ANNUAL REPORT 2025

HARLEYof LONDON

Email: sanjeev@harleyoflondon.co.uk

Website: www.harleyoflondon.com

104 Harley Street

London W1G 7JD

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1. Chairman & Founder’s Statement

2025 marked a foundational year for HARLEY of LONDON. The company strengthened its international structure, expanded its clinical footprint, advanced its digital health capabilities, and established the financial and operational architecture required for long-term global growth.

Our mission remains consistent: **to build a human-centric health and wellness ecosystem that integrates clinical care, preventive medicine, digital health, and lifestyle optimisation into a unified service model.**

Capital Markets Outlook

As part of our long-term strategy, the Board has reviewed global capital-market options. Given sector-specific valuation trends, liquidity conditions, and the performance of digital-health and wellness companies, the **London Stock Exchange is no longer being considered** for a future public listing.

The company is instead evaluating a potential future listing on **NASDAQ**, where comparable companies benefit from stronger analyst coverage, deeper institutional participation, and more favourable valuation multiples. This strategic direction aligns with our transition to a Delaware parent company and positions HARLEY of LONDON for global scale.

2. Corporate Structure

2.1 Parent Entity

HARLEY of LONDON is headquartered in Guernsey and operates as the global parent company for all international subsidiaries and clinical operations.

2.2 Board of Directors

- **Sanjeev Kumar** — Chairman & Chief Executive Officer
- **Madhavi Singh** — Director
- **Doctors Group Representative** — Non-Executive Director (Clinical Governance)

2.3 Ownership

- **Sanjeev Kumar** – 90%
- **Doctors Group & Clinical Partners** – 10%

2.4 Strategic Rationale for Delaware

The Board has determined that Delaware provides:

- a globally recognised corporate jurisdiction
- alignment with NASDAQ listing requirements
- simplified cross-border tax administration
- clearer governance structures
- improved access to North American capital markets

This strategic shift supports the company’s long-term growth and capital-markets objectives.

3. Directors' Report

The Directors present their report and the financial statements for the year ended 31 December 2025.

3.1 Principal Activities

The principal activities of the company during the year were:

- Operation of clinical centres in the UK, Balkans, and Canada
- Development of digital health platforms
- Delivery of subscription-based wellness services
- Acquisition and consolidation of healthcare assets
- Preparation for India market entry

3.2 Business Review

The company delivered consolidated revenue of **GBP 125 million** and EBITDA of **GBP 37.5 million**, reflecting stable performance across clinical operations and digital health services.

3.3 Future Developments

Key priorities for 2026 include:

- Launch of HARLEY of LONDON INDIA (HOLI)
- Expansion of Harley Priority Pass
- Strengthening digital health capabilities
- Transition to Delaware holding company
- Continued consolidation of clinical operations

3.4 Going Concern

The Directors confirm that the business has adequate resources to continue operating for the foreseeable future.

3.5 Internal Controls

The company maintains internal controls appropriate for its size and complexity.

4. Statement of Directors’ Responsibilities

The Directors are responsible for:

- Preparing financial statements that give a true and fair view
- Selecting suitable accounting policies
- Maintaining adequate accounting records
- Safeguarding company assets
- Ensuring effective internal controls
- Assessing going concern status

5. Business Overview

HARLEY of LONDON operates across four integrated pillars:

5.1 Clinical Operations

- Essex Medical Centre (UK)
- Westland Medical Centre (UK)
- Montenegro Clinical Centres
- Canadian public healthcare partnerships
- The LONDON HOSPITAL (Trademark)
- Clinics of LONDON (Trademark)

5.2 Digital Health

- MyCare360 unified health record
- Digital wellness tools
- Preventive care pathways

5.3 Subscription Services

Harley Priority Pass (HPP) – **GBP 199/month**, targeting 15,000 members.

5.4 HOLNESS Ecosystem

A human-centric economic and wellness framework.

6. Strategic Highlights of 2025

- Expansion of clinical footprint
- Digital platform development
- Subscription model growth
- India market preparation
- Capital structure consolidation

7. Financial Performance

7.1 Revenue

Total consolidated revenue: **GBP 125 million**

7.2 EBITDA

EBITDA margin: **30%** Total EBITDA: **GBP 37.5 million**

7.3 Debt Structure

Total secured debt: **GBP 22 million** Tenor: **5 years** Annual repayment: **GBP 4.4 million**

Debt-to-EBITDA ratio: **0.59×**

7.4 IP Valuation

Digital and ecosystem IP valuation: **GBP 10 million**

8. Acquisition & Investment Model

HARLEY of LONDON uses a **5–7 year secured convertible debenture (SCD)** with a **99% share pledge** to acquire and consolidate healthcare assets.

9. Canada Operations

Annual contractual revenue: **CAD 15 million** EBITDA contribution: **GBP 1.35 million**

10. India Expansion (2026 Onward)

HOLI will launch in 2026, focusing on preventive care, digital health, subscription services, and wellness partnerships.

11. Enterprise Value (Indicative)

- **Low Case:** GBP 375 million
- **Mid Case:** GBP 450–500 million
- **High Case:** GBP 560 million

12. Governance & Compliance

The company operates in compliance with:

- Companies (Guernsey) Law, 2008
- UK Companies Act 2006
- CQC standards
- GDPR / UK GDPR
- PHIPA (Canada)
- Montenegro healthcare regulations
- MCA compliance (India)

Committees:

- Clinical Governance
- Audit & Finance Oversight
- Risk Management

13. Risk Management

HARLEY of LONDON maintains a structured risk-management framework covering operational, clinical, financial, regulatory, and technology risks.

14. Industry Context: Private Equity Acquisition Models

Private equity firms globally use structured acquisition models designed to minimise upfront capital risk, maximise operational control, and create clean consolidation pathways for future public listings. HARLEY of LONDON's acquisition strategy aligns with these established practices.

14.1 Secured Convertible Debenture (SCD) Model

Provides operational control, secured position, share pledge protection, and clean consolidation.

14.2 Deferred Equity Conversion

Allows conversion after regulatory approvals, stabilisation, or prior to IPO.

14.3 Multi-Jurisdictional Consolidation

Simplifies governance, reporting, and prepares the group for NASDAQ.

14.4 Alignment with NASDAQ Valuation Models

NASDAQ favours digital-health, subscription-based, and IP-driven healthcare ecosystems.

14.5 Strategic Fit for HARLEY of LONDON

Supports global expansion, subscription scalability, and founder-controlled governance.

15. Forward-Looking Disclaimer

This Annual Report contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially. The company undertakes no obligation to update forward-looking statements.

6. Statement of Responsibility

The Board confirms that this Annual Report presents a true and fair view of the company's position.

17. Company Information

Registered Office: HARLEY of LONDON, St Peter Port, Guernsey, Channel Islands

Principal Place of Business: 104 Harley Street, London W1G 7JD, United Kingdom

Jurisdiction of Incorporation: Companies (Guernsey) Law, 2008

18. Corporate Reorganisation and Transfer of Business

All operating activities, intellectual property, digital platforms, subscription services, and international clinical operations previously held under **HARLEY of LONDON (Guernsey) are being transferred** to **HARLEY of LONDON AMERICA, INC.**, a Delaware-incorporated entity established as the new global parent company.

This transition reflects the evolving regulatory and tax-compliance environment affecting cross-border structures between the UK and Guernsey. As UK-based operations and UK-resident directors expanded, the Guernsey entity increasingly fell within UK reporting expectations, reducing structural advantages.

Following completion of the transfer, the Board will commence the **voluntary dissolution** of the Guernsey entity through a standard strike-off process.

HARLEY of LONDON AMERICA, INC. will serve as the **primary global parent company** for all business activities.

19. Capital Markets Strategy and Potential NASDAQ Listing

The company has determined that the **London Stock Exchange will not be pursued** for a future public listing.

The Board is evaluating a potential future listing on **NASDAQ**, which offers:

- deeper liquidity
- stronger analyst coverage
- higher institutional participation
- more favourable valuation multiples
- alignment with Delaware corporate structures

No formal IPO process has commenced.

Approved by the Board in January 2026