medical + AI technology". At present, Ping An Good Doctor has established key business segments including online medical services, consumer healthcare, healthcare mall, and health management and wellness interaction.

In April 2015, the App "Ping An Good Doctor" was officially launched. On 4 May 2018, Ping An Good Doctor became the No.1 listed internet health-tech company in the world when it joined the Hong Kong Stock Exchange, stock code 1833.HK.

As of the end of December 2019, there were 315 million registered users and the Company's MAU reached 66.9 million. Ping An Good Doctor is today the largest mobile medical application in China in terms of user scale. Ping An Good Doctor employs 1409 medical personnel in its in-house medical team and contracts renowned external doctors. This in-house medical team, empowered by proprietary AI technology, provides users with 24 x 7 online consultation services. In our offline partnership network, Ping An Good Doctor collaborates with over 3,000 hospitals (including more than 1,900 Class III Grade A hospitals) to provide services such as hospital referral, appointment and inpatient arrangements.

As of 31 December 2019, its healthcare ecosystem comprised over 3,000 hospitals, over 150 medical beauty clinics, 430 traditional Chinese medicine clinics, over 2,000 health check-up centers, over 1,800 dental clinics, over 48,000 clinics and 94,000 co-operative pharmacies.

### **Media Enquiry**

#### **Ping An Healthcare And Technology Company Limited**

Ivy Wang Tel.: 86-158 0210 9468

Millie Xu Tel.: 86-152 1678 5581

Website: <http://www.pagd.net/>

Email: [wangyi300@pingan.com.cn](mailto:wangyi300@pingan.com.cn)

Email: [xubingying947@pingan.com.cn](mailto:xubingying947@pingan.com.cn)

### **Strategic Financial Relations Limited**

Veron Ng Tel.: 852-2864 4831

Antonio Yu Tel.: 852-2114 4319

Elaine Wang Tel.: 852-2114 2821

Website: [www.sprg.com.hk](http://www.sprg.com.hk)

Email: [sprg\\_pagd@sprg.com.hk](mailto:sprg_pagd@sprg.com.hk)