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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

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**FORM 6-K**

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**Report of Foreign Private Issuer  
Pursuant to Rule 13a-16 or 15d-16  
under the Securities Exchange Act of 1934**

**For the month of August 2022**

**Commission File Number: 001-40952**

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**Babylon Holdings Limited**

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**2500 Bee Cave Road  
Building 1 - Suite 400  
Austin, TX 78746  
United States  
(Address of principal executive office)**

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F x Form 40-F "

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): "

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): "

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**INFORMATION CONTAINED IN THIS REPORT ON FORM 6-K**

**Earnings Release**

On August 9, 2022, Babylon Holdings Limited issued a press release announcing its financial and operating results for the second quarter ended June 30, 2022. Copies of the press release and accompanying presentation are furnished herewith as Exhibit 99.1 and Exhibit 99.2, respectively, to this Report on Form 6-K.

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## EXHIBIT INDEX

Exhibit Number	Exhibit Title
<a href="#"><u>99.1</u></a>	<a href="#"><u>Press Release, dated August 9, 2022</u></a>
<a href="#"><u>99.2</u></a>	<a href="#"><u>Earnings Release Slides</u></a>

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**Babylon Holdings Limited**

Date: August 9, 2022

/s/ Charlie Steel

Charlie Steel

Chief Financial Officer

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### Babylon Again Delivers Strong Performance with Record Margins for Second Quarter 2022

- *Second quarter revenue grew 4.6x year-over-year to \$265.4 million*
- *U.S. value-based care members grew by 220% year-over-year*
- *Adjusted EBITDA Margin of (25.9)% for the quarter; a 60% improvement year-over-year*
- *Reiterating full year 2022 revenue guidance of \$1.0 billion or greater and reiterating improved Adjusted EBITDA guidance of \$(270.0) million*

AUSTIN, TEXAS & LONDON, UK – August 9, 2022 – Babylon Holdings Limited (NYSE: BBLN) (“Babylon”), one of the world’s fastest-growing digital healthcare companies, today announced its financial and operating results for the second quarter ended June 30, 2022.

“Babylon has once again delivered very strong results that demonstrate our continued momentum.” said Ali Parsa, CEO and Founder of Babylon. “From Q2 revenue growing 4.6x to \$265.4 million and U.S. value-based care members growing by 220% year-over-year, to up to 7x increase in the speed of high risk member sign-up, and a 31% ER avoidance in our longest serving VBC contract, to a 7.5% improvement in medical margins in the span of three quarters, almost all our key metrics are performing well. I am truly thankful to all Babylonians for their hard work and unwavering commitment to our mission, and to our members, providers and investors for the continued trust and support.”

Charlie Steel, Chief Financial Officer, added, “Babylon has continued its track-record of strong operational performance through the second quarter of 2022, with our Cost of Care Delivery expense reducing as a percentage of revenue from last quarter and delivering Adjusted EBITDA results ahead of consensus estimates. We continue to remain focused on profitable growth and are on track to achieve our revenue guidance of \$1.0 billion or greater for the full year of 2022, alongside our improved Adjusted EBITDA guidance of \$(270.0) million or less announced in July.”

#### Second Quarter Financial Results

Comparison of the following financial results for the three months ended June 30, 2022, compared to the three months ended June 30, 2021:

- Total revenue was \$265.4 million compared to \$57.5 million, a 4.6x year-over-year increase of \$207.9 million. This was primarily driven by the growth in value-based care (“VBC”) revenue, which increased by 524% year-over-year to \$244.1 million in Q2 2022.
- Loss for the period totaled \$157.1 million, or a 59.2% Loss for the Period Margin, compared to Loss for the period of \$64.9 million, or a 112.9% Loss for the Period Margin, in the second quarter of 2021. Loss for the Period Margin improved this quarter by 54 percentage points.
- Claims expense increased year-over-year, from \$40.4 million in Q2 2021 to \$238.8 million in Q2 2022. However on a percentage basis, Medical Margin improved by 5 percentage points over the period from (3.2)% in Q2 2021 to 2.2% in Q2 2022.
- Clinical care delivery expense increased year-over-year, from \$16.0 million in Q2 2021 to \$21.6 million in Q2 2022 but decreased significantly as a percentage of revenue from 27.9% to 8.2%, demonstrating operational leverage across our network.
- Adjusted EBITDA totaled \$(68.7) million, a (25.9)% Adjusted EBITDA Margin, compared to \$(49.6) million Adjusted EBITDA, or (86.3)% Adjusted EBITDA Margin, in the second quarter of 2021. Adjusted EBITDA Margin improved year-over-year by 60 percentage points.

Adjusted EBITDA, Adjusted EBITDA Margin, Medical Loss Ratio and Medical Margin are non-IFRS measures. An explanation of non-IFRS measures, a reconciliation of Adjusted EBITDA to the most comparable IFRS measure, Loss for the period, and the calculations of IFRS Loss for the Period Margin, Adjusted EBITDA Margin, Medical Loss Ratio and Medical Margin, have been provided at the end of this press release.

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## Recent Highlights

- VBC membership grew 3.2x year-on-year to a total of approximately 269,000 U.S. VBC members as of June 30, 2022. The breakout of U.S. VBC Members by health insurance program type is shown below:

% of Total U.S. VBC Members:	December 31, 2020	December 31, 2021	June 30, 2022
Medicaid	88%	84%	82%
Medicare	12%	7%	12%
Commercial	—	9%	6%
<b>Total U.S. VBC Members<sup>1</sup></b>	<b>66,000</b>	<b>167,000</b>	<b>269,000</b>

- In July 2022, we launched a new VBC contract covering 10,000 Medicare Advantage members in New Mexico, increasing the percentage of our VBC revenue from Medicare contracts to over 40% on a going forward basis.
- Announced cost reduction actions intended to accelerate our path to profitability, which are expected to generate annual cash savings of up to \$100 million. These efficiencies are being implemented during Q3 2022 with the expected financial impact predominantly from Q4 2022 onwards and subsequent periods.
- Successful completion of the warrant exchange transaction launched in May 2022, simplifying Babylon's capital structure, and reducing the potential dilutive impact of the public and private placement warrants.
- During the second quarter of 2022, we recorded non-cash impairment charges of \$53.2 million, primarily due the outcome of an interim impairment assessment.

<sup>1</sup> Rounded to nearest thousand. "U.S. VBC Members" means individuals who are covered by one of our U.S. value-based care agreements with a health plan or healthcare provider. Under these agreements, we take financial responsibility for all or some of the surpluses or deficits in total actual costs under the agreement compared to our negotiated fixed per member per month, or capitation, allocation. Total U.S. VBC Members for December 31, 2020 and December 31, 2021 as per Babylon's Annual Report on Form 20-F filed with the SEC on March 30, 2022. VBC membership figures may include some estimates for lagging data provided by health plans and may be subject to true-ups and adjustments in the future.

## **FY 2022 Financial Guidance**

For the twelve months ending December 31, 2022, Babylon is reiterating its revenue guidance of \$1.0 billion or greater, which represents a more than 3x increase over 2021 revenue driven predominantly by organic growth, fueled by state expansion in the U.S. with existing clients, as well as members from new clients.

Babylon is reiterating improved Adjusted EBITDA guidance for FY 2022 from \$(295.0) million or less to \$(270) million or less, implying a significant improvement in Adjusted EBITDA Margin from (184)% and (54)% in 2020 and 2021, with forecasted monthly Adjusted EBITDA of \$(18) million or less by December 2022. Babylon continues to evaluate timing to reach profitability on both a cash flow and Adjusted EBITDA basis, which we are targeting as no later than 2025.

These statements are forward-looking and actual results may differ materially. Please refer to the Forward-Looking Statements safe harbor below for information on the factors that could cause our actual results to differ materially from these forward-looking statements. We are not able to reconcile projected Adjusted EBITDA loss for 2022 or December 2022, or 2022 Adjusted EBITDA Margin to its most directly comparable IFRS measure as we are not able to forecast Loss for the period on a forward-looking basis without unreasonable efforts due to the high variability and difficulty in predicting certain items that affect Loss for the period, including, but not limited to, changes in fair value of warrant liabilities, impairment expense, share-based compensation, foreign exchange gains or losses and gains and losses on sale of subsidiaries. Adjusted EBITDA should not be used to predict Loss for the period as the difference between the two measures is variable and may be significant.

## **Second Quarter 2022 Earnings Conference Call**

Babylon will host a conference call to discuss second quarter 2022 results on August 9, 2022, at 5:00 p.m. Eastern Time. To participate in the Company's live conference call and webcast, please dial (866) 682-6100 for U.S. participants, 0800 756 3429 for U.K. participants, or +1 862-298-0702 for international participants. Alternatively, you can visit the "News & Events" section of <https://ir.babylonhealth.com/> to access the live webcast. On this page, you can also find a "Call me" link for instant telephone access to the event, which will be made active 15 minutes prior to the scheduled start time. A replay of the call will be available via webcast for on-demand listening shortly after the completion of the call, at the same web link, and will remain available for approximately 90 days.

## **Additional Notes**

Adjusted EBITDA, Adjusted EBITDA Margin, Medical Loss Ratio and Medical Margin are non-IFRS measures. An explanation of non-IFRS measures, a reconciliation of Adjusted EBITDA to the most comparable IFRS measure, Loss for the period, and the calculations of IFRS Loss for the Period Margin, Adjusted EBITDA Margin, Medical Loss Ratio and Medical Margin, have been provided at the end of this press release.

Accompanying supplemental information will be posted to the Investor Relations section of Babylon's website at <https://www.babylonhealth.com>.

## **About Babylon**

Babylon is one of the world's fastest growing digital healthcare companies whose mission is to make high-quality healthcare accessible and affordable for every person on Earth.

Babylon is re-engineering how people engage with their care at every step of the healthcare continuum. By flipping the model from reactive sick care to proactive healthcare through the devices people already own, it offers millions of people globally ongoing, always-on care. Babylon has already shown that in environments as diverse as the developed UK or developing Rwanda, urban New York, or rural Missouri, for people of all ages, it is possible to achieve its mission by leveraging its highly scalable, digital-first platform combined with high quality, virtual clinical operations to provide integrated, personalized healthcare.

Founded in 2013, Babylon's technology and clinical services is supporting a global patient network across 15 countries and is capable of operating in 16 languages. In 2021 alone, Babylon helped a patient every 6 seconds, with approximately 5.2 million consultations and AI interactions. Importantly, this was achieved with a 93% user retention rate in our NHS GP at Hand service and 4 or 5 star ratings from more than 90% of our users across all of our geographies.

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Babylon is also working with governments, health providers, employers and insurers across the globe to provide them with a new infrastructure that any partner can use to deliver high-quality healthcare with lower costs and better outcomes. For more information, please visit [www.babylonhealth.com](http://www.babylonhealth.com).

### **Forward-Looking Statements**

This press release contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to future events or our future financial or operating performance. When used in this press release, the words “estimates,” “projected,” “expects,” “anticipates,” “forecasts,” “plans,” “intends,” “believes,” “seeks,” “may,” “will,” “should,” “future,” “propose” and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements. These forward-looking statements include, without limitation, information concerning Babylon’s possible or assumed future results of operations, business strategies, debt levels, competitive position, industry environment and potential growth opportunities.

These forward-looking statements are not guarantees of future performance, conditions, or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside of Babylon’s management’s control, that could cause actual results to differ materially from the results discussed in the forward-looking statements. These risks, uncertainties, assumptions and other important factors include, but are not limited to our future financial and operating results and that we may require additional financing; uncertainties related to our ability to continue as a going concern; the growth of our business and organization; risks associated with impairment of goodwill and other intangible assets; our failure to compete successfully; our ability to renew contracts with existing customers, and risks of contract renewals at lower fee levels, or significant reductions in members, pricing or premiums under our contracts due to factors outside our control; our dependence on our relationships with physician-owned entities; our ability to maintain and expand a network of qualified providers; our ability to increase engagement of individual members or realize the member healthcare cost savings that we expect; a significant portion of our revenue comes from a limited number of customers; the uncertainty and potential inadequacy of our claims liability estimates for medical costs and expenses; risks associated with estimating the amount and timing of revenue recognized under our licensing agreements and value-based care agreements with health plans; risks associated with our physician partners’ failure to accurately, timely and sufficiently document their services; risks associated with inaccurate or unsupportable information regarding risk adjustment scores of members in records and submissions to health plans; risks associated with reduction of reimbursement rates paid by third-party payers or federal or state healthcare programs; risks associated with regulatory proposals directed at containing or lowering the cost of healthcare, including the ACO REACH model; immaturity and volatility of the market for telemedicine and our unproven digital-first approach; our ability to develop and release new solutions and services; the impact of COVID-19 or any other pandemic, epidemic or outbreak of an infectious disease in the United States or worldwide on our business; and the other risks and uncertainties identified in Babylon’s Annual Report on Form 20-F filed with the SEC on March 30, 2022, and in other documents filed or to be filed by Babylon with the SEC and available at the SEC’s website at [www.sec.gov](http://www.sec.gov).

Babylon cautions that the foregoing list of factors is not exclusive and cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Except as required by law, Babylon does not undertake any obligation to update or revise its forward-looking statements to reflect events or circumstances after the date of this press release.

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**Table 1**  
**Babylon Holdings Limited**  
**Consolidated Statement of Profit and Loss and Other Comprehensive Loss**  
**(Unaudited)**

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Revenue:				
Value-based care	244,098	39,133	490,673	66,392
Software licensing	7,375	8,281	15,131	44,245
Clinical services	13,889	10,064	26,004	18,134
<b>Total revenue</b>	<b>265,362</b>	<b>57,478</b>	<b>531,808</b>	<b>128,771</b>
Claims expense	(238,764)	(40,384)	(486,316)	(64,301)
Clinical care delivery expense	(21,649)	(16,013)	(45,576)	(27,836)
Platform & application expenses	(13,356)	(14,943)	(30,059)	(21,377)
Research & development expenses	(18,658)	(6,811)	(28,715)	(17,201)
Sales, general & administrative expenses	(67,969)	(45,127)	(126,279)	(76,606)
Impairment expense	(53,224)	—	(53,224)	—
<b>Operating loss</b>	<b>(148,258)</b>	<b>(65,800)</b>	<b>(238,361)</b>	<b>(78,550)</b>
Finance costs	(9,816)	(1,251)	(16,444)	(2,243)
Finance income	128	14	383	28
Change in fair value of warrant liabilities	10,791	—	16,366	—
Loss on settlement of warrants	(2,375)	—	(2,375)	—
Exchange (loss) / gain	(7,350)	482	(7,797)	(91)
<b>Net finance expense</b>	<b>(8,622)</b>	<b>(755)</b>	<b>(9,867)</b>	<b>(2,306)</b>
Gain on sale of subsidiary	—	—	—	3,917
Share of loss of equity-accounted investees	—	(821)	—	(1,276)
<b>Loss before taxation</b>	<b>(156,880)</b>	<b>(67,376)</b>	<b>(248,228)</b>	<b>(78,215)</b>
Tax (provision) / benefit	(199)	2,501	(208)	2,493
<b>Loss for the period</b>	<b>(157,079)</b>	<b>(64,875)</b>	<b>(248,436)</b>	<b>(75,722)</b>
<b>Other comprehensive loss</b>				
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Currency translation differences	1,495	1,687	(2,258)	(67)
<b>Other comprehensive loss for the period, net of income tax</b>	<b>1,495</b>	<b>1,687</b>	<b>(2,258)</b>	<b>(67)</b>
<b>Total comprehensive loss for the period</b>	<b>(155,584)</b>	<b>(63,188)</b>	<b>(250,694)</b>	<b>(75,789)</b>
<b>Loss attributable to:</b>				
Equity holders of the parent	(157,079)	(64,441)	(248,436)	(74,907)
Non-controlling interest	—	(434)	—	(815)
	(157,079)	(64,875)	(248,436)	(75,722)
<b>Total comprehensive loss attributable to:</b>				
Equity holders of the parent	(155,584)	(62,754)	(250,694)	(74,974)
Non-controlling interest	—	(434)	—	(815)
	(155,584)	(63,188)	(250,694)	(75,789)
<b>Net loss per share, Basic and Diluted</b>	<b>(0.41)</b>	<b>(0.26)</b>	<b>(0.64)</b>	<b>(0.31)</b>

**Table 2**  
**Babylon Holdings Limited**  
**Consolidated Statement of Cash Flows**  
**(Unaudited)**

	<b>For the Six Months Ended June 30,</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Loss for the period	(248,436)	(75,722)
<i>Adjustments to reconcile Loss for the period to net cash used in operating activities:</i>		
Share-based compensation	18,966	12,344
Depreciation and amortization	21,402	13,322
Impairment expense	53,224	—
Finance costs	16,444	2,243
Finance income	(383)	(28)
Change in fair value of warrant liabilities	(16,366)	—
Loss on settlement of warrants	2,375	—
Exchange loss	7,797	91
Taxation	208	(2,493)
Gain on sale of subsidiary	—	(3,917)
Share of loss of equity-accounted investees	—	1,276
	<u>(144,769)</u>	<u>(52,884)</u>
<i>Working capital adjustments</i>		
Decrease / (increase) in trade and other receivables	5,489	(12,414)
Increase / (decrease) in trade and other payables	12,335	44,372
(Increase) / decrease in assets/liabilities held for sale	—	1,460
<b>Net cash used in operating activities</b>	<u>(126,945)</u>	<u>(19,466)</u>
<b>Cash flows from investing activities</b>		
Development costs capitalized	(17,449)	(16,254)
Capital expenditures	(6,977)	(2,444)
Interest received	383	7
Proceeds from sale of investment in subsidiary	—	2,213
Payment for acquisition of subsidiaries	—	(13,835)
Purchase of shares in associates and joint ventures	—	(5,000)
<b>Net cash used in investing activities</b>	<u>(24,043)</u>	<u>(35,313)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of notes and warrants	100,000	—
Payment of equity and debt issuance costs	(5,499)	—
Interest paid	(4,644)	(1,826)
Principal payments on leases	(2,435)	(2,293)
Other financing activities, net	(1,736)	(366)
<b>Net cash provided by (used in) financing activities</b>	<u>85,686</u>	<u>(4,485)</u>
Net increase in cash and cash equivalents	(65,302)	(59,264)
<b>Cash and cash equivalents at January 1,</b>	<b>262,581</b>	<b>101,757</b>
Effect of movements in exchange rate on cash held	(10,322)	(112)
<b>Cash and cash equivalents at end of period</b>	<u><b>186,957</b></u>	<u><b>42,381</b></u>

**Table 3**  
**Babylon Holdings Limited**  
**Consolidated Statement of Financial Position**  
**(Unaudited)**

	<b>June 30, 2022</b>	<b>December 31, 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Right-of-use assets	17,972	7,844
Property, plant and equipment	26,698	24,990
Goodwill	43,041	93,678
Other intangible assets	105,846	111,421
<b>Total non-current assets</b>	<b>193,557</b>	<b>237,933</b>
<b>Current assets</b>		
Right-of-use assets	5,057	3,999
Trade and other receivables	28,333	24,119
Prepayments and contract assets	18,417	26,000
Cash and cash equivalents	186,957	262,581
<b>Total current assets</b>	<b>238,764</b>	<b>316,699</b>
<b>Total assets</b>	<b>432,321</b>	<b>554,632</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Ordinary share capital	16	16
Share premium	927,183	922,897
Share-based payment reserve	101,132	80,371
Retained earnings	(1,086,422)	(837,986)
Foreign currency translation reserve	(2,285)	(27)
<b>Total capital and reserves</b>	<b>(60,376)</b>	<b>165,271</b>
<b>Total equity</b>	<b>(60,376)</b>	<b>165,271</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	268,665	168,601
Contract liabilities	54,781	70,396
Lease liabilities	18,028	8,442
Deferred grant income	7,504	7,236
Deferred tax liability	764	1,019
<b>Total non-current liabilities</b>	<b>349,742</b>	<b>255,694</b>
<b>Current liabilities</b>		
Trade and other payables	30,818	22,686
Accruals and provisions	43,283	36,856
Claims payable	38,657	24,628
Contract liabilities	20,552	23,786
Warrant liability	2,881	20,128
Lease liabilities	5,245	4,190
Deferred grant income	1,519	1,208
Loans and borrowings	—	185
<b>Total current liabilities</b>	<b>142,955</b>	<b>133,667</b>
<b>Total liabilities</b>	<b>492,697</b>	<b>389,361</b>
<b>Total liabilities and equity</b>	<b>432,321</b>	<b>554,632</b>

**Table 4**  
**Babylon Holdings Limited**  
**Non-IFRS Financial Measures**  
**(Unaudited)**

EBITDA is defined as profit (loss) for the period, adjusted for finance costs and income, depreciation and amortization, and tax provision or benefit. Adjusted EBITDA is defined as profit (loss) for the period, adjusted for finance costs and income, depreciation and amortization, tax provision or benefit, impairment expenses, change in fair value of warrant liabilities, loss on settlement of warrants, share-based compensation, foreign exchange gain or loss, restructuring and other one-time benefit arrangements and gain or loss on sale of subsidiaries. Loss for the period is the most directly comparable IFRS measure to Adjusted EBITDA. Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Total revenue for the corresponding period. Medical Loss Ratio and Medical Margin are derived from amounts presented in the Statement of Profit and Loss included in the table below.

We believe that EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Medical Loss Ratio and Medical Margin (collectively, the “Non-IFRS Measures”) are useful metrics for investors to understand and evaluate our operating results and ongoing profitability because they permit investors to evaluate our recurring profitability from our ongoing operating activities.

EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Medical Loss Ratio and Medical Margin have certain limitations, and you should not consider them in isolation or as a substitute for analysis of our results of operations as reported under IFRS. We caution investors that amounts presented in accordance with our definitions of any of the Non-IFRS Measures may not be comparable to similar measures disclosed by other issuers, because some issuers calculate certain of the Non-IFRS Measures differently or not at all, limiting their usefulness as direct comparative measures.

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The following table presents a reconciliation of specific IFRS measures to the Non-IFRS Measures used by management. These include EBITDA and Adjusted EBITDA from the most directly comparable IFRS measure, Loss for the period, and the calculations of IFRS Loss for the Period Margin, Adjusted EBITDA Margin, Medical Loss Ratio and Medical Margin, for the three and six months ended June 30, 2022 and 2021:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<b>Loss for the period</b>	<b>(157,079)</b>	<b>(64,875)</b>	<b>(248,436)</b>	<b>(75,722)</b>
<i>Adjustments to calculate EBITDA:</i>				
Finance costs and income	9,688	1,237	16,061	2,215
Depreciation and amortization	11,944	7,474	21,402	13,322
Tax provision / (benefit)	199	(2,501)	208	(2,493)
<b>EBITDA</b>	<b>(135,248)</b>	<b>(58,665)</b>	<b>(210,765)</b>	<b>(62,678)</b>
<i>Adjustments to calculate Adjusted EBITDA:</i>				
Impairment expense	53,224	—	53,224	—
Change in fair value of warrant liabilities	(10,791)	—	(16,366)	—
Loss on settlement of warrants	2,375	—	2,375	—
Share-based compensation	10,564	9,542	18,966	12,344
Exchange loss / (gain)	7,350	(482)	7,797	91
Restructuring and other one-time benefit arrangements	3,848	—	3,848	—
Gain on sale of subsidiary	—	—	—	(3,917)
<b>Adjusted EBITDA</b>	<b>(68,678)</b>	<b>(49,605)</b>	<b>(140,921)</b>	<b>(54,160)</b>
Total revenue	265,362	57,478	531,808	128,771
Value-based care revenue	244,098	39,133	490,673	66,392
Claims expense	(238,764)	(40,384)	(486,316)	(64,301)
IFRS Loss for the Period Margin	(59.2)%	(112.9)%	(46.7)%	(58.8)%
Adjusted EBITDA Margin	(25.9)%	(86.3)%	(26.5)%	(42.1)%
Medical Loss Ratio	97.8%	103.2%	99.1%	96.9%
Medical Margin	2.2%	(3.2)%	0.9%	3.1%

#### Contacts:

##### Media

[press@babylonhealth.com](mailto:press@babylonhealth.com)

##### Investors

[investors@babylonhealth.com](mailto:investors@babylonhealth.com)



Q2 2022 Earnings  
August 2022



Putting an accessible and affordable quality  
health service in the hands of every person on Earth

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# Disclaimer

## Additional information and where to find it

Babylon Holdings Limited ("Babylon") is subject to the informational reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We file reports and other information with the Securities and Exchange Commission (the "SEC") under the Exchange Act. Our SEC filings are available over the Internet at the SEC's website at [www.sec.gov](http://www.sec.gov).

## Forward-looking statements

This presentation contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to future events or our future financial or operating performance. When used in this presentation, the words "estimates," "projected," "expects," "anticipates," "forecasts," "plans," "intends," "believes," "seeks," "may," "will," "should," "future," "propose" and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements. These forward-looking statements include, without limitation, information concerning Babylon's possible or assumed future results of operations, business strategies, debt levels, competitive position, industry environment and potential growth opportunities.

These forward-looking statements are not guarantees of future performance, conditions, or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside of Babylon's management's control, that could cause actual results to differ materially from the results discussed in the forward-looking statements. These risks, uncertainties, assumptions and other important factors include, but are not limited to our future financial and operating results and that we may require additional financing; uncertainties related to our ability to continue as a going concern; the growth of our business and organization; risks associated with impairment of goodwill and other intangible assets; our failure to complete successfully; our ability to renew contracts with existing customers, and risks of contract renewals at lower fee levels, or significant reductions in members, pricing or premiums under our contracts due to factors outside our control; our dependence on our relationships with physician-owned entities; our ability to maintain and expand a network of qualified providers; our ability to increase engagement of individual members or realize the member healthcare cost savings that we expect; a significant portion of our revenue comes from a limited number of customers; the uncertainty and potential inadequacy of our claims liability estimates for medical costs and expenses; risks associated with estimating the amount and timing of revenue recognized under our licensing agreements and value-based care agreements with health plans; risks associated with our physician partners' failure to accurately, timely and sufficiently document their services; risks associated with inaccurate or unsupportable information regarding risk adjustment scores of members in records and submissions to health plans; risks associated with reduction of reimbursement rates paid by third-party payers or federal or state healthcare programs; risks associated with regulatory proposals directed at containing or lowering the cost of healthcare, including the ACO REACH model; immaturity and volatility of the market for telemedicine and our unproven digital-first approach; our ability to develop and release new solutions and services; the impact of COVID-19 or any other pandemic, epidemic or outbreak of an infectious disease in the United States or worldwide on our business; and the other risks and uncertainties identified in Babylon's Annual Report on Form 20-F filed with the SEC on March 30, 2022, and in other documents filed or to be filed by Babylon with the SEC and available at the SEC's website at [www.sec.gov](http://www.sec.gov).

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## Information sources

The information herein is derived from various internal and external sources. Unless otherwise indicated, information contained in this presentation concerning Babylon's industry and the regions in which it operates, including Babylon's general expectations and market position, market opportunity, market share and other management estimates, is based on information obtained from various independent public available sources and reports provided to us, and other industry publications, surveys and forecasts. We have not independently verified the accuracy or completeness of any third-party information. Similarly, internal surveys, industry forecasts and market research, which we believe to be reliable based upon our management's knowledge of the industry, have not been independently verified. While we believe that the market data, industry forecasts and similar information included in this presentation are generally reliable, such information is inherently imprecise. In addition, assumptions and estimates of our future performance and growth objectives and the future performance of our industry and its markets in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those discussed under the heading "Forward-looking statements" and our filings with the SEC.

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## Use of Non-IFRS Financial Measures

This presentation includes certain financial measures to evaluate Babylon's historical and projected financial and operating performance, all measures calculated based on these measures, including Adjusted EBITDA, Adjusted EBITDA Margin, Medical Loss Ratio and Medical Margin that are not prepared in accordance with IFRS. EBITDA is defined as profit (loss) for the period, adjusted for finance costs and income depreciation and amortization, and tax provision or benefit. Adjusted EBITDA is defined as profit (loss) for the period, adjusted for finance costs and income, depreciation and amortization, tax provision or benefit, change in fair value of warrant liabilities, loss on settlement of warrant share-based compensation, impairment expenses, foreign exchange gain, restructuring and other one-time benefit arrangements, or loss or gain or loss on sale of subsidiaries. Loss for the period is the most directly comparable IFRS measure to Adjusted EBITDA. Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Total revenue for the corresponding period. IFRS Loss for the period margin is the most directly comparable IFRS measure to Adjusted EBITDA Margin. Medical Loss Ratio and Medical Margin are derived from amounts presented in the Statement of Profit and other Comprehensive Loss included in the "Financial Statements and Reconciliations" section of this presentation.

We believe that EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Medical Loss Ratio and Medical Margin are useful metrics for investors to understand and evaluate our operating results and ongoing profitability because they permit investors to evaluate our recurring profitability from our ongoing operating activities. EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Medical Loss Ratio and Medical Margin have certain limitations, and you should not consider them in isolation or as a substitute for analysis of our results of operations as reported under IFRS. We caution investors that amounts presented in accordance with our definitions of EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Medical Loss Ratio and Medical Margin may not be comparable to similar measures disclosed by other issuers, because some issuers calculate EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Medical Loss Ratio and Medical Margin differently or not at all, limiting their usefulness as direct comparative measures.

A reconciliation of EBITDA and Adjusted EBITDA from the most directly comparable IFRS measure, Loss for the period, and the calculations of IFRS Loss for the period margin, Adjusted EBITDA Margin, Medical Loss Ratio and Medical Margin have been provided in the "Financial Statements and Reconciliations" section of this presentation.

We are not able to reconcile projected 2022 Adjusted EBITDA or 2022 Adjusted EBITDA Margin to their respective most directly comparable IFRS measures as we are not able to forecast IFRS loss on a forward-looking basis without unreasonable efforts due to the high variability or difficulty in predicting certain items that affect IFRS loss for the period, including, but not limited to, impairment expense, share-based compensation, restructuring and other one-time benefit expenses, foreign exchange gains or losses, and gains and losses on sale of subsidiaries. Adjusted EBITDA should not be used to predict IFRS loss as the difference between the two measures is variable and may be significant.

# Summary Progress for Q2 2022

## Key Highlights

**362%**

Revenue growth year-over-year

**+60ppt**

Adjusted EBITDA Margin improvement  
year-over-year

**6.2x**

Growth in VBC Revenue  
year-over-year

**Total revenue** of **\$265m**, representing a **362%** increase from Q2 2021 revenue of \$57m

**VBC revenue grew 6.2x** year-over-year, while **U.S. VBC membership increased of 3.2x** over the same period, with Medicare and Commercial populations providing **~40%** of total VBC revenue

Clinical Care Delivery Expense decreased as a percentage of total revenue from **28%** to **8%**. Medical Margin<sup>1</sup> improved by 5 percentage points over the period from (3)% in Q2 2021 to 2% in Q2 2022

Adj. EBITDA Margin improvement of **60 percentage points** year-over-year to **(26)%** as operating efficiencies deliver steady margin improvement

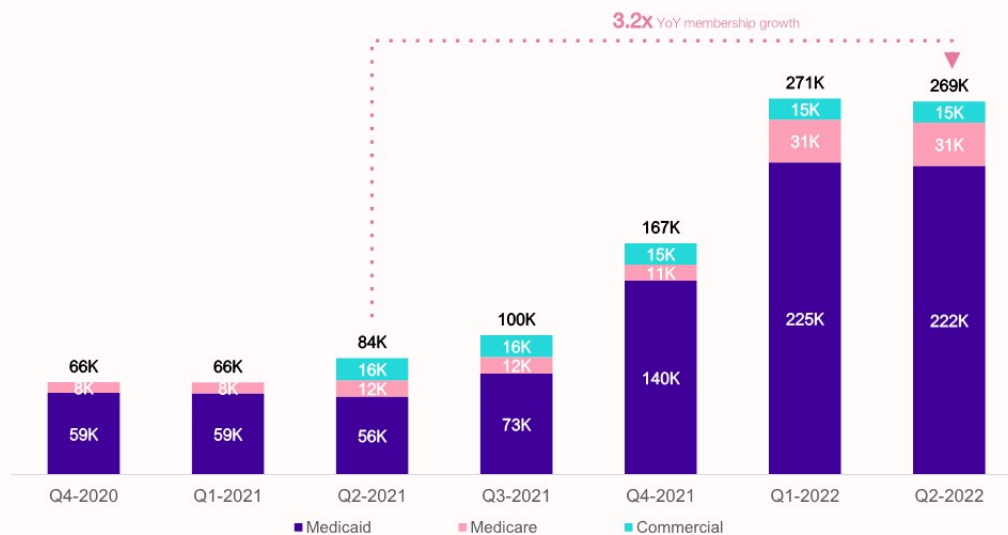
Reiterating **revenue guidance** for 2022 of **\$1.0bn or greater** and reiterating updated **Adjusted EBITDA guidance** to be **\$(270)m or less**

<sup>3</sup> Notes: <sup>(1)</sup> Medical Margin is defined as 1 minus Medical Loss Ratio. Medical Loss Ratio is defined as the absolute value of Claims Expense divided by VBC revenue



# U.S. Value-Based Care Membership Growth

U.S. Value-Based Care Membership<sup>(1)</sup>

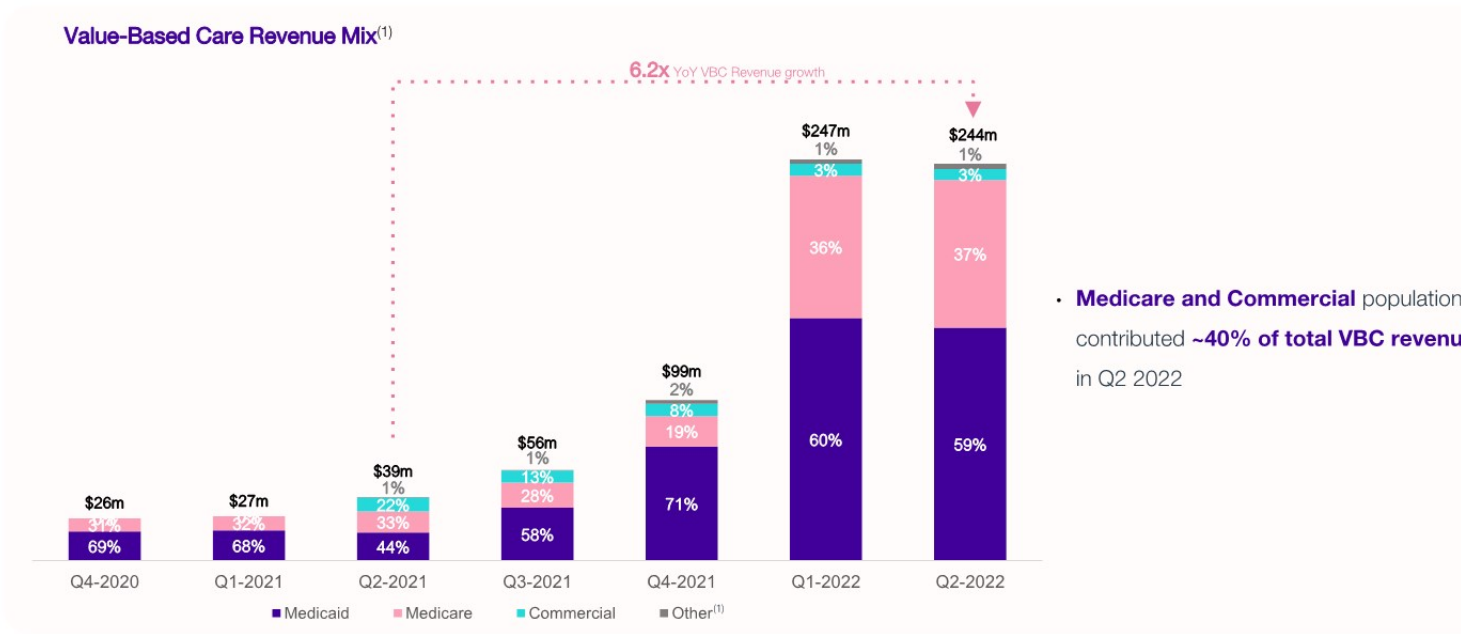


- Maintained U.S. VBC membership in Q2 2022 at **~270k**, representing a **3.2x** increase on Q2 2021

Notes: <sup>(1)</sup> Rounded to nearest thousand. "U.S. VBC Members" means individuals who are covered by one of our U.S. value-based care agreements with a health plan or healthcare provider. Under these agreements, we take financial responsibility for all or some of the surpluses or deficits in total actual costs under the agreement compared to our negotiated fixed per member per month, or capitation, allocation. Total U.S. VBC Members for December 31, 2020 and December 31, 2021 as per Babylon's Annual Report on Form 20-F filed with the SEC on March 30, 2022. VBC membership figures may include some estimates for lagging data provided by health plans and may be subject to true-ups and adjustments in the future.



# Value-Based Care Revenue Mix

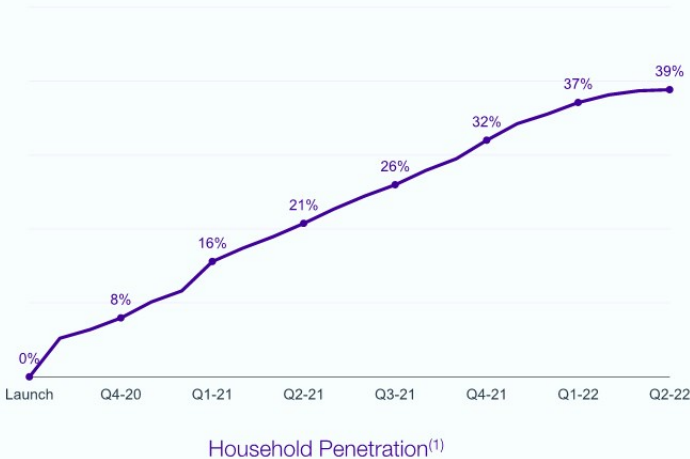


5 Notes: <sup>(1)</sup> Other includes certain revenue generating items not included within Medicaid, Medicare and Commercial categories such as High revenue and third party admin fee revenue.

# We are continuing to see strong progress in our Home State Health population

By proactively engaging our members...

... we are already seeing a reduction in ER visits



31%

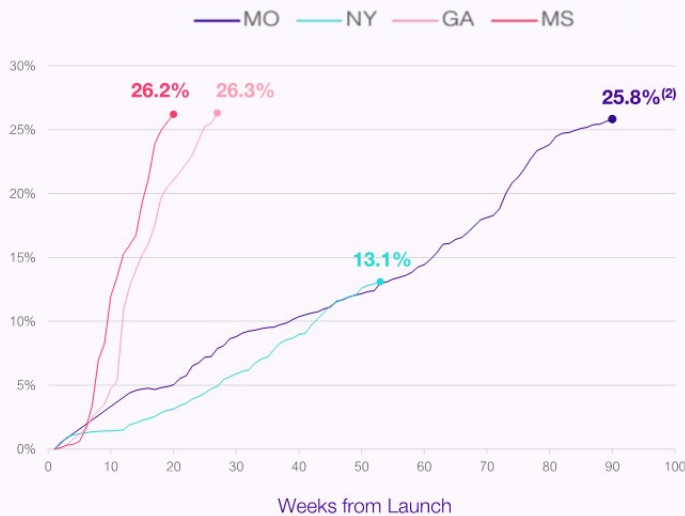
of appointments avoided an Emergency Room or Urgent Care visit<sup>(2)</sup>

Notes: <sup>(1)</sup> Home State Health VBC Household Penetration, Oct 2020 to June 2022. Babylon defines household penetration as obtaining a sign-up from at least one individual that lives in a household in its eligible population, meaning at least one individual in the household has created a profile (through app or web registration) to generate a Babylon account. <sup>(2)</sup> Babylon US data for Babylon's HSH VBC deal, October 2020 to June 2022.



# Our Performance Continues to Accelerate as We Learn from Each Contract

% of High-Risk Members Signed Up Since Launch<sup>(1)</sup>

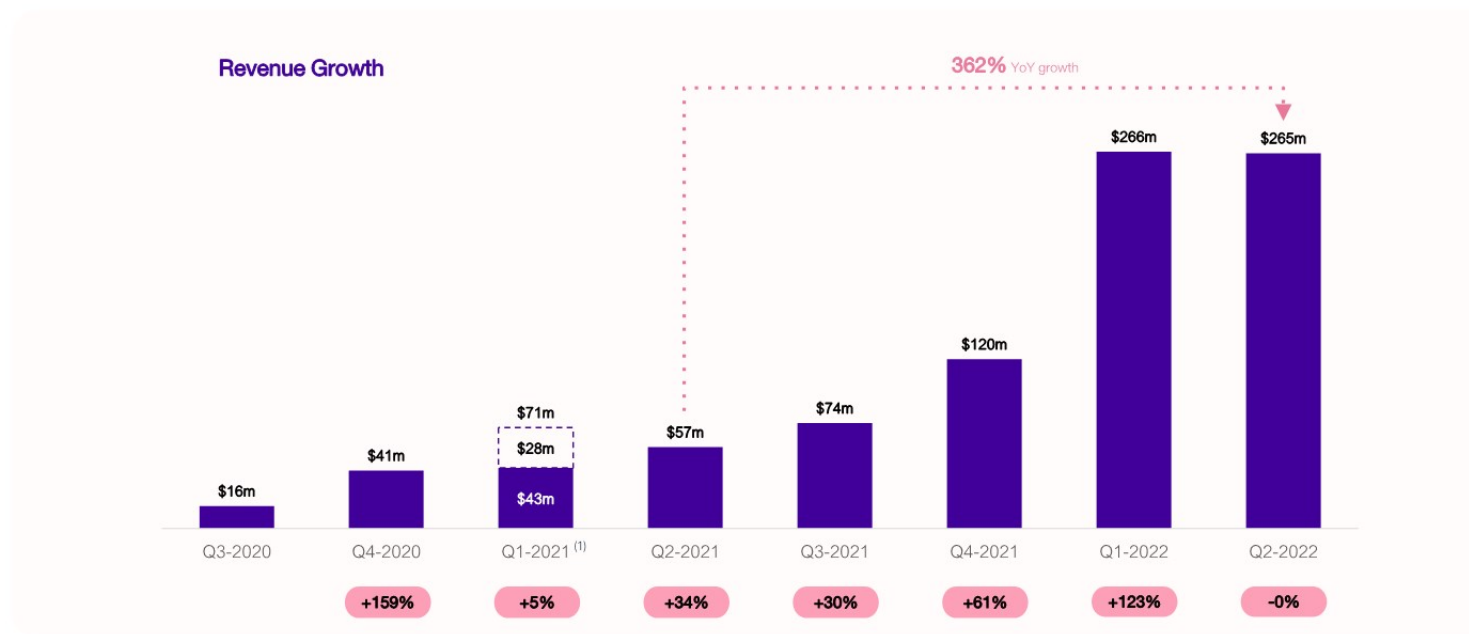


- Compared to New York and Missouri contracts, our weekly high-risk members' sign up rates for Georgia have been **~4x** faster and Mississippi rates have been **6-7x<sup>(3)</sup>** faster
- Continuous optimization and tailored outreach approach driving improvement in penetration rates over time
- Onboarding high-risk members early allows Babylon to quickly stratify and manage the most expensive populations' health needs

Notes: **(1)** Representative of unique members on the platform, recalculated for 30 June 2022 **(2)** Missouri data from Weeks 1 to 13 from launch taken as straight line average due to incomplete data. **(3)** Calculated by comparing % of high-risk sign ups per weeks since initial outreach.

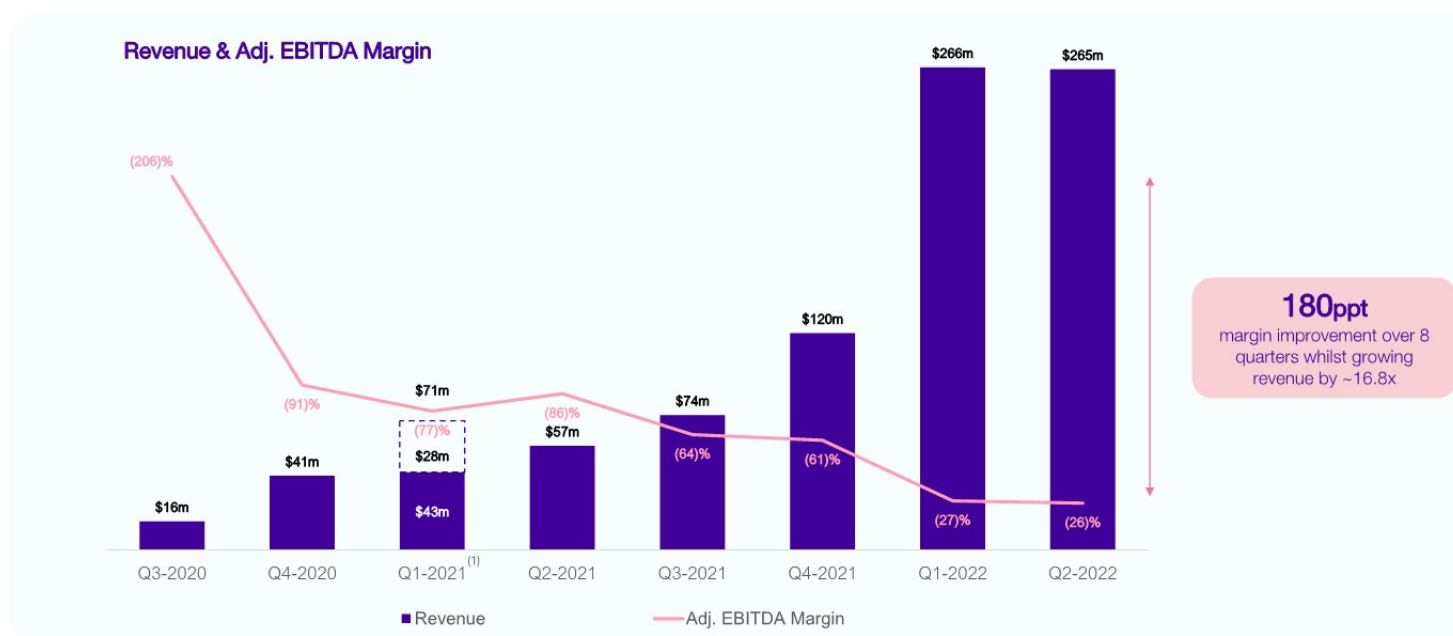


# Revenue and Revenue Growth (unaudited)



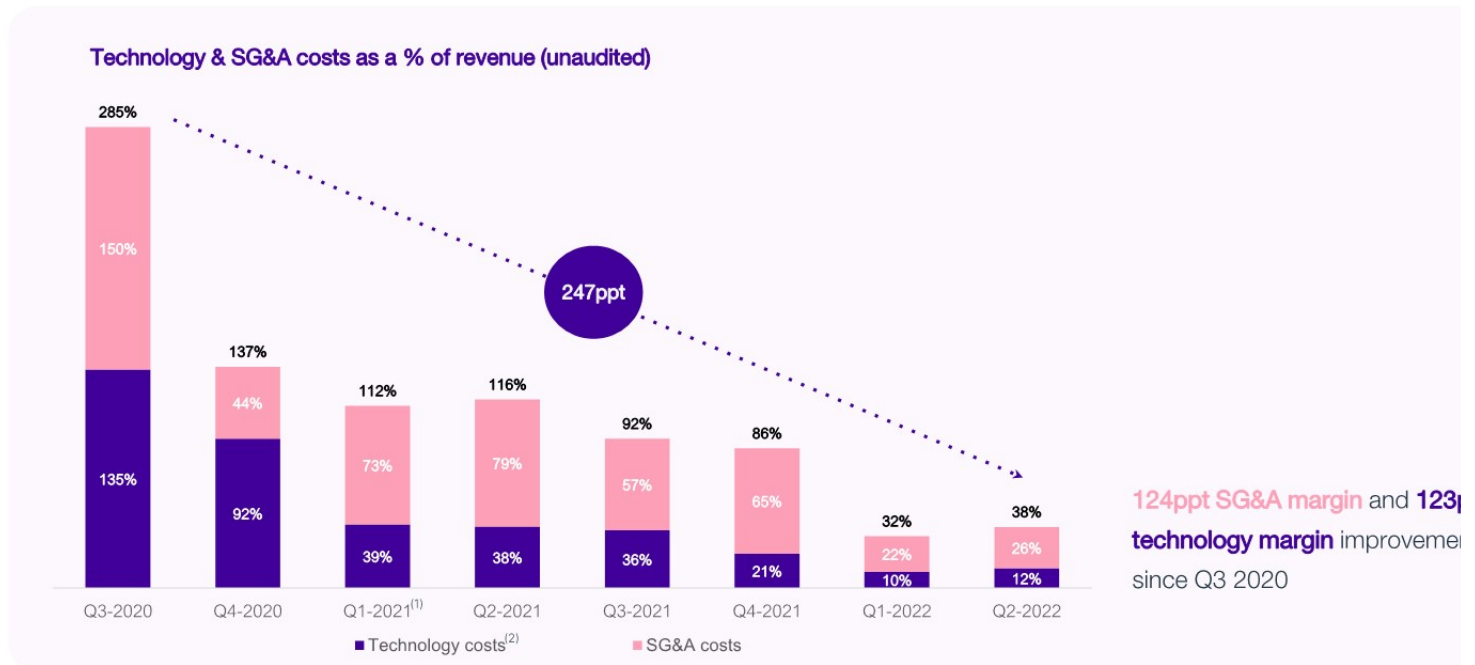
8 Notes: (1) \$28.4m of one-off upfront revenue recognition in connection with a software licensing arrangement in Q1 2021

# Underlying Revenue and Adjusted EBITDA Margin (unaudited)



Notes: <sup>(1)</sup> \$28.4m of one-off upfront revenue recognition in connection with a software licensing arrangement in Q1 2021. Adjusted EBITDA Margin for Q1 2021 has been calculated excluding the one-off \$28.4m revenue from both revenue and Adjusted EBITDA figures

# Operational Leverage



Notes: (1) \$28.4m of one-off upfront revenue recognition in connection with a software licensing arrangement in Q1 2021. Technology costs and SG&A costs as percentages of revenue have been calculated excluding the one-off \$28.4m revenue from Q1 2021 (2) Technology costs include Platform & Application expenses and Research & Development expenses



# We Have Strategic Initiatives Targeting **Adj. EBITDA Improvement of Up To \$100m Per Year**

## Key initiatives

- 1 Centralisation of cost base supporting South-East Asia operations to UK & US
- 2 Contract negotiation and delivery of operational efficiencies in current services
- 3 Rationalisation of surplus office capacity, elimination of non-core satellite offices, and optimising lease renewals
- 4 Synergies from integration of acquired businesses
- 5 Streamlining of supplier, professional services and insurance costs
- 6 People optimisation to focus on core strategic business areas



Implementation expected during Q3 2022 with **financial impact predominantly from Q4 2022 onwards**

**Full cost saving run rate of up to \$100m per year** expected to be achieved during 2023



# Guidance Update

## Revenue Guidance

- Reiterating full year guidance of **\$1.0bn or greater**

## Adjusted EBITDA Guidance

- Reiterating improved guidance from \$(295)m or less to **\$(270)m or less for the full year**

## Reiterating Long Term Profitability Guidance

- Adjusted EBITDA and cash flow breakeven **no later than 2025**



# Financial Statements and Reconciliations

# Consolidated Statement of Profit and Other Comprehensive Loss (unaudited)

(USD '000s)	Q2-2021	Q3-2021	Q4-2021	Q1-2022	Q2-2022
Software licensing revenue	8,281	7,983	7,824	7,756	7,375
Clinical services revenue	10,064	10,764	13,119	12,115	13,889
Value-based care revenue	39,133	55,715	98,745	246,575	244,098
<b>Revenue</b>	<b>57,478</b>	<b>74,462</b>	<b>119,688</b>	<b>266,446</b>	<b>265,362</b>
Clinical care delivery expense	(16,013)	(17,038)	(25,173)	(23,927)	(21,649)
Claims expense	(40,384)	(51,298)	(104,026)	(247,552)	(238,764)
Cost of care delivery	(56,397)	(68,336)	(129,199)	(271,479)	(260,413)
Platform & application expenses	(14,943)	(7,127)	(14,325)	(16,703)	(13,356)
Research & development expenses	(6,811)	(19,339)	(10,994)	(10,057)	(18,658)
Sales, general & administrative expenses	(45,127)	(42,166)	(77,902)	(58,310)	(67,969)
Impairment Expense	-	-	-	-	(53,224)
Recapitalization transaction expense	-	-	(148,722)	-	-
<b>Operating loss</b>	<b>(65,800)</b>	<b>(62,506)</b>	<b>(261,454)</b>	<b>(90,103)</b>	<b>(148,258)</b>
Finance costs and income	(1,237)	(2,049)	(9,701)	(6,373)	(9,688)
Change in fair value of warrant liabilities	-	-	27,811	5,575	10,791
Gain / loss on settlement of debt	-	-	-	-	(2,375)
Exchange (loss)/gain	482	(396)	1,355	(447)	(7,350)
<b>Net finance (expense)</b>	<b>(755)</b>	<b>(2,445)</b>	<b>19,465</b>	<b>(1,245)</b>	<b>(8,622)</b>
Gain on sale of subsidiary	-	-	-	-	-
Gain on remeasurement of equity interest	-	-	10,495	-	-
Share of loss of equity-accounted investees	(821)	(1,017)	(309)	-	-
<b>Loss before taxation</b>	<b>(67,376)</b>	<b>(65,968)</b>	<b>(231,803)</b>	<b>(91,348)</b>	<b>(156,880)</b>
Tax (provision)/benefit	2,501	(7)	(1,012)	(9)	(199)
<b>Loss for the period</b>	<b>(64,875)</b>	<b>(65,975)</b>	<b>(232,815)</b>	<b>(91,357)</b>	<b>(157,079)</b>
<b>Other comprehensive loss</b>					
Items that may be reclassified subsequently to profit or loss:					
Currency translation differences	1,687	(159)	(1,476)	(3,753)	1,495
<b>Other comprehensive (loss) / gain for the period, net of income tax</b>	<b>1,687</b>	<b>(159)</b>	<b>(1,476)</b>	<b>(3,753)</b>	<b>1,495</b>
<b>Total comprehensive loss for the period</b>	<b>(63,188)</b>	<b>(66,134)</b>	<b>(234,291)</b>	<b>(95,110)</b>	<b>(155,584)</b>
<b>Loss attributable to:</b>					
Equity holders of the parent	(64,441)	(65,247)	(228,329)	(91,357)	(157,079)
Non-controlling interest	(434)	(728)	(4,486)	-	-
<b>Total loss for the period</b>	<b>(64,875)</b>	<b>(65,975)</b>	<b>(232,815)</b>	<b>(91,357)</b>	<b>(157,079)</b>
<b>Total comprehensive loss attributable to:</b>					
Equity holders of the parent	(62,754)	(65,406)	(229,805)	(95,110)	(155,584)
Non-controlling interest	(434)	(728)	(4,486)	-	-
<b>Total comprehensive loss for the period</b>	<b>(63,188)</b>	<b>(66,134)</b>	<b>(234,291)</b>	<b>(95,110)</b>	<b>(155,584)</b>

# Consolidated Statement of Financial Position (unaudited)



(USD '000s)	Q2-2021	Q3-2021	Q4-2021	Q1-2022	Q2-2022
<b>ASSETS</b>					
<b>Non-current assets</b>					
Right-of-use assets	10,135	7,297	7,844	20,014	17,972
Property, plant and equipment	2,879	5,964	24,990	25,694	26,698
Investments in associates	12,600	11,583	-	-	-
Goodwill	31,303	30,503	93,678	93,655	43,041
Other intangible assets	102,331	102,048	111,421	112,830	105,846
<b>Total non-current assets</b>	<b>159,248</b>	<b>157,395</b>	<b>237,933</b>	<b>252,193</b>	<b>193,557</b>
<b>Current assets</b>					
Right-of-use assets	3,487	3,783	3,999	5,454	5,057
Trade and other receivables	28,218	31,124	24,199	27,981	28,333
Prepayments and contract assets	9,253	11,789	26,000	21,971	18,417
Cash and cash equivalents	42,381	37,132	262,581	274,978	186,957
<b>Total current assets</b>	<b>83,339</b>	<b>83,828</b>	<b>316,699</b>	<b>330,384</b>	<b>238,764</b>
<b>Total Assets</b>	<b>242,587</b>	<b>241,223</b>	<b>554,632</b>	<b>582,577</b>	<b>432,321</b>

(USD '000s)	Q2-2021	Q3-2021	Q4-2021	Q1-2022	Q2-2022
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Ordinary share capital	10	10	16	16	
Preference share capital	4	4	-	-	
Share premium	557,569	557,569	922,897	923,093	927,1
Share based payment reserve	45,286	52,861	80,371	89,545	101,1
Retained Earnings	(544,411)	(609,658)	(837,986)	(929,343)	(1,086,4)
Foreign currency translation reserve	1,608	1,449	(27)	(3,780)	(2,2)
Non-controlling interests	(2,046)	(2,774)	-	-	
<b>Total Equity</b>	<b>58,020</b>	<b>(539)</b>	<b>165,271</b>	<b>79,531</b>	<b>(60,3)</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Other long term liabilities	-	2,388	-	-	
Contract liabilities	81,982	74,903	70,396	63,763	54,7
Deferred grant income	6,340	5,948	7,236	6,134	7,5
Lease liabilities	10,815	7,916	8,442	20,143	18,0
Loans and borrowings	-	-	168,601	262,142	268,6
Deferred tax liability	768	768	1,019	1,016	7
<b>Total non-current liabilities</b>	<b>99,905</b>	<b>91,923</b>	<b>255,694</b>	<b>353,198</b>	<b>349,7</b>
<b>Current Liabilities</b>					
Trade and other payables	17,736	20,373	22,687	25,198	30,8
Claims payable	14,158	17,265	24,628	39,165	38,6
Accruals and provisions	25,911	37,420	36,855	37,886	43,2
Contract liabilities	23,136	21,817	23,786	22,663	20,5
Deferred grant income	1,264	1,157	1,208	1,664	1,5
Lease liabilities	1,984	4,043	4,190	5,301	5,2
Loans and borrowings	473	47,764	185	-	
Warrant liability	-	-	20,128	17,971	2,8
<b>Total current liabilities</b>	<b>84,662</b>	<b>149,839</b>	<b>133,667</b>	<b>149,848</b>	<b>142,9</b>
<b>Total Liabilities</b>	<b>184,567</b>	<b>241,762</b>	<b>389,361</b>	<b>503,046</b>	<b>492,6</b>
<b>Total Liabilities and Equity</b>	<b>242,587</b>	<b>241,223</b>	<b>554,632</b>	<b>582,577</b>	<b>432,3</b>

# Consolidated Statement of Cash Flows (unaudited)



(USD '000s)	Q2-2021	Q3-2021	Q4-2021	Q1-2022	Q2-2022
<b>Cash flows from operating activities</b>					
Loss for the period	(64,875)	(65,975)	(232,815)	(91,357)	(157,079)
Adjustments to reconcile Loss for the period to net cash provided by (used in) operating activities:					
Recapitalization transaction expense	-	-	148,722	-	-
Finance costs	1,251	2,051	9,997	6,628	9,816
Finance income	(14)	(2)	(296)	(255)	(128)
Change in fair value of warrant liabilities	-	-	(27,811)	(5,575)	(10,791)
Loss on settlement of warrants	-	-	-	-	2,375
Depreciation and amortization	7,474	8,823	12,859	9,458	11,944
Share-based compensation	9,542	7,241	26,722	8,402	10,564
Taxation	(2,501)	7	1,012	9	199
Exchange (gain) / loss	(482)	396	(1,355)	447	7,350
Share of loss of equity-accounted investees	821	1,017	309	-	-
Gain on sale of subsidiary	-	-	-	-	-
Gain on remeasurement of equity interest	-	-	(10,495)	-	-
Impairment expense	-	-	941	-	53,224
Changes in working capital, net	7,818	5,533	(13,284)	3,286	14,538
<b>Net cash provided by (used in) operating activities</b>	<b>(40,966)</b>	<b>(40,908)</b>	<b>(85,494)</b>	<b>(68,957)</b>	<b>(57,988)</b>

(USD '000s)	Q2-2021	Q3-2021	Q4-2021	Q1-2022	Q2-2022
<b>Cash flows from investing activities</b>					
Capital expenditure	(2,133)	(2,887)	(2,772)	(2,613)	(4,311)
Interest received	(7)	23	296	255	1
Development costs capitalized	(9,056)	(7,820)	(8,046)	(9,298)	(8,111)
Payment for acquisition of subsidiaries	(13,835)	-	37	-	-
Proceeds from sale of investment in subsidiary	-	-	-	-	-
Purchase of shares in associates and joint ventures	(3,000)	-	-	-	-
Cash acquired from acquisitions without consideration	-	-	3,792	-	-
Payment of lease deposit	-	-	(2,105)	-	-
<b>Net cash used in investing activities</b>	<b>(28,031)</b>	<b>(10,684)</b>	<b>(8,798)</b>	<b>(11,656)</b>	<b>(12,311)</b>
<b>Cash flows from financing activities</b>					
Proceeds from issuance of notes and warrants	-	-	270,563	100,000	-
Payment of equity and debt issuance costs	-	(1,000)	(35,043)	(5,002)	(4,111)
Proceeds / (payments) from other loans	116	62,884	(63,000)	-	-
Other financing activities, net	-	-	12	(1,538)	(1,111)
Principal payments on leases	(773)	(384)	(1,479)	(460)	(1,911)
Repayment of loans	-	-	(7,431)	-	-
Gross proceeds from issuance of share capital	-	-	229,311	-	-
Equity transactions with minority interests	-	-	(2,352)	-	-
Repayment of cash loans	-	(15,000)	(67,000)	-	-
Interest paid	(1,808)	(990)	(2,403)	(22)	(4,611)
<b>Net cash (used in) provided by financing activities</b>	<b>(2,465)</b>	<b>45,510</b>	<b>321,178</b>	<b>92,978</b>	<b>(7,211)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(71,462)</b>	<b>(6,083)</b>	<b>226,886</b>	<b>12,365</b>	<b>(77,911)</b>

# Reconciliation of Adjusted EBITDA and Other Non-IFRS Measures



(USD '000s)	Q3-2020	Q4-2020	Q1-2021	Q2-2021	Q3-2021	Q4-2021	Q1-2022	Q2-2022
<b>IFRS Loss for the Period</b>	<b>(37,986)</b>	<b>(59,230)</b>	<b>(10,847)</b>	<b>(64,875)</b>	<b>(65,975)</b>	<b>(232,815)</b>	<b>(91,357)</b>	<b>(157,079)</b>
Adjustments to calculate EBITDA:								
Depreciation and amortization	3,072	4,956	5,848	7,474	8,823	12,859	9,458	11,944
Finance costs and income	478	879	978	1,237	2,049	9,701	6,373	9,688
Tax provision/(benefit)	63	1,639	8	(2,501)	7	1,012	9	199
<b>EBITDA</b>	<b>(34,373)</b>	<b>(51,756)</b>	<b>(4,013)</b>	<b>(58,665)</b>	<b>(55,096)</b>	<b>(209,243)</b>	<b>(75,517)</b>	<b>(135,248)</b>
Adjustments to calculate Adjusted EBITDA:								
Recapitalization transaction expense	-	-	-	-	-	148,722	-	-
Share-based compensation	2,019	7,105	2,802	9,542	7,241	26,722	8,402	10,564
Change in fair value of warrant liabilities	-	-	-	-	-	(27,811)	(5,575)	(10,791)
Loss on settlement of warrants	-	-	-	-	-	-	-	2,375
Gain on remeasurement of equity interest	-	-	-	-	-	(10,495)	-	-
Restructuring and other one-time benefit arrangements	-	-	-	-	-	-	-	3,848
Gain on sale of subsidiary	-	-	(3,917)	-	-	-	-	-
Impairment expense	-	6,404	-	-	-	941	-	53,224
Exchange (gain) / loss	(259)	949	573	(482)	396	(1,355)	447	7,350
<b>Adjusted EBITDA</b>	<b>(32,613)</b>	<b>(37,298)</b>	<b>(4,555)</b>	<b>(49,605)</b>	<b>(47,459)</b>	<b>(72,519)</b>	<b>(72,243)</b>	<b>(68,678)</b>
Total Revenue	15,811	40,958	71,293	57,478	74,462	119,688	266,446	265,362
IFRS Loss For The Period Margin	(240.3%)	(144.6%)	(15.2%)	(112.9%)	(88.6%)	(194.5%)	(34.3%)	(59.2%)
Adjusted EBITDA Margin	(206.3%)	(91.1%)	(6.4%)	(86.3%)	(63.7%)	(60.6%)	(27.1%)	(25.9%)
Value-based care revenue				39,133	55,715	98,745	246,575	244,098
Claims expense				(40,384)	(51,298)	(104,026)	(247,552)	(238,764)
Medical Loss Ratio				103.2%	92.1%	105.3%	100.4%	97.8%
Medical Margin				(3.2)%	7.9%	(5.3)%	(0.4)%	2.2%

Note: We are not able to reconcile projected 2022 Adjusted EBITDA or 2022 Adjusted EBITDA Margin to their respective most directly comparable IFRS measures as we are not able to forecast IFRS loss for the period on a forward-looking basis without unreasonable efforts due to the high variability and difficulty in predicting certain items that affect IFRS loss for the period, including, but not limited to, changes in fair value of warrant liabilities, impairment expense, share-based compensation, restructuring and other one-time benefit arrangements, foreign exchange gains and losses, and gains and losses on sale of subsidiaries. Adjusted EBITDA should not be used to predict IFRS loss for the period as the difference between the two measures is variable and may be significant.







## Risk Factors Summary

- We have a history of incurring losses, may not be able to achieve or maintain profitability, anticipate increasing expenses in the future and may require additional capital to support business growth. Additional financing may not be available on favorable terms or at all.
- Our historical operating results and dependency on further capital raising indicate substantial doubt exists related to our ability to continue as a going concern.
- If we fail to effectively manage our growth, we may be unable to execute our business plan, adequately address competitive challenges, maintain our corporate culture or grow at the rates we historically have achieved or at all.
- Goodwill and other intangible assets represent a significant portion of our assets, and an impairment of these assets could have a material adverse effect on our business, financial condition and results of operations.
- We may face intense competition, which could limit our ability to maintain or expand market share within our industry.
- Our existing customers may not continue or renew their contracts with us, or may renew at lower fee levels or decline to license additional applications and services from us, and significant reductions in members, per member per month (PMPM) fees, pricing or premiums under these contracts or occur due to factors outside our control.
- We are dependent on our relationships with physician-owned entities and our business could be harmed if those relationships or our arrangements with our providers or our customers were disrupted.
- Failure to maintain and expand a network of qualified providers could adversely affect our future growth and profitability.
- We may be unable to increase engagement of the individual members that interact with our platform, and even if we are successful in increasing member engagement, if we are unable to realize the member healthcare cost savings that we expect, our future profitability could be adversely affected.
- A significant portion of our revenue comes from a limited number of customers, and the loss of a material contract could adversely affect our business.
- The recognition of a portion of our revenue is subject to realizing healthcare cost savings and achieving quality performance metrics, and may not be representative of revenue for future periods.
- Our claims liability estimates for medical costs and expenses are uncertain and may not be adequate, and adjustments to our estimates may unfavorably impact our financial condition. If our estimates of the amount and timing of revenue recognized under our licensing agreements and value-based agreements with health plans are materially inaccurate, our revenue recognition could be impacted.
- Our physician partners' failure to accurately, timely and sufficiently document their services could result in nonpayment for services rendered or allegations of fraud. Our records and submissions to a health plan may contain inaccurate or unsupportable information regarding risk adjustment scores members.
- Reimbursement rates paid by third-party payers or federal, state or foreign healthcare programs may be reduced, and third-party payers or government payers may restrain our ability to obtain or provide services to our members.
- Regulatory proposals directed at containing or lowering the cost of healthcare, including the ACO REACH model, and our participation in such proposed models, could impact our business and results of operations.
- The market for telemedicine is immature and volatile and our digital-first approach is relatively new and unproven.
- We may not be able to develop and release new solutions and services, or successful enhancements, new features and modifications to our existing solutions and services. Our proprietary solutions may not properly operate or interoperate with our customers' existing and future infrastructures.
- Our relatively limited operating history makes it difficult to evaluate our current business and future prospects.
- If we are unable to hire and retain talent to operate our business, we may not be able to grow effectively.
- Our growth depends in part on the success of our relationships with third parties.
- Our quarterly results may fluctuate significantly, adversely impacting the value of our Class A ordinary shares.
- Risks associated with our international operations, economic uncertainty, or downturns.



## Risk Factors Summary (Continued)

- Failure to adequately expand our direct sales force will impede our growth.
- We may invest in or acquire other business and we may have difficulty integrating any such acquisitions successfully. We may also enter into collaborations and strategic alliances with third parties that may not result in the development of commercially viable solutions or the generation of significant future revenues.
- Our use of open-source software could adversely affect our ability to offer our solutions and subject us to possible litigation.
- Catastrophic events and man-made problems, and a pandemic, epidemic, or outbreak of an infectious disease, including the COVID-19 pandemic, could adversely affect our business.
- Our sales and implementation cycle can be long and unpredictable and requires considerable time, expense and ongoing support, the failure of which may adversely affect our customer relationships.
- Failure to obtain or maintain insurance licenses or authorizations allowing our participation in risk-sharing arrangements with payers could subject us to significant penalties and adversely impact our operations.
- Foreign currency exchange rate fluctuations and restrictions could adversely affect our business.
- We operate in a heavily regulated industry, and we are subject to evolving laws and government regulations.
- The changes in tax laws in different geographic jurisdictions could materially impact our business. We may be treated as a dual resident company for United Kingdom tax purposes. The applicability of tax laws on our business is uncertain and adverse tax laws could be applied to us or our customers.
- We may be unable to sufficiently protect our intellectual property, and our ability to successfully commercialize our technology may be adversely affected. We may be subject to intellectual property infringement claims, medical liability claims or other litigation or regulatory investigations.
- Certain of our software products could become subject to U.S. Food and Drug Administration (FDA) oversight, and certain of our products and operations are subject to medical device regulations.
- Cyberattacks, security breaches and other incidents, and other disruptions have compromised and could in the future compromise sensitive information and adversely affect our business and reputation. Our failure to comply with data privacy laws or to adequately secure the information we hold could result in significant liability or reputational harm. Any disruption of service at our third-party data and call centers or Amazon Web Services, or of third party infrastructure provider services, could interrupt our ability to serve customers, expose us to litigation and negatively impact our relationship with customers and members.
- The trading price of our Class A ordinary shares is volatile, and the value of our Class A ordinary shares may decline. An active trading market for our securities may not develop or be sustained. The dual class structure of our ordinary shares limits shareholders' ability to influence important transactions and has an unpredictable impact on the trading market for our Class A ordinary shares.
- Our status as an "emerging growth company" and a "foreign private issuer" may make our ordinary shares less attractive and affords less protection to our shareholders. We expect to lose our foreign private issuer status for 2022. As a "controlled company," we qualify for exemptions from certain corporate governance requirements.
- Our issuance of additional Class A ordinary shares will dilute all other shareholders. Future resales of our ordinary shares could cause the market price of our Class A ordinary shares to drop significantly, even if our business is doing well.
- We do not currently intend to pay dividends on our Class A ordinary shares. Some of our management team has limited experience managing a public company, and our management is required to devote substantial time to public company compliance.
- If our remediation of our identified material weaknesses is not effective, or if we fail to develop an effective internal control system, our ability to produce timely and accurate financial statements or comply with applicable laws could be impaired.
- U.S. holders that own 10% or more of our equity interests may be subject to adverse U.S. federal income tax consequences. Our U.S. holders may suffer adverse tax consequences if we are classified as a "passive foreign investment company." The Internal Revenue Service may not agree that we are a corporation for U.S. federal income tax purposes.
- Our shareholder rights and responsibilities are governed by Jersey law, which differs materially from U.S. companies' shareholders rights and responsibilities. It may be difficult to enforce a U.S. judgment or to assert U.S. securities law claims outside of the United States.
- The other matters described in the "Risk Factors" section of our Annual Report on Form 20-F, filed with the SEC on March 30, 2022, and our other SEC filings.