

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or as to what action you should take you are recommended to seek your own financial advice immediately from an independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or, if not, from another appropriately authorised and independent financial adviser, who specialises in advising on the acquisition of shares and other securities. The whole of the text of this Document should be read. Your attention is drawn in particular to the section entitled "Risk Factors" in Part II of this Document.

If you have sold or transferred, or sell or transfer before 10.00 a.m. on 29 March 2016 your Ordinary Shares, please send this document (including the enclosed form of proxy) as soon as possible to the purchaser or transferee of those shares or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you have sold or transferred any part of your Ordinary Shares you should retain this document and the form of proxy and contact your stockbroker, bank or the agent through whom the sale or transfer was effected. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such an act would constitute a violation of the relevant laws of such jurisdiction.

This document should not be forwarded or sent in, into or from any Restricted Jurisdiction and persons outside the United Kingdom into whose possession this document may come, should inform themselves about and observe any applicable restrictions under the laws of the jurisdiction in which this document is received.

This document, which comprises an AIM Admission Document drawn up in accordance with the AIM Rules, does not comprise a prospectus within the meaning of section 85 of FSMA and has not been prepared in accordance with the Prospectus Rules. This document has not therefore been approved by or filed with the Financial Conduct Authority for the purposes of the Prospectus Rules.

The issued Ordinary Shares are currently traded on AIM, a market operated by the London Stock Exchange, and application will be made for the enlarged share capital of Totally plc, to be admitted to trading on AIM. It is expected that admission of the Enlarged Share Capital to trading on AIM will become effective on 1 April 2016.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission to AIM in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this Document. The rules of AIM are less demanding than those of the Official List. It is emphasised that no application is being made for admission of the Ordinary Shares to the Official List. The Ordinary Shares are not dealt in on any other recognised investment exchange and apart from the application for admission to AIM, no other such applications have been or will be made.

TOTALLY PLC

(Incorporated and registered in England and Wales under the Companies Act 1985 and 2006 with registered number 03870101)

Proposed acquisition of Premier Physical Healthcare Limited
Proposed subscription for 10,000,000 new ordinary shares at 62p per share
Admission of the Enlarged Share Capital to trading on AIM
and
Notice of General Meeting

Nominated Adviser and Broker



Share Capital immediately following Admission

Issued and fully paid

<i>Amount</i>	<i>Number of Ordinary Shares</i>
£1,999,495.30	19,994,953

A Notice convening a General Meeting of the Company to be held at Lighterman House, 26-36 Wharfedale Road, London N1 9RY at 10.00 a.m. on 31 March 2016 is set out at the end of this Document. The enclosed Form of Proxy for use at the meeting should be completed and returned to the Company's registrars, Share Registrars Limited, Proxy Department, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL as soon as possible and to be valid must arrive not less than 48 hours before the time appointed for the meeting. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting in person at the meeting should they so wish.

Allenby Capital Limited ("Allenby Capital"), which is a member of the London Stock Exchange, is authorised and regulated in the United Kingdom by the Financial Conduct Authority and is acting as Nominated Adviser and Broker to the Company in connection with the Subscription and the Admission. Allenby Capital is acting on behalf of the

Company and no other person in connection with the Subscription and Admission and will not be responsible to any person other than the Company for providing the regulatory and legal protections afforded to customers (as defined by the FCA Rules) of Allenby Capital, respectively, nor for providing advice in relation to the information contained in this Admission Document or any matter, transaction or arrangement referred to herein. In particular, the information contained in this Admission Document has been prepared solely for the purposes of the Subscription and Admission and it is not intended to be relied on by any subsequent purchasers of Ordinary Shares (whether on or off exchange) and accordingly no duty of care is owed to them. The responsibilities of Allenby Capital in its capacity as the Company's Nominated Adviser and Broker under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of their decision to acquire Ordinary Shares in reliance on any part of this Document. Without limiting the statutory rights of any person to whom this Document is issued no warranty, express or implied, is made by Allenby Capital as to any of the contents of this Document for which the Directors and the Company are solely responsible. Allenby Capital have not authorised the contents of any part of this Document and no liability whatsoever is accepted by Allenby Capital for the accuracy of the information and opinions contained in this Admission Document or for the omission of any material information from this Document, for which it is not responsible.

This Document does not constitute an offer to sell or the solicitation of an offer to buy or subscribe for Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this Document is not for distribution in or into the United States of America, Canada, Australia, the Republic of South Africa or Japan. The Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) nor under the applicable securities legislation of any state of the United States of America or any province or territory of Canada, Australia, the Republic of South Africa or Japan or in any country, territory or possession where to do so may contravene local securities laws or regulations. Accordingly, the Ordinary Shares may not, subject to certain exemptions, be offered or sold directly or indirectly in or into the United States of America, Canada, Australia, the Republic of South Africa or Japan or to, or for the account or benefit of, US persons or any national, resident or citizen of the United States of America, Canada, Australia, the Republic of South Africa or Japan. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Ordinary Shares should be regarded as a highly speculative investment and an investment in Ordinary Shares should only be made by those with the necessary expertise to fully evaluate the investment. The Directors believe that the risk factors set out in Part II of this Document should be considered carefully by investors before acquiring Ordinary Shares. Prospective investors are recommended to consult an independent financial adviser authorised under the FSMA, if they are in the United Kingdom or, if not, another appropriately authorised and independent financial adviser, who specialises in advising on the acquisition of shares and other securities. If any of the risks described in this Document actually occurs, the Company may not be able to conduct its business as currently planned and its financial condition, operating results and cash flows could be seriously harmed. In that case, the market price of the Ordinary Shares could decline and all or part of an investment in the Ordinary Shares could be lost.

This Document includes "forward-looking statements" which include all statements other than statements of historical facts including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations and any statements preceded by, followed by or that include forward-looking terminology such as the words "targets", "plan", "project", "believes", "estimates", "aims", "intends", "can", "may", "expects", "forecasts", "anticipates", "would", "should", "could" or similar expressions or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. Among the important factors that could cause the Company's actual results, performance or achievements to differ materially from those in forward-looking statements include factors in the section entitled "Risk Factors" and elsewhere in this Document. These forward-looking statements speak only as at the date of this Document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions in relation to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based. As a result of these factors, the events described in the forward-looking statements in this Document may not occur. Prospective investors should be aware that these statements are estimates, reflecting only the judgement of the Company's management and prospective investors should not therefore rely on any forward-looking statements.

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DIRECTORS, SECRETARY AND ADVISERS

Directors	Robert (Bob) Holt OBE Wendy Jayne Lawrence Donald (Don) Ahelan Baladasan Anthony (Tony) Rhys Bourne Michael (Mike) Greig Rogers	<i>Chairman</i> <i>Chief Executive Officer</i> <i>Finance Director</i> <i>Non-Executive Director</i> <i>Non-Executive Director</i>
all of:	Lighterman House 26-36 Wharfdale Road London N1 9RY United Kingdom	
Company Secretary	Filex Services Limited No.1 London Bridge London SE1 9BG United Kingdom	
Registered Office	Lighterman House 26-36 Wharfdale Road London N1 9RY United Kingdom	
Website address	http://www.totallyplc.com/	
Nominated Adviser & Broker to the Company	Allenby Capital Limited 3 St. Helen's Place London EC3A 6AB United Kingdom	
Reporting accountants and auditors to the Company	RPG Crouch Chapman LLP 62 Wilson Street London EC2A 2BU United Kingdom <i>Member of the Institute of Chartered Accountants in England and Wales</i>	
Solicitors to the Company	BPE Solicitors LLP St James House St James Square Cheltenham GL50 3PR United Kingdom	
Solicitors to the Vendors	Thinking Legal Limited 315 Fort Dunlop Fort Parkway Birmingham B24 9FD United Kingdom	

Solicitors to Allenby Capital

Adams & Remers LLP
Dukes Court
32 Duke Street St James's
London
SW1Y 6DF
United Kingdom

Financial Public Relations

Blytheweigh Communications Limited
4-5 Castle Court
London
EC3V 8DL
United Kingdom

Registrars

Share Registrars Limited
Suite E, First Floor
9 Lion and Lamb Yard
Farnham, Surrey
GU9 7LL
United Kingdom

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Document:

“Acquisition”	the proposed acquisition by the Company of the entire issued share capital of Premier Physical Healthcare Limited pursuant to the terms of the Acquisition Agreement;
“Acquisition Agreement”	the conditional agreement dated 14 March 2016 made between (i) the Company and (ii) the Vendors relating to the Acquisition, details of which are set out in paragraph 10 of Part VI of this Document;
“Act”	the Companies Act 2006 (as amended from time to time);
“acting in concert”	shall bear the meaning ascribed thereto in the Takeover Code;
“Admission”	the admission of the Enlarged Share Capital to trading on AIM following completion of the Acquisition and the Subscription and such admission becoming effective in accordance with the AIM Rules for Companies;
“Admission Agreement”	the conditional agreement dated 14 March 2016 between (1) the Company (2) the Directors and (3) Allenby Capital relating to Admission, further details of which are set out in paragraph 10 of Part VI of this Document;
“Admission Document” or “Document”	this admission document;
“AIM”	AIM, a market operated by the London Stock Exchange;
“AIM Rules”	together, the AIM Rules for Companies and the AIM Rules for Nominated Advisers;
“AIM Rules for Companies”	the rules which set out the obligations and responsibilities in relation to companies whose shares are admitted to AIM as published and amended from time to time by the London Stock Exchange;
“AIM Rules for Nominated Advisers”	the rules of the London Stock Exchange that set out the eligibility obligations and certain disciplinary matters in relation to nominated advisers as published and amended by the London Stock Exchange from time to time;
“Allenby Capital”	Allenby Capital Limited, the Company's nominated adviser and broker, incorporated in England and Wales with company number 06706681, whose registered office address is 3 St. Helen's Place, London EC3A 6AB, and which is authorised and regulated by the FCA;
“Applicable Employees”	any employee of the Company or its subsidiaries who (together with that employee's family) holds any legal or beneficial interest in 0.5 per cent. or more of the Enlarged Share Capital as more particularly defined in the AIM Rules;
“Articles of Association” or “Articles”	the articles of association of the Company, a summary of which is set out in paragraph 5 of Part VI of this Document;
“Business Day”	any day (other than a Saturday or Sunday) on which commercial banks are open for general business in London, England;

“Certificated” or “in certificated form”	not in uncertificated form (that is, not in CREST);
“Completion”	completion of the Acquisition;
“Company” or “Totally”	Totally plc, incorporated and registered in England and Wales with company number 03870101, whose registered office address is Lighterman House, 26-36 Wharfdale Road, London N1 9RY;
“Consideration”	a maximum of £6.75m payable to the Vendors in respect of the Acquisition, further details of which are set out in paragraph 9 of Part I of this Document;
“CREST”	the relevant system (as defined in the CREST Regulations) in accordance with which securities may be held or transferred in uncertificated form, and in respect of which Euroclear is the Operator (as defined in the CREST Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time, and any applicable rules made under those regulations;
“Deferred Shares”	the 228,402,392 deferred shares of 0.9 pence each in the capital of the Company;
“Directors” or “Board”	the directors of the Company at the date of this Document whose names are set out on page 4 of this Document, including any duly authorised committee of the board of directors of the Company and “Director” is to be construed accordingly;
“Disclosure and Transparency Rules” or “DTR”	the Disclosure and Transparency Rules (in accordance with Section 73A(3) of FSMA) being the rules published by the FCA from time to time relating to the disclosure of information in respect of financial instruments which have been admitted to trading on a regulated market or for which a request for admission to trading on such market has been made;
“EBITDA”	earnings before interest, tax, depreciation and amortisation for the relevant period;
“EIS”	the Enterprise Investment Scheme, a scheme created by HMRC to provide certain tax reliefs to investors in smaller UK companies;
“Enlarged Group”	the Group following completion of the Acquisition;
“Enlarged Share Capital”	the issued ordinary share capital of the Company following Completion comprising: (i) the Existing Ordinary Shares and; (ii) the Subscription Shares;
“Euroclear”	Euroclear UK & Ireland Limited, a company incorporated in England and Wales and the operator of CREST;
“Existing Ordinary Shares” or “Existing Share Capital”	the 9,994,953 Ordinary Shares in issue at the date of this Admission Document all of which are fully paid;
“FCA”	the United Kingdom Financial Conduct Authority, the statutory regulator under FSMA responsible for the regulation of the United Kingdom financial services industry;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);

“Form of Proxy”	the form of proxy accompanying this document for use by Shareholders at the General Meeting;
“General Meeting” or “GM”	the general meeting of the Company to be held at Lighterman House, 26-36 Wharfdale Road, London N1 9RY on 31 March 2016 at 10.00 a.m. and any adjournments thereof to be held for the purpose of considering and, if thought fit, passing the Resolutions;
“Group”	the Company and/or its current subsidiaries;
“HMRC”	Her Majesty’s Revenue and Customs of the UK;
“IFRS”	International Financial Reporting Standards issued by the International Accounting Standards Board;
“Independent Directors”	the Directors who are considered independent in respect of the Acquisition as at the date of this Document, being all of the Directors with the exception of Mr Don Baladasan who is also a director of Premier;
“ISIN”	International Securities Identification Number, the existing ISIN of the Company being GB00BYM1JJ00;
“Issued Share Capital”	the entire issued ordinary share capital of the Company from time to time;
“London Stock Exchange” or “LSE”	the London Stock Exchange Group Plc;
“Notice of General Meeting” or “Notice of GM”	the notice convening the GM set out in pages 110 to 112 of this Admission Document;
“Official List”	the Official List of the United Kingdom Listing Authority;
“Ordinary Shares”	the ordinary shares of 10p each in the capital of the Company;
“Proposals”	means (i) the Acquisition; (ii) the Subscription; and (iii) Admission;
“Premier”	Premier Physical Healthcare Limited, a private limited company incorporated in England and Wales with registered number 03376266 and registered address Stonebridge House, Chelmsford Road, Hatfield Heath, Essex, CM22 7BD;
“QCA Guidelines”	the Corporate Governance Guidelines for Small and Mid-Sized Quoted Companies published by the Quoted Companies Alliance in May 2013, as amended from time to time;
“Registrars”	Share Registrars Limited, incorporated in England and Wales with company number 04715037, whose registered office address is 27/28 Eastcastle Street, London, W1W 8DH;
“Resolutions”	the resolutions to be proposed at the General Meeting, details of which are set out in the Notice of GM;
“Restricted Jurisdiction”	the United States of America, Canada, Australia, the Republic of South Africa and Japan;
“Reverse Takeover”	any acquisition that would be of a size or nature to be deemed a reverse takeover transaction under Rule 14 of the AIM Rules for Companies;

“Rule 9 Offer”	a general offer to all holders of any class of equity share capital or other class of transferable securities carrying voting rights of a company to acquire the balance of their interests in the company as required to be made in accordance with Rule 9 of the Takeover Code;
“Share Dealing Code”	the Company’s share dealing code as referred to in Part I of this Document;
“Shareholders” or “Existing Shareholders”	holders of Ordinary Shares from time to time, each individually being a “Shareholder”;
“Significant Shareholder”	a person holding 3 per cent. or more of the Enlarged Share Capital;
“Subscriber”	a person who has conditionally agreed to subscribe for Subscription Shares at the Subscription Price pursuant to the Subscription;
“Subscription”	the conditional subscription by Subscribers to subscribe for the Subscription Shares at the Subscription Price;
“Subscription Price”	62 pence per Subscription Share;
“Subscription Shares”	the 10,000,000 new Ordinary Shares to be issued by the Company and subscribed for pursuant to the Subscription, following the passing of the Resolutions;
“Subsidiary Undertaking”	a subsidiary undertaking, as that term is defined in section 1162 of the Companies Act;
“Substantial Shareholder”	any person who, following Admission, holds any legal or beneficial interest directly or indirectly in 10 per cent. or more of the Enlarged Share Capital or voting rights of the Company, as defined in the AIM Rules for Companies;
“Takeover Code”	the City Code on Takeovers and Mergers issued by the Takeover Panel, as amended from time to time;
“Takeover Panel”	the Panel on Takeovers and Mergers in the United Kingdom;
“Totally Health”	Totally Health Limited, the Company’s wholly-owned subsidiary;
“UK Listing Authority” or “UKLA”	the FCA, acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
“Uncertificated” or “Uncertificated form”	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“VCT”	the Venture Capital Trust scheme, a scheme created by HMRC to provide tax reliefs to investors in smaller UK companies; and
“Vendors”	Raphael Leal, Wayne Llewellyn, Justin Leal, Elana Taylor, Scott Langran, Emma Elstead, John Napier, Gerry Desler, Clare Heath and Catherine Tomkies being the current shareholders of Premier at the date of this Document.

In this Document:

- (i) use of the singular includes the plural and vice versa, unless the context otherwise requires;*
- (ii) references to a 'Part,' or 'Parts' and references to page numbers, are to the relevant Part or Parts or to the relevant page or pages of this Document; and*
- (iii) all references to "sterling", "£" or "p" are to the lawful currency of the United Kingdom.*

GLOSSARY OF TECHNICAL AND COMMERCIAL TERMS

“AQP”	any qualified provider, a contract structure whereby a CCG stipulates a tariff for treatments or services and then goes to the market to find providers who are then required to become qualified through the procurement process;
“business-to-business”	the provision of Totally’s clinical health-coaching services to organisations or businesses, typically Clinical Commissioning Groups;
“Clinical Commissioning Group” or “CCG”	regional NHS organisations which are authorised to commission healthcare services for their communities;
“clinical health-coaching”	an ongoing coaching process, typically delivered by a qualified nurse, which is designed to allow patients to gain knowledge, skills, tools and confidence to become active participants in their healthcare;
“CSP”	Chartered Society of Physiotherapists;
“direct-to-consumer service” , “direct-to-consumer clinical health-coaching services” or “direct-to-consumer clinical health-coaching product”	the provision of Totally’s clinical health-coaching services to individuals directly, on a private basis;
“display screen equipment assessments”	assessments of workstations with devices or equipment that have alphanumeric or graphic display screens, typically in relation to employer’s compliance with the relevant health and safety regulations;
“HMPS”	Her Majesty’s Prison Service;
“NHS”	the National Health Service, being the UK’s public healthcare system;
“PCTs”	Primary Care Trusts; and
“shared decision making”	the process whereby a patient and their health professional make a healthcare choice together after an informed dialogue.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication and dispatch of this document	15 March 2016
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 29 March 2016
Time and date of General Meeting	10.00 a.m. on 31 March 2016
Completion of the Proposals, Admission to trading on AIM effective and commencement of dealings in the Enlarged Share Capital on AIM	1 April 2016
CREST accounts credited with Subscription Shares (where applicable)*	1 April 2016
Despatch of definitive share certificates for Subscription Shares being held in certificated form (where applicable)*	By 4 April 2016

*Assuming that the Resolutions are passed at the General Meeting and Admission

ADMISSION AND SUBSCRIPTION STATISTICS

Number of Ordinary Shares in issue at the date of this document	9,994,953
Number of Deferred Shares	228,402,392
Number of Subscription Shares	10,000,000
Enlarged Share Capital on Admission*	19,994,953
Percentage of Enlarged Share Capital represented by the Subscription Shares	50.01%
Subscription Price	62p
Gross proceeds of the Subscription	£6.20 million
Estimated net proceeds of the Subscription	£5.87 million
Market capitalisation of the Company at the Subscription Price on Admission	£12.40 million
AIM symbol	TLY
ISIN	GB00BYM1JJ00
SEDOL	BYM1JJ0
Website address	http://www.totallyplc.com/

*excluding the issue of any Ordinary Shares as part of the Consideration

Notes:

1. All of the above timings refer to London time unless otherwise stated
2. The above statistics assume the passing at the General Meeting of the Resolutions and Admission.
3. Some of the times and dates above are indication only and if any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.
4. Events listed in the above timetable following the General Meeting are conditional on the passing at the General Meeting of the Resolutions.

PART I

LETTER FROM THE CHAIRMAN OF TOTALLY PLC

TOTALLY PLC

(Incorporated and registered in England and Wales under the Companies Act 1985 (as amended) with Registered Number 03870101)

Directors:

Robert Holt OBE (*Chairman*)
Wendy Jayne Lawrence (*Chief Executive Officer*)
Donald Ahelan Baladasan (*Finance Director*)
Anthony Rhys Bourne (*Non-Executive Director*)
Michael Greig Rogers (*Non-Executive Director*)

Registered Office:

Lighterman House
26-36 Wharfdale Road
London
N1 9RY

15 March 2016

Dear Shareholders,

Proposed acquisition of Premier Physical Healthcare Limited
Proposed subscription for 10,000,000 new Ordinary Shares at 62p per share
Admission of the Enlarged Share Capital to trading on AIM
Notice of General Meeting

1. INTRODUCTION

On 15 March 2016 the Board announced that the Company has conditionally agreed to acquire the entire issued share capital of Premier Physical Healthcare Limited for a maximum consideration of £6.75 million, based on the financial performance of Premier.

Premier is a provider of physical healthcare services to both public and private patients. Since its establishment in 1997, Premier has offered physiotherapy, podiatry and ergonomics services to a variety of clients.

The majority of Premier's physical healthcare services are provided to the NHS under contract via general practitioners' surgeries. Premier also provides physical healthcare services to various regional UK police forces and in a number of UK prisons, as well as to local authorities and other private sector clients.

The Board believes that there has been an overall trend for the NHS and local authorities to seek to move the less acute care components into community-based care. This process often takes place via outsourcing to private sector service providers, such as Premier.

The Company's strategy is to become one of the leading providers of 'out of hospital care' across the UK. In order for this to be facilitated, the Board believes that the Company should seek to execute a "buy and build" strategy and in executing this strategy, the Company's existing relationships with the NHS and the experience of Totally's Board and Management will be essential. The Company will also seek to leverage Premier's contacts, relationships and experience to attract further acquisition targets.

The Board believes that the acquisition of Premier provides a strong first step for implementing its buy and build strategy.

Pursuant to Rule 14 of the AIM Rules for Companies, the Acquisition constitutes a reverse takeover. Accordingly, the Acquisition is conditional, *inter alia*, on the approval by Shareholders of the Resolutions to be proposed at the General Meeting which is being convened for 10.00 a.m. on 31 March 2016 at the offices of the Company at Lighterman House, 26-36 Wharfdale Road, London N1 9RY.

The consideration for the Acquisition is capped at a total of £6.75 million and is to be satisfied through an initial cash payment of £371,974 to the Vendors upon Admission, followed by four potential deferred payments payable between 2016 and 2019, based on the financial performance of Premier. The first payment and second potential payment to the Vendors will be settled in cash with the remainder of the potential deferred payments being settled as to 80 per cent. in cash (although the Vendors can elect to receive this cash element in equal amounts of cash and loan notes of the Company) and 20 per cent via the issue of new Ordinary Shares. Further details on the Acquisition are set out in paragraph 9 of this Part I and paragraph 10 of Part VI of this Document.

In conjunction with the Acquisition, the Company is proposing to raise £6.20 million, before expenses, through the issue of the Subscription Shares at the Subscription Price. The Subscription Shares will represent approximately 50.01 per cent. of the Enlarged Share Capital on Admission. The Subscription and the Acquisition are conditional upon, *inter alia*, the Resolutions being passed at the GM and Admission. On Admission, the Company will have a market capitalisation of approximately £12.40 million based on the Subscription Price. Further details about the Subscription and the use of the net proceeds are set out in paragraphs 10 and 12 of this Part I.

If the Resolutions are passed at the GM and the other conditions set out in both the Acquisition Agreement and the Admission Agreement are met, then it is expected that the Enlarged Share Capital will be admitted to trading on AIM with effect from 8.00 a.m. on 1 April 2016.

Totally's Finance Director, Donald Baladasan is also a non-executive director of Premier. Mr Baladasan does not currently have any interest in the share capital of Premier and is one of five directors of Premier. In recognition of the potential for actual or perceived conflicts of interest, Mr Baladasan has not voted on any Board deliberations with respect to any matters in relation to the Acquisition. Mr Baladasan will not therefore make a recommendation in respect of the Resolutions.

The Independent Directors consider the Acquisition to be an exciting opportunity and consider that the Acquisition is in the best interests of the Company and Shareholders as a whole. Accordingly, the Independent Directors recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

Shareholders should note that the Resolutions are inter-conditional and consequently if any of the Resolutions are not passed, the Acquisition, the Subscription and Admission will not occur.

The purpose of this Document, which comprises an Admission Document prepared under the AIM Rules for Companies, is to provide you with information on the Proposals. You should read the whole of this Admission Document and your attention is drawn in particular to the risk factors set out in Part II of this Admission Document.

2. BACKGROUND TO AND REASONS FOR THE ACQUISITION

Premier is a provider of physical healthcare services to both public and private patients, providing physiotherapy, podiatry and ergonomics healthcare services. The majority of Premier's revenue is derived from the provision of physiotherapy and podiatry services to the NHS under contract.

The Board believes that the acquisition of Premier is positive for the Company for the following reasons:

- **Contracted revenue**

For the six months ended 30 September 2015, Premier generated revenues of £1.12m from its NHS contracts, which accounted for approximately 69 per cent. of Premier's turnover for that period. A number of Premier's current contracts are formally subject to renewal in the first half of 2016. The Board believes that this is a not uncommon position for providers of services to the NHS and, notwithstanding the position with contract renewals, the Directors believe that Premier's contract base provides contracted revenue. Although the majority of Premier's contracted revenue is with the NHS, the Directors view Premier's non-NHS sources of revenue as providing diversification within the overall physical healthcare sector.

- **Access to CCGs**

The Board believes that Premier has a good reputation within the NHS and long standing relationships with a number of CCGs, which has led to Premier's success in winning NHS contracts. The Board therefore believe that the Acquisition presents an opportunity for Totally to efficiently access CCGs with which the Group is currently less familiar and seek to cross-sell the Group's existing health coaching services.

- **Client infrastructure and systems**

Premier has made investment in its client infrastructure and systems. The Board therefore intends that the Acquisition will be an initial step towards the Enlarged Group having a centralised processing and administration centre. This could also allow for cost savings when integrating other potential NHS provider acquisition targets into the Enlarged Group in the future.

- **Growing market for musculoskeletal conditions**

The Board believes that the overall UK market for physical healthcare services is significant in size and expanding. The Directors also believe that CCGs are currently commissioning contracts for musculoskeletal services from the open market. Having evaluated Premier's pipeline of overall potential bid opportunities, the Board believes that there is significant potential for more musculoskeletal and physical medicine based contracts to come onto the market, which will lead to growth in the size of Premier's addressable market in the UK. The Directors further believe that Premier will be well positioned to increase its market share as part of the Enlarged Group.

- **Potential for enhancements to Premier's performance and the Enlarged Group**

The Board believes that there is potential for Premier's operating performance to be improved. The Board wish to expand the services provided by Premier across the UK.

The Board intends for Totally and Premier to continue to deliver their own individual business strategies, but also intends for the businesses to create cross referral services for patients and clients. The Board also plans for the businesses to share expertise and support each other in the process for tendering for NHS bids and for information technology to be shared within the Enlarged Group. The Board believes that there is also potential to reduce total overhead costs within the Enlarged Group and achieve efficiencies in areas such as administrative support, accounting, human resources, telephony and customer services functions.

- **Further acquisitions in the physical healthcare sector**

The Board believes that they, along with the Enlarged Group's senior management, can facilitate Premier's growth through acquisitions. The Directors believe that the Acquisition will make potential further acquisition targets with services that complement physiotherapy more accessible to Totally. Additionally, the Directors believe that the issue of publicly traded shares as part of the consideration for future acquisitions is potentially more attractive than the issue of shares in an equivalent private company for which no trading facility exists.

- **New services and opportunities.**

Premier has developed a platform for physiotherapy triage, further details of which can be found below. The Directors believe that this triage platform concept could be adapted to provide triage services in healthcare service areas outside physiotherapy.

3. INFORMATION ON TOTALLY

Totally is a provider of innovative solutions to the healthcare sector, both to the NHS and private sector companies, to help patients better understand healthcare options, promote self-care and aid long term behavioural change which in turn impact on lifestyle and reliance on healthcare solutions. The Company achieves this principally through its wholly-owned subsidiary, Totally Health, which was established in 2011 specifically to provide innovative healthcare solutions.

In more recent years, Totally's major emphasis has been the provision of clinical health-coaching services which support people to better manage their health and build confidence to self-care, thus avoiding reliance on emergency health services. The Group has provided such services to the NHS since 2012.

As at February 2016, Totally currently generates revenue from five NHS contracts.

Totally currently has 14 employees in the UK including the Directors.

Clinical health-coaching

Clinical health-coaching is a personal and confidential service where a registered, experienced and qualified nurse provides one-to-one advice, usually via the telephone, to a patient diagnosed with at least one long-term medical condition. The aim is to teach the patient how they can 'self-manage' their condition, to reduce the day-to-day impact that the condition has on their life. All advice is based on proven models and methodologies and is underpinned by the latest clinical evidence and research.

CCGs and other business-to-business routes to market

Totally provides clinical health-coaching services to NHS patients via a number of programmes that have been commissioned by CCGs. The Board believes that these programmes have demonstrated the significant and measurable positive impact that clinical health-coaching has on patients.

The Group's longest running programme is with Leicester City CCG, which started in 2012. In the first year of working with Leicester City CCG, the Group reduced the average unscheduled hospital admission rate per patient from 3.29 admissions for 2012/13 to 0.71 admissions for 2013/14. The Directors also consider the feedback from patients to have been highly supportive and illustrative of the Group's success in providing patient support to better understand healthcare options, promote self-care and long term behavioural change.

However, despite the demonstrable benefits, clinical health-coaching services are not widely available via the NHS. The Board still considers there to be significant potential in marketing its services to CCGs and other corporate stakeholders in the healthcare sector.

Discussions are also ongoing in respect of Totally potentially partnering with other organisations to deliver health coaching via different business-to-business routes, including pharmaceutical companies, personal medical insurers, domiciliary care providers and large employers.

In 2015, the Group secured its first working partnership with a national charity, The British Lung Foundation, to work with Somerset CCG to deliver its clinical health-coaching services to support patients with the long term condition of chronic obstructive pulmonary disease.

The following illustrative sequence represents the manner in which the Board wishes to implement the business-to-business service over 2016:

- Expansion of additional business-to-business revenue streams in addition to the NHS;
- Further new NHS contracts;
- Development and launch of new business models for further diseases; and
- Expansion to include more conditions for the business-to-business offering and the NHS.

Direct-to-consumer clinical healthcoaching services

The Group's significant experience of developing its NHS offering and operating clinical health-coaching programmes has led the Board to believe that there is significant market potential for a direct-to-consumer clinical health-coaching product, to which patients with long-term medical conditions can subscribe. The Directors view the implementation of the Group's direct-to-consumer service as being important to the Enlarged Group's business plan and success.

There are over 15 million people in the UK diagnosed with at least one long-term medical condition. The impact of these conditions on the day-to-day lives of these people can be enormous. Unplanned hospital admissions lead to increased time off work and cancelled social arrangements as well as placing a huge emotional burden on patients, their families and carers.

The NHS in England has estimated that £7 out of every £10 spent on health and social care is spent looking after people diagnosed with a long term condition. The prevalence of long term condition is increasing, partially in line with rises in obesity and associated conditions such as diabetes.

In 2015 the Company commissioned an independent market research report by Research Partnership, a healthcare market research specialist with extensive experience in chronic conditions including chronic obstructive pulmonary disease, diabetes, chronic heart disease, heart failure and asthma. Based on certain assumptions, the research conducted for Totally indicates that, amongst other things, there is a demand for this service and that the initial target market has an estimated value of over £200 million. The Company has used this market research to shape its direct-to-consumer clinical health-coaching product in order to develop a 'likely adopter' profile.

Individuals or their families can choose to subscribe to the service, which is intended to be a personal, professional, clinically focused and patient-centered service, tailored for each individual. The service is anticipated to be an entirely telephonic service, where each subscriber will have a named clinical health coach, who will arrange regular calls with them at the subscriber's convenience. All of Totally's clinical health coaches are qualified, registered nurses who have undertaken additional specialist health-coach training. At present it is anticipated that the optimum monthly user fee would be in the £20 – £40 range.

The Board believes that there are currently no other UK-based clinical health-coaching providers. The Directors are aware of some UK and US-based services, but they are delivered via health insurance-based models. Accordingly, the Directors believe that Totally is well placed in the UK market to leverage its exclusive expertise and knowhow to further develop its NHS service into a direct-to-consumer service to which patients with long term conditions can subscribe.

The first phase of the roll out of the direct-to-consumer service is intended to recognise the service strategy via the targeting of an initial 10,000 subscribers with diabetes and chronic obstructive pulmonary disease.

The Board plans to implement the direct-to-consumer service over 2016 as follows:

- planned launch of direct-to-consumer clinical health coaching programme:
 - *phase one: patient Group Launch for system testing; and*
 - *phase two: launch of diabetes and chronic obstructive pulmonary disease services; and*
- expand direct-to-consumer service to include coronary heart disease and chronic heart failure;
- development and launch of new business models for further diseases; and
- expansion to include more conditions for the direct-to-consumer service.

Whilst delivering the first 10,000 service users, the Group proposes to test, analyse and refine its communication approaches to ascertain the optimum marketing channels and the appropriate cost of acquisition of a user.

It is anticipated that the key operational steps in delivering the first phase of the direct-to-consumer service to market are as follows:

- the scaling up of Totally's IT infrastructure, leveraging the Enlarged Group's current knowledge;
- the creation of the support infrastructure for the service;
- the implementation of the multi-channel digital marketing strategy; and
- the recruitment of appropriate health-coach candidates.

4. INFORMATION ON PREMIER

Premier was founded in 1997 by two of its current directors, Wayne Llewellyn and Raphael Leal. Further details regarding Mr Llewellyn and Mr Leal can be found in section 8 of this Part I.

Since establishment, Premier has adapted from a provider of private physiotherapy and podiatry services to include corporate occupational services and is now a significant participant within the public sector, providing most areas of physical healthcare.

Premier was originally established to address the market for private physiotherapy in London. However, downward pressure on prices dictated by private medical insurers, together with a saturation of providers in this market, led the business to diversify and move gradually away from this area.

Premier provides a comprehensive range of treatments and advice for musculoskeletal injuries and conditions. Premier's clinical staff are either chartered physiotherapists, orthopaedic and rheumatology rehabilitation consultants or state registered podiatrists. The majority of Premier's revenue is derived from the provision of physiotherapy and podiatry to NHS patients.

Premier currently has c. 35 employees and 29 contractors in the UK including its directors.

Overview of Premier's key markets

The Board believes that the overall UK market for physical healthcare services is significant in size and expanding. Increased levels of hip or knee replacements should position physiotherapy as a key service for patient recovery and effective discharge from hospitals. Given the mobility constraints that accompany these procedures, it is likely that such services will need to be provided close to a patient's home, which is in line with the strategy of providing care in smaller NHS premises, or otherwise via community-based care.

In 2012/13, NHS spending in England on musculoskeletal system disorders was among the largest five programme budgeting disease categories, with the NHS in England spending £105 per head of population per annum on musculoskeletal system disorders.

The Directors are also aware of an increasing demand from the NHS for physiotherapy services which is linked to long term conditions, such as diabetes or heart disease.

Premier's services

● **NHS services**

Premier's NHS services are typically provided under contract with a CCG. Premier has 17 active contracts with CCGs, under which its services are normally provided in a local setting via general practitioner's practices.

During the year ended 31 March 2015, Premier generated revenues of £2.05 million from NHS contracts, which accounted for approximately 74 per cent. of Premier's turnover for the year. For the six months ended 30 September 2015, Premier generated revenues of £1.12m from NHS contracts, which accounted for approximately 69 per cent. of Premier's turnover for that period.

As of February 2016, Premier had annualised contracted revenues of circa £1.77 million for the provision of physiotherapy and podiatry services through 31 NHS contracts with 14 CCGs, with the largest being the Wirral and West Berkshire CCGs.

Premier's NHS contracts have limited terms and there are a number of contracts in the first half of 2016, which are subject to renewal by the respective CCG. As at the date of this Admission Document, management have not had confirmation that these contracts will be renewed.

Premier currently has an invoice discounting facility in place which allows Premier to fund up to 90 per cent. of NHS related receivables, up to a limit of £250,000.

● **Non-NHS public sector services**

Premier has contracts with Thames Valley Police, Gwent Police and Essex Police. As of February 2016, Premier had annualised contracted revenues of circa £67,000 for the provision of occupational musculoskeletal healthcare services including the provision of occupational health physiotherapy services and podiatry services, with the aim of keeping police officers active and returning to duty.

Premier also provides physiotherapy and podiatry services to offenders at various prison sites. Premier acts as a subcontractor to a lead contractor, which is typically a large outsourcing company, such as CareUK, G4S or Notts Healthcare.

For the year ended 31 March 2015 Premier generated revenues of £152,000 from prison-related contracts, which accounted for 5.5 per cent. of Premier's turnover. For the six months ended 30 September 2015, Premier generated revenues of £137,000 from prison-related contracts, which accounted for 8.4 per cent. of Premier's turnover.

Based on unaudited management information for the nine months ended 31 December 2015, the management of Premier estimate that the annualised revenues from its services in different sectors totalled £2,427,000. This was broken down as follows:

- £1,776,000 resulting from NHS contracts;
- £67,000 resulting from police service contracts;
- £355,000 resulting from prison service contracts; and
- £229,000 resulting from corporate services.

Based on the unaudited management information for the 10 months ended 31 January 2016 the total annualised revenue figure stated above shows no material change to the December 2015 management accounts.

As of February 2016, Premier had annualised contracted revenues of circa £355,000 for the provision of physiotherapy and podiatry services in UK prisons. Premier has been providing services for offenders for approximately two years and is now believed to be amongst the leading musculoskeletal healthcare providers for these services across the UK. Further new contracts will result in Premier servicing Wormwood Scrubs and the prison clusters within the Thames Valley region and Buckinghamshire, plus Staffordshire, Worcestershire and West Yorkshire.

Providing services in prisons is viewed by the Directors as relatively high margin work due to low costs with no rental costs and low head office and administration costs due to all bookings and referrals being required to be performed on-site for security reasons. The Premier management team expect to win new prison contracts which are expected to generate revenue during the first half of 2016.

Premier are currently operating mobility assessment services for Wakefield and Warrington Council, with Halifax Council joining through a Framework agreement via Warrington. Premier provides practitioners who assess individuals for disability 'blue badges' and concessionary travel passes, via a combination of face to face assessments or a desk assessments. These services represent a newer revenue stream, with Premier having generated revenue of approximately £9,000 for the six months ended 30 September 2015.

- **Corporate services**

Premier also provides services to corporate clients.

For the year ended 31 March 2015, Premier generated revenues of approximately £476,000 from its corporate services and private clinics, which accounted for 17.2 per cent. of Premier's turnover for that year. For the six months ended 30 September 2015, Premier generated revenues of approximately £332,000 from corporate services and private clinics, which accounted for 20.4 per cent. of Premier's turnover for that period.

Premier's corporate services include:

- occupational health and ergonomic services to corporate clients, such as display screen equipment assessments;
- post-injury return to work suitability assessments, such as work hardening programmes or functional Capacity Assessments;
- physiotherapy treatment and rehabilitation programmes;
- podiatry treatment; and
- sports massage services.

Premier also has an expanding network of clinics located in health and fitness centres, with a principal focus on London.

Premier's future business initiatives

Core ergonomics

Premier has developed an online display screen equipment self-assessment tool, known as 'Core Ergonomics'. This system has been designed so that assessments can be undertaken in 10-15 minutes. The Directors believe this to be a shorter assessment period than typical competitor offerings, thus leading to a greater level of compliance from underlying users. This system can provide reports containing recommended actions and advice, or training involving best practice diagrams and recommendations.

Online triage and patient treatment portal

Premier, in combination with Totally Health, is developing an online triage and patient treatment portal, which is aimed at providing Premier's underlying customers with cost savings. Premier's current processes rely heavily on input from physiotherapist consultations. However, a sizable proportion of patients, once seen by a physiotherapist, often do not require specialist treatment, leading to significant inefficiencies and time and cost overheads within the overall process.

The new online triage system will be designed to determine which patients actually require a face-to-face appointment with a physiotherapist. For patients who do not require an appointment, there will be an interactive portal to support these patients to self-treat and self-manage. Premier are currently testing this portal offline for validity and cost effectiveness.

Premier wishes to further develop its online triage and patient treatment portal and apply this to existing contracts within both the public and private sectors. Virtual systems for condition management are topical in the healthcare industry and the Board believes that this part of the market will be a significant focus for the future of musculoskeletal medicine.

Prevention of long term conditions through physical healthcare

Premier is able to assist in the treatment of long term conditions. The Directors believe that musculoskeletal treatment and exercise therapies are integral in dealing with a number of chronic conditions, as the physical fitness element is always central to both prevention and maintenance. The Directors believe that Premier's services can be provided to local authorities.

Diabetes represents an annual £9.8 billion spend for the NHS, which has led to a new drive to reduce the incidence of type II Diabetes (£8.8 billion of this annual spend) over the next 5 to 10 years with prevention programmes such as weight management and diabetes prevention contracts.

The 'Tier 2 Exercise on Referral and Weight Management Services' are a major part of the Government's Lifestyles Programme's drive to reduce obesity and diabetes.

Fall prevention programme

Premier plans to establish a fall prevention programme to be provided to the NHS. The overall goal of such a programme would be to seek to encourage participants to become or remain physically active and therefore improve bone health and decrease the risk of falls. This would be aimed at patients in the 50-65 year age group, and would deliver multiple categories of exercise, including strategies to increase self confidence in making decisions and behaviour change.

Premier's information systems

Premier has made investment in its client infrastructure and systems. A significant number of processes need to be undertaken to invoice the NHS and ensure prompt payment and Premier's information systems have been developed over time, taking Premier's long-standing experience of interacting with the NHS into account.

Premier has recently installed 'Qinec', which is an integrated referral management, invoicing and electronic medical notes system that links into all public and private contracts requirements. Qinec is a bespoke system that has been tailored specifically for Premier. All Patient Identifiable Data can be securely stored within Qinec, which can then be filtered into bespoke reports for the relevant information required by individual contracts.

5. STRATEGY OF THE ENLARGED GROUP

The Directors believe that there is a significant opportunity for Totally to build and develop a high quality diversified 'out of hospital' UK healthcare services group, through a combination of organic and acquisition based growth. The Board believes that this is the most cost-effective way for the Enlarged Group to obtain critical mass, in order to allow it to compete with larger market participants. For example, the Directors believe that there is significant scope to expand the number of clinical conditions covered within its services from Totally Health to the NHS and private healthcare providers, direct-to-consumer service and services on shared decision making.

Following the acquisition of Premier, the Enlarged Group intends to expand services provided by Premier across the UK and worldwide where similar prevalence figures exist to those within the UK. The Enlarged Group will also target acquisitions of appropriate health related companies, to add to the Enlarged Group's portfolio of services and ultimately provide an integrated healthcare solutions for all low technology, high volume out of hospital care.

The Directors believe that such potential acquisition targets will add to the depth of service offered by Totally to help it achieve its goal of becoming one of the leading providers of out of hospital care within the UK.

The Enlarged Group, through targeted acquisitions, intends to design and deliver new business models across the Enlarged Group to expand its businesses and reduce overhead costs, using in-house expertise to support further growth and expansion.

6. CURRENT TRADING AND PROSPECTS

Totally

On 23 July 2015, Totally announced its interim results for the six months ended 30 June 2015. During this period the Group made an operating loss of £71,000 (2014 H1: operating loss £272,000) and an EBITDA loss of £69,000 (2014 H1: EBITDA loss £267,000) on Group turnover of £418,000 (2014 H1: £196,000). During the first quarter of 2015, the Group achieved its target of making a positive EBITDA. However, as contracts entered into the evaluation phase, EBITDA reduced in the second quarter of 2015, with the six months to 30 June 2015 ending with an EBITDA loss.

The unaudited management accounts of Totally for the six months ended 31 December 2015 show that the Group traded in line with the Board's expectations. During the period, the Group has been funded by a new capital injection which was made in September 2015.

Totally currently generates its revenue from contracts with five NHS trusts. NHS contracts are typically for defined time periods and Totally has a number of contracts which are up for renewal during the first half of 2016. The Board believes that these contracts have delivered positive results for both patients and the NHS and the Company is in discussions with NHS commissioners regarding the renewal or extension of these contracts.

The Group's current pipeline includes detailed discussions with approximately 20 CCGs for the provision of health coaching based services for long-term medical condition management. Discussions are also ongoing in respect of Totally potentially partnering with other organisations to deliver health coaching via different business-to-business routes, including pharmaceutical companies, personal medical insurers, domiciliary care providers and large employers.

The Board is also in discussions with potential strategic partners for the development of its business-to-consumer offering. These partnerships will help develop a compelling and integrated solution to manage long term conditions. It is envisaged that these integrated models will not only benefit the direct-to-consumer market but also increase the efficacy of the Group's current suite of products for business-to-business solutions. During 2015, the Group commenced its investment in its business to consumer offering and, as previously announced, this will impact on the results for the year ended 31 December 2015.

Premier Physical Healthcare Limited

In the last quarter of 2015, the unaudited management accounts for the three months ended 31 December 2015 show that during this period Premier made an operating loss of £47,000 (six months ended

30 September 2015: operating profit £105,000) on turnover of £643,000 (six months ended 30 September 2015: £1,630,000). The loss for the period has been funded by cash reserves within the Group.

Monthly revenues have fallen since peaking in June 2015 at £308,000 per month due to the loss of an NHS contract in Southampton where Premier operated from 26 clinics. The contract was discontinued and was not lost to a competitor. The Premier management team expect this to be replaced by new prison contracts which are expected to generate revenue during the first half of 2016.

7. SUMMARY FINANCIAL INFORMATION

Totally

The table below sets out Totally's summary financial information for the last three financial years ended 31 December 2014 and unaudited interim financial information for the six months ended 30 June 2015. The historical information was prepared under IFRS. The summary below has been extracted from Part IV of this Admission Document.

	<i>Year ended 31 December 2012 £'000</i>	<i>Year ended 31 December 2013 £'000</i>	<i>Year ended 31 December 2014 £'000</i>	<i>Unaudited 6 months ended 30 June 2015 £'000</i>	<i>Unaudited 6 months ended 30 June 2014 £'000</i>
Continuing operations					
Revenue	769	878	609	418	196
Cost of sales	(607)	(698)	(180)	(91)	(80)
Gross profit	162	180	429	327	116
Administrative expenses	(741)	(871)	(855)	(396)	(383)
Loss before interest, tax, depreciation and amortisation	(579)	(691)	(426)	(69)	(267)
Depreciation and amortisation	(9)	(9)	(11)	(2)	(5)
Loss from operations	(588)	(700)	(437)	(71)	(272)
Share issue costs	(54)	(29)	–	–	–
Finance costs	(37)	(2)	(1)	(1)	–
Loss before taxation	(679)	(731)	(438)	(72)	(272)
Income tax	–	–	–	–	–
Loss for the year from continuing operations	(679)	(731)	(438)	(72)	(272)
Profit/(loss) from discontinued operations	91	(200)	96	–	86
Loss attributable to the equity shareholders of the parent company	(588)	(931)	(342)	(72)	(186)

Premier Physical Healthcare Limited

The table below sets out Premier's summary financial information for the last three financial years ended 31 March 2015 and interim financial information for the six months ended 30 September 2015. The historical information was prepared under IFRS. The summary below has been extracted from Part III of this Admission Document.

	Year ended 31 March 2013 £'000	Year ended 31 March 2014 £'000	Year ended 31 March 2015 £'000	Six months ended 30 September 2015 £'000
Revenue	1,289	2,030	2,767	1,630
Cost of goods	(878)	(1,275)	(1,762)	(1,045)
Gross profit	411	755	1,005	585
Other operating income	18	–	–	–
Administrative expenses	(426)	(698)	(937)	(480)
Profit before interest, tax and depreciation	3	57	68	105
Depreciation	(9)	(2)	(1)	(1)
(Loss)/profit from operations	(6)	55	67	104
Finance costs	(4)	(7)	(5)	(1)
(Loss)/profit before taxation	(10)	48	62	103
Taxation	–	(10)	(9)	(22)
(Loss)/profit and total comprehensive income/(expense) for the period	(10)	38	53	81

8. DIRECTORS AND SENIOR MANAGERS

Brief biographical details of the Directors are set out below:

Robert (Bob) Holt OBE, *Chairman*, aged 61

Bob Holt has a background in developing support service businesses. He has operated in the service sector since 1981, initially in a financial capacity then moving into general management. In 1996 Bob bought a controlling interest in Mears Group PLC, the support services group focused on social housing and domiciliary care services. Bob was instrumental in Mears' growth and oversaw the Company's flotation on AIM and subsequent listing on the Main Market of the London Stock Exchange. Bob is Chairman of Mears. He is also Non-Executive Chairman of energy procurement consultant Inspired Energy plc, Non-Executive Chairman of independent logistics and parcel distribution company DX (Group) plc and a director of a number of other businesses, including Seneca Partners Limited, an independent investment management and corporate advisory business for high net worth individuals and small and medium-sized enterprises.

Bob has been Chairman of Totally since September 2015.

Wendy Jayne Lawrence, *Chief Executive Officer*, aged 54

Wendy Lawrence has worked with the NHS for over 20 years, with the last 12 years being director level posts. She has a wealth of experience having previously worked for BUPA Health Dialog, leading the Client Delivery Team on a range of projects, from complex Framework for External Support for Commissioners deliveries through to individual Primary Care Trust specific contracts across the UK. Previously, Wendy ran her own company, working closely with numerous NHS and social care organisations across England, Wales and Scotland supporting delivery of many complex change agendas.

During Wendy's NHS career she was Chief Executive of three large Primary Care Trusts. Wendy led a number of projects on behalf of the Strategic Health Authority including the establishment of new commissioning

models for ambulance services and NHS Direct, as well as contributions to national projects including Reforms of Urgent Care Provision and Taking Healthcare to the Patient.

Wendy has been Chief Executive Officer of Totally since May 2013.

Donald (Don) Ahelan Baladasan, *Finance Director*, aged 42

Don Baladasan is a Chartered Management Accountant with over 18 years of international experience including finance function formation, mergers and acquisitions, raising debt and equity for private and public companies and delivering on operational plans. Having been trained at the Financial Times, Don went on to found Maxis Ltd, a consultancy that provides outsourced FD services to SMEs and start-ups. Maxis works with a wide range of clients covering many different sectors which include fund management, property, technology, healthcare and telecoms. He has extensive experience of working within companies with venture capital, private equity and family office funding.

Prior to founding Maxis, Don was Head of Accounting Development at Stemcor, at the time the UK's third largest private company and the world's largest independent steel trader with a turnover of £6bn. His main responsibility was evaluating the next generation finance system and executing and integrating a global "buy and build" strategy from a finance strategy perspective. Don has also worked as a regional Financial Controller for BUPA Hospitals and Financial Controller of FTMarketwatch.com.

Don initially studied Medicine at Guy's and St Thomas' hospital before completing a BSc in Economics at CASS Business School.

Don has been Finance Director of Totally since November 2012 and will be Finance Director of the Enlarged Group from Completion.

Don is also a non-executive director of Premier, having been appointed to this position in October 2013.

Anthony (Tony) Rhys Bourne, *Non-Executive Director*, aged 62

Tony Bourne is currently a non-executive director of Barchester, one of the UK's largest operators of residential care homes and Spire Healthcare Group plc, one of the largest private healthcare groups in the UK, a London Stock Exchange-listed company and a constituent of the FTSE 250 Index. Tony is also Chairman of Chelsea and Westminster Health Charity, one of the largest NHS charities. He was previously Chief Executive of the British Medical Association from the beginning of 2005 until late 2013.

Tony was in investment banking for over 25 years including as a partner at Hawkpoint and as global head of the equities division and a member of the managing board of Paribas. Tony has also previously served as a non-executive director of Southern Housing Group from 2004 to 2013 and Scope, which focuses on cerebral palsy and is one of the UK's largest charities.

Tony has been a non-executive director of Totally since October 2015.

Michael (Mike) Greig Rogers, *Non-Executive Director*, aged 73

Michael Rogers has over 30 years' experience in healthcare-services and care-services provision. He is currently a non-executive director of Mears Group PLC ("Mears"), the provider of support services to the social housing and care sectors in the UK, which is listed on the main market of the London Stock Exchange. Michael is also a health and social care adviser to Morgan Stanley Private Equity and a member of the investment advisory board of private equity provider Bestport Ventures LLP.

In 1976, Michael was appointed as managing director of the British Nursing Association. In 1988 he became the chief executive of Nestor-BNA plc when the group floated on the main market of the London Stock Exchange. Michael remained here until 1996, prior to founding Careforce Group plc in 1999 which floated on AIM in 2004. Careforce Group plc completed a number of acquisitions to become one of the UK's leading domiciliary care providers, prior to its acquisition by Mears in 2007, following which Michael joined the Mears board.

Mike has been a non-executive director of Totally since December 2015.

Senior Management of the Group

Brief biographical details of the Group's senior managers, who are employees of or contractors to Totally Health, are set out below:

Emma Jane Roberts, *Chief Operating Officer*

Emma Jane brings over 20 years' experience in successfully delivering strategic and operational management and consultancy services across all areas of the healthcare sector. Since January 2012, Emma Jane has worked with Leicester City CCG, which plans and manages most healthcare services for people living in Leicester and is an existing client of Totally Health. Her roles at Leicester City CCG have varied from Head of Implementation to Deputy Director of Strategy and Implementation, where she has a consistent track record of delivering a complex range of primary, community, urgent and planned care. She also delivered transformational service developments which have been recognised nationally and won several awards. In addition to this, Emma Jane had past successes in leading complex change management programmes and, prior to Leicester City CCG, was Managing Director at AR Associate UK Ltd Completed Contracts.

Emma Jane has an MSc in Health Care Management from the University of Birmingham and a BSc. (Hons.) in Industrial Management from Nottingham Trent University as well as several other qualifications including a Post Graduate Diploma in Health Care Management.

Emma Jane has been Chief Operating Officer since November 2015.

Dr Steven Laitner, *Clinical Strategy Director*

Steven is a practicing GP and has over 20 years of clinical experience, including general medicine, public health and general practice. Steven held the position of Associate Medical Director for NHS Midlands and East and National Clinical Lead for Shared Decision Making at the Department of Health between 2008 and 2013. Previously, Steven spent five years as a public health consultant and clinical advisor to the Department of Health between 2003 and 2008 and six years as a Specialist Registrar in Public Health for West Hertfordshire Health Authority, Brent and Harrow Health Authority, Hertsmere Primary Care Trust and The National Screening Committee, between 1997 to 2003.

Steven has been Clinical Strategy Director since November 2015.

Senior Management of Premier

Brief biographical details of the senior managers of Premier are set out below:

Wayne Llewellyn, *Chief Executive Officer and Clinical Director of Premier*, aged 53

Wayne entered the private physiotherapy market after qualifying in 1989 with a second degree in Physiotherapy following the completion of an earlier Sport Science degree at Brighton Polytechnic in 1984. He studied Physiotherapy at Guys Hospital Medical School.

Following a short spell of private practice he moved back to the City in 1991 to work in fitness centre based clinics both privately and in the corporate sector. Over the next seven years he developed his knowledge and skills of clinical physiotherapy and Corporate Healthcare and founded Premier with Raphael Leal in 1997. Wayne's understanding of the Health and Fitness industry within business has helped develop a team of physiotherapists for the NHS, private practice and occupational health over the past 17 years.

Wayne has been a director of Premier since 1997.

Raphael Leal, *Chief Financial Officer of Premier*, aged 47

Raphael managed and developed the largest in-house Health and Fitness centre for the Royal Mail in central London for three years following the completion of a Mathematics and Sports Science degree in 1991. Raphael studied at Christ Church College. Post qualification and prior to co-founding Premier he worked for a corporate fitness company where he liaised closely with Wayne Llewellyn (who was then the in-house physiotherapist) in setting up the on-site physiotherapy service.

Raphael has been a director of Premier since 1997.

9. PRINCIPAL TERMS OF THE ACQUISITION

The Company has conditionally agreed to acquire the entire issued share capital of Premier for £6.75 million but subject to adjustment based on the financial performance of Premier.

The consideration for the Acquisition

In summary the terms of the consideration payable under the Acquisition Agreement are as follows:

- (a) an initial payment of £371,974 (the “**Y1 Initial Payment**”), which is equal to seven times the EBITDA of Premier for the period commencing on 1 April 2015 and ending 31 January 2016 and will be payable to the Vendors in cash upon Admission;
- (b) a second payment (the “**Y1 Payment**”), which will be equal to seven times the EBITDA of Premier for the year ended 31 March 2016 (less the Y1 Initial Payment);
- (c) a third payment, which will be equal to the EBITDA of Premier for the year ended 31 March 2017 (less the EBITDA referred to in paragraph (b)) multiplied by seven;
- (d) a fourth payment, which will be equal to the EBITDA of Premier for the year ended 31 March 2018 (less the aggregate EBITDA referred to in paragraphs (b) and (c)) multiplied by seven; and
- (e) a final payment of £6.75 million less the aggregate payments made pursuant to paragraphs (a) to (d) above.

The Vendors have warranted that the EBITDA for at least one of the years ending 31 March 2016, 2017, 2018 or 2019 will be not less than £964,285.71. If this warranty is breached the Vendors will pay the Company liquidated damages so that the purchase price of £6.75 million is effectively reduced either to the amount of Premier’s EBITDA for the year ended 31 March 2019 multiplied by seven (less the aggregate payments made pursuant to paragraphs (a) to (d) above) or, if the EBITDA for the year ended 31 March 2019 is less than any of the previous years, to the amount of the aggregate payments made pursuant to paragraphs (a) to (d) above.

The aggregate payments under paragraphs (a) to (e) inclusive will not exceed £6.75 million.

The Y1 Initial Payment and Y1 Payment will be settled in cash with the remainder of the payments being settled as to 80 per cent. in cash (or, at the election of the Vendors, loan notes) and 20 per cent. in new Ordinary Shares. Each of the Vendors has agreed to be bound by certain orderly market restrictions in respect of their interests in any new Ordinary Shares received as consideration for a period of 12 months from the allotment of such new Ordinary Shares.

Any new Ordinary Shares issued to the Vendors in the future pursuant to the Consideration will be issued at the average mid-market closing price of the Ordinary Shares over the five business days prior to the date of allotment. Any loan notes issued by the Company will be redeemed by the Company not earlier than six months nor later than 24 months after their date of issue.

The Board view the structuring of the Acquisition’s consideration on a deferred basis as being optimal for incentivising the Vendors to remain committed to Premier in the medium-term.

Further details of the Acquisition Agreement are set out in paragraph 10 of Part VI of this Admission Document.

Financial effects of the Acquisition

Unaudited pro forma financial information of the Enlarged Group, prepared for illustrative purposes only, showing the impact of the Acquisition and the Subscription on the Enlarged Group is set out in Part V of this Admission Document.

10. SUMMARY OF THE SUBSCRIPTION

The Company is proposing to raise £6.20 million (approximately £5.87 million net of expenses) by the conditional subscription of 10,000,000 Subscription Shares pursuant to the Subscription at the Subscription Price. The Subscription Shares will represent approximately 50.01 per cent. of the Enlarged Share Capital on Admission.

The Subscription Shares will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive dividends and other distributions declared, made or paid in respect of the Ordinary Shares.

The Subscription, which is not underwritten or guaranteed, is conditional, *inter alia*, upon the passing of the Resolutions and Admission. The Subscription is being made on a non pre-emptive basis as the time delay and costs associated with a pre-emptive offer are considered by the Directors to be excessive for the Company's requirements.

11. DIRECTORS' PARTICIPATION IN THE SUBSCRIPTION AND RELATED PARTY TRANSACTION

All of the Directors are participating in the Subscription on identical terms to the other Subscribers. The Directors have agreed to subscribe, in aggregate, for 457,000 Subscription Shares at a cost of approximately £283,340.

Details of the Directors participation in the Subscription are as follows:

Director	Current holding		Number of Subscription Shares	At Admission	
	Number of Ordinary Shares held	% of Ordinary Shares in issue		Number of Ordinary Shares held	% of Ordinary Shares in issue
Bob Holt	600,000	6.01%	200,000	800,000	4.00%
Wendy Lawrence	16,666	0.17%	40,000	56,666	0.28%
Don Baladasan	67,780	0.68%	40,000	107,780	0.54%
Tony Bourne	–	–	161,000	161,000	0.81%
Mike Rogers	–	–	16,000	16,000	0.08%
Total	684,446	6.85%	457,000	1,141,446	5.71%

The Directors of Totally are treated as related parties of the Company under the AIM Rules. The Directors' participation in the Subscription is therefore treated as a related party transaction pursuant to Rule 13 of the AIM Rules. Since all of the Directors are participating in the Subscription, there are no directors who are independent of the transaction. The Company's nominated adviser, Allenby Capital, considers that the terms of the Directors' participation in the Subscription are fair and reasonable insofar as the Company's shareholders are concerned.

12. USE OF PROCEEDS

The net proceeds of the Subscription are expected to be approximately £5.87 million and are currently intended to be applied as follows:

- to satisfy elements of the cash consideration payable pursuant to the Acquisition;
- to provide further funding for the launch of the Company's direct-to-consumer clinical health-coaching product; and
- for working capital purposes for the Enlarged Group.

13. ADMISSION, SETTLEMENT & DEALING

An application will be made for the Company's Enlarged Share Capital to be admitted to trading on AIM. It is expected that Admission will become effective and dealings in the Company's Ordinary Shares will commence on 1 April 2016.

The Company's Ordinary Shares are eligible for CREST settlement and settlement of transactions in the Ordinary Shares may take place within the CREST system if a Shareholder so wishes. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so. CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument in accordance with the CREST Regulations. For more

information concerning CREST, Shareholders should contact their brokers or Euroclear at 33 Canon Street, London EC4M 5SB, United Kingdom or by telephone on +44 (0)207 849 0000.

The Ordinary Shares have the ISIN number GB00BYM1JJ00. The Ordinary Shares are not dealt on any other recognised investment exchange and no application has been or is being made for the Ordinary Shares to be admitted to any other such exchange.

14. THE TAKEOVER CODE AND TAKEOVER PROVISIONS

The Takeover Code is issued and administered by the Takeover Panel. The Takeover Code applies to all takeovers and merger transactions, however effected, where the offeree company is, *inter alia*, a listed or unlisted public company resident in the UK, the Channel Islands or the Isle of Man. The Company is such a company and, therefore, Shareholders are entitled to the protection afforded by the Takeover Code.

Under Rule 9 of the Takeover Code, where any person acquires, whether by a series of transactions over a period of time or otherwise, an interest (as defined in the Takeover Code) in shares which, taken together with shares in which he is already interested or in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, that person is normally required to make a general offer to all the remaining shareholders to acquire their shares.

Similarly, Rule 9 of the Takeover Code also provides that when any person, together with persons acting in concert with him, is interested in shares which, in aggregate, carry more than 30 per cent. of the voting rights of such company, but does not hold shares carrying 50 per cent. or more of such voting rights, a general offer will normally be required if any further interest in shares is acquired by any such person.

Under the Takeover Code, a concert party arises when persons, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company or to frustrate the successful outcome of an offer for that company. Under the Takeover Code, “control” means an interest, or aggregate interest, in shares carrying 30 per cent. or more of the voting rights of a company, irrespective of whether the interest or interests give de facto control.

If a “takeover offer” (as defined in section 974 of the Act) is made and the offeror, by virtue of acceptances of such offer, acquires or contracts to acquire not less than nine tenths in value of the Ordinary Shares to which the takeover offer relates, then the offeror has the right to acquire compulsorily the remaining Ordinary Shares of the minority Shareholders for the offer price within a fixed period. In certain circumstances, the minority Shareholders also have the right to require the offeror to buy their Ordinary Shares at the offer price within a fixed period.

15. DIVIDEND POLICY

The Directors believe that the Enlarged Group will continue to have the potential to be cash generative in the future and recognise the importance of dividend income to Shareholders. Having regard to the requirement for capital expenditure to achieve the strategic objectives of the Enlarged Group, the Directors intend to pursue a progressive dividend policy that will take account of the Enlarged Group’s profitability, underlying growth and availability of cash and distributable reserves, while maintaining an appropriate level of dividend cover.

The Directors may amend the dividend policy of the Company from time to time and the above statement regarding the dividend policy should not be construed as any form of profit or dividend forecast.

16. TAXATION

Information regarding United Kingdom taxation is set out in paragraph 15 of Part VI of this Admission Document. These details are, however, intended only as a general guide to the current tax position under UK taxation law. Shareholders who are in doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own independent financial adviser immediately.

HMRC have confirmed that the Ordinary Shares issued by the Company to raise funds which will be utilised by Totally Health, the Company’s wholly-owned subsidiary, in the expansion of Totally Health’s

direct-to-consumer clinical health coaching programme and for general working capital purposes in relation to the direct-to-consumer service, will be eligible for EIS and VCT relief. The total amount which can be raised for this purpose, and on which EIS or VCT relief can be claimed, is limited to £4.3 million, as there is an annual limit which would otherwise be breached.

No assurance can be given as to whether any Shareholders will be eligible to claim EIS or VCT relief and any Shareholders who are in doubt as to their tax position should consult their own tax adviser.

Additional details on EIS and VCT relief are included in paragraph 15 of Part VI of this Admission Document.

17. CORPORATE GOVERNANCE

The Corporate Governance Code, which was published in September 2012, applies only to companies on the Official List and not to companies admitted to AIM. However, the Directors recognise the importance of sound corporate governance and intend that the Enlarged Group will comply with the provisions of the Corporate Governance Code for Small and Mid-Size Quoted Companies (“QCA Code”), as published by the Quoted Companies Alliance, insofar as they are appropriate given the Company’s size, nature and stage of development. As the Company grows, the Directors intend that it should develop policies and procedures which reflect the Corporate Governance Code, so far as it is practicable taking into account the size and nature of the Company.

The Board is responsible for formulating, reviewing and approving the Group’s strategy, budgets and corporate actions. The Company holds Board meetings at least four times each financial year and at other times as and when required. The Company has established properly constituted audit, remuneration and nomination committees of the Board with formally delegated duties and responsibilities.

Audit committee

The audit committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Enlarged Group is properly measured and reported on. It will receive and review reports from the Enlarged Group’s management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Enlarged Group. The audit committee will meet not less than four times in each financial year and will have unrestricted access to the Enlarged Group’s auditors. Members of the audit committee are Mike Rogers, who will act as chairman of the committee, and Bob Holt.

Remuneration committee

The remuneration committee will review the performance of the executive Directors and make recommendations to the Board on matters relating to their remuneration and terms of employment. It will also make recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any share option scheme or equity incentive scheme in operation from time to time. The remuneration committee will meet as and when necessary to assess the suitability of candidates proposed for appointment by the Board. In exercising this role, the Directors shall have regard to the recommendations put forward in the QCA Code. Members of the remuneration committee are Tony Bourne, who will act as chairman of the committee, and Bob Holt.

Nomination committee

The Company has established a nomination committee. The nomination committee will meet not less than once a year and will: (i) identify individuals qualified to become Board members and select the director nominees for election at general meetings of the Shareholders or for appointment to fill vacancies; (ii) determine director nominees for each committee of the Board; and (iii) consider the appropriate composition of the Board and its committees. In addition, each Director’s performance will be reviewed annually by the chairman of the Nomination Committee and the chairmanship of the Nomination Committee will be assessed by the remaining directors. Members of the nomination committee are Don Baladasan, who will act as chairman of the committee, and Bob Holt.

Share dealing code

The Company has adopted a new share dealing code for directors' dealings in securities of the Company which is appropriate for a company quoted on AIM. The Board will comply with Rule 21 of the AIM Rules for Companies relating to directors' dealings and will take proper and reasonable steps to ensure compliance by the Group's "applicable employees" (as defined in the AIM Rules for Companies).

18. GENERAL MEETING

A notice convening a general meeting of the Company, to be held at 10.00 a.m. on 31 March 2016 at Lighterman House, 26-36 Wharfdale Road, London N1 9RY, is set out at the end of this document. At the General Meeting, the following resolutions will be proposed:

- (a) to approve the Acquisition;
- (b) to authorise the Directors' to: (i) allot Ordinary Shares in connection with the Subscription; (ii) the allotment of up to 2,057,500 new Ordinary Shares pursuant to the terms of the Acquisition; and (iii) allot Ordinary Shares up to a maximum nominal value of £799,798; and
- (c) to authorise the Directors to allot Ordinary Shares for cash otherwise than on a pro rata basis to shareholders: (i) in connection with the Subscription; and (ii) up to a maximum nominal value of £399,899.

The resolutions in (a) and (b) will be proposed as ordinary resolutions and the resolution in (c) will be proposed as a special resolution. To be passed, the resolutions in (a) and (b) require a majority of not less than 50 per cent. of the votes cast at the General Meeting, in person or by proxy, and the resolution referred to in (c) will require a majority of not less than 75 per cent. of the Shareholders voting in person or by proxy in favour of the relevant Resolutions. The resolutions are inter-conditional and so, if one of them is not passed at the General Meeting, none of them will be deemed to have been passed.

The Independent Directors recommend that Shareholders vote in favour of the Resolutions, as the Directors intend to do so that the Subscription, the Acquisition and Admission can proceed.

19. FURTHER INFORMATION

Your attention is drawn to Parts II to VI of this Admission Document, which provide additional information on the Enlarged Group, and, in particular, to the Risk Factors set out in Part II.

20. ACTION TO BE TAKEN/RECOMMENDATION

The Independent Directors consider that the Resolutions to be proposed at the General Meeting of the Company are in the best interests of the Company and its Shareholders as a whole. The Independent Directors recommend that Shareholders vote in favour of those Resolutions. All of the Directors intend to vote in favour of those Resolutions in respect of the 654,446 Ordinary Shares beneficially owned by them in aggregate.

A Form of Proxy is enclosed for use by Existing Shareholders at the GM. Whether or not Shareholders intend to be present at the GM, they are requested to complete, sign and return the Form of Proxy to the Company's registrar, Share Registrars Limited, Proxy Department, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL as soon as possible but in any event so as to arrive not less than 48 hours before the time appointed for the General Meeting. The completion and return of a Form of Proxy will not preclude an Shareholder from attending the GM and voting in person should he subsequently wish to do so.

Yours faithfully,

Bob Holt OBE

Chairman

PART II

RISK FACTORS

The attention of prospective investors is drawn to the fact that an investment in Ordinary Shares may not be suitable for all such investors and will involve a variety of risks which, if they occur, may have a materially adverse effect on the Company's business or financial condition, results or future operations. In such case, the market price of the Ordinary Shares could decline and an investor might lose all or part of his or her investment.

In addition to the information set out in this document, the following risk factors should be considered carefully in evaluating whether to make an investment in the Company. The following factors do not purport to be an exhaustive list or explanation of all the risk factors involved in investing in the Company and they are not set out in any particular order of priority.

Additionally, there may be further risks of which the Directors are not aware or believe to be immaterial which may, in the future, adversely affect the Company's business and the market price of the Ordinary Shares. In particular, the Company's performance might be affected by changes in market and economic conditions and in legal, regulatory and tax requirements.

Before making a final investment decision, prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them. Any prospective investor who is in any doubt as to any action he should take, should consult with an independent financial adviser authorised under the FSMA, if the investor is in the United Kingdom or, if not, another appropriately authorised independent financial adviser, who specialises in advising on the acquisition of shares and other securities.

RISK FACTORS RELATING TO THE BUSINESS AND OPERATIONS OF THE ENLARGED GROUP

Potential change in government or government policy

A key driver of the Enlarged Group's business is the level of UK Government spending relating to the delivery of healthcare services. In light of pronouncements from the current UK Government focusing on reducing the public sector budgetary deficit, the rate of growth in expenditure on healthcare may reduce significantly. It is also possible that the current UK Government or future UK Governments may seek to materially restructure the NHS, or otherwise materially alter the way in which the NHS allocates its budget and procures services from the private sector. This may have a material adverse effect on the Enlarged Group's future performance, financial condition or business prospects. However, the Directors believe the Enlarged Group is well placed to benefit from targeted healthcare spend due to the potential for the NHS to generate efficiency savings through the use of its services. The Board continue to keep abreast of current thinking on likely policy issues relating to the Company's services.

Number of NHS contracts expiring in 2016

The Enlarged Group's NHS contracts are time limited and there are a number of contracts which are subject to renewal by the NHS and/or respective CCGs in the first half of 2016. As at the date of this Document, Premier's management have not received confirmation from the NHS or the CCGs that these contracts will be renewed. In addition, unless renewed, other NHS contracts, certain of which constitute a material proportion of Premier's revenues, are formally due to expire in the second half of 2016. The NHS has recently announced that it is replacing its standard contract, which is used in contracts with third party service providers, with a new version expected in early 2016. There can be no guarantee that the Enlarged Group's existing contracts will be renewed, or, until such time as the Enlarged Group has sight of this new standard contract, any guarantee that any renewed contract will be on terms that are acceptable to the Enlarged Group, which could adversely affect the Enlarged Group's business.

The nature of the Enlarged Group's customer base and revenue concentrations

Contracts with a relatively limited number of the Enlarged Group's customers will account for a significant portion of the Enlarged Group's revenue. Totally currently generates its revenue from contracts with five NHS trusts. As at the date of this Document, Premier had significant annualised contracted revenue concentrations with the Wirral and West Berkshire CCGs, with both of these contracts being formally due to expire in the second half of 2016. Certain of Premier's and Totally's contracts commenced with a fixed timeframe agreed, with services being provided beyond the original contract which have continued on a rolling basis, or have been extended via correspondence between Premier or Totally (as applicable) and the relevant client. There is an ongoing risk that customers could elect not to renew their contracts or elect not to renew rolling contract terms. The loss of key contracts for the Enlarged Group would have a significant negative impact on the Enlarged Group's business and operating results.

Success of new services and products

As set out in more detail in Part I of this Document, the Enlarged Group expects much of its growth to come from the expansion of Premier's existing business into new areas and Totally's new direct-to-consumer services. Whilst the Board is confident of growth in these areas, there can be no guarantee that these ventures will be successful. The implementation of the Group's direct-to-consumer service is material to the Enlarged Group's business plan and success. However, the pricing of the new direct-to-consumer service is uncertain as the Board is not aware of any competitors in the market place and therefore there are limited sources of historic information on which to base the projected prices. If these targeted areas of expansion are unsuccessful, this could have a material adverse effect on the Enlarged Group's business.

Potential failure to win new tenders

Totally and Premier currently have a number of tenders for new business out across various NHS and other public sector departments and councils. The ability to win new contracts with the NHS and other organisations is material to the Enlarged Group's future growth. There can be no guarantee that the Enlarged Group will win these bids or future bids, and failure to win such bids could adversely affect the Enlarged Group's efforts to increase its revenue streams. Public sector contracts may be subject to formal procurement processes, which are competitive and may cause delays to the implementation of the Enlarged Group's business plan. Furthermore, the local council or public body may operate with only a pre-qualified framework of suppliers, which may exclude the Enlarged Group. Any delay or failure to win public sector contracts may have a material adverse effect on the Enlarged Group's operations.

Change of control provisions

Several of Premier's existing contracts with CCGs, the NHS and others include change of control provisions, whereby either Premier is required to notify the other party of any change of control or that other party may terminate the contract upon such change of control. Accordingly, some of Premier's contracts may cease to be valid upon Premier being acquired by another company. However, the Directors are confident that this should not present an issue given Totally's existing work with the NHS and its approved status as a provider of healthcare services. However, were these existing contracts to become invalid, it would have a material adverse effect on the Enlarged Group's trading and prospects.

Certain of Premier's consultants and agency workers could be deemed to be employees of Premier

Premier uses a number of consultants and self-employed contractors, in addition to its employees, in delivering its services. Premier endeavours to ensure that both the contracts and procedures in place with such parties are constructed in such a way as to minimise the risk that an employee relationship is established, but the risk remains that in the event of any claim as to worker status, a court or tribunal will focus on the reality of the relationship, even if this contradicts what is written in a contract. If such consultants or self-employed contractors are determined to be employees, rather than contractors, the Enlarged Group will be liable for increased costs (such as National Insurance Contributions) and liabilities (such as employee rights) in respect of such individuals, which could have an adverse effect on the financial condition of the Enlarged Group.

Reliance on bespoke software in the Premier business

Premier's sales system is largely dependent on bespoke software which has been generated for the business. The software is not widely available on the open market and there is a risk that the business will not be able to find a suitable replacement software package in the case of software failure or any other issue with its software or its software providers.

Ability to recruit and retain skilled personnel

The ability to continue to attract and retain employees with the appropriate qualifications, expertise and skills cannot be guaranteed. If the Enlarged Group is unable to hire and retain such personnel in a timely manner, the ability to sell its products and otherwise to grow its business will be impaired and the delay and inability may have a detrimental effect upon the performance of the Enlarged Group.

Operating in prison facilities

Part of the Enlarged Group's operations will revolve around providing physiotherapy and other services to inmates in various prison facilities around the UK. There is an increased potential risk to both the staff of the Enlarged Group and the Enlarged Group's own reputation, especially if any staff were to be harmed while working in such an environment. These risks could have a detrimental effect upon the performance of the Enlarged Group and its ability to recruit staff.

Potential litigation

Legal proceedings may arise from time to time in the course of the Enlarged Group's business, including, *inter alia*, those resulting from potential accusations of clinical negligence and which may lead to claims. The Board believes that the Enlarged Group has sufficient product and public liability insurance to comply with the requirements of the NHS, but there can be no guarantee that these arrangements will provide sufficient coverage and/or protection in perpetuity.

Data protection

In the course of the Enlarged Group's day to day business, it will be privy to a great deal of confidential information and medical records of patients and customers. A breach of patient confidentiality could have serious consequences for the Enlarged Group, including, *inter alia*, legal damages and reputational harm.

Premier invoice discounting facility and other funding facilities

Premier's business currently uses an invoice discounting facility which allows Premier to fund a proportion of its NHS related receivables. Premier's business also utilises bank overdrafts that are repayable on demand. These agreements contain change of control clauses or change of circumstance clauses which enable the lender to demand immediate repayment or terminate the relevant facilities upon a change of control or circumstance. Premier's funding facilities have been in place for a number of years and the Directors have no reason to believe that these funding facilities will be adversely varied or withdrawn in the future. Maintaining a sufficient level of working capital is important to enable the Enlarged Group to meet its foreseeable obligations and achieve its strategy and failure to manage working capital could impact upon the ability of the Enlarged Group to grow. All of Premier's assets have been charged to the invoice discounting facility provider via a debenture containing fixed and floating charges, as security for the invoice discounting facility. If Premier's funding facility agreements are varied or withdrawn, then the Enlarged Group may have to seek alternative facilities or sources of finance, including alternative debt facilities or the issue of equity.

Competition

There are a wide range of private healthcare providers and subcontractors against whom the Enlarged Group competes for business. Many of these competitors may have significantly greater financial, marketing and/or servicing resources than the Enlarged Group and may have longer operating histories or greater name recognition. The Enlarged Group's relatively small size may therefore be considered negatively by prospective clients. In addition, the Enlarged Group's competitors may be able to respond more quickly to changes in customer requirements and devote greater resources to the enhancement, promotion or sale of their services. The Enlarged Group's competitors may announce or develop new services, or be able to

offer services at a reduced cost, compared to the Enlarged Group. Nevertheless, the Directors believe that the Enlarged Group's services are targeted where it can be successful. However, new competitors or alliances among competitors could emerge. This increased competition may provoke price reductions, reduced gross margins, failure to secure tenders and loss of market share, any of which could have a material adverse effect on the Enlarged Group's business, financial condition and results of operations.

Chiropractors, osteopaths and other competitors

In addition to the Enlarged Group's direct competitors practicing physiotherapy, the Enlarged Group also faces the potential risk of losing business to chiropractors, osteopaths, homeopaths and other "alternative medicine" providers.

Reliance on key individuals

Given the relatively small size of the Enlarged Group, its future success is substantially dependent on a relatively small number of people. The Directors, therefore, view the continued service of certain of its Directors, senior management and other key personnel as important. Whilst the Directors are taking steps to ensure that knowledge, skills and expertise are shared so as to avoid the Enlarged Group being unduly dependent on individuals, they acknowledge that such measures may prove not to be effective if there were adverse circumstances beyond the Enlarged Group's control that affected one or more key personnel. In order to be able to develop, support and maintain its business, the Enlarged Group must also recruit and retain suitably qualified personnel, some of whom require very specialist skill sets. There is no assurance that it will always be able to do so on a timely basis.

Change in healthcare regulatory system

The healthcare industry in the UK is highly regulated. Whilst the Board believes that the Enlarged Group will be compliant with its regulatory and legal obligations, no assurance can be given that the Enlarged Group will be compliant in the future. If the Enlarged Group was not compliant, this may affect the Enlarged Group's ability to operate in the UK, which could materially reduce forecast revenues or require additional cost and time to ensure it became fully compliant.

Expansion through acquisitions entails certain risks

Part of the Enlarged Group's strategy involves expanding its business through acquisitions of other businesses or establishing new businesses. Such acquisitions will require the integration of new operations into the Enlarged Group's business. The Enlarged Group's ability to realise the expected benefits from future acquisitions will depend, in large part, upon its ability to integrate new operations with existing operations in a timely and effective manner and to manage an increasingly large business. It might also potentially depend upon the Enlarged Group's ability to recruit additional management, since it cannot be assured that the management of acquired businesses will continue to work for the Enlarged Group in the longer-term, or that any of its recruiting efforts will succeed. In addition, the Enlarged Group's acquisition strategy will involve numerous risks, including the potential inability to identify appropriate acquisition opportunities, possible failures of acquisitions to be profitable or to generate anticipated cash flows, the entry into markets and geographic areas where the Enlarged Group has limited or no experience, diversion of management's time and resources from core operations and potential difficulties in integrating operations and systems with those of acquired companies. There can be no certainty that the Company will be able to make further acquisitions on acceptable terms or at all. The Company could face competition from other potential acquirers. Competitors may have greater financial resources than the Company and a greater ability to borrow funds to make acquisitions. The anticipated benefits from any acquisition may not be achieved, including because of a loss of customers or personnel of the target, other difficulties in supporting and transitioning a target's customers, the inability to realise anticipated synergies from an acquisition, or negative corporate cultural effects arising from the integration of new personnel.

To pay for future acquisitions, the Enlarged Group may issue Ordinary Shares, pay cash or use a combination of both. Issues of Ordinary Shares will dilute Shareholders' percentage shareholdings. The use of cash reserves could diminish the Enlarged Group's ability to respond to other opportunities or challenges. Borrowing to fund the cash element of a purchase price will result in increased debt obligations and the

terms of any such borrowings could include covenants or other restrictions that may impair the Enlarged Group's ability to manage its operations in the way it currently does.

The costs related to the Acquisition may exceed the Board's expectations.

Totally expects to incur a number of costs in relation to the Acquisition, including integration and post-completion costs in order to successfully combine the operations of Totally and Premier. The actual costs of the integration process may exceed those estimated and there may be further additional and unforeseen expenses incurred in connection with the Acquisition. In addition, Totally will incur legal, accounting, transaction fees and other costs relating to the Acquisition, some of which are payable regardless of whether or not the Acquisition completes. Although the Directors believe that the integration and Acquisition costs will be more than offset by the realisation of the synergies resulting from the Acquisition, this net benefit may not be achieved in the short-term or at all, particularly if the Acquisition is delayed or does not complete. In addition, the costs incurred by the Enlarged Group in complying with the ongoing UK regulatory regime are likely to exceed the costs currently incurred by Totally and increased costs are likely to arise from the issue of the New Ordinary Shares. These factors could adversely affect the Enlarged Group's operations and/or financial condition. The Company may also need to raise further funds to pay for the cash element of the deferred consideration.

Integration of Premier could have an adverse effect on the Enlarged Group's businesses

Totally's and Premier's management teams will be required to devote significant attention and resources to integrating Totally's and Premier's business practices and operations. There is a risk that the challenges associated with managing the Acquisition will result in management distraction and that consequently the underlying businesses will not perform in line with expectations.

Macroeconomic risk

Any economic downturn either globally or locally in any area in which the Enlarged Group operates may have an adverse effect on the demand for the Enlarged Group's products and services. A more prolonged economic downturn may lead to an overall decline in the volume of the Enlarged Group's sales, restricting the Enlarged Group's ability to realise a profit. The markets in which the Enlarged Group offers its products and services are directly affected by many national and international factors that are beyond the Enlarged Group's control.

RISKS RELATING TO THE ORDINARY SHARES

Investment in AIM securities and liquidity of the Company's Shares

An investment in companies whose shares are traded on AIM is perceived to involve a higher degree of risk and to be less liquid than an investment in companies whose shares are listed on the Official List. AIM is a market designed primarily for emerging or smaller companies. The rules of this market are less demanding than the Official List. The future success of AIM and liquidity in the market for Ordinary Shares cannot be guaranteed. In particular, the market for Ordinary Shares may become or may be relatively illiquid and therefore, such Ordinary Shares may be or may become difficult to sell.

The market for the Ordinary Shares following Admission may be highly volatile and subject to wide fluctuations in response to a variety of factors that could lead to losses for Shareholders. These potential factors include amongst others: any additions or departures of key personnel, litigation and press, newspaper and/or other media reports.

Prospective investors should be aware that the value of the Ordinary Shares may go down as well as up, that the market price of the Ordinary Shares may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. Investors may, therefore, realise less than or lose all of their investment.

Market in the Ordinary Shares

The share price of publically quoted companies can be highly volatile and shareholdings illiquid. The market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors, some specific

to the Company and its operations and others to the AIM market in general including, but not limited to, variations in the operating results of the Company, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, general economic conditions or legislative changes in the Company's sector. In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Ordinary Shares. The trading of the Ordinary Shares on AIM should not be taken as implying that there will be a liquid market for the Ordinary Shares and there is no guarantee that an active market will develop or be sustained after Admission. It may be more difficult for an investor to realise his investment in the Company than in a company whose shares are quoted on the Official List.

Dilution of Shareholders' interest as a result of additional equity fundraising

The Company may need to raise additional funds in the future to finance, amongst other things, working capital, expansion of the business, new developments relating to existing operations or new acquisitions. As part of the deferred consideration the Company may also be required to issue additional Ordinary Shares in the Company. If additional funds are raised through the issuance of new equity or equity-linked securities of the Company other than on a pro rata basis to existing Shareholders, the percentage ownership of the existing Shareholders may be reduced. Shareholders may also experience subsequent dilution and/or such securities may have preferred rights, options and pre-emption rights senior to the Ordinary Shares.

Dividends

There can be no assurance as to the level of future dividends. The declaration, payment and amount of any future dividends of the Company are subject in the case of a final dividend to the approval of the Shareholders and, in the case of an interim dividend to the decision of the Directors, and will depend upon, among other things, the Company's earnings, financial position, cash requirements, availability of profits, as well as provisions for relevant laws or generally accepted accounting principles from time to time.

RISKS RELATING TO THE LAWS AND REGULATIONS

Impact of Law and Governmental Regulation

Government authorities at all levels are actively involved in the promulgation and enforcement of regulations relating to taxation, land use and zoning and planning restrictions, environmental protection and safety and other matters. The Enlarged Group must comply with current and future UK regulations relating to planning, land use and development standards (including building regulations). The institution and enforcement of such regulations could have the effect of increasing the expense and lowering the income or rate of return from, as well as adversely affecting the value of, the Enlarged Group's assets.

The investment detailed in this document may not be suitable for all of its recipients and involves a high degree of risk. Before making an investment decision, prospective investors are advised to consult a professional adviser authorised under the FSMA if they are in the United Kingdom or, if not, to consult another appropriately authorised and independent financial adviser who specialises in advising on investments of the kind described in this document. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

PART III

HISTORICAL FINANCIAL INFORMATION ON PREMIER PHYSICAL HEALTHCARE LIMITED

SECTION A: ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION ON PREMIER PHYSICAL HEALTHCARE LIMITED

The Directors
Totally plc
Lighterman House
26-36 Wharfdale Road
London N1 9RY

The Directors
Allenby Capital Limited
3 St. Helen's Place
London EC3A 6AB



14 March 2016

Dear Sirs

Premier Physical Healthcare Limited (“Premier”) and its subsidiaries (“Premier Group”)

Introduction

We report on the financial information set out in Section B of Part III. This financial information has been prepared for inclusion in the admission document dated 14 March 2016 of Totally plc (the “Admission Document”) on the basis of the accounting policies set out in note 1 to the financial information. This report is required by paragraph (a) of Schedule Two of the AIM Rules for Companies and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

The directors of Premier Physical Healthcare Limited are responsible for preparing the financial information in accordance with International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided, to the fullest extent permitted by the law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Schedule Two of the AIM Rules for Companies consenting to its inclusion in the Admission Document.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document, a true and fair view of the consolidated state of affairs of Premier as at 31 March 2013, 2014, 2015 and 30 September 2015 and of its consolidated results, cash flows, recognised gains and losses for the years then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Declaration

For the purposes of Paragraph (a) of Schedule Two of the AIM Rules for Companies we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully

RPG CROUCH CHAPMAN LLP

Chartered Accountants

RPG Crouch Chapman LLP is a limited liability partnership registered in England and Wales (with registered number OC375705)

SECTION B: HISTORICAL INFORMATION ON PREMIER

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		<i>Year ended</i> <i>31 March</i>	<i>Year ended</i> <i>31 March</i>	<i>Year ended</i> <i>31 March</i>	<i>Six months</i> <i>ended</i> <i>30 September</i>
	<i>Notes</i>	<i>2013</i> <i>£'000</i>	<i>2014</i> <i>£'000</i>	<i>2015</i> <i>£'000</i>	<i>2015</i> <i>£'000</i>
Revenue	3	1,289	2,030	2,767	1,630
Cost of sales		<u>(878)</u>	<u>(1,275)</u>	<u>(1,762)</u>	<u>(1,045)</u>
Gross profit		411	755	1,005	585
Other operating income		18	–	–	–
Administrative expenses		<u>(426)</u>	<u>(698)</u>	<u>(937)</u>	<u>(480)</u>
Profit before interest, tax and depreciation		3	57	68	105
Depreciation		<u>(9)</u>	<u>(2)</u>	<u>(1)</u>	<u>(1)</u>
(Loss)/profit from operations	4	(6)	55	67	104
Finance costs	6	<u>(4)</u>	<u>(7)</u>	<u>(5)</u>	<u>(1)</u>
(Loss)/profit before taxation		(10)	48	62	103
Taxation	9	<u>–</u>	<u>(10)</u>	<u>(9)</u>	<u>(22)</u>
(Loss)/profit and total comprehensive income/ (expense) for the period		<u>(10)</u>	<u>38</u>	<u>53</u>	<u>81</u>
Attributable to:					
Minority interest		2	(1)	(1)	–
Owners of the parent company		<u>(12)</u>	<u>39</u>	<u>52</u>	<u>81</u>
(Loss)/profit and total comprehensive income/ (expense) for the period		<u>(10)</u>	<u>38</u>	<u>52</u>	<u>81</u>
(Loss)/earnings per share to owners of the parent					
Basic and diluted – pence	11	<u>(1,210)</u>	<u>3,749</u>	<u>5,016</u>	<u>7,814</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		<i>As at 31 March 2013 £'000</i>	<i>As at 31 March 2014 £'000</i>	<i>As at 31 March 2015 £'000</i>	<i>As at 30 September 2015 £'000</i>
Assets					
Non-current assets					
Property, plant and equipment	12	7	6	5	5
Total non-current assets		7	6	5	5
Current assets					
Trade and other receivables	13	274	516	513	548
Cash and cash equivalents		1	16	6	12
Total current assets		275	532	519	560
Total assets		282	538	524	565
Liabilities					
Current liabilities					
Trade and other payables	14	(168)	(249)	(333)	(365)
Borrowings	15	(39)	(223)	(133)	(82)
Total current liabilities		(207)	(472)	(466)	(447)
Net current assets		68	60	53	113
Non-current liabilities					
Non-equity preference shares	16	(25)	(25)	(25)	(25)
Total non-current liabilities		(25)	(25)	(25)	(25)
Total liabilities		(232)	(497)	(491)	(472)
Total net assets		50	40	33	93
Capital and reserves attributable to owners of the parent company					
Share capital	17	1	1	1	1
Share premium reserve	19	67	67	68	68
Retained (deficit)/profits	19	(16)	(25)	(32)	28
Equity shareholders' funds		52	43	37	97
Minority interest		(2)	(3)	(4)	(4)
		50	40	33	93

CONSOLIDATED STATEMENT OF CASH FLOWS

		Year ended 31 March 2013 £'000	Year ended 31 March 2014 £'000	Year ended 31 March 2015 £'000	Six months ended 30 September 2015 £'000
Cash flows from operating activities					
(Loss)/profit after tax		(10)	38	53	81
Adjustments for:					
Depreciation		9	2	1	–
Net finance cost		4	7	5	1
Taxation		–	10	9	22
Operating cash flow before changes in working capital		3	57	68	104
Changes in trade and other receivables		58	(242)	3	(35)
Changes in trade and other payables		(117)	63	95	(11)
Total cash flow from operations		(54)	(122)	166	58
Tax paid		–	–	(10)	–
Net cash flow from operating activities		(54)	(122)	156	58
Cash flow from investing activities					
Purchase of property, plant and equipment		(3)	–	(1)	–
Net cash flow from investing activities		(3)	–	(1)	–
Cash flow from financing activities	22				
Proceeds from issue of share capital		67	–	1	–
New short term debt/(repayments)		–	187	(86)	(19)
New loans/(loan repayments)		25	(5)	(10)	(10)
Dividends paid on ordinary shares		(67)	(42)	(52)	–
Dividends paid on preference shares		–	–	–	–
Advances to shareholders		–	–	(21)	–
Interest paid		(1)	(5)	(3)	(1)
Net cash flow from financing activities		24	135	(171)	(30)
Net change in cash and cash equivalents		(33)	13	(16)	28
Opening cash and cash equivalents		20	(13)	–	(16)
Closing cash and cash equivalents	22	(13)	–	(16)	12

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<i>Share capital</i> £'000	<i>Share premium</i> £'000	<i>Profit & loss account</i> £'000	<i>Equity shareholders' funds</i> £'000	<i>Minority interest</i> £'000	<i>Total equity</i> £'000
At 1 April 2012	1	–	72	73	(5)	68
Issue of shares	–	67	–	67	–	67
Loss for the year	–	–	(12)	(12)	2	(10)
Dividends	–	–	(76)	(76)	–	(76)
At 31 March 2013	1	67	(16)	52	(2)	50
At 1 April 2013	1	67	(16)	52	(2)	50
Profit for the year	–	–	39	39	(1)	38
Dividends	–	–	(48)	(48)	–	(48)
At 31 March 2014	1	67	(25)	43	(3)	40
At 1 April 2014	1	67	(25)	43	(3)	40
Issue of shares	–	1	–	1	–	1
Profit for the year	–	–	53	53	(1)	52
Dividends	–	–	(60)	(60)	–	(60)
At 31 March 2015	1	68	(32)	37	(4)	33
At 1 April 2015	1	68	(32)	37	(4)	33
Issue of shares	–	–	–	–	–	–
Profit for the period	–	–	81	81	–	81
Dividends	–	–	(21)	(21)	–	(21)
At 30 September 2015	1	68	28	97	(4)	93

NOTES TO THE FINANCIAL INFORMATION

1. Accounting policies

Basis of preparation

The financial information has been prepared in accordance with IFRS and International Financial Reporting Interpretations Committee (“IFRIC”) interpretations as endorsed by the European Union, and bearing in mind those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial information does not constitute statutory accounts within the meaning of the Companies Act 2006.

The accounting policies set out below have been applied to all periods presented in this financial information:

Revenue recognition

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Finance costs

Finance costs comprise interest payable on bank overdrafts recognised on an accruals basis and dividends payable in respect of preference shares (detailed at note 16) which are accounted for when due for payment on 31 March each year.

Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and any recognised impairment in value. Cost comprises the aggregate amount paid to acquire assets and includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is calculated to write down the cost of the assets to their residual values by equal instalments over the estimated useful economic lives as follows:

Plant and machinery	– 5 years
Office equipment	– 5 years
Software	– 4 years

The assets’ residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate on an annual basis. An asset is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the period that the asset is derecognised.

Impairment of non current assets

At each balance sheet date, the company reviews amounts of its property, plant and equipment to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset, which is the higher of its fair value less costs to sell and its value in use, is estimated in order to determine the extent of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit (“CGU”) to which the asset belongs. For non current assets the CGU is deemed to be the cash generating asset or the trading company whichever is the smaller CGU.

An impairment charge is recognised in the income statement in the period in which it occurs. Where an impairment loss subsequently reverses due to a change in its original estimate, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods.

Trade and other receivables

Trade receivables, which are generally received by the end of month following terms, are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision is made when it is

likely that the balance will not be recovered in full. Balances are written off when the probability of recovery is considered remote.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and short-term deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form an integral part of cash management are included as components of cash and cash equivalents for the purposes of the cash flow statement.

Trade and other payables

Trade and other payables are recognised at original cost.

Foreign currencies transactions

Transactions denominated in foreign currencies are translated at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are translated at the exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

Leased assets

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the company. All other leases are classified as operating leases.

The company has a short lease on its premises. This is accounted for as an 'operating lease' and the rental charges are charged to the income statement on a straight line basis over the life of the lease. Other operating leases are treated in the same manner.

Share-based payments

The Premier Group provides benefits to employees (including directors) of the Premier Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'). The fair value of the employee services rendered is determined by reference to the fair value of the shares awarded or options granted, excluding the impact of any non-market vesting conditions. All share options are valued at intrinsic value following IFRS 2. This fair value is charged to the income statement over the vesting period of the share-based payment scheme, with the corresponding increase in equity.

The value of the charge is adjusted in the income statement over the remainder of the vesting period to reflect expected and actual levels of options vesting, with the corresponding adjustment made in equity.

Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities based on tax rates and laws that are enacted or substantively enacted by the year end date. Deferred income tax is recognised using the balance sheet liability method, providing for temporary differences between the tax bases and the accounting bases of assets and liabilities. Deferred income tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the period when the liability is settled and the asset is realised, based on tax rates and laws enacted or substantively enacted at the year end date.

Deferred income tax liabilities are recognised for all temporary differences, except for an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred income tax is charged or credited to the income statement, except when it relates to items charged or credited to equity, in which case the deferred tax is also dealt with in equity.

Use of assumptions and estimates

The company makes judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The resulting accounting estimates calculated using these judgements and assumptions will, by definition, seldom equal the related actual results but are based on historical experience and expectations of future events. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period, or in the period of revision and future periods if the revision effects both current and future periods.

The estimates and assumptions that have a significant effect on the amounts recognised in the financial statements are those related to establishing depreciation periods, provisions against uncollected receivables and the estimates in relation to future cash flows and discount rates utilised in the impairment testing of property, plant and equipment.

2. Financial risk management

2.1 *Financial risk factors*

The company's financial instruments comprise cash and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operation.

Fair values of financial instruments

For the following financial assets and liabilities: trade and other payables, trade and other receivables and cash at bank and in hand, the carrying amount approximates the fair value of the instrument due to the short-term nature of the instrument.

It is the company's policy that no trading in financial instruments should be undertaken.

The company's activities expose it to a number of risks including capital management risk, interest rate risk, credit risk and liquidity risk. The policies for managing these risks are regularly reviewed and agreed by the Board.

(a) Market risk

Cash flow and fair value interest rate risk

The company's interest rate exposure arises mainly from the interest bearing borrowings as disclosed in note 15. The loan stock and preference shares are at fixed interest rates of 8 per cent. and 10 per cent. The company's invoice discounting facility is at a floating rate, which exposed the entity to cash flow risk.

Due to the relatively low level of borrowings no interest rate swaps or other forms of interest risk management have been undertaken.

(b) Credit risk

The company's credit risk primarily relates to trade and other receivables and accrued income. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management.

Customer credit risk is managed by Head Office and is subject to the company's established policies, procedures and controls relating to customer credit management. Outstanding customer receivables are regularly monitored.

(c) Liquidity risk

Cash balances and borrowings are managed so as to maximise interest earned and minimise interest paid, while maintaining the liquidity requirement of the business. When seeking borrowings, the directors' consider the commercial terms available and, in consultation with their advisors, consider whether such terms should be fixed or variable and are appropriate to the business.

The company would normally expect that sufficient cash is generated in the operating cycle to meet the contractual cash flows through effective cash management.

2.2 Capital risk management

The company's main objective when managing capital is to protect returns to shareholders by ensuring the company will continue to trade in the foreseeable future. The company in particular reviews its levels of borrowing and the repayment dates, setting these out against forecast cash flows and reviewing the level of available funds.

The capital structure of the company consists of debt, cash and cash equivalents and equity attributable to holders of the parent, comprising issued share capital, reserves and retained earnings.

The company also has a confidential invoice discounting facility secured over customer invoices.

3. Segmental reporting

The chief operating decision maker ("CODM") for the purpose of IFRS 8 is the executive management team. The company operates in a number of different markets and considers that the presentation of financial results on a goods and services basis is the most appropriate way to demonstrate the performance of the company. For the purpose of resource allocation and assessment of performance, the CODM regularly reviews information based on the goods and services at a revenue and profit level.

The company's principal businesses and activities during the period were:

- Premier Physical Healthcare ("PPH"): running NHS Physiotherapy and Podiatry services. There are 100+ clinics and a network of private Physiotherapy and Podiatry clinics across the UK and several Occupational Health contracts based in London and Iraq. Additionally, the company is now providing similar services for the Police service and for Offenders within the Prison service.
- Premier Ergonomics ("PEL"): provision of ergonomic risk assessment
- Core Ergonomics ("CEL"): provision of online health and safety risk assessments

Segmental analysis – segment measures

The company measures the performance of its operating segments through a measure of segment profit or loss which is reported to the CODM for the purposes of resource allocation and assessment of performance.

Analysis by business segment

Year ended 31 March 2013	PPH £'000	PEL/CEL £'000	Intra segment	Total £'000
			adjustments £'000	
Revenue	1,227	62	–	1,289
Gross profit	370	41	–	411
Gross profit%	30.2%	66.0%	–	31.9%
Loss before tax	(7)	(3)	–	(10)
Segment assets	310	10	(38)	282
Segment liabilities	(234)	(36)	38	(232)

	<i>PPH</i>	<i>PEL/CEL</i>	<i>Intra segment adjustments</i>	<i>Total</i>
<i>Year ended 31 March 2014</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Revenue	1,912	118	–	2,030
Gross profit	705	50	–	755
Gross profit%	36.9%	42.0%	–	37.2%
Profit/(loss) before tax	54	(4)	–	50
Segment assets	495	54	(12)	538
Segment liabilities	(426)	(83)	12	(497)
	<i>PPH</i>	<i>PEL/CEL</i>	<i>Intra segment adjustments</i>	<i>Total</i>
<i>Year ended 31 March 2015</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Revenue	2,637	130	–	2,767
Gross profit	916	89	–	1,005
Gross profit%	34.7%	68.4%	–	36.3%
Profit before tax	37	25	–	62
Segment assets	543	23	(41)	525
Segment liabilities	(475)	(57)	41	(491)
	<i>PPH</i>	<i>PEL/CEL</i>	<i>Intra segment adjustments</i>	<i>Total</i>
<i>Six months ended 30 September 2015</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Revenue	1,528	102	–	1,630
Gross profit	516	69	–	585
Gross profit%	33.4%	67.9%	–	35.9%
Profit before tax	50	53	–	103
Segment assets	519	59	(13)	565
Segment liabilities	(439)	(46)	13	(472)

Non-current assets are disclosed according to the location of the businesses to which the assets relate.

With respect to geographical regions, revenue is generally allocated to countries based on the location where the goods and services are provided.

Turnover by geographic destination may be analysed as follows:

	<i>Year ended 31 March 2013</i>	<i>Year ended 31 March 2014</i>	<i>Year ended 31 March 2015</i>	<i>Six months ended 30 September 2015</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
United Kingdom	1,235	1,926	2,646	1,535
Iraq	54	104	121	95
	1,289	2,030	2,767	1,630

Major customers

During the period the following customers separately comprised 10 per cent. or more of revenue.

	Year ended 31 March 2013 £'000	Year ended 31 March 2014 £'000	Year ended 31 March 2015 £'000	Six months ended 30 September 2015 £'000
Major customer 1	195	232	–	–
Major customer 2	141	205	422	310
Major customer 3	–	237	295	165
	<u>336</u>	<u>674</u>	<u>717</u>	<u>475</u>

4. Profit/(loss) from operations

Profit/(loss) from operations is stated after charging:

	Year ended 31 March 2013 £'000	Year ended 31 March 2014 £'000	Year ended 31 March 2015 £'000	Six months ended 30 September 2015 £'000
Depreciation of property, plant and equipment	9	2	1	1
Operating lease costs	18	13	36	17
	<u>18</u>	<u>13</u>	<u>36</u>	<u>17</u>

5. Auditors' remuneration

The total fees for services provided by the company's auditor are analysed below:

	Year ended 31 March 2013 £'000	Year ended 31 March 2014 £'000	Year ended 31 March 2015 £'000	Six months ended 30 September 2015 £'000
Audit services				
Parent company	–	3	4	2
Subsidiaries	–	3	4	2
Non audit services	–	–	–	–
Total fees	<u>–</u>	<u>6</u>	<u>8</u>	<u>4</u>

6. Finance costs

	Year ended 31 March 2013 £'000	Year ended 31 March 2014 £'000	Year ended 31 March 2015 £'000	Six months ended 30 September 2015 £'000
10% preference share dividends	3	3	3	–
Other	1	4	2	1
	<u>4</u>	<u>7</u>	<u>5</u>	<u>1</u>

7. Wages and salaries

The average monthly number of persons, including directors, employed by the company was:

	<i>Year ended 31 March 2013 Number</i>	<i>Year ended 31 March 2014 Number</i>	<i>Year ended 31 March 2015 Number</i>	<i>Six months ended 30 September 2015 Number</i>
Physiotherapists	17	23	28	28
Administration	5	13	13	12
Directors	4	4	4	4
	<u>26</u>	<u>40</u>	<u>45</u>	<u>44</u>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Their aggregate emoluments were:				
Wages and salaries	632	844	1,080	559
Directors' costs	30	68	113	88
Social security costs	65	85	120	63
Pension and other staff costs	–	–	–	–
	<u>727</u>	<u>997</u>	<u>1,313</u>	<u>710</u>

Not all physiotherapists and other consultants used by the company are employees; relevant costs for non employed personnel in addition to amounts disclosed above were:

Invoiced costs for non employed personnel	<u>176</u>	<u>313</u>	<u>618</u>	<u>410</u>
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8. Directors' remuneration

Amounts paid to directors of the company:

	<i>Year ended 31 March 2013 £'000</i>	<i>Year ended 31 March 2014 £'000</i>	<i>Year ended 31 March 2015 £'000</i>	<i>Six months ended 30 September 2015 £'000</i>
Aggregate emoluments and fees	30	68	113	88
Benefits in kind	10	6	13	6
Pension charges	–	–	–	–
	<u>40</u>	<u>74</u>	<u>126</u>	<u>94</u>

During the period, no directors participated in defined contribution pension schemes.

Directors' emoluments include amounts attributable to benefits in kind comprising private medical insurance, vehicle and fuel benefits on which the directors are assessed for tax purposes. The amounts attributable to benefits in kind are stated at cost to the company, which is also the tax value of those benefits.

The directors represent the key management personnel. Details of their compensation are given above.

9. Taxation

	Year ended 31 March 2013 £'000	Year ended 31 March 2014 £'000	Year ended 31 March 2015 £'000	Six months ended 30 September 2015 £'000
Current tax charge				
United Kingdom corporation tax	–	10	9	22
Adjustment in respect of prior period	–	–	–	–
Total current tax charge	<u>–</u>	<u>10</u>	<u>9</u>	<u>22</u>
Deferred tax				
Origination and reversal of temporary differences	–	–	–	–
Tax on profit/(loss) for the year/period	<u>–</u>	<u>10</u>	<u>9</u>	<u>22</u>

The tax assessed for the year is different from the standard rate of corporation tax in the UK. The differences are explained below:

Standard rate of corporation tax in the UK	<u>24%</u>	<u>23%</u>	<u>21%</u>	<u>20%</u>
(Loss)/profit before tax	(10)	48	62	103
(Loss)/profit before tax multiplied by the standard rate of corporation tax in the UK	<u>(2)</u>	<u>11</u>	<u>13</u>	<u>21</u>
Effects of:				
Expenses not deductible for tax purposes	2	2	2	1
Depreciation	2	–	–	–
Capital allowances	(1)	–	–	–
Losses brought forward utilised	(8)	(1)	(5)	–
Losses carried forward unutilised	7	–	–	–
Change in tax rates	–	(2)	(1)	–
Total tax charge for the year/period	<u>–</u>	<u>10</u>	<u>9</u>	<u>22</u>
Estimated tax losses available to relieve future profits	<u>55</u>	<u>50</u>	<u>26</u>	<u>26</u>

No deferred tax is recognised in the financial information. Details of the un-provided deferred tax assets are set out below:

Un-provided deferred tax asset	<u>13</u>	<u>11</u>	<u>5</u>	<u>5</u>
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10. Dividends

	<i>Year ended 31 March 2013 £'000</i>	<i>Year ended 31 March 2014 £'000</i>	<i>Year ended 31 March 2015 £'000</i>	<i>Six months ended 30 September 2015 £'000</i>
Dividends paid	67	42	52	–
Dividends payable	9	6	8	21
Dividends in respect of ordinary shares	<u>76</u>	<u>48</u>	<u>60</u>	<u>21</u>

Dividends become payable in respect of the 10 per cent. B preference shares on 31 March each year. These amounts are treated as interest charges under IFRS.

11. Profit/(loss) per share

Basic and diluted loss per share are calculated by dividing the loss attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period.

	<i>Year ended 31 March 2013</i>	<i>Year ended 31 March 2014</i>	<i>Year ended 31 March 2015</i>	<i>Six months ended 30 September 2015</i>
(Loss)/profit for the year attributable to owners of the parent – £'000	(12)	39	53	81
Weighted average number of shares	1,030	1,030	1,040	1,040
Basic and diluted (loss)/earnings per share – pence	<u>(1,210)</u>	<u>3,749</u>	<u>5,016</u>	<u>7,814</u>

12. Property, plant and equipment

	<i>Plant and machinery £'000</i>	<i>Office equipment £'000</i>	<i>Software £'000</i>	<i>Total £'000</i>
Cost				
At 1 April 2012	57	4	27	88
Additions	2	1	–	3
At 31 March 2013	<u>59</u>	<u>5</u>	<u>27</u>	<u>91</u>
At 1 April 2013	59	5	27	91
Additions	–	–	–	–
At 31 March 2014	<u>59</u>	<u>5</u>	<u>27</u>	<u>91</u>
At 1 April 2014	59	5	27	91
Additions	1	–	–	1
Disposals	–	–	(27)	(27)
At 31 March 2015	<u>60</u>	<u>5</u>	<u>–</u>	<u>65</u>
At 1 April 2015	60	5	–	65
Additions	–	–	–	–
At 30 September 2015	<u>60</u>	<u>5</u>	<u>–</u>	<u>65</u>
Depreciation				
At 1 April 2013	52	1	21	75
Charge for the year	3	1	6	9
At 31 March 2013	<u>55</u>	<u>2</u>	<u>27</u>	<u>84</u>
At 1 April 2013	55	2	27	84
Charge for the year	1	1	–	2
At 31 March 2014	<u>56</u>	<u>3</u>	<u>27</u>	<u>86</u>
At 1 April 2014	56	3	27	86
Charge for the year	1	–	–	1
Disposals	–	–	(27)	(27)
At 31 March 2015	<u>57</u>	<u>3</u>	<u>–</u>	<u>60</u>
At 1 April 2015	57	3	–	60
Charge for the year	–	–	–	–
At 31 September 2015	<u>57</u>	<u>3</u>	<u>–</u>	<u>60</u>
Net book value				
At 30 September 2015	<u>3</u>	<u>2</u>	<u>–</u>	<u>5</u>
At 31 March 2015	<u>3</u>	<u>2</u>	<u>–</u>	<u>5</u>
At 31 March 2014	<u>3</u>	<u>2</u>	<u>–</u>	<u>5</u>
At 31 March 2013	<u>4</u>	<u>3</u>	<u>–</u>	<u>7</u>
At 31 March 2012	<u>5</u>	<u>2</u>	<u>6</u>	<u>13</u>

13. Trade and other receivables

	<i>As at 31 March 2013 £'000</i>	<i>As at 31 March 2014 £'000</i>	<i>As at 31 March 2015 £'000</i>	<i>As at 30 September 2015 £'000</i>
Trade receivables	268	499	472	523
Other receivables	6	17	41	25
	<u>274</u>	<u>516</u>	<u>513</u>	<u>548</u>

Trade receivables represent debts due from customers for the sale of goods and services. Provision for impairment of receivables is estimated by management based on past experience.

Trade receivables are denominated in Sterling. The directors consider that the carrying amount of these receivables approximates to their fair value. Trade and other receivables are categorised as loans and receivables under IAS 39. All amounts shown under receivables fall due for payment within one year. The company does not hold any collateral as security.

Trade receivables include balances past due but not impaired relating to customers with no default history aged as set out below:

	<i>As at 31 March 2013 £'000</i>	<i>As at 31 March 2014 £'000</i>	<i>As at 31 March 2015 £'000</i>	<i>As at 30 September 2015 £'000</i>
Less than 30 days overdue	78	163	80	32
Between 31 and 90 days overdue	28	44	8	102
	<u>106</u>	<u>207</u>	<u>88</u>	<u>134</u>

There have been no debtor impairment charges or provisions at any time during the period.

Other classes of financial assets included within trade and other receivables do not contain impaired assets.

Other receivables includes loans to directors of £nil (31 March 2015: £21,000; 31 March 2014: £nil; 31 March 2013: £nil).

14. Trade and other payables

	<i>As at 31 March 2013 £'000</i>	<i>As at 31 March 2014 £'000</i>	<i>As at 31 March 2015 £'000</i>	<i>As at 30 September 2015 £'000</i>
Trade payables	68	137	212	194
Corporation tax	–	10	9	31
Other taxes and social security	60	27	32	38
Other creditors	40	75	80	102
	<u>168</u>	<u>249</u>	<u>333</u>	<u>365</u>

The directors consider that the carrying amount of these liabilities approximates to their fair value.

All amounts shown fall due within one year.

15. Borrowings

	<i>As at 31 March 2013 £'000</i>	<i>As at 31 March 2014 £'000</i>	<i>As at 31 March 2015 £'000</i>	<i>As at 30 September 2015 £'000</i>
Bank overdraft	14	16	22	–
Invoice discounting facility	–	187	101	82
Other loan	–	5	2	–
Convertible loan stock	25	15	8	–
	<u>39</u>	<u>223</u>	<u>133</u>	<u>82</u>

All borrowings are due for settlement within 12 months.

The other loan was introduced by Gerry Desler, director. The loan was interest free and has since been repaid in full.

Convertible loan stock was issued on 7 January 2013. The loan stock carried interest at 8 per cent. and was redeemable at par on the anniversary of issue and on demand thereafter. The loan stock was convertible into ordinary shares at the option of the issuers but this option was not exercised and lapsed on final repayment of the loan stock.

Secured liabilities

The bank overdraft is secured by a fixed charge over property, plant and equipment, and a floating charge over all assets and rights not subject to the fixed charge.

The invoice discounting facility is secured on customer invoices.

Undrawn facilities

The following undrawn borrowing facilities were available to the company.

	<i>As at 31 March 2013 £'000</i>	<i>As at 31 March 2014 £'000</i>	<i>As at 31 March 2015 £'000</i>	<i>As at 30 September 2015 £'000</i>
Undrawn bank overdraft facility	18	16	25	47
Undrawn invoice discounting facility	–	3	2	25
	<u>18</u>	<u>19</u>	<u>27</u>	<u>72</u>

16. Non current liabilities

	<i>As at 31 March 2013 £'000</i>	<i>As at 31 March 2014 £'000</i>	<i>As at 31 March 2015 £'000</i>	<i>As at 30 September 2015 £'000</i>
10% B preference shares of £2,500 each	<u>25</u>	<u>25</u>	<u>25</u>	<u>25</u>

The B preference shares have a coupon rate of 10 per cent. payable on 31 March each year.

The B preference shares are redeemable at par at the behest of the company.

In the event of the sale of the company, the B preference share holders are entitled to a percentage of the sale proceeds in excess of £100,000 equivalent to the number of B shares as is proportionate to the number of ordinary shares in issue.

17. Share capital

	<i>As at 31 March 2013 Number</i>	<i>As at 31 March 2014 Number</i>	<i>As at 31 March 2015 Number</i>	<i>As at 30 September 2015 Number</i>
Ordinary shares of £1 each	1,030	1,030	1,040	1,040
10% B preference shares of £2,500 each	10	10	10	10
	<u>1,040</u>	<u>1,040</u>	<u>1,050</u>	<u>1,050</u>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Ordinary shares	1	1	1	1
Preference shares	<u>25</u>	<u>25</u>	<u>25</u>	<u>25</u>
	<u>26</u>	<u>26</u>	<u>26</u>	<u>26</u>

In October 2012, 60 £1 ordinary shares were issued for a total consideration of £4,260.

In October 2012, 55 £1 ordinary shares were issued for a total consideration of £49,500.

In January 2013, 15 £1 ordinary shares were issued for a total consideration of £13,500.

In January 2015, 10 £1 ordinary shares were issued for a total consideration of £950.

The 10% B preference shares are accounted for as debt in accordance with IAS 39 – see note 16.

18. Share options

Details of all options in issue during the period are as follows:

<i>Grant date</i>	<i>Exercise price</i>	<i>Exercise period from grant date</i>	<i>Outstanding at</i>		<i>Exercised in year</i>	<i>Issued in period</i>	<i>Outstanding at</i>
			<i>1 April 2012</i>	<i>31 March 2013</i>			<i>31 March 2013</i>
1 September 2007	£71	Between 3 and 10 years	60	–	(60)	–	–
15 October 2012	£95	Between 3 and 10 years	–	–	–	20	20
			<u>60</u>	<u>–</u>	<u>(60)</u>	<u>20</u>	<u>20</u>

<i>Grant date</i>	<i>Exercise price</i>	<i>Exercise period from grant date</i>	<i>Outstanding at</i>		<i>Exercised in year</i>	<i>Outstanding at</i>	<i>Outstanding at</i>
			<i>1 April 2013</i>	<i>31 March 2014</i>	<i>in year</i>	<i>31 March 2015</i>	<i>30 September 2015</i>
15 October 2012	£95	Between 3 and 10 years	20	20	(10)	10	10
			<u>20</u>	<u>20</u>	<u>(10)</u>	<u>10</u>	<u>10</u>

All options were issued under the Premier Health & Sport Therapy Limited EMI Share Option Plan.

19. Reserves

Share premium account represents the amount subscribed for share capital in excess of nominal value less costs directly attributable to the issue of shares.

Retained profits/(deficit) are the cumulative net gains and losses recognised in the consolidated statement of comprehensive income.

20. Operating lease commitments

Future minimum rentals payable under non-cancellable operating leases are as follows:

	<i>As at</i> 31 March 2013 £'000	<i>As at</i> 31 March 2014 £'000	<i>As at</i> 31 March 2015 £'000	<i>As at</i> 30 September 2015 £'000
Due within 1 year	–	–	–	2
Due between 1 and 2 years	–	–	3	–
Due between 2 and 5 years	–	6	24	19
	<u>–</u>	<u>6</u>	<u>27</u>	<u>21</u>

Operating lease payments primarily represent rentals payable for vehicles. The leases have three year terms.

The company leases premises on a short term basis at rent of £2,850 per month subject only to a two month notice period.

21. Related party transactions

IAS 24 'Related Party Transactions' requires the disclosure of the details of material transactions between reporting entities and related parties. The company has taken advantage of the exemption under IAS 24 not to disclose transactions between companies which are eliminated on consolidation.

Other receivables includes loans to directors of £nil (31 March 2015: £21,000; 31 March 2014: £nil; 31 March 2013: £nil). The directors took drawings from the company during the period which were settled by the declaration of dividends of £21,000 (31 March 2015: £52,000; 31 March 2014: £42,000; 31 March 2013: £63,000).

The directors received interest on convertible loan stock of £Nil (31 March 2015: £1,000; 31 March 2014: £2,000; 31 March 2013: £Nil).

22. Analysis of net debt

	<i>As at</i> 31 March 2013 £'000	<i>As at</i> 31 March 2014 £'000	<i>As at</i> 31 March 2015 £'000	<i>As at</i> 30 September 2015 £'000
Cash at bank and in hand	1	16	6	12
Bank overdraft	(14)	(16)	(22)	–
Net cash	<u>(13)</u>	<u>–</u>	<u>(16)</u>	<u>12</u>
Invoice discounting facility	–	(187)	(101)	(82)
Convertible loan stock	(25)	(15)	(8)	–
Other loan	–	(5)	(2)	–
10% redeemable preference shares	(25)	(25)	(25)	(25)
Debt	<u>(50)</u>	<u>(232)</u>	<u>(136)</u>	<u>(107)</u>
Net debt	<u>(63)</u>	<u>(232)</u>	<u>(152)</u>	<u>(95)</u>

23. Events after the reporting date

Since 30 September 2015 there has not been any matter of circumstance that has or may significantly affect the operations of Premier.

PART IV

HISTORICAL FINANCIAL INFORMATION ON TOTALLY PLC

SECTION A: ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION ON TOTALLY PLC

The Directors
Totally plc
Lighterman House
26-36 Wharfdale Road
London N1 9RY

The Directors
Allenby Capital Limited
3 St. Helen's Place
London EC3A 6AB



14 March 2016

Dear Sirs

Totally plc

Introduction

We report on the financial information set out in Section B of Part IV. This financial information has been prepared for inclusion in the admission document dated 14 March 2016 of Totally plc (the "Company") (the "Admission Document") on the basis of the accounting policies set out in note 1 to the financial information. This report is required by paragraph (a) of Schedule Two of the AIM Rules for Companies and is given for the purpose of complying with that paragraph and for no other purpose.

We have not audited the financial information for the six months ended 30 June 2015 and accordingly do not express an opinion thereon.

Responsibilities

The directors of the Company are responsible for preparing the financial information in accordance with International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided, to the fullest extent permitted by the law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Schedule Two of the AIM Rules for Companies consenting to its inclusion in the Admission Document.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of Totally plc as at 31 December 2012, 2013 and 2014 and of its results, cash flows, recognised gains and losses for the years then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Declaration

For the purposes of Paragraph (a) of Schedule Two of the AIM Rules for Companies we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully

RPG CROUCH CHAPMAN LLP

Chartered Accountants

RPG Crouch Chapman LLP is a limited liability partnership registered in England and Wales (with registered number OC375705)

SECTION B: FINANCIAL INFORMATION ON TOTALLY PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Year ended 31 December 2012 £'000	Year ended 31 December 2013 £'000	Year ended 31 December 2014 £'000	Unaudited 6 months ended 30 June 2014 £'000	Unaudited 6 months ended 30 June 2015 £'000
Continuing operations						
Revenue	3	769	878	609	196	418
Cost of sales		(607)	(698)	(180)	(80)	(91)
Gross profit		162	180	429	116	327
Administrative expenses		(741)	(871)	(855)	(383)	(396)
Loss before interest, tax, depreciation and amortisation		(579)	(691)	(426)	(267)	(69)
Depreciation and amortisation		(9)	(9)	(11)	(5)	(2)
Loss from operations	4,5	(588)	(700)	(437)	(272)	(71)
Share issue costs		(54)	(29)	–	–	–
Finance costs		(37)	(2)	(1)	–	(1)
Loss before taxation		(679)	(731)	(438)	(272)	(72)
Income tax	8	–	–	–	–	–
Loss for the year from continuing operations		(679)	(731)	(438)	(272)	(72)
(Loss)/profit from discontinued operations		91	(200)	96	86	–
Loss attributable to the equity shareholders of the parent company		(588)	(931)	(342)	(186)	(72)
(Loss)/earnings per share						
Basic and diluted – pence	9					
Continuing operations		(0.72)	(0.32)	(0.13)	(0.09)	(0.02)
Discontinued operations		0.10	(0.08)	0.03	0.03	–
Total		(0.62)	(0.40)	(0.10)	(0.06)	(0.02)

All comprehensive income for continuing operations is shown above, equivalent information for discontinued activities is shown in note 3.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		<i>As at</i>	<i>As at</i>	<i>As at</i>	<i>Unaudited</i>	<i>Unaudited</i>
	<i>Notes</i>	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>	<i>30 June</i>	<i>30 June</i>
		<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2014</i>	<i>2015</i>
		<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Assets						
Non-current assets						
Intangible assets	10	11	–	–	–	–
Property, plant and equipment	11	24	16	6	12	5
Total non-current assets		<u>35</u>	<u>16</u>	<u>6</u>	<u>12</u>	<u>5</u>
Current assets						
Amounts recoverable on contracts	12	154	–	–	–	–
Trade and other receivables	13	363	64	152	133	194
Cash and cash equivalents		50	173	190	55	73
Total current assets		<u>567</u>	<u>237</u>	<u>342</u>	<u>188</u>	<u>267</u>
Total assets		602	253	348	200	272
Liabilities						
Current liabilities						
Trade and other payables	14	(1,064)	(472)	(487)	(605)	(468)
Borrowings	15	–	–	–	–	–
Total current liabilities		<u>(1,064)</u>	<u>(472)</u>	<u>(487)</u>	<u>(417)</u>	<u>(468)</u>
Net current assets/ (liabilities)		(497)	(235)	(145)	(405)	(201)
Non-current liabilities						
Borrowings	15	–	–	–	–	–
Total non-current liabilities		–	–	–	–	–
Total liabilities		<u>(1,064)</u>	<u>(472)</u>	<u>(487)</u>	<u>(605)</u>	<u>(468)</u>
Total net liabilities		<u>(462)</u>	<u>(219)</u>	<u>(139)</u>	<u>(405)</u>	<u>(196)</u>
Capital and reserves attributable to shareholders of the parent company						
Share capital	16	1,693	2,373	2,453	2,373	2,454
Share premium reserve	20	3,353	3,847	4,147	3,847	4,148
Retained deficit	20	(5,508)	(6,439)	(6,739)	(6,625)	(6,798)
Total equity		<u>(462)</u>	<u>(219)</u>	<u>(139)</u>	<u>(405)</u>	<u>(196)</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

		Year ended 31 December 2012 £'000	Year ended 31 December 2013 £'000	Year ended 31 December 2014 £'000	Unaudited 6 months ended 30 June 2014 £'000	Unaudited 6 months ended 30 June 2015 £'000
Cash flows from operating activities	<i>Notes</i>					
Loss for the year		(588)	(931)	(342)	(186)	(72)
Adjustments for:						
Amortisation and depreciation	10 & 11	35	21	11	5	2
Profit on disposal of subsidiaries	25	(74)	(87)	(96)	(86)	–
Taxation	8	–	–	–	–	–
Share issue costs		54	29	–	–	–
Share-based payment charge		13	–	42	–	13
Changes in amounts recoverable on contracts		(154)	154	–	–	–
Changes in trade and other receivables		(211)	112	(88)	(69)	(42)
Changes in trade and other payables		781	(209)	111	219	(17)
Total cash flow from operations		(144)	(911)	(362)	(117)	(116)
Cash flow from investing activities						
Purchase of intangible assets	10	(9)	–	–	–	–
Purchase of property, plant and equipment	11	(28)	(15)	(1)	(1)	(1)
Cash received from disposal of subsidiary net of costs	24	210	33	–	–	–
Cash repaid to purchaser on disposal of subsidiary	24	–	(57)	–	–	–
Net cash flow from investing activities		173	(39)	(1)	(1)	(1)
Cash flow from financing activities						
Proceeds from issue of share capital	16	569	1,102	400	–	–
Expenses paid on share issues		(54)	(29)	(20)	–	–
Interest paid		(38)	–	–	–	–
Net cash inflow from financing activities		477	1,073	380	–	–
Net change in cash and cash equivalents		506	123	17	(118)	(117)
Opening cash and cash equivalents		(456)	50	173	173	190
Closing cash and cash equivalents		50	173	190	55	73

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<i>Share capital £'000</i>	<i>Share Premium £'000</i>	<i>Retained Earnings £'000</i>	<i>Total equity £'000</i>
At 1 January 2012	1,124	3,353	(4,933)	(456)
Issue of shares	569	–	–	569
Transaction costs of share issue	–	–	(54)	(54)
Share based payments charge	–	–	13	13
Total comprehensive expense for the year	–	–	(534)	(534)
At 31 December 2012	1,693	3,353	(5,508)	(462)
At 1 January 2013	1,693	3,353	(5,508)	(462)
Issue of shares	680	494	–	1,174
Transaction costs of share issue	–	–	(29)	(29)
Total comprehensive expense for the year	–	–	(902)	(902)
At 31 December 2013	2,373	3,847	(6,439)	(219)
At 1 January 2014	2,373	3,847	(6,439)	(219)
Issue of shares	80	320	–	400
Transaction costs of share issue	–	(20)	–	(20)
Share based payments charge	–	–	42	42
Total comprehensive expense for the year	–	–	(342)	(342)
At 31 December 2014	2,453	4,147	(6,739)	(139)
Issue of shares – unaudited	1	1	–	2
Transaction costs of share issue – unaudited	–	–	–	–
Share based payments charge – unaudited	–	–	13	13
Total comprehensive expense for the period – unaudited	–	–	(72)	(72)
At 30 June 2015- unaudited	2,454	4,148	(6,798)	(196)
At 1 January 2014	2,373	3,847	(6,439)	(219)
Total comprehensive expense for the period – unaudited	–	–	(186)	(186)
At 30 June 2014 – unaudited	2,373	3,847	(6,625)	(405)

NOTES TO THE FINANCIAL INFORMATION

1. Accounting policies

Basis of preparation

The financial information has been prepared in accordance with IFRS and International Financial Reporting Interpretations Committee (“IFRIC”) interpretations as endorsed by the European Union, and bearing in mind those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial information does not constitute statutory accounts within the meaning of the Companies Act 2006.

The accounting policies set out below have been applied to all periods presented in this financial information:

Revenue recognition – innovative solutions for healthcare

Turnover is generated by providing clinical health coaching, supporting shared decision making services and software solutions to the healthcare sector. The revenue is generated through services that are provided on short term and long term contracts.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the income statement turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract.

Revenue recognition – discontinued activities

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue represents the amounts, excluding valued added tax derived from advertising, marketing and technical services. Revenue is recognised in the income statement on the accruals basis.

Revenue from advertising is recognised on the date of the specific publication to which the advert is included. Where advertising revenue is generated both via magazine advertising (print media) and online advertising, the accounting policy is to recognise revenue on the latest publication date, whether this is online or published via print media.

Revenue from technical services is recognised as contract activity progresses to the extent that revenue can be reliably measured. Hosting and maintenance income within technical services is spread on a straight line basis over the period to which the hosting and maintenance period relates.

All revenue originates in the United Kingdom.

Finance costs

Finance costs comprise interest payable on bank overdrafts and are recognised on an accruals basis.

Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and any recognised impairment in value. Cost comprises the aggregate amount paid to acquire assets and includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is calculated to write down the cost of the assets to their residual values by equal instalments over the estimated useful economic lives as follows:

Short leasehold property	– Over the length of the lease
Computer equipment	– 3 to 5 years
Fixtures and fittings	– 2 and 3 years

The assets’ residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate on an annual basis. An asset is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset

(calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the period that the asset is derecognised.

Impairment of non current assets

At each balance sheet date, the Company reviews amounts of its intangible fixed assets and property, plant and equipment to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset, which is the higher of its fair value less costs to sell and its value in use, is estimated in order to determine the extent of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. For non current assets excluding goodwill, the CGU is deemed to be cash generating asset or the trading company whichever is the smaller CGU. For goodwill, the CGU is deemed to be the business acquired.

An impairment charge is recognised in the income statement in the period in which it occurs. Where an impairment loss subsequently reverses due to a change in its original estimate, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods.

Amounts recoverable on contracts

Amounts recoverable on contracts represent the costs of Totally Health contracts in progress at the balance sheet date, less progress billings to date.

Trade and other receivables

Trade receivables, which are generally received by the end of month following terms, are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision is made when it is likely that the balance will not be recovered in full. Balances are written off when the probability of recovery is considered remote.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and short-term deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form an integral part of cash management are included as components of cash and cash equivalents for the purposes of the cash flow statement.

Trade and other payables

Trade and other payables are recognised at original cost.

Foreign currencies transactions

Transactions denominated in foreign currencies are translated at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are translated at the exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

Leased assets

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the Group. All other leases are classified as operating leases.

The Company has a short lease on its premises. This is accounted for as an 'operating lease' and the rental charges are charged to the income statement on a straight line basis over the life of the lease. Other operating leases are treated in the same manner.

Internally generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from the Group's technology development is recognised only if all of the following conditions are met:

- An asset is created that can be identified;
- It is probable that the asset created will generate future economic benefits; and
- The development cost of the asset can be measured reliably.

Internally generated intangible assets are amortised on a straight-line basis over their useful economic lives. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

Share-based payments

The Group provides benefits to employees (including Directors) in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'). The fair value of the employee services rendered is determined by reference to the fair value of the shares awarded or options granted, excluding the impact of any non-market vesting conditions. All share options are valued using an option-pricing model (Black-Scholes). This fair value is charged to the income statement over the vesting period of the share-based payment scheme, with the corresponding increase in equity.

The value of the charge is adjusted in the income statement over the remainder of the vesting period to reflect expected and actual levels of options vesting, with the corresponding adjustment made in equity.

Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities based on tax rates and laws that are enacted or substantively enacted by the year end date. Deferred income tax is recognised using the balance sheet liability method, providing for temporary differences between the tax bases and the accounting bases of assets and liabilities. Deferred income tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the period when the liability is settled and the asset is realised, based on tax rates and laws enacted or substantively enacted at the year end date.

Deferred income tax liabilities are recognised for all temporary differences, except for an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

Deferred income tax is charged or credited to the income statement, except when it relates to items charged or credited to equity, in which case the deferred tax is also dealt with in equity. Deferred income tax assets and liabilities are offset against each other only when the Company has a legally enforceable right to do so.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Use of assumptions and estimates

The Company makes judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The resulting accounting estimates calculated using these judgements and assumptions will, by definition, seldom equal the related actual results but are based on historical experience and expectations of future events. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period, or in the period of revision and future periods if the revision effects both current and future periods.

The estimates and assumptions that have a significant effect on the amounts recognised in the financial statements are those related to establishing depreciation and amortisation periods and the estimates in

relation to future cash flows and discount rates utilised in the impairment testing of intangible and tangible fixed assets.

2. Financial risk management

2.1 Financial risk factors

The Group's financial instruments comprise cash and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operation.

Fair values of financial instruments

For the following financial assets and liabilities: trade and other payables, trade and other receivables and cash at bank and in hand, the carrying amount approximates the fair value of the instrument due to the short-term nature of the instrument.

It is the Group's policy that no trading in financial instruments should be undertaken.

The Group's activities expose it to a number of risks including capital management risk, interest rate risk, foreign exchange risk, credit risk and liquidity risk. The policies for managing these risks are regularly reviewed and agreed by the Board.

(a) Market risk

Foreign exchange risk

The Group operates principally in the United Kingdom and as such the majority of its financial assets and liabilities are denominated in sterling, and there is no material exposure to exchange risks.

Cash flow and fair value interest rate risk

The Group's interest rate exposure arises mainly from the interest bearing borrowings as disclosed in note 15. All of the Group's facilities were at floating rates, which exposed the entity to cash flow risk. As at 31 December 2012 and since that time there have been no loans outstanding and no undrawn overdraft facilities available to the Group.

Due to the relatively low level of borrowings no interest rate swaps or other forms of interest risk management have been undertaken.

(b) Credit risk

The Group's credit risk primarily relates to trade and other receivables and accrued income. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Group's management.

Customer credit risk is managed by each business unit subject to the Group's established policies, procedures and controls relating to customer credit management. Credit limits are established for all customers and are based *inter alia* on credit checks. Outstanding customer receivables are regularly monitored.

Concentration of credit risk with respect to trade receivables was limited in Totally Communications (sold in December 2013) due to its customer base being large and unrelated. Totally Health trades with a small number of NHS customers but the Directors consider that the credit risk is minimised by contractual arrangements which require customers to make stage payments as service delivery progresses, Totally Health's experience of on time payments received so far and the government backing being given to these initiatives.

(c) Liquidity risk

Cash balances and borrowings are managed so as to maximise interest earned and minimise interest paid, while maintaining the liquidity requirement of the business. When seeking borrowings, the directors' consider the commercial terms available and, in consultation with their advisors, consider whether such terms should be fixed or variable and are appropriate to the business.

The Group would normally expect that sufficient cash is generated in the operating cycle to meet the contractual cash flows through effective cash management. The group's facilities in the form of bank overdrafts were repaid during 2012.

2.2 Capital management risk

The Group's main objective when managing capital is to protect returns to shareholders by ensuring the Group will continue to trade in the foreseeable future. The Group also aims to optimise its capital structure of debt and equity so as to minimise its cost of capital. The Group in particular reviews its levels of borrowing and the repayment dates, setting these out against forecast cash flows and reviewing the level of available funds.

The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to holders of the parent, comprising issued share capital, reserves and retained earnings. Consistent with others in the industry, the Group reviews the gearing ratio to monitor the capital. This ratio is calculated as the net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity (including capital, reserves and retained earnings). This gearing ratio will be considered in the wider macroeconomic environment. With the current restraints on availability of finance and economic pressures the Group has lowered its gearing ratio expectations and has continued to reduce its debt.

3. Segmental reporting

The chief operating decision maker ("CODM") for the purpose of IFRS 8 is the executive management team. The Group operates in a number of different markets and considers that the presentation of financial results on a goods and services basis is the most appropriate way to demonstrate the performance of the Group. For the purpose of resource allocation and assessment of performance, the CODM regularly reviews information based on the goods and services at a revenue and EBITDA level.

The publishing business was discontinued in 2012 and the digital marketing operation was discontinued in 2013. As a result the Group considers innovative solutions to the healthcare sector and the head office costs to be the only two continuing reportable operating segments.

Head office costs – these are central costs that are offset by internal cost recoveries from the Group's operating business.

No operating segments have been aggregated to form the above reportable segments. The Group's management reporting and controlling systems use the accounting policies set out above.

Segmental analysis – segment measures

The Group measures the performance of its operating segments through a measure of segment profit or loss which is referred to as EBITDA. This measure is reported to the CODM for the purposes of resource allocation and assessment of performance.

Interest income, interest expense and income tax expense are not included in the EBITDA profit measure which is reviewed by the CODM. Tax and treasury balances are managed centrally.

Segment assets and liabilities are not regularly provided to the CODM. The Group has elected, as provided under IFRS 8 "Operating Segments" (amended 2009) not to disclose a measure of segment assets or liabilities where these amounts are not regularly provided to the CODM.

Inter-segments revenue is recorded at values that represent estimated third-party selling prices.

With respect to geographical regions, revenue is generally allocated to countries based on the location where the goods and services are provided.

Non-current assets are disclosed according to the location of the businesses to which the assets relate. In the period, all segments operated solely in the UK, and as a result no secondary format is provided in the financial statements.

Analysis by business segment

Year ended
31 December 2012

	Health £'000	Head Office £'000	Total continued operations £'000	Discontinued operations £'000	Total £'000
Revenue	769	–	769	1,400	2,169
EBITDA	(253)	(326)	(579)	50	(529)
Depreciation	(8)	(1)	(9)	(7)	(16)
Amortisation	–	–	–	(25)	(25)
Operating (loss)/profit	(261)	(327)	(588)	18	(570)
Profit on disposal of business	–	–	–	74	74
Share issue costs	–	(54)	(54)	–	(54)
Finance costs	–	(37)	(37)	(1)	(38)
(Loss)/profit before tax	(261)	(418)	(679)	91	(588)
Income tax	–	–	–	–	–
(Loss)/profit after tax	(261)	(418)	(679)	91	(588)
Segment assets	267	100	367	235	602
Segment liabilities	(237)	(379)	(616)	(448)	(1,064)

Year ended
31 December 2013

	Health £'000	Head Office £'000	Total continued operations £'000	Discontinued operations £'000	Total £'000
Revenue	878	–	878	828	1,706
EBITDA	(468)	(223)	(691)	(259)	(950)
Depreciation	(9)	–	(9)	(12)	(21)
Amortisation	–	–	–	–	–
Operating (loss)/profit	(477)	(223)	(700)	(271)	(971)
Profit on disposal of business	–	–	–	87	87
Share issue costs	–	(29)	(29)	(16)	(45)
Finance costs	–	(2)	(2)	–	(2)
(Loss)/profit before tax	(477)	(254)	(731)	(200)	(931)
Income tax	–	–	–	–	–
(Loss)/profit after tax	(477)	(254)	(731)	(200)	(931)
Segment assets	84	169	253	–	253
Segment liabilities	(230)	(242)	(472)	–	(472)

<i>Year ended</i> 31 December 2014	<i>Health</i> £'000	<i>Head Office</i> £'000	<i>Total continued operations</i> £'000	<i>Discontinued operations</i> £'000	<i>Total</i> £'000
Revenue	609	–	609	–	609
EBITDA	(79)	(347)	(426)	–	(426)
Depreciation	(11)	–	(11)	–	(11)
Amortisation	–	–	–	–	–
Operating (loss)/profit	(90)	(347)	(437)	–	(437)
Profit on disposal of business	–	–	–	96	96
Share issue costs	–	–	–	–	–
Finance costs	–	(1)	(1)	–	(1)
(Loss)/profit before tax	(90)	(348)	(438)	96	(342)
Income tax	–	–	–	–	–
(Loss)/profit after tax	(90)	(348)	(438)	96	(342)
Segment assets	178	170	348	–	348
Segment liabilities	(323)	(164)	(487)	–	(487)
<i>6 months ended</i> 30 June 2015					
<i>Unaudited</i>					
	<i>Health</i> £'000	<i>Head Office</i> £'000	<i>Total continued operations</i> £'000	<i>Discontinued operations</i> £'000	<i>Total</i> £'000
Revenue	418	–	418	–	418
EBITDA	87	(156)	(69)	–	(69)
Depreciation	(2)	–	(2)	–	(2)
Amortisation	–	–	–	–	–
Operating (loss)/profit	85	(156)	(71)	–	(71)
Profit on disposal of business	–	–	–	–	–
Share issue costs	–	–	–	–	–
Finance costs	–	(1)	(1)	–	(1)
(Loss)/profit before tax	85	(157)	(72)	–	(72)
Income tax	–	–	–	–	–
(Loss)/profit after tax	85	(157)	(72)	–	(72)
Segment assets	188	84	272	–	272
Segment liabilities	(304)	(164)	(468)	–	(468)

Major customers

During the period the following customers separately comprised 10 per cent. or more of revenue.

	<i>Year ended 31 December 2012 £'000</i>	<i>Year ended 31 December 2013 £'000</i>	<i>Year ended 31 December 2014 £'000</i>	<i>Unaudited 6 months ended 30 June 2015 £'000</i>
Major customer 1	745	676	–	–
Major customer 2	–	104	106	–
Major customer 3	–	–	84	–
Major customer 4	–	–	–	62
Major customer 5	–	–	–	55
	<u>745</u>	<u>780</u>	<u>190</u>	<u>117</u>

4. Loss from operations

Loss from operations is stated after charging/(crediting):

	<i>Year ended 31 December 2012 £'000</i>	<i>Year ended 31 December 2013 £'000</i>	<i>Year ended 31 December 2014 £'000</i>	<i>Unaudited 6 months ended 30 June 2015 £'000</i>
Share based payments	13	–	42	13
Depreciation of property, plant and equipment	16	21	11	2
Amortisation of intangible assets	25	–	–	–
Impairment charges regarding trade receivables	4	–	–	–
Operating lease costs – property	90	82	15	42
Operating lease costs – other assets	–	–	–	–
	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>

5. Auditors' remuneration

The total fees for services provided by the Company's auditor are analysed below:

	<i>Year ended 31 December 2012 £'000</i>	<i>Year ended 31 December 2013 £'000</i>	<i>Year ended 31 December 2014 £'000</i>	<i>Unaudited 6 months ended 30 June 2015 £'000</i>
Audit services				
Parent company	6	6	6	4
Subsidiary	13	15	16	8
Tax services – compliance	<u>2</u>	<u>6</u>	<u>2</u>	<u>–</u>
Total fees	<u>21</u>	<u>27</u>	<u>24</u>	<u>12</u>

6. Wages and salaries

The average monthly number of persons, including Directors, employed by the Group was:

	Year ended 31 December 2012	Year ended 31 December 2013	Year ended 31 December 2014	<i>Unaudited</i> 6 months ended 30 June 2015
Administration	1	–	–	–
Editorial	2	–	–	–
Health coaches and project managers	8	6	7	8
Management and finance	6	9	8	4
Sales and marketing	2	1	–	2
Technical and production	11	16	–	–
	<u>30</u>	<u>32</u>	<u>15</u>	<u>14</u>
	£'000	£'000	£'000	£'000
Their aggregate emoluments were:				
Wages and salaries	1,043	1,163	520	231
Social security costs	119	150	60	23
Pension and other staff costs	–	–	–	–
Total cash settled emoluments	<u>1,162</u>	<u>1,313</u>	<u>580</u>	<u>254</u>
Share based payments- equity settled	13	–	42	13
Total emoluments	<u>1,175</u>	<u>1,313</u>	<u>622</u>	<u>267</u>

The number of employees and staff cost relates to both continuing operations and discontinued operations.

Employee benefits

Share based compensation

The Group operates an equity-settled share based compensation plan for Directors and executives. In accordance with IFRS 1, the Group has elected to implement the measurement requirements of IFRS 2 in respect of only those equity-settled share options that were granted after 7 November 2002 and that had not vested as at 1 January 2005. The fair value of the employee services received in exchange for the grant of options is recognised as an expense over the vesting period. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted at the grant date.

At each year end date, the Group revises its estimate of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the Statement of Consolidated Income, and a corresponding adjustment to equity over the remaining vesting period. When share options are cancelled the Group accounts for the cancellation as an acceleration of vesting and therefore recognises immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised. The fair value of share options has been assessed using the Black Scholes Model.

Wages and salaries charges include amounts for share based payments arising from transactions accounted for as equity settled share based payments.

7. Directors' remuneration

Amounts paid to Directors of the company:

	<i>Year ended</i> <i>31 December</i> <i>2012</i> <i>£'000</i>	<i>Year ended</i> <i>31 December</i> <i>2013</i> <i>£'000</i>	<i>Year ended</i> <i>31 December</i> <i>2014</i> <i>£'000</i>	<i>Unaudited</i> <i>6 months</i> <i>ended</i> <i>30 June</i> <i>2015</i> <i>£'000</i>
Directors				
Aggregate emoluments and fees	644	401	237	143
Company pension contributions	–	–	–	–
Total cash settled emoluments	<u>644</u>	<u>401</u>	<u>237</u>	<u>143</u>
Share based payment remuneration charge: equity settled	–	–	–	13
Total Directors' emoluments	<u><u>644</u></u>	<u><u>401</u></u>	<u><u>237</u></u>	<u><u>156</u></u>

Directors' emoluments include amounts attributable to benefits in kind on which the Directors are assessed for tax purposes. The amounts attributable to benefits in kind are stated at cost to the Company, which is also the tax value of those benefits.

The Directors represent the key management personnel. Details of their compensation are given above. Not included in the directors' emoluments above is a charge of £14,000 in the year to 31 December 2013 for services provided by Wendy Lawrence (2012: £36,000) who was subsequently appointed as the Chief Executive Officer of Totally on 18 February 2013.

Directors' emoluments in 2012 included £90,000 which was subsequently not paid and was credited to comprehensive income in 2014 as part of the profit on disposal of subsidiaries.

During 2012 no warrants and no share options were issued to directors.

On 26 September 2013 an amount of 4,375,002 warrants was placed to the following directors: Dr. Michael Sinclair 833,334; Wendy Lawrence 833,334; Andrew Margolis 833,334; George Rolls 1,875,000. Each warrant was exercisable at 1 pence to 1 ordinary share at any time up until 18 months following the date of admission.

During 2013 no share options were issued to directors.

During 2014 no warrants and no share options were issued to directors.

On 21 January 2015 the Company granted 24,000,000 new share options of 0.1 pence each to existing directors, being 10,000,000 Options granted to Wendy Lawrence under the Company's existing EMI scheme; and 14,000,000 Options granted as unapproved share options to the following directors: 5,000,000 to Dr. Michael Sinclair; 3,000,000 to Andrew Margolis; and 6,000,000 to Don Baladasan. These share options expired immediately following the Company's board changes in September 2015.

8. Taxation

	<i>Year ended 31 December 2012 £'000</i>	<i>Year ended 31 December 2013 £'000</i>	<i>Year ended 31 December 2014 £'000</i>	<i>Unaudited 6 months ended 30 June 2015 £'000</i>
Current tax income				
United Kingdom corporation tax	—	—	—	—
Total current tax income	—	—	—	—
Deferred tax				
Origination/reversal of temporary differences	—	—	—	—
Tax on loss for the year/period	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

The tax assessed for the year/period is different from the standard rate of corporation tax in the UK. The differences are explained below:

	<i>Year ended 31 December 2012</i>	<i>Year ended 31 December 2013</i>	<i>Year ended 31 December 2014</i>	<i>Unaudited 6 months ended 30 June 2015</i>
Standard rate of corporation tax in the UK	<u>24.5%</u>	<u>23.5%</u>	<u>21.5%</u>	<u>21%</u>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Loss before tax	(588)	(931)	(342)	(72)
Loss before tax multiplied by the standard rate of corporation tax in the UK	<u>144</u>	<u>219</u>	<u>74</u>	<u>15</u>
Effects of:				
Expenses not deductible for tax purposes	—	—	(9)	(4)
Losses carried forward	<u>(144)</u>	<u>(219)</u>	<u>(65)</u>	<u>(11)</u>
Total tax credit for the year	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Estimated tax losses available to relieve future profits	<u>750</u>	<u>1,681</u>	<u>1,971</u>	<u>2,028</u>

A deferred tax asset has not been recognised in respect of these losses due to uncertainty as to the timing and tax rate at which these losses will be utilised against future taxable profit streams.

9. Loss per share

Basic and diluted loss per share are calculated by dividing the loss attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period.

	<i>Year ended</i> <i>31 December</i> <i>2012</i>	<i>Year ended</i> <i>31 December</i> <i>2013</i>	<i>Year ended</i> <i>31 December</i> <i>2014</i>	<i>Unaudited</i> <i>6 months</i> <i>ended</i> <i>30 June</i> <i>2015</i>
Loss for the year/period attributable to owners of the parent on continuing operations – £'000	(679)	(731)	(438)	(72)
Earnings/(loss) for the year/period attributable to owners of the parent on discontinued operations – £'000	91	(200)	96	–
Weighted average number of shares – 000	94,122	231,412	348,728	398,069
Basic earnings/(loss) per share – pence				
on continuing operations	(0.72)	(0.32)	(0.13)	(0.02)
on discontinued operations	0.10	(0.08)	0.03	–
	<u>(0.62)</u>	<u>(0.40)</u>	<u>(0.10)</u>	<u>(0.02)</u>
Diluted earnings/(loss) per share – pence				
on continuing operations	(0.72)	(0.32)	(0.13)	(0.02)
on discontinued operations	0.10	(0.08)	0.03	–
	<u>(0.62)</u>	<u>(0.40)</u>	<u>(0.10)</u>	<u>(0.02)</u>

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

10. Intangible assets

	<i>Software</i> £'000	<i>Total</i> £'000
Cost		
At 1 January 2012	518	518
Additions	9	9
On disposal of subsidiary	(446)	(446)
	<hr/>	<hr/>
At 1 January 2013	81	81
Additions	–	–
On disposal of subsidiary	(81)	(81)
	<hr/>	<hr/>
At 1 January 2014	–	–
Additions	–	–
	<hr/>	<hr/>
At 1 January 2015	–	–
Additions – unaudited	–	–
	<hr/>	<hr/>
At 30 June 2015 – unaudited	<hr/> <hr/>	<hr/> <hr/>
Amortisation		
At 1 January 2012	489	489
Charge for year	25	25
On disposal of subsidiary	(444)	(444)
	<hr/>	<hr/>
At 1 January 2013	70	70
Charge for year	–	–
On disposal of subsidiary	(70)	(70)
	<hr/>	<hr/>
At 1 January 2014	–	–
Charge for the year	–	–
	<hr/>	<hr/>
At 1 January 2015	–	–
Charge for the period – unaudited	–	–
	<hr/>	<hr/>
At 30 June 2015- unaudited	<hr/> <hr/>	<hr/> <hr/>
Net book value		
At 30 June 2015 – unaudited	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2014	–	–
	<hr/>	<hr/>
At 31 December 2013	–	–
	<hr/>	<hr/>
At 31 December 2012	11	11
	<hr/>	<hr/>
At 31 December 2011	29	29
	<hr/>	<hr/>

11. Property, plant and equipment

	<i>Short leasehold property £'000</i>	<i>Computer equipment £'000</i>	<i>Fixtures and fittings £'000</i>	<i>Total £'000</i>
Cost				
At 1 January 2012	65	132	73	270
Additions	28	1	–	29
On disposal of subsidiary	–	(120)	(58)	(178)
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 January 2013	93	13	15	121
Additions	3	–	–	3
On disposal of subsidiary	(64)	(12)	–	(76)
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 January 2014	32	1	15	48
Additions	–	1	–	1
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 January 2015	32	2	15	49
Additions – unaudited	–	1	–	1
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2015 – unaudited	<u>32</u>	<u>3</u>	<u>15</u>	<u>50</u>
Depreciation				
At 1 January 2012	58	132	55	245
Charge for the year	12	–	1	13
On disposal of subsidiary	–	(120)	(41)	(161)
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 January 2013	70	12	15	97
Charge for the year	8	–	–	8
On disposal of subsidiary	(62)	(11)	–	(73)
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 January 2014	16	1	15	32
Charge for the year	10	1	–	11
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 January 2015	26	2	15	43
Charge for the period – unaudited	2	–	–	2
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2015 – unaudited	<u>28</u>	<u>2</u>	<u>15</u>	<u>45</u>
Net book value				
At 30 June 2015 – unaudited	<u>4</u>	<u>1</u>	<u>–</u>	<u>5</u>
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2014	6	–	–	6
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2013	16	–	–	16
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2012	23	1	–	24
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2011	5	–	18	23
	<hr/>	<hr/>	<hr/>	<hr/>

All property, plant and equipment were pledged as security for overdraft facilities, all of which were repaid during 2012.

12. Amounts recoverable on contracts

	<i>As at</i> <i>31 December</i> <i>2012</i> <i>£'000</i>	<i>As at</i> <i>31 December</i> <i>2013</i> <i>£'000</i>	<i>As at</i> <i>31 December</i> <i>2014</i> <i>£'000</i>	<i>Unaudited</i> <i>As at</i> <i>30 June</i> <i>2015</i> <i>£'000</i>
Amounts recoverable on contracts	154	–	–	–

Amounts recoverable on contracts represent the costs on contracts in progress at the balance sheet date less progress billings to that date.

13. Trade and other receivables

	<i>As at</i> <i>31 December</i> <i>2012</i> <i>£'000</i>	<i>As at</i> <i>31 December</i> <i>2013</i> <i>£'000</i>	<i>As at</i> <i>31 December</i> <i>2014</i> <i>£'000</i>	<i>Unaudited</i> <i>As at</i> <i>30 June</i> <i>2015</i> <i>£'000</i>
Trade receivables	173	8	52	24
Less: provision for impairment of trade receivables	(4)	–	–	–
Trade receivables – net	169	8	52	24
Other receivables- directors' loans	20	52	67	82
Total financial assets other than cash and cash equivalents classified as loans and receivables	189	60	119	106
Prepayments and accrued income	174	4	33	88
Total trade and other receivables	363	64	152	194

Trade receivables represent debts due for the sale of goods and services to customers. The provision for impairment of receivables is estimated by management based on prior experience.

Trade receivables are denominated in Sterling. The Directors consider that the carrying amount of these receivables approximates to their fair value. Trade and other receivables are categorised as loans and receivables under IAS 39. All amounts shown under receivables fall due for payment within one year. The group does not hold any collateral as security.

The following trade receivables were past due but not impaired. They relate to customers with no recent history of default. The ageing analysis of these receivables is as follows:

	<i>As at</i> <i>31 December</i> <i>2012</i> <i>£'000</i>	<i>As at</i> <i>31 December</i> <i>2013</i> <i>£'000</i>	<i>As at</i> <i>31 December</i> <i>2014</i> <i>£'000</i>	<i>Unaudited</i> <i>As at</i> <i>30 June</i> <i>2015</i> <i>£'000</i>
Less than 3 months overdue	134	8	52	24
Between 3 and 6 months overdue	20	–	–	–
Over 6 months overdue	15	–	–	–
	169	8	52	24

As at 30 June 2015 no trade receivables were past due and impaired (31 December 2014: £nil; 31 December 2013: £nil, 31 December 2012: £4,000). Movements on the provision for impairment of trade receivables are as follows

	<i>As at</i> <i>31 December</i> <i>2012</i> <i>£'000</i>	<i>As at</i> <i>31 December</i> <i>2013</i> <i>£'000</i>	<i>As at</i> <i>31 December</i> <i>2014</i> <i>£'000</i>	<i>Unaudited</i> <i>As at</i> <i>30 June</i> <i>2015</i> <i>£'000</i>
At beginning of year/period	6	4	–	–
Provided during year/period	4	–	–	–
On disposal of subsidiary	–	(4)	–	–
Amounts written off as uncollectable	(6)	–	–	–
	<u>4</u>	<u>–</u>	<u>–</u>	<u>–</u>

The movement on the provision for impaired receivables has been included in administrative expenses in the consolidated statement of comprehensive income. Other classes of financial assets included within trade and other receivables do not contain impaired assets.

To assist short-term cash flow the Directors agreed to the deferral of certain amounts owing to them. Short-term loans have been advanced to the Directors which are less than the amount of deferred payments accrued.

14. Trade and other payables

All amounts shown fall due within one year.

	<i>As at</i> <i>31 December</i> <i>2012</i> <i>£'000</i>	<i>As at</i> <i>31 December</i> <i>2013</i> <i>£'000</i>	<i>As at</i> <i>31 December</i> <i>2014</i> <i>£'000</i>	<i>Unaudited</i> <i>As at</i> <i>30 June</i> <i>2015</i> <i>£'000</i>
Trade payables	351	148	168	150
Accruals	312	307	278	291
Total financial liabilities measured at amortised cost	<u>663</u>	<u>455</u>	<u>446</u>	<u>441</u>
Corporation tax	–	–	–	–
Other taxes and social security	325	17	30	16
Other creditors	76	–	11	11
Total trade and other payables	<u>1,064</u>	<u>472</u>	<u>487</u>	<u>468</u>

The Directors consider that the carrying amount of these liabilities approximates to their fair value.

15. Borrowings

	<i>As at</i> <i>31 December</i> <i>2012</i> <i>£'000</i>	<i>As at</i> <i>31 December</i> <i>2013</i> <i>£'000</i>	<i>As at</i> <i>31 December</i> <i>2014</i> <i>£'000</i>	<i>Unaudited</i> <i>As at</i> <i>30 June</i> <i>2015</i> <i>£'000</i>
Secured borrowings at amortised cost				
Amounts due for settlement within 12 months	–	–	–	–
Amounts due for settlement after 12 months	–	–	–	–
	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>

Secured liabilities

The Group's financial liabilities during the year ended 31 December 2012 comprised two overdraft facilities, both repayable in less than one year, which expired and were repaid during the year.

All monetary assets and liabilities at the balance sheet date are held in Sterling, the Group's functional currency.

Undrawn facilities

As at 30 June 2015, 31 December 2014, 2013 and 2012 there were no undrawn overdraft facilities available to the Group.

16. Share capital

Allotted, called up and fully paid
(except as disclosed)

	<i>As at</i> <i>31 December</i> <i>2012</i> <i>Number</i>	<i>As at</i> <i>31 December</i> <i>2013</i> <i>Number</i>	<i>As at</i> <i>31 December</i> <i>2014</i> <i>Number</i>	<i>Unaudited</i> <i>As at</i> <i>30 June</i> <i>2015</i> <i>Number</i>
Ordinary shares of 1.0 pence each	148,786,275	–	–	–
Ordinary shares of 0.1 pence each	–	317,617,450	397,617,450	398,545,886
	<u>–</u>	<u>317,617,450</u>	<u>397,617,450</u>	<u>398,545,886</u>
Deferred shares of 1.0 pence each	20,500,000	–	–	–
Deferred shares of 0.9 pence each	–	228,402,392	228,402,392	228,402,392
	<u>–</u>	<u>228,402,392</u>	<u>228,402,392</u>	<u>228,402,392</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Ordinary shares	1,488	318	398	399
Deferred shares	205	2,055	2,055	2,055
	<u>1,693</u>	<u>2,373</u>	<u>2,453</u>	<u>2,454</u>

The Ordinary shares carry full voting rights, the right to attend general meetings of the Company and full rights to receive dividends. The shares do not confer any rights of redemption.

The Deferred Shares carry no voting rights, no rights to attend general meetings of the Company, and no rights to receive dividends. The Deferred Shares do carry a right to participate in any return of capital to the extent of 0.01 pence per Deferred Share but only after each Ordinary Share has received in aggregate capital repayments totalling £1,000,000 per Ordinary Share.

- (1) During December 2012 existing warrant holders agreed to sell 113,676,681 warrants to subscribe for 113,676,681 new Ordinary Shares of 1p each in the Company to investors at a purchase price of 0.2p per warrant. Under the terms of the Agreement, holders of 56,838,341 warrants subscribed for 56,838,341 Ordinary Shares of 1p each on 17 December 2012. The net consideration after costs from this issue of shares was £515,000.

- (2) During January 2013 holders of 56,838,340 warrants subscribed for 56,838,340 Ordinary Shares of 1p each on 14 January 2013 at an exercise price of 1p per share. The net consideration from this issue of shares was £539,000.
- (3) On 10 September 2013 the Company announced a proposal to re-organise its share capital and to place new ordinary shares to raise £600,000 before expenses as follows:
- (i) the company sub-divided every existing deferred share (of 1p each) into 1.1111111 new deferred share (of 0.9p each) in order to enable the re-organisation of share capital described below.
 - (ii) the company re-organised its share capital so that each of the 205,624,615 of existing ordinary shares (of 1p each) has been subdivided into one new ordinary share (of 0.1p each) and one new deferred share (of 0.9p each).
 - (iii) the company issued 100,000,000 new ordinary shares of 0.1p each. The net consideration after costs from this issue of shares was £534,000.
 - (iv) the company issued 11,992,835 new ordinary shares (of 0.1p each) to the directors of the company in lieu of unpaid fees. The value of the shares issued was £72,000.
- (4) In August 2014 the company issued 80,000,000 new ordinary shares of 0.1p each. The net consideration after costs from this issue of shares was £380,000.
- (5) In February 2015 the company issued 403,226 new ordinary shares of 0.1 pence each in satisfaction of fees payable to Jack Clipsham (a Non-Executive Director of the Company) for the quarter to 12 February 2015, as previously disclosed and as per the terms of his letter of appointment. These new Ordinary Shares were issued at a price of 0.31 pence each, being the average mid-market closing price of the Ordinary Shares over the last five trading days prior to the end of the quarter to which the fees relate.
- (6) In May 2015 the company issued 525,210 new ordinary shares of 0.1 pence each in satisfaction of fees payable to Jack Clipsham for the quarter to 12 May 2015, as previously disclosed and as per the terms of his letter of appointment. These new Ordinary Shares were issued at a price of 0.238 pence each, being the average mid-market closing price of the Ordinary Shares over the last five trading days prior to the end of the quarter to which the fees relate.

17. Share options

Details of all options in issue during the period are as follows:

<i>Grant date</i>	<i>Exercise price</i>	<i>Exercise period from grant date</i>	<i>Outstanding at 1 Jan 2012</i>	<i>Expired in year</i>	<i>Outstanding at 31 Dec 2012</i>	<i>Expired in year</i>	<i>Outstanding at 31 Dec 2013</i>
17 December 2002	1.5p	Within 10 years	10,000	(10,000)	0		0
22 December 2004	2.88p	Within 10 years	25,000	0	25,000	(25,000)	0
16 May 2005	2.375p	Within 10 years	1,000,000	0	1,000,000	(1,000,000)	0
01 January 2006	2.38p	Within 10 years	150,000	0	150,000	(150,000)	0
29 March 2007	2.25p	Within 10 years	1,033,333	0	1,033,333	(1,033,333)	0
10 April 2007	2.88p	Within 7 years	100,000	0	100,000	0	100,000
01 January 2008	1p	Within 10 years	1,000,000	0	1,000,000	(1,000,000)	0
27 July 2009	1p	Within 10 years	10,575,000	0	10,575,000	(5,450,000)	5,125,000
08 October 2009	1p	Within 10 years	3,050,000	0	3,050,000	0	3,050,000
22 April 2010	1p	Within 10 years	500,000	0	500,000	0	500,000
			<u>17,443,333</u>	<u>(10,000)</u>	<u>17,433,333</u>	<u>(8,658,333)</u>	<u>8,775,000</u>

<i>Grant date</i>	<i>Exercise price</i>	<i>Exercise period from grant date</i>	<i>Outstanding at 31 Dec 2013</i>	<i>Expired in year</i>	<i>Outstanding at 31 Dec 2014</i>	<i>Unaudited Issued in period</i>	<i>Unaudited Outstanding at 30 June 2015</i>
10 April 2007	2.88p	Within 7 years	100,000	(100,000)	0	0	0
27 July 2009	1p	Within 10 years	5,125,000	0	5,125,000	0	5,125,000
08 October 2009	1p	Within 10 years	3,050,000	(3,050,000)	0	0	0
22 April 2010	1p	Within 10 years	500,000	(500,000)	0	0	0
21 January 2015	0.5p	Within 3 years	0	0	0	30,000,000	30,000,000
			<u>8,775,000</u>	<u>(3,650,000)</u>	<u>5,125,000</u>	<u>30,000,000</u>	<u>35,125,000</u>

The number and exercise prices of all share options outstanding at 30 June 2015 were calculated before the share consolidation disclosed in note 26.

The 5,125,000 share options issued on 27 July 2009 outstanding at 30 June 2015 were held by Andy Margolis, a former director.

Details of the 30,000,000 share options issued on 21 January 2015 outstanding at 30 June 2015 are disclosed in note 7.

All of the share options outstanding at 30 June 2015 have now lapsed or were superseded by the share options issued on 11 November 2015 disclosed in note 26.

18. Share warrants

Details of all warrants in issue during the period are as follows:

<i>Grant date</i>	<i>Exercise price</i>	<i>Exercise period from grant date</i>	<i>Outstanding at 1 Jan 2012</i>	<i>Expired in year</i>	<i>Converted to equity</i>	<i>Outstanding at 31 Dec 2012</i>
21 May 2012	5p	Within 10 years	1,916,665	(1,916,665)	–	–
18 June 2004	5p	Within 7 years	4,287,143	(4,287,143)	–	–
04 November 2005	2p	Within 7 years	2,500,000	(2,500,000)	–	–
02 July 2008	1.25p	Within 10 years	4,500,000	–	(4,500,000)	–
30 September 2008	1p	No expiry date	70,000,000	–	(35,000,000)	35,000,000
27 July 2009	1p	Within 10 years	16,752,528	–	(16,752,528)	–
08 October 2009	1p	Within 10 years	166,666	–	–	166,666
13 April 2010	1p	Within 10 years	32,424,153	–	(32,424,153)	–
22 April 2010	1p	Within 10 years	25,000,000	–	(25,000,000)	–
			<u>157,547,155</u>	<u>(8,703,808)</u>	<u>(113,676,681)</u>	<u>35,166,666</u>

<i>Grant date</i>	<i>Exercise price</i>	<i>Exercise period from grant date</i>	<i>Outstanding at 1 Jan 2013</i>	<i>Issued in year</i>	<i>Outstanding at 31 Dec 2013</i>	<i>Issued in year</i>	<i>Outstanding at 31 Dec 2014</i>
30 September 2008	1p	No expiry date	35,000,000	–	35,000,000	–	35,000,000
08 October 2009	1p	Within 10 years	166,666	–	166,666	–	166,666
11 June 2013	1.2p	Within 3 years	–	5,683,834	5,683,834	–	5,683,834
26 September 2013	1p	Within 1.5 years	–	100,000,000	100,000,000	–	100,000,000
26 September 2013	0.6p	Within 3 years	–	1,912,501	1,912,501	–	1,912,501
			<u>157,547,155</u>	<u>107,596,335</u>	<u>142,763,001</u>	<u>–</u>	<u>142,763,001</u>

<i>Grant date</i>	<i>Exercise price</i>	<i>Exercise period from grant date</i>	<i>Outstanding at 1 Jan 2015</i>	<i>Unaudited Issued in period</i>	<i>Unaudited Expired in period</i>	<i>Unaudited Outstanding at 30 June 2015</i>
30 September 2008	1p	No expiry date	35,000,000	–	–	35,000,000
08 October 2009	1p	Within 10 years	166,666	–	–	166,666
11 June 2013	1.2p	Within 3 years	5,683,834	–	–	5,683,834
26 September 2013	1p	Within 1.5 years	100,000,000	–	(100,000,000)	–
26 September 2013	0.6p	Within 3 years	1,912,501	–	–	1,912,501
10 March 2015	1p	Within 3 years	–	1,000,000	(1,000,000)	–
			<u>142,763,001</u>	<u>1,000,000</u>	<u>(101,000,000)</u>	<u>42,763,001</u>

The number and exercise prices of all share warrants outstanding at 30 June 2015 were calculated before the share consolidation disclosed in note 26.

The 35,000,000 share warrants issued on 30 September 2008 outstanding at 30 June 2015 are held by Leo Noe.

The 166,666 share warrants issued on 8 October 2009 outstanding at 30 June 2015 are held by Ben Gritz.

The 5,683,834 share warrants issued on 11 June 2013 outstanding at 30 June 2015 are held by JM Nominees Limited.

1,912,501 share warrants were issued on 26 September 2013 and are outstanding at 30 June 2015. 1,795,834 are held by Optiva Securities Limited and 116,667 are held by Allenby Capital Limited.

19. Share based payments

During the period the Company had two share based payment arrangements as described below.

(a) **Employee Share Options: Totally PLC Enterprise Management Incentive Plan – 10 year limit**

The estimated fair value of each option has been calculated using the Black Scholes option pricing model. The estimated fair value of outstanding options at 30 June 2015 is between 0.03 and 0.22 pence. The model inputs are share price at grant date, exercise price, expected volatility of 29 per cent, no expected dividends, contractual life of three years, and a risk free interest rate of four per cent. A reconciliation of option movements over the year is shown below.

The volatility of the Company's share price on each date of grant was calculated as the average of the standard deviations of daily continuously compounded returns on the stock of the company, calculated back over a period commensurate with the expected life of the option. The risk-free rate used is the yield to maturity on the date of grant, with term to maturity equal to the expected life of the option. It was assumed that options would be exercised within two years of the date on which they vest.

	<i>As at 31 December 2012</i>	<i>As at 31 December 2013</i>	<i>As at 31 December 2014</i>	<i>Unaudited As at 30 June 2015</i>
Number of options (thousands)	17,433	8,775	5,125	35,125
Range of exercise price (pence)	1.00p to 2.88p	1.00p to 2.88p	1.00p	0.50 to 1.00p
Weighted average exercise price (pence)	1.18p	1.02p	1.00p	0.57p
Weighted average remaining life expected (years)	7	5	5	2.75
Weighted average remaining contractual life (years)	7	6	5	2.75

(b) Warrants

The estimated fair value of each warrant has been calculated using the Black Scholes option pricing model for different warrants granted as outlined in Note 18. The estimated fair value of outstanding warrants at 30 June 2015 varies between 0.49 pence and 0.01 pence. The model inputs are share price at grant date, exercise price, expected volatility of 29 per cent, no expected dividends, maximum contractual life of three years, and a risk free interest rate of four per cent. A maximum three year contractual life has been used to reflect the non-tradability of the warrants compared to the actual contractual life in any cases in excess of three years.

The full cost of the warrants is recognised at the date of grant. Expenses charged to comprehensive income in the period in respect of share based payments were as follows:

	<i>Year ended</i> <i>31 December</i> <i>2012</i> <i>£'000</i>	<i>Year ended</i> <i>31 December</i> <i>2013</i> <i>£'000</i>	<i>Year ended</i> <i>31 December</i> <i>2014</i> <i>£'000</i>	<i>Unaudited</i> <i>6 months</i> <i>ended</i> <i>30 June</i> <i>2015</i> <i>£'000</i>
Expense arising from issue of share options – equity settled	–	–	–	10
Expense arising from issue of warrants – equity settled	13	–	42	3
	<u>13</u>	<u>–</u>	<u>42</u>	<u>13</u>

20. Reserves

Share premium account represents the amount subscribed for share capital in excess of nominal value less costs directly attributable to the issue of shares.

Retained earnings are cumulative net gains and losses recognised in the statement of comprehensive income.

21. Operating lease commitments

Future minimum rentals payable under non-cancellable operating leases are as follows:

	<i>As at</i> <i>31 December</i> <i>2012</i> <i>£'000</i>	<i>As at</i> <i>31 December</i> <i>2013</i> <i>£'000</i>	<i>As at</i> <i>31 December</i> <i>2014</i> <i>£'000</i>	<i>Unaudited</i> <i>As at</i> <i>30 June</i> <i>2015</i> <i>£'000</i>
Due within 1 year	63	58	16	83
Due between 2 years and 5 years	59	6	–	38
	<u>122</u>	<u>64</u>	<u>16</u>	<u>121</u>

According to a sublease agreement, lease payments of £57,420 (31 December 2014: £4,546; 31 December 2013: £55,000, 31 December 2012: £nil) (included above as payments within one year) and £38,150 (31 December 2014: £nil; 31 December 2013: £5,000, 31 December 2012: £nil) (included above as payments between two years and five years) should be paid by the sub-tenant.

22. Capital commitments

At 30 June 2015, 31 December 2014, 2013 and 2012 there were no capital commitments.

23. Related party transactions

IAS 24 'Related Party Transactions' requires the disclosure of the details of material transactions between reporting entities and related parties. The Group has taken advantage of the exemption under IAS 24 not to disclose transactions between companies which are eliminated on consolidation.

The following related party transactions are required to be disclosed in accordance with IAS24:

- In 2013 consultancy fees of £5,000 (2012: £nil) were paid to J Sinclair, son of Dr Michael Sinclair who was the non-executive chairman of the company.
- In 2015 subcontractors fees of £27,180 were paid to Totally Communications Ltd of which Andy Margolis is a director and shareholder (2014: £39,300; 2013: £nil).
- Details of directors' loans are included in note 13.

24. Discontinued operations

Digital Marketing – On 19 December 2013, Totally announced the sale of its digital marketing business to Crisp Works Limited. The total consideration from the sale was £300,000: £75,000 was received in December 2013, £200,000 was used by the Company for full and final settlement of outstanding intercompany loans with Totally Communications and £25,000 was paid on the anniversary of the first payment.

UK publishing – On 15 May 2012, Totally announced the sale of its UK publishing business to JN News and Media Group Limited. The net consideration receivable during 2012 was £210,000 and during 2013 an amount of £57,000 was repaid to the purchaser. The proceeds of the disposal were used to reduce indebtedness and to fund the working capital requirement of the Group.

The Group had sufficient current year tax losses to offset the profit on disposals of subsidiaries. Therefore, no income tax charge or credit arose in respect of the disposals.

The profit of £96,000 on disposal of subsidiary, in the year ended 31 December 2014, included release of provisions for liabilities that were accrued on disposal but were subsequently not incurred.

25. Notes to the cash flow information

(a) **Non cash transactions**

	<i>Year ended 31 December 2012 £'000</i>	<i>Year ended 31 December 2013 £'000</i>	<i>Year ended 31 December 2014 £'000</i>	<i>Unaudited 6 months ended 30 June 2015 £'000</i>
Consideration from sale of subsidiary used for settlement of intercompany loan	–	200	–	–
Issue of shares to directors in lieu of unpaid fees	–	72	–	–
Release of provisions for liabilities on disposal of subsidiary	–	–	96	–
	<u>–</u>	<u>–</u>	<u>96</u>	<u>–</u>

(b) **Cash flows relating to discontinued activities**

	<i>Year ended 31 December 2012 £'000</i>	<i>Year ended 31 December 2013 £'000</i>	<i>Year ended 31 December 2014 £'000</i>	<i>Unaudited 6 months ended 30 June 2015 £'000</i>
From operating activities	(55)	(14)	–	–
From investing activities	(25)	(11)	–	–
From financing activities	–	–	–	–

26. Events after the reporting date

Share capital

On 24 August 2015 the company issued 570,776 new ordinary shares of 0.1 pence each in satisfaction of fees payable to Jack Clipsham for the quarter to 12 August 2015, as previously disclosed and as per the terms of his letter of appointment. These new Ordinary Shares were issued at a price of 0.219 pence each, being the average mid-market closing price of the Company's Ordinary Shares over the last five trading days prior to the end of the quarter to which the fees relate.

On 14 September 2015 shareholders approved the conditions attaching to the raising of £1,050,000 (before expenses) by way of a Subscription with institutional and other investors and the consolidation of the Company's existing ordinary shares of 0.1p each into new ordinary shares of 10p each on the basis that each 100 existing ordinary shares of 0.1p each were to be consolidated into 1 new ordinary share of 10p, disregarding fractions. The Subscription was therefore effected at a price of 17.5 pence per new ordinary share of 10p, which is equivalent to 0.175 pence per existing ordinary share of 0.1p each.

On 25 September 2015, the Company issued 3,787 new ordinary shares of 10 pence each in satisfaction of part of the fees payable to Jack Clipsham in respect of his contractual notice period. These new Ordinary Shares were issued at a price of 33 pence per share, being the average mid-market closing price of the Company's Ordinary Shares for the five trading days after the announcement of Mr Clipsham's resignation on 25 September 2015.

At 1 January 2016 the Company had an ordinary share capital of 9,994,953 shares of 10 pence per share.

Share options

On 11 November 2015 the Company granted 350,000 options to subscribe for new ordinary shares of 10 pence each in the Company. The Options have an exercise price of 44 pence per share, being the closing mid-market price of Ordinary Shares on 11 November 2015. The Options will vest on the third anniversary of the Grant Date and will expire on the tenth anniversary of the Grant Date.

The Options have been granted under the Company's EMI approved share option scheme ("EMI Approved Options") and the Company's unapproved share option scheme ("Non-EMI Approved Options"). The Options were issued to Executive Directors are detailed below:

<i>Name</i>	<i>Number of Options granted</i>	<i>Type of Option granted</i>	<i>Percentage of current issued ordinary share capital</i>
Wendy Lawrence	250,000	EMI Approved Options	2.50%
Donald Baladasan	100,000	Non-EMI Approved Options	1.00%

All of Totally's previous share options have now either lapsed or have been superseded by the grant of the options. Accordingly, the total number of options to subscribe for new Ordinary Shares in the Company is now 350,000, representing 3.50 per cent. of the Company's current issued ordinary share capital.

Since 30 June 2015 there has not been any other matter or circumstance that has or may significantly affect the operations of Totally plc.

PART V

UNAUDITED PRO FORMA FINANCIAL INFORMATION

SECTION A: ACCOUNTANT'S REPORT ON TOTALLY PLC UNAUDITED PRO FORMA FINANCIAL INFORMATION

The Directors
Totally plc
Lighterman House
26-36 Wharfdale Road
London N1 9RY

The Directors
Allenby Capital Limited
3 St. Helen's Place
London EC3A 6AB



14 March 2016

Dear Sirs

Totally plc (the 'Company') – Admission to the AIM Market of the London Stock Exchange ("AIM")

We report on the unaudited pro forma consolidated statement of net assets set out in Section B of this Part V, which has been prepared for inclusion in the admission document issued by the Company and dated 14 March 2016 (the "Admission Document") relating to the Proposed Subscription of 10,000,000 new Ordinary Shares at 62p per share and the admission of the enlarged share capital to trading on AIM. The statement has been prepared for illustrative purposes only, on the basis set out therein, to provide information about how the proposed acquisition of Premier by the Company and subscription of 10,000,000 new Ordinary Shares at 62p per share might have affected the financial information on the Company as at 14 March 2016. This report is required by paragraph 20.2 of Annex I of the Prospectus Rules as applied by part (a) of Schedule Two to the AIM Rules and is given for the purpose of complying with the AIM Rules and no other purpose.

Responsibilities

It is the responsibility of the Directors of the Company to prepare the pro forma consolidated statement of net assets in accordance with paragraph 20.2 of Annex I of the Prospectus Rules as applied by part (a) of Schedule Two to the AIM Rules.

It is our responsibility to form an opinion, as required by paragraph 7 of Annex II of the Prospectus Rules as applied by part (a) of Schedule Two to the AIM Rules, as to the proper compilation of the pro forma consolidated statement of net assets and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the pro forma consolidated statement of net assets, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of opinion

We conducted our work in accordance with the Standards for of Investment Reporting Standards issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information,

consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the pro forma consolidated statement of net assets with the Directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the pro forma consolidated statement of net assets has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Opinion

In our opinion:

- (a) the pro forma consolidated statement of net assets has been properly compiled on the basis stated;
and
- (b) such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of part (a) of Schedule Two to the AIM Rules we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules.

Yours faithfully

RPG CROUCH CHAPMAN LLP

Chartered Accountants

SECTION B: TOTALLY PLC UNAUDITED PRO FORMA FINANCIAL INFORMATION

Set out below is an unaudited consolidated pro forma statement of net assets of Totally plc, which has been prepared by the Directors on the basis of the notes set out below.

It is solely the responsibility of the Directors to prepare the consolidated pro forma statement of net assets. The consolidated pro forma statement of net assets has been prepared by the Directors to illustrate how the proposed acquisition of Premier by the Company and subscription of 10,000,000 new Ordinary Shares at 62p per share, would have affected the financial information of the Company as at 14 March 2016.

The unaudited consolidated pro forma statement of net assets has been prepared for illustrative purposes only and, because it addresses a hypothetical situation, does not represent the Company's actual consolidated financial position either prior to or following the proposed transactions.

	<i>Totally</i> <i>As at</i> <i>30 June</i> <i>2015</i> <i>£000</i>	<i>Premier</i> <i>As at</i> <i>30 September</i> <i>2015</i> <i>£000</i>	<i>Pro forma</i> <i>adjustments</i> <i>Notes 1 – 5</i> <i>£000</i>	<i>Pro forma</i> <i>net assets of</i> <i>the Enlarged</i> <i>Group</i> <i>£000</i>
Assets				
Non-current assets				
Intangible assets	–	–	5,001	5,001
Property, plant and equipment	5	5	–	10
Total non-current assets	<u>5</u>	<u>5</u>	<u>5,001</u>	<u>5,011</u>
Current assets				
Trade and other receivables	194	548	–	742
Cash and cash equivalents	73	12	5,498	5,583
Total current assets	<u>267</u>	<u>560</u>	<u>5,498</u>	<u>6,325</u>
Total assets	<u>272</u>	<u>565</u>	<u>10,499</u>	<u>11,336</u>
Liabilities				
Current liabilities				
Trade and other payables	(468)	(365)	(105)	(938)
Borrowings	–	(82)	–	(82)
Total current liabilities	<u>(468)</u>	<u>(447)</u>	<u>(105)</u>	<u>(1,020)</u>
Net current assets/ (liabilities)	(201)	113	5,393	5,305
Non-current liabilities				
Borrowings	–	(25)	25	–
Deferred consideration	–	–	(4,644)	(4,644)
Total non-current liabilities	<u>–</u>	<u>(25)</u>	<u>(4,619)</u>	<u>(4,644)</u>
Total liabilities	<u>(468)</u>	<u>(472)</u>	<u>(4,724)</u>	<u>(5,664)</u>
Total net assets/(liabilities)	<u>(196)</u>	<u>93</u>	<u>5,775</u>	<u>5,672</u>

Notes:

1. The net assets of the Company as 30 June 2015 have been extracted without adjustment from the financial information on Totally set out in Section B of Part IV of this document. No adjustments have been made to reflect the activities of the Company subsequent to 30 June 2015.
2. The net assets of Premier as at 30 September 2015 have been extracted without adjustment from the financial information on Premier set out in Section B of Part III of this Admission Document. No adjustments have been made to reflect the activities of Premier subsequent to 30 September 2015.
3. An adjustment has been made to reflect the estimated goodwill of £5.001 million arising on the acquisition of Premier. This is an approximation only and may differ from the goodwill in the consolidated financial statements of the Enlarged Group. In calculating goodwill, no fair value adjustments have been made as a result of the acquisition of Premier.
4. The unaudited consolidated pro forma statement of net assets assumes an acquisition cost of £5.1 million payable in instalments via the mechanism set out in Section 9 of Part I of this Admission Document.
5. The Subscription which comprises the issue of 10,000,000 new Ordinary Shares at a price of 62 pence each by the Company to raise (gross) £6.20 million, as further detailed in Part I of this Admission Document. The one-off costs of the Subscription and Acquisition which are expected to be approximately £0.33 million comprising accountancy, legal, financial and corporate finance advice, and other related transaction costs. It is anticipated that these costs will be payable in cash.

PART VI

ADDITIONAL INFORMATION

1. Responsibility

The Directors, whose names appear below in paragraph 7 of this Part VI, and the Company, accept responsibility, both individually and collectively for the information contained in this Document. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case) the information contained in this Document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information. **The Independent Directors accept sole responsibility for the recommendation set out on page 30 of Part I of this Document.**

2. The Company and its subsidiaries

- 2.1 The Company is registered in England and Wales, having been incorporated under the Companies Act 1985 as a private company limited by shares with the name Totally Limited on 28 October 1999 with registered number 03870101. The Company was re-registered as a public company on 20 January 2000. The Company's issued share capital was admitted to trading on AIM on 28 November 2000.
- 2.2 The liability of members is limited. The principal legislation under which the Company operates is the Act and the regulations made thereunder.
- 2.3 The Company operates in the healthcare sector. The Company's principal activity is to deliver care solutions that deliver positive health and financial outcomes to the individual and related stakeholders.
- 2.4 The Company's registered office and principal place of business is at Lighterman House, 26-36 Wharfdale Road, London, England, N1 9RY. The telephone number at the Company's principal place of business is +44 (0)20 3077 2202.
- 2.5 The Existing Ordinary Shares were created pursuant to the Companies Act 1985 and the Act.
- 2.6 On Admission, the Company will be the holding company of the Enlarged Group and will, directly or indirectly, own the following companies:

<i>Name</i>	<i>Principal Activity</i>	<i>Holding</i>	<i>Registered</i>
Premier (CRN: 03376266)	Trading company	100%	England and Wales
Totally Health Limited (CRN: 07852893)	Trading company	100%	England and Wales
Premier Ergonomics Limited (CRN: 06657435)	Trading company	100% owned by Premier	England and Wales
Core Ergonomics Limited (CRN: 06910792)	Trading company	90% owned by Premier and 10% owned by The Healthyworking Partnership LLP Limited (CRN: 06548026)	England and Wales
Premier Sport & Health Therapy Limited (CRN: 08872354)	Trading company	100% owned by Premier	England and Wales

3. Share Capital

- 3.1 The following are details of the changes in the issued share capital of the Company since 1 January 2012.
- 3.1.1 As at 1 January 2012, the issued share capital comprised 91,947,934 ordinary shares of £0.01 and 20,500,000 deferred shares of £0.01.

- 3.1.2 On 17 December 2012 56,838,341 ordinary shares of £0.01 each were issued at £0.01 per share following the exercise of warrants.
- 3.1.3 On 10 January 2013, 56,838,340 ordinary shares of £0.01 each were issued at £0.01 per share following the exercise of warrants.
- 3.1.4 On 26 September 2013, a share capital reorganisation took place whereby each of the 205,624,615 ordinary shares of £0.01 each was subdivided into 10 ordinary shares of £0.001 and one deferred share of £0.009 and each of the 20,500,000 deferred shares of £0.01 was subdivided into 1.111111 Deferred Shares of £0.009. The deferred shares carry no voting rights, no rights to attend general meetings of the Company and no rights to receive dividends. The Deferred Shares do carry a right to participate in any return of capital to the extent of £0.0001 per Deferred Share but only after each Ordinary Share has received in aggregate capital repayments totalling £1,000,000 per Ordinary Share.
- 3.1.5 On 26 September 2013, 111,992,835 ordinary shares of £0.001 were issued at £0.006 per share in a placing.
- 3.1.6 On 14 August 2014, 80,000,000 ordinary shares of £0.001 were issued at £0.005 per share in a placing.
- 3.1.7 On 12 February 2015, 403,226 ordinary shares of £0.001 were issued at £0.0031 per share as satisfaction of fees payable to Jack Clipsham (a former non-executive director of the Company).
- 3.1.8 On 12 May 2015, 525,210 ordinary shares of £0.001 were issued at £0.00238 per share as satisfaction of fees payable to Jack Clipsham (a former non-executive director of the Company).
- 3.1.9 On 19 August 2015, 570,776 ordinary shares of £0.001 were issued at £0.00219 per share as satisfaction of fees payable to Jack Clipsham (a former non-executive director of the Company).
- 3.1.10 On 14 September 2015, a share capital reorganisation took place whereby every 100 ordinary shares of £0.001 were consolidated into one Ordinary Share.
- 3.1.11 On 14 September 2015, 6,000,000 Ordinary Shares were issued at £0.175 per share by way of subscription.
- 3.1.12 On 12 October 2015, 3,787 Ordinary Shares were issued at £0.33 per share as satisfaction of fees payable to Jack Clipsham (a former non-executive director of the Company).
- 3.2 Save as referred to in this paragraph 3 and in paragraph 4, no share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.
- 3.3 The Company does not have any securities in issue not representing share capital.
- 3.4 No shares in the capital of the Company are held by or on behalf of the Company or by any subsidiaries of the Company.
- 3.5 Save as referred to in this paragraph 3, in paragraph 10 and in paragraph 4 of this Part VI, there are no acquisition rights or obligations over unissued capital or undertakings to increase the capital of the Company.
- 3.6 At the General Meeting, resolutions of the Company are to be proposed that, *inter alia*,:
- 3.6.1 the Directors be generally and unconditionally authorised pursuant to section 551 of the Act to exercise all and any powers of the Company to;
- 3.6.1.1 allot the Subscription Shares;
- 3.6.1.2 allot up to 2,057,500 Ordinary Shares in respect of the Acquisition; and

3.6.1.3 allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("Rights") up to an aggregate nominal amount of £799,798,

provided that the authority granted by this resolution shall, unless renewed, varied or revoked by the Company, expire on the earlier of fifteen months from the date of passing this resolution or at the Company's next annual general meeting, except that the Company may, before it expires make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the directors may allot shares or grant Rights in pursuance of that offer or agreement.

This authority is in substitution for all previous authorities conferred on the directors in accordance with section 551 of the Act to the extent not utilised at the date it is passed.

3.6.2 the Directors be given power in accordance with sections 570 and 571 of the Act, to allot equity securities (as defined in section 560 of the Act) as if section 561(1) of the Act did not apply to such allotment provided that such authority shall be limited to (i) the allotment of the Subscription Shares and (ii) the allotment of equity securities in connection with a rights or similar issue and the allotment of equity securities up to an aggregate nominal amount of £399,899 and shall expire on the earlier of fifteen months from the date of passing of the resolution or at the Company's next annual general meeting. Such authority will extend so that the Company may, before authority expires under the resolution, make an offer or agreement which would or might require equity securities to be allotted after it expires and the Directors may allot equity securities pursuant to that offer or agreement.

3.7 The Directors intend to exercise the authorities described in paragraphs 3.6.1 and 3.6.2 to issue 10,000,000 new Ordinary Shares pursuant to the Subscription (representing approximately 50.01 per cent. of the Enlarged Share Capital).

3.8 The Subscription will result in the issue of 10,000,000 new Ordinary Shares on Admission. The Company's issued share capital as at the date of this Document is and immediately following Admission will be:

<i>Class of shares</i>	<i>Number of shares</i>		<i>Nominal value (£)</i>	
	<i>at the date of this Admission Document</i>	<i>following Admission</i>	<i>at the date of this Admission Document</i>	<i>following Admission</i>
Ordinary Shares	9,994,953	19,994,953	£999,495.30	£1,999,495.30
Deferred Shares of £0.009	228,402,392	228,402,392	£2,056,621.53	£2,056,621.53

3.9 The issue of the Subscription Shares pursuant to the Subscription will dilute the Existing Ordinary Shares by 50.01 per cent.

4. Share Option Scheme and Warrants

4.1 The following options in relation to the Ordinary Shares have been issued:

<i>Option</i>	<i>Number of shares</i>	<i>Exercise price per share (p)</i>	<i>Date option granted</i>	<i>Expiry date</i>
Wendy Lawrence	250,000	44	11.11.15	11.11.25
Don Baladasan	100,000	44	11.11.15	11.11.25

- 4.2 The following warrants in relation to Ordinary Shares have been granted and are outstanding as at the date of this Document:

<i>Number of warrants</i>	<i>Exercise price per share (p)</i>	<i>Date warrant granted</i>	<i>Expiry date</i>
350,000	100	30.09.08	n/a
1,666	100	08.10.09	08.10.19
56,838	120	11.06.13	11.06.16
19,125	60	26.09.13	26.09.16
<u>427,629</u>			

- 4.3 As at the date of this Admission Document, (save as set out in this paragraph 4) no warrants or options over Ordinary Shares have been granted by the Company.

5. Memorandum and Articles of Association

The provisions of the Company's memorandum of association and articles of association are summarised as set out below:

Memorandum of Association

- 5.1 On 1 October 2009, by virtue of section 28 of the Act, the provisions of the Company's memorandum of association setting out its objects were deemed to be part of the Company's articles of association. The articles of association that were deemed to include the memorandum of association of the Company were subsequently replaced by the current Articles and so the Company's objects are now unlimited.

Articles of Association

5.2 Adoption

The Articles were adopted by special resolution on 25 July 2013 and contain the provisions (amongst others) set out below.

5.3 Meetings of members

Annual general meetings must be held within six months from the day following the Company's accounting reference date at such time and place as may be determined by the Directors. Annual general meetings are called on twenty one clear days' notice in writing.

All other general meetings may be called whenever the directors think fit or when a meeting has been requisitioned in accordance with the Act. No business shall be transacted at such a meeting except that stated by the requisition or proposed by the Board. General meetings are called on fourteen clear days' notice in writing (including in electronic form).

A general meeting notice must specify the place, date and time of the meeting, the general nature of the business to be dealt with at the meeting, in the case of an annual general meeting it shall specify the meeting as such, and shall prominently specify that a member entitled to attend and vote is entitled to appoint one or more proxies to attend, speak and vote instead of him at the meeting and that a proxy need not also be a member. A notice is to be given to all members entitled to receive the notice, the directors, the auditors and to any other person entitled to receive it.

The accidental omission to give notice of a meeting or to send a form of proxy shall not invalidate the proceedings of that meeting.

An annual general meeting may be called on shorter notice providing all members entitled to attend and vote thereat agree. A general meeting can be called on shorter notice if a majority in number of the members having a right to attend and vote at the general meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right, agree.

Two members present in person or by proxy or by a duly authorised corporate representative of a corporation which is a member and entitled to vote shall be a quorum for all purposes.

Shareholders need not attend a meeting of the Company in person but can do so by way of a validly appointed proxy. Proxies are appointed in accordance with the Articles. In order to be validly appointed, details of the proxy must be lodged at the Company's registered office no later than 48 hours before the commencement of the relevant meeting (although a later time may be specified by notice of the meeting) or in the case of a poll which is not taken at or on the same day as the meeting, not less than 48 hours prior to the taking of the poll. Failure to lodge details of the appointed proxy in accordance with the Articles will result in the proxy note being treated as valid.

5.4 *Voting rights*

A resolution put to a vote at a general meeting shall be decided on a show of hands, unless before, or upon the declaration of the result of the show of hands a poll is demanded by the chairman of the meeting, by not less than five members present in person or by proxy and entitled to vote at the meeting, by a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote, or by a member or members present in person or by proxy holding shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

Subject to paragraph 5.12 below, and to any special rights or restrictions as to voting attached to any shares or to any suspension or abrogation of voting rights, on a show of hands every member who is present in person or by a duly authorised representative (in the case of a member which is a corporation) shall have one vote and every proxy present who has been duly appointed by a member entitled to vote on the resolution, has one vote, and on a poll every member present in person or by proxy or by duly authorised representative (in the case of a member which is a corporation) shall have one vote for every share of which he is the holder.

In the case of joint holders, the senior who tenders the vote in person or by proxy, shall be accepted to the exclusion of the other votes of the other joint holders and for this purpose seniority is determined by the order in which the names stand in the Register in respect of the share.

5.5 *Deferred Shares Rights and Restrictions*

5.5.1 The Deferred Shares are not redeemable. Upon a return of assets as a winding up, liquidation, capital reduction or alternative the Deferred Shares holders shall only be entitled to £0.01 pence per Deferred Share but only after the holders of the ordinary Shares have in aggregate received capital repayments totalling £1,000,000 per Ordinary Share.

5.5.2 The holder of deferred shares shall not:

- 5.5.2.1 be entitled to receive notice of, or attend, or vote at any general meetings of the Company;
- 5.5.2.2 be entitled to participate in a dividend or other distribution declared or paid by the Company
- 5.5.2.3 be capable of transferring the deferred shares unless the holder has the written consent of the Board.

5.5.3 The Board is irrevocably authorised to:

- 5.5.3.1 appoint any person to execute on behalf of the Deferred Shares holder(s) a transfer of Deferred Shares for no consideration to any person as the Board may determine as custodian therefore with full beneficial entitlement
- 5.5.3.2 agree on behalf of the Deferred Shares holder(s) (including a custodian as noted in paragraph 5.5.2.1) the purchase by the Company of the Deferred Shares for a total consideration of £0.01 for all of the Deferred Shares
- 5.5.3.3 do all things necessary or desirable to give effect to a purchase under paragraph 5.5.2.2 above.

5.6 *Alteration of capital*

Subject to the provisions of the Act and to any relevant authority of the Company in general meeting required by the Act, all shares shall be at the disposal of the Board who may allot, (with or without conferring rights of renunciation) grant options over or warrants in respect of, offer or otherwise deal with or dispose of them or grant rights to subscribe for or convert any securities into shares, to such person, at such times and generally on such terms and conditions as they may determine, provided that no share shall be issued at a discount.

Subject to the provisions of the Act and to any special rights attaching to any shares, the Company may issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shares and the Company shall have power to purchase its own shares, including redeemable shares. Any shares to be so purchased may be selected in any manner whatsoever.

The Company may by Ordinary Resolution and in accordance with the Act consolidate and divide all or any of its share capital into shares of larger amount than its existing shares, redenominate all or any of its shares, subdivide its shares or any of them into shares of a smaller amount, and determine that from such subdivision any of those shares may have such rights as the Company has the power to attach to such shares.

The Company may by special resolution reduce its share capital and any capital redemption reserve and any share premium account in any manner subject to the provisions of the Act and any special rights attached to any shares.

5.7 *Variation of rights*

If at any time the capital of the Company is divided into different classes of shares, all or any of the rights or privileges attached to any class of shares in the Company may be varied or abrogated either in such manner as may be provided by such rights or with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class (excluding shares held in treasury) or with the sanction of a special resolution passed at a separate general meeting of the holders of that class of shares.

At every such separate general meeting the provisions of the Articles relating to general meetings or proceedings there at shall apply, except as provided for by section 334 of the Act.

The rights conferred on preferred shareholders shall not be deemed to be varied by the issue or creation of further shares ranking in some or all respects *pari passu* therewith, or subsequent to those already issued or by the reduction of capital paid up on such shares or the purchase or redemption by the Company of its own shares.

5.8 *Return of capital*

The Company may upon the recommendation of the Directors resolve by ordinary resolution in a general meeting to capitalise any undivided profits of the Company standing to the credit of the profit and loss account or otherwise and available for distribution (not being required for dividends) and accordingly the Director may be authorised to appropriate the capitalised profits to the members who would have been entitled thereto if distributed by way of dividend in the same proportions on the condition that it not be paid in cash but be applied in paying towards amounts unpaid on any shares held by such members or paying up in full unissued shares or debentures of the Company to be allotted and credited as fully paid in the proportions aforesaid.

The Company may upon the recommendation of the Directors resolve in a general meeting and in accordance with the Act, to capitalise any amount standing to the credit of any reserve account of the Company (including the share premium account and capital redemption reserve) or its profit and loss account by applying such sum in paying up in full unissued shares to be allotted and credited as fully paid to the members who would be entitled to that sum if it were distributed by way of a dividend.

Subject to paragraph 5.5 above, if the Company shall be wound up (whether the liquidation is altogether voluntary, under supervision or by the court) the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the

members in specie or in kind the whole or any part of the assets of the Company, those assets to be set at such value as he deems fair. A liquidator may also vest the whole or any part of the assets of the Company in trustees on trusts for the benefit of the members, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any shares in respect of which there is a liability.

A special resolution sanctioning the transfer or sale to another company duly passed pursuant to section 110 of the Insolvency Act 1986 may in a like manner authorise the distribution of any shares or other consideration receivable by the liquidator among the members otherwise than in accordance with their existing rights, and any such determination shall be binding on all the members, subject to the right of dissent and consequential rights conferred by the said section.

5.9 *Transfer of shares*

Subject to paragraph 5.5 above and 5.12 below, each member may transfer all or any of his shares by instrument of transfer in writing in any usual form or in any form approved by the Board.

The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The Transferor shall be deemed to remain the holder of the share until the name of the transferee is entered on the Register in respect thereof.

The Board may in its absolute discretion without giving any reason refuse to register any transfer of a share (or renunciation or renounceable letter of allotment) unless the transfer is in respect of fully paid shares and the transfer instrument is duly stamped, is in respect of only one class of share, is in favour of not more than four transferees and is accompanied by the share certificate and any other evidence of title required by the Board and that the provisions in the Articles relating to the deposit of instruments for transfer have been complied with.

If the directors refuse to register a transfer, they shall within whichever is the earlier of the time required by the AIM Rules or two months of the date on which the instrument of transfer was lodged with the Company send to the transferee notice of refusal.

5.10 *Dividends and other distributions*

Subject to paragraph 5.12 below, the profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Company may in general meeting declare dividends accordingly. No dividend shall exceed the amount recommended by the Directors.

All dividends shall be apportioned and paid pro rata according to the amount paid up on the shares. Directors can at their discretion pay interim dividends to members in any amount that appears to them to be justified by the distributable profits of the Company and the position of the Company, subject to the provisions of Act. The directors can at their discretion pay dividends in respect of different classes of shares provided shares with preferential dividend rights are paid dividends on first.

The Directors may deduct from any dividend or other monies payable to any member all sums presently payable by such member to the Company on account of calls or otherwise in relation to shares of the Company. No dividend or other monies payable to any member shall bear interest as against the Company unless provided for in the share rights. All dividends unclaimed for a period of 12 years after the payment date for such dividend shall be forfeited and shall revert to the Company.

The Board may if authorised by an ordinary resolution of the Company and subject to such terms and conditions as the Board may determine, offer any holder of ordinary shares the right to elect to receive additional ordinary shares, credited as fully paid, in lieu of cash in respect of any dividend or any part of any dividend specified by the ordinary resolution.

5.11 *Pre-emption rights*

There are no rights of pre-emption under the Articles in respect of transfers of issued ordinary shares.

In certain circumstances, the Company's shareholders have statutory pre-emption rights under the Act in respect of the allotment of new shares in capital of the Company. These statutory pre-emption rights require the Company to offer new shares for allotment by existing shareholders on a pro rata basis before allotment to other persons.

Pursuant to Resolution 3 of the GM, authority is being sought dis-apply statutory pre-emption rights in respect of the Consideration Shares and Subscription Shares, with such authority to expire on the earlier of the date of the Company's next annual general meeting or the expiry of 15 months from the date of the resolution.

5.12 *Restrictions on shares*

If a member or any other person appearing to be interested in shares held by such member has been duly served with notice under section 793 of the Act and is in default in supplying to the Company within the relevant period (as defined in Article 19.8) the information thereby, required, then (if the Directors so resolve) such member shall not be entitled to vote or to exercise any right conferred by membership in relation to meetings of the Company in respect of the shares which are the subject of such notice. Where the holding represents more than 0.25 per cent. of the issued shares of that class, the payment of dividends may be withheld, and such member shall not be entitled to transfer such shares otherwise than by an arm's length sale.

5.13 *Directors*

Subject to the provisions of the Articles and the Act, the business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Act or by the Articles required to be exercised by the Company in general meeting.

Questions arising at any meeting of the Directors shall be determined by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Director who is also an alternate Director shall be entitled in the absence of his appointor to a separate vote on behalf of the Director he is representing in addition to his own vote.

The quorum necessary for the transaction of the business of the Director may be fixed by the Directors, and unless so fixed at any other number shall be two.

Save as provided in the Articles, a director shall not vote as a director in respect of any contract, transaction or arrangement or proposed contract, transaction or arrangement or any other proposal in which he has any interest which conflicts or which may conflict with the interests of the Company. He will not be counted in the quorum present at the meeting, and if he does vote, his vote shall not be counted.

A director shall (in the absence of any other interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution relating to any of the following matters namely:

- (a) the giving of any security, guarantee or indemnity in respect of money lent or obligations incurred by him or by any other person connected with him at the request of or for the benefit of the Company or any of its subsidiary undertakings;
- (b) the giving of any security, guarantee or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which the director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (c) any proposal concerning the adoption, modification or operation of a superannuation fund, retirement benefits scheme, share option scheme or share incentive scheme under which he may benefit;
- (d) any proposal concerning an offer for subscription or purchase of shares or debentures or other securities or rights of or by the Company or any of its subsidiary undertakings for which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
- (e) any matter involving any other company in which he or any person connected with him is interested, directly or indirectly, and whether as an officer, employee, shareholder or otherwise howsoever, provided that he is not, and any persons connected with him are not, to his

knowledge the holder (otherwise than as a nominee for the Company or any of its subsidiary undertakings) of or beneficially interested in one per cent, or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for this purpose to be a material interest in all circumstances); and

- (f) the purchase and/or maintenance of any insurance policy for the benefit of directors or for the benefit of persons including directors.

Fees may be paid out of the funds of the Company to directors who are not managing or executive directors at such rates as the Directors may from time to time determine provided that such fees do not exceed the sum of £150,000 per annum (exclusive of value added tax if applicable) in aggregate or such other figure as the Company may by ordinary resolution from time to time determine.

Any director who devotes special attention to the business of the Company, or otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a director, may be paid such additional remuneration as the Directors or any committee authorised by the Directors may determine.

The Directors shall be entitled to be paid out of the funds of the Company all their travelling, hotel and other expenses properly incurred by them in connection with the business of the Company, including their expenses of travelling to and from meetings of the Directors, committee meetings or general meetings.

Any Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of director and, subject to the Act, on such terms as to remuneration and otherwise as the Board shall arrange.

No shareholding qualification is required by a Director. Unless otherwise determined by ordinary resolution of the Company, the number of Directors (other than alternate Directors) shall not be less than two. The number of directors is not subject to any maximum number save as may from time to time by way of ordinary resolution be fixed or varied.

The members of the Company may pass an ordinary resolution to fill the vacancy of a retiring director either by electing the retiring director or by appointing some other eligible person.

Subject to the Act, the Company may by ordinary resolution remove a Director (including a Director holding executive office) before his expiration of his period of office (but such removal shall be without prejudice to any claim such Director may have for a breach of contract of service between him and the Company).

Each Director (other than an alternate Director) may at any time appoint another Director or (subject to the approval of a majority of the Directors for the time being) any other person to be an alternate Director of the Company, and may at any time remove any alternate Director so appointed by him from office and, subject to any requisite approval as aforesaid, appoint another person in his place.

A director need not be a member of the Company but shall be entitled to receive notice of and attend and speak at all general meeting of the Company and all separate meetings of the holders of any class of securities of the Company.

The directors may from time to time appoint any one of their number to an executive office on such terms as they think fit. Such a Director shall be taken into account in determining the retirement by rotation and be subject to the same provisions of resignation and removal as the other Directors. Such a Director may receive such remuneration as the directors may determine. An appointment of executive office shall cease immediately upon ceasing to be a director.

The directors may appoint any person to be a director, either to fill a casual vacancy or by way of addition of their number, but the total number of directors shall not exceed the maximum number fixed by or in accordance with the Articles. Any director so appointed shall retire from office at the next annual general meeting of the Company but shall then be eligible for re-appointment. Such a

director shall not be taken into account when determining which directors shall retire by rotation at an annual general meeting.

Any contract of employment entered into by a Director with the Company shall not include a term that it is to continue, or may be continued, otherwise than at the instance of the Company, for a period of more than 2 years during which the employment either cannot be terminated by the Company by notice or can be so terminated only in specified circumstances unless such term is first approved by an ordinary resolution of the Company.

At each annual general meeting one third of the directors who are subject to retirement by rotation (or if the number is not a multiple of three, this shall be rounded down to the nearest whole number) for the time being shall retire from office. A retiring director shall retain office until the close of the meeting at which he retires unless he is replaced at that meeting. The directors to retire at each annual general meeting will, first, be the directors who have been longest in office since their last appointment. As between directors who have been in office an equal length of time, the directors to retire shall, unless they shall otherwise agree among themselves, be selected from among them by lot. The retiring directors shall be eligible for re-appointment.

No other director other than a director retiring at the meeting shall be appointed or re-appointed unless not less than seven and no more than forty-eight days before the date appointed for the meeting, notice executed by a member entitled to vote at the meeting (and not the person being proposed) has been given to the Company of the intention for that person to be appointed or reappointed, which must state the particular which would be added to the Company's register of directors, together with notice executed by the person being proposed of his willingness to be appointed.

5.14 *Borrowing Powers*

Subject to the remaining provisions of Article 29 and the Act, the directors may exercise all the powers of the Company to borrow or raise money to mortgage or charge all or any of its undertaking, property, assets (present and future) and uncalled capital to issue debentures and other securities, and to give security whether outright or as collateral security for any debt, liabilities or obligations of the Company, any subsidiary of the Company or any third party.

6. **Interests and Dealings of the Directors and Significant Shareholders**

6.1 In addition to the options set out in paragraph 4 of this Part VI, the interests of the Directors and the persons connected with them (within the meaning of section 252-255 of the Act) in the share capital of the Company as at the date of this Document and as they are expected to be immediately following Admission are as follows:

<i>Director</i>	<i>As at the date of the Admission Document</i>		<i>On Admission</i>	
	<i>Ordinary Shares</i>	<i>%</i>	<i>Ordinary Shares</i>	<i>%</i>
Robert Holt	600,000	6.01	800,000	4.00
Wendy Lawrence	16,666	0.17	56,666	0.28
Donald Baladasan	67,780	0.68	107,780	0.54
Anthony Bourne	–	–	161,000	0.81
Michael Rogers	–	–	16,000	0.08

6.2 So far as the Directors are aware, the only persons who are directly or indirectly interested (within in the meaning of Chapter 5 of the DTR) in 3 per cent. or more of the Ordinary Shares in issue as at the date of this Admission Document, and (based on the information available as at the date of this Admission Document) immediately following Admission (as appropriate) are as follows:

<i>Shareholder</i>	<i>As at the date of the Admission Document</i>		<i>On Admission</i>	
	<i>Ordinary Shares</i>	<i>%</i>	<i>Ordinary Shares</i>	<i>%</i>
Unicorn Asset Management Ltd	900,000	9.01	4,850,000	24.26
Seneca Partners Ltd	900,000	9.01	2,916,000	14.58
Schroders Plc	515,000	5.15	1,995,000	9.98
Miton Asset Management Ltd	900,000	9.01	1,800,000	9.00
Optiva Securities Ltd	900,000	9.01	1,198,710	6.00
Livingbridge VC LLP	900,000	9.01	900,000	4.50
Robert Holt	600,000	6.01	800,000	4.00

- 6.3 The Company's significant shareholders listed above do not have and on Admission will not have different voting rights to the Company's other shareholders.
- 6.4 As at 14 March 2016 (being the latest practicable date prior to publication of this Document) and save as disclosed in this paragraph 6, the Directors are not aware of any person or persons who, directly or indirectly, jointly or severally, following the implementation of the Proposals own or exercise or could own or exercise control over the Company.
- 6.5 Save as disclosed in this Document, the Company is not aware of any arrangements which may at a subsequent date result in a change of control in the Company.
- 6.6 There are no mandatory takeover bids outstanding in respect of the Company and none has been made either in the last financial year or the current financial year of the Company. No public takeover bids have been made by third parties in respect of the Company's issued share capital in the current financial year nor in the last financial year.
- 6.7 Save as set out in this paragraph 6, following Admission neither the Directors nor any person connected with the Directors (within the meaning of section 809 of the Act) is expected to have any interest, beneficial or non-beneficial, in the share or loan capital of any member of the Enlarged Group.
- 6.8 Save as disclosed in this Document, none of the Directors have any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or leased to, any member of the Enlarged Group and no contract or arrangement exists in which a Director is materially interested and which is significant in relation to the business of the Enlarged Group.
- 6.9 There are no outstanding loans granted by any member of the Enlarged Group to any of the Directors, nor are there any guarantees provided by any member of the Enlarged Group for their benefit.
- 6.10 Save as disclosed in this paragraph 6, none of the Directors have any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the enlarged Group taken as a whole and which was effected by any member of the Enlarged Group since its incorporation and which remains in any respect outstanding or unperformed.
- 6.11 None of the Directors (nor any member of their respective families), has a related financial product (as defined in the AIM Rules) referenced to the Ordinary Shares.
- 6.12 In respect of the Directors and the senior managers, save as set out in this Document there are no conflicts of interest between any duties they have to the Company and their private interests and/or other duties they may have.
- 6.13 Save as set out in this Document, there are no arrangements or undertakings between the Directors or the senior managers and any major shareholder, customer or supplier of the Group pursuant to which any Director or senior manager was selected or will be selected as a member of the administrative, management or supervisory body or member of senior management of the Company.

7. Additional Information on the Board

7.1 Other than their directorships in the Company, the Directors hold or have held the following directorships or are or have been partners in the following partnerships within the five years prior to the date of this Document:

<i>Director</i>	<i>Current Directorships/ Partnerships</i>	<i>Past Directorships/ Partnerships</i>
Robert Holt	Inprova Group Ltd DX (Group) plc Ensco 996 Limited Coal Hole Limited Senone LLP Seneca Partners Limited The Mears Foundation Inspired Energy plc Business Strategy LLP Mears Group PLC Global Trees	Green Compliance plc Electra-net Holdings Limited Nektan UK Limited (previously known as Mfuse Limited) Precision Midstream plc
Wendy Jayne Lawrence	Totally Health Limited	Stratfut Ltd (dissolved)
Donald Ahelan Baladasan	Sebaris Ltd D4B Ltd Zoopachat Ltd Classic Leather Limited Opes MRF 2013 Limited Premier Physical Healthcare Limited Mobi Capital Ltd Opes Industries Limited The Healthcare Property Company Limited Mataxis Ltd	Purecycle Limited Whois Privacy Ltd GB.com Ltd TLD Registrar Solutions Ltd Centralnic Group plc Oncotherapy Resources Limited Carecapital Limited Advanced Oncotherapy plc Foxley Stables Limited Northern Land Developments Ltd
Anthony Rhys Bourne	Universal Drilling & Cutting Equipment Limited Universal Engineering Holdings Limited CWHC Trading Limited Chelsea and Westminster Health Charity Spire Healthcare Group plc 153 Holland Park Avenue RTM Company Limited Barchester Healthcare Limited Bioquell plc Grove Limited	BMJ Publishing Group Limited Southern Development Services Limited Southern Housing Group Limited
Michael Greig Rogers	Eastern Family Services Limited Mears Group PLC	Healthcall Holdings Limited

7.2 Michael Rogers was appointed as a director of Nutri/System (United Kingdom) Limited on 24 February 1992. The company entered a creditor's voluntary liquidation on 12 January 1994. The liquidator's receipt and payments accounts were approved in a general meeting on 2 December 1998 and declared a deficit of £8,360,262.

7.3 Save as disclosed above, none of the Directors have:

7.3.1 any unspent convictions in relation to indictable offences;

7.3.2 any bankruptcy order made against him or entered into any individual voluntary arrangements;

- 7.3.3 been a director of a company which has been placed in receivership, compulsory liquidation, creditors' voluntary liquidation, administration, been subject to a company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;
- 7.3.4 been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- 7.3.5 been the owner of any assets or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership; or
- 7.3.6 been publicly criticized by any statutory or regulatory authority (including recognised professional bodies) or been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of any company.

8. Directors' and Senior Managers Service Agreements, Letters of Appointment, Remuneration and Fees

The Company has entered into the following agreements with the Directors and senior managers:

- 8.1.1 A letter of appointment dated 24 August 2015 between (1) the Company and (2) Robert Holt pursuant to which Robert Holt was appointed as a non-executive Chairman of the Company at an annual fee of £30,000 (plus VAT if applicable) subject to and conditional upon the Company's annual EBITDA (as determined by its management accounts) being not less than £1,000,000 on the basis of a minimum of two days per month. The agreement runs from 15 September 2015 until 14 September 2016 however it may be terminated by either party serving at least three months' written notice on the other to expire at the end of the initial twelve month period or at any time thereafter. The agreement contains normal provisions for termination.
- 8.1.2 A contract of employment dated 23 April 2013, between (1) the Company and (2) Wendy Jane Lawrence pursuant to which Wendy Jane Lawrence was appointed as Chief Executive Officer of the Company at an annual salary of £95,000 on a full time basis. Ms Lawrence's employment commenced on 1 September 2012 and she was appointed as Chief Executive Officer on 15 February 2013. The employment contract is terminable on 6 months' notice from either party. Ms Lawrence is entitled to an annual bonus of up to 20% of salary either in cash or in stock to be determined by a separate but associated performance target to be agreed plus a £6,000 bonus to be paid in tax efficient stock (either options or warrants) to compensate her for using her personal vehicle. She has the right to participate in the Company's stock option scheme.
- 8.1.3 A consultancy agreement dated 1 January 2016, between (1) the Company and (2) Maxis Limited pursuant to which Maxis shall provide the services of Donald Ahelan Baladasan as finance director and provide finance consultancy services. The fee payable under the consultancy agreement is £6,500 plus VAT per month. The consultancy agreement runs from 1 January 2016 until 31 December 2016 and shall continue thereafter unless terminated by either party serving at least two months' written notice on the other. The agreement contains normal provisions for termination. Totally Health Limited also entered into an employment agreement with Donald Baladasan dated 1 November 2013 under which he was appointed as Finance Director of Totally Health on a salary of £6,000 per annum and on three months' notice.
- 8.1.4 A letter of appointment dated 1 October 2015, between (1) the Company and (2) Anthony Rhys Bourne pursuant to which Anthony Rhys Bourne was appointed as a non-executive director of the Company at an annual fee of £15,000 on the basis of a minimum of two days per month. The agreement runs from 5 October 2015 until 4 October 2016 however it may be terminated by either party serving at least three months' written notice on the other to expire at the end of the initial twelve month period or at any time thereafter. The agreement contains normal provisions for termination.

- 8.1.5 A letter of appointment dated 7 December 2015, between (1) the Company and (2) Michael Greig Rogers pursuant to which Michael Greig Rogers was appointed as a non-executive director of the Company at an annual fee of £15,000 on the basis of a minimum of two days per month. The agreement runs from 7 December 2015 until 6 December 2016 however it may be terminated by either party serving at least three months' written notice on the other to expire at the end of the initial twelve month period or at any time thereafter. The agreement contains normal provisions for termination.
- 8.1.6 A contract of employment dated 2 November 2015, between (1) Totally Health and (2) Emma-Jane Roberts pursuant to which Emma-Jane Roberts was appointed as Chief Operating Officer of Totally Health at an annual salary of £79,000 on a full time basis. Ms Roberts' employment commenced on 02 November 2015. The employment contract is terminable on 6 months' notice from either party. Ms Roberts may become entitled to a bonus and options depending on performance.
- 8.1.7 A contract for services dated 5 November 2015 between (1) Totally Health and (2) Steven Laitner pursuant to which Steven Laitner shall provide the services of Clinical Strategy Director to Totally Health. The fee payable under the agreement is £18,000 plus VAT per annum. The agreement runs from 1 November 2015 and shall continue unless terminated by either party serving at least one months' written notice on the other.
- 8.2 Premier has entered into the following agreements:
- 8.2.1 A service agreement dated 14 March 2016 between (1) Premier and (2) Wayne Llewellyn pursuant to which, subject to Admission, Mr Llewellyn was appointed as Chief Executive Officer of Premier and will devote such time and attention to Premier as the circumstances require. Mr Llewellyn's salary is £68,000 per annum. Mr Llewellyn is entitled to private medical insurance and to be reimbursed for his travel and other expenses incurred in the performance of his duties. The appointment is for a fixed period until 31 March 2019 and may be terminated by either party on six months' notice expiring at any time on or after 31 March 2019. The agreement contains normal provisions for termination.
- 8.2.2 A service agreement dated 14 March 2016 between (1) Premier and (2) Raphael Leal pursuant to which, subject to Admission, Mr Leal was appointed as Chief Financial Officer of Premier and will devote such time and attention to Premier as the circumstances require. Mr Leal's salary is £64,000 per annum. Mr Leal is entitled to private medical insurance and to be reimbursed for his travel and other expenses incurred in the performance of his duties. The appointment is for a fixed period until 31 March 2019 and may be terminated by either party on six months' notice expiring at any time on or after 31 March 2019. The agreement contains normal provisions for termination.
- 8.2.3 A letter of appointment dated 18 October 2013 between (1) Premier and (2) Donald Ahelan Baladasan pursuant to which Mr Baladasan was appointed as a non-executive director of Premier. Mr Baladasan's fees are £500 per board meeting and £500 per extra day of work requested by Premier. Mr Baladasan is entitled to be reimbursed for his travel and other expenses incurred in the performance of his duties. Mr Baladasan or Premier may terminate his appointment on 1 months' notice. The agreement contains provisions for termination pursuant to the articles of association of Premier.
- 8.3 The aggregate emoluments (including benefits in kind and pension contributions) of the Directors for the year ended 31 December 2014 was £237,000.
- 8.4 Other than as disclosed above:
- 8.4.1 there are no existing or proposed service contracts or consultancy agreements between any of the Directors or the senior managers (or any members of any administrative, management or subsidiary bodies) of the Company or any member of the Enlarged Group and the Company or any member of the Enlarged Group. None of the arrangements referred to in paragraph 8.1 contains a right to benefits upon termination (other than those during the notice period under the relevant contract); and
- 8.4.2 no sums have been set aside or accrued by the Company or any member of the Enlarged Group to provide pension, retirement, or similar benefits for the Directors or senior managers.

9. Material Changes

- 9.1 Save as disclosed in the Company's half yearly report in respect of the six months to 30 June 2015, as announced on 23 July 2015, there has been no significant or material change in the financial or trading position of the Company and the Group since 31 December 2014, the date of the Company's most recent audited consolidated annual accounts.
- 9.2 There has been no significant or material change in the financial or trading position of Premier and its group of companies since 30 September 2015, the date of its most recent audited financial information.

10. Material contracts

The following contracts (not being in the ordinary course of business) have been entered into by the members of the Group or Premier (or any member of its group of companies) in the two years immediately preceding the date of this Document and which are or may be material or contain any provision under which any member of the Group or Premier (or any member of its group of companies) has an obligation or entitlement which is or may be material to such member of the Group or Premier (or any member of its group of companies) as at the date of this Document:

10.1 *The Company*

- 10.1.1 Subscription letters dated 21 August 2015 between certain investors (including Bob Holt) and the Company under which such investors conditionally agreed to subscribe for 6,000,000 Ordinary Shares for cash at £0.175 per Ordinary Share. These Ordinary Shares were issued on 14 September 2015.
- 10.1.2 An engagement letter dated 8 January 2016 between Allenby Capital (1) and the Company (2) under which Allenby Capital agreed to act as financial advisers to the Company in respect of the Proposals for a corporate finance fee of £125,000 and a commission of 5 per cent. of funds raised in respect of the Subscription for funds introduced by Allenby Capital.
- 10.1.3 On 14 March 2016 the Company (1), Allenby Capital (2) and the Directors (3) entered into the Admission Agreement pursuant to which, subject to certain conditions, Allenby Capital has agreed to assist the Company in connection with the Subscription and Admission. The Admission Agreement contains customary indemnities and warranties from the Company and the Directors, in favour of Allenby Capital together with provisions which enable Allenby Capital to terminate the Admission Agreement in certain circumstances, including circumstances where any of the warranties are found to be untrue or inaccurate in any material respect. The Company has agreed to pay to Allenby Capital: (i) the sum of £125,000; and (ii) a commission of 5 per cent. on the aggregate value at the Subscription Price of the Subscription Shares for funds introduced by Allenby Capital.
- 10.1.4 Pursuant to the orderly market agreement dated 14 March 2016 between (1) the Company, (2) Allenby Capital Limited and (3) the Vendors, the Vendors have undertaken that they will only dispose of any new Ordinary Shares received as consideration for the Acquisition through the Company's broker from time to time in accordance with orderly market principles for a period of 12 months from the allotment of such new Ordinary Shares.
- 10.1.5 Under the Acquisition Agreement, the Company has agreed to acquire from the Vendors the entire issued share capital of Premier for a consideration of £6.75 million, to be satisfied by a combination of cash, loan notes and the issue of new Ordinary Shares. Further details as to the consideration payable are set out in paragraph 9 of Part I of this Document.

The Acquisition Agreement is conditional upon, *inter alia*, the passing of the Resolutions at the General Meeting and Admission.

Pursuant to the Acquisition Agreement, the Company has the right to rescind the Acquisition Agreement if there is a material breach of any of the warranties given by the Vendors in the Acquisition Agreement, or any facts, matters or circumstances arise prior to Admission that may have a material adverse effect on the financial position or prospects of Premier. The Vendors have given normal warranties and indemnities under the Acquisition Agreement.

10.2 **Premier**

None.

11. **Litigation**

Any member of the Enlarged Group is involved in any governmental, legal or arbitration proceedings which may have or have had during the 12 months preceding the date of this Document a significant effect on its financial position and, so far as the Directors are aware, there are no such proceedings pending or threatened against any member of the Enlarged Group.

12. **Working capital**

The Directors are of the opinion that, having made due and careful enquiry, the working capital available to the Company and the Enlarged Group will be sufficient for its present requirements that is for at least twelve months from the date of Admission.

13. **Employees**

13.1 **The Company**

The average number of persons employed by the Company and its Group during each of the accounting reference periods set out below was as follows:

	<i>6 months ended</i>			
	<i>30 June 2015</i>	<i>31 December 2014</i>	<i>31 December 2013</i>	<i>31 December 2012</i>
Management and Finance	4	8	9	6
Technical and Production	–	–	16	11
Editorial	–	–	–	2
Sales and Marketing	2	–	1	2
Administration	–	–	–	1
Health Coaches and Project Managers	8	7	6	8
Total	14	15	32	30

13.2 **Premier**

The average number of persons employed by Premier and the members of its group during each of the accounting reference periods set out below was as follows:

	<i>6 months ended</i>			
	<i>30 September 2015</i>	<i>31 March 2015</i>	<i>31 March 2014</i>	<i>31 March 2013</i>
Physiotherapists	28	28	23	17
Directors	4	4	4	4
Administration	12	13	13	5
Total	44	45	40	26

14. **Related Party Transaction**

14.1 Save as set out in Note 23 in Section B of Part IV of this Document, neither the Company nor any member of the Group has been a party to any related party transactions

14.2 Save as set out in Note 21 in Section B of Part III of this Document, neither Premier nor any member of Premier's group has been a party to any related party transactions.

15. United Kingdom Taxation

15.1 General

The following comments are intended only as a general guide to the position under current United Kingdom tax law and what is understood to be the current practice (both of which are subject to change at any time, possibly with retrospective effect) of HM Revenue & Customs and may not apply to certain classes of investors, such as dealers in securities, insurance companies, collective investment schemes and persons who acquired securities in connection with their employment. Any person who is in doubt as to his tax position is strongly recommended to consult his own professional tax adviser.

15.2 Taxation of Dividends

15.2.1 *The Company*

The Company will not be required to withhold tax at source on any dividends it pays to its shareholders in respect of the Subscription Shares.

15.2.2 *UK resident shareholders*

Under the legislation that will apply until April 2016 individuals resident in the UK for taxation purposes are generally liable to UK income tax on the aggregate amount of any dividend received and a non-repayable tax credit equal to 10 per cent. of the gross dividend (or one-ninth of the dividend received). For example, on dividend received of £90, the tax credit would be £10, and an individual would be liable to income tax on £100.

No further income tax is payable in respect of the dividend by a UK resident individual to the extent such individual is not liable to income tax at the higher rate (currently 40 per cent.) or the additional rate (currently 45 per cent.). UK resident individuals who are subject to tax at the basic rate only will be charged to tax on the gross dividend at the dividend ordinary rate of 10 per cent. and therefore the tax liability will be treated as satisfied in full by the tax credit and no additional tax liability will arise for such shareholders.

UK resident individuals who are subject to tax at the higher rate are subject to tax on dividends at the dividend upper rate (currently 32.5 per cent.) but are entitled to offset the 10 per cent. tax credit against such liability, resulting in an effective tax rate of 25 per cent. of the net dividend received. For example, on a dividend received of £90 such a taxpayer would have to pay additional tax of £22.50 (representing 32.5 per cent. of the gross dividend less the 10 per cent. tax credit). UK resident individuals who are subject to tax at the additional rate are subject to tax on dividends at the dividend additional rate (currently 37.5 per cent.) but are entitled to offset the 10 per cent. tax credit against such liability, resulting in an effective tax rate of 30.56 per cent. of the net dividend received. For example, on a dividend received of £90 such a taxpayer would have to pay additional tax of £27.50 (representing 37.5 per cent. of the gross dividend less the 10 per cent. tax credit). For this purpose, dividends are treated as the top slice of an individual's income.

No repayment of the tax credit in respect of dividends paid by the Company (including in respect of any dividend paid where the Subscription Shares are held in an individual savings account) can be claimed by a United Kingdom resident shareholder (including pension funds and charities).

From 6 April 2016 the tax credit will no longer apply. Individuals will have a total annual tax-free dividend allowance of £5,000. Above this limit basic rate, higher rate and additional rate taxpayers will pay 7.5 per cent., 32.5 per cent. and 38.1 per cent. respectively.

Shareholders within the charge to UK corporation tax which are "small companies" (for the purposes of UK taxation of dividends) will not generally expect to be subject to UK tax on dividends from the Company. Other Shareholders within the charge to UK corporation tax will not be subject to UK tax on dividends (including dividends from the Company) so long as the dividends fall within an exempt class and certain conditions are met. In general, dividends paid on shares that are "ordinary share capital" for UK tax purposes and are not redeemable, and dividends paid to a person holding less than 10 per cent. of the issued

share capital of the payer (or any class of that share capital) are examples of dividends that fall within an exempt class.

15.2.3 *Non UK resident shareholders*

Non-UK resident shareholders are not generally entitled to claim any part of the tax credit and any ability to do so will depend on the terms of any applicable double tax treaty between the Company and the country in which the shareholder is resident. Non-UK resident shareholders may also be subject to tax on dividend income under any law to which they are subject outside the UK. Such shareholders should consult their own tax advisers concerning their tax liabilities.

15.3 **Taxation of Capital Chargeable Gains**

15.3.1 *UK Resident Shareholders*

A disposal of the Subscription Shares by a shareholder who is (at any time in the relevant United Kingdom tax year) resident or, in the case of an individual, ordinarily resident in the United Kingdom for tax purposes, may give rise to a chargeable gain or an allowable loss for the purposes of United Kingdom taxation of chargeable gains, depending on the shareholder's circumstances and subject to any available exemption or relief.

Disposal of the Subscription Shares held by such a shareholder in an approved individual savings account should be exempt for the purposes of UK taxation.

15.3.2 *UK Resident Corporate Shareholders*

A UK resident corporate shareholder holding shares as an investment will be subject to corporation tax on any gain arising on disposal, subject to potential mitigation by indexation allowance and losses which may be available for relief.

15.3.3 *Non-resident Shareholders*

A shareholder who is not resident in the United Kingdom for tax purposes but who carries on a trade, profession or vocation in the United Kingdom through a branch or agency (or, in the case of a non-UK resident corporate shareholder, a permanent establishment) to which the Subscription Shares are attributable will be subject to the same rules which apply to United Kingdom resident shareholders.

A shareholder who is an individual and who after acquiring his Subscription Shares, ceases to be resident or ordinarily resident for tax purposes in the United Kingdom for a period of less than five complete years of assessment and who disposes of the Subscription Shares during that period may also be liable, on his return, to United Kingdom taxation of chargeable gains (subject to any available exemption or relief).

15.4 **Stamp Duty and Stamp Duty Reserve Tax ("SDRT")**

The following comments are intended as a guide to the general United Kingdom stamp duty and SDRT position and (except insofar as expressly referred to below) do not relate to persons such as market makers, brokers, dealers, intermediaries, persons connected with depository receipt arrangements or clearance services or persons who enter into sale and repurchase transactions in respect of the Ordinary Shares, to whom special rules apply. No UK stamp duty or SDRT will be payable on the issue of the Ordinary Shares direct to persons acquiring those shares pursuant to the Subscription. Transfers of shares for value generally give rise to a liability to pay UK ad Valorem stamp duty or stamp duty reserve tax at a rate in each case of 50p per £100 of the amount of value or consideration. However exemption is available if the Ordinary Shares qualify as being traded on a Recognised Growth Market. AIM currently qualifies as a Recognised Growth Market. Any person who is in any doubt as to his or her tax position or who may be subject to tax in any jurisdiction other than the United Kingdom should consult his or her own professional adviser.

15.5 **EIS and VCT Relief**

The EIS and VCT schemes are UK Government Schemes which are designed to encourage investment in certain types of projects by offering generous tax incentives and reliefs. The relief will only be available

for Ordinary Shares issued by the Company where the funds raised will be used by Totally Health to develop new products such as the business-to-consumer health coaching service. Approval that the Ordinary Shares issued for this purpose will qualify under the EIS and VCT Schemes has been received from HMRC. The total funds which can be raised for this purpose and which would be eligible for EIS or VCT Relief is £4.3 million, as there is an annual limit which would otherwise be breached.

There are conditions relating to the Company and its trade which have to be complied with throughout a three year period following the issue of the Ordinary Shares and it is intended that the Company will be maintained to ensure it continues to be eligible for its investors who have claimed EIS or VCT Relief.

The Company can give no assurance to any shareholder that they would be eligible to claim relief under either EIS or VCT Schemes. Any shareholder who is in doubt as to his or her tax position or who may be subject to tax in any jurisdiction other than the UK should consult their own professional adviser.

16. General

- 16.1 Allenby Capital has given and has not withdrawn its written consent to the issue of this Document with the inclusion herein of the references to its name and its advice to the Directors in the form and context in which they are included.
- 16.2 RPG Crouch Chapman LLP has given and has not withdrawn its written consent to the issue of this Document with the inclusion of its name and reports in the form and context in which they appear and accepts responsibility for them. The reports from RPG Crouch Chapman LLP are dated the same date as this Document. RPG Crouch Chapman LLP is a member firm of the Institute of Chartered Accountants in England and Wales.
- 16.3 RPG Crouch Chapman LLP of 62 Wilson Street, London EC2A 2BU, United Kingdom are the statutory auditors of the Company and have audited the consolidated statutory accounts of the Company for the years ended 31 December 2012, 31 December 2013 and 31 December 2014 and continue to act as statutory auditors of the Company.
- 16.4 There are no arrangements in force for the waiver of future dividends. There are no specified dates on which entitlement to dividends or interest thereon on Ordinary Shares arises.
- 16.5 The total costs and expenses relating to the Proposals payable by the Company are estimated to amount to approximately £332,000 (excluding VAT).
- 16.6 Save for dividends of £36,450 paid by Premier to each of Wayne Llewellyn and Raphael Leal and as disclosed in this Document, no person (excluding professional advisers otherwise disclosed in this Document and trade suppliers) has received, directly or indirectly, from the Enlarged Group within the 12 months preceding the date of this Document or has entered into any contractual arrangements (not otherwise disclosed in this Document) to receive, directly or indirectly, from the Enlarged Group on or after Admission fees totalling £10,000 or more or securities in the Enlarged Group having a value of £10,000 or more calculated by reference to the expected opening price or any other benefit with a value of £10,000 more at the date of Admission.
- 16.7 Save as disclosed in this Document, there have been no interruptions in the business of the Enlarged Group in the preceding 12 months from the date of this Admission Document and as far as the Directors are aware there are no known trends, uncertainties, demands, commitments or events that are reasonably expected to have a material effect on the Enlarged Group's prospects for at least the current financial year.
- 16.8 As far as the Directors are aware, there are no environmental issues that may affect the Enlarged Group's utilisation of its tangible fixed assets.
- 16.9 Save as disclosed in this Document, as regards the Company's three previous financial years the Company has had no principal investments and there are no principal investments in progress and there are no principal future investments on which the Directors have made a firm commitment.
- 16.10 Where information has been sourced from a third party this information has been accurately reproduced. So far as the Company and the Directors are aware and are able to ascertain from information provided by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

- 16.11 Save as disclosed in this Document, there are no patents, intellectual property rights, licences or any industrial, commercial or financial contracts which are or may be material to the business or profitability of the Enlarged Group.
- 16.12 The Existing Ordinary Shares are, and the Subscription Shares will be, in registered form and may be held in certificated or uncertificated form. No temporary Documents of title will be issued. The Existing Ordinary Shares have been, and the Subscription Shares will be, issued pursuant to the Act. The Company's registrars, Share Registrars Limited, are responsible for maintaining the Company's register of members.
- 16.13 The financial information for the accounting periods set out in Section B of Part IV of this Document and the financial information for the interim periods set out in Section B of Part IV of this Document do not constitute statutory accounts of the Company within the meaning of Section 434 (3) of the Act. The financial information for the accounting periods set out in Section B of Part III of this Document and the financial information for the interim period set out in Section B of Part III of this Document do not constitute statutory accounts of Premier within the meaning of Section 434 (3) of the Act. No financial information contained in this Document is intended by the Company to represent or constitute a forecast of profits by the Company or the Enlarged Group.

17. Documents available for inspection

- 17.1 Copies of the following documents will be made available on display at the offices of the Company, Lighterman House, 26-36 Wharfdale Road, London, England, N1 9RY during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) and at the following website address <http://www.totallyplc.com/> from the date of posting of this Document up to the date of the General Meeting and at the place of meeting for 15 minutes prior to the meeting and during the meeting:
- 17.1.1 the Articles of Association of the Company;
 - 17.1.2 the audited consolidated accounts of the Company for the years ended 31 December 2012, 31 December 2013 and 31 December 2014 and the Company's unaudited half-yearly report in respect of the six months to 30 June 2015;
 - 17.1.3 the consent letters from Allenby Capital and RPG Crouch Chapman LLP referred to in paragraph 16 above;
 - 17.1.4 the audited consolidated financial information for Premier for the financial periods ended 31 March 2013, 31 March 2014 and 31 March 2015 and the audited interim consolidated financial information for Premier for the six months to 30 September 2015;
 - 17.1.5 a copy of this Document together with the Notice;
 - 17.1.6 the material contracts related to the transaction as set out in paragraph 10 above; and
 - 17.1.7 the appointment letters and service contracts referred to in paragraph 8 above.
- 17.2 Any Shareholder, person with information rights or other person to whom this Document is sent may request a copy of each of the Documents set out above in hard copy form. Hard copies will only be sent where valid requests are received from such persons. Requests for hard copies are to be submitted to the Company Secretary at the following address:

Lighterman House, 26-36 Wharfdale Road, London, England, N1 9RY.

All valid requests will be dealt with as soon as possible and hard copies mailed by no later than two business days following such request.

18. Availability of Admission Document

Copies of this Admission Document are available for download from the Company's website at <http://www.totallyplc.com/> and are available free of charge from the Company's registered office and at the offices of Allenby Capital Limited, 3 St Helen's Place, London, EC3A 6AB, during normal business hours on any weekday (Saturdays and public holidays excepted) and shall remain available for at least one month after Admission.

Dated: 14 March 2016

TOTALLY PLC

(Incorporated and registered in England and Wales under the Companies Act 1985 and 2006 with registered number 03870101)

("the Company")

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at the Company's offices at Lighterman House, 26-36 Wharfdale Road, London, N1 9RY at 10.00 a.m. on 31 March 2016 for the purpose of considering and, if thought fit, passing the resolutions set out below, which will be proposed in the case of resolutions 1 and 2 as ordinary resolutions and in the case of resolution 3 as a special resolution. Words and expressions used or defined in the Admission Document dated 14 March 2016 and despatched to shareholders of the Company shall have the same meaning in this notice.

RESOLUTIONS

ORDINARY RESOLUTIONS

1. THAT, subject to and conditional upon the passing of Resolutions 2 and 3 below, the Acquisition be and is hereby approved.
2. THAT, subject to and conditional upon the passing of Resolution 1 above and Resolution 3 below, in accordance with section 551 of the Act, the Directors be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("**Rights**") provided that the authority hereby granted shall be limited to:
 - (a) the allotment of the Subscription Shares;
 - (b) the allotment of up to 2,057,500 new Ordinary Shares pursuant to the terms of the Acquisition Agreement; and
 - (c) the allotment of shares or the grant of Rights up to an aggregate maximum nominal amount equal to £799,798, being approximately 40 per cent. of the Enlarged Share Capital.

provided that the authority hereby conferred shall operate in substitution for, and to the exclusion of, any previous authority given to the Directors pursuant to section 551 of the Act and shall expire on the earlier of fifteen months from the date of passing this Resolution or at the Company's next annual general meeting, save that the Company may, before it expires make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of that offer or agreement as if the power conferred hereby had not expired.

SPECIAL RESOLUTION

3. THAT, subject to and conditional upon the passing of Resolutions 1 and 2 above, in accordance with section 570 of the Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Act) for cash as if section 561(1) of the Act did not apply to such allotment provided that such power shall be limited to:
 - (a) the allotment of the Subscription Shares;
 - (b) otherwise than pursuant to paragraph (a) above:
 - (i) the allotment of equity securities in connection with a rights issue or any other pre-emptive offer in favour of holders of equity securities (as required by the rights of those securities) in proportion (as nearly as may be) to their respective holdings, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical difficulties in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

- (ii) the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal amount of £399,899, being approximately 20 per cent. of the Enlarged Share Capital

and the power hereby conferred shall operate in substitution for, and to the exclusion of, any previous power given to the Directors pursuant to section 570 of the Act and shall expire on the earlier of fifteen months from the date of passing this Resolution or at the Company's next annual general meeting, save that the Company may, before it expires make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of that offer or agreement as if the power conferred hereby had not expired.

Dated: 14 March 2016

Registered Office:

Lighterman House,
26-36 Wharfdale Road,
London,
N1 9RY

By order of the Board

Filex Services Limited
Company Secretary

Notes:

1. Members entitled to attend and vote at the General Meeting are also entitled to appoint one or more proxies to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. If you wish your proxy to speak at the General Meeting, you should appoint a proxy other than the chairman of the General Meeting and give your instructions to that proxy.
2. A Form of Proxy is enclosed for use at the General Meeting. Please read carefully the instructions on how to complete the form. To be valid it must be received by post or (during normal business hours only) by hand to the Company's registrars Share Registrars Limited, no later than 48 hours before the time appointed for holding the General Meeting. Members who intend to appoint more than one proxy can obtain additional Forms of Proxy from Share Registrars Limited. Alternatively the form may be photocopied prior to completion. The Forms of Proxy should be returned in the same envelope and each should indicate that it is one of more than one appointment being made.
3. The return of a completed Form of Proxy, other such instrument or any CREST Proxy Instruction (as described in paragraph 5 below) will not prevent a member attending the General Meeting and voting in person if he/she wishes to do so.
4. To be entitled to attend and vote at the meeting or any adjournment (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company 48 hours before the time appointed for holding the meeting or adjourned meeting. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
6. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 7RA 36) 48 hours before the time appointed for holding the meeting or adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
7. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in Particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
8. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
9. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

