

30 September 2014

Totally plc

(“Totally”, the “Company” or the “Group”)

Half-yearly results for the six months ended 30 June 2014

Totally plc (ticker: “TLY”), the AIM quoted provider of innovative solutions to the healthcare sector, announces its unaudited results for the six months ended 30 June 2014.

Performance overview

- Group turnover £196,000 (2013 H1: £737,000).
- Gross profit £116,000 (2013 H1: £112,000).
- EBITDA loss of £267,000 (2013 H1: loss £397,000).
- Operating loss of £272,000 (2013 H1: loss £401,000).
- Loss for the period (including discontinued operations) of £186,000 (2013 H1: loss £576,000).

Post period end

- New contracts signed with Rochdale CCG, Guildford and Waverley CCG and Bedfordshire CCG including Totally’s first Chronic Heart Failure (CHF) programme.
- Successful equity fundraise to raise £400,000 completed on 14 August 2014 to provide funding to allow the Company to develop new business models within Totally Health.

Financial Review

The results above reflect a financial review programme that has been implemented to ensure resources are aligned to the delivery of Totally Health’s strategic plans. The transition programme has been implemented rigorously across the Group and the financial benefits have started to be realised.

The new contract wins post period end have resulted in the Group’s wholly owned subsidiary, Totally Health Ltd, being EBITDA positive on a monthly basis.

Due to the relatively low overhead costs of the Group the Board is confident that a couple of further new contract wins of similar magnitude to the recent contracts announced will move the Group into EBITDA positive on a monthly basis.

Despite the tight financial controls on costs financial resources are available for new business growth and sales. This will ensure Totally is able to leverage new routes to market that become available. This resource was further enhanced by the £400,000 equity fundraise completed in August 2014.

Donald Baladasan
Chief Financial Officer
29 September 2014

Joint Statement from Chairman and Chief Executive

We are pleased to present the results for the six months ended 30 June 2014. During the period the Group made a loss before taxation of £272,000 (2013 H1: loss £431,000) on turnover of £196,000 (2013 H1: £737,000).

The first 6 months of 2014 saw significant progress for Totally Health during which we began working with a number of new CCGs and assisting with the management of people with Long Term Conditions, not only supporting people with Chronic Obstructive Pulmonary Disease (COPD), but also with other conditions including Diabetes and Health Failure. It was also significant that work began with CCGs in and around London as we know that there is huge demand for our services in such areas due to the complicated demographic and population profiles. The new contract with Waltham Forest CCG secured in February 2014 was Totally Health's first contract in London and other notable contract wins in the period under review included contracts with NHS Sutton CCG, NHS Kingston CCG and Merton CCG. We have also secured a number of new contracts post period-end which demonstrate further the confidence of CCGs across England in our clinical health coaching programmes. The ongoing pipeline of new business contracts continues to grow as we prove our effectiveness in the market. The challenges remain converting these into contracts while the NHS is dealing with competing priorities. We remain confident of converting the pipeline into new contracts as well as further developing new routes to market for our core product offering in both the public and private healthcare sectors.

During the same period we also significantly rebuilt the Company to focus on the work of Totally Health, adding to our team of professionals that can support our growth going forward. We also added to our portfolio of services which we provide to our customers with the addition of Discharge Support, Pre and Post Hospital Admission Services which complement our LTC Management and Shared Decision Making Programmes.

Contracts with existing clients were also renegotiated for further periods of time which reflect the success of our programmes and how Totally Health can continue to support individuals and health care providers in the longer term.

We continue to focus the Company on our innovative healthcare solutions, refine the services we already provide and develop new business models which we are confident will ensure that the company can grow and further support all sectors of the healthcare market.

Dr. Michael Sinclair
Non-Executive Chairman

Wendy Lawrence
Chief Executive Officer

29 September 2014

Operational Review

The first half of 2014 has been a period of focused change for Totally, a theme that will continue during the rest of the year. During the six months ended 30 June 2014, Totally reviewed its business strategy to ensure that there was a concentrated focus on the development and growth of Totally Health. Our head office was relocated to much smaller accommodation to reflect the changes following the disposal of Totally Communications in December 2013 and we have added to the team of professionals to ensure the growth in Totally Health continues.

Contracts with existing clients have been extended both in terms of time and service requirements. We continue to support NHS England with their programme for Shared Decision Making with agreements now in place for a further 12 month period through to May 2015 (inclusive) with an option for a further 6 months extension. Leicester City CCG extended their agreement with Totally Health to support their patients diagnosed with COPD and work has commenced with Leicester City CCG which resulted in a new service model being agreed to step-down patients from the acute management programme into a focused Clinical Health Coaching programme to ensure their self management skills are further developed to maintain their health and well-being. Our work with Leicester City CCG was also featured in a national NHS publication which promoted good practice and which has led to numerous CCGs wanting to learn about what we do and the difference we could make to their LTC populations. Subsequently Totally Health has secured new business and negotiations continue with a number of CCGs across England.

We remain confident that we will continue to grow Totally and deliver services to a wide range of healthcare providers, not just the NHS. We very much look forward to further announcements of new business and the introduction of new business models during the remaining part of 2014.

Wendy Lawrence
Chief Executive Officer
29 September 2014

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Interim Consolidated Income Statement

For the six months ended 30 June 2014

	Six months ended 30 June 2014	Six months ended 30 June 2013	Year ended 31 December 2013
	(Unaudited) £000	(Unaudited) £000	(Audited) £000
Revenue	196	737	878
Cost of sales	(80)	(625)	(698)
Gross profit	116	112	180
Administrative expenses	(383)	(509)	(871)
Loss before interest, tax and depreciation	(267)	(397)	(691)
Depreciation	(5)	(4)	(9)
Operating loss	(272)	(401)	(700)
Share issue costs	-	(29)	(29)
Finance costs	-	(1)	(2)
Loss before taxation	(272)	(431)	(731)
Income tax	-	-	-
Loss from continuing operations	(272)	(431)	(731)
Profit/(loss) from discontinued operations (Note 3)	86	(145)	(200)
Loss attributable to the equity shareholders of the parent company	(186)	(576)	(931)
Earnings per share (Note 2)			
Basic and diluted: (pence)			
Continuing operations	(0.09)p	(0.21)p	(0.32)p
Discontinued operations	0.03p	(0.08)p	(0.08p)
Total	(0.06)p	(0.29p)	(0.40)p

Comparative results for the six months ended 30 June 2013 have been restated to re-analyse the results of discontinued activities.

The accompanying notes form part of the unaudited interim consolidated income statement.

Interim Consolidated Statement of Changes in Equity

For the six months ended 30 June 2014

	Share capital	Share premium account	Profit and loss account	Equity shareholders' deficit
	£000	£000	£000	£000
At 1 January 2014 (Audited)	2,373	3,847	(6,439)	(219)
Comprehensive loss for the period (Unaudited)	-	-	(186)	(186)
At 30 June 2014 (Unaudited)	2,373	3,847	(6,625)	(405)
At 1 January 2013 (Audited)	1,693	3,353	(5,508)	(462)
Comprehensive loss for the period (Unaudited)	-	-	(547)	(547)
Issue of share capital (Unaudited)	568	-	(29)	539
At 30 June 2013 (Unaudited)	2,261	3,353	(6,084)	(470)
At 1 January 2013 (Audited)	1,693	3,353	(5,508)	(462)
Comprehensive loss for the year (Audited)	-	-	(902)	(902)
Issue of share capital (Audited)	680	494	(29)	1,145
At 31 December 2013 (Audited)	2,373	3,847	(6,439)	(219)

The accompanying notes form part of the unaudited interim consolidated statement of changes in equity.

Interim Consolidated Statement of Financial Position

As at 30 June 2014

	30 June 2014 (Unaudited) £000	30 June 2013 (Unaudited) £000	31 December 2013 (Audited) £000
Non-Current Assets			
Intangible fixed assets	-	11	-
Property, plant and equipment	12	24	16
	<u>12</u>	<u>35</u>	<u>16</u>
Current Assets			
Trade and other receivables	133	249	64
Cash and cash equivalent	55	87	173
	<u>188</u>	<u>336</u>	<u>237</u>
Total Assets	200	371	253
Current Liabilities			
Trade and other payables	(605)	(841)	(472)
Net Current Liabilities	(417)	(505)	(235)
Net Liabilities	<u>(405)</u>	<u>(470)</u>	<u>(219)</u>
Shareholders' Equity			
Share capital	2,373	2,261	2,373
Share premium account	3,847	3,353	3,847
Retained earnings	(6,625)	(6,084)	(6,439)
Equity shareholders' deficit	<u>(405)</u>	<u>(470)</u>	<u>(219)</u>

The accompanying notes form part of the unaudited interim consolidated statement of financial position.

Interim Consolidated Cash Flow Statement

For the six months ended 30 June 2014

	Six months ended 30 June 2014	Six months ended 30 June 2013	Year ended 31 December 2013
	(Unaudited) £000	(Unaudited) £000	(Audited) £000
Cash flow from operating activities:			
Loss for the period	(186)	(547)	(902)
Adjustments for:			
Amortization and depreciation	5	12	21
Profit on disposal of subsidiary	-	-	(87)
Movements in working capital:			
Movement in amounts recoverable on contracts	-	154	154
Movement in trade and other receivables	(69)	114	112
Movement in trade and other payables	133	(166)	(209)
Net cash flows from operating activities	(117)	(433)	(911)
Cash flow from investing activities:			
Purchases of property, plant and equipment	(1)	(12)	(15)
Cash repaid to the purchaser of subsidiary	-	(57)	(57)
Cash received from disposal of subsidiary, net of costs	-	-	33
Net cash flows from investing activities	(1)	(69)	(39)
Cash outflow before financing	(118)	(502)	(950)
Cash flow from financing activities:			
Issue of share capital, net	-	539	1,073
Interest paid	-	-	-
Net cash flow from financing activities	-	539	1,073
Net increase/(decrease) in cash and cash equivalents	(118)	37	123
Cash and cash equivalents at beginning of the period	173	50	50
Cash and cash equivalents at end of the period	55	87	173

The accompanying notes form part of the unaudited interim consolidated cash flow statement.

Notes to the Interim Results

1. Basis of preparation

Totally PLC is a public limited company (the "Company") incorporated in the United Kingdom under the Companies Act 2006 (registration number: 3870101). The Company's Ordinary Shares are traded on the AIM Market of the London Stock Exchange ("AIM").

The Group's principal activities in the period under review have been the provision of innovative solutions to the healthcare sector, provided by the Group's wholly owned subsidiary, Totally Health Limited.

The interim report and accounts for the six months ended 30 June 2014 have been prepared using the recognition and measurement principles of International Financial Reporting Standards and Interpretations as endorsed by the the European Union (collectively "Adopted IFRS").

These condensed consolidated interim financial statements for the half-year ended 30 June 2014 have been prepared in accordance with the AIM Rules for Companies and comply with IAS 34, "Interim Financial Reporting" as adopted by the European Union and should be read in conjunction with the annual financial statements for the year ended 31 December 2013, which have been prepared in accordance with IFRS as adopted by the European Union. The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements.

The interim report and accounts have been prepared on the basis of the accounting policies set out in the Group's 2013 Annual Report and Accounts. The interim report and accounts do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. These condensed consolidated interim financial statements were approved by the Board of Directors on 29 September 2014. The results for the six months to 30 June 2014 and the comparative results for six months to 30 June 2013 are unaudited. The comparative figures for the year ended 31 December 2013 do not constitute the statutory financial statements for that year.

As at 30 June 2014 cash balances amounted to £55,000, with current creditors (as at 30 June 2014) of £605,000. In August 2014 Totally Plc raised £400,000 (before expenses) through the issue of 80,000,000 new ordinary shares of 0.1 pence each in the Company (see note 5 for details). Cash balances as at 26 September 2014 were £246,000.

The Company is in regular contact with its principal creditors, who remain supportive, and the Directors believe that a combination of its current cash and projected revenues from existing and future contracts will enable it to meet its obligations and to implement its business plan in full. However due to the need to successfully convert the strong pipeline into contracts, there is an uncertainty which may cast doubt about the ability of the Group and the Company to continue as a going concern. Inherently, there can be no certainty in these matters, but the Directors believe that the trading forecasts are realistic and that the going concern basis of preparation continues to be appropriate.

2. Earnings per share

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of Ordinary Shares in issue during the period.

None of the share options or warrants in issue had a dilutive effect on earnings per share in H1 2014 or H1 2013.

	Six months ended 30 June 2014	Six months ended 30 June 2013	Year ended 31 December 2013
	(Unaudited)	(Unaudited)	(Audited)
Loss (continuing operations) (£000)	(272)	(431)	(731)
Earnings / (loss) (discontinued operations) (£000)	86	(145)	(200)
Weighted average number of shares used In basic and diluted earnings ('000)	317,617	201,497	231,412
Basic and diluted earnings per share (continuing operations) (Pence)	(0.09)	(0.21)	(0.32)
Basic and diluted earnings per share (discontinued operations) (Pence)	0.03	(0.08)	(0.08)

3. Profit / (loss) from discontinued operations

	Six months ended 30 June 2014	Six months ended 30 June 2013	Year ended 31 December 2013
	(Unaudited)	(Unaudited)	(Audited)
Profit on disposal of subsidiary	86	-	87
Loss for the period from discontinued operations	-	(145)	(287)
	<u>86</u>	<u>(145)</u>	<u>(200)</u>

The profit on disposal of subsidiary for the six months ended June 2014 included release of provisions for liabilities that were subsequently not incurred.

4. Dividends

No dividend is proposed for the six months ended 30 June 2014.

5. Events after the reporting period

1. In August 2014 Totally raised £400,000 (before expenses) through the issue of 80,000,000 new ordinary shares of 0.1 pence each in the Company (the "Placing Shares") with existing shareholders and new investors at a price of 0.5 pence per Placing Share.

The Company's issued share capital, following the issue of the Placing Shares, consists of 397,617,450 ordinary shares of 0.1 pence each.

2. In July 2014 Totally Health was appointed by Rochdale Clinical Commissioning Group (CCG) to undertake a clinical health coaching programme focused on the management of Long Term Conditions. During the course of the programme, Totally Health will work with up to 50 patients, diagnosed with Chronic Obstructive Pulmonary Disease (COPD), over a 6 month initial pilot, to help the patients to better manage their own conditions, thereby reducing visits to hospitals and to their GP. Revenues from this contract are expected to be around £50,000 (excluding VAT), over the initial 6 month period.
3. In July 2014 Totally Health secured an agreement to provide additional services to Leicester City Clinical Commissioning Group (CCG) as part of its long standing contract to provide Clinical Health Coaching services to patients diagnosed with Chronic Obstructive Pulmonary Disease (COPD). This new service is in addition to the Intensive COPD Clinical Health Coaching Programme, which Totally Health already provides to Leicester City CCG, and provides a 'step down' programme for those patients who have successfully met all of their personal goals and are now able to better self manage their condition and avoid exacerbations. The service will allow patients to remain supported by their named Clinical Health Coach whilst they prepare for discharge from the service in the coming months and, at the same time, provides capacity for Leicester City CCG to recruit new patients onto the intensive TotalCare Programme so that they benefit from the services provided. Expected additional revenues from this service are expected to be in the order of £32,000 (excluding VAT) over an eight month period.
4. In August 2014 Totally Health was appointed by Guildford and Waverley Clinical Commissioning Group (CCG) to undertake clinical health coaching programmes focused on the management of Long Term Conditions. Over the six month initial pilot period, Totally Health will work with up to 100 patients diagnosed with Chronic Obstructive Pulmonary Disease (COPD), to help the patients better manage their own conditions, thereby reducing patient visits to hospitals and GPs. Revenues from this contract are expected to amount to about £65,000 (excluding VAT) over the 6 month period.
5. At August 2014 Totally Health has been appointed by Bedfordshire Clinical Commissioning Group (CCG) to undertake a clinical health coaching programme focused on the management of Long Term Conditions, including Totally's first Chronic Heart Failure (CHF) programme. During the course of the programme, Totally Health will work with up to 100 patients diagnosed with Chronic Obstructive Pulmonary Disease (COPD) and/ or Chronic Heart Failure (CHF). This will be over a 6 month initial pilot period, to help the patients better manage their own conditions, thereby reducing patient visits to hospitals and GPs. Revenues from this contract are expected to amount to about £65,000 (excluding VAT) over the 6 month period.

6. Distribution of Interim Report

A copy of the interim report will be available shortly on the Company's website (www.totallyplc.com) in accordance with rule 26 of the AIM Rules for Companies and copies will be available from the Company's registered office located at Lighterman House, 26-36 Wharfedale Road, London N1 9RY.