23 April 2021

Quarterly Activity Report and Appendix 4C for 1Q 2021

Doctor Care Anywhere's growth trajectory continues to strengthen

Key Highlights

- Unaudited Underlying Revenue totalled £4.4 million in 1Q 2021; up 16.5% on 4Q 2020
- Eligible Lives of 2.4 million at end of 1Q 2021; up 7.0% on 4Q 2020
- Activated Lives of 0.5 million at end 1Q 2021; up 14.7% on 4Q 2020
- 90,500 Consultations delivered in 1Q 2021; up 21.9% on 4Q 2020
- Over 34,000 Consultations delivered in March 2021; 32.3% growth above the highest month in 4Q 2020
- Cash position of £35.1 million as at 31 March 2021
- FY 2021 revenue expected to grow at least 100% above FY 2020

Doctor Care Anywhere Group PLC (ASX: DOC, "DOC", "Doctor Care Anywhere" or "the Company"), is pleased to provide the following update on trading for the quarter ended 31 March 2021 ("1Q 2021"). This Quarterly Activity Report and Appendix 4C is prepared in GBP in accordance with International Financial Reporting Standards in conformity of the requirements of the Companies Act 2006.

Commenting on the performance and outlook, CEO Bayju Thakar, said:

"Following a very positive start to the year, our outlook for 2021 remains strong.

"The perennial demands on traditional health systems combined with Government imposed lockdowns, which are now easing in the UK, have fostered a level of adoption and acceptance of telehealth services in the past twelve months, by both patients and clinicians, that might previously have taken five years.

"The speed of the UK vaccine rollout will allow our secondary care services, such as diagnostics, to open and this will further support our growth as hospital availability returns to normal.

"This demand, together with our unique capability of joining up primary care, diagnostics and secondary care services, gives us considerable confidence that we will continue to grow rapidly in both the UK and International markets.

"The business continues to perform strongly, reflecting the long-term changes driving consumer demand for telehealth. As we look beyond COVID lockdowns to a more widely vaccinated UK population, we are confident of year on year revenue growth of at least 100% above FY 2020, driven by growth in telehealth lives, activations and consultations together with our ability to grow areas of the business curtailed in the lockdowns."

Operational and Financial Performance

Operational and financial performance driven by growth in eligible and activated lives

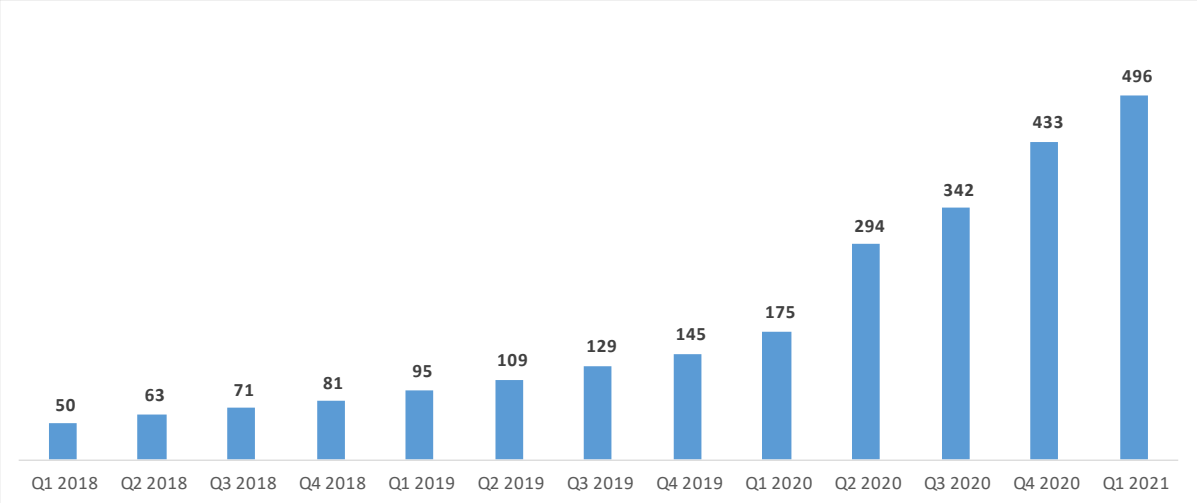
	1Q 2021 Actual (000's)	% increase on 4Q 2020 (QoQ)	% increase on 1Q 2020 (PCP)
Eligible Lives[1] at Quarter End	**2,377.7**	**7.0%**	**38.5%**
Activated Lives[2] at Quarter End	**495.9**	**14.7%**	**182.8%**
Consultations[3] by Quarter	**90.5**	**21.9%**	**261.0%**

Eligible Lives at the end of 1Q 2021 were 2.4 million, up 7.0% on prior quarter (4Q 2020: 2.2 million). Growth in Eligible Lives was driven through the expansion of DOC's service across the membership bases of its existing channel partners and new partner Allianz.

Activated Lives at the end of 1Q 2021 were 495,900, up 14.7% on prior quarter (4Q 2020: 432,500). Growth in Activated Lives was driven by a combination of the growth in DOC's base of Eligible Lives and engagement activities across DOC's existing base of Eligible Lives.

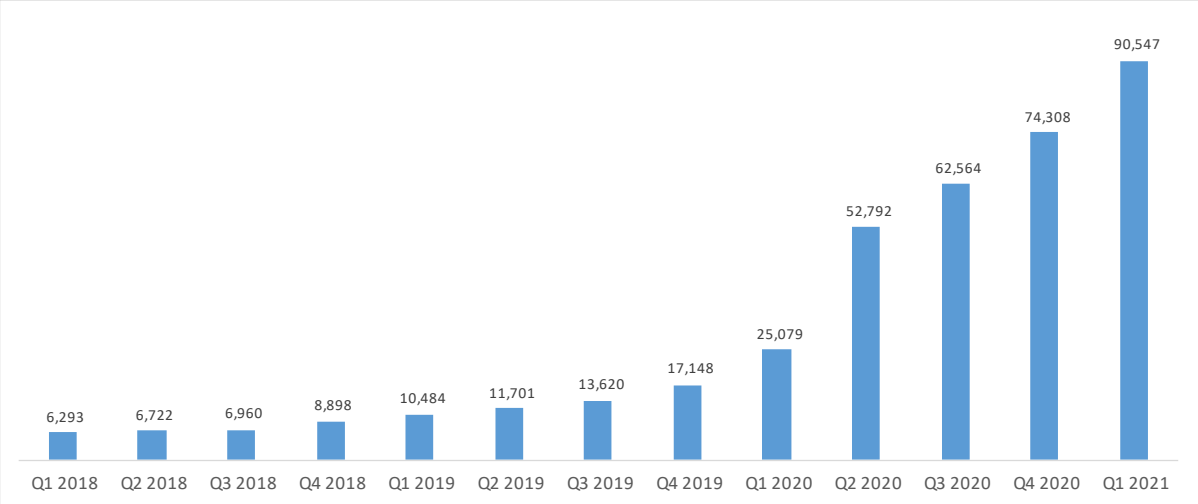
Consultations for 1Q 2021 were 90,500, up 21.9% on prior quarter (4Q 2020: 74,300). Growth in Consultations was driven by a combination of growth in DOC's base of Activated Lives and growth in Annualised Utilisation[4] by DOC's Activated Lives.

Activated Lives (000's)



[1] **Eligible Lives** represents the total number of people who have an entitlement to use DOC's services.
[2] **Activated Lives** represents the total number of people who "sign up" for DOC's service and enter their personal details.
[3] **Consultations** are the number of GP consultations delivered to patients over the period.
[4] **Annualised Utilisation** is calculated as the annualised number of Consultations divided by the average number of Activated Lives over the same period.

Consultations



Operational performance continues to drive financial metric growth

DOC's operational performance for the quarter has underpinned strong reported and underlying financial performance

	1Q 2021 £m's	1Q 2020 £m's	4Q 2020 (QoQ) £m's	1Q 2020 (PCP) *% Increase / (decrease)*	4Q 2020 (QoQ) *% Increase/ (decrease)*
Revenue	6.4	1.9	3.8	242.4%	69.3%
Underlying Revenue[5]	4.4	1.2	3.8	260.2%	16.5%
Gross Profit	3.9	1.2	1.8	215.0%	120.4%
Underlying Gross Profit[5]	1.9	0.6	1.8	221.7%	7.6%
Gross Profit Margin	61.0%	66.3%	46.8%	(5.3 ppt)	14.2 ppt
Underlying Gross Profit Margin[5]	43.2%	48.4%	46.8%	(5.2 ppt)	(3.6 ppt)
Contribution	2.9	0.9	0.9	223.2%	235.9%
Underlying Contribution[5]	0.9	0.2	0.9	261.1%	2.9%
Contribution Margin	45.0%	47.7%	22.7%	(2.7 ppt)	22.3 ppt
Underlying Contribution Margin[5]	20.0%	20.0%	22.6%	-	(2.6 ppt)

Underlying Revenue for 1Q 2021 was £4.4 million, up 16.5% on prior quarter (4Q 2020: £3.8 million). This performance was driven by increased consultation utilisation across DOC's patient base.

One-off payments totalling £2.0 million were recognised in Revenue but excluded from Underlying Revenue in 1Q 2021. These payments represent the crystalisation of a consultation volume incentive payment and payment for technology development. No further payments of this nature are anticipated across FY 2021.

Underlying Gross Profit for 1Q 2021 was £1.9 million, up 7.6% on prior quarter (4Q 2020: £1.8 million).

[5] **Underlying Revenue**, **Underlying Gross Profit**, **Underlying Gross Profit Margin**, **Underlying Contribution** and **Underling Contribution Margin** exclude irregular revenue items such as underwritten volume top-up payments, technology platform licencing fees and digital design service fees. This metric is intended to give a clear view of the underlying operational performance of the business.

Underlying Contribution for 1Q 2021 was £0.9 million, up 2.9% on prior quarter (4Q 2020: £0.9 million).

Underlying Gross Profit Margin for 1Q 2021 was 43.2%, down 3.6 percentage points on prior quarter (4Q 2020: 46.8%). This was driven by a combination of higher than expected demand for our services and increased demand on our GPs to deliver on the national vaccine rollout. We expect this reduction to be temporary and for Underlying Gross Profit Margin to normalise over time.

Underlying Contribution Margin for 1Q 2021 was 20.0%, down 2.6 percentage points on prior quarter (4Q 2020: 22.6%). This reduction was due to the decrease in Underlying Gross Profit Margin, partially offset by efficiencies in other service delivery costs.

Cash flows

Net operating cash outflows for the quarter were £2.4 million (4Q 2020: £3.5 million outflow), relating to costs of operating DOC's telehealth platform including the cost of company employed doctors, patient support functions, software technology costs and corporate overheads, offset by cash receipts from customers. The decrease in cash outflows versus prior quarter were driven by higher receipts from customers.

Net investing cash outflows for the quarter were £0.7 million (4Q 2020: £0.5 million outflow), relating to payments for capital equipment and capitalised development expenses.

Net cash outflows from financing activities for the quarter were £0.2 million (4Q 2020: £32.2m inflow), mainly relating to costs incurred in the prior year associated with the Company's IPO.

Payments to related parties in the period totaled £0.3 million, these represented the payment of Director Fees to Non-Executive Directors and salaries to Executive Directors, including pension and payroll tax payments. These included backdated Directors Fees for Australian-based directors to September 2020 and the Chief Executive Officers's 2020 bonus.

DOC exited the quarter with £35.1 million cash on hand as at 31 March 2021 (31 December 2020: £38.4m).

Relaxing lockdown measures accelerate growth

- Easing of UK lockdown measures to accelerate growth in DOC's secondary care services and diagnostic pathways
- DOC's integrated primary and secondary care model is a key differentiator and affords significant competitive advantage in the healthcare market

The easing of lockdown measures in the UK are providing additional growth opportunities for DOC. The vaccine rollout is allowing previously constrained elective secondary care hospital availability to return to normal; this signals anticipated growth in DOC's diagnostic patient pathways delivered via a national network of specialist centres.

Pressure remains on an already embattled UK health system. It is not uncommon to experience waiting times of three weeks or more for a routine GP appointment in some parts of the UK and the Company expects the demand for its primary care consultations to remain high.

The anticipated growth across GP and hospital based services emphasises DOC's capability to integrate primary care, diagnostic and secondary care services on one proprietary platform. This patient centred health experience is a key differentiator for the Company and provides it considerable opportunity in a target market worth £2.3 billion in the UK alone.

The global telehealth market is estimated to have been worth US$5.3 billion in 2019 and is forecast to reach US$14.9 billion by 2024, growing at a CAGR of 23.1%, giving DOC significant organic and inorganic growth opportunities in the mid to long term as it seeks to expand its international footprint.

Outlook

The business continues to perform strongly, reflecting the secular change driving consumer demand for telehealth. DOC is confident that it will deliver at least 100% year-on-year revenue growth in FY 2021.

Use of Funds

Use of Funds	Prospectus dated 30 October 2020 (£m's)[6]	1Q 2021 (£m's)	Period to date (£m's)[7]
Investment in core capabilities to drive greater value from existing services	13.7	1.3	2.3
Investment in new services to drive growth through existing channels	6.4	0.5	0.8
Investment in international business development	1.3	0.1	0.2
Working capital	10.1	1.2	3.8
Costs of the Offer	4.3	0.1	3.5
Total proceeds from issue of new shares	**35.8**	**3.2**	**10.6**

Expenditure for 1Q 2021 was in accordance with the Use of Funds outlined in the Company's Prospectus dated 30 October 2020 and there were no material variances against the estimated use of funds.

Investor Webcast

Investors are invited to join a webcast presentation at 9:00am (AEST) on the 1Q 2021 Quarterly Activity Report hosted by CEO Bayju Thakar and CFO Dan Curran.

Investors who wish to attend can register using the following link:
https://us02web.zoom.us/webinar/register/WN_cIiFDYkVTZyFaXHkCRzJ5A

Participants are encouraged to submit questions in advance via:
investorenquiries@doctorcareanywhere.com

- ENDS -

This ASX announcement has been authorised for release by the Board of Directors.

About Doctor Care Anywhere:

Doctor Care Anywhere Group PLC is a UK-based telehealth company that is committed to delivering the best possible patient experience and clinical care through digitally enabled, joined up, evidence based pathways on its proprietary platform. DOC utilises its relationships with health insurers, healthcare providers and corporate customers to connect with patients to deliver a range of telehealth services.

Further Information:

Roger Newby
Domestique Consulting – Investor Relations

[6] AUD:GBP 0.55
[7] **Period to date** represents the period from 1 October 2020 to 31 March 2021

+61 401 278 906
Daniel Curran Chief Financial Officer and Company Secretary company.secretary@doctorcareanywhere.com

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity	
Doctor Care Anywhere Group PLC	
ARBN	**Quarter ended ("current quarter")**
645 163 873	31 March 2021

	Consolidated statement of cash flows	Current quarter £'000	Year to date (3 months) £'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	5,755	5,755
1.2	Payments for		
	(a) research and development	(600)	(600)
	(b) product manufacturing and operating costs	(3,034)	(3,034)
	(c) advertising and marketing	(303)	(303)
	(d) leased assets	-	-
	(e) staff costs	(2,656)	(2,656)
	(f) administration and corporate costs	(1,533)	(1,533)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	0	0
1.5	Interest and other costs of finance paid	(1)	(1)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	(15)	(15)
1.9	**Net cash from / (used in) operating activities**	**(2,387)**	**(2,387)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(174)	(174)

Consolidated statement of cash flows		Current quarter £'000	Year to date (3 months) £'000
	(d) investments	-	-
	(e) intellectual property	(503)	(503)
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	-	-
	(j) investments	-	-
	(k) intellectual property	-	-
	(l) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(677)**	**(677)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(111)	(111)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(53)	(53)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**(164)**	**(164)**

Consolidated statement of cash flows		Current quarter £'000	Year to date (3 months) £'000
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	38,360	38,360
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,387)	(2,387)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(677)	(677)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(164)	(164)
4.5	Effect of movement in exchange rates on cash held	(32)	(32)
4.6	**Cash and cash equivalents at end of period**	**35,100**	**35,100**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter £'000	Previous quarter £'000
5.1	Bank balances	35,100	38,360
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**35,100**	**38,360**

6.	Payments to related parties of the entity and their associates	Current quarter £'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	259
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	Total facility amount at quarter end £'000	Amount drawn at quarter end £'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

n/a

8.	Estimated cash available for future operating activities	£'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(2,387)
8.2	Cash and cash equivalents at quarter end (item 4.6)	35,100
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	35,100
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	15

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:
n/a

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:
n/a

8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer: n/a	

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 23 April 2021

Authorised by: Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.