

Quarterly Activity Report and Appendix 4C

25 January 2023

Doctor Care Anywhere Group PLC (ASX:DOC, “Doctor Care Anywhere” or “the Company”) is pleased to provide an update on trading for the quarter ended 31 December 2022 (“4Q 2022”)¹.

Operational Performance – Key KPIs

	Actual	% increase / (decrease) on	% increase / (decrease) on
	4Q 2022 000's	4Q 2021 (PCP)	3Q 2022 (QoQ)
Eligible Lives² at Period End	2,720.2	11.5%	4.8%
Activated Lives³ at Period End	868.9	28.7%	8.6%
Consultations⁴ by Period	165.7	25.6%	13.8%
Secondary Care Journeys⁵ by Period	9.1	40.7%	18.8%
Repeat Patients⁶ by Period	118.1	27.0%	13.2%

Commentary

Eligible Lives at the end of Q4 2022 were 2.7 million, up 11.5% on the pcp and 4.8% QoQ. Growth in Eligible Lives was primarily driven by further penetration of the Company's services with AXA.

At the end of Q4 2022, Activated Lives were 868,900, up 28.7% on the pcp and 8.6% QoQ. Growth in Activated Lives was driven by marketing and engagement activities across the Company's expanded pool of Eligible Lives. It is pleasing that activation of lives is growing faster than eligible lives.

Consultation volumes continued to grow year-on-year, with 165,700 consultations delivered across Q4 2022, up 25.6% on pcp and 13.8% QoQ. The increase in consultation volumes was driven by successful initiatives to increase GP supply in the period plus improved platform stability. This led to the highest quarterly volume of consultations to date.

¹ This Quarterly Activity Report and Appendix 4C is prepared in GBP in accordance with International Financial Reporting Standards in conformity with the requirements of the Companies Act 2006 (UK). All figures expressed in Australian Dollars (“A\$”) have been converted from British Pounds Sterling at an exchange rate of AUD:GBP 1:0.57.

² **Eligible Lives** represents the total number of people who have an entitlement to use DOC's services.

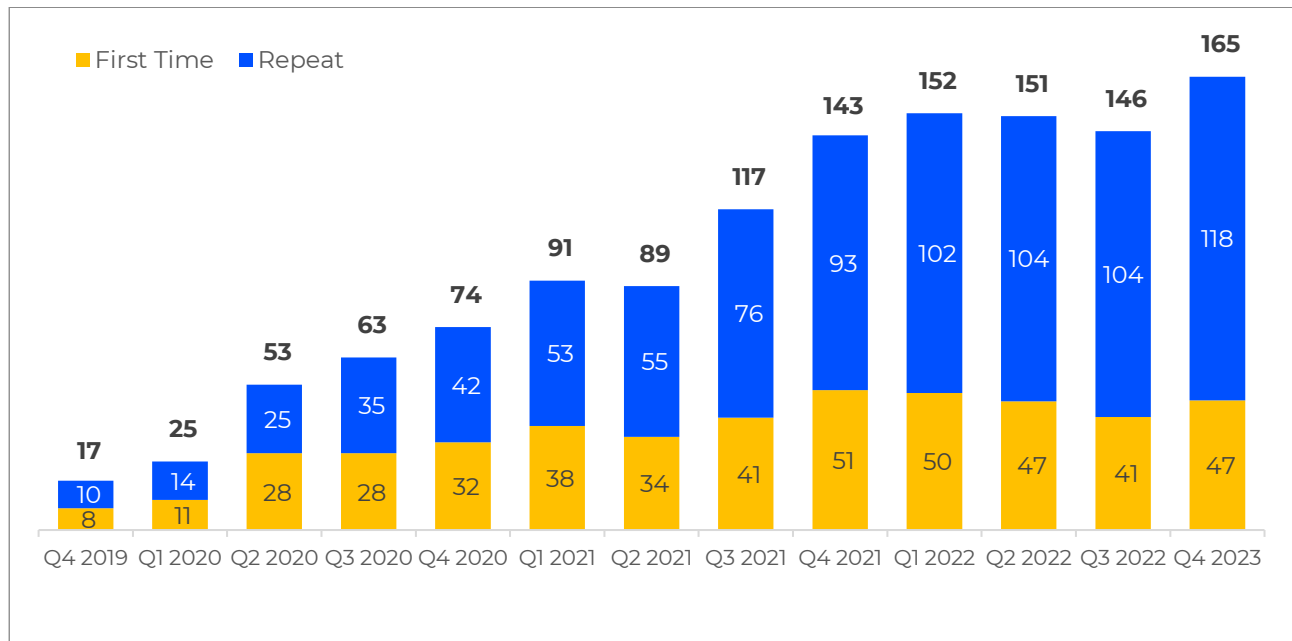
³ **Activated Lives** represents the total number of people who “sign up” for DOC's service and enter their personal details.

⁴ **Consultations** are the number of GP, Psychiatrist and Psychologist consultations delivered to patients over the period.

⁵ **Secondary Care Journeys** are the number of secondary care journeys completed by patients over the period following a referral from an initial GP consultation on the DCA platform.

⁶ **Repeat Patients** represents the number of consultations completed by patients who had previously completed an appointment.

Consultations by Quarter (000's)



Returning patients represented 71% of all consultations in the quarter, in line with the prior quarter but up 6% against the pcp. The volume of returning patients increased by 13% from the prior quarter and 27% from the pcp, demonstrating patient satisfaction with the service.

Cash Position: Progress to Profitability and Net Cash Generation

Cash receipts from customers decreased by 4% on the prior quarter (£0.3 million : A\$0.5 million) to £7.9 million (A\$13.9 million). This decrease was predominantly driven by timings of receipts. Receipts of £7.9 million compares to £7.8 million (A\$13.7 million) in Q4 2021

Net operating cash outflows increased by 51% (£2.1 million : A\$3.7 million) to £4.1 million (A\$3.7 million) against Q3 2022. This increase was primarily driven by timing of payments to several major suppliers. This net spend of £4.1m compares to £2.1 million (A\$3.7 million) in Q4 2021.

Net investing cash outflows for the quarter were £0.2 million (A\$0.4 million), a decrease of £0.4 million (A\$0.7 million) on the prior quarter, driven by reductions in IT spend.

Net cash outflows from financing activities for the quarter were £0.02 million (A\$0.04 million), a decrease of £0.02 million (A\$0.04 million) on the prior quarter. Net cash flow from financing activities in Q4 2021 was £0.12 million (A\$0.21 million).

The overall cash outflow for the business in Q4 2022 was £4.3 million (A\$7.5 million), up from £2.7 million (A\$4.7 million) in Q3 2022 but down from £6.4 million (A\$11.3 million) in Q4 2021. This was primarily due to the working capital timing differences noted above offset by growth in consultations.

The Company exited the quarter with £5.4 million (A\$9.5 million) of cash on hand as at 31 December 2022. In addition, as communicated in December 2022, the Company has secured a £10m loan facility. £5m of this facility was drawn down in January 2023 and it is anticipated that a further £2.5m will be drawn down during 1Q23.

Market update

A further market update will be provided with the Company's Preliminary Full Year results announcement in late February 2023, at which time the Company will also outline in more detail positive progress in business performance, including strong consultation volumes and significantly improved platform performance.

- ENDS -

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

About Doctor Care Anywhere:

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

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Name of entity

Doctor Care Anywhere Group PLC

ARBN

645 163 873

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows		Current quarter £'000	Year to date (12 months) £'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	7,871	32,713
1.2	Payments for		
	(a) research and development	(1,592)	(5,779)
	(b) product manufacturing and operating costs	(6,151)	(23,173)
	(c) advertising and marketing	(120)	(1,011)
	(d) leased assets	-	-
	(e) staff costs	(2,292)	(11,189)
	(f) administration and corporate costs	(1,792)	(7,348)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	2
1.5	Interest and other costs of finance paid	(1)	(3)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	2	269
1.8	Other (provide details if material)	10	288
1.9	Net cash from / (used in) operating activities	(4,064)	(11,167)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(11)	(106)
	(d) investments	-	-
	(e) intellectual property	(142)	(2,096)

Consolidated statement of cash flows		Current quarter £'000	Year to date (12 months) £'000
	(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	-	-
2.5	Other	-	-
2.6	Net cash from / (used in) investing activities	(153)	(2,191)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	6,408
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	-	(339)
3.5	Proceeds from borrowings	12	-
3.6	Repayment of borrowings	(41)	(136)
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	(29)	5,933

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	9,672	17,068
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,064)	(11,167)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(153)	(2,191)

Consolidated statement of cash flows		Current quarter £'000	Year to date (12 months) £'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(29)	5,933
4.5	Effect of movement in exchange rates on cash held	(21)	29
4.6	Cash and cash equivalents at end of period	5,406	9,672

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	5,406	9,672
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)	5,406	9,672

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	
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 <i>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.</i>	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)	(4,187)
8.2	Cash and cash equivalents at quarter end (item 4.6)	5,406
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	5,406
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	1
	<i>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.</i>	
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: As announced on 23 August 2022, DCA is working towards EBITDA profitability which in turn will improve net operating cash flows. The EBITDA losses are forecast to reduce as consultation volumes grow and new working practices are rolled out to best support patient needs.	
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: On 12 December 2022, DCA announced it had entered into a four-year secured and guaranteed loan agreement with AXA PPP Healthcare Group Limited to borrow up to £10.0 million. The conditions precedent required to draw down £5.0m of this loan were met in January 2023, with draw down made in the month. The remainder of the loan is forecast to be drawn down in H1 2023.	

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: Following the drawdown of the loan, DCA believes it has sufficient funding to meet its business objectives.

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:

Authorised by: Board of Directors

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 – e.g. 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.