29 Aug 2022

Interim Report and Appendix 4D

ASX Market Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Attached for release to the market are Doctor Care Anywhere Group PLC's Appendix 4D and Interim Report for the six months ended 30 June 2022.

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

Dan Curran
Chief Financial Officer & Company Secretary

About Doctor Care Anywhere:

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

Interim Report
For the six months ended 30 June 2022

Doctor Care Anywhere Group PLC

Company number: 08915336

ARBN: 645 163 873

Contents

Appendix 4D – Half Year Report

Reporting Period

Current reporting period ("1H22"): 1 January 2022 to 30 June 2022

Previous corresponding period ("1H21"): 1 January 2021 to 30 June 2021

Basis of Preparation

This Appendix 4D has been prepared in accordance with measurement and recognition (but not disclosure) requirements of International Financial Reporting Standards in conformity with the requirements of the Companies Act 2006 (UK).

The interim results for the 6 months ended 30 June 2022 and the comparatives for 30 June 2021 are unaudited, but have been reviewed by the Company's independent auditor. A copy of the review report is included at the end of this report.

Results for Announcement to the Market

		1H22	1H21	Variance	%
Revenue	£m's	15.4	11.2	4.2	*37.5%*
Net loss	£m's	(11.6)	(8.0)	(3.6)	*(45.0%)*
Net tangible assets per security	£'s	0.03	0.10	(0.07)	*(70.0%)*

Revenue

Revenue growth across the period was driven by an increased volume of consultations delivered to the Company's growing base of Activated Lives.

Net Loss

Net loss for 1H22 includes one-off restructuring costs which totalled £1.6 million. These payments represented redundancy and notice payments for employees departing the organisation. Adjusting for this, net loss for 1H22 was £10.0 million.

Net loss for 1H21 includes one-off revenue items which totalled £2.0 million. These payments relate to a consultations volume incentive payment from AXA Health and payment for technology development. Adjusting for these, net underlying loss for 1H21 was £10.0 million.

Taking into account these adjustments, net underlying loss for 1H22 was in line with net underlying loss for 1H21.

Net Tangible Assets Per Security

Net tangible assets decreased by £6.4 million from £18.5 million in 1H21 to £12.1 million in 1H22 (53%). This was primarily driven by a £4.6 million reduction in the Company's cash reserves, to £12.4 million, caused by trading losses.

As a result of this, and shares issued in 1H22, net tangible assets per security decreased from £0.10 at 1H21 end to £0.03 at 1H22 end.

Dividends

No dividends have been declared, nor were any paid in the prior period.

Joint Ventures

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%.

Going Concern

The independent review report within this Interim Report contains an emphasis of matter paragraph regarding a material uncertainty in respect of the Company's ability to continue trading as a going concern. As previously disclosed, the Company's current cash reserves are expected to sustain its operations until the first quarter of 2023. The Board will seek to secure additional funds to support the Company's ongoing operations and growth, noting that its ability to do so will be influenced by the operating and financial performance of the Company, and general economic and business conditions.

Directors' Report

The Directors present the condensed consolidated interim financial report of Doctor Care Anywhere Group PLC ("the Company" or "Doctor Care Anywhere") and its subsidiaries ("the Group") for the half year ended 30 June 2022 ("1H22").

Directors

The Directors in office during the half-year reporting period 1 January 2022 – 30 June 2022 and as at the date of this report are shown below:

- Richard Dammery — Independent Chairman
- Romana Abdin — Independent Non-Executive Director
- Simon Calver — Non-Executive Director
- David Ravech — Non-Executive Director
- John Stier — Independent Non-Executive Director (appointed 6 May 2022)
- Vanessa Wallace — Independent Non-Executive Director
- Dan Curran — Chief Financial Officer & Company Secretary
- Jonathan Baines — Chairman & Executive Director (resigned 19 April 2022)
- Dr Bayju Thakar — Chief Executive Officer & Managing Director (resigned 21 August 2022)

About Doctor Care Anywhere

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

Operating and Financial Review

Operational KPIs

000's	1H22	1H21	Variance	%	2H21	Variance	%
Eligible Lives	2,526	2,357	169	*7.2%*	2,440	86	*3.5%*
Activated Lives	756	559	197	*35.2%*	675	81	*12.0%*
Consultations	303	180	123	*68.3%*	260	43	*16.5%*
Repeat Patients	206	108	98	*90.7%*	169	37	*21.9%*
First-Time Patients	97	72	25	*34.7%*	92	5	*5.4%*
Secondary-Care Journeys	14	6	8	*133.3%*	12	2	*16.7%*

Growth continued across all key operational metrics in 1H 2022.

At the end of 1H22, Activated Lives were 756,000, up 35% on the pcp. Whilst Activated Lives continued to grow, the growth rate was lower than in 2H21, with 81,000 Activated Lives added in 1H22 versus 116,000 in 2H21. This lower growth rate was primarily due to limited clinician capacity, which prevented the Company from undertaking its normal level of marketing activities.

Consultation volumes grew to 303,000 in 1H22, up 68% on the pcp. Whilst patient demand remains strong and continues to grow, as evidenced by the increases in both repeat patients and first-time patients, consultation volume growth was also constrained by clinician capacity, with the Company experiencing very high utilisation of available consultations.

As has been reported extensively in the UK media in recent months, there is a severe shortage of GPs in the UK and a crisis in primary care. Competition for clinicians is high, with consistently growing demand and decreasing capacity. The challenge of securing sufficient GP capacity to meet patient demand is ongoing.

In 2021, the Company ran a number of financial incentive programmes as the primary lever to increase clinician capacity. In 1H22, the Company did run some incentive programmes, however, these were more limited in scope as the Company sought to balance growth and profitability.

The Company knows that its clinician capacity is currently insufficient to meet patient demand and believes that it could be conducting significantly more consultations if it could secure additional clinician capacity. However, continuing to use remuneration as the primary lever to achieve this would be to the detriment of operating margins and progress towards net cash generation.

The Board is clear that the Company must continue to improve the overall clinician value proposition by creating a strong community of interest, easing pressures on clinicians through a combination of reduced administration time, enhanced platform functionality, professional development opportunities and having competitive remuneration. Delivering this balanced approach continues to be a key priority for management.

Through 1H22, the Company has experienced platform performance issues, including instability and some outages as result of legacy technology, which impacted consultation volumes. This follows the rapid growth of consultation volumes in 2021, together with the development of new features to enhance the service offering for clinicians, AXA and other customers.

The Board has committed additional resources and is supporting management to prioritise remediation and improved testing processes. Additional experienced specialists have been recruited.

Beyond these immediate priorities, the Board believes the Company will need to invest further in its platform to scale up to and beyond c. 100,000 consultations a month. Over time, the Company will need to replace the platform's legacy architecture. The Board will evaluate a range of alternative approaches to deliver this long-term solution. At this time, the Company is unable to provide estimates of the likely costs associated with these longer-term changes.

The Company took a step towards improving its clinician capacity during 1H22, with the introduction of the first stage of its new operating model, which sees patients streamed into either 15 or 20-minute consultations (previously, all consultations were 20-minutes). This service enhancement, which launched in late May 2022, increased the capacity available from Company's existing GP panel, but not to the extent required to meet patient demand.

Two further stages of this new operating model, that will help to better align supply and demand for the Company's services, are currently in development:

QuickConsult: an online questionnaire-based service for routine and low acuity presentations, will allow patients to receive treatment without speaking directly with a clinician. This service initially went live to a small number of customers in mid-May 2022. Subsequently, the Company determined that a number of function changes were required before the service could be provided to the full customer base. These changes are currently expected to be completed in the first quarter of 2023.

Mixed Clinical Workforce ("MCW"): refers to the addition of Advanced Nurse Practitioners ("ANPs") to the Company's current clinical workforce. ANPs are educated to Masters level in clinical practice and have been assessed as competent in practice. They have the freedom and authority to make autonomous decisions in the assessment, diagnosis and treatment of patients. This service is currently in development, with the launch to be delayed from its target date of September 2022, pending improvements in the performance of the platform, the finalisation of the required platform development, and robust testing of the workflows. The Company is now targeting go-live in the first quarter of 2023.

These new services will both broaden the workforce available to the Company and allow for clinician time to be used more efficiently, to better support volume growth and margin expansion.

The Company has continued to demonstrate progress with its secondary care proposition, which integrates primary and secondary care through the provision of GP consultations, diagnostic tests and review of such tests by specialist consultants. In 1H22, 14,000 patients completed this pathway, up 17% on 2H21.

However, growth in this proposition has not been in line with internal expectations. Improvement initiatives are underway, including by enhancing the technology platform to streamline the referral process and engaging with the GP workforce to drive greater uptake of the service.

Financial KPIs

£m's	1H22	1H21	Variance	%	2H21	Variance	%
Revenue	15.4	11.2	4.2	*37.5%*	13.7	1.7	*12.4%*
Underlying Revenue	15.4	9.2	6.2	*67.4%*	13.7	1.7	*12.4%*
Gross Profit	6.6	5.8	0.8	*13.8%*	4.6	2.0	*43.5%*
Underlying Gross Profit	6.6	3.8	2.8	*73.7%*	4.6	2.0	*43.5%*
Gross Profit Margin	*42.9%*	*51.8%*	*-893 bps*		*33.6%*	*928 bps*	
Underlying Gross Profit Margin	*42.9%*	*41.3%*	*155 bps*		*33.6%*	*928 bps*	
Contribution	3.4	3.4	-	-	1.6	1.8	*112.5%*
Underlying Contribution	3.4	1.4	2.0	*142.9%*	1.6	1.8	*112.5%*
Contribution Margin	*22.1%*	*30.4%*	*-828 bps*		*11.7%*	*1040 bps*	
Underlying Contribution Margin	*22.1%*	*15.2%*	*686 bps*		*11.7%*	*1040 bps*	
Operating Loss	(11.9)	(7.9)	(4.0)	*(50.6%)*	(12.4)	0.5	*4.0%*
EBITDA	(10.8)	(7.5)	(3.3)	*(44.0%)*	(11.5)	0.7	*6.1%*
Underlying EBITDA	(9.2)	(9.5)	0.3	*3.2%*	(11.5)	2.3	*20.0%*
EBITDA Margin	*(70.1%)*	*(67.0%)*	*-317 bps*		*(83.9%)*	*1381 bps*	
Underlying EBITDA Margin	*(59.7%)*	*(103.3%)*	*4352 bps*		*(83.9%)*	*2420 bps*	
Net Operating Cash Flows	(9.1)	(5.2)	(3.9)	*(75.0%)*	(10.9)	1.8	*16.5%*

Adjustable Items

The Company uses underlying results to explain its financial performance. Underlying results are prepared to provide a more comparable indication of the Company's core business performance by removing the impact of certain items including exceptional items (material and non-recurring). Underlying results exclude items as set out below. In addition, the Company also measures and presents performance in relation to various other non GAAP measures, such as contribution and EBITDA. Adjusted results are not intended to replace statutory results.

These have been presented to provide users with additional information and analysis of the Group's underlying performance, consistent with how the Board monitors results.

Contribution is calculated as follows:

£m's	1H22	1H21	2H21
Gross profit	6.6	5.8	4.6
Less:			
Operating costs (see note 5)	(3.2)	(2.4)	(3.0)
Contribution	3.4	3.4	1.6

EBITDA is calculated as follows:

£m's	1H22	1H21	2H21
Operating loss	(11.9)	(7.9)	(12.4)
Add back:			
Depreciation and amortisation	0.9	0.5	0.8
Add:			
Share of profit/(loss) of joint venture	0.2	(0.1)	0.1
EBITDA	(10.8)	(7.5)	(11.5)

The table below shows items exclude from underlying results:

£m's	1H22	1H21	2H21
Technology Development Revenue	-	1.0	-
Volume Incentive Revenue	-	1.0	-
Restructuring costs	(1.6)	-	-
Total	(1.6)	2.0	-

Technology development revenue relates to a one-off payment for technology development services.

Volume incentive revenue relates to the crystallisation of a one-off incentive payment for exceeding a consultation volume threshold.

Restructuring costs relate to costs associated with a restructuring exercise in 1H22, and include payments for redundancy costs, notice periods, legal fees and other advisory costs.

Commentary

Revenue in 1H22 was £15.4 million, up 12% on 2H21 and 38% on 1H21. Underlying revenue in 1H22 was £15.4 million, up 12% on 2H21 and 67% on 1H21. Revenue growth was primarily driven by an increase in the volume of consultations delivered to patients.

Underlying gross profit in 1H22 was £6.6 million, up 44% on 2H21 and 74% on 1H21. In addition to consultation volume growth, the main driver of this increase was a reduction in the average cost of sales per consultation. This improvement was a result of increased GP utilisation efficiency and lower levels of incentive payments. In line with this, adjusted gross profit margin improved to 42.9% in 1H22, up 928bps on 2H21 and up 155bps on 1H21.

Underlying contribution in 1H22 was £3.4 million, up 113% on 2H21 and 143% on 1H21. In addition to the adjusted revenue and gross margin improvements, this was driven by a 21% reduction in the average operating costs per consultation. This was mainly due to efficiencies in the Company's patient support team, where process automation allowed for the realisation of operational leverage, with headcount not needing to scale in line with volume growth. This resulted in 1H22 adjusted contribution margin of 22.1%, up 1,040bps on 2H21 and 686bps on 1H21.

Adjusted EBITDA loss in 1H22 was £9.2 million, a decrease of 20% on 2H21 and 3% on 1H21. In addition to the improvements referenced above, this reduction in adjusted EBITDA loss was driven by headcount reductions across the business. This was enabled through the realisation of operational leverage and a focus on driving efficiency as the business gains scale, and removing costs from the business where appropriate. Headcount reductions during 1H22 removed £6.1 million of cost from the business on an annualised basis, noting that additional resources, including short-term contractors, are likely to be required to aid the delivery of platform stability and value accretive development initiatives. These cost reduction measures resulted in adjusted EBITDA margin of (59.7%), an improvement of 2,420bps on 2H21 and 4,352bps on 1H21.

Operating Cash outflows in 1H22 were £9.1 million, a 17% reduction on 2H21 and a 75% increase on 1H21. Operating cash outflows in 1H22 included £1.5 million of payments in respect of restructuring costs. Operating cash outflows in 1H21 included £2.0 million of cash receipts in respect of one-off revenue items. Excluding the impact of these one-off items, operating cash outflows in 1H21 decreased 30% on 2H21 and were broadly in line with 1H21. This reduction against 2H21 was mostly driven by increased cash receipts, with other operating cash outflows remaining broadly flat.

Unaudited Interim Condensed Financial Statements

Prepared under International Accounting Standard 34 for the six month period ended 30 June 2022

Interim Condensed Statement for Comprehensive Income

For the six months ended 30 June 2022

	Note	**30 June 2022 Unaudited £'000**	*30 June 2021 Unaudited £'000*
Revenue	3	**15,390**	*11,238*
Cost of sales		**(8,817)**	*(5,421)*
Gross profit		**6,573**	*5,817*
Administrative expenses	5	**(18,774)**	*(13,948)*
Other operating income	6	**333**	*254*
Operating loss	7	**(11,868)**	*(7,877)*
Share of profit/(loss) of joint venture	13	**158**	*(144)*
Finance income		**1**	*1*
Finance costs	8	**(14)**	*(72)*
Loss before taxation		**(11,723)**	*(8,092)*
Tax credit	8	**113**	*50*
Loss for the financial period		**(11,610)**	*(8,042)*
Other comprehensive income		**-**	-
Total comprehensive loss for the period		**(11,610)**	*(8,042)*
Loss per share		**£**	£
Basic and diluted EPS	10	**0.03**	0.02

The notes on pages 15 to 26 form part of these interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Financial Position

	Note	**30 June 2022 Unaudited £'000**	31 December 2021 Audited £'000
Non-current assets			
Property, plant and equipment	11	**1,454**	*1,894*
Intangible assets	12	**12,018**	*10,985*
Interest in joint venture	13	**2,270**	*2,112*
Total non-current assets		**15,742**	*14,991*
Current assets			
Trade and other receivables: due within one year	14	**4,525**	*4,139*
Corporation tax receivable		**276**	*460*
Cash at bank and in hand		**12,400**	*17,066*
Total current assets		**17,201**	*21,665*
Current liabilities			
Trade and other payables: due within one year	15	**(7,531)**	*(5,903)*
Total current liabilities		**(7,531)**	*(5,903)*
Non-current liabilities			
Trade and other payables: due after one year	16	**(1,091)**	*(1,027)*
Deferred tax liabilities		**(237)**	*(266)*
Total non-current liabilities		**(1,328)**	*(1,293)*
Net assets		**24,084**	*29,460*
Capital and reserves			
Called up share capital		**78**	*72*
Share premium account		**56,212**	*50,148*
Other reserves		**3,451**	*3,287*
Profit and loss account		**(35,657)**	*(24,047)*
Total equity		**24,084**	*29,460*

The notes on pages 15 to 26 form part of these interim condensed consolidated financial statements. The interim condensed financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Richard Dammery – Chairman – 28 August 2022

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2022

	Called up share capital Unaudited £'000	Share premium account Unaudited £'000	Other reserves Unaudited £'000	Profit and Loss Account Unaudited £'000	Total equity Unaudited £'000
At 1 January 2022	**72**	**50,148**	**3,287**	**(24,047)**	**29,460**
Comprehensive loss for the period	-	-	-	(11,610)	**(11,610)**
Total comprehensive loss for the period	-	-	-	(11,610)	**(11,610)**
Shares issued during the period*	6	6,064	**-**	-	**6,070**
Share based payments	-	**-**	186	-	**186**
Foreign exchange movements	-	**-**	(22)	-	**(22)**
At 30 June 2022	**78**	**56,212**	**3,451**	**(35,657)**	**24,084**

*Shares issued during the period relate to a capital raising and security purchase plan exercise completed in March 2022.

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2021

	Called up share capital Unaudited £'000	Share premium account Unaudited £'000	Other reserves Unaudited £'000	Profit and Loss Account Unaudited £'000	Total equity Unaudited £'000
At 1 January 2021	**70**	**45,945**	**2,276**	**(3,832)**	**44,459**
Comprehensive loss for the period	-	-	-	(8,042)	**(8,042)**
Total comprehensive loss for the period	-	-	-	(8,042)	**(8,042)**
Shares issued during the period	-	**15**	-	-	**15**
Share based payments	-	**-**	593	-	**593**
At 30 June 2021	**70**	**45,960**	**2,869**	**(11,874)**	**37,025**

The notes on pages 15 to 26 form part of these interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Cash Flows

	Note	**Period ended 30 June 2022 Unaudited £'000**	*Period ended 30 June 2021 Unaudited £'000*
Cash flows from Operating Activities			
Receipts from customers		**16,568**	*12,285*
Payments to suppliers and employees		**(25,905)**	*(17,479)*
Finance income received		**1**	*1*
Finance cost paid		**(1)**	*(1)*
Government grants and tax incentives		**267**	*-*
Total Cash flows from Operating Activities		**(9,070)**	*(5,194)*
Cash flows from Investing Activities			
Payment for property, plant and equipment		**(78)**	*(365)*
Purchase of intangible fixed assets		**(1,515)**	*(905)*
Total Cash flows from Investing Activities		**(1,593)**	*(1,270)*
Cash flows from Financing Activities			
Payments to suppliers in relation to equity issue		**(339)**	*(111)*
Proceeds from equity issue		**6,409**	*15*
Repayment of loans		**(92)**	*(276)*
Total Cash flows from Financing Activities		**5,978**	*(372)*
Net Cash flows		**(4,685)**	*(6,836)*
Cash and cash equivalents at beginning of period		**17,068**	*38,362*
Effect of movement in exchange rates on cash held		**17**	*(54)*
Cash and cash equivalents at the end of period		**12,400**	*31,472*

The notes on pages 15 to 26 form part of these interim condensed consolidated financial statements.

Notes to the Interim Condensed Financial Statements

For the six month period ended 30 June 2022

1. Corporate information

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

Doctor Care Anywhere Group PLC is a public company limited by shares and registered in England and Wales, registered number 08915336. Its registered office is located at 13-15 Bouverie Street, 2nd Floor, London, England, EC4Y 8DP. It is listed on the Australian Securities Exchange (ASX:DOC).

2. Significant accounting policies

2.1. Basis of preparation

The unaudited interim condensed consolidated financial statements covers Doctor Care Anywhere Group PLC and the entities it controlled at the end of, or during, the half year ended 30 June 2022 (referred to as the 'Group'), and have been prepared in accordance with IAS 34, Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) in conformity with the requirements of UK-adopted international accounting standards.

2.2. Going concern

These financial statements have been prepared on a going concern basis, which assumes that the Group will continue to be able to meet its liabilities as they fall due for the foreseeable future, which is defined as a period of not less than twelve months from the signing of these accounts.

The Company has prepared a cash flow forecast through to August 2023 on a going concern basis, and the directors have considered this forecast and a range of sensitivities carefully. Provided that the Group achieves its forecast and obtains further finance to support its business strategy it will continue to be able to meet its liabilities as they fall due.

The Directors have concluded that these circumstances represent a material uncertainty that may cast doubt on the Group's ability to continue as a going concern. The Group intends to seek further capital as a matter of priority and the Directors believe that, with further capital raised, the Group will have adequate resources to continue operating for the foreseeable future. For these reasons, the Company continues to adopt the going concern basis of accounting in preparing these consolidated financial statements.

2.3. Estimates and Judgements

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates, judgements and assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The critical accounting judgements and the major sources of estimation uncertainty were the same as those described in the last annual financial statements for the year ended 31 December 2021. Details of the estimates and judgements are included on page 58 of the 2021 Annual Report.

3. Revenue

	Period ended 30 June 2022 Unaudited £'000	*Period ended 30 June 2021 Unaudited £'000*
Utilisation	**14,258**	*8,281*
Subscription	**1,129**	*942*
Other	**3**	*2,015*
Total revenue	**15,390**	*11,238*

Revenue streams are analysed between Utilisation, Subscription and Other services as follows:

Utilisation revenue

UK: Individually purchased consultations: revenue is recognised at a point in time, when the one distinct performance obligation, the consultation, is complete.

Australia: This was a new revenue stream in H2 2021 following the acquisition of GP2U Telehealth Pty Ltd ("GP2U"), reflecting 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.

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.

Other revenue

- **Minimum number of purchased consultations**: some customers purchase consultations as a bundle for a fixed amount which entitles them to a minimum number of consultations per period. At the end of the period and if the actual number of consultations is less than the minimum number in the bundle, the revenue in respect of the unutilised days is recognised in full.
- **Technology platform licensing**: revenue is deferred and recognised evenly over time, over the period of which the licence is granted.
- **Digital design services**: revenue is recognised at a point in time, when the performance obligation, the delivery of customised software applications to the customer, is complete.

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 licencing.

4. Segmental reporting

The Group provides virtual healthcare services, technology platform licencing and digital design services, within the United Kingdom, Australia and the Republic of Ireland. While revenue streams have historically been analysed by the nature of the service provided (see Note 3), the historic centralised common infrastructure meant that operating costs could not meaningfully be allocated to the separate revenue streams. However, following the acquisition of GP2U in September 2021, it is now possible to provide segmental analysis on a geographic basis, as GP2U has a separate cost base to the wider Doctor Care Anywhere Group. The following table represents this Geographic split for the period ended 30 June 2022:

Period ended 30 June 2022	UK and Ireland	Australia	**Total**
	£’000	£’000	**£’000**
Revenue	15,154	236	**15,390**
Cost of Sales	(8,817)	-	**(8,817)**
Administrative expenses	(18,259)	(515)	**(18,774)**
Other operating income	321	12	**333**
Share of profit of joint venture	158	-	**158**
Finance income	1	-	**1**
Finance expense	(14)	-	**(14)**
Tax	113	-	**113**
Loss for the financial year	**(11,343)**	**(267)**	**(11,610)**
Total assets	32,649	294	**32,943**
Total liabilities	(8,164)	(695)	**(8,859)**
Net assets/(liabilities)	**24,485**	**(401)**	**24,084**

5. Administrative expenses

	Period ended 30 June 2022 Unaudited £'000	Period ended 30 June 2021 Unaudited £'000
Operating Costs	**3,215**	2,374
Research and Development	**4,255**	2,175
Sales and Marketing	**1,332**	1,574
General and Administration	**9,972**	7,825
	18,774	13,948

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

Research and Development include the expenses attributable to the development and maintenance of the Group's intellectual property which do not meet the capitalisation criteria under IAS 38.

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.

Included within administrative expenses for the period ended 30 June 2022 are £1,565,000 (30 June 2021 - £ Nil) of costs relating to a restructuring exercise performed during the period.

6. Other Operating Income

Other operating income reported in the Interim Condensed Consolidated Statement of Comprehensive Income consists of the following:

	Period ended 30 June 2022 Unaudited £'000	Period ended 30 June 2021 Unaudited £'000
Recharges to joint venture	**305**	305
Foreign exchange gains/(losses)	**28**	(51)
	333	254

7. Operating loss

The operating loss is stated after charging/(crediting):

	Period ended 30 June 2022 Unaudited £'000	Period ended 30 June 2021 Unaudited £'000
Cost of sales employee costs	**5,778**	*4,282*
Cost of sales contractor costs	**3,038**	*1,168*
Administrative expenses employee costs	**11,337**	*9,317*
Administrative expenses contractor costs	**3,033**	*589*
Depreciation	**242**	*243*
Amortisation of intangible assets	**656**	*291*
Exchange difference	**(28)**	*51*

Employee costs consist of:

	Period ended 30 June 2022 Unaudited £'000	Period ended 30 June 2021 Unaudited £'000
Wages and salaries	**14,929**	*11,549*
Social security costs	**1,787**	*1,311*
Costs of defined contribution scheme	**213**	*146*
Share-based payment	**186**	*593*
	17,115	*13,599*

8. Finance costs

Finance costs consist of the following:

	Period ended 30 June 2022 Unaudited £'000	Period ended 30 June 2021 Unaudited £'000
IFRS 16 lease liability charge	**13**	*71*
Loan interest	**1**	*1*
	14	*72*

9. Income tax

The Group calculates the income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim condensed consolidated statement of comprehensive income are as follows:

	Period ended 30 June 2022 Unaudited £'000	*Period ended 30 June 2021 Unaudited £'000*
Current income tax credit	**113**	*50*

10. Earnings per share

Basic EPS is calculated by dividing the total comprehensive loss for the period attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the period.

Diluted EPS is calculated by dividing the total comprehensive loss for the period attributable to equity holders of the parent (after adjusting for potential inflows/outflows on all dilutive potential shares) by the weighted average number of equity shares outstanding during the period plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

There is no difference in the total comprehensive loss for the period 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.

	Period ended 30 June 2022 Unaudited £'000	*Period ended 30 June 2021 Unaudited £'000*
Total comprehensive loss for the period	**11,610**	*8,042*
Weighted number of equity shares:		
Ordinary shares	**354,334,356**	*327,183,012*
Weighted number of equity shares: for calculation of Basic and Diluted EPS	**354,334,356**	*327,183,012*
Loss per share	**£**	*£*
Basic and diluted	**0.03**	0.02

11. Property, plant and equipment

During the six months ended 30 June 2022, the Group acquired computer equipment and office furniture with a cost of £102,794 (30 June 2021: £328,953).

12. Intangible assets

During the six months ended 30 June 2022, the Group capitalised software development costs of £1,515,338 (30 June 2021: £904,998). Software development costs of £6,378 relating to third party software installation was purchased by the Group during the six months ended 30 June 2022.

13. Interest in joint venture

Movement in the Group's investment in joint venture during the financial period was as follows:

	Unaudited £'000
Balance as at 30 June 2021	2,043
Share of profit of joint venture from 1 July to 31 December 2021	69
Balance as at 31 December 2021	**2,112**
Share of profit of joint venture from 1 January to 30 June 2022	158
Balance as at 30 June 2022	**2,270**

14. Trade and other receivables

The following balances are all due to be realised within one year of the reporting date:

	As at 30 June 2022 Unaudited £'000	As at 31 December 2021 Audited £'000
Trade receivables	**3,299**	1,615
Other receivables	**149**	366
Prepayments	**993**	1,171
Contract assets	**84**	987
	4,525	4,139

15. Trade and other payables: Amounts falling due within one year

	As at 30 June 2022 Unaudited £'000	As at 31 December 2021 Audited £'000
IFRS 16 lease liability <1 year	**220**	337
Trade payables	**1,676**	820
Other taxation and social security	**1,041**	1,140
Other payables	**88**	74
Accruals	**3,176**	3,269
Contract liabilities	**1,330**	263
	7,531	5,903

16. Trade and other payables: Amounts falling due after one year

	As at 30 June 2022 Unaudited £'000	As at 31 December 2021 Audited £'000
IFRS 16 lease liability >1 year	**837**	1,017
Other Payables	**15**	10
Contract liabilities	**239**	-
	1,091	1,027

17. Financial instruments

As at 30 June 2022 the Group has the following financial assets and financial liabilities:

	As at 30 June 2022 Unaudited £'000	*As at 31 December 2021 Audited £'000*
Financial assets		
Current assets		
Held at amortised cost:		
Cash and cash equivalents	**12,400**	*17,066*
Other financial assets	**3,448**	*1,981*
Total assets held at amortised cost	**15,848**	*19,047*
Financial liabilities		
Current liabilities		
Held at amortised cost:		
Financial liabilities	**5,160**	*4,500*
	5,160	*4,500*
Non-current liabilities		
Held at amortised cost:		
Financial liabilities	**852**	*1,027*
	852	*1,027*

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.

Other current financial assets comprises trade and other debtors (see note 14). Current financial liabilities comprise IFRS 16 lease liabilities <1 year, trade payables, accruals and other payables (see note 15). Non-current financial liabilities comprise IFRS 16 lease liabilities >1 year and other payables (see note 16).

18. Share options

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

The share-based payment charge included in the profit and loss account for the six months ended 30 June 2022 was £185,776 (30 June 2021: £592,918).

	Weighted average exercise price (£)	**Number**	Weighted average exercise price (£)	Number
	Period ended 30 June 2022 Unaudited	**Period ended 30 June 2022 Unaudited**	Period ended 30 June 2021 Unaudited	Period ended 30 June 2021 Unaudited
Outstanding at beginning of the period	**0.36**	**28,981,320**	0.36	31,154,334
Granted during the period	**0.29**	**769,105**	-	-
Exercised during the period	**-**	**-**	0.13	79,470
Lapsed during the period	**0.35**	**3,896,220**	0.33	3,600,000
Outstanding at the end of the period	**0.37**	**25,854,205**	0.11	27,474,864
Exercisable at the end of the period	**0.25**	**9,842,144**	0.20	7,899,300

The range of exercise prices in respect of options outstanding at 30 June 2022 is £0.05 to £0.59 (30 June 2021: £0.05 to £0.59). The weighted average remaining contractual life of outstanding options at 30 June 2022 is 5.9 years (30 June 2021: 6.6 years).

19. Related parties

For the six month period ended 30 June 2022, the Directors considered themselves and the Chief Financial Officer & Company Secretary as key management personnel. For the six month period ended 30 June 2021, the Directors considered themselves, the Chief Operating & Financial Officer, the Finance Director & Company Secretary and the Chief Medical Officer as key management personnel. Key management personnel remuneration for the periods was as follows:

	Period ended 30 June 2022 Unaudited £'000	*Period ended 30 June 2021 Unaudited £'000*
Short-term employee benefits	**506**	*558*
Company contributions to defined contribution pension schemes	**1**	*1*
Share-based payment charge	**117**	*400*
	624	*959*

Amounts owed to the Group by Key Management Personnel at 30 June 2022 was £12,708 (31 December 2021: £12,708). Loans of £6,250 were made to each of Jonathan Baines and Bayju Thakar in advance of the ASX listing in December 2020 to enable them to incorporate DCA SaleCo PLC, which was required to facilitate the listing. These loans remain outstanding; in due course, this company will be dissolved, and the loans repaid.

During the six months to 30 June 2022 the company made sales of £4,685 (for the six month period to 30 June 2021: £nil) to Talbot Baines Limited, a company with a common director.

All transactions with related parties were conducted on an arm's length basis under normal market conditions.

20. Events after the reporting period

There were no significant events after the reporting period.

Directors' Declaration

In the directors' opinion:

a. The financial statements and notes set out on pages 14 to 25 are in accordance with the Corporations Act 2001, including:

> i) Complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
>
> ii) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the half-year ended on that date; and

b. There are reasonable grounds to believe that Doctor Care Anywhere Group PLC will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

Richard Dammery

Chairman
Doctor Care Anywhere Group PLC

28 August 2022

Independent Review Report to Doctor Care Anywhere Group PLC

Conclusion

We have reviewed the condensed set of financial statements in the half-yearly financial report of Doctor Care Anywhere Group Plc (the 'company') for the six months ended 30 June 2022 which comprises the interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of financial position, interim condensed consolidated statement of changes in equity, interim condensed consolidated statement of cashflows and related notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2022 is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', in conformity with the requirements of the Companies Act 2006 and the requirements of the Disclosure and Transparency Rules of the Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) (ISRE (UK)) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2.1, the annual financial statements of the company are prepared in accordance with UK adopted IFRSs. The condensed set of financial statements included in this half yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Material uncertainty related to going concern

We draw attention to note 2.2 in the half yearly financial statements, which highlight the risks on the company's ability to continue trading as a going concern due to the need to obtain further finance in the going concern assessment period. Based on this uncertainty reported, there is a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern. Our review opinion is not modified in respect of this matter.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

Our responsibility is to express a conclusion to the company on the condensed set of financial statements in the half-yearly financial report based on our review.

Our conclusion, including our Conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

Use of our report

This report is made solely to the company, as a body, in accordance with ISRE (UK) 2410. Our review work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review 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 as a body, for our review work, for this report, or for the conclusion we have formed.

Grant Thornton UK LLP

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London, United Kingdom

28 August 2022

Corporate Directory

Directors

Richard Dammery	Independent Chairman
Romana Abdin	Independent Non-Executive Director
Simon Calver	Non-Executive Director
David Ravech	Non-Executive Director
John Stier	Independent Non-Executive Director
Vanessa Wallace	Independent Non-Executive Director

Company Secretary

Dan Curran	Chief Financial Officer & Company Secretary

Principal Registered Office in the UK

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

Share Register

Computershare Investor Services Pty Ltd, 452 Johnston Street, Abbotsford, VIC 3067

Tel: +61 3 9415 4000

Auditor

Grant Thornton UK LLP, 30 Finsbury Square, London, EC2A 1AG

Stock Exchange Listing

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

UK Company Number and ARBN

Company number: 08915336

ARBN: 645 163 873