



totallyplc



Leading Provider of Out of Hospital
Healthcare

Summary

Interim targets met – as per market expectations



Building Totally into a leading 'out of hospital' healthcare provider to help address the significant healthcare challenges faced by the UK now and importantly, in the future

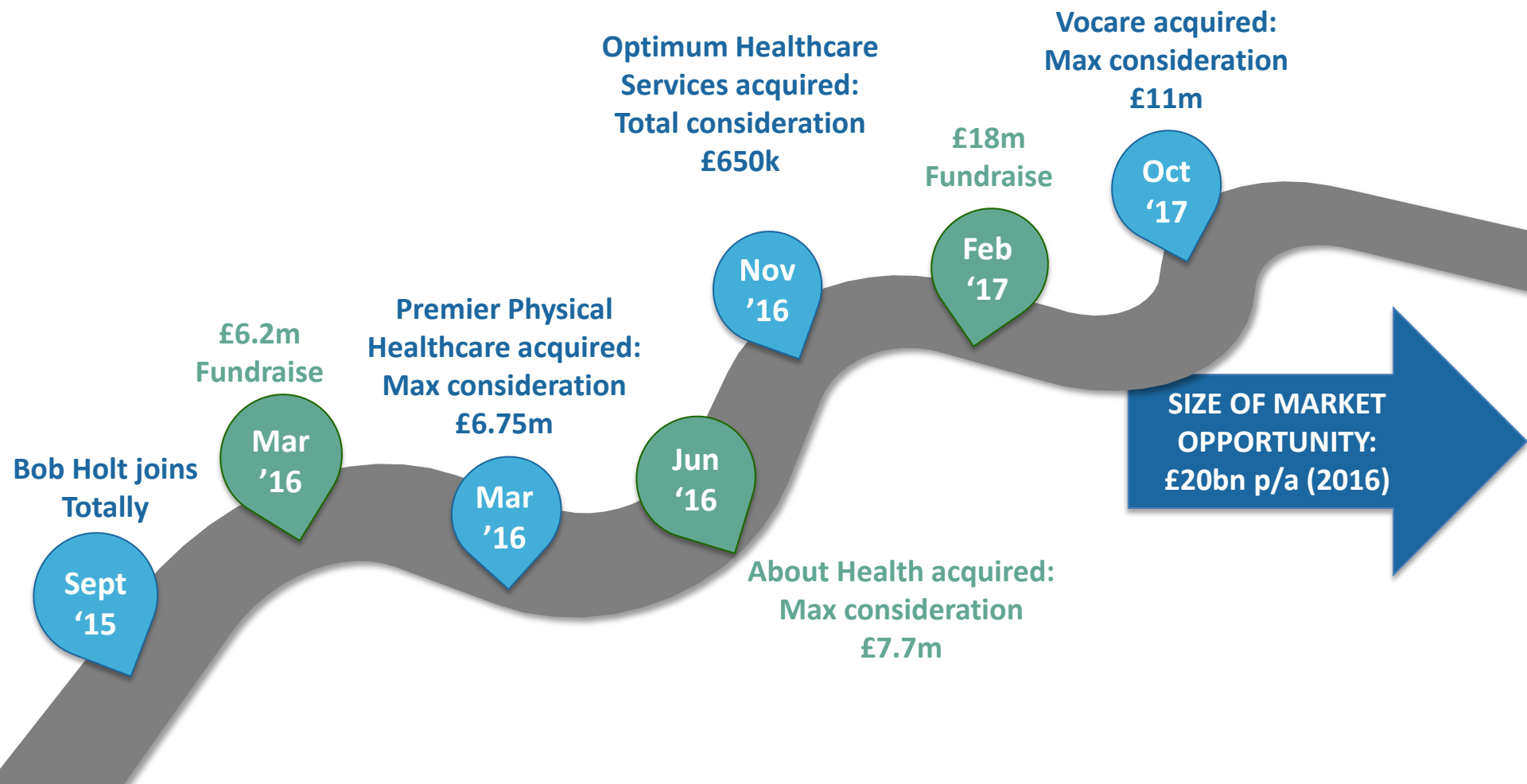
Operational highlights

- Totally strongly positioned to benefit from NHS Integrated Urgent Care strategy, additional NHS funding (£20.5bn over next 5 years) and to become the partner of choice for the NHS
- Major structural and operational improvements since acquisition have led to greater efficiencies and higher standards of patient care, evidenced by results of CQC inspections
- Continued work integrating its complementary subsidiary businesses, generating synergies

Financial highlights

- Revenue £40,164,000 (six months to 30.09.17 : £3,530,000)
- Gross profit £5,689,000 (six months to 30.09.17: £1,058,000)
- EBITDA profit before exceptional costs £95,000 (six months to 30.09.17 EBITDA loss of £804,000)
- EBITDA profit including exceptional costs £1,007,000 (six months to 30.09.17 EBITDA loss of £784,000)
- Cash at bank £9,002,000 (31 March 2018: £10,224,000)

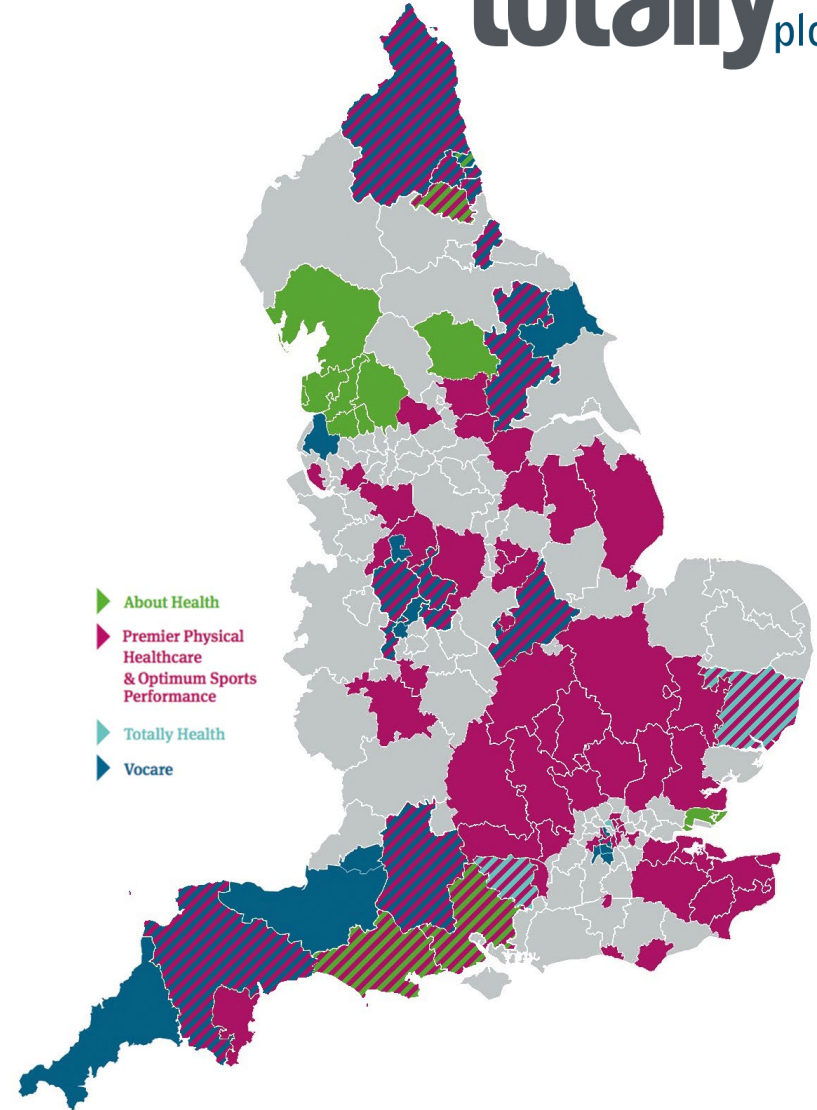
The journey so far



Totally at a glance



- Circa 231 Locations providing 'Out of Hospital' Healthcare
- Out-of-hospital healthcare includes:
 - Primary care (GP surgeries)
- Community care
 - Patients' homes
 - Prisons and other public/private sector organisations
 - Places of work
- £9m Cash in the bank
- £40.2m Revenue – annualised revenues of c.£81m
- Circa 1,600 Employees (1000wte)

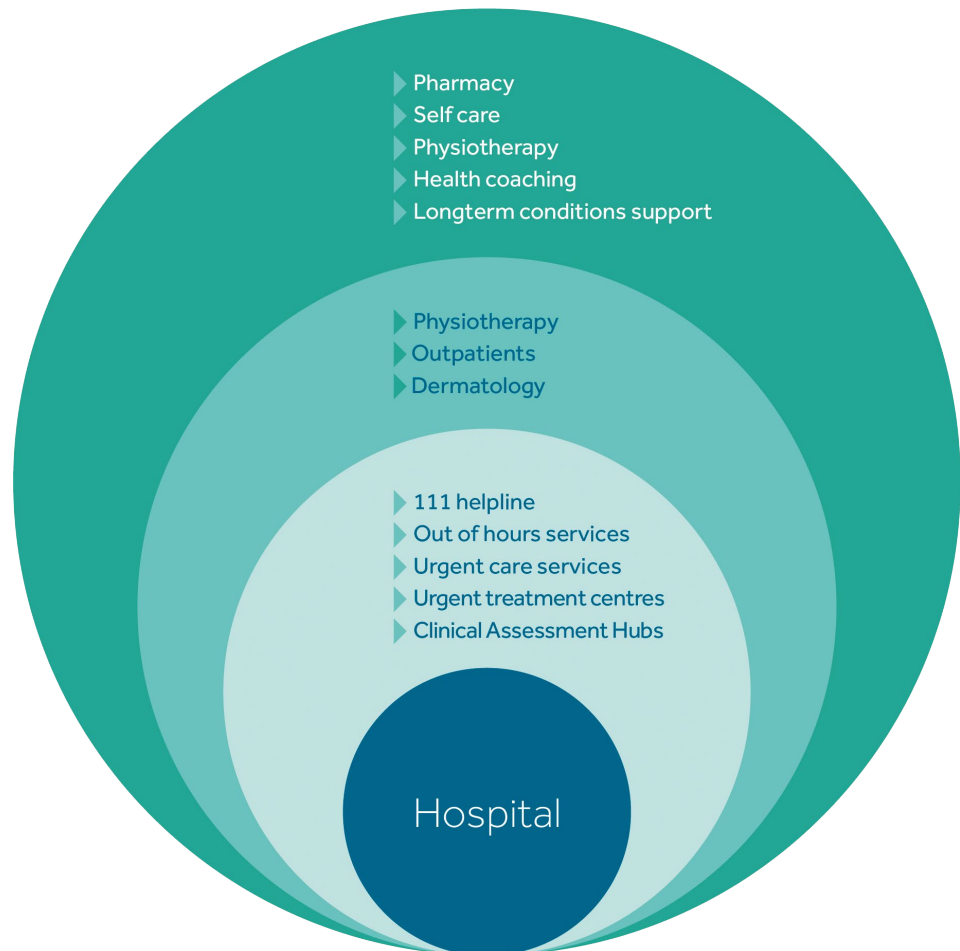


Market opportunity

NHS Outsourced Services estimated at circa £20bn + in 2016

October 2018 Government Budget announced £20.5bn additional per year for NHS spend by 2023

Cost per patient treated via an Integrated Urgent Care Service is c.30% of the A&E average – a highly cost effective care solution



Consolidated Statement of Profit or Loss and Other Comprehensive Income



| | 6 months ended 30 September 2018 (Unaudited) £000 | 6 months ended 30 September 2017** (Unaudited) £000 | 15 months ended 31 March 2018* (Audited) £000 |
|--|---|---|---|
| Revenue | 40,164 | 3,530 | 42,535 |
| Cost of sales | (34,475) | (2,472) | (35,510) |
| Gross profit | 5,689 | 1,058 | 7,025 |
| Administrative expenses | (5,594) | (1,862) | (6,842) |
| Exceptional items | 912 | 20 | 4,508 |
| Profit / (loss) before interest, tax, depreciation and amortisation | 1,007 | (784) | 4,691 |
| Depreciation and amortisation | (1,420) | (239) | (1,863) |
| Operating (loss)/profit | (413) | (1,023) | 2,828 |
| Finance income | 2 | - | - |
| Finance costs | (129) | (301) | (719) |
| (Loss)/profit before taxation | (540) | (1,324) | 2,109 |
| Income tax | (231) | - | (312) |
| (Loss)/profit attributable to the equity shareholders of the parent company | (771) | (1,324) | 1,797 |

90% current revenue earned by Vocare

Revenue based on: Activity delivered (not controllable) less Contractual KPI penalties (generally controllable subject to external factors)

75% of current revenue contracted through to March '19, 50% to March '20

Majority of cost of sales is staff costs - Recruitment/retention and rota management.
Seeking better supplier deals

Exceptional items: Contingent consideration (£1.0m), other costs £0.1m

Gross margin: 14.2%
Target 2021: Vocare 14%, blended 17%

Consolidated Statement of Financial Position



| | 30 September 2018 (Unaudited) £000 | 31 March 2018 (Audited) £000 |
|------------------------------------|--|------------------------------------|
| Non-current assets | | |
| Intangible fixed assets | 30,803 | 31,262 |
| Property, plant and equipment | 777 | 980 |
| Deferred tax | 515 | 646 |
| | 32,095 | 32,888 |
| Current assets | | |
| Inventories | 30 | 78 |
| Trade and other receivables | 10,751 | 9,706 |
| Cash and cash equivalent | 9,002 | 10,224 |
| | 19,783 | 20,008 |
| Total assets | 51,878 | 52,896 |
| Current liabilities | | |
| Trade and other payables | (22,373) | (21,450) |
| Borrowings/invoice discounting | (5) | (6) |
| Deferred acquisition consideration | (2,027) | (452) |
| | (24,405) | (21,908) |
| Non-current liabilities | | |
| Deferred acquisition consideration | - | (2,555) |
| Borrowings | (4) | (8) |
| Other payables | (881) | (1,087) |
| | (885) | (3,650) |
| Total liabilities | (25,290) | (25,558) |
| Net current liabilities | (4,622) | (1,900) |
| Net assets | 26,588 | 27,338 |

Goodwill relating to Vocare £15m,
Cash acquired £11.8m (£6.2m paid to
previous shareholders)

£5.3m primarily due from CCGs, cash
generally paid in the month

£8m of trade payables on 30 day terms, self
employed GPs paid on 14 day terms

Amounts payable to About Health

Consolidated Cash Flow Statement

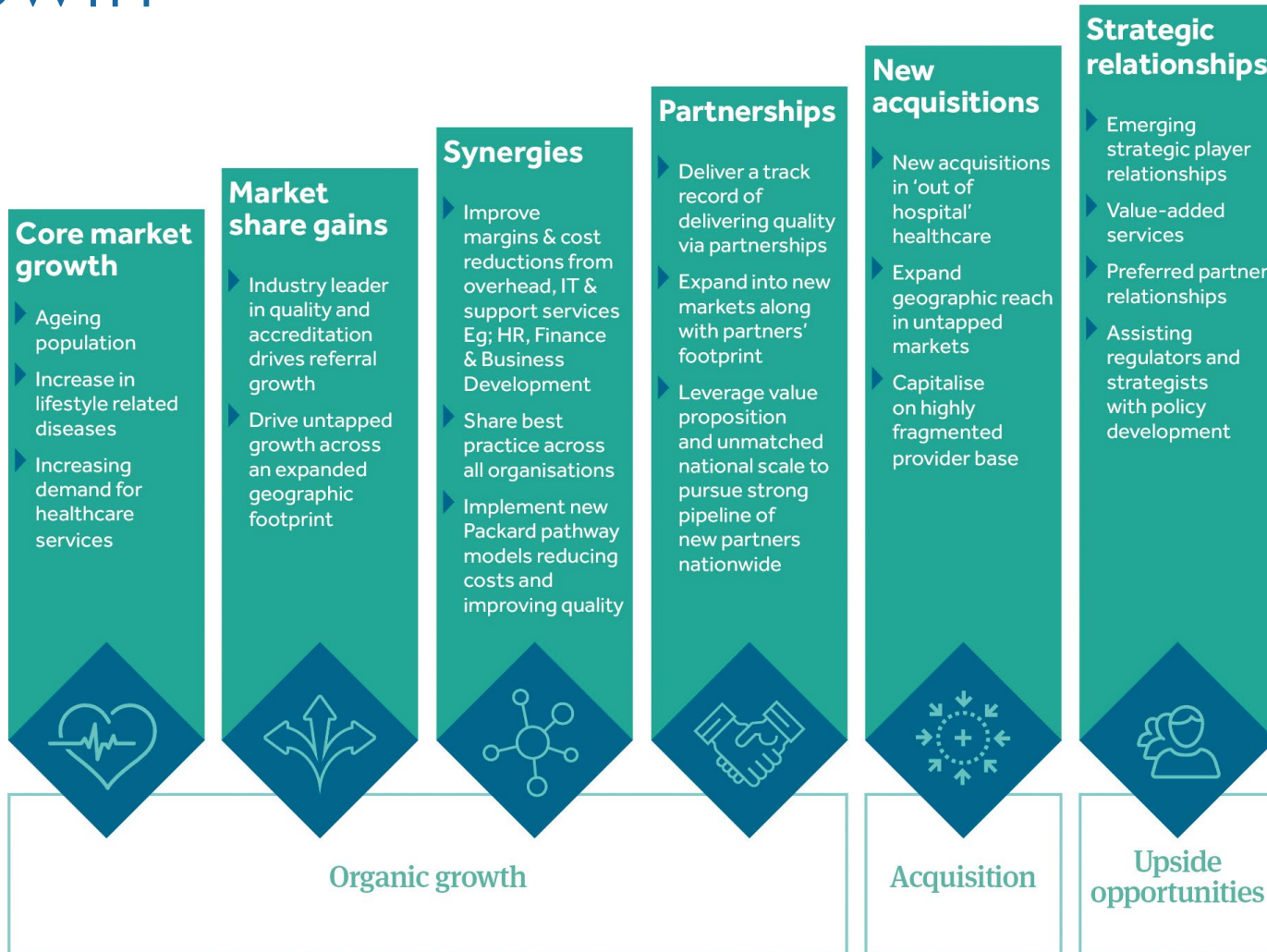


| | 6 Months ended 30 September 2018 | 6 Months ended 30 September 2017 | 15 Months ended 31 March 2018 |
|---|---|--|---|
| | (Unaudited) | (Unaudited) | (Audited) |
| | £000 | £000 | £000 |
| Cash flow from operating activities: | | | |
| (Loss)/profit for the period | (771) | (1,324) | 1,797 |
| <i>Adjustments for:</i> | | | |
| Options and warrants charge | 21 | 16 | 42 |
| Amortisation and depreciation | 1,420 | 239 | 1,863 |
| Impairment of development costs | - | - | 739 |
| Tax expense recognised in profit or loss | 231 | - | 312 |
| Revaluation of contingent consideration | (1,011) | (165) | (6,466) |
| Finance costs | 112 | 300 | 718 |
| <i>Movements in working capital:</i> | | | |
| Movement in inventory | 48 | - | 22 |
| Movement in trade and other receivables | (1,044) | 301 | 1,092 |
| Movement in trade and other payables | 91 | 14 | (3,321) |
| Cash generated from operations | (903) | (619) | (3,202) |

Integration and Improvement

| Objective |
|--|
| Improve organisational management structure, optimise delivery through clearer responsibilities and accountabilities |
| Deliver appropriate and effective clinical governance improvements |
| Deliver improved processes, commercial terms and conditions and a retention strategy across the Totally Group |
| Provide the Board with clear sight of risk and embed a sustainable risk management methodology |
| Deliver a single point of reference and monitoring for management of performance (clinical quality, non-financial kpis) |
| Deliver a robust resilience and capacity planning model: reducing cost and maximising efficiency |
| Provide better KPI and management reporting systems. Tighten up financial control and deliver agreed target of cost reduction. Better financial modelling and post op appraisal. |
| Produce an attractive model to deliver the IUC offering effectively. Define and communicate USP and innovate. |
| To secure new business and deliver revenue growth |
| To optimise the contractual and financial performance of current services. |

Multiple levers for EBITDA growth



Conclusions



- Trading in line with expectations
- Strong cash position
- Strongly positioned to benefit from NHS Integrated Urgent Care strategy, additional NHS funding and to become the partner of choice for the NHS
- Additional £20.5bn over the next five years for NHS – 2018 Government Budget
- Healthy pipeline of opportunities ranging from £25m to £80m contracts each for 5 to 7 years



Hamilton House, Mabledon Place, Kings Cross
London WC1H 9BB

Our Board



Bob Holt, OBE - Chairman

- Long background in developing support service businesses
- Chairman of Mears Group PLC: social housing and domiciliary care services
- Chairman of Totally since September 2015



Tony Bourne, Non Executive Director

- Chairman of Chelsea and Westminster Health Charity
- Previously Chief Executive of the British Medical Association
- Non-executive director of Barchester and Spire Healthcare



Wendy Lawrence, CEO

- 20+ years with the NHS: 12 of which at Director level
- Former Chief Exec of three NHS Primary Care Trusts
- Led the client delivery team at BUPA Health Dialog
- CEO of Totally since 2013



Michael Rogers, Non Executive Director

- Over 30 years' experience in healthcare-services
- Currently non-executive director of Mears Group PLC
- Health and social care adviser to Morgan Stanley Private Equity and member of the investment advisory board of P.E. provider Bestport Ventures LLP



Lisa Barter, Finance Director (from 24.10.17)

- 20+ years as Chartered accountant
- 13 years in finance roles within the healthcare sector
- Former Head, Divisional Finance (Healthcare) Care UK
- Previously Financial Controller at Mercury Health Ltd



Gloria Cooke, Clinical Quality Director (from 04.12.17)

- 40+ years in the NHS incl. 10 years in A&E practice
- Former Head of Nursing for a large integrated service.
- Former Group Operations Director for one of the largest acute trusts in the UK



Don Baladasan, Non Executive Director (from 24.10.17)

- Chartered Management Accountant with 18+ years experience
- Founder of Maxis Ltd, providing FD services to SMEs
- Former Head of Accounting Development at Stemcor, UK's 3rd largest private company

“Management has proven, multi-decade experience in the NHS, and has identified public market outsourced healthcare as an attractive prospect and have developed a plan to build on this opportunity”