

The following is a Company Announcement issued by 6PM HOLDINGS P.L.C., a company registered under the laws of Malta with company registration number C 41492 and having its registered office at Idox Business Centre, Triq it-Torri, Swatar, Birkirkara BKR 4012, Malta (hereinafter the “Company”), pursuant to the Listing Rules issued by the Listing Authority.

Quote

Approval and publication of Interim Financial Statements

The Company announces that during a meeting of its Board of Directors held today, the 30th June 2020, the Company’s unaudited Interim Financial Statements for the six-month financial period ended 30th April 2020 were approved.

Copies of the aforesaid Interim Financial Statements are available for viewing below as an attachment to this announcement and for download from the following link on the Company’s website: <https://health.idoxgroup.com/investor-information/bond-issue-information>.

Unquote



Dr Luca Vella
Company Secretary
30th June 2020

6PM Holdings Plc

Directors' Report

For the six months ended 30 April 2020

The Directors present their report of the 6PM Group (the 'Group') for the six months ended 30 April 2020.

Principal Activities

The principal activity of 6PM Holdings plc (the "Company") and its subsidiary companies (the "Group") is software solutions, delivering healthcare products enabling organisations to enhance and optimise efficiency. These include product solutions aimed at the UK National Health Services.

The only trading subsidiaries within the Group are Idox Health Limited and Idox DOOEL; domiciled in the UK and Macedonia respectively.

Review of performance and developments

The results for the six months ended 30 April 2020 are shown in the Statements of Total Comprehensive Income on page 2.

Having successfully implemented several strategic and operational improvements in FY19, the Group has reduced its cost base significantly and maintained a consistent level of profitability in its core operations. Non-recurring restructuring costs were incurred in the disposal of the SIX-PM Health Solutions (Ireland) Limited and the trade and assets of the Groups non-core emCare business. This has contributed to a reduction in revenue to £2,572,000 during the first six months ended 30 April 2020 (H12019: £3,912,000), although supports the strategic rationale as gross margin has remained relatively consistent at 89.5% (H12019: 91.6%). The Group will capitalise on its simplified structure, and combined with its revised and improved sales governance procedures, will continue to improve margins and refine its cost base.

Research and Development activity is now shared with the wider Idox group and has also contributed to a significant reduction in the Group's cost base. This has created a synergised platform and accelerated the Group's plans to make its flagship products, *iFIT* and *Lillie*, more interactive and web based. As a result, user experience and profitability are expected to improve as the products will demand less support time and reduce implementation costs.

Investment in our customer-focused account management network has magnified the assessment of product roadmaps and continues to generate credible partnerships and identify revenue opportunities. This was best demonstrated in our recent development, in partnership with an NHS Foundation Trust, to pioneer an online booking system in a bid to streamline and accelerate COVID-19 testing for frontline staff. Using Lillie's SMS module, frontline staff will receive their COVID-19 test result via text message along with additional signposting information, avoiding the need for a second visit and helping staff to get back to work as quickly as possible. The Group remains agile and will continue to develop its customer relationships to capitalise on its strong market position.

COVID-19

The COVID-19 outbreak has had limited impact on Group's business so far and demand for its products and services has remained broadly unaffected, principally due to the fact that a substantial portion of the 6PM Group's revenue is pre-contracted and, or recurring.

The Group has activated its business continuity plan to make sure it remains operational at all times. All unnecessary business travel has stopped, and staff have been instructed to remain diligent, safe and aware. The Group has implemented employee home working, split teams and introduced flexible work schedules across all applicable departments and roles.

Other than those already disclosed, no separate or additional disclosure in relation to current and expected impact of COVID-19 on the financial statements, principal risks and uncertainties, going concern, impairment of nonfinancial assets, the presentation of COVID-19 related items in the statement of profit or loss is deemed necessary.

The Group will continue to monitor the situation on an ongoing basis and will keep the market updated as necessary.

6PM Holdings Plc
Statements of Total Comprehensive Income
For the six months ended 30 April 2020

	6 months to 30 April 2020 (unaudited) £000	6 months to 30 April 2019 (unaudited) £000	12 months to 31 October 2019 (audited) £000
Revenue	2,572	3,912	7,403
Cost of sales	(271)	(330)	(537)
Gross profit	2,301	3,582	6,866
Administrative and other expenses	(2,055)	(3,409)	(4,904)
Other operating income	180	94	145
	426	267	2,107
Intercompany revenue	-	-	87
Net loss on investment	(313)	-	-
Finance costs	(585)	(394)	(606)
Profit/(Loss) before taxation	(472)	(127)	1,588
Income tax credit/(expense)	(114)	(120)	(17)
Profit/(Loss) after taxation	(586)	(247)	1,571
Profit/(Loss) for the period attributable to:			
Owners of the parent	(586)	(132)	1,687
Non-controlling interest	-	(115)	(116)
	(586)	(247)	1,571
Other comprehensive income/(loss)			
Items that will be reclassified subsequently to profit or loss:			
Exchange gains/(losses) on retranslation of foreign operations	372	(116)	(121)
Other comprehensive income/(loss) for the period, net of tax	372	(116)	(121)
Total comprehensive profit/(loss) for the period	(214)	(363)	1,450
Total comprehensive profit/(loss) for the period attributable to:			
Owners of the parent	(214)	(248)	1,566
Non-controlling interest	-	(115)	(116)
	(214)	(363)	1,450

The accompanying notes form an integral part of these financial statements.

6PM Holdings Plc
Statement of Financial Position
At 30 April 2020

	At 30 April 2020 (unaudited) £000	At 30 April 2019 (unaudited) £000	At 31 October 2019 (audited) £000
ASSETS			
Non-current assets	975	1,124	1,019
Current assets	3,865	3,237	3,047
Total assets	<u>4,840</u>	<u>4,361</u>	<u>4,066</u>
LIABILITIES			
Current liabilities	(12,103)	(13,178)	(11,365)
Non-current liabilities	(11,746)	(11,339)	(11,584)
Total liabilities	<u>(23,849)</u>	<u>(24,517)</u>	<u>(22,949)</u>
Net liabilities	<u>(19,009)</u>	<u>(20,156)</u>	<u>(18,883)</u>
EQUITY			
Total equity	<u>(19,009)</u>	<u>(20,156)</u>	<u>(18,883)</u>

The accompanying notes form an integral part of these financial statements.

6PM Holdings Plc

Statement of Changes in Equity

For the six months ended 30 April 2020

	Share capital £000	Accumulated losses £000	Foreign currency retranslation reserve £000	Equity attributable to owners of the parent £000	Non-controlling interest £000	Total £000
Balance at 30 April 2019 (unaudited)	4,151	(22,921)	(1,299)	(20,069)	(87)	(20,156)
Exchange gains on translation of foreign operations	-	-	(5)	(5)	-	(5)
Profit / (loss) for the period	-	1,819	-	1,819	(1)	1,818
IFRS 15 adjustment	-	(540)	-	(540)	-	(540)
Total comprehensive (loss)/income for the period	-	1,279	(5)	1,274	(1)	1,273
At 31 October 2019 (audited)	4,151	(21,642)	(1,304)	(18,795)	(88)	(18,883)
Exchange losses on translation of foreign operations	-	-	-	-	5	5
Disposal of investment	-	-	-	-	83	83
Transactions with owners on non-controlling owners	-	-	-	-	88	88
Loss for the period	-	(586)	-	(586)	-	(586)
Exchange losses on translation of foreign operations	-	-	372	372	-	372
Total comprehensive (loss)/income for the period	-	(586)	372	(214)	88	(126)
Balance at 30 April 2020 (unaudited)	4,151	(22,228)	(932)	(19,009)	-	(19,009)

The accompanying notes form an integral part of these financial statements.

6PM Holdings Plc
Statement of Cash Flows
For the six months ended 30 April 2020

	6 months to 30 April 2020 (unaudited) £000	6 months to 30 April 2019 (unaudited) £000	12 months to 31 October 2019 (audited) £000
Net cash inflow from operating activities	1,386	1,445	1,310
Net cash (outflow)/inflow from investing activities	(85)	(174)	(521)
Net cash outflow from financing activities	(595)	(329)	(681)
Net increase in cash and cash equivalents	706	942	108
Cash and cash equivalents at beginning of period	462	307	307
Exchange loss on cash and cash equivalents	(231)	(196)	47
Cash and cash equivalents at end of period	1,399	1,053	462

The accompanying notes form an integral part of these financial statements.

6PM Holdings Plc

Notes to the Financial Statements

For the six months ended 30 April 2020

1. BASIS OF PREPARATION

The published figures have been extracted from the unaudited management consolidated financial statements of 6PM Holdings plc ("the Group") for the six months ended 30 April 2020 and the comparative period being the six months ended 30 April 2019. The statement of comprehensive income and balance sheet information as at 31 October 2019 has been extracted from the audited financial statements of the Group for the year ended on that date. This report is being published in terms of Listing Rule 5.74 issued by the Malta Financial Services Authority – Listing Authority, and has been prepared in accordance with the applicable Listing Rules and International Accounting Standard 34, 'Interim Financial Reporting.' In terms of Listing Rule 5.75.5 the Directors are stating that this Half-Yearly Financial Report has not been audited or reviewed by the Group's independent auditors.

2. ACCOUNTING POLICIES

The Group adopted IFRS 15 on 1 November 2018 and applied the standard on a cumulative effect basis. During the year ended 31 October 2018, the Group undertook a review of all the services and products the Group provides, and the main types of commercial arrangements used with each service and product. Both the UK and the overseas businesses will be impacted by IFRS 15 and the most significant impact of implementing the standard is that Software license revenue will now be recognised over the duration of the project implementation period on a percentage completion basis.

All other accounting policies adopted in the preparation of the 2020 Group's interim report are the same as those adopted in the preparation of the audited financial statements for the year ended 31 October 2019.

3. SEGMENTAL ANALYSIS

3.1 Operating segments

The following is an analysis of the Group's revenue and results from continuing operations by reportable segments:

April 2020

	Licences and products £000	Services £000	Support and maintenance £000	Unallocated £000	Total £000
Revenue	757	153	1,662	-	2,572
Gross profit	601	147	1,553	-	2,301
Administrative expenses	-	-	-	(2,055)	(2,055)
Other operating income	-	-	-	180	180
Net loss on investment	-	-	-	(313)	(313)
Finance costs	-	-	-	(585)	(585)
Profit (loss) before tax	601	147	1,553	(2,773)	(472)
Depreciation and amortisation	-	-	-	221	221

April 2019

	Licences and products £000	Services £000	Support and maintenance £000	Unallocated £000	Total £000
Revenue	1,386	558	1,454	514	3,912
Gross profit	1,167	447	1,454	514	3,582
Administrative expenses	-	-	-	(3,409)	(3,409)
Other operating income	-	-	-	94	94
Finance costs	-	-	-	(394)	(394)
Profit (loss) before tax	1,167	447	1,454	(3,195)	(127)
Depreciation and amortisation	-	-	-	293	293

6PM Holdings Plc

Notes to the Financial Statements

For the six months ended 30 April 2020

3.2 Geographic segments

	Malta £000	Other EU £000	Rest of World £000	Total £000
April 2020				
Revenue	145	2,427	-	2,572
Non-current assets	-	960	15	975
April 2019				
Revenue	1,644	2,268	-	3,912
Non-current assets	535	521	22	1,078

The basis of segmentation and measurement of segment profit or loss is the same as that applied in the last annual audited financial statements.

4. Intangible assets

Intangible assets acquired during the period amounted to £116,000 (2019 H1: £136,000)

5. Property, plant and equipment

Property, plant and equipment acquired during the period amounted to £1,700 (2019 H1: £45,000)

6. Related party transactions

During the six months to 30 April 2020, other than transactions with key management personnel and guarantees provided for Group bank facilities in line with those reported in the financial statements for the year ended 31 October 2019, the only material related party transactions entered into by the Group were with Idox Software Ltd and McLaren Software Ltd.

Alike 6PM plc, Idox Software Ltd and McLaren Software Ltd are wholly owned subsidiaries of Idox plc.

Transactions with related parties are carried out on an arm's length basis and are for the benefit of the 6PM Group.

As at 30 April 2020, the Group's related party liability to Idox Software Ltd was £4,989,319 (FY2019: £5,308,000) and to McLaren Software Ltd was £31,689 (FY2019: £12,636). All transactions with companies forming part of 6PM Group have been eliminated in the preparation of this consolidated interim financial statements.

7. Events after the interim period

There have been no significant post interim balance sheet events.

8. Statement in terms of Listing Rule 5.75.3 issued by the Listing Authority

We confirm that to the best of our knowledge:

- this condensed set of consolidated financial statements, which has been prepared in accordance with the applicable set of accounting standards, gives a true and fair view of the assets, liabilities, financial position, and profit or loss of 6PM Holdings plc; and
- includes a fair review of the information required in terms of Listing Rules 5.81 to 5.84.



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Robert Grubb
Director



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David Meaden
Director