

19 October 2021

Quarterly Activity Report and Appendix 4C for 3Q 2021

Doctor Care Anywhere continues to deliver strong growth, with record revenue, consultations and diagnostic referrals

Highlights

- Quarter on quarter revenue growth of 21.6%, to £5.8 million (AUS\$10.7 million)
- Quarter on quarter consultation growth of 30.6%, to 116,800 consultations
- A record 41,000 patients had their first ever DCA consultation during the quarter; meanwhile over 65% of consultations were delivered to returning patients
- Continued growth in Activated Lives, reaching 603,200 during the quarter
- Continued progress in joining up patient pathways, with 5,100 patients completing our secondary care diagnostic pathway during 3Q 2021, growing 54.5% above the prior quarter
- Completed acquisition of Australian tele-health and tele-mental provider, GP2U Telehealth
- Entered the self-pay market in the Republic of Ireland via channel partner Boots, one of the UK and Ireland's leading pharmacy-led retailers, part of Walgreens Boots Alliance
- Guidance for FY 2021 revenue growth of at least 100% above FY 2020 reaffirmed (excluding impact of acquisition)

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 30 September 2021 ("3Q 2021").

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 ("AUS\$") have been converted from British Pounds Sterling at an exchange rate of AUD:GBP 1:0.54, other than where noted.

Performance Overview

As anticipated, during a quarter in which all UK lockdown restrictions ended, the business experienced a substantial re-acceleration in growth. Unaudited revenue was £5.8 million in 3Q 2021 (AUS\$10.7 million); up 21.6% on 2Q 2021. The Company delivered 116,800 consultations in 3Q 2021; up 30.6% on 2Q 2021.

Notably during September, 45,800 consultations were delivered, and 1,900 patients completed our secondary care diagnostic pathway, demonstrating growing demand for both the Company's core virtual GP service and integrated secondary care offering.

Worsening wait time for appointments across the UK public health system mean we are helping more patients than ever before, scaling quickly as we drive towards becoming a global leader in digital healthcare. Once patients have experienced the service, they return time and again, as is evidenced by the fact that 65% of consultations during 3Q 2021 were delivered to returning patients.

In addition to the rapid growth in the core business, the Company has continued to take steps to realise its international growth strategy. The Company was pleased to announce its entry into the Australian market through the acquisition of the telehealth and tele-mental health services provider, GP2U Telehealth. In the Republic of Ireland, the Company's offering has been expanded from covering corporate customers to offering a self-pay service, now available to patients through Boots Ireland.

CEO Dr Bayju Thakar said:

"We are excited by the continuing rapid growth in demand for our services. The increasing volume of consultations and diagnostic referrals completed in Q3 provides further evidence that patients, doctors and insurers are seeing the benefits of our integrated digital offering. The convenience that our solution provides is compelling for patients. We are also demonstrating value for doctors and insurers by removing inefficiencies and reducing costs throughout the patient journey."

Operational Performance

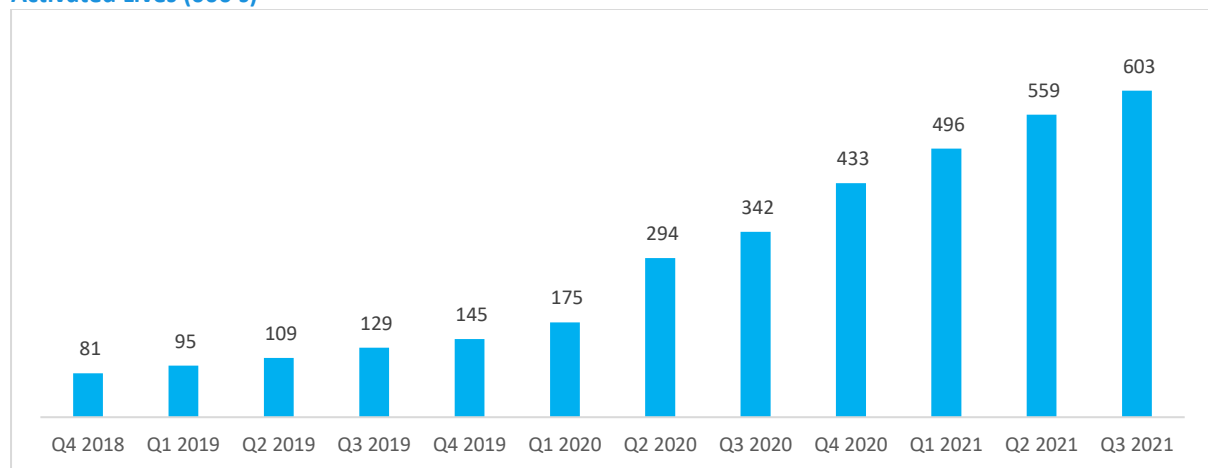
UK primary healthcare environment continues to drive strong demand

	Actual	Actual	% increase / (decrease) on	% increase / (decrease) on	% increase / (decrease) on
	3Q 2021 000's	YTD 2021 000's	2Q 2021 (QoQ)	3Q 2020 (PCP)	YTD 2020 (PCP)
Eligible Lives ¹ at Period End	2,382.1	2,382.1	1.1%	8.7%	8.7%
Activated Lives ² at Period End	603.2	603.2	8.0%	76.2%	76.2%
Consultations ³ by Period	116.8	296.7	30.6%	86.6%	111.3%

Eligible Lives remained steady at 2.4 million (2Q 2021: 2.4 million). Activated Lives at the end of 3Q 2021 were 603,200, up 8.0% on prior quarter (2Q 2021: 558,700).

Consultations for 3Q 2021 of 116,800 were up 30.6% on 2Q 2021 and 86.6% on Q3 2020. Consultation growth in the quarter was driven by the acquisition of 41,000 new patients who had their first consultations.

Activated Lives (000's)

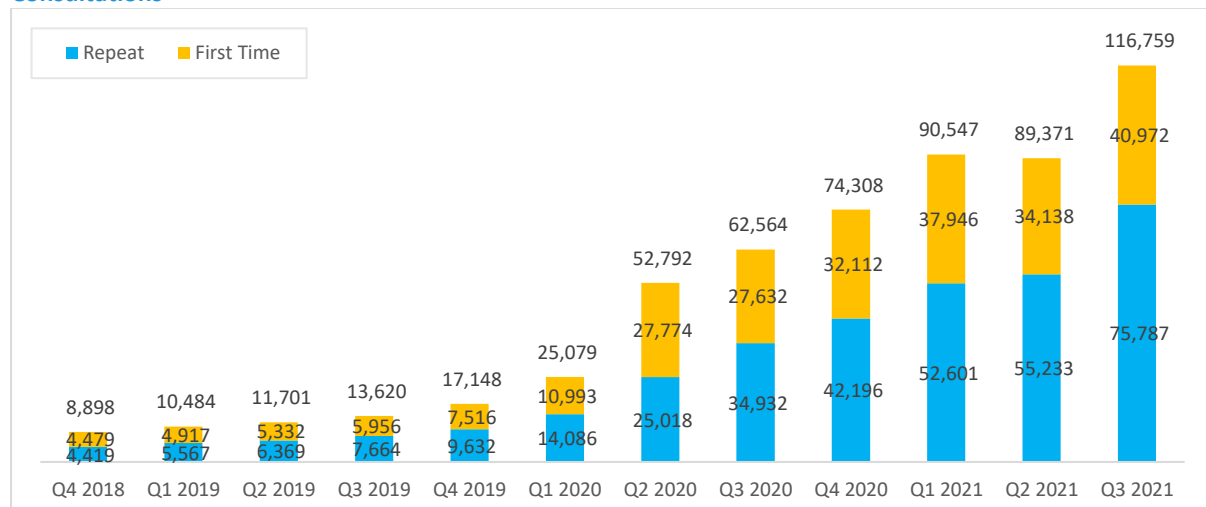


¹ **Eligible Lives** represents the total number of people who have an entitlement to use DOC's services.

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, Psychiatrist and Psychologist consultations delivered to patients over the period.

Consultations



Financial Performance

Significant revenue growth realised across the year to date

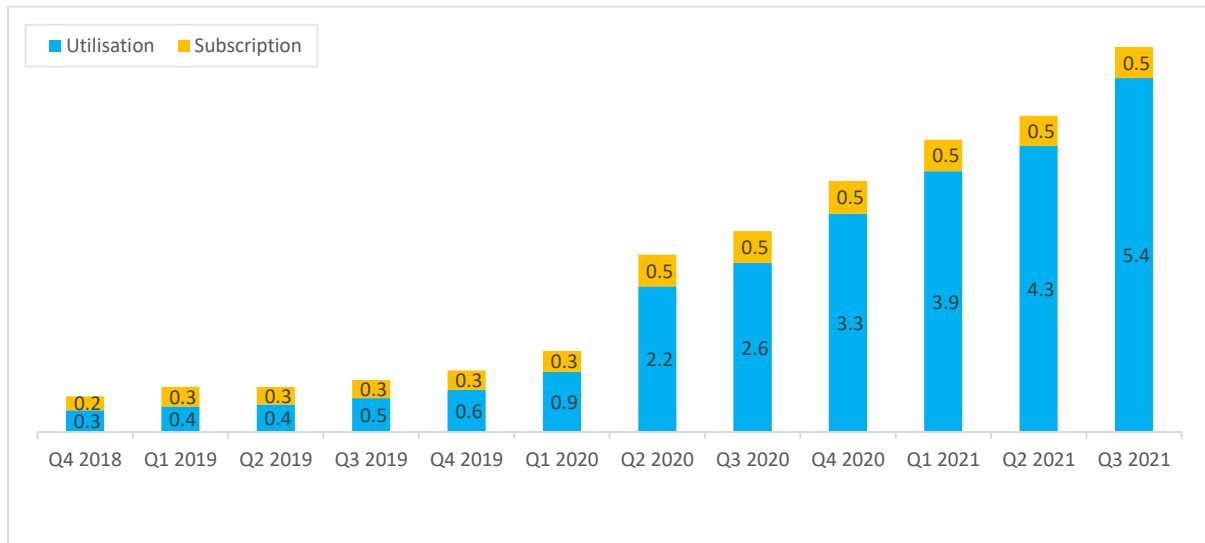
	Actual	Actual	% increase / (decrease) on	% increase / (decrease) on	% increase / (decrease) on
	3Q 2021 £m's	YTD 2021 £m's	2Q 2021 (QoQ)	3Q 2020 (PCP)	YTD 2020 (PCP)
Revenue	5.8	17.1	21.6%	82.6%	119.8%
Underlying Revenue ⁴	5.8	15.1	21.7%	91.6%	116.2%
Gross Profit	1.8	7.6	(6.4%)	27.5%	93.9%
Underlying Gross Profit ⁴	1.8	5.6	(6.4%)	42.9%	79.1%
Gross Profit Margin	30.3%	44.4%	(9.1 ppt)	(13.1 ppt)	(5.9 ppt)
Underlying Gross Profit Margin ⁴	30.3%	37.0%	(9.1 ppt)	(10.3 ppt)	(7.7 ppt)
Contribution	0.2	3.6	(67.1%)	(60.4%)	106.8%
Underlying Contribution ⁴	0.2	1.6	(67.3%)	(40.9%)	69.2%
Contribution Margin	3.1%	21.2%	(8.3 ppt)	(11.0 ppt)	(1.3 ppt)
Underlying Contribution Margin ⁴	3.0%	10.7%	(8.3 ppt)	(6.8 ppt)	(3.0 ppt)

Revenue for 3Q 2021 was £5.8 million (AUS\$10.7 million), up 21.6% on prior quarter (2Q 2021: £4.8 million, AUS\$8.9 million). Revenue growth was driven by an increase in the number of consultations delivered.

Operating margins were lower in Q3, reflecting increased investment in the supply of clinicians as the Company sought to capture rapidly increasing demand. The Company remains confident that its growth initiatives, increased scale and market position will lead to improved margins across 2022, and we also expect margin improvement as the impact of COVID-19 on the UK's clinical workforce eases. Taking steps to improve margins above pre-COVID levels remains a key focus for the Company.

⁴ Underlying Revenue, Underlying Gross Profit, Underlying Gross Profit Margin, Underlying Contribution and Underlying Contribution Margin exclude irregular revenue items such as underwritten volume top-up payments, technology platform licencing fees and digital design service fees.

Underlying revenue (£m's)



Cash flows

Net operating cash outflows for the quarter were £5.5 million (2Q 2021: £2.8 million outflow), relating to costs of operating the Company's telehealth platform; including the cost of doctors, patient support functions, software technology costs and corporate overheads, offset by cash receipts from customers. The quarter on quarter increase in net operating cash outflows was mainly attributable to the receipt of one-off payments totalling £2.2 million in 2Q 2021.

Net investing cash outflows for the quarter were £2.3 million (2Q 2021: £0.6 million outflow), relating to the acquisition of GP2U Telehealth Pty Ltd and payments for capital equipment and capitalised development expenses.

Net cash outflows from financing activities for the quarter were £0.1 million (2Q 2021: £0.2 million outflow), mainly relating to office rent.

Payments to related parties in the period totalled £0.3 million (2Q 2021: £0.2 million), these represented the payment of Director Fees to Non-Executive Directors and salaries to Executive Directors, including pension and payroll tax payments.

The Company exited the quarter with £23.5 million of cash on hand as at 30 Sep 2021 (30 June 2021: £31.5 million).

Outlook

The Company reaffirms the FY 2021 revenue guidance provided in its 1Q 2021 results, to deliver at least 100% organic year-on-year revenue growth in FY 2021. This revenue growth target is exclusive of revenue growth attributable to the acquisition of GP2U Telehealth Pty Ltd.

Use of Funds

Use of Funds	Prospectus dated 30 October 2020 (£m's) ⁵	3Q 2021 (£m's)	Period to date (£m's) ⁶
Investment in core capabilities to drive greater value from existing services	13.7	3.7	7.5
Investment in new services to drive growth through existing channels	6.4	0.7	2.1
Investment in international business development	1.3	2.3	2.6
Working capital	10.1	1.4	6.6
Costs of the Offer	4.3	-	3.5
Total	35.8	8.1	22.3

Expenditure on 'investment in international business development' was greater than the amount outlined in the Use of Funds statement in the Company's Prospectus dated 30 October 2020, reflecting the acquisition of GP2U Telehealth Pty Ltd.

Investor Webcast

Investors are invited to join a webcast presentation at 9.30am (AEDT) hosted by CEO Dr Bayju Thakar and CFO Dan Curran.

Investors who wish to attend can register using the following link:

https://us02web.zoom.us/webinar/register/WN_cS9vY5N7QwaKrLvr5F51rA

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. 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.

Further Information:
Roger Newby Domestique Consulting – Investor Relations +61 401 278 906
Daniel Curran Chief Financial Officer and Company Secretary company.secretary@doctorcareanywhere.com

⁵ AUD: GBP 1:0.55

⁶ **Period to date** represents the period from 1 October 2020 to 30 September 2021

Appendix 4C

Quarterly cash flow 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")

30 September 2021

Consolidated statement of cash flows	Current quarter £'000	Year to date (9 months) £'000
1. Cash flows from operating activities		
1.1 Receipts from customers	5,862	18,147
1.2 Payments for		
(a) research and development	(982)	(2,660)
(b) product manufacturing and operating costs	(4,976)	(11,987)
(c) advertising and marketing	(327)	(930)
(d) leased assets	-	-
(e) staff costs	(2,903)	(7,835)
(f) administration and corporate costs	(2,084)	(5,198)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	2
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(125)	(266)
1.9 Net cash from / (used in) operating activities	(5,535)	(10,729)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	(1,600)	(1,600)
(b) businesses	-	-
(c) property, plant and equipment	(103)	(468)

Consolidated statement of cash flows		Current quarter £'000	Year to date (9 months) £'000
	(d) investments	-	-
	(e) intellectual property	(463)	(1,368)
	(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 (GP2U acquisition costs)	(121)	(121)
2.6	Net cash from / (used in) investing activities	(2,287)	(3,557)

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	26	41
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(111)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(149)	(425)
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	(123)	(495)

Consolidated statement of cash flows		Current quarter £'000	Year to date (9 months) £'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	31,473	38,360
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(5,535)	(10,729)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,287)	(3,557)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(123)	(495)
4.5	Effect of movement in exchange rates on cash held	(16)	(67)
4.6	Cash and cash equivalents at end of period	23,512	23,512

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	23,512	31,473
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)	23,512	31,473

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	292
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	Total facility amount at quarter end £'000	Amount drawn at quarter end £'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
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)	(5,535)
8.2 Cash and cash equivalents at quarter end (item 4.6)	23,512
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	23,512
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	4
<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: 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	
<i>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.</i>	

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: 19 October 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 – 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.