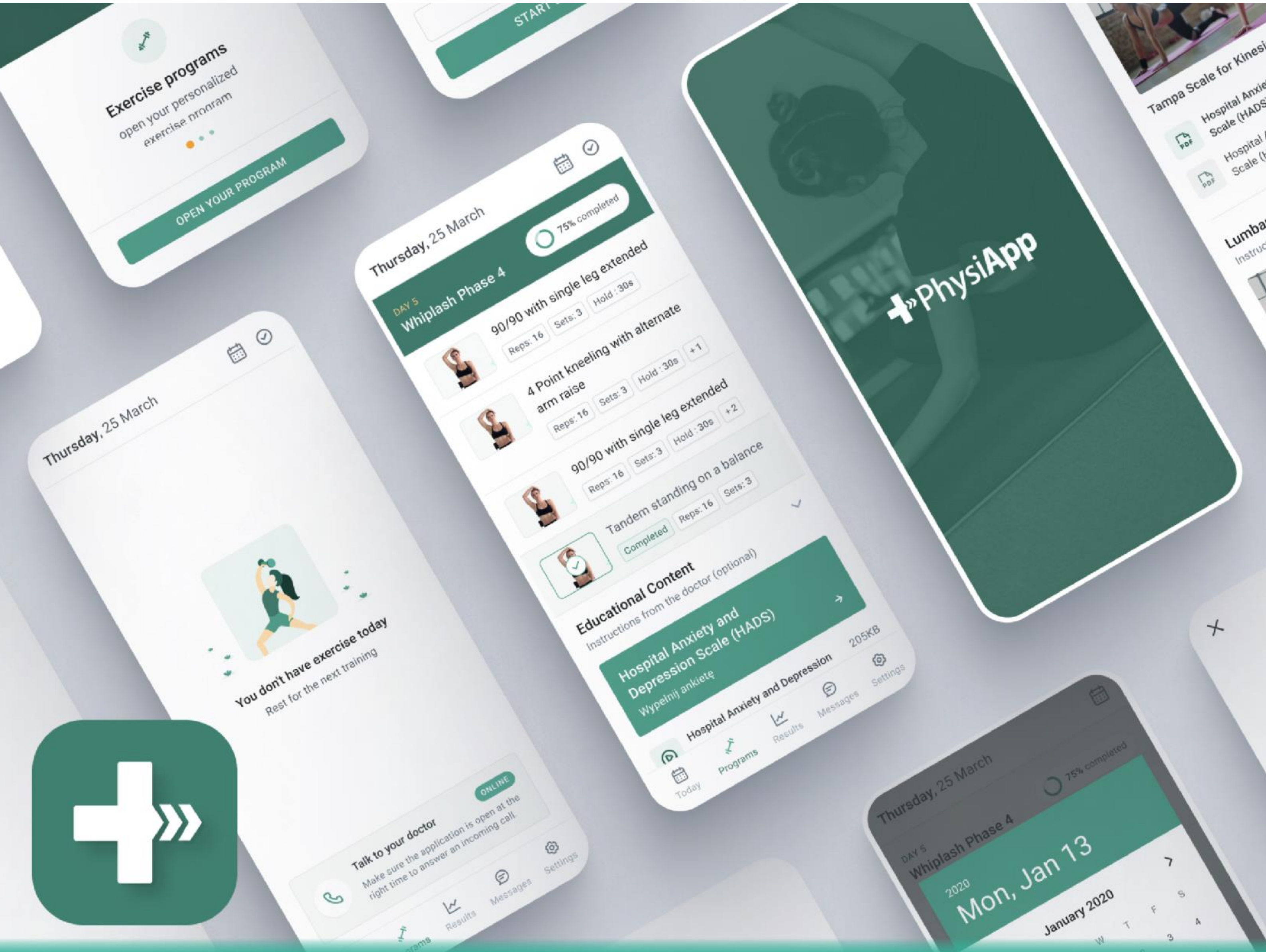


Physitrack PLC

JANUARY - MARCH 2023

INTERIM REPORT Q1

Another strong quarter which achieves record revenue levels and exceeds medium term targets

Key highlights Q1 – Jan-Mar 2023

- A positive start to the financial year with revenue increasing by 45 per cent against prior year comparative and 36 per cent on a pro-forma basis, exceeding our medium term target of 30 per cent growth.
- The Group continues to focus on driving efficiencies in the underlying profitability of the business and is pleased to see adjusted EBITDA reach an all-time high of EUR 922k generating an EBITDA margin of 25 per cent.
- Despite an earnout of EUR 1.6m being paid to previous owners of acquired subsidiaries during the quarter, the Group has ample room in its revolving credit facility and does not expect to require any capital or debt raising in the short to midterm. No further deferred consideration payments are expected during 2023.

Group key performance indicators

	3 Month period ended		Year ended
EUR (€), *unless otherwise stated*	**31 Mar 23**	**31 Mar 22**	**31 Dec 22**
Revenue	**3,734,718**	2,576,587	12,510,371
Prior period revenue growth (%)	**45**	67	57
Proforma revenue growth (%)	**36**	29	27
Adjusted EBITDA	**922,090**	749,788	3,446,475
Adjusted EBITDA margin (%)	**25**	29	28
Adjusted operating profit	**113,745**	426,013	1,012,544
Adjusted operating margin (%)	**3**	17	8
Adjusted earnings per share	**0.01**	0.02	0.06
Operating cashflow before adjusting items	**690,380**	525,278	2,897,554
% of revenue which is subscription	**71**	68	71

Refer to Appendix 1 for definition, rationale and reconciliation of KPI's.

Financial highlights Q1 YTD – Jan-Mar 2023

- Revenue increased by 45 per cent from the comparative period in 2022 to generate total sales of EUR 3.7m (EUR 2.6m). On a proforma basis revenue grew by 36 per cent. This proforma growth was achieved in both the Lifecare (15 per cent) and Wellness (101 per cent) divisions.
- Adjusted EBITDA of EUR 0.9m (EUR 0.7m) was generated resulting in an Adjusted EBITDA margin of 25 per cent (29 per cent).
- Adjusted operating profit of EUR 0.1m (EUR 0.4m) was generated resulting in a margin of 3 per cent (17 per cent).
- Adjusted ordinary and diluted profit per share totalled EUR 0.01 (EUR 0.02).
- Cashflow generated from operations before the payment of adjusting items equalled EUR 0.7m (EUR 0.5m).

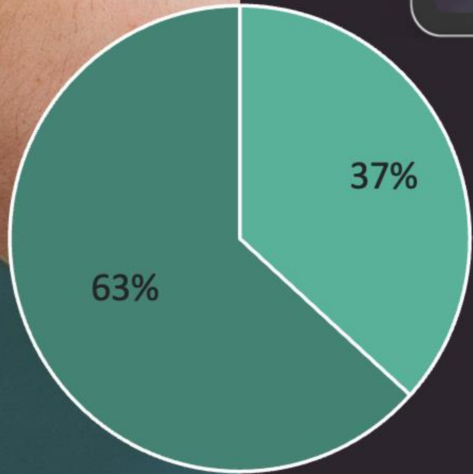
Quote from the CEO

"It has been positive to see the Group kicking off 2023 at full throttle, focusing on driving both revenue growth and profitability. This provides positive momentum for the remainder of 2023, and secures our belief that we are well placed to take advantage of the huge potential the global wellbeing market has to offer for our mission to elevate the World's Wellbeing."
Henrik Molin, CEO Physitrack

Our two business lines have us well-positioned to capitalize on increasing digital healthcare demand and corporate wellbeing challenges

Lifecare
Seamless and Efficient care Solutions

Technology for healthcare providers



Consolidated revenue

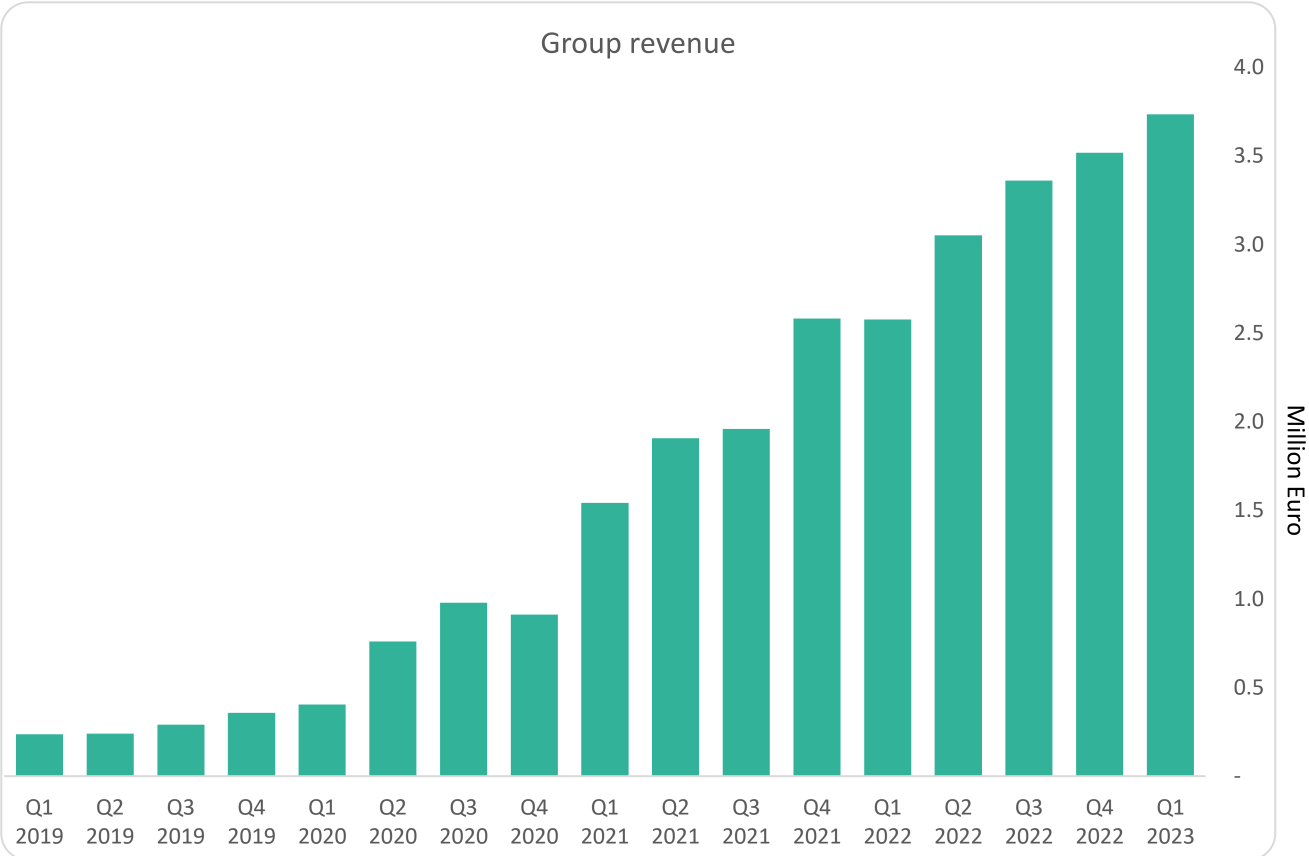
Wellness
One platform, All areas of employee wellbeing

Technology for employers

Message from the CEO

We exit the first quarter of 2023 with positive momentum, with our strong Q1 2023 results achieving record revenue exceeding our midterm targets and adjusted EBITDA growth. These results indicate positive signs that we are through the trough seen in the prior quarter and are well placed to continue our supercharged growth story.

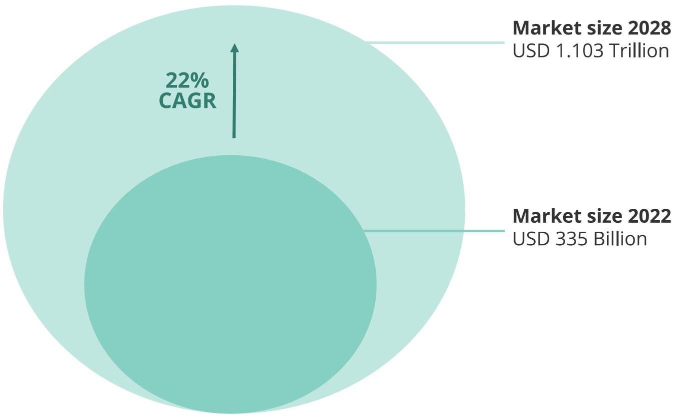
Revenue evolution



In the quarter the group achieved revenue of EUR 3.7m (Q1 2022: EUR 2.6m) an increase of 45 per cent from the prior year comparative and 36 per cent on a pro-forma basis. Similar to prior quarters, this revenue represents a new record for the group and reflect the significant growth and the impressive evolution of the Group over the past three years, including the establishing of a Wellness division that today makes up €5.6 million of our €15.0 million annualised revenue.

Thanks to the launch of our Wellness division our total addressable market has increased exponentially, providing us with the confidence and opportunities to continue our growth story that has seen our annualised revenue grow more than 8 times in just three years.

Total addressable market



Source: *Arizton, Digital Health and Wellness Market - Global Outlook & Forecast 2023-2028*

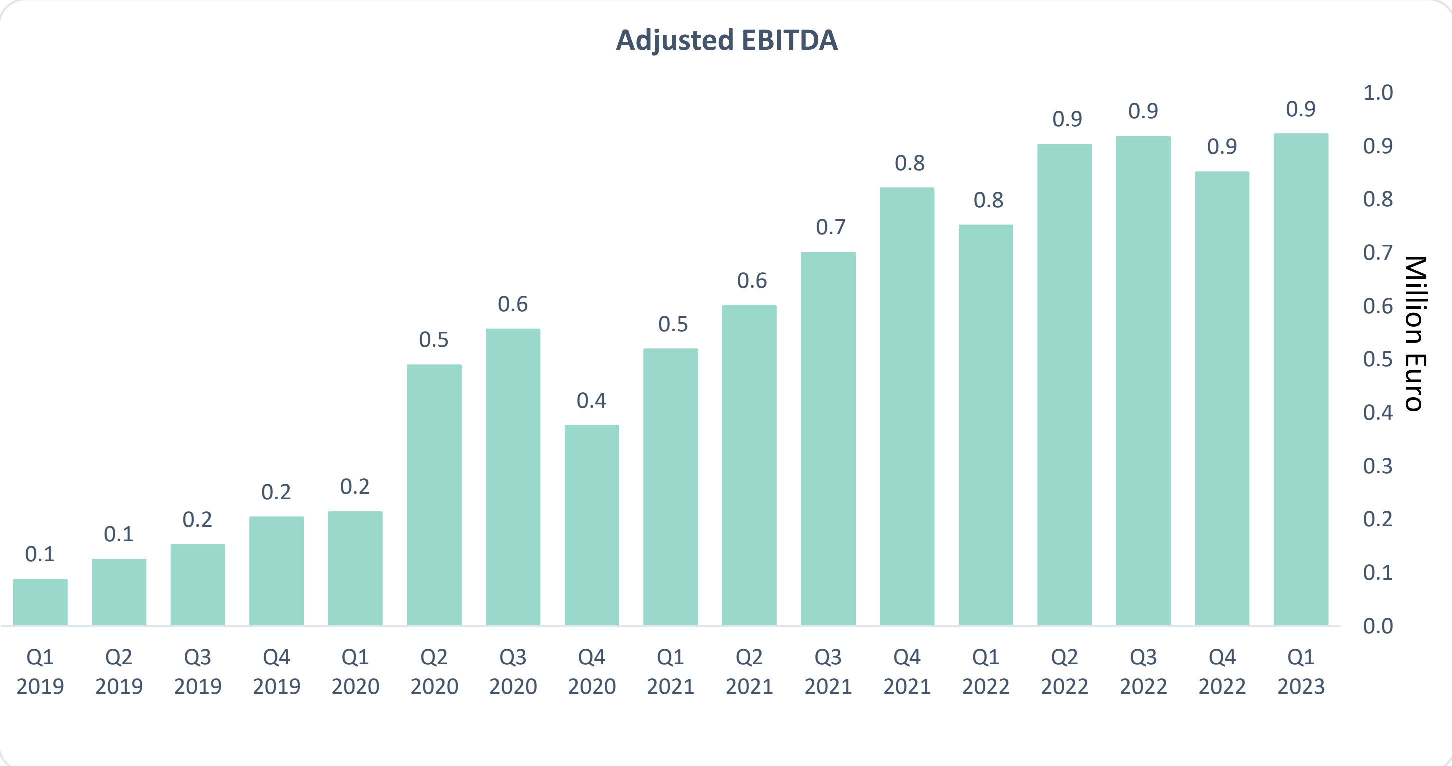
Revenue growth continued in both divisions with Lifecare Technology growing by EUR 0.3m (15 per cent) in the quarter on a pro-forma basis and Virtual Wellness growing by EUR 0.7m (101 per cent) on a pro-forma basis.

Growth in the Lifecare division was supported by further enhancements to the underlying platform retaining existing customers despite a price rise and attracting new customers.

The Growth in Wellness reflects the continued success of integrated pathways between all businesses within this division and meeting needs in a challenging macro environment. Having a balanced portfolio, with geographical diversity and varied revenue streams makes the business robust and able to withstand headwinds, further reinforcing our exciting revenue evolution.

The Group exited the quarter with an annual run rate ("ARR") of recurring subscription revenue of EUR 11.3m (Q4 2022 EUR 11.0m), growth of 3.1 per cent and annualised revenue of EUR 15.0m (Q4 2022 EUR 13.7m), growth of 9.4 per cent.

Profitability focus



In the quarter the Group achieved adjusted EBITDA of EUR 0.9m (EUR 0.7m) generating a margin of 25 percent (29 percent). Despite strong headwinds in the macroeconomic environment, it was pleasing to see an improvement on adjusted EBITDA and margins flattening out in comparison to the previous quarter, which indicates that we have seen a trough in the margin contraction which was driven by the growth of the wellness division.

Profitable growth is part of our DNA, with the Group being cost optimised – smart spending has always been a core value. The Group is continuously seeking opportunities to improve our margins and has implemented a number of initiatives in the quarter to provide us with the momentum to continue the enhancement of our profitability for the remainder of the financial year.

Total available liquidity at the end of the quarter was EUR 3.4m with the movement from 31 December 2022 representing deferred consideration payments. No further deferred consideration payments are expected for the remainder of the year.

With the available liquidity provided by the revolving credit facility and a continued focus on profitability and cash generation we do not expect to require any further capital or debt funding to support our growth ambitions in the medium-term.

Outlook

- **Growth:** Physitrack aims to achieve annual organic sales growth exceeding 30 per cent in the medium term, further supplemented by impact from future add-on acquisitions.
- **Margin**: Physitrack targets an EBITDA margin of 40-45 per cent in the medium term, with potential short term margin contractions due to add-on acquisitions impacting margins negatively.
- **Distribution**: Physitrack has a favourable outlook on the distribution of profits to shareholders via dividends in the medium term but does not foresee this taking place in the short term.

While the Directors acknowledge that there can be variability quarter on quarter with these targets, we however see no need to adjust these medium term financial targets.

Henrik Molin, CEO Physitrack

Financial review

Divisional review - Lifecare

	Quarter ended March		Absolute		Proforma
€'000	2023	2022	Var	%	%
Revenue	2,363	2,014	349	17	15
Adj EBITDA	1,116	978	138	14	
Adj EBITDA margin	47%	49%			

Trading performance

In the quarter ended 31 March 2023, Lifecare revenues increased by EUR 0.3m or 17 per cent and on a pro-forma basis revenue grew by 15 per cent.

Revenue in the Lifecare business is driven by the combination of number of licences, the price per licence and the delivery of revenue enhancing (upsell) products such as 'Custom apps' and Physidata.

For the quarter ended 31 March 2023, there were on average 55,000 subscription licences across the Lifecare division, compared to an average of 49,000 at 31 March 2022.

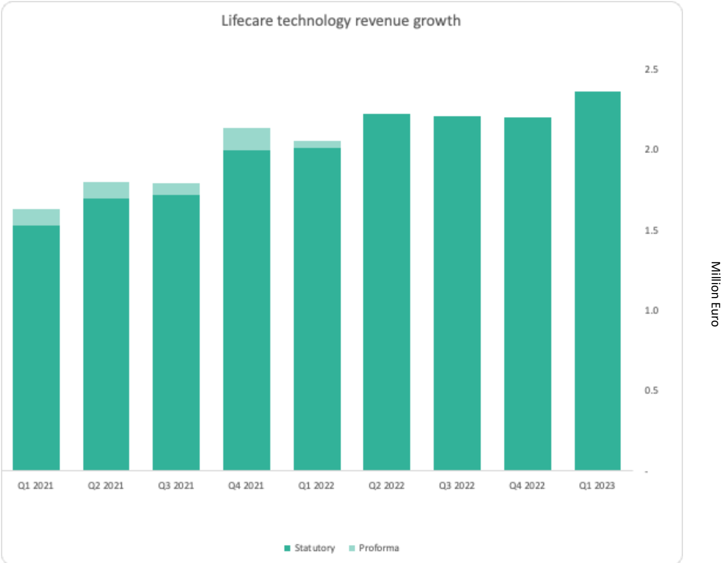
The Lifecare revenue stream is predominantly recurring in nature, with subscription income representing 87 per cent (85 per cent) of total Lifecare revenue.

Alongside subscription fees for the Physitrack and Physiotools platforms, within this revenue stream is revenue generated from 'Custom app' sales and by PT Courses from the provision of continued education. Whilst 'Custom app' setup fees sales are a one-time charge, attached to them are monthly maintenance fees which generate higher margins than typical practitioner subscriptions. We are pleased to see growth in this revenue stream against prior year.

Management continues to pursue a product and data-driven focus on increasing retention and reducing churn[1] and our churn levels remain low at an average of 1.1 per cent for the quarter ended 31 March 2023 (1.4 per cent).

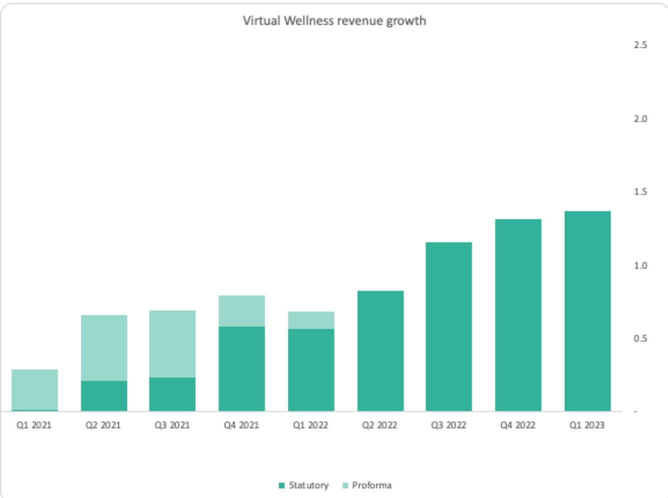
Adjusted EBITDA in the division increased by 14% to EUR 1.1m with an EBITDA margin of 47 per cent being generated (49 per cent). The slight decline from prior year represents a relatively small amount of costs and is driven by natural variations in investments between the quarters.

The increase in growth rates from prior quarter were, alongside new customer acquisition, driven by the PT Courses subscription model, which was only launched in May 2022, alongside price rises enacted in January 2023 for the Physitrack platform.



Divisional review – Wellness

	Quarter ended March		Quarter ended March		Proforma
€'000	2023	2022	Var	%	%
Revenue	1,372	562	810	144	101
Adj EBITDA	52	59	(7)	12	
Adj EBITDA margin	4%	10%			



Trading performance

In the quarter ended 31 March 2023, Wellness revenues increased by EUR 0.7m / 101 per cent on a

[1] Monthly churn is calculated as the MRR of all customers lost in the month divided by the opening MRR for the month.

pro-forma basis to EUR 1.3m. Of this revenue 43 per cent (nil per cent) was subscription revenue.
Adjusted EBITDA in this division remained relatively flat at EUR 52k (EUR 59k.). This slight decrease was primarily reflective of additional investment in this quarter driving the strong revenue growth.

Divisional review – Group

	Quarter ended March		Quarter ended March	
€'000	2023	2022	Var	%
Revenue	-	-	-	-
Adj EBITDA	(296)	(289)	(7)	2
Adj EBITDA margin	-%	-%		

We have classified specific costs such as executive remuneration and associated costs of being a listed group as group costs. These costs would not be incurred by the division if the Group was not listed and therefore are reported separately to provide clear indicators of the performance of the divisions on a stand alone basis.

Financial performance – Group

Revenue

Quarter ended March 2023

Physitrack PLC generated revenue of EUR 3.7m (EUR 2.6m), growth of 45 per cent from the prior year comparative and 36 per cent on a proforma basis.

This growth was driven by both the Lifecare and the Wellness segments, which grew by 15 per cent and 101 per cent on a proforma basis respectively. Lifecare revenue represents 63 per cent and Wellness represents 37 per cent of total Group revenue.

In comparison to Q4 2022, Q1 2023 revenue grew by 6 per cent on a statutory and pro-forma basis, with growth being driven by both the Wellness and Lifecare divisions.

Operating expenses before amortisation, depreciation and adjusting items

Quarter ended March 2023

Operating expenses before amortisation, depreciation and adjusting items were EUR 2.8m (EUR 1.8m). The increase primarily reflects the acquisitions of Wellnow and Champion Health which were not included within the prior year comparative.

Additionally, the increase in revenue has driven an increase in costs, primarily in the Virtual Wellness division where some product offerings incur a cost of delivery. Investments have also been made to drive future growth including into the sales team and people and technology in the Virtual Wellness division.

Operating profit ('EBIT')

Quarter ended March 2023

In the quarter ended 31 March 2023 the Group delivered an operating loss of EUR 0.1m compared to a 0.1m loss in the prior year.

Adjusting items in the quarter relate to integration activities of the Wellness segment and the Fysiotest restructure. Management expect these costs to continue in Q2 2023 before these projects are completed in H2 2023.

Amortisation and depreciation increased by EUR 0.5m to EUR 0.8m (EUR 0.3m). Amortisation for the period includes both amortisation of internally generated intangibles and depreciation EUR 0.6m (EUR 0.3m) and amortisation of intangibles recognised on recent acquisitions of EUR 0.2m (EUR 0.02m).

Adjusted EBITDA

Quarter ended March 2023

Adjusted EBITDA of EUR 0.9m (EUR 0.7m) was generated for the quarter resulting in an Adjusted EBITDA margin of 25 per cent (29 per cent). This was made up of EUR 1.1m from the Lifecare division, EUR 0.1m from the wellness division and EUR 0.3m of expenses incurred at a group level.

The decline in the EBITDA margin from the prior year comparative reflects the relatively strong growth of the Wellness division which currently operates at a lower margin, impacting the blended Group margin. Margins have now stabilised from Q4 2022 and we expect these to remain steady at the current levels in the short term before starting to increase.

Finance costs

Quarter ended March 2023

Net finance costs quarter to date are EUR 76k compared to EUR 22k in the prior year. This increase is as a result of the interest costs, non-utilisation fees and unwind of arrangement fees associated with the GBP 5m revolving credit facility entered into in July 2022.

Profit / Loss before tax

Quarter ended March 2023

The above movements result in a loss before tax of EUR 0.2m compared to a loss of EUR 0.1m in the prior year. The decrease is primarily driven by the increase in amortisation of intangibles recognised on acquisitions.

Taxation

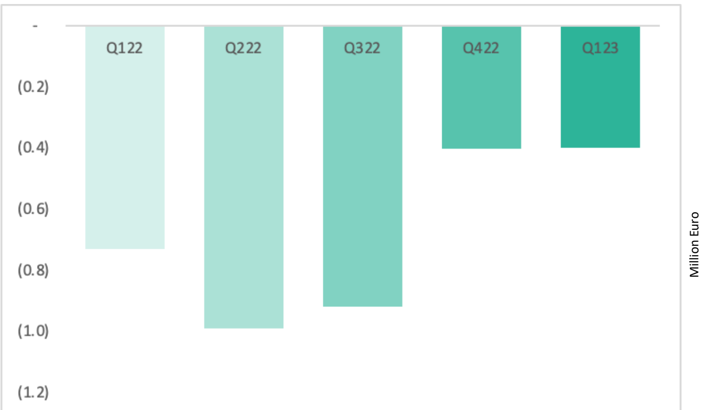
Quarter ended March 2023

Taxation is a credit of EUR 87k in the quarter compared to a charge of EUR 69k in the prior year. In our UK entities we are able to successfully claim on the UK government's R&D tax credit scheme, which, alongside the release of the Deferred Tax Liability in line with the amortisation of intangibles recognised on acquisition has resulted in a credit being recognised.

Financial position and cashflow

Including the available undrawn facility, total available liquidity to the Group was EUR 3.4m. The reduction from 31 December 2022 reflects the deferred consideration payment of EUR 1.6m. We do not expect to pay out any further deferred consideration during 2023 and expect our cash levels to be maintained around this level.

Free cash flow



Cash generated from operations prior to payment of adjusting items totalled EUR 0.7m (EUR 0.5m).

Cash used in investing activities was EUR 2.4m (EUR 4.9m). This was made up of deferred contingent consideration payments paid to the existing shareholders of Wellnow and Champion Health Plus of EUR 1.6m. An additional EUR 0.8m was capitalised through the development of the Lifecare and Virtual Wellness platforms.

In the current quarter the Group net spend before investments in subsidiaries and financing activities was EUR 0.3m (EUR 0.7m). This reflects an increase in net cash generated from operating activities and a reduction in spend in investment in the platforms given significant one-off investments relating to acquisitions occurred in the prior year. During the quarter the Group continues to focus on initiatives to improve its free cash flow "*FCF*" which remained flat at EUR 0.4m from EUR 0.4m in the prior quarter.

The Group has total assets of EUR 41.4m (EUR 41.3), net assets of EUR 22.2m (EUR 22.4m) and net current liabilities of EUR 0.3m (Net current liabilities EUR 3.4m).

The movement on total assets from 31 December 2022 is as a result of movements in working capital and foreign exchange movements recognised against goodwill.

Deferred consideration is measured at fair value. The movement from 31 December 2022 reflects the payment of deferred consideration attached to acquisitions of EUR 1.6m. We do not expect to pay out any further deferred consideration during 2023.

Working capital balances were relatively consistent with those at 31 December 2022.

Risks and uncertainties

The risks and uncertainties pertaining to the group have been outlined within the 31 December 2022 annual report.

Employees

The average number of employees in the Group for the period January to March 2023 was 84 (53).

Related party transactions

Refer to note 8 for a list of related party transactions during the quarter.

Audit review

This report has not been reviewed by the Company's auditors.

Condensed interim financial information

1 January 2023 – 31 March 2023

Consolidated statement of comprehensive income

EUR (€)	Note	3 month period ended: 31 March 2023 (unaudited)	3 month period ended: 31 March 2022 (unaudited)	Year ended: 31 December 2022 (Audited)
Revenue	3	**3,734,719**	**2,576,587**	**12,510,371**
Operating expenses before amortisation depreciation and adjusting items		(2,812,629)	(1,826,799)	(9,063,896)
Depreciation:				
Intangibles recognised on acquisition		(239,476)		(765,661)
Internally generated intangibles and depreciation		(568,869)	(323,775)	(1,668,270)
Adjusting items	5	(190,682)	(479,961)	(903,157)
Operating expenses		**(3,811,656)**	**(2,630,535)**	**(12,400,984)**
Operating (loss) / profit		**(76,937)**	**(53,948)**	**109,387**
Net finance costs		(76,023)	(22,490)	(58,272)
(Loss) / profit before taxation		**(152,960)**	**(76,438)**	**51,115**
Taxation (Charge) / credit		87,324	(69,303)	41,204
Loss / profit after taxation		**(65,636)**	**(145,741)**	**92,319**
Other comprehensive (expense) / income		(76,858)	(74,520)	(1,011,757)
Total comprehensive (loss) / profit for the period		**(142,494)**	**(220,261)**	**(919,438)**
Basic earnings / (loss) per share		(0.00)	(0.01)	0.01
Diluted earnings / (loss) per share		(0.00)	(0.01)	0.01

All results in the current financial year derive from continuing operations.

Consolidated Statement of Financial Position as at 31 March 2023

Assets	Note	31 March 2023 €	31 March 2022 €	31 December 2022 €
Non-current assets				
Goodwill	4	27,103,189	22,163,873	27,245,637
Intangible assets	4	10,338,828	5,859,401	10,296,548
Property, plant and equipment		96,993	88,053	97,916
Financial assets measured at FVOCI/FVTPL		98,264	98,264	98,264
Total non-current assets		**37,637,274**	**28,209,591**	**37,738,365**
Current assets				
Trade and other receivables	6	3,002,254	2,251,374	2,996,736
Cash and cash equivalents		726,204	8,548,911	577,742
Total current assets		**3,728,458**	**10,800,285**	**3,574,478**
Total assets		**41,365,732**	**39,009,876**	**41,312,843**
Liabilities				
Non-current liabilities				
Borrowings		(3,018,393)	-	(831,663)
Deferred tax		(1,357,549)	-	(1,414,271)
Deferred consideration		(10,725,719)	(10,935,993)	(9,700,509)
Total non-current liabilities		**(15,101,661)**	**(10,935,993)**	**(11,946,443)**
Current liabilities				
Deferred revenue		(1,871,848)	(1,766,674)	(2,060,824)
Trade and other payables	7	(2,164,448)	(1,977,406)	(2,212,058)
Deferred tax		-	(767,455)	-
Deferred consideration		-	(492,902)	(2,723,249)
Total current liabilities		**(4,036,296)**	**(5,004,437)**	**(6,996,131)**
Net assets		**22,227,775**	**23,069,446**	**22,370,269**
Equity				
Share capital		64,075	64,075	64,075
Share premium		24,935,421	24,935,421	24,935,421
Translation reserve		(1,107,778)	(93,683)	(1,030,920)
Retained earnings		(1,663,943)	(1,836,367)	(1,598,307)
Total equity		22,227,775	**23,069,446**	**22,370,269**

Consolidated Statement of Changes in Equity for the quarter ended 31 March 2023

	Share capital	Share premium	Currency translation reserve	Retained earnings	Total
	€	€	€	€	€
Balance at 31 December 2021	64,075	24,935,421	(19,163)	(1,690,626)	23,289,707
Loss for the period	-	-	-	(145,741)	(145,741)
Other comprehensive income for the period	-	-	(74,520)	-	(74,520)
Total comprehensive income for the period	-	-	(74,520)	(145,741)	(220,261)
Balance at 31 March 2022	64,075	24,935,421	(93,683)	(1,836,367)	23,069,446
Profit for the period	-	-	-	238,060	238,060
Other comprehensive income for the period	-	-	(937,237)	-	(937,237)
Total comprehensive income for the period	-	-	(937,237)	238,060	(699,177)
Balance at 31 December 2022	64,075	24,935,421	(1,030,920)	(1,598,307)	22,370,269
Profit for the period	-	-	-	(65,636)	(65,636)
Other comprehensive income for the period	-	-	(76,858)	-	(76,858)
Total comprehensive income for the period	-	-	(76,858)	(65,636)	(142,494)
Balance at 31 March 2023	64,075	24,935,421	(1,107,778)	(1,663,943)	22,227,775

Consolidated Statement of Cash Flows for the year ended 31 March 2023

	Note	Quarter ended 31 March 2023	Quarter ended 31 March 2022	Year ended 31 December 2022
		€	€	€
Operating activities				
(Loss) / profit for the period		(65,636)	(145,741)	92,319
Adjustments for:				
Depreciation and amortisation		808,344	323,775	2,433,930
Foreign exchange gain		47,264	19,578	(24,775)
Taxation		(87,324)	69,303	(41,204)
Adjusting items	5	190,682	479,961	903,157
Net finance cost		76,023	2,912	58,272
Operating cash flows before movements in working capital		**969,353**	**749,788**	**3,421,699**
Decrease / (increase) in trade and other receivables		12,216	(449,046)	(1,061,331)
Increase in trade and other payables and deferred revenue		(291,189)	224,536	537,186
Cash generated by operations before adjusting items		**690,380**	**525,278**	**2,897,554**
Corporation tax paid		(9,006)	-	(39,486)
Cash payment of adjusting items		(190,682)	(335,063)	(1,406,466)
Net cash from operating activities		**490,692**	**190,215**	**1,451,602**
Investing activities:				
Purchases of intangible assets		(804,217)	(877,768)	(4,422,283)
Purchases of property, plant and equipment		(25,350)	(41,996)	(73,726)
Acquisition of subsidiary net of acquired cash		-	66,570	(6,891,898)
Payment of deferred consideration		(1,614,124)	(4,077,635)	(3,397,028)
Net cash used in investing activities		**(2,443,691)**	**(4,930,829)**	**(14,784,935)**
Financing activities				
Drawdown of borrowings		2,158,868	-	824,107
Repayment of borrowings		-	(653)	(653)
Interest expense		(58,185)	(2,912)	(27,953)
Net cash generated by financing activities		**2,100,683**	**(3,565)**	**795,501**
Cash at the beginning of the period		**577,742**	**13,324,598**	**13,324,598**
Net movement		147,684	(4,744,179)	(12,537,832)
Gain / (loss) on exchange rate		778	(31,508)	(209,024)
Cash at the end of the period		**726,204**	**8,548,911**	**577,742**
Available facility		2,669,242	-	4,806,587
Available liquidity		3,395,446	8,548,911	5,384,329

Selected Notes

1) Company information

Physitrack PLC (the "Company"), was incorporated and registered in England and Wales on 15 June 2012 with registered number 8106661 under the UK Companies Act as a public limited company limited by shares. The address of the Company's registered office is Bastion House 6th Floor, 125 London Wall, London, United Kingdom, EC2Y 5AS.

These condensed financial statements are presented in EUR, which is the currency of the primary economic environment in which the Company operates. Foreign operations are included in accordance with the full accounting policies as set out within the 2022 annual report.

2) Accounting policies

This interim financial information for the quarter ended 31 March 2023 has been prepared in accordance with IAS 34 Interim Financial Reporting. The condensed consolidated financial statements do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2022 Annual Report.

The financial information for the quarter ended 31 March 2023 does not constitute statutory accounts within the meaning of Section 434(3) of the Companies Act 2006 and is unaudited.

The annual financial statements of Physitrack PLC are prepared in accordance with IFRS's as adopted by the European Union. The Independent Auditors' Report on that Annual Report and financial statements for 2022 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

The condensed interim financial statements have been prepared by applying the accounting policies and presentation that were applied in the preparation of the Group's published consolidated financial statements for the period ended 31 March 2023, which were prepared in accordance with IFRS's as adopted by the EU and applicable law.

The preparation of condensed financial statements requires the Company's management to make judgements, estimates and assumptions that effect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

3) Operating segments and revenue

In the opinion of the Directors, for the quarter ended 31 March 2023 the operations of the Group comprise two reporting operating segments. These segments are the provision of Lifecare platform tailored to physiotherapy being made up of the Physitrack PLC, Physiotools OY and Mobilus Digital Rehab AB "Physiotools" businesses, alongside the physiotherapy e-learning provider PT Courses. From the start of the current financial period, management review the results of these business as one segment.

The second segment is Wellness which is the provision of technology to employers covering all areas of employee wellbeing. This division is made up of the existing Champion Health Plus, Fysiotest, Wellnow and Champion Health businesses which have been unified into three Champion Health brands split between the UK, Nordics and Europe.

Information reported to management for the purposes of segment performance is focused on the geographical location of each segment. In performing these reviews management group these geographical locations into four regions, being the United Kingdom, Europe, North America and Rest of World.

Performance of these segments for the quarter ended 31 March 2023 is as follows:

Quarter ended 31 March 2023	Lifecare	Wellness	Group	Total
Total revenues	2,363,076	1,371,643	-	3,734,719
Operating profit	638,307	11,326	(726,570)	(76,937)
Amortisation and depreciation				
Intangibles recognised on acquisition	-	-	239,476	239,476
Internally generated intangibles and depreciation	527,701	41,168	-	568,869
	527,701	41,168	239,476	808,345
Items affecting comparability	-	-	190,682	190,682
Adjusted EBITDA	1,166,008	52,494	(296,412)	922,090
Adjusted EBITDA Margin	49%	4%		25%
Finance cost	534	(1,978)	(74,579)	(76,023)
Profit/(loss) before tax	638,841	9,348	(801,149)	(152,960)

Quarter ended 31 March 2022	Lifecare	Wellness	Group	Total
Total revenues	2,014,944	561,643	-	2,576,587
Operating profit	689,027	52,672	(795,646)	(53,947)
Amortisation and depreciation				
Intangibles recognised on acquisition	-	-	26,454	26,454
Internally generated intangibles and depreciation	291,918	5,403	-	297,322
	291,918	5,403	26,454	323,775
Items affecting comparability	-	-	479,961	479,961
Adjusted EBITDA	980,944	58,075	(289,231)	749,788
Adjusted EBITDA Margin	49%	10%		29%
Finance cost	(24,919)	2,429	-	(22,490)
Profit/(loss) before tax	664,106	55,101	(795,646)	(76,438)

Expenses classified as Group represent those costs associated with the Group's merger and integration activities, amortisation of intangibles recognised on acquisition and senior management salary. These costs have been classified as Group as they either cannot be allocated appropriately to a segment or do not represent costs associated with the underlying businesses within the operating segment.

Revenue arising from the Group's activities during the period by geography and operating segment were as follows:

	Quarter ended 31 March 2023 EUR	Quarter ended 31 March 2022 EUR
Lifecare		
United Kingdom	488,369	431,136
Europe	815,462	739,128
North America	544,092	449,366
Rest of world	515,152	395,352
	2,363,075	**2,014,982**
Wellness		
Europe	545,055	263,875
United Kingdom	826,589	297,730
	1,371,644	**561,605**
Total	**3,734,719**	**2,576,587**
Revenue by product line		
Subscription fee	1,965,488	1,681,543
Custom app maintenance fee	100,552	71,702
Custom app set-up costs	204,551	170,987
Continued education	92,484	90,750
Wellness	1,371,644	561,605
Total	**3,734,719**	**2,576,587**

Revenue derived from subscription income streams is recognised over time. Other revenues are recognised at a point in time.

4) Intangible assets

EUR (€)	Internally generated intangible asset	Software	Brand	Customer relationships	Goodwill	Total
Cost						
At 31 December 2021	6,567,609	166,296	251,627	277,446	14,431,082	21,694,060
Additions	744,472	132,908	-	-	-	877,380
Acquisition of subsidiary	1,126,000	-	484,000	661,001	8,135,577	10,406,578
Exchange differences	(44,208)	(907)	-	-	-	(45,115)
At 31 March 2022	**8,393,873**	**298,297**	**735,627**	**938,447**	**22,566,659**	**32,932,903**
Additions	3,314,476	240,369	-	-	-	3,554,845
Acquisition of subsidiary	3,083,593	-	140,138	401,855	5,201,385	8,826,971
Exchange differences	(541,192)	(15,232)	11,439	20,658	(522,407)	(1,046,734)
At 31 December 2022	**14,250,750**	**523,434**	**887,204**	**1,360,960**	**27,245,637**	**44,267,985**
Additions	850,527	10,243	-	-	-	860,770
Exchange differences	88,897	3,077	(20,164)	(31,592)	(142,448)	(102,230)
At 31 March 2023	**15,190,174**	**536,754**	**867,040**	**1,329,368**	**27,103,189**	**45,026,525**
Amortisation						
At 31 December 2021	4,568,629	16,325	19,582	13,872	-	4,618,408
Charge for the period	254,793	37,893	12,581	13,873	-	319,140
Exchange differences	(29,454)	(75)	-	-	-	(29,529)
At 31 March 2022	**4,793,968**	**54,143**	**32,163**	**27,745**	**-**	**4,908,019**
Charge for the period	1,781,974	38,743	90,589	178,591	-	2,089,897
Exchange differences	(269,654)	(2,462)	-	-	-	(272,116)
At 31 December 2022	**6,306,288**	**90,424**	**122,752**	**206,336**	**-**	**6,725,800**
Charge for the period	695,072	23,558	27,383	52,833	-	798,846
Exchange differences	48,525	11,337	-	-	-	59,862
At 31 March 2023	**7,049,885**	**125,319**	**150,135**	**259,169**	**-**	**7,584,508**
Net book value						
At 31 December 2021	1,998,980	149,971	232,045	263,574	14,431,082	17,075,652
At 31 March 2022	3,599,905	244,154	703,464	910,702	22,566,659	28,024,884
At 31 December 2022	7,944,462	433,010	764,452	1,154,624	27,245,637	37,542,185
At 31 March 2023	8,140,289	411,435	716,905	1,070,199	27,103,189	37,442,017

The internally generated intangible asset are directly attributable costs incurred in building and developing the SaaS platform.

Software assets are directly attributable costs incurred in the implementation of new finance and operating systems within the Group.

5) Adjusting items

Adjusting items refer to events and transactions whose effect on profits are important to note, particularly when the comparison of periodical profits comprise non-recurring costs in ordinary operations relating to the following:

Adjusting item	Definition	Current period costs relate to	Prior year costs relate to
Acquisition Costs	Associated costs of major acquisitions	N/A	Acquisition of PT Courses in January 2022, Wellnow in February 2022 and Champion Health in May 2022.
Integration costs	Associated costs of integrating acquisitions	Integration costs of both Lifecare and Wellness acquisitions into the existing business.	Integration costs of both Lifecare and Wellness acquisitions into the existing business.
Fair value movement on consideration	Contingent consideration is recognised at fair value and revalued at each reporting period. The fair value movement is recognised within the profit and loss.	N/A	Fair value movement on deferred contingent consideration attached to the Rehabplus and Fysiotest acquisitions in 2021 and Wellnow and Champion Health acquisitions in 2022.

It is expected adjusting items in future years would be of a similar nature to those above including those costs attached to major acquisitions, disposals and equity or fund raises. As the above costs are non-operating or recurring cost, these have been added back to arrive at adjusted EBITDA.
Adjusting items are broken down as follows:

	Quarter ended	
EUR (€), *unless otherwise stated*	31 Mar 2023	31 Mar 2022
Acquisition and integration costs	190,682	464,794
Fair value movement on deferred contingent consideration	-	15,167
Adjusting items	**190,682**	**479,961**

6) Trade and other receivables

	31 March 2023 EUR	31 March 2022 EUR
Trade receivables	2,144,035	1,685,001
Accrued revenue	463,319	138,000
Other receivables	229,213	211,689
Prepayments and accrued income	133,069	147,204
Inventory	32,618	69,480
	3,002,254	2,251,374

7) Trade and other payables

Trade payables	1,188,403	1,476,336
Accrued expenditure	426,508	147,712
Other payables	201,607	127,298
Corporation tax	131,854	161,103
Social security and other taxes	216,076	64,957
	2,164,448	1,977,406

8) Related party transactions

For the period ended 31 March 2023, EUR 68,000 (31 March 2022: EUR 70,186) was paid to Camelot Solutions, a Company incorporated in Monaco. H Molin is a Director of this Company. At 31 March 2023 a balance of EUR 24,000 (31 March 2022: EUR 20,000) was due to Camelot Solutions.

For the period ended 31 March 2023, EUR 38,000 (31 March 2022: EUR 103,354) was paid to Paloma International Advisors, a Company incorporated in Monaco. C Sheiban is a Director of this Company. At 31 March 2023, a balance of EUR 11,620 (31 March 2022: EUR 78,247), included in trade payables, was due to Paloma International Advisors.

9) Net debt

Net Debt is defined as total liabilities from financing, excluding directors' loans, net of cash at bank and in hand. A reconciliation of movements in Net Debt from 1 January 2022 is provided below:

	Interest bearing liabilities	Cash and cash equivalents	Net debt
	€	**€**	**€**
At 1 January 2022	**(653)**	**13,324,598**	**13,323,945**
Additions through acquisition	-	66,570	66,570
Loan repayment	653	-	653
Cash movement	-	(4,810,749)	(4,810,749)
Foreign exchange	-	(31,508)	(31,508)
At 31 March 2022	**-**	**8,548,911**	**8,548,911**
Additions through acquisition	-	43,667	43,667
Drawdown of loan	(824,107)	-	(824,107)
Non-cash movement	(30,319)	-	(30,319)
Cash movement	-	(7,837,319)	(7,837,319)
Foreign exchange	22,763	(177,517)	(154,754)
At 31 December 2022	**(831,663)**	**577,742**	**(253,921)**
Drawdown of loan	(2,158,868)	-	(2,158,868)
Non-cash movement	(17,838)	-	(17,838)
Cash movement	-	147,684	147,684
Foreign exchange	(10,024)	778	(9,246)
At 31 March 2023	**(3,018,393)**	**726,204**	**(2,292,189)**

On 27 July 2022 Physitrack PLC entered into a three-year GBP 5m revolving credit facility with Santander PLC. Dependent upon the Group's leverage, Interest is charged on the amount drawn down at a rate between 2.5 and 4 per cent (the 'Margin') above SONIA. The Group also pays a fee of 40 per cent of the applicable Margin on the undrawn element of the credit facility and the undrawn overdraft.

EUR 225,000 of costs were incurred in establishing this facility made up of EUR 120,000 arrangement fees and EUR 105,000 of legal fees. These are being amortised over the term of the facility.

At 31 March 2023 the Group had drawn down GBP 2,800,000 / EUR 3,174,000 on this facility. An additional GBP 2,200,000 / EUR 2,669,000 is available to drawdown on this facility.

Appendix 1

Definition of key performance indicators

Alternative key performance indicators	Definition	Purpose
EBITDA	Operating profit before depreciation and amortisation, financial items and tax.	EBITDA provides an overall picture of profit generated by the operating activities before depreciation and amortisation. This is the principle operating measure reviewed by the board and shows the users of the report the underlying profitability of the Group excluding non-cash accounting entries such as depreciation and amortisation, financial items and tax. EBITDA can be used as a proxy of the underlying cash profitability of the Group
EBITDA margin (%)	EBITDA as a percentage of revenue.	EBITDA margin is a useful measurement together with net sales growth to monitor value creation. This measure provides the users of the report a snapshot of the short-term operational efficiency. This is due to the fact the margin ignores the impacts of non-operating factors such as interest expenses, taxes or intangible assets. This results in a metric which is a more accurate reflection of the Group's operating profitability.
Items affecting comparability	The costs associated with acquisitions and integrations during the period are identified as 'items affecting comparability'. We use profit measures excluding these items to provide a clearer view of the basis for the future ability of the business to generate profit.	Items affecting comparability is a notation of items, when excluded, shows the Company's earnings excluding items that are non-recurring in ordinary operations. By excluding these items, the users of the report are able to view normalised KPI's.
Adjusted EBITDA	EBITDA excluding items affecting comparability.	The measurement is relevant in order to show the Company's results generated by the operating activities, excluding items which affect comparability. By standardising EBITDA through removing non-recurring, irregular and one-off items which distort EBITDA, it provides the users with a normalised metric to make comparisons more meaningful across a variety of companies.
Adjusted EBITDA margin (%)	Adjusted EBITDA as a percentage of revenue.	The measurement is relevant in order to provide an indication of the Company's underlying results as a share of net sales generated by operating activities, excluding items which affect comparability. By standardising EBITDA margin through removing non-recurring, irregular and one-off items which distort EBITDA margin, it provides the users with a normalised metric to make comparisons more meaningful across a variety of companies.
Operating margin (%)	Operating profit / (loss) as a percentage of revenue.	Operating margin is a useful measurement together with revenue growth to monitor value creation, as it shows the underlying profitability of the company including Depreciation of Amortisation which reflects the capital expenditure of the business over time.

Adjusted operating profit / (loss)	Operating profit / (loss) excluding items affecting comparability.	The measurement is relevant in order to show the Company's results which exclude non-recurring items. This provides a standardised metric which can be used to make more meaningful comparisons.
Adjusted operating margin (%)	Operating profit / (loss) excluding items affecting comparability as a percentage of revenue.	Operating margin excluding non-recurring items is a useful measurement together with revenue growth to monitor value creation. This provides a standardised metric which can be used to make more meaningful comparisons.
Net debt	The sum of current and non-current interest-bearing liabilities towards credit institutions with deductions for cash and cash equivalents.	Net debt is a measurement showing the Company's total indebtedness. Net debt is a liquidity metric used to determine how well the Group can pay all of its debts if they were due immediately. Net debt shows how much cash would remain if all debts were paid off and if the Group has enough liquidity to meet its debt obligations.
Cash generated by operations before adjusting items	Cash generated by operations before cash payment of adjusting items and taxation	Adjusted cash flow, which reflects the cash generation of our underlying business, is calculated on our statutory cash generated from operations and adjusted for exceptional items, net of capital expenditure on property, plant and equipment and intangible assets and tax payments.
Proforma	Proforma for 2022 represents the results for the quarter ended 31 March 2023 had the current structure been in place to mirror the prior financial period. *PT Courses* For the quarter ended 31 March 2022, this includes three month results for PT Courses acquired during Q1 2022. *Wellnow* For the quarter ended 31 March 2022, this includes three month results for Wellnow acquired during Q1 2022. *Champion Health* For the quarter ended 31 March 2022, this includes three month results for Champion Health acquired during Q2 2022.	Proforma provides a useful comparison to understand movement from the prior year on a like-for-like basis.

Reconciliation table for alternative key performance measures

Proforma revenue and proforma revenue growth				
EUR (€), *unless otherwise stated*	3 Month Period ended		Movement	Proforma revenue growth %
	31-Mar-23	31-Mar-22		
	Actual	Proforma		
Lifecare Technology	**2,363,075**	**2,058,033**	**305,042**	**15**
Champion Health UK	826,589	377,444	449,145	119
Champion Health Nordics	131,283	226,621	(95,338)	(42)
Champion Health Europe	413,772	77,379	336,393	435
Virtual Wellness	**1,371,644**	**681,444**	**690,200**	**101**
Total revenue	**3,734,719**	**2,739,477**	**995,242**	**36**
31 March 2022 Statutory revenue	2,576,587	N/A	N/A	N/A
Movement	1,158,132	N/A	N/A	N/A
Movement %	**45**	N/A	N/A	N/A

Subscription revenue as a proportion of total revenue (%)			
	3 Month period ended / Year ended		
EUR (€), *unless otherwise stated*	31-Mar-23	31-Mar-22	31-Dec-22
Subscription	1,965,488	1,681,543	7,124,812
(+) Maintenance	100,552	71,702	286,327
(+) Virtual Wellness (Subscription)	585,814	-	1,522,059
(=) Total recurring revenue	2,651,854	1,753,245	8,933,198
(+) Virtual Wellness (One-off)	785,830	561,605	2,339,767
(+) Continued education	92,484	90,750	296,786
(+) Set-up fees	204,551	170,987	940,620
(=) Total revenue	3,734,719	2,576,587	12,510,371
Subscription revenue as proportion of total revenue%	71	68	71

EBITDA, EBITDA margin, items affecting comparability, adjusted EBITDA and adjusted EBITDA margin			
	3 Month period ended / Year ended		
EUR (€), *unless otherwise stated*	31-Mar-23	31-Mar-22	31-Dec-22
Operating profit/(loss)	(76,937)	(53,948)	109,387
(+) Depreciation and amortisation			
Intangibles recognised on acquisition	239,476	26,454	765,661
Internally generated intangibles and depreciation	568,869	297,321	1,668,270
(=) EBITDA	731,408	269,827	2,543,318
EBITDA margin, %	20	10	20
(+) Total items affecting comparability	190,682	479,961	903,157
Adjusted EBITDA	922,090	749,788	3,446,475
Adjusted EBITDA margin, %	25	29	28

Operating profit, operating profit margin, adjusted operating profit and adjusted operating profit margin			
	3 Month period ended / Year ended		
EUR (€), *unless otherwise stated*	31-Mar-23	31-Mar-22	31-Dec-22
Operating profit/(loss)	(76,937)	(53,948)	109,387
Operating profit/(loss) margin, %	(2)	(2)	1
(+) Total items affecting comparability	190,682	479,961	903,157
Adjusted Operating profit/(loss)	113,745	426,013	1,012,544
Adjusted Operating profit/(loss) margin, %	3	17	8

Earnings per share			
	3 Month period ended / Year ended		
EUR (€), *unless otherwise stated*	31-Mar-23	31-Mar-22	31-Dec-22
Net profit/(loss)	(65,636)	(145,741)	92,319
Number of shares			
Ordinary	16,260,766	16,260,766	16,260,766
Dilutive	16,260,766	16,260,766	16,260,766
Earnings per share			
Basic	(0.00)	(0.01)	0.01
Diluted	(0.00)	(0.01)	0.01

Adjusted earnings per share			
	3 Month period ended / Year ended		
EUR (€), *unless otherwise stated*	31-Mar-23	31-Mar-22	31-Dec-22
Net profit/(loss)	(65,636)	(145,741)	92,319
Adjusting items	190,682	479,961	903,157
Adjusted net profit	125,046	334,220	995,476
Number of shares			
Ordinary	16,260,766	16,260,766	16,260,766
Dilutive	16,260,766	16,260,766	16,260,766
Earnings per share			
Basic	0.01	0.02	0.06
Diluted	0.01	0.02	0.06

Further information

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Financial calendar

Q1 report (1 Jan 2023 – 31 March 2023)
2 May 2023

Annual General Meeting
3 May 2023

Q2 report (1 April 2023 – 30 June 2023)
15 August 2023

Q3 report (1 July 2023 – 30 September 2023)
14 November 2023

Q4 report (1 October 2023 – 31 December 2023)
29 February 2024

Year-end report (1 January 2023 – 31 December 2023)
29 February 2024