doctor care anywhere.

# Annual Report 2023

Doctor Care Anywhere Group PLC
(Company Number 08915336)
(ARBN 645 163 873)

Our Vision:

**To be the primary care provider of choice for digital healthcare.**

Our Purpose:

**To provide quality care to patients by offering 24/7 access to clinical services 365 days a year.**

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# Executive Summary

## Services overview

Efficient workforce utilisation to treat a wide range of conditions at scale

### Patient
Comes to DCA for healthcare need

### MyHealth
Health and wellbeing toolkit

### Health Navigator
Assigns patient to most appropriate treatment pathway

### Virtual GP
Access to GPs within 4-8 hours, 24 hours a day, 7 days a week

### Virtual Nurses
Treatment by Advanced Nurse Practitioners for conditions not requiring a GP (for release in Q2 2023)

### Diagnostic tests
If required, diagnostic tests (i.e., MRI, x-ray, bloods) can be arranged with 3rd parties

### Specialist review
Review of diagnostic test results, advising on treatment plan

**For patients**

Faster access

Better clinician outcomes

**For payors**

Differentiated model

Cost savings

Transparency

Better clinician outcomes

**For healthcare professionals**

Convenience and flexibility

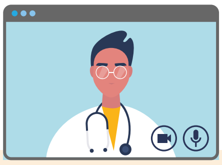
Training and support

**For Doctor Care Anywhere**

Ability to treat broad range of health conditions

Efficient utilisation of clinicians

# FY23 results overview



**£38.5m**

**Revenue (A$72.6m)**

+31% on FY22

**730,600**

**consultations delivered**

+19% on FY22

**535,000**

**consultations delivered to returning patients**

Demonstrating quality and retention value of service

**EBITDA loss reduced to**

**£5.9m**

**(A$11.1m)**

66% Reduction on FY22

**46.0%**

**Gross Profit Margin**

Up 4ppt on FY22, showing benefit of implementing Mixed Clinical Workforce

# Chair's Letter



## A year of growth and progress

**2023 was a challenging environment for early-stage technology businesses, with capital scarce and valuations much reduced. In this environment it has been particularly important for DCA to focus on delivering change, reducing losses and sourcing new capital to provide a solid platform for growth.**

With that in mind, it is very pleasing to report continued growth and good operational and financial performance, and our Convertible Loan Note financing (completed in January 2024). The Company has implemented a major change in operating model with the introduction of Mixed Clinical Workforce, improving clinician capacity and reducing cost to serve, and continued to strengthen our technology platform, on which our clinicians successfully delivered over 730,000 consultations in 2023. Our patients continued to value our service, as evidenced by excellent net promoter scores and high levels of repeat patients, and our employee engagement has risen strongly, reflecting the improving performance and culture of the business.

The Company exited the year having met all market financial guidance.

## Corporate changes

In March 2023, Richard Dammery, Vanessa Wallace and Simon Calver stepped down from the Board having served the Company diligently since before the Company's listing. As a result, DCA's Board is now fully UK domiciled, consistent with the Company's stated aim of being UK focused. This was followed in July by the appointment of Dr. Aleksandra ("Ola") Spencer as an independent Non-Executive Director, completing the Board restructure and ensuring a wide range of executive and health sector experience on the Board.

Ben Kent joined as interim CEO in February 2023 and has led the Company through this successful year. The Board was pleased to appoint Ben as permanent CEO in March 2024, to lead DCA through our next chapter of growth and diversification.

DCA also changed auditors in the year, with Crowe U.K. LLP being appointed in November 2023 following a competitive tender process. Grant Thornton LLP have therefore resigned as DCA's auditors, however they will continue to provide tax advisory services. Shareholder approval of this appointment will be sought at the Annual General Meeting in April.

## Looking forward to 2024

Progress made in 2023 puts DCA in a much stronger position heading into 2024. We have a stronger balance sheet, are on a clear path to profitability and are actively working to diversify our clients and propositions in the year ahead.

The UK private healthcare market has grown strongly during 2023; private healthcare admissions for hospital care rose by 7% year on year in the first nine months of 2023, and the sector is expected to continue to grow in the medium term due to an ageing population, ongoing pressure on the UK's National Health Service, and growing demand from employers to support the health, wellbeing and productivity of their workforce. All of this bodes well for our opportunity to grow the business over the coming years, in our ambition to be the UK's leading private digitally enabled primary care provider.

Finally, I would like to thank the team at DCA for all their excellent work in 2023. The impressive improvement in performance in 2023 could not have been achieved without their diligence, hard work and professionalism. The Company is in excellent hands going forward.

John Stier

**John Stier**
Chair, Independent Non-Executive Director
27th March 2024

# CEO's Letter

## Overview

**2023 has been a year of effective delivery for Doctor Care Anywhere ("DCA"): we have implemented a new operating model; our technology platform has reliably supported significant volume growth; we have grown revenue and gross margin and reduced our cost base; we have met all our financial market guidance targets in 2023 and are on track to achieve positive EBITDA in early 2024. We have also strengthened our balance sheet with the Convertible Loan Note issue, completed in January 2024. With our changing contractual arrangements with AXA, we are actively progressing the opportunity to extend our proposition and expand our client base.**

## Operational Performance

We delivered good growth vs 2022 in all our key measures: we grew activated lives to over 1 million (up 21%), and delivered 730,000 consultations (up 19%), generating revenue of £38.5 million (up 31%). Through growth, margin improvement and cost reduction we have reduced our net losses from £22.0m to £10.0m. We managed over 40,000 diagnostic referrals for AXA members. Our technology platform was resilient and has the capacity to support further growth over the coming years.

## Change in operating model

In May 2023 we implemented an important change in our operating model, with the introduction of Mixed Clinical Workforce (MCW): DCA now offers consultations with both GPs and ANPs (Advanced Nurse Practitioners). ANPs are nurses who have undertaken a Master's level degree in clinical practice. They have the authority to make autonomous decisions in the assessment, diagnosis and treatment of patients with complex clinical issues. The launch of MCW improves our clinician supply while reducing our average cost to serve.

With the launch of MCW, we also introduced our Health Navigator, new technology that guides patients to the appropriate clinician and appointment length based on their clinical need. This capability helps to enhance the patient experience and manage our clinical resources effectively. We are pleased that our Net Promoter Score (NPS) has averaged over 75 throughout 2023, with patients rating their experience with our new ANP colleagues equally as highly as our GP workforce.

## Care pathways

The Company made progress with its secondary care proposition, which integrates primary and secondary care through the provision of GP consultations, diagnostic tests and review of these tests by specialist consultants.

## Evolving our relationship with AXA Health

DCA has been working with AXA Health since 2015; we have developed a range of services to support AXA Health's members, and AXA Health has supported DCA's development both as its primary customer and, through the December 2022 Loan facility, as a provider of funds. During the second half of the year, we revisited the contractual basis of our relationship and the mutual exclusivity obligation on both parties, which currently ensures that AXA Health uses only DCA's services for supply of virtual consultations to its members, but also prevents DCA from offering its services to AXA Health's competitors.

We therefore agreed that DCA should have the opportunity to diversify its client base and sources of revenue, so that it can be a resilient long-term provider of high-quality healthcare services to AXA Health. To support DCA's continuing development and diversification, in October 2023 AXA Health and DCA agreed Heads of Terms to make the following changes to their contractual relationship:

- DCA and AXA Health will remove their exclusivity obligations so that DCA can provide its services to other health benefits and healthcare providers (including other private medical insurers and cashplan providers), while ensuring that this does not compromise the quality and availability of its service to AXA Health
- AXA Health confirmed its continuing commitment to DCA as its provider of virtual primary care consultations, subject to ongoing contractual rights
- DCA will continue to manage diagnostic referrals for AXA Health members; but the joint venture structure will be unwound.
- The existing contractual arrangements, through which AXA Health and DCA share the benefits of managing patients through a diagnostic pathway, will continue to operate under the Master Services Agreement
- The Joint Venture Agreement will be terminated and the joint venture company, Doctor at Hand Diagnostics Limited ("JVCo"), will be wound up
- The intellectual property owned by JVCo (consisting principally of the technology that enables diagnostic referral pathway management) will be transferred to DCA

Following agreement of these Heads of Terms, DCA and AXA Health are working together to finalise the detailed amendments to be made to the Master Services Agreement, Joint Venture Agreement, and Development Agreement, and expect to conclude these contractual changes in the first half of 2024.

This is an important change for the Company, as it provides us with the opportunity to diversify our client base; in parallel, we will strive to ensure that we continue to serve AXA with quality and value, so that it has no incentive to engage with other service providers.

## Focus on the UK market

In July we completed the sale of the GP2U business to Connected Medical Solutions Ltd, trading as My Emergency Doctor (MED), for consideration of A$3.0m (£1.6m), of which $0.5m was paid in cash and A$2.5m was paid in shares of the acquiring company. While the business delivers valued health services to Australian patients, the Board concluded that it was not core to our strategy of focusing on the UK market, and its sale reduced ongoing annual losses by £0.5m.

## Delivering high quality health care

Quality underpins everything we do. Supporting our patients with safe and effective primary care services is the foundation of our business. Our team of clinicians and clinical managers, together with their support colleagues, work diligently to ensure that our business reliably delivers on that commitment. We have extensive clinical quality and governance processes which touch every facet of our operations. Over the past year, Doctor Care Anywhere has delivered over 700,000 appointments to patients with no occurrences of reportable patient harm.

DCA is regulated by the Care Quality Commission. The CQC undertook a routine inspection of DCA in Q3 2023; we were praised in many areas, particularly in how we safeguard adults and children, as well as providing good levels of caring, effective, and responsive care for our patients. We were very disappointed that, while our business was assessed to be adequate overall, we were given a rating of "Requires Improvement", with observations relating to recruitment documentation and auditing procedures. Since the inspection we have put in place enhancements to our policies and procedures to reflect the feedback from the inspection, and also adapted our continuous improvement programme, which includes effectiveness reviews and Quality Statement monitoring, and provides ongoing assurance of compliance with CQC regulations.

## Managing environmental and social impact

Like many other organisations, we are conscious of the risks play in addressing those. We might not face the same scale of issues as other businesses, but we do have a responsibility to contribute to the government's aim of net zero carbon emissions by 2050. Like other businesses, we assess and report on our carbon footprint, from emissions and waste to paper consumption and single-use plastic, and we will work to reduce our footprint over time. During the year we substantially reduced our office space, which has contributed to the halving of our estimated Greenhouse Gas and Consumption emissions.

## Strengthening our balance sheet

At the end of 2022, we secured a £10m Loan Facility with AXA Health, which we drew down in tranches through the course of 2023. In December 2023 we announced the issue of a £10.6 million Convertible Loan Note, subject to shareholder approval. In January 2024 we were pleased to receive that approval and to complete the refinancing; the proceeds of the Convertible Loan Note were used to repay the AXA Loan Facility.

The Convertible Loan Notes are repayable by 31 December 2027, and bear a zero coupon. This means that there is no requirement for payments of principal or interest over the life of the Notes. The Notes have a conversion price of £0.0459 (A$0.0875), which represented a premium of 94% to the closing share price prior to the announcement. 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 opportunities in front of us.

We were pleased to welcome AXA Health and Axia Investments Limited, a private client fund, as the principal investors in the Notes.

## Building our team

Our progress in 2023 has been achieved through the skills and commitment of our team of clinicians and support colleagues, and they can be proud of the progress that we have made. I am delighted that our colleague engagement has also increased substantially, reflecting the team's success, with our employee Net Promoter Score (eNPS) rising from 26 in January to 45 in September. This level of score is classified as "Outstanding". Our goal in 2024 is to build on the progress this year, so that we are regarded as a great place to work.

During the year we have strengthened our leadership team to make sure we have the skills and experience to realise DCA's potential: our new Chief Technology Officer, Luis De Miguel Puig, joined the business in September 2023; we are building our proposition and business development teams; and Seema Sangar joined us in March 2024 as Chief Financial Officer. I am pleased to welcome these new colleagues to DCA and I look forward to building the business with my team over the coming years.

## Developing the business in 2024

After a year of operational change and delivery, our focus in 2024 is on business development - focusing on expanding our client base – and proposition development. We will add more flexibility to our consultation service, build new digital health pathways, and use technology more and more in our offering. In parallel, we will continue to drive operational efficiency, in pursuit of our financial targets of profitability and cash generation. 2024 has started well as DCA completed 68,200 consultations in January and 64,300 consultations in February - these are the highest consultation volumes in these months in DCA's history.

I am delighted that the Board has confirmed me as permanent Chief Executive Officer of DCA, and also invited me to join the Board. It is a privilege to lead DCA, and my team and I are excited about the opportunity to grow the business, as we develop our proposition to meet the health needs of our patients and clients.

**Ben Kent**
Chief Executive Officer
27th March 2024

# Section 172 Statement

**The Company is regulated under both UK company law and the Australian Stock Exchange listing rules. Section 172 of the Companies Act 2006 (UK) requires that directors of a Company act in good faith to promote the success of the Company for all stakeholders. The directors consider that throughout the year, having regard to the matters set out in s.172(1)(a)-(f) of the Companies Act 2006, they acted in good faith and undertook actions that would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the interests of all stakeholders, including employees, customers, suppliers, and the wider community.**

Through an open and transparent dialogue with our key stakeholders, the directors have been able to develop a clear understanding of their needs, assess their perspectives and monitor their impact on the Company's strategic ambition and culture. As part of the Board's decision-making process, the Board and its Committees consider the potential impact of decisions on relevant stakeholders while also having regard to a number of broader factors, including the impact of the Company's operations on the community and environment, responsible business practices and the likely consequences of decisions in the long term.

The Company is also listed on the Australian Stock Exchange, and as such must comply with the ASX Listing Rules and the Corporate Governance Principles and Recommendations, designed to ensure high quality corporate governance by Australian listed entities.

This statement sets out the matters considered under each subsection of s.172(1) (a)-(f).

## A. The likely consequences of any decision in the long term

2023 was another year of transformation, culminating in the refinancing of the previous AXA loan through a convertible loan note issue in December 2023. The Company also invested in new ways of working which are proving successful and which the Board expects to build on in future. The convertible loan note arrangement, together with the anticipated relaxation of certain restrictions in our key relationship with AXA, are expected to offer opportunities for our employees, customers, shareholders and other stakeholders to further secure the Company's long-term sustainable and profitable future. In coming to its decisions, the Board carefully assesses the likely consequences of each decision in the long term, and how that decision aligns with the strategy, purpose, values and desired culture of the Company. During the year, the directors made decisions based on board papers, presentations from the executive management team, information documents, discussions with external advisors and reports from independent advisers.

## B. The interests of the Company's employees

The Board and executive management regularly consult with the Company's employees about a range of matters including decisions about the Company's operations, funding, leadership and culture. The Company encourages its employees to feed back their views through employee surveys, the results of which are analysed and, where possible, changes are implemented. Throughout 2023, employees were able to participate in monthly "town hall" meetings giving them the opportunity to contribute to the Company's plans and give feedback on Board and executive decisions.

## C. The need to foster the company's business relationships with suppliers, customers and others

The directors oversee the Company's strategy and operations to develop and maintain mutually beneficial business relationships with all our partners, suppliers, government agencies and other stakeholders.

The directors continue to work closely with AXA PPP Healthcare Group Limited, the Company's primary partner. The Company seeks to ensure that proposed changes are managed carefully and that the outcome benefits both parties. Opportunities to improve the Company's offer to other customers and potential customers are also being actively explored. The Company is in dialogue with several major organisations in the telehealth market. Finally, the Company maintains an open, transparent and co-operative relationship with key regulators, continuously seeking ways to develop its practice to the highest standards.

The directors continue to ensure that suppliers are paid in a timely manner.

## D. The impact of the Company's operations on the community and the environment

The directors regularly consider the impact their decisions will have on the community. The Company provides an innovative primary and secondary healthcare service using technology, principally seeking to provide easy access to healthcare services in its core markets.

The directors also consider environmental impacts. Given the service is principally provided via a telehealth platform, the environmental impact of delivery of our services is low.

The introduction of our Mixed Clinical Workforce approach has enabled us to reach more patients and handle consultations more effectively using the combined expertise of our team of doctors and Advanced Nurse Practitioners.

## E. The desirability of the company maintaining a reputation for high standards of business conduct

At all times the directors seek to ensure that the Company, through the Board's oversight, adheres to high standards of corporate governance. The Company continues to comply with the ASX's Corporate Governance Principles and Recommendations, the primary mechanism for Australian listed companies to demonstrate high standards of corporate governance. The Company also maintains a Code of Conduct and Board Charter.

The Company maintains an externally managed whistleblower hotline service. The Board receives regular reports on any concerns raised and ensures that appropriate action is taken to respond. The Board has set clear improvement objectives with regard to corporate culture and embedding good practice and high standards across the business.

## F. The need to act fairly between members of the Company

The Board ensures that all shareholders/Chess Depository Instrument holders have the opportunity to express their concerns to the Board throughout the year by having access to the Chair, and through investor briefings. The Company also complies with Australian continuous disclosure obligations, thereby ensuring that all shareholders/Chess Depository Instrument holders have access to the same information about material matters at the same time. The AGM allows an opportunity for shareholders to ask questions and to discuss issues in more depth with the Board of Directors.

Directors who hold shares in the Company routinely declare their conflicts in substantive transactions that affect the Company. Where a conflict is present, the director in question does not participate in deliberations.

# Operational Performance

**Activated Lives reached 1,048,400 at 31 December 2023, representing a net increase of 179,500 (20.7%) above 31 December 2022. There is further growth potential in activated lives given the Company's existing base of 3.0 million Eligible Lives, together with growth in patients from new clients.**

Consultation volumes grew significantly in FY23, totalling 730,600 for the period (including 12,200 GP2U consultations), an increase of 116,400 (19.0%) over FY22 (which included 25,600 GP2U consultations).

Consultation growth was supported by the Company's strong repeat user rate, with 535,000 consultations delivered to returning patients in FY23, representing 73% of total consultations. Growth in the Company's repeat user rate validates the investment made in acquiring new patients during the year, with these new patients expected to continue to utilise the Company's services in FY24 and beyond, building the operational scale which will underpin a profitable future.

Consultation volumes in 2H23 were 355,200, 5.7% lower than volumes in 1H23, due to the UK's mild early winter, limited marketing of our services by AXA and the sale of GP2U in July 2023. 2H23 volumes were 14.1% higher than 2H22.

# Financial Performance

### Summary of FY 2023 Consolidated Statement of Comprehensive Income

| £ in millions | FY23 | FY22 | Variance | % | 2H 23 | 1H 23 | Variance | % |
|---|---|---|---|---|---|---|---|---|
| Utilisation revenue | 36.0 | 27.1 | 8.9 | 32.8% | 18.1 | 17.9 | 0.3 | 1.4% |
| Subscription revenue | 2.5 | 2.2 | 0.3 | 12.1% | 1.2 | 1.3 | (0.1) | (8.0%) |
| **Revenue** | **38.5** | **29.3** | **9.1** | **31.2%** | **19.3** | **19.2** | **0.1** | **0.8%** |
| Cost of sales | (20.8) | (17.0) | (3.8) | (22.2%) | (10.0) | (10.8) | 0.9 | 7.9% |
| **Gross profit** | **17.7** | **12.3** | **5.4** | **43.7%** | **9.3** | **8.3** | **1.0** | **12.0%** |
| Gross profit margin | 46.0% | 42.0% | 4.0% | | 48.4% | 43.6% | 4.8% | |
| Operating costs | (6.9) | (6.3) | (0.6) | (9.2%) | (3.2) | (3.6) | 0.4 | 10.8% |
| **Contribution** | **10.8** | **6.0** | **4.8** | **79.8%** | **6.1** | **4.7** | **1.4** | **29.6%** |
| Contribution margin | 28.1% | 20.5% | 7.6% | | 31.6% | 24.6% | 7.0% | |
| Sales and marketing | (0.7) | (1.9) | 1.1 | 61.8% | (0.3) | (0.4) | 0.1 | 27.8% |
| Technology | (3.4) | (7.4) | 4.0 | 54.3% | (1.9) | (1.5) | (0.4) | (25.7%) |
| General and administration | (12.9) | (15.6) | 2.7 | 17.3% | (6.2) | (6.7) | 0.4 | 6.7% |
| Other operating income | 0.3 | 0.6 | (0.3) | (46.1%) | 0.0 | 0.3 | (0.3) | (91.4%) |
| Share based payment | (0.1) | 1.2 | (1.3) | (106.8%) | (0.1) | (0.0) | (0.0) | (291.1%) |
| **Non-operating costs** | **(16.7)** | **(23.0)** | **6.3** | **27.3%** | **(8.4)** | **(8.3)** | **(0.2)** | **(1.8%)** |
| Share of JV net loss | - | (0.1) | 0.1 | 100.0% | (0.0) | 0.0 | (0.1) | (200.0%) |
| **EBITDA** | **(5.9)** | **(17.1)** | **11.2** | **65.5%** | **(2.3)** | **(3.5)** | **1.2** | **33.6%** |
| Depreciation and amortisation | (2.5) | (2.1) | (0.4) | (21.5%) | (1.4) | (1.1) | (0.3) | (27.8%) |
| **EBIT** | **(8.4)** | **(19.1)** | **10.7** | **56.1%** | **(3.8)** | **(4.6)** | **0.9** | **19.0%** |
| Finance income/(expense) | (0.5) | (0.0) | (0.4) | (838.0%) | (0.3) | (0.2) | (0.1) | (36.3%) |
| **Loss before tax** | **(8.9)** | **(19.2)** | **10.3** | **53.8%** | **(4.0)** | **(4.8)** | **0.8** | **16.8%** |
| Tax | 0.7 | 0.3 | 0.4 | 170.2% | 0.1 | 0.6 | (0.4) | (75.7%) |
| **Loss after tax** | **(8.2)** | **(18.9)** | **10.8** | **56.9%** | **(3.9)** | **(4.3)** | **0.4** | **9.1%** |
| Results from discontinued operations | (1.9) | (3.1) | 1.2 | 39.2% | 0.1 | (1.9) | 2.0 | 105.3% |
| **Net loss** | **(10.0)** | **(22.0)** | **12.0** | **54.4%** | **(3.8)** | **(6.2)** | **2.4** | **38.7%** |

Please note numbers in the above table are subject to rounding differences.

**Revenue for FY23 was £38.5 million, up 31.2% on FY22. The main driver of revenue growth was the increase in consultations between the two periods and an annual price increase agreed with AXA in 1H 23. The price increase also contributed to 2H23 revenue increasing by 0.8% over 1H23 despite the reduction in volumes.**

Gross profit has grown significantly, both year on year and half year on half year: FY23 gross profit was £17.7 million, up 43.7% on FY22. Gross profit margin for FY23 was 46.0%, up 4.0ppt on FY22. Gross profit for 2H23 was £9.3 million, up 12.0% on 1H23. Gross profit margin for 2H23 was 48.4%, up 4.8ppt on 1H23.

Contribution for FY23 was £10.8million, up 80.0% on FY22. Contribution margin for FY23 was 28.1%, up 7.6ppt on FY22. Contribution for 2H23 was £6.1 million, up 29.6% on 1H23. Contribution margin for 2H23 was 31.6%, up 7.0ppt on 1H23.

The improvements in gross and contribution margin have been driven principally by the launch of the Company's Mixed Clinical Workforce proposition in June 2023, together with the increase in revenue per consultation from annual price increases.

Margin improvement continued throughout 2H23 such that DCA's Q4 gross margin guidance of 50%-55% and Q4 contribution margin guidance of 35%-40% were both met. These significantly improved margins put DCA in an improved position going into 2024.

Normalising for the one-off restructuring costs of £1.6m incurred in 1H22, and for share based payments in both years, non-operating costs in FY23 decreased 26.4% on FY22, to £16.6 million. This was driven by the full year impact of the restructuring work undertaken in 1H22 to reduce the business' ongoing costs, together with further cost reduction and efficiency measures implemented in 2H22 and FY23.

Non-operating costs increased by 1.2% between 1H23 and 2H23. This was primarily due to a reduction in the capitalisation rate of technology work following the go-live of Mixed Clinical workforce, as 2H23 work was more focussed on BAU and non-capitalisable discovery projects. This led to a £0.4m rise in technology costs expensed in the period which was more than offset by a total £0.5m reduction in general and administration and sales and marketing costs between the two periods.

Adjusting for restructuring costs and share based payments, EBITDA loss in FY23 was £5.8m, an improvement of £10.9m year on year. This was driven by revenue growth, margin improvement and a focus on productivity in the business.

DCA exited the year with £6.1m cash and its £10.0m AXA loan facility fully drawn down. This loan was refinanced in January 2024 on completion of the convertible loan note financing, with no cash repayments due until 31 December 2027. This strengthening of the Company's balance sheet puts the Company in an excellent position to drive further growth.

# Key Risks

**The Board conducted a review of the key risks for the Company during the year: those risks are set out below.**

| TOPIC | SUMMARY |
|---|---|
| **Concentration of revenue** | A significant portion of DCA's revenue is derived under several agreements it has with AXA PPP Healthcare Group Limited ("AXA") In FY23, the relationship with AXA accounted for approximately 94% of the Company's total revenue. A decrease in revenue received from AXA for any reason could have a material adverse effect on DCA's revenue and profitability. |
| **AXA may terminate its arrangements with DCA** | DCA is party to several agreements with AXA which govern most material aspects of the relationship, including the terms on which clinical services are provided to AXA, and the terms on which technology development, hosting and maintenance services are provided to AXA. In particular, certain documents set out the joint venture arrangements between AXA and DCA including the Joint Venture Agreement. These arrangements contain various rights for AXA to trigger a call option to acquire DCA's shares in the joint venture entity and to terminate the joint venture arrangements, including a right to terminate these arrangements due to a material breach of the Joint Venture Agreement or for convenience between 1 February 2025 and 27 April 2025. Termination of the arrangements with AXA would have a materially adverse effect on the Company's ability to generate revenue and would materially adversely impact the Company's operations and business.<br><br>In October 2023, DCA and AXA agreed non-binding Heads of Terms, subject to a formal binding agreement, for certain changes to be made to the contractual relationship between the parties. These changes include the termination of the joint venture arrangements between DCA and AXA and the winding-up of the joint venture entity, while continuing the commercial arrangements between the parties in relation to sharing the economic benefits of the diagnostic referral pathway management services provided by DCA to AXA. However, there is a risk that the parties do not enter into formally binding arrangements to effect these intended changes to their contractual relationship, and there is a risk that even if these intended changes are made, the expected benefits do not materialise or are not as significant as initially thought. |
| **Restrictions on the expansion of DCA's business** | The agreements with AXA include various exclusivity restrictions that may prevent the Company from developing or making available products that include both online GP services and the facilitation of diagnostics to any direct competitor of AXA (this includes healthcare providers, administrators and distributors) or other large providers in the UK or Republic of Ireland. In addition, if DCA intends to provide similar services in Italy, France, Spain, Germany, Switzerland, Belgium, Japan or Mexico, the opportunity to provide those services must first be provided to the Joint Venture Entity.<br><br>These restrictions may make it more difficult for DCA to achieve its objectives by growing its business in new products or markets. There is also a risk that if DCA fails to comply with such restrictions, it will give rise to an immediate termination right by AXA. This could adversely impact DCA's reputation and its financial performance and position.<br><br>Under the Heads of Terms, among other changes, DCA and AXA agreed that the exclusivity restrictions imposed on both DCA and AXA under the existing contractual arrangements would be terminated. This change enables DCA to sell its services to other health insurers and providers, while also enabling AXA (subject to a specified notice period) to procure services from DCA's competitors. There is a risk that, despite the longstanding relationship and established operational processes in place between the parties, AXA chooses to procure services from DCA's competitors, which could lead to a reduction in DCA's revenues from AXA and a deterioration in its financial performance and position. There is also a risk that the intended changes to the contractual relationship as described in the Heads of Terms (including termination of these exclusivity restrictions) are not concluded in a binding contract. |
| **Early-stage business risk** | DCA is an early-stage business that does not yet generate profits. DCA's ability to achieve its anticipated growth is dependent on the successful implementation of its growth strategy, including DCA's ability to expand its services and increase revenue under channel relationships. DCA does not have a significant history of operations and there can be no assurance that it would be able to generate or increase revenues from its existing and proposed products or avoid losses in any future period. |

| TOPIC | SUMMARY |
|---|---|
| **Activation of existing eligible lives and utilisation of the service** | Whilst DCA understands that there is a large potential market for its services, and it already has approximately 3 million people who have an entitlement to use its services (Eligible Lives), there is no guarantee that DCA will be successful in converting the market for its services into Eligible Lives or that DCA's existing Eligible Lives will subscribe for and utilise DCA's services. |
| **Acquisitions, expansion or growth initiatives by DCA may not be successful** | As part of its growth strategy, DCA may investigate and undertake expansion, acquisition and other growth initiatives from time to time. It is possible that, despite analysis and assumptions made by the Company, there will be a failure to realise the anticipated synergies and any anticipated increases in the revenue, margins and net profit from any acquired businesses or growth initiatives. There is also a risk that the integration of the acquired business may result in more time and cost than originally anticipated. There is also a risk that DCA's due diligence fails to identify all material risks and liabilities relating to the acquired business. Any of these matters could materially adversely impact DCA's financial performance and position. |
| **Requirements for additional funding** | Additional funding may be required to meet the objectives of DCA in the event that costs exceed the expectations of the Company or that further opportunities arise for capital expenditure, investment in new projects, acquisitions or joint ventures. Should such event occur, the Company could look to raise additional funds via equity financing or debt financing. There can be no assurance that additional financing will be available when needed, on terms appropriate to DCA or that do not involve substantial dilution to securityholders. |
| **Inability to attract new customers** | DCA distributes services to patients through various sales channels, including through relationships with insurers, employers, healthcare providers, retailers and direct sales to the public. DCA's channel relationship strategy represents a material proportion of its revenue. However, there is no guarantee that demand from channel relationships will continue to be strong. Furthermore, demand from channel relationships is likely to be dependent on the prevalence of employer-sponsored healthcare. Channel partners are not committed to extend their use of DCA's services beyond contracted services and therefore there is no guarantee that DCA will secure the additional revenue it anticipates from existing channels. This may adversely impact DCA's ability to grow the business, its financial position and performance. |
| **Compliance with laws and regulations specific to the healthcare industry** | DCA's operations are governed by laws and regulations that DCA must adhere to, including laws governing remote healthcare, the practice of medicine and healthcare delivery in general which are subject to change and interpretation. There is a risk that DCA fails to keep up with or comply with such requirements and, as a result, DCA may be exposed to statutory action and loss of registration by regulators and fines, litigation and compensation claims from patients and customers. DCA is subject to inspection by the Care Quality Commission (CQC), the independent regulator of health and social care in England, from time to time. In October 2023, following an inspection in July-August 2023, the CQC published its inspection report with an overall rating of "Requires Improvement". There is a risk that this rating has an adverse impact on DCA's reputation and demand for its services from potential channel partners and employers. |
| **Risk of clinical malpractice** | There is the potential for a failure of clinical governance and oversight to lead to a deterioration in the delivery of high quality and safe patient services. The risk of breach of clinical requirements could result in various regulatory actions including a loss or suspension of DCA's Care Quality Commission registration. In addition, a material breach by DCA of its regulatory obligations would constitute an event of default under the AXA agreements, which would give rise to an immediate termination right by AXA of all of its agreements. |
| **Competitor risk** | The industry in which DCA operates is subject to domestic and global competition. DCA has no influence or control over the activities or actions of its competitors, whose activities or actions may impact DCA's operations and financial performance. For example, new entrants or competitors may succeed in developing alternative products which are more innovative or more cost effective than those products that are developed by DCA. This may create downward pricing pressures as competitors develop and expand their offerings in the market and may adversely impact on DCA's ability to retain existing customers/partners as well as attract new customers or partners. |

| TOPIC | SUMMARY |
|---|---|
| **Data protection issues** | DCA relies heavily on uninterrupted running of its information technology systems for the smooth operation of its business and maintaining high levels of trust with customers and patients. DCA's information technology systems, including online platforms, payment systems and certain third-party systems it uses, store, analyse, process, handle and transmit confidential, proprietary and commercially sensitive information as well as personally identifiable information and confidential medical information, entrusted to DCA by patients. There is a risk that the measures DCA takes to protect such information and data are insufficient to prevent security breaches, or other unauthorised access or disclosure of the information and data. |
| **Dependence on IT infrastructure and disruptions to information technology** | DCA, its telehealth providers and its patients rely on significant IT infrastructure and systems and the ongoing maintenance of the regional and local Internet infrastructure to provide the necessary data speed, capacity and security to allow DCA to offer viable services. DCA's platform may be exposed to damage or interruption from system failures, cyber threats (including malware, ransomware, phishing and denial of service (DDOS) attacks), telecommunication provider or third party supplier failures, inadequate system maintenance, damage to the physical infrastructure associated with the network, or other unforeseen events. Technology failures may affect DCA's ability to deliver consistent, quality services, meet its contractual and service level obligations, attract new customers, or may lead to data integrity issues or data loss. |
| **Reliance on key supplier relationships** | DCA's business is dependent on maintaining relationships with key third-party suppliers, information technology suppliers, and software and infrastructure providers which for certain products and services are limited in number. DCA's arrangements with such suppliers or providers may be governed by short-term service agreements which are entered into on the supplier's or provider's standard terms and conditions. If DCA needs to replace its suppliers or providers, there is a risk that it may be unable to find alternative sources of technology or systems, on commercially reasonable terms or at all, or on a timely basis. |
| **Key personnel and skills dependencies** | DCA's business depends on successfully hiring and retaining clinical and non-clinical staff in key management, clinical services, clinical governance, sales and marketing, operations and information technology. Competition for qualified personnel in the industry could become more intense. If DCA is unable to retain or attract high quality personnel, or replace the loss of any key personnel, or is required to materially increase the amount DCA offers in remuneration to attract and retain key personnel, its operating and financial performance could be adversely affected. |
| **Intellectual property rights** | DCA's operations rely on the protection of its intellectual property. There is a risk that DCA's intellectual property may be compromised in a number of ways, including that third parties may copy or otherwise obtain and use its proprietary information without authorisation or may develop similar technology independently. Breach of DCA's intellectual property rights may require DCA to commence legal action, which could be costly, time consuming and potentially difficult to enforce in certain jurisdictions and may ultimately prove unfavourable to DCA. Alternatively, parties may make claims against DCA, which may result in DCA being required to pay damages or obtain one or more licences from a third party, or being subject to injunctive or other equitable relief that could prevent DCA from further developing or using DCA's products. |
| **Foreign Exchange risk** | DCA's CHESS Depositary Interests (CDIs) are listed on the Australian Securities Exchange and priced in Australian Dollars. However, DCA's reporting currency is Pound Sterling. As a result, movements in foreign exchange rates may cause the price of the CDIs to fluctuate for reasons unrelated to DCA's financial condition or performance and may result in a discrepancy between actual results of operations occurring in other currencies and investors' expectations of returns on securities expressed in Australian Dollars. |
| **Potential litigation, claims and disputes** | DCA may be subject to litigation and other claims and disputes in the course of DCA's business including litigation for medical malpractice, contractual and employee disputes, indemnity claims, occupational health and safety claims or criminal or civil proceedings. The cost of settling claims or paying any fines, diversion of resources, operational impacts and reputational damage, could materially affect DCA's operating and financial performance. |

# Key Risks cont.

| TOPIC | SUMMARY |
|---|---|
| **Risks associated with investing in Convertible Loan Notes (Notes) and CDIs** | |
| **Redemption of Notes** | On completion of the issue of Notes in January 2024, DCA has on issue a significant number of Notes with a face value of approximately £10.6 million. If this whole amount became repayable at one time, whether on early redemption (if any) or at maturity, depending on the Company's financial position and cash reserves at that time, the Company may need to raise further funds (either debt or equity) to be able to repay this amount in full. Refer also to the risks titled "Requirements for additional funding" above. |
| **AXA a major customer and holder of Notes** | Assuming that AXA continues to hold Notes, AXA may convert some or all of its Notes into CDIs, and depending on the number of Notes it may elect to convert to CDIs, AXA may become a substantial shareholder in DCA, in addition to being a major customer. If this is the case, AXA may be able to exert some influence over the outcome of matters relating to DCA as a result of its voting power, including election of Directors. Although the interests of DCA, AXA (as a shareholder) and DCA's other shareholders are likely to be aligned in most cases, there may be instances where the interests of AXA and the interests of other DCA shareholders diverge as a result of AXA's competing interests as both a substantial shareholder and also a major customer of DCA. |
| **Investment in Notes is an investment in the Company** | Investment in the Notes is an investment in the Company and may be affected by the ongoing performance, financial position and solvency of the Company, and is subject to all of the risks described in this section. The Notes are not guaranteed by any government body or compensation scheme or by any other person or in any jurisdiction. |
| **Liquidity of Notes** | The Notes are not quoted on the ASX or any other securities exchange. As a result, there is no direct market on which to sell the Notes. The value attached to the Notes may not be realised until the Notes are converted into Shares or redeemed. |
| **Investment in CDIs** | On conversion of the Notes, an investor will be issued with CDIs representing underlying ordinary shares in the Company. There are general risks associated with investments in equity capital such as CDIs in DCA. The trading price of DCA's CDIs may fluctuate with movements in equity capital markets in Australia and internationally. This may result in the market price for CDIs being less or more than the value of your investment. Generally applicable factors that may affect the market price of DCA CDIs (over which DCA and its directors have no control) include matters such as investor sentiment, Australian and international economic conditions and outlook, changes in interest rates and the rate of inflation, to name a few. Any of these factors and resulting fluctuations may materially adversely impact the market price of DCA CDIs. |
| **Risk of securityholder dilution** | In the future, DCA may issue new CDIs to fund or raise proceeds for working capital or acquisitions. While DCA will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capacity it is able to issue within a 12-month period (other than where exceptions apply), securityholders may be diluted as a result of such issues of shares and fundraisings. |
| **Inability to pay dividends or make other distributions** | The ability for future dividends to be paid to holders of CDIs and underlying Shares or other distributions to be paid by the Company will be contingent on the Company's ability to generate positive cash flow. There is no guarantee that dividends will be paid on the CDIs or underlying Shares in the future, as this is a matter to be determined by the Board in its discretion and the Board's decision will have regard to, amongst other things, the financial performance and position of the Company. |

# Clinical Review of 2023

**DCA is committed to ensuring the highest standards of clinical governance, risk management, and regulatory compliance. To achieve this, we maintain a robust governance framework which is overseen by dedicated leadership, and we continuously strive for excellence in the delivery of our digital healthcare services.**

## Leadership Structure:

- With the guidance of the Clinical Governance Committee, the Board is responsible for:
  - (i) Ensuring that the company provides and excels in the following core clinical competencies; safe, effective, caring, responsive and well-led clinical services for primary and secondary care;
  - (ii) recommending improvements across the above core competencies of Doctor Care Anywhere.
- The Board delegates to the CEO the overall accountability for clinical governance and risk.
- The CEO delegates the executive responsibility to the Chief Medical Officer who is responsible for reporting to the CEO and Board on the clinical governance and clinical risk agenda and ensuring that any supporting strategy documents are implemented and evaluated effectively.

## Regulatory Compliance:

- DCA is regulated by the Care Quality Commission (CQC) for providing primary online care services in England and by the Medicines & Healthcare product Regulatory Agency (MHRA) for its Class 1 medical device. DCA remains compliant with both regulators.
- The Chief Medical Officer was appointed as the CQC Registered Manager in Q2 2023, shortly before the 2023 CQC inspection.

## Clinical Governance

- The Clinical Governance Committee (CGC) oversees specialised clinical governance committees, ensuring effective governance and risk management. The CGC is chaired by the Chief Medical Officer. During 2023, we implemented a digitised incident and complaint reporting system; this has resulted in increased reporting which enables the CGC to focus on areas for improvement, and supports a culture of continuous quality improvement.

## Clinical Safety

- DCA complies with Safety Standards DCB 0129 and DCB 0160, maintaining a Clinical Risk Management System (CRMS) to ensure patient safety and to mitigate risks.

## Medical Device

- DCA has self-certified its software as Class 1 "Software as a Medical Device", affirming its adherence to regulatory standards and commitment to patient safety and efficacy.

## CQC Compliance

As a provider of primary online care services in England, DCA is regulated by the Care Quality Commission (CQC). The Company continues to deliver a regulated activity by online means. This involves transmitting information by text, sound, images, or other digital forms to deliver care and treatment to patients. Maintaining compliance with CQC requirements is a key priority for the Company.

The Company is regulated to provide the following services:

- treatment of disease, disorder, or injury
- transport services, triage and medical advice provided remotely.
- diagnostic and screening procedures.

The Care Quality Commission (CQC), the independent regulator of health and adult social care in England, completed a comprehensive inspection of Doctor Care Anywhere (DCA) in July/August 2023. The CQC provides four ratings to health and social care services:

- outstanding,
- good,
- requires improvement, and
- inadequate.

DCA welcomes CQC inspections as they provide an independent review of the quality of care that our patients receive. We were praised in many areas, particularly in how we safeguard adults and children, and we were awarded 'Good' across the majority of areas during the CQC's inspection.

While improvements were noted from previous assessments, the CQC finalised its report with an overall rating of "Requires Improvement", identifying some areas for further improvement above the current minimum standards that were met.

Over the past 12 months, Doctor Care Anywhere has delivered over 700,000 appointments to patients with no occurrences of reportable patient harm. In addition, the CQC did not identify any incidences of patient harm attributable to the specific areas that it identified as requiring improvement, which related to recruitment documentation and auditing procedures. Since the inspection we have put in place changes to our policies and procedures to reflect the feedback from the inspection.

In addition to the areas identified by the CQC, DCA has launched a comprehensive programme of activities to ensure ongoing assurance of CQC compliance and effective clinical governance across the organisation. This is a three-pronged approach focusing on improvement, maintenance, and assurance, including :

- completion of a comprehensive CQC Remedial Action Plan to address the CQC report observations;
- Optimising clinical governance through subcommittee consolidation and effectiveness reviews;
- Quality Statement Monitoring

### Clinical Risk & Governance Committee Structures

Following the introduction of a new clinical governance structure in 2H 2022, specialist clinical governance committees operated under the leadership of the Company's Clinical Governance Committee (CGC), reporting into the Board throughout 2023. The CGC meets quarterly, and reports across all areas of the clinical service, including regulatory compliance and clinical risk.

The Board is committed to improving governance on a continuing basis through evaluation and review, and an effectiveness review of the existing effectiveness of the new structure has been completed. This also considered areas of high performance, as well as areas for improvement, identified in the 2023 CQC inspection

The outcome of the review recommended optimisation of the sub-committees further, namely the Medicines Management Committee, Diagnostics Service Committee and Safeguarding Committee based on their current effectiveness. These recommendations will be implemented and embedded in 2024, subject to approval by the Audit and Risk Committee.

### Management of Incidents & Complaints

The Company has seen increased incident reporting since the launch of the digitised incident and complaint reporting system in Q4 2022. This increase in reporting has been driven by incident reporting and management training delivered to all staff, and improvements in the culture of quality improvement activities. The learnings from incidents and complaints are provided back to teams to generate awareness and insight into what went wrong and the measures that have been implemented to ensure the incident or complaint does not reoccur. Reporting of complaints and incidents, including any relevant action plans, is provided to the Clinical Governance Committee, ARC and Board.

For 2023, incidents rates remain low at <0.7% for the year, and complaint rates remain low, consistently below 1% of completed consultations.

### Achievement of Class 1 Software as a Medical Device (SaMD) Status

During the year, DCA registered an element of its software as having Class 1 "Software as a Medical Device" status. This designation signifies that our software meets the regulatory requirements set forth by the Medicines & Healthcare product Regulatory Agency (MHRA), ensuring safety and effectiveness in its medical applications.

Class 1 SaMD status demonstrates our commitment to delivering high-quality healthcare solutions that adhere to stringent regulatory standards. It validates our dedication to patient safety and the efficacy of our software in supporting medical diagnosis, treatment, and management.

- Impact on Operations and Growth:
  - Attaining Class 1 status opens new opportunities for DCA, allowing us to expand our reach and offerings in the healthcare industry.
  - It strengthens our position as a trusted provider of digital healthcare solutions, enhancing confidence among patients, healthcare professionals, and regulatory bodies.
- Continued Commitment to Regulatory Compliance:
  - While achieving Class 1 status is a significant milestone, DCA remains dedicated to maintaining compliance with evolving regulatory requirements.
  - We will continue to invest in regulatory expertise, robust quality management systems, and ongoing monitoring to ensure our software meets and exceeds regulatory expectations.
- Future Outlook:
  - With Class 1 SaMD status secured, DCA is poised for continued growth and innovation in the digital healthcare landscape.

We remain focused on delivering exceptional value to our users while upholding the highest standards of safety, efficacy, and regulatory compliance in all our software offerings.

This Strategic Report has been approved by the Board of Directors and was signed on its behalf by:

John Stier

**John Stier**
Chair
27th March 2024

# Directors' Report

**The Directors present their Report, together with the Financial Statements, on Doctor Care Anywhere Group Plc ('the Company' or 'parent') and the entities it controlled at the end of, or during, the year ended 31 December 2023 (together referred to as 'the Group').**

## Division of Responsibilities

| | |
|---|---|
| **The Chair** | The Chair leads the Board, facilitating constructive communication between Board members and ensuring that all Directors can play a full part in the Board's activities. The Chair sets Board agendas and ensures that Board meetings are effective and that all Directors receive accurate, timely and clear information. The Chair communicates with shareholders effectively and ensures that the Board understands the views of major investors. The Chair also provides advice and support to both the Executive and Non-Executive Board members. The Chair continues to meet the independence criteria set out in recommendation 2.5 of the ASX Corporate Governance Principles and Recommendations. |
| **The Chief Executive** | The Chief Executive Officer provides leadership to the senior leadership team in the day-to-day management of the Company, with an emphasis on long-term goals, growth, profit, and return on investment. The CEO is instrumental in formulating and implementing the Group's strategy, serves as the main point of contact between the senior leadership team and the Board, and facilitates effective communication and flow of information with the Non-Executive Directors. |
| **Role of the Non-Executive Directors** | The Non-Executive Directors have extensive experience from a wide range of sectors. Their role is to understand the Company in its entirety, to constructively challenge strategy and management performance, set executive remuneration and ensure appropriate succession planning is in place. The Non-Executive Directors must also ensure that they are satisfied with the accuracy of financial information and that effective risk management and internal control processes are in place. Three of the four Non-Executive Directors (including the Chair) are considered independent. |

## Delegation of Responsibilities

The Board has 2 sub-committees, namely the Audit and Risk Management Committee and the Remuneration and Nomination Committee. The Committees are governed by their respective Charters, which provide details of matters delegated to them.

The Charters are available on the Company's website at Corporate Governance & Policies | Doctor Care Anywhere | Doctor Care Anywhere and are reviewed annually to ensure they remain fit for purpose. The roles of the Chair, Chief Executive and Non-Executive Directors are clearly defined and set out in writing.

The following persons were Directors of the Company during the year ended 31 December 2023:

- **John Stier**
  Independent Non-Executive Director, (appointed on 6 May 2022, became Chair 28 March 2023)
- **Romana Abdin**
  Independent Non-Executive Director and Chair of Remuneration and Nomination Committee (appointed 16 September 2020)
- **Simon John Calver**
  Non-Executive Director (retired 28 March 2023)
- **Dr Richard John Edward Dammery**
  Chair and Independent Non-Executive Director (retired 28 March 2023)
- **David Jeremy Ravech**
  Non-Executive Director (appointed 10 April 2015)
- **Dr Aleksandra Spencer**
  Independent Non-Executive Director and Chair of Audit and Risk Management Committee (appointed 3 July 2023)
- **Vanessa Miscamble Wallace**
  Independent Non-Executive Director (retired 28 March 2023)

In addition, the following senior executives held office during the relevant reporting period

- **Ben Kent** Interim Chief Executive Officer from 13 February 2023 to 6 March 2024, (appointed Chief Executive Officer 7 March 2024)
- **James Warren** (Acting Chief Financial Officer, from 1 September 2022 until 4 March 2024)
- **Bianca Foster** (Company Secretary until November 2023, replaced by Kevin Mercer as Interim Company Secretary between December 2023 and 31 January 2024; post held by Cathy Baxandall with effect from 5 February 2024)
- **Mark Taylor** (Interim Chief Executive Officer until 9 January 2023)

**The biographies of our current Board of Directors are as follows:**

**John Stier**
Chair, Independent Non-Executive Director

John was appointed to the Board in May 2022 and became Chair in March 2023 on the retirement of Richard Dammery. Until the appointment of Dr Aleksandra Spencer, he also chaired the Company's Audit and Risk Management Committee. John brings substantial experience in change management, M&A, scaling businesses plus substantial financial expertise gained in services-based industries.

John built an executive career as a financial professional, becoming Group CFO of two technology enabled services businesses Northgate Information Solutions Plc and Equiniti Plc. Northgate provides technology and outsourced solutions to the UK Government and global HR market, Equiniti is an international share registrar. John worked with these businesses for over twenty years, helping to build them both into FTSE 250 constituents on the London Stock Exchange.

John is also currently the Chair at Redburn, a London based stockbroker. John holds a first-class degree in Finance and is a Fellow of the Institute of Chartered Accountants in England and Wales.

**Romana Abdin**
Independent Non-Executive Director

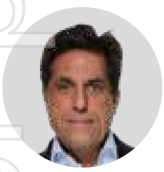
Romana was appointed as a Non-Executive Director of DOC in September 2020 and became Chair of the Remuneration and Nominations Committee in July 2021. Romana is the Chair of Healthcode, the specialist in online services for the independent healthcare sector.

Romana served as the CEO of Simplyhealth Group for eight years before stepping down in 2021, transforming the business from a sole focus in healthcare funding towards a diversified health and wellbeing business. During her time as CEO, Romana led the restructuring and investment in digital capability to meet the demands of today's customers, employers and healthcare practitioners, developing new propositions, establishing new relationships, developing people capabilities and a leadership team which has shifted the culture from risk averse and analogue to more customer-centric, agile and highly engaged.

Romana has a strong industry profile in the UK and has gained extensive commercial, board, governance and regulatory experience in previous roles at Simplyhealth, Lloyds Banking Group and Bradford & Bingley Building Society.

Romana has degrees in law and started her career at the Bar in London specialising in corporate and commercial law. She went on to hold several corporate affairs and legal roles, principally in the financial services and entertainment sectors. Romana is a qualified Barrister at Law.

**David Ravech**
Non-Executive Director



David is a co-founder of Doctor Care Anywhere Group and served as Chair of the Company until November 2018.

For more than 20 years, David has led and invested in disruptive technology companies. Prior to his involvement with the Group, David was the founder and CEO of Overland Health (now part of Slater and Gordon Solutions), a technology-driven provider of rehabilitation services. He also founded and was later Co-CEO of Global Freight Exchange which provided the world's leading airlines and freight forwarders with the first online price and availability comparison engine and transaction system for airfreight (with the company being sold in 2007 to Descartes (Nasdaq: DSGX), a provider of cloud-based logistics and supply chain management solutions).

David initially qualified as a barrister and solicitor with Arthur Robinson & Hedderwicks (now Allens), working in the Securities, Mergers and Acquisitions group. He then spent six years as a strategy management consultant at McKinsey, based in the Melbourne and London offices. He has worked in Australia, the UK, Japan, Israel and several European countries, primarily serving clients in the retail, brewing, telecoms and banking sectors with a focus on mergers and acquisitions, competition law approvals and pricing strategy. David holds an LL.M from Harvard Law School and an LLB (First Class Honours) and B.A. (Economics) from the University of Melbourne.

**Dr Aleksandra Spencer**
Independent Non-Executive Director

Dr Spencer was appointed in July 2023 as a Director and also Chair of the Audit and Risk Committee. She brings extensive experience in healthcare and life sciences, digital transformation and innovation as well as organisational governance. She holds a PhD in Novel therapies for Paediatric Cancers and a General Medical Degree. Aleksandra has a successful record of transforming and growing business through innovation. She gained her experience through working with Fortune 500 companies, including HCA Healthcare, Pfizer and Merck to reshape their strategies; enabling them to transform into patient/consumer experience driven organisations that engage with the Healthcare Providers, Payers, and Patients in an innovative, secure and compliant way. Aleksandra spent several years with IBM in the technology and business consulting sector advising a wide range of clients on how to transform their businesses to adapt to changing market conditions, improve efficiency, increase competitiveness, and ultimately deliver better value to customers and shareholders.

As part of the Executive Team at Optegra International, Aleksandra led a successful business transformation programme during COVID, focused on pathway standardisation and digital transformation; launching virtual consultations, paperless ways of working, shifting strategy from exclusively private towards a mix of private and publicly-funded surgery. This enabled Optegra to be a profitable and sustainable business, more customer-centric yet highly agile, flexible and innovative.

**Ben Kent**
Chief Executive Officer

Ben was appointed as interim CEO of the Group in February 2023 following the departure of Mark Taylor due to ill health. Ben was appointed permanent CEO and a Director of the Company on 7 March 2024. Ben has worked in the health sector in the UK and internationally, for nearly 20 years. He has served as Group Director of Finance for Bupa, Chief Financial Officer of Simplyhealth, and was Chief Operating Officer and Chief Financial Officer of Doctor Care Anywhere in 2020-21, working on DCA's listing on the ASX.

Ben has extensive experience of leading businesses in digital health, health insurance and health services, in Europe, the Middle East, Asia and Australia, and has lived and worked in the UK, Australia and North America. In recent years Ben has focused in the digital health space, working with healthtech businesses in diagnostics and virtual health services.

**The biographies of our current executive Officers are as follows:**

**James Warren**
Acting Chief Financial Officer (to 4 March 2024)

James is a Chartered Accountant who joined Doctor Care Anywhere's management team in 2021 as Finance Director and between September 2022 and March 2024 he served as the Acting CFO. James has over 18 years' experience in finance, having started his career with BDO LLP before moving into industry, where he has held Senior Finance positions at companies listed on both the ASX and AIM in a variety of sectors including Oil and Gas, Mining and software. On stepping down, he resumed his role as Finance Director.

**Seema Sangar**
Chief Financial Officer (appointed 4 March 2024)

Seema Sangar is an experienced Chartered Management Accountant with over 20 years experience working in senior finance roles within private equity and listed businesses. She has worked across a number of sectors, mostly in professional services and technology. Her previous roles include Divisional CFO at Equiniti Group and Commercial Finance Director at Avast Plc. During her time at Equiniti, she also held the roles of business unit Managing Director and Chief Operating Officer. Seema has extensive experience in leading and supporting change and transformation programmes and delivering growth and business change in technology-enabled businesses.

**Cathy Baxandall**
Interim Company Secretary

Cathy Baxandall replaced the previous Interim Company Secretary, Kevin Mercer, on 5 February 2024. She is a qualified solicitor with 30 years' experience in the UK as Company Secretary and General Counsel of a number of FTSE 250 listed companies, most recently Marshalls plc, the leading manufacturer of building and hard landscaping materials. Her role is to support the Board's governance and compliance processes during this period of development and transformation. She is also a partner at board advisory consultancy Boardside LLP.

## Interests of Directors in the Company's securities

| Director | Fully paid CDIs | Options granted |
|---|---|---|
| John Stier | 1,500,000 | Nil |
| Romana Abdin | 25,000 | Nil |
| Simon Calver* | 82,188 | Nil |
| Richard Dammery C/O Aestel PTY Ltd <Dammery Family A/C>* | 117,796 | Nil |
| David Ravech C/O Carani Holdings Limited | 44,264,604 | Nil |
| Dr Aleksandra Spencer | Nil | Nil |
| Vanessa Wallace* | 367,500 | Nil |
| Ben Kent | 65,000** | 1,200,000 |

* Now retired. Interests recorded as at date of leaving.

**Interests held by Ben Kent's spouse.

Current Directors interests recorded as at 15 March being the latest practicable date before the publication of this Report

## Directorships of Other Listed Companies

Those Directors holding directorships of other Australian listed companies during the year are shown below. This information is reported up to their date of retirement from the Board.

| Director | Company | Term |
|---|---|---|
| Dr. Richard Dammery | Aussie Broadband Limited (ASX:ABB) | July 2020 – Present |
| | WiseTech Global Limited (ASX:WTC) | December 2021 - Present |
| Vanessa Wallace | Wesfarmers Limited (ASX: WES) | July 2010 – Present |
| | Seek Limited (ASX: SEK) | March 2017 - Present |
| | Ecofibre Ltd (ASX:EOF) | July 2021 - Present |

None of the Company's current Directors is a Director of any other Australian listed companies

## Diversity

The Board seeks to achieve a gender balance. For most of the relevant financial year, the Board consisted of two female and two male Non-Executive Directors, a 50/50 gender diversity balance. With the appointment of Ben Kent as an Executive Director, the Board’s gender balance at the date of this report is 60/40 male/female.

The Executive Leadership Team consists of three women and six men, meaning approximately 33 % of the executive team is female. The ratio between male and female employees in the organisation as a whole is 22% male and 78% female. The Board is committed to the principles of equality and diversity expressed in the Company’s diversity policy, which can be found on our website Diversity Policy.docx (doctorcareanywhere.com). The Board will continue to monitor gender balance and seek ways in which it can ensure a diverse range of views and experiences are represented within the Company and the wider Group.

## Meeting Attendance

The Board has a formal schedule of regular meetings that is agreed and circulated in advance. Scheduled meetings are used to approve standard regulatory matters and make significant decisions and also provide an opportunity for Board members to contribute their expertise to advise and influence the business. An open invitation policy exists for all Directors to attend Committee meetings even if they are not members of that Committee.

During 2023, a year of significant transformation , the Board held a total of [24] scheduled and unscheduled meetings. The table below shows the total number of meetings and directors’ attendance at those meetings during the financial year ended 31 December 2023.

| | Scheduled Board meetings | Unscheduled Board Meetings | Audit and Risk Management Committee | Remuneration and Nominations Committee |
|---|---|---|---|---|
| Dr. Richard Dammery | 3/11 | 3/6 | 1/3 | 1/4 |
| Romana Abdin *† | 11/11 | 6/6 | 3/3 | 4/4 |
| John Stier *† | 11/11 | 6/6 | 3/3 | 4/4 |
| David Ravech † | 11/11 | 6/6 | 3/3 | 4/4 |
| Simon Calver | 3/11 | 3/6 | 1/3 | 1/4 |
| Vanessa Wallace | 3/11 | 3/6 | 1/3 | 1/4 |
| Dr Aleksandra Spencer *† | 5/11 | 3/6 | 1/3 | 2/4 |

* Member of Remuneration and Nominations Committee. David Ravech attends meetings of this Committee by invitation of the Chair.

† Member of Audit and Risk Management Committee.

Note: Attendance for Richard Dammery, Simon Calver and Vanessa Wallace refers to the period from 1 January 2023 up to their retirement on 28 March 2023. Attendance for Dr Aleksandra Spencer refers to the period following her appointment on 3 July 2023.

## Dividends

No cash dividends were paid, recommended or declared during or since the end of the financial year by the Company.

## Performance Evaluation

The Board undertook a detailed performance evaluation of its own performance in early 2024 and followed this up with individual performance evaluations of Board members and the senior executive team. Actions have been agreed and plans are in place to deliver the Board's objectives. The Board will increase its focus on strategic matters and ensure that the business remains outward-looking in building its client base and successfully diversifying its offer.

The Board expects to conduct a performance evaluation of the Board and each Committee at the end of the current financial year alongside individual senior manager evaluations.

## Environment

The Company is committed to operating ethically and sustainably and to finding ways, over time, to reduce our carbon emissions. In accordance with the Streamlined Energy and Carbon Reporting (SECR) requirements, we are reporting our UK-based energy usage and GHG emissions. The Company is committed to aim to achieve net zero emissions across its business by 2050 and has in place several measures to reduce its environmental impact including:

1) Recycling all IT hardware used
2) Recycling all office waste where possible
3) Encouraging staff to work from home where possible to minimise travel

The Company's estimated Greenhouse gas (GHG) emissions are as follows:

| GHG emissions | Unit | 2023 |
|---|---|---|
| Scope 1 | KG $CO_2e$ | 4,603 |
| Scope 2 | KG $CO_2e$ | 30,635 |
| Fuel (car) | KG $CO_2e$ | - |
| Intensity | KG $CO_2e$/£m revenue | 2,354 |

The Company's estimated Consumption (kWh) emissions are as follows:

| Consumption (kWh) | 2023 |
|---|---|
| Combustion of gas | 27,171 |
| Purchase of electricity | 180,842 |
| Fuel (car) | - |
| **Total** | **208,013** |

The data in the above tables is calculated by taking estimated emissions per square foot of office space based on the UK government's energy certificate for the Company's office.

This data does not include amounts from Australia or the Republic of Ireland, owing to lack of available data. This is a minimal part of the Group however, with the Australian subsidiary disposed of in year.

Reported data is for the year ended 31 December 2023.

Scope 1 – combustion of gas

Scope 2 – purchase of electricity

## Political Donations and Expenditure

Doctor Care Anywhere has historically worked constructively with all levels of government across its network, regardless of affiliation. No donations were made in 2023; in 2022 Doctor Care Anywhere contributed £12,483.33 to the UK Conservative Party.

## Going Concern

These financial statements have been prepared on a going concern basis, which assumes that the Group and the Company will continue to be able to meet their liabilities as they fall due for the foreseeable future, which has been taken as 12 months from the date of approval of the consolidated financial statements ("Forecast Period").

The Directors have considered detailed cash flow forecasts to determine the appropriateness of preparing these financial statements on a going concern basis.

On 11 December 2023 the Company announced the signing of a £10.6m convertible loan note, which was approved at a shareholder meeting on 4 January 2024. The funds raised from these convertible loan notes were used to repay the £10m loan facility with AXA Health. The notes are due for repayment on 31 December 2027, with no repayment of principal required until maturity, representing a significant strengthening in the Company's balance sheet.

The assumptions underpinning the forecast are dependent on a number of key assumptions and dependencies, the most material of which are as follows:

- Minimum growth of 6% in demand for consultations from the Company's existing customer base
- Revenue generated from new business wins following the relaxation in the exclusivity clause with AXA.
- Continued roll-out of the Company's Mixed Clinical Workforce proposition, with approximately 40% of patients receiving treatment from ANPs by year end
- The ability to manage clinician supply effectively to meet patient demand
- The ability to drive productivity gains which underpin the Company's 2024 plan together with no material unanticipated increases in non-operating costs
- The ability to implement inflation adjusted price increases pursuant to our agreement with AXA

Management has assessed all the above assumptions to be reasonable based upon its expectations of the business going forward. As part of this going concern assessment, four scenarios were considered for the Group, being a management case and three other scenarios using a set of plausible downside assumptions to that management case. The management case is built up from detailed projections and the aforementioned assumptions. The downside scenarios considered were as follows:

- Existing customer base consultation volumes being 5% below the management case;
- No new business wins in year;
- Reduction of 2.0ppt in forecast inflationary uplift to consultation prices in April 2024 below the management case.

In all three downside scenarios and for all three scenarios combined, the Group had adequate resources to continue in operational existence for the going concern period. In order for the Company to no longer remain a Going Concern, the following individual scenarios would be required:

- Existing business consultation volumes to fall by 17% below the management case; or
- Reduction of 6.9% in consultation prices from April 2024

Management considers the possibility of the above scenarios to be unlikely. Overall the Group has traded at or above the management case for the first two months of the 2024 financial year. The Directors consider that the Group is well positioned to manage its business risks and have had regard to a number of factors including current trading performance, the outcomes of comprehensive forecasting, and a range of possible future trading impacts. The Directors are of the view that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the next 12 months following the date of approval of the financial statements. For this reason, they continue to adopt a going concern basis in the preparation of these financial statements.

John Stier

**John Stier**
Chair
27th March 2024

# Corporate Governance Statement

Doctor Care Anywhere Group PLC (08915336) (ARBN 645 163 873) ("Company")

## Corporate Governance Statement

Doctor Care Anywhere Group PLC (ASX:DOC, "Doctor Care Anywhere" or "the Company") is pleased to provide its Corporate Governance Statement for the year ended 31 December 2023. This Statement was approved by the Board on 26 March 2024 and is current as at the date of approval.

The Company seeks to align its governance with the recommendations of the ASX Corporate Governance Council in the fourth edition of its Corporate Governance Principles and Recommendations **(ASX Recommendations)**. Where its policies and processes of governance diverge from the ASX Recommendations (which are not mandatory), it identifies those areas and explains the reasons for diverging and what (if any) alternative governance practices the Company has adopted or will adopt instead of the relevant ASX Recommendation.

The Company's corporate governance policies were first adopted on 30 October 2020 and are periodically reviewed. Copies are available in the "Investor" section of the Company's website www.doctorcareanywhere.com.

Capitalised terms not defined in this Corporate Governance Statement have the same meanings as shown in the prospectus dated 30 October 2020 issued by the Company on listing **(Prospectus)**.

| Principles and Recommendations | Compliance by the Company |
|---|---|
| **Principle 1 – Lay solid foundations for management and oversight**<br>*A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated.* | |
| **Recommendation 1.1**<br>A listed entity should review and disclose a board charter setting out:<br>(a) the respective roles and responsibilities of its board and management; and<br>(b) those matters expressly reserved to the board and those delegated to management. | The Company complies with this ASX Recommendation.<br>The Board Charter reflects the responsibilities laid out in the ASX Recommendation, It sets out the principles for the operation of the Board and describes the functions of the Board and the functions delegated to management of the Company.<br>Clause 2 of the Board Charter sets out the responsibilities and functions of the Board. The Board may delegate certain matters to a committee of the Board specifically constituted for the relevant purpose.<br>Clauses 3, 8 and 9 of the Board Charter set out the responsibilities delegated to the Chief Executive Officer, the Chair and the Company Secretary.<br>The Board Charter is available for inspection on the Company's website. |
| **Recommendation 1.2**<br>A listed entity should:<br>(a) undertake appropriate checks before appointing a director or senior executive, or putting someone forward for election as a director; and<br>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. | The Company complies with this ASX Recommendation.<br>The Board undertakes appropriate checks (including checks in respect of character (criminal record and bankruptcy history), experience, education, directorships or executive commitments and any conflicts of interest) to satisfy themselves of the suitability and skillset of an appointee before making any recommendations for appointment or re-election.<br>Clauses 4, 5, 6 and 7 of the Board Charter set out how the Board carries out its responsibilities with regard to the appointment and performance of directors. The Remuneration and Nominations Committee is responsible for providing shareholders with all material information in its possession relevant to a proposal to elect or re-elect a director at the relevant General Meeting, including information on a director's qualifications and experience and the benefit such an appointment brings to the Board. Details of all directors and Board officers are laid out in the Directors' Report contained in the Company's Annual Report |

| Principles and Recommendations | Compliance by the Company |
| --- | --- |
| **Recommendation 1.3**<br><br>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment. | The Company complies with this ASX Recommendation.<br><br>The Company has a written agreement with each director and senior executive setting out the terms of their appointment. |
| **Recommendation 1.4**<br><br>The Company Secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board. | The Company complies with this ASX Recommendation.<br><br>Clause 9 of the Board Charter provides that the Company Secretary is accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board. |
| **Recommendation 1.5**<br><br>A listed entity should:<br><br>(a) have and disclose a diversity policy;<br><br>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and<br><br>(c) disclose in relation to each reporting period:<br><br>(i) the measurable objectives set for that period to achieve gender diversity;<br><br>(ii) the entity's progress towards achieving those objectives; and<br><br>(iii) either:<br><br>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or<br><br>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under the Act. | The Company complies with this ASX Recommendation.<br><br>The Company has a Diversity Policy which is disclosed on the Company's website.<br><br>Clause 3 of the Diversity Policy sets out the Board's responsibilities for, among other things, annually setting and reviewing measurable objectives to promote gender diversity including in respect of women in leadership, age diversity and cultural diversity in the composition of its Board, senior management and workforce, and assessing annually the Company's progress in achieving them.<br><br>As at the end of 2023 the Board had an equal gender balance of 2 male and 2 female Directors. With the appointment of the Chief Executive Officer to the Board, the balance has changed slightly, while senior management gender balance has improved with the appointment of a female Chief Financial Officer. The Company remains committed to diversity at all levels of the organisation; however, at this stage in the Company's development it has not set specific targets below Board level.<br><br>The Board will disclose, in relation to each reporting period, the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation.<br><br>The Company also undertakes an annual gender pay gap analysis which is presented to the Board for decisions on any remedial action that needs to be taken. Findings are also published on the Company's website. |
| **Recommendation 1.6**<br><br>A listed entity should:<br><br>(a) have and disclose a process for evaluating the performance of the board, its committees and individual directors; and<br><br>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period. | The Company complies with this ASX Recommendation.<br><br>Clause 7 of the Board Charter sets out the process for regular review of the performance of the Board, its committees and each director. Any director standing for election or re-election is individually reviewed before they are proposed, and the Board aims to undertake an annual Board evaluation, using external evaluators where appropriate.<br><br>The 2023 Board evaluation was delayed in view of board changes and key transformational changes during the year, and was completed in January 2024. The conclusions are summarised on Page 27 of this Annual Report. |

| Principles and Recommendations | Compliance by the Company |
|---|---|
| **Recommendation 1.7**<br>A listed entity should:<br>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and<br>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period. | The Company complies with this ASX Recommendation.<br>Clause 7 of the Board Charter requires the Board (with guidance from the Remuneration and Nomination Committee) to review annually the performance of the Chief Executive Officer and other senior executives against guidelines approved by the Board.<br>Given the changes at senior executive level during the year, the performance evaluation was deferred until early 2024: the outcomes are summarised on Page 27 of the Annual Report. |
| **Principle 2 – Structure the board to add value**<br>*A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.* | |
| **Recommendation 2.1**<br>The board of a listed entity should:<br>(a) have a nomination committee which:<br>(i) has at least three members, a majority of whom are independent directors; and<br>(ii) is chaired by an independent director;<br>and disclose:<br>(iii) the charter of the committee;<br>(iv) the members of the committee;<br>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or<br>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively. | The Company complies with this ASX Recommendation.<br>The Company has a Remuneration and Nominations Committee. The Remuneration and Nominations Committee Charter (RNC Charter) which is disclosed on the Company's website sets out the roles and responsibilities of the Remuneration and Nominations Committee.<br>Clause 2(a) of the RNC Charter requires that, to the extent practicable given the size and composition of the Board from time to time, the Remuneration and Nominations Committee should comprise a minimum of three members, all of whom are independent directors and be chaired by an independent director.<br>The members of the Remuneration and Nominations Committee are Romana Abdin (Independent Non-Executive Director) who chairs the Committee, John Stier (Independent Non-Executive Chair of the Board) and Dr Aleksandra Spencer (Independent Non-Executive Director).<br>The Company has disclosed, as at the end of each reporting period, the number of times the Remuneration and Nominations Committee met throughout the period and the individual attendances of the members at those meetings. |
| **Recommendation 2.2**<br>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership. | The Company complies with this ASX Recommendation.<br>Under Clause 4 of the RNC Charter, the Remuneration and Nominations Committee is responsible for managing and considering the board skills matrix setting out the mix of skills and experience that the Board currently has or is looking to achieve in its membership. The current board skills matrix is set out in the Remuneration Report of this Annual Report and Accounts which will be published on the Company's website. |

| Principles and Recommendations | Compliance by the Company |
|---|---|
| **Recommendation 2.3**<br>A listed entity should disclose:<br>(a) the names of the directors considered by the board to be independent directors;<br>(b) if a director has an interest, position or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and<br>(c) the length of service of each director. | The Company complies with this ASX Recommendation.<br>The Directors' Report in this Annual Report and Accounts contains details of the current directors and whether they are considered to be independent.<br>In accordance with the Company's Board Charter, directors must disclose their interests, positions, associations or relationships. Any such interests are reviewed by the Board regularly and at each meeting the directors must disclose any interests relevant to the matters under discussion to ensure they do not compromise the ability of the affected director to exercise their independent judgment. The independence of the directors is regularly assessed by the Board in light of such disclosures. Details of the Directors' interests, positions, associations and relationships are provided in the Directors' Report.<br>The Directors' Report also shows the respective directors' length of service.<br>As at the date of this Report, the longest-serving director was David Ravech, who joined the Board in 2015. None of the remaining directors had served more than four years in office as at the date of this Report. |
| **Recommendation 2.4**<br>A majority of the board of a listed entity should be independent directors. | The Company complies with this recommendation.<br>Clause 5 of the Board Charter provides that the majority of the Board should, to the extent practicable given the size and composition of the Board from time to time, be comprised of independent directors. The Board consists of 3 Independent Non-Executive Directors, 1 Non-Executive Director and 1 Executive Director |
| **Recommendation 2.5**<br>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity. | The Company complies with this ASX Recommendation.<br>The Chair of the Board is an Independent Non-Executive Director. The Chief Executive Officer is a separate person. |
| **Recommendation 2.6**<br>A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development opportunities to maintain the skills and knowledge needed to perform their role as directors effectively. | The Company complies with this ASX Recommendation.<br>Under Clause 2 of the Board Charter, the Board is responsible for the Company's induction program for new directors and periodic review and facilitation of ongoing professional development for directors.<br>Under Clause 9 of the Board Charter the Company Secretary, together with the guidance of the Board's Remuneration and Nomination Committee and the assistance of the Board, organises induction and facilitates ongoing professional development training for directors.<br>The Remuneration and Nomination Committee is responsible for reviewing the Company's induction program and ensuring continuing directors are provided with appropriate opportunities to develop and maintain the skills and knowledge needed to perform their role.<br>Clause 10 of the Board Charter provides that new directors will be briefed on their roles and responsibilities and time will be allocated at Board and committee meetings for continuing education on significant issues facing the Company and changes to the regulatory environment. |

| Principles and Recommendations | Compliance by the Company |
|---|---|
| **Principle 3 – Instil a culture of acting lawfully, ethically and responsibly**<br>*A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.* | |
| **Recommendation 3.1**<br>A listed entity should articulate and disclose its values | The Company complies with this ASX Recommendation.<br>The Company publishes its Statement of Values on its website. The core values are:<br>▪ **patient oriented** – the patient is always at the heart of our thinking, and we fully are committed to delivering the best possible outcomes for all;<br>▪ **innovation** – every day, we are looking for new ways to make a difference and continuously push the boundaries of what is possible;<br>▪ **unity** – we know that we are at our best when we work together. Whether that be with our internal colleagues or external partners, we have the biggest impact when we team up to win;<br>▪ **excellence** – we maintain the highest standards when it comes to the quality of our work, and this attracts the brightest and best minds to join our team; and<br>▪ **Integrity** – our people do the right thing regardless of who is watching. We do not take shortcuts that will compromise our commitments to clients or patients. |
| **Recommendation 3.2**<br>A listed entity should:<br>(a) have a code of conduct for its directors, senior executives and employees; and<br>(b) ensure that the board or a committee of the board is informed of any material breach of that code. | The Company complies with this ASX Recommendation.<br>The Company has a Code of Conduct which applies to, among others, its directors, senior executives and employees.<br>Clause 18 of the Code of Conduct requires that, where appropriate, the Board will be informed of material breaches of the Code of Conduct. |
| **Recommendation 3.3**<br>A listed entity should:<br>(a) have and disclose a whistleblower policy; and<br>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy | The Company complies with this ASX Recommendation.<br>The Company has a Whistleblower Protection Policy which is disclosed on the Company's website.<br>Clause 13 of the Company's Whistleblower Policy provides for at least quarterly reports to the Board, where appropriate, whilst maintaining confidentiality on all active reported matters under the Policy. The Board must also be kept informed of material incidents reported under the Whistleblower Policy. |
| **Recommendation 3.4**<br>A listed entity should:<br>(a) have and disclose an anti-bribery and corruption policy; and<br>(b) ensure the board or a committee of the board is informed of any material breaches of that policy. | The Company complies with this ASX Recommendation.<br>The Company has an anti-bribery and corruption policy (ABC Policy) published on the Company's website.<br>Under Clause 4 of the ABC Policy, all material breaches of the ABC Policy must be reported immediately to the Board. |

| Principles and Recommendations | Compliance by the Company |
|---|---|
| **Principle 4 – Safeguard integrity in corporate reporting**<br>*A listed entity should have appropriate processes to verify the integrity of its corporate reports* | |
| **Recommendation 4.1**<br>The board of a listed entity should:<br>(a) have an audit committee which:<br>(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and<br>(ii) is chaired by an independent director, who is not the chair of the board,<br>and disclose:<br>(iii) the charter of the committee;<br>(iv) the relevant qualifications and experience of the members of the committee; and<br>(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or<br>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner. | The Company complies with this ASX Recommendation.<br>The Company has an Audit and Risk Management Committee. The Audit and Risk Management Committee Charter (ARMC Charter), which is published on the Company website, sets out the Audit and Risk Management Committee's roles and responsibilities.<br>Clauses 2(a) and 2(d) of the ARC Charter provide that the Committee should to the extent practicable, given the size and composition of the Board from time to time, have at least three members, all of whom are non-executive directors and a majority of whom are independent directors, and the Committee should be chaired by an independent director who is not the chair of the Board.<br>The members of the Audit and Risk Management Committee are Dr Aleksandra Spencer (Chair of the Committee), Romana Abdin and John Stier. All three are Independent Non-Executive Directors.<br>The Company will disclose, in relation to each reporting period, the number of times the Committee met throughout the period and the individual attendances of the members at those meetings. |
| **Recommendation 4.2**<br>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. | Under the ARMC Charter, the Audit and Risk Management Committee meets with management and with the Company's independent external auditors to review the financial statements before making any recommendation to the Board.<br>Clause 4.3(i) of the ARMC Charter requires the CEO and the CFO to provide assurance in these terms to the ARMC. The Company obtains a declaration in these terms from the CEO and CFO for each of its financial statements in each financial year.<br>The Audit and Risk Management Committee is also responsible for ensuring that appropriate systems and processes are in place as the basis upon which the CEO and CFO are able to form their opinion and provide the relevant declarations in relation to the Company's financial statements. |
| **Recommendation 4.3**<br>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor. | The Company complies with this ASX Recommendation.<br>Clause 4.3(d) of the ARMC Charter requires the Audit and Risk Management Committee to ensure that before any periodic corporate report of the Company is released to the market that has not been subject to audit or review by an external auditor, it has satisfied itself that the report is materially accurate and balanced and provides the appropriate information for investors. The process by which the ARMC assures itself of the integrity of such reporting is disclosed in the Annual Report and Accounts. |

| Principles and Recommendations | Compliance by the Company |
| --- | --- |
| **Principle 5 – Make timely and balanced disclosure**<br>*A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.* | |
| **Recommendation 5.1**<br>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1. | The Company complies with this ASX Recommendation.<br>The Company has a Disclosure Policy for complying with its continuous disclosure obligations under ASX Listing Rule 3.1 which is published on the Company's website. |
| **Recommendation 5.2**<br>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made. | The Company complies with this ASX Recommendation.<br>All material market announcements are approved by the Board prior to release and copies circulated. |
| **Recommendation 5.3**<br>A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation material on the ASX Market Announcements Platform ahead of the presentation. | The Company complies with this ASX Recommendation.<br>Clause 9(b) of the Disclosure Policy requires that ahead of any new and substantive investor or analyst presentation, a copy of the presentation materials must be released to ASX (even if the information in the presentation would not otherwise require market disclosure). |
| **Principle 6 – Respect the rights of security holders**<br>*A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.* | |
| **Recommendation 6.1**<br>A listed entity should provide information about itself and its governance to investors via its website. | The Company complies with this ASX Recommendation.<br>Information about the Company and its governance can be found on the Company's website www.doctorcareanywhere.com. |
| **Recommendation 6.2**<br>A listed entity should have an investor relations program that facilitates effective two-way communication with investors. | The Company complies with this ASX Recommendation.<br>The Company's Shareholder Communication Policy provides for an investor relations program which actively encourages two-way communication with investors:<br>▪ through the Company's AGM, where shareholder participation is actively encouraged and facilitated; and<br>▪ by providing security holders with information via the "Investors" section of the Company's website and the option to receive company information electronically by registering their email address with the Company's share registry.<br>▪ The Chief Executive, the Chair and other senior management make themselves available for meetings and calls with investors at the time of publication of the annual and half-year results |

| Principles and Recommendations | Compliance by the Company |
|---|---|
| **Recommendation 6.3**<br><br>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders. | The Company complies with this ASX Recommendation.<br><br>Security holders are encouraged to participate at all general meetings and AGMs of the Company. The Company's constitution allows the Company to hold "virtual" meetings and to enable shareholders to vote and ask questions by electronic means. Wherever practicable, the Company will consider the use of technological solutions to encourage participation by shareholders.<br><br>The Company's Securityholder Communication Policy is disclosed on its website. |
| **Recommendation 6.4**<br><br>A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands. | The Company complies with this ASX Recommendation.<br><br>Clause 6(g) of the Company's Shareholder Communication Policy provides that all substantive resolutions at a meeting of security holders will be decided by a poll rather than a show of hands. |
| **Recommendation 6.5**<br><br>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically. | The Company complies with this ASX Recommendation.<br><br>Under Clause 2 of the Company's Shareholder Communication Policy, security holders are encouraged to register with the Company's Registrars to receive company information electronically. |
| **Principle 7 – Recognise and manage risk**<br><br>*A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework* | |
| **Recommendation 7.1**<br><br>The board of a listed entity should:<br><br>(a) have a committee or committees to oversee risk, each of which:<br><br>(i) has at least three members, a majority of whom are independent directors; and<br><br>(ii) is chaired by an independent director,<br><br>and disclose:<br><br>(iii) the charter of the committee;<br><br>(iv) the members of the committee; and<br><br>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or<br><br>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework. | The Company complies with this ASX Recommendation.<br><br>The Company has an Audit and Risk Management Committee. The ARMC Charter disclosed on the Company's website sets out the Committee's roles and responsibilities.<br><br>Clauses 2(a) and 2(d) of the ARC Charter provides that the Committee should to the extent practicable, given the size and composition of the Board from time to time, have at least three members, all of whom are non-executive directors and a majority of whom are independent directors, and the Committee should be chaired by an independent director who is not the chair of the Board.<br><br>The members of the Audit and Risk Management Committee are Dr Aleksandra Spencer (Chair of the Committee and Independent Non-Executive Director), Romana Abdin (Independent Non-Executive Director), John Stier (Chair of the Board and Independent Non-Executive Director) and David Ravech (Non-Executive Director).<br><br>The Company discloses in its Annual Report the number of times the Audit and Risk Management Committee met throughout the relevant reporting period and the individual attendances of the members at those meetings. |

| Principles and Recommendations | Compliance by the Company |
|---|---|
| **Recommendation 7.2**<br>The board or a committee of the board should:<br>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and<br>(b) disclose, in relation to each reporting period, whether such a review has taken place. | The Company complies with this ASX Recommendation.<br>Clause 4.2(j) of the ARMC Charter require the Audit and Risk Management Committee to review at least annually the Company's risk management framework to satisfy itself that it continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.<br>The Company will disclose, in relation to each reporting period, whether such a review has taken place |
| **Recommendation 7.3**<br>A listed entity should disclose:<br>(a) if it has an internal audit function, how the function is structured and what role it performs; or<br>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes. | The Company complies with this ASX Recommendation.<br>The Board does not consider the Company would benefit from having an internal audit function. The ARMC Charter provides for the Risk and Audit Committee Management Committee to manage audit arrangements and auditor independence, including considering whether an internal audit function is required and, if not, ensuring that the Company discloses the processes it employs to evaluate and improve its risk management and internal control processes.<br>The Company employs the following processes for evaluating and continually improving the effectiveness of its risk management and internal control processes:<br>▪ the Board is responsible for:<br>– overseeing the establishment of and approving the Company's risk management framework (for both financial and non-financial risks), including developing the strategies, policies, procedures and systems;<br>– disclosing any material exposure that the Company has to environmental or social risks and how the Company intends to manage those risks; and<br>– ensuring that risk considerations are incorporated into strategic and business planning; and<br>▪ the Audit and Risk Management Committee is responsible for:<br>– reviewing at least annually the Company's internal control and risk management systems, which includes considering and overseeing implementation (to the extent adopted by the Company) of recommendations made by external auditors;<br>– reporting to the Board in a timely manner on internal control, risk management and compliance matters which significantly impact upon the Company;<br>– conducting an annual review of the Committee's work and reporting on outcomes to the Board. |
| **Recommendation 7.4**<br>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks. | The Company complies with this ASX Recommendation.<br>Clause 1(d)(i)(B) of the ARMC Charter requires the Company management to disclose any material exposure to environmental or social risks and how the Company intends to manage those risks. The Company will disclose whether it has any material exposure to such risks and, if it does, how it manages or intends to manage them. |

| Principles and Recommendations | Compliance by the Company |
|---|---|
| **Principle 8 – Remunerate fairly and responsibly**<br>*A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retrain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.* | |
| **Recommendation 8.1**<br>The board of a listed entity should:<br>(a) have a remuneration committee which:<br>(i) has at least three members, a majority of whom are independent directors; and<br>(ii) is chaired by an independent director.<br>and disclose:<br>(i) the charter of the committee;<br>(ii) the members of the committee; and<br>(iii) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or<br>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive. | The Company complies with this ASX Recommendation.<br>The Company has a Remuneration and Nominations Committee. The charter of the Remuneration and Nominations Committee (RNC Charter) sets out the roles and responsibilities of the Remuneration and Nomination Committee.<br>Clause 2 of the RNC Charter requires that, to the extent practicable given the size and composition of the Board from time to time, the Remuneration and Nominations Committee should comprise a minimum of three members, all of whom are independent directors and be chaired by an independent director.<br>The members of the Remuneration and Nominations Committee are Romana Abdin (Independent Chair) Dr Aleksandra Spencer (Independent Non-Executive Director) and John Stier (Chair of the Board and Independent Non-Executive Director). The RNC Charter is disclosed on the Company's website.<br>The Company discloses in its Annual Report the number of times the Remuneration and Nominations Committee met throughout the relevant reporting period and the individual attendances of the members at those meetings. |
| **Recommendation 8.2**<br>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives. | The Company complies with this ASX Recommendation.<br>Details of the Company's remuneration policies and practices for non-executive directors, executive directors and senior management are included in the Company's Remuneration Report, which forms part of the Annual Report and Accounts. |
| **Recommendation 8.3**<br>A listed entity which has an equity-based remuneration scheme should:<br>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and<br>(b) disclose that policy or a summary of it. | Clauses 5 and 6 of the Securities Trading Policy prohibit directors and senior management (and their associated investment vehicles) from trading securities that limit the economic risk of security holdings that are unvested or which are subject to disposal restrictions.<br>There is no prohibition on any other securities |

| Principles and Recommendations | Compliance by the Company |
| --- | --- |
| **Principle 9 – Additional recommendation that apply only in certain cases** | |
| **Recommendation 9.1**<br><br>A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should be disclosed the processes it had in place to ensure the director understands and can contribute to the discussion at those meetings and understands and can discharge their obligations in relation to those documents. | This is not applicable |
| **Recommendation 9.2**<br><br>A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time. | The Company complies with this ASX Recommendation.<br><br>Article 50 of the Company's Articles of Association requires notice of annual general meetings and other general meetings to be given to security holders 21 days and 14 days in advance respectively and to specify the date, time and place of the general meeting. Under Article 61 of the Articles of Association, the Company may hold a general meeting physically (including overflow meeting rooms) and/or by electronic means using any technology that gives security holders as a whole a reasonable opportunity to participate.<br><br>Meeting are held wherever practicable at times designed to facilitate participation by security holders whether based in the UK or Australia. |
| **Recommendation 9.3**<br><br>A listed entity established outside Australia, and an externally managed listed entity that has a AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit. | The Company complies with this ASX Recommendation.<br><br>The Company's Articles of Association require notices of meeting to be given to the Company's auditors. The Company ensures its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit. |

# Appendix A
# Board Skills Matrix

In considering the appointment of, or recommendation for re-appointment of, Directors, the Board has regard to the Board Skills Matrix set out below. The Board seeks to collectively represent a balance of skills.

All Directors are expected to actively support the core values of Doctor Care Anywhere Group PLC (645 163 873), and to work diligently to safeguard the long-term interests of the Company and its value to Shareholders. All Directors must demonstrate a track record of ethical leadership and accountability, of operating successfully in an environment of challenge and collegiality, and of understanding commercial risk/return trade offs.

This Board skills matrix ("Matrix") provides a guide as to the competence, being the skills, knowledge, experience, personal attributes and other criteria, that the Company has or is looking to achieve in its Board membership. The Matrix is designed to identify the current competencies of the Board and assist in recruitment and succession planning.

Competence is broadly considered across the following themes:

- Governance, for performing the Board's key functions;
- Industry, for the Company operating in its industry or industry sector
- Personal attributes considered desirable for an effective Director.

## Use of Matrix

The competence should be reviewed in light of the Company's strategy and objectives, and the current and expected external market conditions. The collective capability of the current board is assessed against requirements and the search then focuses on finding a board member who will best complement the current mix of capability on the board.

The Board considers that a Director has a particular competence if there is a reasonable basis to infer the existence of that competence or demonstrated practical use or application of that competence.

The Matrix can be used for induction and training and development initiatives for a Director and the Board broadly. Further, the Matrix may be a suitable format to identify a Director's expertise for re-election to the Board.

The Remuneration and Nominations Committee of the Board has responsibility for maintaining and reviewing the Matrix. A review will be performed periodically to ensure that the Board's competence remains aligned with the Company's strategy and objectives as required.

Particular skills and experience which need to be adequately represented include (not in priority order):

| 1. Governance skills competence | | |
|---|---|---|
| **Skill / experience area** | **Description** | **Number of Board members identified as having that skill or experience (out of 4)** |
| Strategy (E) | Ability to deliberate strategically and identify and assess business strengths, weaknesses, opportunities and threats, and propose and implement effective strategies for the Company | High: 4<br>Medium:<br>Low: |
| Board experience (D) | Experience as a director of a company, preferably of a listed company, and an understanding of:<br>▪ ASX Listing Rule requirements<br>▪ Listed company compliance requirements, including reporting and shareholder meeting requirements | High: 4<br>Medium:<br>Low: |
| Risk and compliance oversight (E) | Ability to identify material risks to the Company and its business across its operational areas and monitor risk and compliance management systems and procedures. | High: 4<br>Medium:<br>Low: |
| Financial Performance (E) | Qualifications and experience in accounting, audit or finance and the ability to assess:<br>▪ financial statements<br>▪ business viability and performance financially, and operationally<br>▪ oversee budgets and the efficient use of resources<br>▪ oversee funding arrangements | High: 2<br>Medium: 2<br>Low: |
| Information technology strategy and governance (D) | Knowledge and experience in the strategic use and governance of information management and information technology. | High: 2<br>Medium: 2<br>Low: |
| Executive management (E) | Experience at an executive level including the ability to:<br>▪ appoint and evaluate the performance of the CEO and senior executive managers;<br>▪ oversee strategic human resource management including workforce planning. | High: 4<br>Medium:<br>Low: |
| Commercial experience (E) | Experience in delivering merger and acquisition projects in both a domestic and global context. | High: 4<br>Medium:<br>Low: |
| Qualifications (D) | Experience working as an executive in multiple geographies, including a strong understanding of global markets, and the macro-political and economic environment. | High: 4<br>Medium:<br>Low: |
| Corporate Advisory (D) | Senior executive role or substantial Board experience with remuneration frameworks that attract and retain a high calibre of executives and other employees and promote inclusion and diversity. | High: 4<br>Medium:<br>Low: |

# Board Skills Matrix cont.

| 2. Industry skills competence | | |
|---|---|---|
| **Skill / experience area** | **Description** | **Board (Total directors: 6)** |
| Company[1] (D) | Deep experience in the Company's critical areas of operation | High: 2<br>Medium: 2<br>Low: |
| Growth stage, Geography[1] (D) | | High: 2<br>Medium: 2<br>Low: |
| Industry[1] (D) | Experience in the Ecosystem in which the Company operates | High: 2<br>Medium: 2<br>Low: |

1 Broken down into key components
E= Essential D= Desirable

## Personal Skills Attributes

| Attribute | Description |
|---|---|
| Integrity (ethics) | A commitment to:<br>▪ acting efficiently, honestly and fairly<br>▪ fulfilling the duties and responsibilities of a director, and maintaining knowledge through professional development of director obligations<br>▪ appropriately managing conflicts of interest, including being transparent and declaring interests that are or may be perceived to be a potential conflict of interest |
| Analysis and problem solving | The ability to analyse complex and detailed problems, readily understand issues, and propose and implement innovative approaches and solutions to problems. |
| Leadership | Leadership skills including the ability to:<br>▪ appropriately represent the organisation<br>▪ set appropriate Board and Company culture<br>▪ make and take responsibility for decisions and actions |
| Collaboration | The ability to work collaboratively and respectfully with others to a high professional standard. |

# Letter from the Chair of the Remuneration and Nominations Committee



**Dear Shareholders**

On behalf of the Board, I am pleased to present Doctor Care Anywhere's Remuneration report for the financial year ending 31 December 2023

Over the next few pages, we set out the principles that underpin our Remuneration framework, our approach to Key Management Personnel ( KMP) remuneration, remuneration outcomes in 2023 in the context of our business performance.

## Performance for the year under review

This year has seen an increasing number of challenges impacting our sector, our business and our customers. Once again, our employees have risen to the challenges delivering change, growth, and a continued focus on service to our customers. We would like to thank the Executive team and all their team members for their hard work and commitment.

There can be no doubt that the cost of living crisis has affected many employees. We have prioritised our duty of care to our employees throughout the year. As well as being a Living Wage employer, employees have access to a range of services and benefits designed to take care of all aspects of wellbeing.

We strive to ensure that Leadership is held to account through setting stretching targets and assessing performance against those targets. This year, the targets and objectives were partially met, therefore the committee approved a partial performance bonus.

No changes were made to Board fees.

## Looking Ahead

We will continue to develop our performance driven approach to remuneration to ensure that all our employees are rewarded and incentivised to deliver our strategy creating value to all our stakeholders. We will also ensure that are approach to reward continues to attract talented individuals who drive change and build on the culture of our business.

On behalf of the Committee, I would like to thank you for your continued support and look forward to engaging with you in 2024.

Romana Abdin

**Romana Abdin**
Chair of Remuneration and Nominations Committee

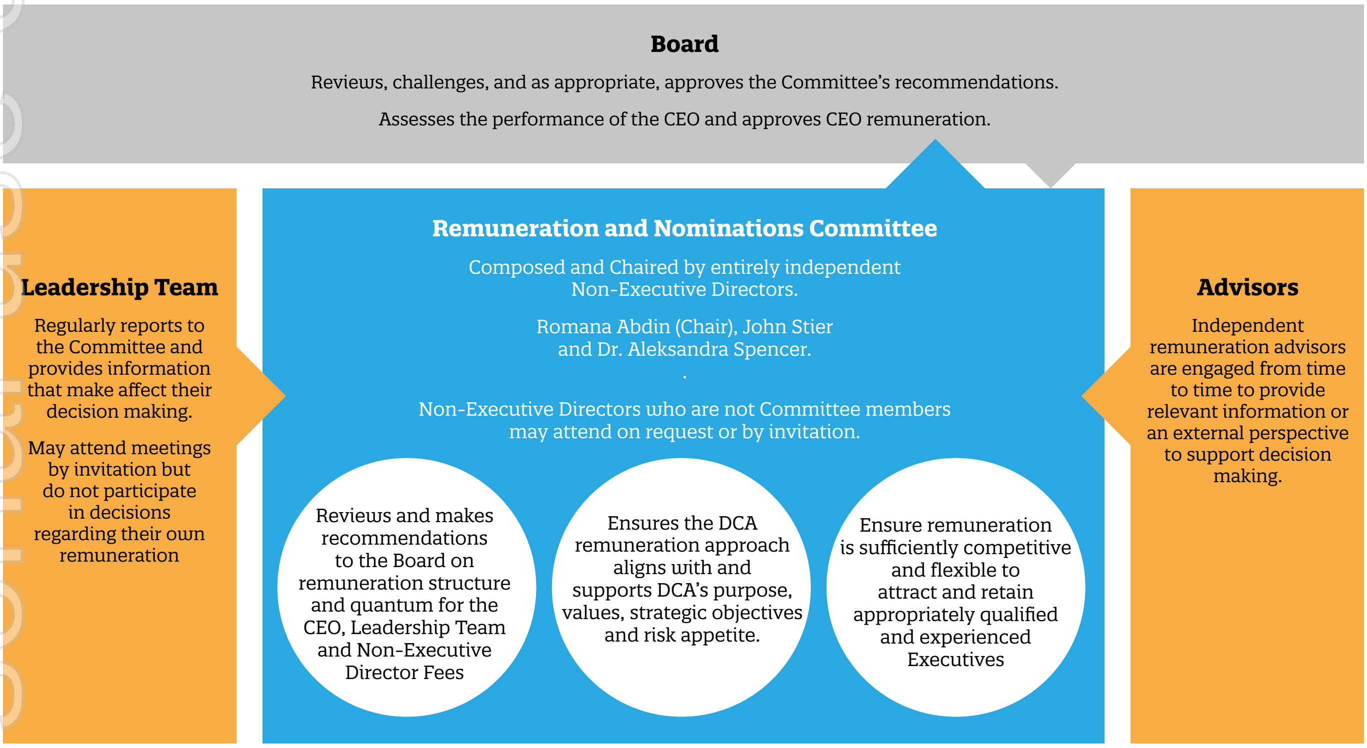
# Remuneration Report

This Remuneration Report ("the Report") sets out Doctor Care Anywhere's Executive Remuneration Framework and outcomes for Key Management Personnel ("KMP") of the Company for the year ended 31st December 2023.

References to Leadership Team in this Report are to both Leadership Team KMP and other non-KMP Leaders who report to the CEO.

## 1. Remuneration Governance

The remuneration governance framework and related policies ensure that the integrity of the Company's remuneration strategy is maintained, and appropriate outcomes are delivered.




The Remuneration and Nominations Committee ('Committee') is accountable to the Board for setting principles and policies to attract, develop and retain a highly effective Board, and a talented and high performing CEO and Leadership Team; and for performance management and succession planning to ensure Doctor Care Anywhere has the right people in place to deliver its strategy. The Committee is authorised to seek external advice as required to support the carrying out of its duties.

Executive KMP remuneration and other key employment terms are formalised in individual employee agreements.

Prior to the appointment of a KMP and other Leadership Team members, the Company undertakes detailed checks into an appointee's background and experience.

Leadership team performance, including KMP's, is assessed bi-annually by the CEO with input from the Remuneration and Nominations Committee, with regular performance discussions taking place on an ongoing basis throughout the year. Individual goals are set at the outset of the year which are aligned to the operating plan and are managed via the company wide performance framework.

The CEO's performance assessment is conducted by the Chair, reviewed and discussed by the Remuneration and Nominations Committee, and then proposed to and approved by the Board, taking into account business performance, progress towards other organisational goals, leadership capability and colleague engagement.

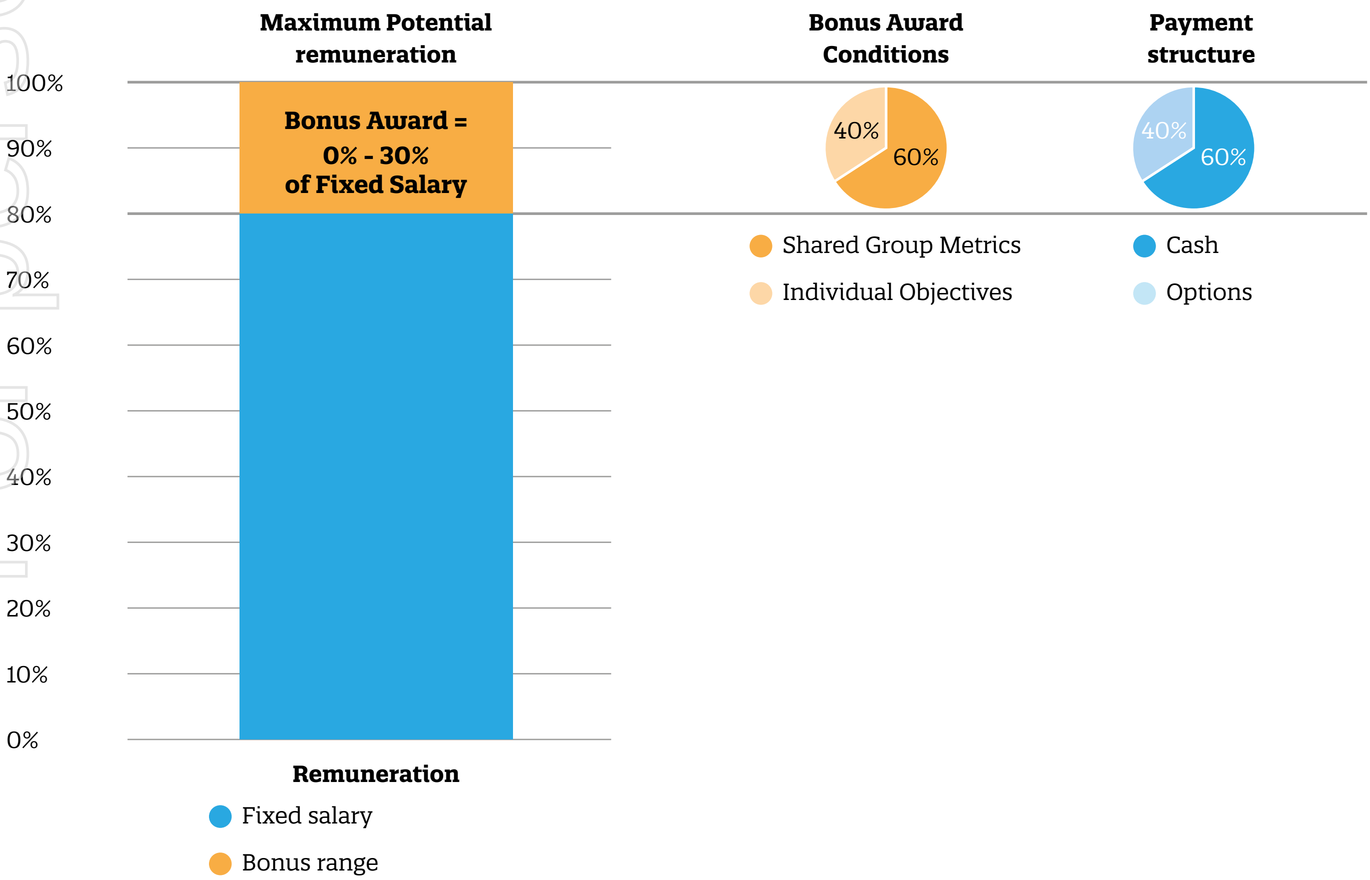
## 2. Executive KMP Remuneration Principles

Our remuneration framework is designed to support the Company's mission and growth plans of delivering the best possible patient experience and clinical care through digitally enabled, joined up, evidence-based pathways via Doctor Care Anywhere's telehealth platform.

The remuneration framework forms one part of our talent attraction, development and reward program and is underpinned by four principles, that in turn inform the Leadership Team remuneration model.

### Table 1: Remuneration principles and how applied

| Remuneration Principles | | Leadership Team Remuneration Model |
|---|---|---|
| 1. | Alignment between Leadership Team reward and shareholder returns over the long-term | ▪ Options on shares issued to Leadership Team members upon appointment<br>▪ 40% of any annual bonus award is paid via options on shares |
| 2. | Fair and competitive in the markets in which the company operates to effectively support the attraction and retention of talent | ▪ Base salaries to sit between the 50th and 75th percentile (the median) percentile within the relevant market. |
| 3. | Incentivise the delivery of exceptional patient care | ▪ An annual bonus of up to 30% of base salary is available based on performance.<br>▪ Shared group performance metrics account for 60% of the potential award.<br>▪ Individual performance objectives account for the other 40% of the potential award. |
| 4. | Inspire individual and team performances, and be flexible enough to drive business results | |



## Fixed base salaries

Fixed base salaries are tested against the local market in which we operate. The level has been set to appropriately reflect the Board's expectation of full commitment and high performance at all times. The aim is for base salaries to sit between the 50th and 75th percentile (the median) within the relevant market.

Following a commitment to the shareholders in FY22, the Remuneration Committee undertook an independent benchmarking exercise in FY23 to understand the range of salaries/reward packages paid for roles of similar scope and scale and to provide observations and recommendations around pay and benefits based on the evidence collated.

The results enabled the Committee to determine reward packages that are fair, motivational, and appropriate in the context of the market.

The **scope of the report** included

- Assemble and present the best available benchmarks of remuneration components from the most relevant organisations.
- Recommend an appropriate remuneration framework that is fair, competitive, and motivational against the market.

The report was prepared following an extensive review of pay and reward data, industry intelligence, and market information against specific relevant organisations. Overall, 46 data sets were gathered for the sample across all roles. This provided a robust enough sample to evaluate and compare against.

Given the lack of publicly available data, the research concentrated on the resources of an in-house research team to gain relevant information on appropriate and current reward structures within those peers identified.

The benchmarks relate to the company by sector, size and scope of the organisation, and the structure of the teams looking at the job responsibilities and remit.

As part of the review, where appropriate, they gathered information around:

- Basic pay
- Pension
- Other benefits

In the report the following ratios were used:

- The **first quartile**, or **lower quartile**, has 25 percent of the data below it and the top 75 percent above it.
- The **median** divides the range in the middle and has 50 percent of the data above and below it.
- The **third quartile**, or the **upper quartile**, has 75 percent of the data below it and the top 25 percent above it.
- The **mean** is the average.

Following the report, no changes were made to the salaries of the Executive KMPs for FY23, there was one change to a member of the LT.

## Short Term Incentive (STI)

A potential annual bonus of up to 30% may be paid upon achievement of specific Company metrics and individual performance objectives. 60% of the potential bonus is based on achievement of a small set of stretch group performance metrics, that include select financial and operational goals. The other 40% of the potential bonus is based on the achievement of individual performance objectives that cover areas such as delivery of strategic capability on time and within budget, special projects, and patient and team safety metrics.

60% of any annual bonus award is paid in cash, the remaining 40% in share options under the terms of the Company's discretionary share option plan under which a company may grant options to employees. These share options vest over a two-year period with 50% after one year and the remaining 50% after two years.

### Long Term Incentive (LTI)

Upon appointment, Leadership Team members receive a one-off issue of options that forms a long-term wealth sharing plan and promotes a longer-term shareholder value mindset. The award of options is issued 6-months after commencement of employment (on successful completion of a probationary period) and vests progressively over four years assuming continued employment. These options are issued at the VWAP based on the 15-day period preceding completion of 6 months of employment.

A change has been made to these, whereby new LT appointments during FY24 will have the award of options after commencement of day one of employment and vests over four years assuming continued employment

### Pension, Superannuation

Retirement benefits are paid according to the employment jurisdiction's laws. In the UK, employer pension contribution levels are set at a minimum of 3% of the employee's banded earnings. Employees must also make 5% contribution resulting in an overall statutory minimum of 8% contribution to the Company's pension scheme.

These principles and the overall remuneration plans are reviewed annually and assessed for alignment to market expectations and business objectives.

## 3. KMP

There were a number of changes to the KMPs during 2023.

The KMP roles covered in this report include Executive KMP and Non-Executive KMP as shown below:

### Table 2: Executive KMP and Non-Executive KMP in 2023

| Executive KMP | Role | Period as KMP |
|---|---|---|
| Ben Kent | Interim Chief Executive Officer | From 13 February 2023 |
| James Warren | Acting Chief Financial Officer | Full year |

| Non-Executive KMP | Role | Period as KMP |
|---|---|---|
| Richard Dammery | Independent Non-Executive Director; Chairman | Until 28 March 2023 |
| Vanessa Wallace | Independent Non-Executive Director | Until 28 March 2023 |
| Simon Calver | Independent Non-Executive Director | Until 28 March 2023 |
| Romana Abdin | Independent Non-Executive Director | Full Year |
| David Ravech | Non-Executive Director | Full Year |
| John Stier | Independent Non-Executive Director; Chair | Full Year<br>(Became Chair of the Board on 29 March 2023) |
| Ola Spencer | Independent Non-Executive Director | From 03 July 2023 |

## 4. Remuneration Outcomes for KMP

Table 3 below shows the actual remuneration outcomes for Executive KMP in 2023.

### Table 3: Executive KMP 2023 Remuneration Outcomes

12 month period ended 31 Dec 2023

| Director | Salary | Bonus | Fees | PMI Benefit | Benefits including travel and accommo-dation | Pension | Share Options | Total |
|---|---|---|---|---|---|---|---|---|
| Ben Kent | 176,778 | – | – | 481 | – | – | 9,403 | **186,662** |
| James Warren | 160,000 | 19,200 | – | 567 | – | 1,321 | 1,367 | **182,455** |
| **Total** | **336,778** | **19,200** | **–** | **1,048** | **–** | **1,321** | **10,770** | **369,117** |

### Notes to Executive KMP remuneration outcomes:

- Mark Taylor stepped down from active participation in the business on 3 December 2022, and was not remunerated from this point. He is therefore not reflected in this report. Mark was appointed as Interim CEO from 12 September 2022 on a consultancy basis. He did not receive STI or LTI and was paid on a per diem basis.
- Ben Kent was appointed as Interim CEO from 13 February 2023 on a 12 month Fixed term contract. Ben received a base salary of £200k and was granted 500,000 share options that vested over a 12 month period.
- James Warren was appointed as Acting Chief Financial Officer from 01 September 2022 and remained in this position for the whole of 2023. James' bonus was accrued in 2023 and is payable in 2024. 60% of the bonus is to be paid in cash and 40% in shares.
- STI KPIs for 2022 were not met, therefore no performance bonuses or incentives were paid to Executive KMPs in 2023.

Table 4 below shows the actual remuneration outcomes for Non-Executive KMP in 2023:

### Table 4: Non-Executive KMP 2023 Remuneration Outcomes

12 month period ended 31 Dec 2023

| Director | Fees – All Directors fees | Total |
|---|---|---|
| David Ravech | 50,000 | **50,000** |
| Romana Abdin | 60,000 | **60,000** |
| Simon Calver | 12,500 | **12,500** |
| Richard Dammery | 31,250 | **31,250** |
| Vanessa Wallace | 12,097 | **12,097** |
| John Stier | 127,917 | **127,917** |
| Ola Spencer | 29,167 | **29,167** |
| **Total** | **322,931** | **322,931** |

### Notes to Executive KMP remuneration outcomes:

- The Non-Executive Directors are not employees and are contracted via a Letter of Appointment detailing the terms of their engagement. They are paid a base fee of £50,000 per annum and are entitled to claim all reasonable and properly documented expenses incurred in the performance of their duties.
- Committee Chairs receive an additional £10,000 per annum. Directors do not receive fees for Committee membership.
- Simon Calver, Vanessa Wallace and Richard Dammery left the business as of 28 March 2023 and were remunerated until this date.
- There were no special exertion payments made to committee members during this period.
- The total pool for Board remuneration is set at £500,000.

## 5. Other KMP Disclosures

Table 5 below sets out a summary of KMP CDI (share) holdings as at 31st December 2023. On 5 December 2022, 139,422,136 fully paid ordinary shares were released from escrow having been subject to the escrow arrangement since the IPO in 2020. Included within the shares released from escrow are shares held by KMP, and these shares are included in the table below.

### Table 5: KMP Shareholdings as at 31 December 2023

| | Shares at end of 2022 | Shares acquired due to exercise of options | Purchase of Shares on Market | Sales of Shares | Shares at the end of 2023 |
|---|---|---|---|---|---|
| **Executive KMP** | | | | | |
| James Warren | - | - | - | - | - |
| Ben Kent | - | - | - | - | - |
| Mark Taylor | - | - | - | - | - |
| **Non-Executive KMP** | | | | | |
| Romana Abdin | 25,000 | - | - | - | 25,000 |
| Simon Calver | 82,188 | - | - | - | 82,188 |
| Richard Dammery[1] | 117,796 | - | - | - | 117,796 |
| David Ravech[2] | 44,264,604 | - | - | - | 44,264,604 |
| Vanessa Wallace | 367,500 | - | - | - | 367,500 |
| John Stier | - | - | 1,000,000 | - | 1,000,000 |

### Notes:

1. Share held through Aestel PTY LTD <Dammery Family A/C>
2. Shares held through Carani Holdings Limited

## Table 6: Executive KMP Holdings of Options Over Shares

| | Options held at 31 December 2022 | | | Change in 2023 (note 4) | | Options held at 31 December 2023 | | |
|---|---|---|---|---|---|---|---|---|
| | # of Unexercised options | Exercise price | Expiry date | # Options issued/ (forfeited) | # Options exercised | Total vested | Total unvested | Total unexercised options |
| **CSOP[1]** | | | | | | | | |
| James Warren | 50,000 | £0.30 | 14/02/2032 | 50,000 | – | 28,125 | 21,875 | 50,000 |
| **CSOP[2]** | | | | | | | | |
| Ben Kent | – | – | – | 500,000 | – | 375,000 | 125,000 | 500,000 |

### Notes:

1: **CSOP:** Tenure-based options with an exercise price of £0.30 issued on 14 February 2022, with 25% vesting on issue date and the remaining 75% vesting quarterly over three years. These options expire on the 14 February 2032.

2: **CSOP:** Tenure-based options with an exercise price of £0.03 issued on 13 February 2023, with 25% vesting on 12 May 2023 25% every three months thereafter over 12 months. These options expire on the 13 February 2033.

## 5.1. Share trading Policy

Doctor Care Anywhere has a Securities Trading Policy that regulates the trading of its securities. All employees and other related parties are only permitted to trade DOC securities during specified trading windows and are subject to minimum holding period requirements (as per CGPR 8.3).

## 5.2. KMP Loans

There were no loans during FY23.

## 5.3. Other transactions with KMP

Some of the Non-Executive Directors hold directorships or positions in other companies or organisations. From time to time, Doctor Care Anywhere may provide or receive services from these companies or organisations on arm's length terms. None of the Non-Executive Directors were, or are, involved in any procurement or Board decision-making regarding the companies or organisations with which they have an association.

This Remuneration' Report is made in accordance with a resolution of the directors

Romana Abdin

**Romana Abdin**
Chair of Remuneration and Nominations Committee
27th March 2024

# Directors' Declaration

## DIRECTORS DECLARATION FOR THE YEAR ENDED 31 DECEMBER 2023

In accordance with a resolution passed by the Board of Directors of Doctor Care Anywhere Group PLC, we hereby confirm the following:

**1. In the opinion of the Board of Directors:**

(a) the financial report and the notes thereto are in accordance with the Companies Act 2006, which includes:

(i) giving a true and fair view of the Group's financial position at 31 December 2023 and of its performance for the year to that date; and

(ii) complying with International Financial Reporting Standards as adopted by the International Accounting Standards Board, Corporations Act 2001 and Companies Act 2006 as disclosed in Note 2.1 of the Financial Statements; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with part 15 of the Companies Act 2006 for the financial year ended 31 December 2023.

Signed in accordance with a resolution of the Directors made pursuant to Part 15 of the Companies Act 2006.

On behalf of the Directors:

John Stier

**John Stier**
Chair
Doctor Care Anywhere Group PLC
27th March 2024

Aleksandra Spencer

**Aleksandra Spencer**

Chair of the Audit and Risk Management Committee
Doctor Care Anywhere Group PLC
27th March 2024

# Directors' Responsibility Statement

## For the year ended 31 December 2023

**The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.**

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of UK-adopted international accounting standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and group for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable international accounting standards in conformity with the requirements of UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006 and Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

- So far as each director is aware, there is no relevant audit information of which the Company's Auditor is unaware; and
- The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

To the best of our knowledge:

- The Group financial statements, prepared in accordance with international accounting standards in conformity with the requirements of UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and loss of the Company and the undertakings included in the consolidation taken as a whole.

This Directors' Report has been approved by the Board of Directors and was signed on its behalf by:

John Stier

**John Stier**
Chair
27th March 2024

# Financial Statements

## For the year ended 31 December 2023

### Consolidated Income Statement and Statement of Other Comprehensive Income

For the year ended 31 December 2023

| | Note | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|---|
| **Revenue** | 4 | **38,462** | 29,308 |
| Cost of sales | | **(20,769)** | (16,997) |
| **Gross profit** | | **17,693** | 12,311 |
| Administrative expenses | 7 | **(26,429)** | (31,776) |
| Other operating income | 8 | **334** | 619 |
| **Operating loss** | 9 | **(8,402)** | (18,846) |
| Finance income | | **48** | 2 |
| Finance expense | 11 | **(507)** | (77) |
| **Loss before taxation** | | **(8,861)** | (18,921) |
| Tax credit | 12 | **695** | 200 |
| **Loss for the financial year from continuing operations** | | **(8,166)** | (18,721) |
| Loss on discontinued operations, net of tax | 6 | **(1,883)** | (3,312) |
| **Total comprehensive loss for the year** | | **(10,049)** | (22,033) |

| **Loss per share** | | **£** | **£** |
|---|---|---|---|
| Basic and diluted loss per share attributable to ordinary equity shareholders | 13 | **(0.03)** | (0.06) |
| Basic and diluted loss per share attributable to ordinary equity shareholders- continuing operations | 13 | **(0.02)** | (0.05) |

There were no recognised gains and losses during the year ended 31 December 2023 or the year ended 31 December 2022 other than those included in the Consolidated Income Statement and Statement of Other Comprehensive Income. The notes on pages 61-88 form an integral part of these consolidated financial statements.

# Consolidated Statement of Financial Position

## As at 31 December 2023

| | Note | 31 December 2023 £'000 | 31 December 2022 £'000 |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment | 14 | **747** | 1,220 |
| Intangible assets | 15 | **5,968** | 9,131 |
| Investments | 16 | **1,300** | - |
| Interest in joint venture | 17 | **-** | 1,966 |
| **Total non-current assets** | | **8,015** | 12,317 |
| **Current assets** | | | |
| Trade and other receivables: due within one year | 18 | **3,110** | 3,893 |
| Corporation tax receivable | | **387** | 392 |
| Cash and cash equivalents | | **6,061** | 5,406 |
| Interest in joint venture | 17 | **2,034** | - |
| **Total current assets** | | **11,592** | 9,691 |
| **Current liabilities** | | | |
| Trade and other payables: due within one year | 20 | **(5,918)** | (8,136) |
| Loans and borrowings | 22 | **(3,846)** | - |
| **Total current liabilities** | | **(9,764)** | (8,136) |
| **Non-current liabilities** | | | |
| Trade and other payables: due after one year | 21 | **(956)** | (1,375) |
| Loans and borrowings | 22 | **(6,555)** | - |
| Deferred tax liabilities | 23 | **-** | (209) |
| **Total non-current liabilities** | | **(7,511)** | (1,584) |
| **Net assets** | | **2,332** | 12,288 |
| **Capital and reserves** | | | |
| Called up share capital | 25 | **78** | 78 |
| Share premium account | 26 | **56,212** | 56,212 |
| Other reserves | 26 | **2,171** | 2,078 |
| Retained losses | 26 | **(56,129)** | (46,080) |
| **Total equity** | | **2,332** | 12,288 |

Registered number: 08915336

The notes on pages 61-88 form an integral part of these consolidated financial statements.

The consolidated financial statements were approved and authorised for issue by the Board of Directors and were signed on its behalf by:

John Stier

**John Stier**
Chair
27th March 2024

## Company Statement of Financial Position
### As at 31 December 2023

| | Note | 31 December 2023 £'000 | 31 December 2022 £'000 |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment | 14 | **747** | 1,214 |
| Intangible assets | 15 | **-** | 31 |
| Investments | 16 | **4,275** | 35,699 |
| Trade and other receivables: due after one year | 19 | **7,970** | 9,468 |
| **Total non-current assets** | | **12,992** | 46,412 |
| **Current assets** | | | |
| Trade and other receivables: due within one year | 18 | **954** | 1,415 |
| Cash and cash equivalents | | **4,498** | 3,859 |
| Investment in JV | 16 | **2,034** | - |
| **Total current assets** | | **7,486** | 5,274 |
| **Current liabilities** | | | |
| Trade and other payables: due within one year | 20 | **(2,236)** | (3,764) |
| **Total current liabilities** | | **(2,236)** | (3,764) |
| **Non-current liabilities** | | | |
| Trade and other payables: due after one year | 21 | **(7,051)** | (620) |
| **Total non-current liabilities** | | **(7,051)** | (620) |
| **Net assets** | | **11,191** | 47,302 |
| **Capital and reserves** | | | |
| Called up share capital | 25 | **78** | 78 |
| Share premium account | 26 | **56,212** | 56,212 |
| Other reserves | 26 | **2,176** | 2,095 |
| Retained losses | 26 | **(47,275)** | (11,083) |
| **Total equity** | | **11,191** | 47,302 |

Registered number: 08915336

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss for the year was £36,191,500.

The notes on pages 61-88 form part of these consolidated financial statements.

The consolidated financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

John Stier

**John Stier**
Chair
27th March 2024

## Consolidated Statement of Changes in Equity

### For the year ended 31 December 2022

| | Note | Called up share capital £'000 | Share premium account £'000 | Other reserves £'000 | Accumulated losses £'000 | Total equity £'000 |
|---|---|---|---|---|---|---|
| **At 1 January 2022** | | **72** | **50,148** | **3,287** | **(24,047)** | **29,460** |
| Comprehensive loss for the year | | - | - | - | (22,033) | (22,033) |
| **Total comprehensive loss for the year** | | **-** | **-** | **-** | **(22,033)** | **(22,033)** |
| Shares Issued | 25 | 6 | 6,064 | - | - | 6,070 |
| **Total shares issued during the year** | | **6** | **6,064** | **-** | **-** | **6,070** |
| Share based payments | 27 | - | - | (1,192) | - | (1,192) |
| Foreign exchange movements | | - | - | (17) | - | (17) |
| **At 31 December 2022** | | **78** | **56,212** | **2,078** | **(46,080)** | **12,288** |

## Consolidated Statement of Changes in Equity

### For the year ended 31 December 2023

| | Note | Called up share capital £'000 | Share premium account £'000 | Other reserves £'000 | Accumulated losses £'000 | Total equity £'000 |
|---|---|---|---|---|---|---|
| **At 1 January 2023** | | **78** | **56,212** | **2,078** | **(46,080)** | **12,288** |
| Comprehensive loss for the year | | - | - | - | (10,049) | (10,049) |
| **Total comprehensive loss for the year** | | **-** | **-** | **-** | **(10,049)** | **(10,049)** |
| Share based payments | 27 | - | - | 81 | - | 81 |
| Foreign exchange movements | | - | - | 12 | - | 12 |
| **At 31 December 2023** | | **78** | **56,212** | **2,171** | **(56,129)** | **2,332** |

The notes on pages 61-88 form part of these consolidated financial statements.

## Company Statement of Changes in Equity
### For the year ended 31 December 2022

| | Note | Called up share capital £'000 | Share premium account £'000 | Other reserves £'000 | Accumulated losses £'000 | Total equity £'000 |
|---|---|---|---|---|---|---|
| **At 1 January 2022** | | **72** | **50,148** | **3,284** | **116** | **53,620** |
| Comprehensive loss for the year | | - | - | - | (11,199) | **(11,199)** |
| **Total comprehensive loss for the year** | | **-** | **-** | **-** | **(11,199)** | **(11,199)** |
| Shares Issued | 25 | 6 | 6,064 | - | - | 6,070 |
| Share based payments | 27 | - | - | (1,189) | - | (1,189) |
| **At 31 December 2022** | | **78** | **56,212** | **2,095** | **(11,083)** | **47,302** |

## Company Statement of Changes in Equity
### For the year ended 31 December 2023

| | Note | Called up share capital £'000 | Share premium account £'000 | Other reserves £'000 | Accumulated losses £'000 | Total equity £'000 |
|---|---|---|---|---|---|---|
| **At 1 January 2023** | | **78** | **56,212** | **2,095** | **(11,083)** | **47,302** |
| Comprehensive loss for the year | | - | - | - | (36,192) | (36,192) |
| **Total comprehensive loss for the year** | | **-** | **-** | - | (36,192) | **(36,192)** |
| Share based payments | 25 | - | - | 81 | - | 81 |
| **At 31 December 2023** | | **78** | **56,212** | **2,176** | **(47,275)** | **11,191** |

The notes on pages 61-88 form an integral part of these consolidated financial statements.

# Consolidated Statement of Cash Flows

## As at 31 December 2023

| | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| **Cash flows from Operating Activities** | | |
| Receipts from customers | **38,863** | 32,712 |
| Payments to suppliers and employees | **(45,951)** | (48,212) |
| Finance cost paid | **(1)** | (2) |
| Finance income received | **48** | 2 |
| Government grants and tax incentives | **700** | 269 |
| **Total Cash outflows from Operating Activities** | **(6,341)** | (15,231) |
| **Cash flows from Investing Activities** | | |
| Payment for property, plant and equipment | **(167)** | (106) |
| Purchase of intangible fixed assets | **(2,160)** | (2,238) |
| Net proceeds from disposal of entities | **90** | - |
| **Total Cash outflows from Investing Activities** | **(2,237)** | (2,344) |
| **Cash flows from Financing Activities** | | |
| Payments to suppliers in relation to equity issue | **-** | (339) |
| Proceeds from equity issue | **-** | 6,408 |
| Proceeds from borrowings | **10,000** | 12 |
| Repayment of borrowings | **(684)** | (177) |
| **Total Cash inflows from Financing Activities** | **9,316** | 5,904 |
| **Net Cash inflows/(outflows)** | **738** | (11,671) |
| **Cash and cash equivalents at beginning of year** | **5,406** | 17,066 |
| **Effect of movement in exchange rates on cash held** | **(83)** | 11 |
| **Cash and cash equivalents at the end of year** | **6,061** | 5,406 |

## Company Statement of Cash Flows
### As at 31 December 2023

| | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| **Cash flows from Operating Activities** | | |
| Receipts from customers | **366** | 915 |
| Payments to suppliers and employees | **(9,604)** | (11,623) |
| Finance cost paid | **(16)** | (2) |
| Finance income received | **30** | 2 |
| Government grants and tax incentives | **-** | 3 |
| **Total Cash outflows from Operating Activities** | **(9,224)** | (10,705) |
| **Cash flows from Investing Activities** | | |
| Payment for property, plant and equipment | **(178)** | (103) |
| **Total Cash outflows from Investing Activities** | **(178)** | (103) |
| **Cash flows from Financing Activities** | | |
| Payments to suppliers in relation to equity issue | **-** | (339) |
| Proceeds from equity issue | **-** | 6,408 |
| Loans to subsidiaries | **-** | (6,206) |
| Loans from subsidiaries | **10,679** | - |
| Proceeds from borrowings | - | 12 |
| Repayment of borrowings | **(649)** | (116) |
| **Total Cash inflows/(outflows) from Financing Activities** | **10,030** | (241) |
| **Net Cash inflows/(outflows)** | **628** | (11,049) |
| **Cash and cash equivalents at beginning of year** | **3,859** | 14,901 |
| **Effect of movement in exchange rates on cash held** | **11** | 7 |
| **Cash and cash equivalents at the end of year** | **4,498** | 3,859 |

# Notes to the Financial Statements

## For the year ended 31 December 2023

### 1. Corporate information

Doctor Care Anywhere Group PLC ('the Company') and its subsidiaries (together referred to as the 'Group') are engaged in digital healthcare services and development.

Doctor Care Anywhere Group PLC is a public limited company registered in England and Wales, registered number 08915336. Its registered office is located at 13-15 Bouverie Street, 2nd Floor, London, England, EC4Y 8DP.

### 2. Significant accounting policies

#### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) in conformity with the requirements of UK-adopted international accounting standards.

The consolidated financial statements have been prepared on the going-concern basis using the historical cost convention.

The consolidated financial statements are prepared in Sterling (£), which is the functional and presentational currency of all companies within the Group except for GP2U whose functional and presentational currency is Australian Dollars, although this entity was not part of the group at 31 December 2023 as disclosed in note 6.

The principal accounting policies adopted by the Company are set out on pages 61-88. The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2023. These policies have been consistently applied to all of the years presented, unless otherwise stated.

#### a) New or amended accounting standards

The Group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2023:

- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2;
- Definition of Accounting Estimates – amendments to IAS 8; and
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to IAS 12.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future period.

#### b) New standards, interpretations and amendments not yet effective

Certain amendments to accounting standards have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the group. These amendments are not expected to have a material impact on the entity in the current or future reporting periods an on foreseeable future transactions.

#### 2.2 Basis of consolidation

The financial statements of the Group consolidate the results of the Company and its subsidiary entities, and include its share of its joint ventures' results accounted for under the equity method. Intercompany transactions and balances between group companies are therefore eliminated in full.

The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 31 December except for GP2U Telehealth Pty Ltd ("GP2U") whose reporting date is 30 June and was disposed of on the 9 July 2023.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the Consolidated Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

The consolidated financial statements incorporate the results of the Company's associates under the equity method. An associate is an entity over which an investor has significant influence, being the power to participate in the financial and operating policy decisions of the investee (but not control or joint control).

The Group has applied International Financial Reporting Standards in conformity with the Companies Act 2006. Certain amounts in the Consolidated Statement of Comprehensive Income and the Consolidated Statement of Financial Position have been grouped together for clarity, with their breakdown being shown in the notes to the consolidated financial statements.

### 2.3 Going concern

These financial statements have been prepared on a going concern basis, which assumes that the Group and the Company will continue to be able to meet their liabilities as they fall due for the foreseeable future, which has been taken as 12 months from the date of approval of the consolidated financial statements ("Forecast Period").

The Directors have considered detailed cash flow forecasts to determine the appropriateness of preparing these financial statements on a going concern basis.

On 11 December 2023 the Company announced the signing of a £10.6m convertible loan note, which was approved at a shareholder meeting on 4 January 2024.The funds raised from these convertible loan notes were used to repay the £10m loan facility with AXA Health. The notes are due for repayment on 31 December 2027, with no repayment of principal required until maturity, representing a significant strengthening in the Company's balance sheet.

The assumptions underpinning the forecast are dependent on a number of key assumptions and dependencies, the most material of which are as follows:

- Minimum growth of 6% in demand for consultations from the Company's existing customer base
- Revenue generated from new business wins following the relaxation in the exclusivity clause with AXA
- Continued roll-out of the Company's Mixed Clinical Workforce proposition, with approximately 40% of patients receiving treatment from ANPs by year end
- The ability to manage clinician supply effectively to meet patient demand
- The ability to drive productivity gains which underpin the Company's 2024 plan together with no material unanticipated increases in non-operating costs
- The ability to implement inflation adjusted price increases pursuant to our agreement with AXA

Management has assessed all the above assumptions to be reasonable based upon its expectations of the business going forward. As part of this going concern assessment, four scenarios were considered for the Group, being a management case and three other scenarios using a set of plausible downside assumptions to that management case. The management case is built up from detailed projections and the aforementioned assumptions. The downside scenarios considered were as follows:

- Existing customer base consultation volumes being 5% below the management case;
- No new business wins in year;
- Reduction of 2.0ppt in forecast inflationary uplift to consultation prices in April 2024 below the management case.

In all three downside scenarios and for all three scenarios combined, the Group had adequate resources to continue in operational existence for the going concern period. In order for the Company to no longer remain a Going Concern, the following individual scenarios would be required:

- Existing business consultation volumes to fall by 17% below the management case; or
- Reduction of 6.9% in consultation prices from April 2024

Management considers the possibility of the above scenarios to be unlikely. Overall the Group has traded at or above the management case for the first two months of the 2024 financial year. The Directors consider that the Group is well positioned to manage its business risks and have had regard to a number of factors including current trading performance, the outcomes of comprehensive forecasting, and a range of possible future trading impacts. The Directors are of the view that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the next 12 months following the date of approval of the financial statements. For this reason, they continue to adopt a going concern basis in the preparation of these financial statements.

## 2.4 Revenue

The Group provides virtual healthcare services, technology platform licensing and digital design services. Revenue from contracts with customers is recognised when its performance obligations are satisfied, i.e., when control of an asset (i.e., the goods or services) is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. An asset is transferred when (or as) the customer obtains control of that asset. Depending on the nature of the performance obligations, revenue is recognised either over time or at a point in time.

Revenue is measured as the amount of the transaction price that is allocated to that performance obligation. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, Value Added Tax).

Revenue arose within the United Kingdom, Republic of Ireland and Australia.

The Group applies the five-step process set out in IFRS 15, Revenue from contracts with customers, to ensure an appropriate revenue recognition policy is in place, as follows:

1. Identify the contract with a customer;
2. Identify the separate performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the separate performance obligations; and
5. Recognise revenue when/as each performance obligation is satisfied.

The nature of the services the Group provides, and of the amounts which the customer is charged, is such that the result of this process is generally clear, since the services provided are separately identifiable and priced, and the customer is generally invoiced either upfront or on completion of the service. The recognition of the revenue reflects the completion of the performance obligations, which results in the revenue recognition profile detailed below.

Revenue streams are analysed between Utilisation and Subscription as follows:

***Utilisation revenue***

- UK and Republic of Ireland: Individually purchased consultations: revenue is recognised at a point in time, when the one distinct performance obligation, the consultation, is complete.
- Australia: Individually purchased consultations: revenue is recognised at a point in time, when the one distinct performance obligation, the consultation, is complete. This revenue is recognised net of clinician costs on the basis the company is acting as agent in the transaction. This was discontinued in July 2023 on disposal of GP2U.

***Subscription revenue***

- Monthly or Annual service subscription: there is one distinct performance obligation, being the provision of virtual healthcare services. Revenue from virtual healthcare services is recognised in the accounting period in which the services are rendered. The contracts are satisfied monthly over the contract term. Revenue is recognised over-time, on a systematic basis over the period of the contract, as this represents the pattern of delivery of the performance obligation to customers.

A **contract asset** is recognised for revenue where the performance obligation (being the provision of utilisation and subscription services) has been completed, but payment remains conditional on acceptance by the customer. Once invoiced, the amount recognised as contract assets is reclassified to trade receivables.

A **contract liability** is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services or for instances where the customer is invoiced in advance. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer). Contract liabilities arise from annual service subscriptions and technology platform licensing.

## 2.5 Intangible assets

***Intangible assets acquired as part of a business combination***

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an asset and are identifiable. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated depreciation and accumulated impairment losses. Where intangible assets have been separately identified and valued as part of an acquisition, these have been recongnised on the statement of financial position and amortised over their estimated useful life. Intangible assets are amortised over their useful economic life as follows:

| | | |
|---|---|---|
| Trade names | - | 5 years |
| Customer relationships | - | 5 years |
| Patents | - | 5 years |
| Tech know-how | - | 5 years |

***Goodwill***

The acquisition method of accounting is used to account for the acquisitions of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments used and liabilities incurred or assumed at the date of exchange. Acquisition related costs are not included in the cost of acquisition

but charged to operating expenses as they are incurred. Identifiable assets and liabilities assumed in a business combination are measured initially at the fair values at acquisition date. The excess of cost of acquisition over the fair value of the Group's share of the identifiable net assets is recorded as goodwill. Goodwill is recognised on the balance sheet and allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The carrying value of goodwill is cost less accumulated impairment losses. Impairment testing occurs at least annually. The asset's recoverable amount is estimated at each year end date and whenever there is an indication of impairment.

***Software development costs***

Software development costs are recognised as an intangible asset when all the following criteria are demonstrated:

- It is technically feasible to complete the software;
- Management intends to complete the software;
- There is an ability to use or sell the software;
- It can be demonstrated that the software will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development are available;
- The expenditure attributable to the software during development can be reliably measured.

Subsequent to initial recognition, software development costs are reported at cost less accumulated amortisation and accumulated impairment losses. Total software development costs less their estimated residual value are amortised over their useful economic life on a straight-line basis over a period of between three and ten years. Amortisation starts when the asset is available-for-use. Costs associated with maintaining computer software are recognised as an expense.

Research and other development expenditure that does not meet the criteria for capitalisation as a software development cost is recognised as an expense.Subsequent to initial recognition, software development costs are reported at cost less accumulated amortisation and accumulated impairment losses. Total software development costs less their estimated residual value are amortised over their useful economic life on a straight-line basis over a period of between three and ten years. Amortisation starts when the asset is available-for-use. Costs associated with maintaining computer software are recognised as an expense.

Research and other development expenditure that does not meet the criteria for capitalisation as a software development cost is recognised as an expense.

***Software onboarding costs***

Onboarding costs for third party software is stated at historical cost less accumulated amortisation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to onboarding the software to ensure it is capable of operating in the manner intended by management.

Amortisation is charged to write down the cost of assets less their residual value over their estimated useful lives, using the straight-line method. For software onboarding costs, amortisation is provided over the life of the contract.

### 2.6 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Management reviews the appropriateness of the residual value and the useful life of the property, plant and equipment assets at each financial year end.

Depreciation is charged to write down the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|---|---|
| Right of use assets | - Over life of lease |
| Office equipment | - 4 years |
| Computer equipment | - 3 years |

### 2.7 Impairment of non-financial assets

Non-financial assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

In accordance with IAS 38, Intangible Assets, goodwill is not amortised, but is reviewed for impairment on an annual basis.

### 2.8 Investments in subsidiary undertakings and associates

A subsidiary is an entity controlled by the Company. Control is achieved when the company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the company controls an investee if, and only if, the company has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its return.

Investments in subsidiaries are recorded at cost, which is the fair value of the consideration paid.

Investments are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Investments that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## 2.9 Joint venture

A joint venture is an arrangement in which the company has joint control, whereby the company has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interests in the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Company's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

## 2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

## 2.11 Financial instruments

A financial asset or a financial liability is recognised only when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are offset and the net amount reported in the Consolidated Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

***Financial assets***

The Group's financial assets comprise cash and cash equivalents (see note 2.10 above), trade receivables and other receivables. Trade receivables are initially measured at their transaction price. Other financial assets are measured at their fair value on initial recognition. Financial assets are accounted for on an amortised cost basis, using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is recognised, modified or impaired.

The Group recognises a loss allowance, for expected credit losses on its financial assets which are held at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the financial asset. When the expected credit loss for trade receivables is determined, the Group makes use of the simplified approach, whereby the loss recognised is equal to the lifetime expected credit losses. Lifetime expected credit losses represent the expected losses that may result from possible default events, and the probability of such an event occurring, over the lifetime of the financial asset. The expected lifetime credit losses of the trade receivables are estimated using a provision matrix. The matrix is based on the Group's historical credit loss experience, adjusted for forward-looking factors, that are specific to the trade receivables.

At 31 December 2023 an expected credit loss of %nil (31 December 2022: 1%) has been used within the provision matrix.

***Financial liabilities***

The Group's financial liabilities comprise trade payables, accruals and other payables and lease liabilities. Lease liabilities are measured in accordance with IFRS 16 (see 2.13 below). All other financial liabilities are classified as held at amortised cost. These liabilities are initially measured at fair value less transaction costs and subsequently measured using the effective interest method.

## 2.12 Foreign Currency transactions and balances

The functional currency of the Parent Company is Sterling and this is also the presentational currency of the Group. Transactions entered into by Group entities in a currency other than their functional currency are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are retranslated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss in operating expenses.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income.

## 2.13 Leases

As a lessee, the Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises right-of-use assets representing the right to use the underlying assets, and lease liabilities representing obligations to make lease payments.

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Group also has certain leases of computer equipment with lease terms of 12 months or less, and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

## 2.14 Finance income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

## 2.15 Borrowing costs

Borrowing costs are expensed in the period in which they are incurred and reported in "finance costs" (see Note 11).

## 2.16 Taxation

Tax is recognised in the Consolidated Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognsied to the extent that it is probable that they will be able to be recognised against future taxable income, based on the Group's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Deferred tax balances are not recognised in respect of temporary differences arising on initial recognition (other than on a business combination) that do not affect profit or loss. In respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

## 2.17 Share-based payment transactions with employees

The Group operates equity-settled, share-based remuneration plans for its employees. None of the Group's plans feature any options for a cash settlement.

Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. The Group operates share-based remuneration plans both with and without market-based vesting conditions. For both types of plan, this fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (e.g., profitability and sales growth targets and performance conditions), however for plans with market-based vesting conditions this fair value includes the impact of these vesting conditions.

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to retained earnings. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based payment compensation resulting from a revision is recognised in the current period. The number of vested options ultimately exercised by holders does not impact the expense recorded in any period.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs are allocated to share capital.

## 2.18 Investments

Investments are initially measured at their fair value and depending on their nature are classified as investments at fair value through profit and loss or through other comprehensive income or at amortised cost depending on the classification criteria in IFRS 9.

At 31 December 2023 the investments represent the shares obtained as part of the disposal as noted in note 6 and meet the criteria to be measured at fair value through profit and loss.

## 2.19 Discontinued Operations

Cash flows and profit and loss items that relate to GP2U and the joint venture Doctor at Hand Diagnostics are shown separately from continuing operations and are disclosed in note 6.

## 3. Judgements in applying accounting policies and key sources of estimation uncertainty

In conforming with International Financial Reporting Standards as adopted by the International Accounting Standards Board, the preparation of the Group's consolidated financial statements for 31 December 2023 and 2022 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts in the historical financial information. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgements are continually evaluated. Information about such judgements and estimation is contained in the accounting policies and/or notes to the consolidated financial statements and the key areas are recognised below:

***Capitalisation and useful economic life of internally developed software***

Distinguishing the research and development phases of a new recognised software project and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After recognition, management monitors whether the recognition requirements continue to be met and whether there are any indicators that recognised costs may be impaired.

Management have estimated that the useful economic life of internally developed software is between three and ten years. The basis of this estimation being that the focus of development activities in the period were predominantly on the core systems that underpin and will continue to underpin the core internally developed software assets of the business.

*Impairment on non-financial assets*

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for assets with indefinite lives is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Judgement is applied in arriving at the determination of the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. There are a number of estimates included in management's impairment reviews including long term growth rate, discount rate and the cash flow in the forecast period. Further detail is provided in note 15.

*Going Concern*

The Group assesses, at each reporting date, whether it is appropriate to prepare the accounts on a Going Concern basis. This assessment is based on 12-month detailed cash flow forecast. There are the number of estimates included in this forecast, including consultation growth, go live dates of key projects and the implementation of inflationary price increases. Further detail is provided in note 2.3.

*Presentation of the Joint Venture as a discontinued operation*

The Group has assessed that the share of a result from the Joint venture (see note 6) should be presented as a discontinued operation. This is on the basis of the mutual decision to close the entity. Therefore, on the basis of the criteria set forth in both IAS 28 – Investments in Associates and Joint Ventures and IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations the Group has assessed it would be appropriate to present the result for the period within discontinued operations as the expectation is for this to cease and the investment in joint venture to be presented as a current asset as the value will be recognised within one year of the year end. The carrying value of the investment in joint venture is supported by the Group receiving the Intellectual Property on closure of the entity.

*Recoverability of the intercompany receivables and investments in subsidiaries in the Parent Company*

There is estimation uncertainty regarding the recoverability of the intercompany receivables and the investments in subsidiaries. The Group has assessed that the recoverability is linked to the adjusted market capital of the group being an appropriate value for its subsidiaries which respectively own the platform and the trade. On this basis the Group has recognised an impairment of the investment and receivable to their recoverable value.

## 4. Revenue

The services generating Utilisation and Subscription revenue are set out in the Revenue accounting policy note above (note 2.4).

| | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| Utilisation | **35,998** | 27,110 |
| Subscription | **2,459** | 2,194 |
| Other | **5** | 4 |
| | **38,462** | 29,308 |

## 5. Segmental reporting

The Group provides virtual healthcare services, technology platform licensing and digital design services, within the United Kingdom, Republic of Ireland and Australia. The following table represents this Geographic split.

| Year ended 31 December 2023 | UK & Republic of Ireland £'000 | Australia £'000 | Total £'000 |
|---|---|---|---|
| Revenue | 38,462 | - | **38,462** |
| Cost of Sales | (20,769) | - | **(20,769)** |
| Administrative expenses | (26,429) | - | **(26,429)** |
| Other operating income | 334 | - | **334** |
| Finance income | 48 | - | **48** |
| Finance expense | (507) | - | **(507)** |
| Tax | 695 | - | **695** |
| Gain/(Loss) on discontinued operations | 68 | (1,951) | **(1,883)** |
| **Loss for the financial year** | **(8,098)** | **(1,951)** | **(10,049)** |
| Total assets | 19,607 | - | **19,607** |
| Total liabilities | (17,275) | - | **(17,275)** |
| **Net assets** | **2,332** | **-** | **2,332** |

| Year ended 31 December 2022 | UK & Republic of Ireland £'000 | Australia £'000 | Total £'000 |
|---|---|---|---|
| Revenue | 29,308 | - | **29,308** |
| Cost of Sales | (16,997) | - | **(16,997)** |
| Administrative expenses | (31,776) | - | **(31,776)** |
| Other operating income | 619 | - | **619** |
| Finance income | 2 | - | **2** |
| Finance expense | (77) | - | **(77)** |
| Tax | 200 | - | **200** |
| Gain/(Loss) on discontinued operations | (146) | (3,166) | **(3,312)** |
| **Loss for the financial year** | **(18,867)** | **(3,166)** | **(22,033)** |
| Total assets | 18,605 | 3,403 | **22,008** |
| Total liabilities | (9,557) | (163) | **(9,720)** |
| **Net assets** | **9,048** | **3,240** | **12,288** |

Revenue from one customer amounted to £35,976,368 in the year ended 31 December 2023 (year ended 31 December 2022: £27,088,942), arising from the provision of virtual healthcare services.

## 6. Discontinued Operations

On 4 June 2023, the Company announced the sale of its Australian subsidiary GP2U for A$3.0m to My Emergency Doctor. The consideration comprised of $2.5m (£1.3m) unlisted ordinary shares in MED and $0.5m (£0.2m) cash adjusted for normal working capital. The sale was completed on 9 July 2023, and consequently GP2U's operations have been classified as discontinued for the year ended 31 December 2023.

On 18 October 2023, as part of its quarterly activity report, the Company gave an update regarding its relationship with AXA Health. As part of this update, the Company announced the intention to wind up its Joint Venture Doctor at Hand Diagnostics ("JVCo"). This remains the intention at the date of this report, and consequently JVCo has been classified as discontinued for the year ended and as at 31 December 2023.

The results from discontinued operations in the year was determined as follows:

| | Note | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|---|
| Loss after tax of GP2U | a) | (1,965) | (3,166) |
| Profit on disposal of GP2U | b) | 14 | - |
| Share of profit/(loss) of joint venture | 17 | 68 | (146) |
| **Loss for the financial year** | | **(1,883)** | (3,312) |

### a) Loss after tax of GP2U

| | Period to 9 July 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| Revenue | 360 | 485 |
| Administrative expenses | (619) | (1,215) |
| Other operating income | - | 6 |
| Tax | 27 | 56 |
| Intangible asset impairment | (1,733) | (2,498) |
| **Loss for the financial year** | **(1,965)** | (3,166) |

The 2023 Intangible asset impairment relates to an impairment of GP2U intangible assets down to the fair value less costs to sell. The 2022 intangible asset impairment arose from a value in use assessment.

### b) Profit on disposal of GP2U

| | £'000 |
|---|---|
| Consideration received | **1,471** |
| Less net assets of GP2U at date of disposal less cost to sell | **(1,457)** |
| **Profit on disposal** | **14** |

### Net cash flows- GP2U

| | Period to 9 July 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| Total cash outflows from operating activities | 62 | 569 |
| Total cash outflows from investing activities | - | 5 |
| Total cash outflows from financing activities | 34 | 61 |
| **Net Cash Outflows** | **96** | 635 |

## 7. Administrative expenses

| | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| Operating costs | **6,878** | 6,299 |
| Technology costs | **3,361** | 7,354 |
| Sales and marketing | **709** | 1,858 |
| General and administration | **15,481** | 16,265 |
| | **26,429** | 31,776 |

Operating costs include the expenses attributable to the delivery of the Group's core services.

Technology costs include the expenses attributable to the development that is not eligible to be capitalised and maintenance of the Group's intellectual property.

Sales and marketing include the expenses attributable to the selling and marketing of the Group's services.

General and administration include the expenses attributable to supporting the Group's operating functions, depreciation, amortisation and share-based payments.

## 8. Other operating income

| | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| Other income | **305** | 610 |
| Foreign exchange (losses)/gains | **(10)** | 9 |
| Rental income | **39** | - |
| | **334** | 619 |

## 9. Operating loss

The operating loss is stated after charging:

| | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| Employee costs | **27,593** | 27,711 |
| Depreciation (note 14) | **600** | 549 |
| Amortisation of intangible assets (note 15) | **1,791** | 1,523 |
| Impairment of intangible assets (note 15) | **225** | 77 |

| | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| **Employee costs consist of:** | | |
| Wages and salaries | **24,564** | 25,715 |
| Social security costs | **2,595** | 2,741 |
| Costs of defined contribution scheme | **353** | 444 |
| Share-based payment charge (see note 27) | **81** | (1,189) |
| | **27,593** | 27,711 |

The average monthly number of employees, including directors, during 2023 was 604 (year ended 31 December 2022: 620).

| | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| Fees payable for the audit of the Company and consolidated financial statements | **135** | 132 |
| **Total statutory Audit fees** | **135** | 132 |
| Interim review fee | **35** | 28 |
| **Total assurance services** | **35** | 28 |
| Tax compliance services | **11** | 10 |
| Tax advisory | **14** | 14 |
| **Total tax services** | **25** | 24 |
| **Total non-Audit services** | **60** | 52 |

## 10. Directors' and key management remuneration

| | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| Directors' and key management emoluments | **680** | 1,317 |
| Company contributions to defined contribution pension schemes | **1** | 3 |
| Share-based payment charge (see note 27) | **11** | (951) |
| | **692** | 369 |

The highest paid director received remuneration of £186,662 (2022: £256,527). The value of the Company's contributions paid to a defined contribution scheme in respect of the highest paid director amounted to £nil (2022: £1,321).

Key management is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any directors (whether executive or otherwise) of the Group. Key management has been determined to be the directors of the Group, the Chief Executive Officer and the Chief Financial Officer (see note 29). Total remuneration paid to directors and key management personnel for services to the Group is set out above.

## 11. Finance expense

| | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| Interest expense on financial liabilities held at amortised cost | **507** | 77 |
| | **507** | 77 |

## 12. Income tax

Reconciliation of tax expense and the accounting profit multiplied by UK tax rate for the year ended 31 December 2023 and year ended 31 December 2022:

| | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| Continued Operations- Loss before tax | **(8,861)** | (18,921) |
| Discontinued Operations- Loss before tax | **(1,910)** | (3,368) |
| **Total Loss before taxation** | **(10,771)** | (22,289) |
| **Current income tax- Continued:** | | |
| Tax credit calculated at UK statutory corporation tax rate of 19% (2022: 19%) | **1,683** | 3,595 |
| R&D tax credit | **695** | 200 |
| Deferred tax unrecognised this period | **(1,683)** | (3,595) |
| **Income tax credit- Continued** | **695** | 200 |
| **Current income tax- Discontinued:** | | |
| Tax credit calculated at UK statutory corporation tax rate of 19% (2022: 19%) | **363** | 640 |
| Deferred tax relating to GP2U acquisition | **27** | 56 |
| Deferred tax unrecognised this period | **(363)** | (640) |
| **Income tax credit- Discontinued** | **27** | 56 |
| **Total tax credit** | **722** | 256 |

As at 31 December 2023 there were unutilised tax losses of £68,283,013 (2022: £60,783,044) in respect of which no deferred tax asset had been raised.

## 13. Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

There is no difference in the total comprehensive loss for the year or the weighted average number of equity shares used for the calculation of basic and diluted loss per share, as the effect of all potentially dilutive shares outstanding was anti-dilutive.

As the inclusion of potential ordinary shares would be anti-dilutive and decrease the loss per share, they are not included in the calculation of diluted loss per share.

| | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| **Total comprehensive loss for the year** | **(10,049)** | (22,033) |
| **Total comprehensive loss for the year- continuing operations** | **(8,261)** | (18,908) |
| **Weighted number of ordinary shares: for calculation of Basic and Diluted EPS** | **366,672,246** | 360,503,302 |
| **Loss per share** | **£** | £ |
| Basic and diluted | **(0.03)** | (0.06) |
| Basic and diluted- continuing operations | **(0.02)** | (0.05) |

## 14. Property, plant and equipment (Group)

| Cost | Right of use asset £'000 | Office equipment £'000 | Computer equipment £'000 | Total £'000 |
|---|---|---|---|---|
| **At 31 December 2022** | **1,321** | **228** | **782** | **2,331** |
| Additions | - | 15 | 118 | 133 |
| Disposals | - | (10) | (160) | (170) |
| **At 31 December 2023** | **1,321** | **233** | **740** | **2,294** |
| **Depreciation** | | | | |
| **At 31 December 2022** | **580** | **111** | **420** | **1,111** |
| Charge for the period | 290 | 58 | 252 | 600 |
| Disposals | - | (10) | (154) | (164) |
| **At 31 December 2023** | **870** | **159** | **518** | **1,547** |
| **Net book value** | | | | |
| **At 31 December 2023** | **451** | **74** | **222** | **747** |
| **At 31 December 2022** | 741 | 117 | 362 | 1,220 |

The right of use assets relate to the leases in respect of business premises and computer equipment described in note 28 below.

## 14. Property, plant and equipment (Company)

| Cost | Right of use asset £'000 | Office equipment £'000 | Computer equipment £'000 | Total £'000 |
|---|---|---|---|---|
| **At 31 December 2022** | **1,321** | **228** | **770** | **2,319** |
| Additions | - | 15 | 118 | 133 |
| Disposals | - | (9) | (150) | (159) |
| **At 31 December 2023** | **1,321** | **234** | **738** | **2,293** |
| **Depreciation** | | | | |
| **At 31 December 2022** | **580** | **111** | **414** | **1,105** |
| Charge for the period | 290 | 57 | 253 | 600 |
| Disposals | - | (8) | (151) | (159) |
| **At 31 December 2023** | **870** | **160** | **516** | **1,546** |
| **Net book value** | | | | |
| **At 31 December 2023** | **451** | **74** | **222** | **747** |
| **At 31 December 2022** | 741 | 117 | 356 | 1,214 |

The right of use assets relate to the leases in respect of business premises and computer equipment described in note 28 below.

## 15. Intangible assets

| Cost | Trade name £'000 | Customer relationships £'000 | Patents £'000 | Technical know-how £'000 | Goodwill £'000 | Software onboarding £'000 | Software development £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|---|
| **At 31 December 2022** | **512** | **1,424** | **50** | **500** | **5,181** | **212** | **9,206** | **17,085** |
| Additions | - | - | - | - | - | 6 | 2,154 | 2,160 |
| Disposals | (437) | - | - | - | (5,181) | (94) | (508) | (6,220) |
| **At 31 December 2023** | **75** | **1,424** | **50** | **500** | **-** | **124** | **10,852** | **13,025** |
| **Amortisation** | | | | | | | | |
| **At 31 December 2022** | **173** | **1,424** | **50** | **500** | **2,498** | **159** | **3,150** | **7,954** |
| Disposals | (142) | - | - | - | (4,231) | (95) | (178) | (4,646) |
| Charge for year | 44 | - | - | - | - | 48 | 1,698 | 1,791 |
| Impairment | - | - | - | - | 1,733 | - | 225 | 1,958 |
| **At 31 December 2023** | **75** | **1,424** | **50** | **500** | **-** | **112** | **4,895** | **7,057** |
| **Net book value** | | | | | | | | |
| **At 31 December 2023** | **-** | **-** | **-** | **-** | **-** | **11** | **5,957** | **5,968** |
| **At 31 December 2022** | **339** | **-** | **-** | **-** | **2,683** | **53** | **6,056** | **9,131** |

The intangible assets held in the Company Statement of Financial Position have a net book value of £nil (2022: £31,051).

As part of the funding agreement signed with AXA in December 2023, all of the Group's intellectual property and trademarks were pledged as security.

**Internally developed Software development costs**

Software development cost represents the technology that enables the Group to provide its suite of integrated virtual and in-person healthcare services. All software development cost assets included above were in use at the reporting period-ends.

These costs are monitored by management at the Group level. The Company performed its annual test for impairment as at 31 December 2023 in respect of these assets. It is considered that the cash inflows related to these assets are intrinsically linked to the broader operations of the Group. As such, for the purposes of impairment testing, these assets have been allocated to the total Group cash generating unit (CGU).

The impairment test was conducted based on reviewing if there were indicators of impairment for the Group. These indicators used were an assessment whether the market value of the asset had declined, negative changes in technology, markets, economy or laws, obsolescence or worse economic performance than expected. Individual categories of software development were all reviewed for these indicators with impairment indicators identified. As a result of these indicators an impairment of £224,697 has been made.

## 16. Investments (Group) - Non Current Assets

| Cost or valuation | £'000 |
|---|---|
| **At 31 December 2022** | **-** |
| Acquisitions | 1,300 |
| Disposals | - |
| **At 31 December 2023** | **1,300** |
| **Net book value** | |
| **At 31 December 2023** | **1,300** |
| **At 31 December 2022** | **-** |

## 16. Investments (Company) - Non-Current Assets

| Cost or valuation | £'000 |
|---|---|
| **At 31 December 2022** | **35,699** |
| Acquisitions | 1,300 |
| Disposals | (3,395) |
| Transfer to Current Assets | (3,000) |
| Impairment | (26,329) |
| **At 31 December 2023** | **4,275** |
| **Net book value** | |
| **At 31 December 2023** | **4,275** |
| **At 31 December 2022** | **35,699** |

## 16. Investments (Company) - Current Assets

| Cost or valuation | £'000 |
|---|---|
| **At 31 December 2022** | **3,000** |
| Acquisitions | - |
| Transfer from Non-Current Assets | 3,000 |
| Impairment | (966) |
| **At 31 December 2023** | **2,034** |
| **Net book value** | |
| **At 31 December 2023** | **2,034** |
| **At 31 December 2022** | **-** |

The current asset for investments relates to the 50% investment in the joint venture Doctor at Hand Diagnostics Limited. It is held in current assets due to it being a discontinued operation with the intention for the company to be dissolved in the following year.

The recoverable amount was written down by £966,000 to £2,034,000 being its recoverable value in line with the consolidated balance sheet as disclosed in note 17.

## 17. Interest in Joint Venture

Following the partial disposal of 50% of the Group's investment in Doctor at Hand Diagnostics Limited in 2020, the remaining investment of 50% is now accounted for as an investment in joint venture. Movement in the Group's investment in joint venture during the financial period and the results and financial position of the joint venture are below:

| | 2023<br>£'000 | 2022<br>£'000 |
|---|---|---|
| Revenue | **1,275** | 1,631 |
| **Profit /(Loss) for the financial year from discontinued operations[1]** | **136** | (291) |
| Current assets[2] | **2,318** | 2,658 |
| Non- current assets | **-** | 2,286 |
| Current liabilities[3] | **(6)** | (2,833) |
| Non-current liabilities[4] | **-** | - |
| **Net assets** | **2,312** | **2,111** |
| Groups interest in net assets of JV at beginning of the year | **1,966** | 2,112 |
| Share of total comprehensive income | **68** | (146) |
| Dividends received during the year | **-** | - |
| **Carrying amount of interest in JV at end of year held as a discontinued operation** | 2,034 | **1,966** |

1 Includes:
- Amortisation of £306,930 (2022: £430,200)
- Interest expense of £70,480 (2022: £50,442)
- Income tax charge of £45,196 (2022: £117,268)

2 Includes cash and cash equivalents of £80,092 (2022: £1,145,640)
3 Includes current financial liabilities (excluding trade and other payables and provisions) of £6,380 (2022: £2,830,345)
4 Includes non-current financial liabilities (excluding trade and other payables and provisions of £nil (2022: £nil)

At the year end the company was held as a discontinued operation see note 6.

## 18. Trade and other receivables (Group): Amounts falling due within one year

| Assets held at amortised cost | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| Trade receivables | **1,904** | 1,570 |
| Loss allowance | **-** | (12) |
| Other receivables | **218** | 504 |
| Prepayments | **950** | 1,457 |
| Contract assets | **38** | 374 |
| | **3,110** | 3,893 |

The group has no balances due after one year.

Further disclosures relating to trade and other receivables are set out in note 24 below.

## 18. Trade and other receivables (Company): Amounts falling due within one year

| Assets held at amortised cost | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| Trade receivables | **45** | 5 |
| Other receivables | **167** | 493 |
| Prepayments | **742** | 917 |
| | **954** | 1,415 |

Further disclosures relating to trade and other receivables are set out in note 24 below.

## 19. Trade and other receivables (Company): Amounts falling due after one year

| Assets held at amortised cost | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| Amounts owed by group undertakings | **7,970** | 9,468 |

Amounts owed by group undertakings includes both an unsecured revolving credit facility and intercompany recharges for trading activities.

Interest is charged on the intercompany loans at a rate of Sterling Overnight Index Average (SONIA) +4%. The Directors consider that the rate of interest represents a market value and as a result no residual equity component has been recognised in relation to the loan.

Further disclosures relating to trade and other receivables are set out in note 24 below.

## 20. Trade and other payables (Group): Amounts falling due within one year

| Liabilities held at amortised cost | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| IFRS 16 lease liability <1 year (see note 28) | **392** | 349 |
| Trade payables | **1,858** | 2,344 |
| Other taxation and social security | **755** | 811 |
| Other payables | **38** | 57 |
| Accruals | **2,261** | 4,237 |
| Contract liabilities | **614** | 338 |
| | **5,918** | 8,136 |

Within the accruals balance is a £nil (2022: £637,500) accrued expense for a licence fee payable to the joint venture. This is the only individual material balance within accruals.

Further disclosures relating to trade and other payables are set out in note 24 below.

## 20. Trade and other payables (Company): Amounts falling due within one year

| Liabilities held at amortised cost | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| IFRS 16 lease liability <1 year (see note 28) | **392** | 349 |
| Trade payables | **1,068** | 1,585 |
| Other taxation and social security | **79** | 95 |
| Other payables | **35** | 5 |
| Accruals | **662** | 1,730 |
| | **2,236** | 3,764 |

Further disclosures relating to trade and other payables are set out in note 24 below.

## 21. Trade and other payables (Group): Amounts falling due after more than one year

| Liabilities held at amortised cost | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| IFRS 16 lease liability >1 year (see note 28) | **207** | 620 |
| Other Payables | **749** | 755 |
| | **956** | 1,375 |

Further disclosures relating to trade and other payables are set out in note 24 below.

## 21. Trade and other payables (Company): Amounts falling due after more than one year

| Liabilities held at amortised cost | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| IFRS 16 lease liability >1 year (see note 28) | **207** | 620 |
| Amounts owed to group undertakings | **6,844** | - |
| | **7,051** | 620 |

Further disclosures relating to trade and other payables are set out in note 24 below.

## 22. Loans and borrowings (Group)

| | Balance at 1 Jan 2023 £'000 | Proceeds of borrowings £'000 | Non-cash movements £'000 | Repayments £'000 | As at 31 December 2023 £'000 |
|---|---|---|---|---|---|
| Loans | **-** | **10,000** | **401** | **-** | **10,401** |
| **Total borrowings** | - | 10,000 | 401 | - | 10,401 |
| **Reported as** | | | | | |
| Current liabilities | - | | | | 3,846 |
| Non-current liabilities | - | | | | 6,555 |
| **Total borrowings** | **-** | | | | **10,401** |

Further disclosures relating to trade and other payables are set out in note 24 below.

Both the current and non-current amounts relate to a loan facility secured with AXA PPP Healthcare Group Limited. The key terms of this loan are as follows:

- Maturity date of 30 November 2026
- Interest charged at 5% per annum, accruing quarterly and paid in full on maturity date
- Principal amount repaid in 13 quarterly instalments from 30 November 2023
- Loan facility of £10.0m drawn down at 31 December 2023
- DCA required to maintain look forward 12 month minimum cash balance of £3.0m throughout loan period
- Loan fully repaid on 10 January 2024, refer to note 30

## 23. Deferred tax balances

The Group has the following financial assets and financial liabilities at the reporting dates:

| The balance comprises temporary differences attributable to: | 31 December 2023 £'000 | 31 December 2022 £'000 |
|---|---|---|
| Intangible assets (see note 15) | **-** | 209 |
| **Deferred tax liabilities** | **-** | **209** |

| The balance comprises temporary differences attributable to: | Intangible assets £'000 |
|---|---|
| **At 31 December 2022** | 209 |
| To Statement of Comprehensive Income | (209) |
| **At 31 December 2023** | **-** |

## 24. Financial Instruments

The Group has the following financial assets and financial liabilities at the reporting dates:

| | 31 December 2023 £'000 | 31 December 2022 £'000 |
|---|---|---|
| **Financial assets** | | |
| ***Current assets*** | | |
| Held at amortised cost: | | |
| Cash and cash equivalents | **6,061** | 5,406 |
| Other financial assets | **2,122** | 2,453 |
| **Total assets held at amortised cost** | **8,183** | 7,859 |
| **Financial liabilities** | | |
| ***Current liabilities*** | | |
| Held at amortised cost: | | |
| Financial liabilities | **4,549** | 6,987 |
| Loans and borrowings | **3,847** | – |
| | **8,396** | 6,987 |
| ***Non-current liabilities*** | | |
| Held at amortised cost: | | |
| Financial liabilities | **956** | 1,374 |
| Loans and borrowings | **6,555** | – |
| | **7,511** | 1,374 |

Prepayments, contract assets and liabilities under the scope of IFRS 15, and tax and social security balances, are not considered financial instruments and are excluded from the table above.

Interest received on financial assets held at amortised cost in 2023 was £47,716 (2022: £2,441).

The Group's financial risk management framework addresses the main risks arising from the Group's financial instruments, which are liquidity risk, credit risk and market risk. The Directors review and agree policies for managing these risks, which are summarised below:

**Credit risk:** credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables). The Group's exposure to credit risk is mitigated by the nature of its customer base and payment profiles. However, cash collections and aged debtor profiles payments are reviewed on an ongoing basis, to ensure any issues are escalated and reviewed;

**Market risk:** market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

**Liquidity risk:** the Group seeks to manage financial risk to ensure sufficient liquidity is available to meet foreseeable needs, through ongoing forecasting of cashflows, and cash management;

The table below summarises the maturity profile of the Group's financial liabilities with liquidity risk exposure, based on contractual undiscounted payments:

| As at 31 December 2023 | On demand £'000 | Less than 3 months £'000 | 3 to 12 months £'000 | 1 to 5 years £'000 | > 5 years £'000 | Total £'000 |
|---|---|---|---|---|---|---|
| IFRS 16 lease liability | - | 115 | 322 | 214 | - | **651** |
| Loans and borrowings | 769 | 769 | 2,308 | 6,555 | | **10,401** |
| Other payables | - | 4,157 | - | 750 | - | **4,907** |
| | **769** | **5,041** | **2,630** | **7,519** | - | **15,959** |

| As at 31 December 2022 | On demand £'000 | Less than 3 months £'000 | 3 to 12 months £'000 | 1 to 5 years £'000 | > 5 years £'000 | Total £'000 |
|---|---|---|---|---|---|---|
| IFRS 16 lease liability | 23 | 92 | 345 | 674 | - | **1,134** |
| Other payables | - | 6,828 | - | 750 | - | **7,578** |
| | **23** | **6,920** | **345** | **1,424** | - | **8,712** |

## Credit risk

Overdue trade receivables were reviewed for indication of any credit loss issues to assess the likelihood of expected credit losses. The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics, such as, current relationship with the customer, geographical location of customers, historical information on payment patterns, and the days past due.

The expected loss rates are based on the historical payment profiles of sales and the corresponding historical credit losses experienced. The rates are monitored to ensure they reflect current and forward-looking information on macroeconomic factors.

Overdue trade receivables were reviewed for indication of any credit loss issues to assess the likelihood of expected credit losses and none were identified. Outstanding customer balances are regularly monitored and reviewed for indicators of impairment to determine where there is a need for a provision (evidence of financial difficulty of the customer or payment default).

Bad debts are written off as uncollectible when there is strong objective evidence that there will be no recoverable element of the debt and all methods of recovery have been exhausted.

The movement in the Expected Credit Loss ('ECL') impairment allowance can be reconciled as follows:

| | 31 December 2023 £'000 | 31 December 2022 £'000 |
|---|---|---|
| Balance at beginning of period | **12** | 34 |
| Impairment provisions | **(12)** | (22) |
| **Balance at end of period** | **-** | 12 |

As explained in note 2.11, at 31 December 2023 an expected credit loss of nil% (2022: 1%) was used within the ECL assessment matrix, since the Group had no history of credit default losses given the profile of its customer base and revenue-generating activities.

At a Company level, management assesses the recoverability of intercompany debt from subsidiaries. These balances are monitored and reviewed for indicators of impairment to determine where there is a need for a provision, with the key indicator being future cash flows of subsidiaries being unable to support repayment of these balances. The Company has not recognised any ECL provision in this regard.

## Group capital

The Group's capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value, whist at the same time operating within a capital framework that interacts efficiently with liquidity risk, credit risk and market risk frameworks discussed above.

Movements in the Group's issued capital, share premium, preference shares, and all other equity reserves attributable to the equity holders of the parent are as set out in the Consolidated Statement of Changes in Equity.

## 25. Share capital

| | 31 December 2023 £'000 | 31 December 2022 £'000 |
|---|---|---|
| **Shares in issue** | | |
| Ordinary | 366,672,246 | 366,672,246 |
| Deferred Ordinary | 99,600 | 99,600 |
| **Total shares in issue** | **366,771,846** | **366,771,846** |
| **Nominal value** | | |
| Ordinary | £0.000167 | £0.000167 |
| Deferred Ordinary | £0.167 | £0.167 |
| **Share capital** | | |
| Ordinary | 61 | 61 |
| Deferred Ordinary | 17 | 17 |
| **Total share capital** | **78** | **78** |

All shares in issue are authorised and fully-paid.

Deferred shares carry no voting or economic rights other than the return of the issue price. All other classes of shares entitle the holder to receive notice of and to attend, speak and to vote at any general meeting. No classes of shares confer rights of redemption.

During 2023, the parent company issued no ordinary Shares. In 2022 37,013,673 Ordinary Shares with a nominal value of £0.000167 were issued for a total consideration of £6,407,933.

Ordinary Shares with a nominal value of £0.000167 issued during the prior year included:

- 36,129,032 shares as part of the placement, closed in March 2022.
- 884,641 shares as part of the Security Purchase Plan, closed in March 2022.

Securities in the Company traded on the ASX are in the form of Chess Depository Interests (CDIs). CDIs are a type of depositary receipt that allows investors to obtain all the economic benefits of share ownership without holding legal title to the shares themselves. A CDI represents the beneficial interest in underlying shares in a Company. Shares underlying the CDIs are held by an Australian depositary nominee as the legal owner on behalf and for the benefit of the CDI holder. The holders of CDIs receive all the economic benefit of actual ownership of the underlying shares.

## 26. Reserves

**Share premium account**

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

**Other reserves**

Comprises the fair value of share options recognised as an expense as well as foreign currency reserve movements.

**Accumulated losses**

Includes all current and prior periods retained accumulated losses.

## 27. Share based payments

The Group grants share options to certain of the Group's employees and suppliers. The options have a range of vesting periods and exercise conditions.

The schemes under which the Group has granted share options to its employees are as follows:

| Scheme | Vesting condition | Vesting period |
|---|---|---|
| Enterprise Management Incentive (EMI) | Service-based | 3 - 4 years |
| Company Share Option Plan (CSOP) | Service-based | On issue - 5 years |
| Long Term Incentive Plan (LTIP1) | Service-based | 3 - 4 years |
| Long Term Incentive Plan (LTIP2) | Market-based performance | 5 years |

The fair value of share option awards with service-based vesting conditions has been determined using the Black-Scholes option-pricing model. The key assumptions utilised in the valuation of these options are detailed below:

| | |
|---|---|
| Share price | GBP 0.02 - 0.44 |
| | AUD 0.05 - 0.70 |
| Volatility | 55%-99% |
| Risk-free interest rate | GBP denominated: 0.38% |
| | AUD denominated: 0.89%-4.19% |
| Expected term | 10 years |

The fair value of share option awards with market-based performance vesting conditions has been determined using the Monte Carlo Simulation Model. The key assumptions utilised in the valuation of these options are detailed below:

| | |
|---|---|
| Share price | AUD 0.80 |
| Volatility | Company: 57% |
| | Index: 18% |
| Risk-free interest rate | 0.33% |
| Expected term | 5 years |

The share-based payment charge/(credit) included in the Statement of Comprehensive Income for the year ended 31 December 2023 was £80,886 (31 December 2022: (£1,188,521)).

The following table reflects the number of share options and the weighted average exercise price outstanding during the period:

| | Weighted average exercise price (£) 31 December 2023 | Number 31 December 2023 | Weighted average exercise price (£) 31 December 2022 | Number 31 December 2022 |
|---|---|---|---|---|
| Outstanding at beginning of period | **0.31** | **10,090,423** | *0.36* | 28,981,320 |
| Granted during the period | **0.03** | **2,600,000** | *0.29* | 769,105 |
| Exercised during the period | **-** | **-** | - | - |
| Lapsed during the period | **0.25** | **31,875** | *0.26* | 19,660,002 |
| Outstanding at the end of the period | **0.24** | **12,658,548** | *0.31* | 10,090,423 |
| Exercisable at period-end | **0.22** | **9,489,453** | *0.23* | 7,925,703 |

The range of exercise prices in respect of options outstanding at 31 December 2023 is £0.03 to £0.59 (2022: £0.05 to £0.59). The weighted average remaining contractual life of outstanding options at 31 December 2023 is 6.4 years (2022: 7.1 years)

## 28. Leases

The Group adopted IFRS 16 at the year ended 31 December 2020. The Group has leases over office space in the territories in which it operates as well as computer equipment. Those leases exceeding 12 months at the date of transition to IFRS 16 were being recognised as a right of use asset and a lease liability on the statement of financial position. Details of the right of use assets are included in note 14.

The Group entered into a lease for property in London in September 2020 for a period of 5 years expiring in September 2025.

The Group also entered into a lease for the use of laptops in December 2021 for a period of 3 years expiring in December 2024.

The right of use assets and lease liabilities shown in the Consolidated Statement of Financial Position are in respect of these leases.

The carrying amounts of right of use assets, and the movements during the period, are shown in note 14 above. All payments due on these leases are fixed under the terms of the relevant lease agreements.

Set out below are the carrying amounts of lease liabilities and the movements during the year:

| | Year ended 31 December 2023 £'000 | Year ended 31 December 2022 £'000 |
|---|---|---|
| **At beginning of year** | **969** | 1,541 |
| Additions | **221** | - |
| Disposals relating to rent free period | **-** | (283) |
| Accretions of interest | **93** | 114 |
| Payments | **(684)** | (216) |
| **At end of year** | **599** | 969 |
| Current (Note 20) | **392** | 349 |
| Non-Current (Note 21) | **207** | 620 |

The following amounts are recognised in the Consolidated Income Statement:

| | 31 December 2023 £'000 | 31 December 2022 £'000 |
|---|---|---|
| Depreciation of right of use assets | **290** | 243 |
| Operating lease charge | **(284)** | (234) |
| Accretions of interest on lease liabilities | **93** | 114 |

The Group also has certain leases of computer equipment with lease terms of 12 months or less, and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. Minimum leases payments under non-cancellable operating leases in respect of these items are as follows:

| Leases maturing | 31 December 2023 £'000 | 31 December 2022 £'000 |
|---|---|---|
| No later than one year | **8** | 12 |
| Later than one year and not later than five years | **1** | 9 |
| Total | **9** | 21 |

The charge taken through the Consolidated Statement of Comprehensive Income in respect of these leases in 2023 totals £9,469 (2022: £12,894)

## 29. Related party transactions

The directors consider the Directors, Chief Executive Officer & Chief Financial Officer as key management personnel. Key management remuneration is disclosed in note 10. Amounts owed to the group from key management personnel on 31 December 2023 was £nil (31 December 2022: £4,685).

During the year-ended 31 December 2023 the Company made sales of £nil (for the year ended 31 December 2022: £4,685) to Talbot Baines Limited a company with a common director. At 31 December 2023, the Company was owed £nil (31 December 2022: £4,685) from Talbot Baines Limited.

During the year-ended 31 December 2023 the Company incurred fees of £31,250 (for the year ended 31 December 2022: £116,484) from Emerald Hill Associates Pty Ltd, a company with a common director. At 31 December 2023, the Company owed £nil (31 December 2022: £56,000) to Emerald Hill Associates Pty Ltd.

During the year-ended 31 December 2023 the Company incurred fees of £12,097 (for the year ended 31 December 2022: £39,398) from Miscamble Forrest Pty Ltd, a company with a common director. At 31 December 2023, the Company owed £nil (31 December 2022: £10,000) to Miscamble Forrest Pty Ltd.

During the year-ended 31 December 2023 the Company incurred fees of £nil (for the year ended 31 December 2023: £38,000) from Calforce Ltd, a company with a common director. At 31 December 2023, the Company owed £nil (31 December 2022: £38,000) to Calforce Ltd.

All transactions with related parties were conducted on an arms' length basis.

## 30. Events after the reporting date

On 11 December 2023 the Company announced the signing of a £10.6m convertible loan note, subject to approval at a shareholder meeting on 4 January 2024. The note was approved at this meeting. The key terms of the note are as follows:

- Convertible Notes due 31 December 2027, with no repayment of principal required until maturity.
- Conversion price of £0.04591 (A$0.0875), a premium of 94% to the closing price on 11 December 2023.
- Zero coupon and no interim repayments
- Funds used to repay the £10m loan facility with AXA Health ("AXA Loan").
- AXA Health and Axia Investments participated in the Convertible Notes
- The Convertible Notes are convertible by the holder at A$0.0875 per CDI, being 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

## 31. Controlling party

In the opinion of the directors there is no ultimate controlling party.

## 32. Subsidiaries & Joint Ventures

From 1 January 2022 to 31 December 2023 Doctor Care Anywhere Group PLC owned 100% of the ordinary share capital of the following subsidiary undertakings:

DCA Innovation Limited, a Technological design services company registered in England and Wales.

Doctor Care Anywhere Limited, a digital healthcare service company registered in England and Wales.

Synergix Medical Staffing Limited, Synergix Health Retail Services Limited and Synergix Health (Services) Limited, dormant companies registered in England and Wales.

On 5 March 2021, Doctor Care Anywhere Ireland Limited, a digital healthcare service company 100% owned by Doctor Care Anywhere Group PLC was incorporated in the Republic of Ireland. The registered company address for Doctor Care Anywhere Ireland is 25-28 North Wall Quay, IFSC, Dublin 1, D01 H104, Ireland.

On 8 September 2021 Doctor Care Anywhere Group PLC acquired 100% of the share capital of GP2U Telehealth Pty Ltd, a digital healthcare service company registered in Australia. The registered company address for GP2U Telehealth Pty Ltd is Level 2, 38 Montpelier Retreat, Battery Point, Hobart 7004, Australia. On 9 July 2023 "the Company" fully disposed of its shareholding in GP2U.

The Company is party to a joint venture with AXA Health. The Company holds 50% of the issued share capital of Doctor at Hand Diagnostics Limited, with AXA Health holding the other 50%. Doctor at Hand Diagnostics Limited is a digital healthcare service company registered in England and Wales.

# Independent Auditor's Report

## to the Members of Doctor Care Anywhere Group Plc



## Opinion

We have audited the financial statements of Doctor Care Anywhere Group Plc (the "Parent Company") and its subsidiaries (the "Group") for the period ended 31 December 2023, which comprise:

- the Group income statement and statement of other comprehensive income for the year ended 31 December 2023;
- the Group and parent company statements of financial position as at 31 December 2023;
- the Group and parent company statements of changes in equity for the year then ended;
- the Group and parent company statements of cash flows for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and accordance with UK adopted international accounting standards.

**In our opinion the financial statements:**

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2023 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group's and Parent Company's ability to continue to adopt the going concern basis of accounting included

- Understanding the system of internal control over the cash flow management and budgeting processes;
- Assessing the adequacy of the period covered in management going concern assessment;
- Confirming the reasonability of the inputs and assumptions in the budgets as well as identifying which inputs had been subjected to stress testing and how the results of the stress testing impacted the conclusions.
- Critical to the going concern basis of accounting is the repayment of the loan agreement with AXA through the issuance of convertible loan notes in January 2024 and the continual improvement in cash generation from operations. To this end we agreed the repayment of the loan to supporting cashflows and the issuance of the convertible loan note to supporting documentation having regard to the announcements made by the Group. We also understood the terms of the convertible loan to identify any financial covenants or cashflows that were relevant to the going concern period to ensure they were accurately incorporated in the model. For cash generation we understood the key assumptions including consultation levels, margins and administrative cost base and agreed the reasonableness to historic and current trading;
- Performed sensitivity analysis over the level of financial resources available and the key assumptions used in the forecast having regard to historic trade, post year end trading and industry data;
- Considered the accuracy of the previous going concern forecasts by comparing to actual outcome to assess the risk of management bias in assumptions;
- Considered the adequacy of cash reserves including available facilities to allow the group to meet liabilities as they fall due;
- Enquired of management the processes for ensuring compliance with laws and regulations and understanding the impact of instances of non-compliance;
- Reviewed results of regulatory inspection conducted during the year including the conclusions from the Care Quality

Commission ("CQC") inspection published in October 2023 where improvements were required in certain areas. Understood the impact of the results of inspections on the Groups service agreement with AXA and action plans being undertaken and agreed with the CQC. We held discussions with relevant individuals outside finance team to understand and corroborate the conclusions reached;

- Performed procedures to confirm whether there are any material outstanding litigations that could impact the financial statements and result in cashflows in the Going concern period of assessment and we are satisfied that there are none; and
- Assessing the completeness and accuracy of the matters described in the going concern disclosure within the significant accounting policies as set out in Note 2.3.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Overview of our audit approach

### Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £390,000 based on a 1% turnover. Materiality for the Parent Company financial statements as a whole was set at £200,000 based on 3% of the entities result for the period.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. This is set at £273,000 for the group and £140,000 for the parent. We reviewed this during the audit but considered that it remained set at an appropriate amount.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £19,500. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

### Overview of the scope of our audit

Our engagement was in respect of the audit of the Group's consolidated financial statements and those of the Parent Company. Our audit approach was developed by obtaining a thorough understanding of the Group's activities and is risk based.

Based on this understanding we assessed those aspects of the Group and subsidiary companies' transactions and balances which were most likely to give rise to a material misstatement and were most susceptible to irregularities including fraud or error.

Specifically, we identified what we considered to be areas of increased risk and planned an audit approach to focus on these areas accordingly. We undertook a combination of analytical procedures and substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, the effectiveness of controls over individual systems and the management of specific risks.

We conducted specific audit procedures in relation to all entities within the Group without the use of component auditors. The parent company and the Group's two UK subsidiaries, Doctor Care Anywhere Limited and DCA Innovation Limited were subject to full scope audit procedures by the Group audit team. The joint venture, Doctor at Hand Diagnostics Limited, was subject to analytical procedures on the basis of materiality and its presentation within discontinued operations. The Group's Australian subsidiary, GP2U Telehealth Pty Limited was also subject to analytical procedures as this was disposed of part way through the year and therefore the risk of material misstatement is reduced. Dormant entities within the group were not subject to testing.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to Going Concern, noted above, we identified the following Key Audit Matters. This is not a complete list of all risks identified by our audit.

Key audit matter How the scope of our audit addressed the key audit matter

## Revenue Recognition

Revenue is recognised in accordance with the accounting policy set out in the financial statements. The group has a two main revenue streams with different revenue recognition points, including utilisation revenue recognised at a point in time and subscription revenue recognised overtime.

Revenue for the year amounted to £38.5m (2022: £29.3m) mainly split as follows: utilisation £36.0m (2022: £27.1m) and subscriptions £2.5m (2022: £2.2m).

Errors in the recognition of revenue could materially misstate the financial statements and key investor metrics.

| Key audit matter | How the scope of our audit addressed the key audit matter |
|---|---|
| **Revenue Recognition**<br><br>Refer to note 2.4 and note 4 of the financial statements.<br><br>Revenue is recognised in accordance with the accounting policy set out in the financial statements. The group has a two main revenue streams with different revenue recognition points, including utilisation revenue recognised at a point in time and subscription revenue recognised over time.<br><br>Revenue for the year amounted to £38.5m (2022: £29.3m) mainly split as follows: utilisation £36.0m (2022: £27.1m) and subscriptions £2.5m (2022: £2.2m).<br><br>Errors in the recognition of revenue could materially misstate the financial statements and key investor metrics.<br><br>Revenue is a significant risk area as judgements are required in determining the appropriate revenue recognition point.<br><br>Depreciation of right of use assets | Our work focused on assessing that revenue accounting policies were compliant with IFRS and validating that revenue is recognised in accordance with the accounting policies and that cut off was correctly applied through testing.<br><br>We understood and walked through the revenue recognition process and the related systems of internal control. Including, engaging with our internal IT specialists to ensure consultation information generated by the platform was accurate and complete which is used by management to generate invoices.<br><br>We tested substantively the processing of revenue across he revenue streams to ensure that the processes are in place to recognise revenue in the appropriate periods.<br><br>Substantively tested the contract assets and liabilities to test the accuracy of the revenue recognised to contractual terms and supporting evidence.<br><br>We ensured that revenue was recognised in the correct accounting period through a review of a sample of contracts to identify performance obligations and obtained evidence that they had been met, we agreed the sample through to cash received.<br><br>We reviewed sampled invoices after the end of the reporting period to ensure they related to performance obligations after the end of that reporting period.<br><br>We reviewed revenue disclosures and segmental reporting to ensure compliance with the accounting standards. |

| Key audit matter | How the scope of our audit addressed the key audit matter |
|---|---|
| **Capitalisation of intangible assets**<br><br>Refer to note 2.5, note 3 and note 15 of the financial statements.<br><br>The carrying value of intangible assets including capitalised development costs as at 31 December 2023 was £6.0m (2022: £9.1m). Additions in the year amounted to £2.2m (2022: £2.2m) and amortisation was £1.8m (2022: £1.5m). Impairment of intangibles including capitalised software development costs and goodwill amounted to £1.7m (£2.5m) and £0.2m (2022: £0.8m) respectively.<br><br>The risk on the capitalisation of the intangibles was in relation to appropriateness of management's judgements concerning whether the capitalisation criteria have been met.<br><br>There was also the risk of errors in the capturing of relevant costs resulting in misstatements in the amount being capitalised, predominantly the risk that capitalised costs did not meet the capitalisation criteria under IAS 38. | **Our audit procedures in this area included:**<br><br>Understanding the control processes and systems relevant to the application of the accounting policy on the capitalisation of the software development costs;<br><br>Obtaining an understanding of the platform and the projects in place in the year to enhance and improve its capabilities;<br><br>Obtaining management's assessment of the development projects undertaken and whether they meet, or not, the capitalisation criteria in IAS 38 and challenging same;<br><br>For projects where capitalisation has occurred obtaining evidence to support the technical feasibility, commercial viability and intention to complete to ensure the capitalisation criteria within IAS 38 have been met;<br><br>Testing, on a sample basis, capitalised costs through to supporting documentation including timesheets and other salary information;<br><br>Reviewing the sources of these costs by obtaining third party invoices or receipts, payroll records, timesheets;<br><br>Understanding management's assessment and judgement around which percentage or ratio of costs incurred in respect of software developers should be capitalised or not by holding discussions with management's technical/project heads;<br><br>Reviewing the adequacy of disclosure. |

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

## Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 53, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

## Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 53, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and the procedures in place for ensuring compliance. Based on our understanding of the Group and industry, discussions with management and the Board of Directors we identified financial reporting standards and Companies Act 2006 as having a direct effect on the amounts and disclosures in the financial statements. Our work included direct enquiry of management, reviewing Board and relevant committee minutes and inspection of correspondence.

As part of our audit planning process, we assessed the different areas of the financial statements, including disclosures, for the risk of material misstatement. This included considering the risk of fraud where direct enquiries were made of management and those charged with governance concerning both whether they had any knowledge of actual or suspected fraud and their assessment of the susceptibility of fraud. We considered the risk was greater in areas involving significant management estimate or judgement. Based on this assessment we designed audit procedures to focus on key areas of estimate or judgement, this included specific testing of journal transactions, both at the year end and throughout the year.

Other laws and regulations where non-compliance may have a material effect on the Group's operations are Care Quality Commission (CQC) regulations and General Data Protection Regulation (GDPR).

Our audit procedures included:

- enquiry of management about the Group's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance including fraud;
- examining supporting documents for all material balances, transactions and disclosures;
- review of minutes of meetings of the Board of Directors;
- enquiry of management about litigations and claims;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions, in particular those items included in the Key Audit Matters;
- reviewing reports of inspections conducted by regulators during the year and management action plans to address inspection findings;
- analytical procedures to identify any unusual or unexpected relationships;
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; and
- review of accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

## Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

John Charlton (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP
Statutory Auditor
London

27 March 2024

# Shareholder Information

The information set out below was correct as at 15 March 2024.

## Distribution of Shareholders

Analysis of numbers of shareholders by size of holding:

| Range | Total holders | Units | % units |
|---|---|---|---|
| 1 - 1,000 | 1,997 | 1,310,568 | 0.36 |
| 1,001 - 5,000 | 2,062 | 5,459,996 | 1.49 |
| 5,001 - 10,000 | 643 | 5,099,238 | 1.39 |
| 10,001 - 100,000 | 985 | 30,034,323 | 8.19 |
| 100,001 and over | 201 | 324,690,509 | 88.57 |
| **Rounding** | | | **0.00** |
| **Total** | **5,888** | **366,594,634** | **100.00** |

## Unmarketable Parcels

Analysis of numbers of shareholders by size of holding:

| Range | Minimum Parcel Size | Holders | Units |
|---|---|---|---|
| Minimum $ 500.00 parcel at $ 0.0680 per unit | 7,353 | 4,317 | 8,387,163 |

## Twenty Largest Quoted Equity Holders

| Rank | Name | UNITS | % of issued capital |
|---|---|---|---|
| 1 | UBS NOMINEES PTY LTD | 82,899,716 | 22.61 |
| 2 | CARANI HOLDINGS LIMITED | 44,264,604 | 12.07 |
| 3 | VIJAY PATEL | 26,094,880 | 7.12 |
| 4 | BGF NOMINEES LIMITED <BGF INVESTMENTS LP A/C> | 18,042,248 | 4.92 |
| 5 | BUTTONWOOD NOMINEES PTY LTD | 16,627,086 | 4.54 |
| 6 | GLENEAGLE SECURITIES NOMINEES PTY LIMITED | 11,008,636 | 3.00 |
| 7 | BHIKHU PATEL | 8,698,178 | 2.37 |
| 8 | HADSTON 1 LLP\C | 8,587,773 | 2.34 |
| 9 | PATAGORANG PTY LTD <R W ALLEN A/C> | 8,191,201 | 2.23 |
| 10 | LAWN VIEWS PTY LTD <ANGELA WILLIAMS FAMILY A/C> | 6,000,000 | 1.64 |
| 11 | BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT> | 5,208,177 | 1.42 |
| 12 | JASFORCE PTY LTD | 3,757,500 | 1.02 |
| 13 | BGF NOMINEES LIMITED <BGF VENTURES LP A/C> | 3,742,855 | 1.02 |
| 14 | INDIGENOUS CAPITAL LIMITED | 3,116,420 | 0.85 |
| 15 | MR KENNETH JOSEPH HALL <HALL PARK A/C> | 2,500,000 | 0.68 |
| 16 | BARNETT WADDINGHAM TRUSTEES (1996) LIMITED <ANTHONY BANKS LTD P/P A/C> | 2,406,855 | 0.66 |
| 16 | BARNETT WADDINGHAM TRUSTEES (1996) LIMITED <HRMP DIRECTORS P/SCH A/C> | 2,406,855 | 0.66 |
| 16 | BARNETT WADDINGHAM TRUSTEES (1996) LIMITED <MJ RUTHERFORD LTD D/PF A/C> | 2,406,855 | 0.66 |
| 19 | CHRISTOPHER ROBIN MOORE | 2,369,224 | 0.65 |
| 20 | THE HOSPITALS CONTRIBUTION FUND OF AUSTRALIA LIMITED | 2,245,236 | 0.61 |

## Substantial Shareholders holding 5% or more of the Company's securities

| Name | Holding | Percent | Date of Notice |
|---|---|---|---|
| Thorney Technologies Ltd | 87,497,791 | 23.86 | 9 Feb 2024 |
| Vijay Patel | 37,133,058 | 10.15 | 8 March 2022 |
| Carani Holdings Limited | 44,264,604 | 12.10 | 8 March 2022 |
| BGF Nominees Limited | 21,785,103 | 6.84 | 27 Nov 2020 |

# Corporate Directory

## Directors

**John Stier**
Independent Chair and Non-Executive Director

**Romana Abdin**
Independent Non-Executive Director

**Dr Aleksandra Spencer**
Independent Non-Executive Director

**David Ravech**
Non-Executive Director

**Ben Kent**
Executive Director

## Officers of the Company

**Ben Kent**
Chief Executive Officer

**Seema Sangar**
Chief Financial Officer

**Cathy Baxandall**
Company Secretary

## Registered office and principal place of business in the UK

13-15 Bouverie Street, 2nd Floor, London, England, EC4Y 8DP

## Share Registrar

Computershare Investor Services Pty Ltd
452 Johnston Street
ABBOTSFORD VIC 3067
Ph: +61 3 9415 4000

## Auditor

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

## Stock Exchange Listing

Doctor Care Anywhere Group PLC shares are listed on the Australian Securities Exchange (Listing code: DOC)

## Website

www.doctorcareanywhere.com

Company Details
UK Company Number: 08915336
ARBN: 645 163 873

doctor care anywhere.