

Corporate

 Current price **31p**

 Sector **Healthcare Equipment & Services**

 Code **TLY.L**

 AIM **AIM**

Share Performance



Source: Thomson Reuters, Allenby Capital

Share Data

 Market Cap (£m) **56.5**

 Shares in issue (m) **182.2**

 52 weeks **High** **Low**
34.7p **11.4p**

 Financial year end **March**

Source: Company Data, Allenby Capital

Key Shareholders

Richard Sneller 11.10%

Stonehage Fleming IM 10.09%

Premier Miton Group 9.68%

Columbia Threadneedle Inv 6.33%

Liontrust Inv 4.47%

D & M Newlands 3.96%

Unicorn AM 3.16%

Source: Company Data, Allenby Capital

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Totally plc (TLY.L)

Record EBITDA achieved for 2020/21 - more to come

The 2020/21 financial year for Totally has been exceptional in that the Company has had to modify the way it provided its support services to the NHS and Clinical Commissioning Groups (CCGs) to accommodate the COVID-19 pandemic in ways that could not have been imagined a year earlier. That it has managed the significant changes to its delivery model both efficiently and successfully is a testament to the Board and staff given that the Group still managed to deliver a significant increase in EBITDA yoy. We have already seen early indications of how its interaction with the NHS is changing as the NHS moves away from traditional formal tendering for contracts to a preferred partnership model and as a valued and proven partner of the NHS we believe Totally is well placed to achieve continued growth as the NHS moves back to some semblance of normality.

- Anticipating a substantial increase in EBITDA and a healthy cash position** – In its full year trading update, Totally anticipates EBITDA will be substantially ahead of the £4m reported for the year to March 2020 and ahead of its own internal expectations. This yoy improvement to what will be a record EBITDA outturn has been driven by many factors but is principally a reflection of the Group's ability to respond well and in a timely fashion to the changing demands for its healthcare services during the pandemic, in turn assisting the NHS in providing front line care across the UK and Ireland. We also note that the Group ended the year with a strong balance sheet of £14.8m net cash (FY2019/20: £8.9m) and no debt.
- Well positioned to deliver growth under changed NHS delivery model** – It is anticipated that in the future, traditional tendering for contracts by CCGs will change to one based on a public/private partnership model, in line with the new NHS Integrated Care System framework. We believe that Totally is recognised as being a trusted partner to the NHS (assisted by the fact that the CQC ratings for all its registered services are now rated as Good). Accordingly, we believe Totally is well positioned to be awarded new agreements, an example being the recent announcement that its subsidiary, Vocare, was chosen as a qualified provider to Yorkshire Ambulance Service NHS Trust, the first such agreement to be awarded under the new regime.
- Contract renewals and extensions continue to be awarded** - In the meantime, the Group continues to be awarded renewals and extensions to its existing contracts and over the past year the aggregate value of these contracts amounted to c.£92.5m.
- Increased waiting lists present a significant opportunity** – Waiting lists for elective care across the UK have increased substantially due to the priority given to the high number of COVID patients being admitted to hospital. The Group's insourcing division is well placed to provide services to help reduce these waiting lists and the Board therefore anticipates significant growth in this area of business in FY2021/22. We expect FY2020/21 results to be announced in July, at which time we expect to be in a position to re-introduce forecasts which had been temporarily withdrawn due to the major uncertainties resulting from the pandemic.

Year End: March

(£m)	2018A	2019A	2020A	2021E	2022E
REVENUE	42.5	78.0	105.9	-	-
-ADJ. EBITDA	0.2	1.1	4.0	-	-
ADJ. (L)/PBT	-1.1	-0.2	1.4	-	-
ADJ. EPS (p)	-2.8	0.1	1.1	-	-
NET CASH	10.2	7.5	8.9	14.8	-
DIVIDEND (p)	-	-	0.5	-	-

Source: Totally plc, Allenby Capital. Allenby Capital acts as Nomad & Broker to Totally plc (TLY.L).

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