12 January 2024

Doctor Care Anywhere Group completes £10.6m Convertible Note Financing to strengthen capital position

Doctor Care Anywhere Group PLC (ASX:DOC, "Doctor Care Anywhere" or "the Company") is pleased to advise that it has repaid its December 2022 senior loan facility with AXA PPP Healthcare Group Limited ("AXA Health") from the funds raised under an offer of convertible notes (**Convertible Notes**) to raise £ 10.6m (**Convertible Note Financing)**.

Deal summary:

- Convertible notes due 31 December 2027, with no repayment of principal required until maturity.
- Conversion price of £0.0459 (A$0.0875[2]), a premium of 94% to the closing price on 11 December 2023.
- Zero coupon and no interim repayments enable the Company to focus its cash resources to grow the business.
- Funds used to repay the £10m loan facility with AXA Health ("AXA Loan").
- AXA Health and Axia Investments invested in the Convertible Notes.
- Shareholder meeting on 4 January 2024 returned 99% vote in favour of the transaction and related resolutions.
- Convertible Note Financing substantially strengthens the Company's capital position.

The Convertible Notes are convertible by the holder at £0.0459 (A$0.0875[2]) per CDI, a 94% premium to the closing price of the Company's CDIs on 11 December 2023, the last trading date of the CDIs prior to the announcement of the transaction.

Convertible Note Agreements

DOC has entered into Convertible Note Agreements with AXA Health, and Axia Investments Limited ("Axia")[1], a private client fund, and other investors, for a total of £10.6m (A$ 20.3m[2]) of committed capital. The Company used the proceeds from the Convertible Note Financing to strengthen its balance sheet by repayment in full of its £10m December 2022 senior loan from AXA Health, which was due to begin repayment in November 2023.

John Stier, Chairman of Doctor Care Anywhere, commented, *"The opportunity for growth in digital health services in the UK market is exciting. We are very pleased that AXA Health and our new investors are aligned with our strategic vision and are supporting the Company's growth. Continued participation by AXA Health evidences the strength and depth of our relationship. We are grateful for the continued confidence and support of our largest securityholders – with 99% of those voting supporting the transaction.*

Ben Kent, interim Chief Executive Officer, commented, *"the Convertible Note Financing will support our medium-term growth by allowing us to re-invest our cash resources into the business and capitalise on the very substantial opportunity in front of the Company*."

[1] AXA Health and Axia are unrelated parties.

[2] Based on an exchange rate of £ 0.524595 per $1 AUD as of 8 December 2023, 17:00 UK.

Key Terms of Convertible Notes

The key components of the Convertible Note Financing are as follows:

- GBP£ 10.6m committed financing in the form of unsecured Convertible Notes which have a face value of GBP£1 per Convertible Note.
- The Convertible Notes must be repaid in full on 31 December 2027.
- The Convertible Notes bear no interest and may be converted into CDIs by the Convertible Noteholders at any time (provided more than 60 days have passed since the holder's previous conversion) at an issue price of £0.0459 (equivalent to A$0.0875, based on exchange rate of 8 December 2023[3], being a premium of 94% to the closing price of the Company's CDIs on the ASX of A$0.045 on 11 December).
- AXA Health has subscribed for £ 5.4m in Convertible Notes.
- Additional investors including Axia have subscribed for £5.2m in Convertible Notes.
- DOC may redeem all outstanding Convertible Notes in full on or after 1 January 2026 by repaying the outstanding principal.
- The Convertible Notes have market standard events of default including (but not limited to) an unremedied breach of the terms of the Convertible Notes by the Company or if an insolvency event occurs in relation to the Company. On an event of default, the Convertible Noteholders may declare the Convertible Notes immediately redeemable or the Convertible Noteholder may require its Convertible Notes to be converted.

The effect of the issue on the Company

Since the funds raised (net issue of costs) by the issue of Convertible Notes were used to repay the AXA Loan (i.e. the funds raised from AXA Health, Axia and other investors in the Convertible Notes were used to repay the AXA Loan including interest), the principal effect of the issue of the Convertible Notes on the Company is to:

- maintain the same level of cash reserves of the Company;
- remove the requirement for the Company to make repayments of principal of the AXA Loan of £769,231 per quarter, with such repayments originally scheduled to commence in November 2023;
- maintain materially the same level of indebtedness of the Company, being approximately £10,600,000, which is the aggregate amount of the Convertible Notes, whereas prior to the Convertible Note Placement, the Company's indebtedness was the outstanding principal amount of the AXA Loan plus accrued interest which totalled £10,407 ,101. With the Convertible Note issue, there is no further accrual of interest through the Longstop date of 31 December 2027; and
- increase the number of CDIs / Shares on issue as a result of any conversion of the Convertible Notes, as further described in the Cleansing Statement issued today, section 3, with an equivalent reduction in the principal amount of debt outstanding.

- ENDS -

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

About Doctor Care Anywhere:

Doctor Care Anywhere Group PLC is one of the UK's largest private providers 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.

[3] Based on an exchange rate of £ 0.524595 per $1 AUD as of 8 December 2023, 17:00 UK.