

7 April 2014

**NetDimensions (Holdings) Limited**  
("NetDimensions" or the "Company" or the "Group")

**Final Results for the Year Ended 31 December 2013**

NetDimensions (AIM: NETD; OTCQX: NETDY), a global provider of performance, knowledge, and learning management systems, is pleased to announce its final results for the year ended 31 December 2013.

**Financial Highlights**

- 17% revenue growth to US\$16.2M (2012: US\$13.8M)
- 36% revenue growth in our global hosted secure Software as a Service ("SaaS") offering to US\$6.1M (2012: US\$4.5M)
- 55% revenue growth in the key North America market to US\$6.8M (2012: US\$4.4M)
- 25% increase in deferred revenue to US\$7.6M (2012: US\$6.1M)
- 13% increase in net cash to US\$7.7M (2012: US\$6.8M)
- 25% increase in Dividend payment to US\$1.0 cent (GBP 0.6 pence) per ordinary share (2012: US\$0.8 cent or GBP 0.5 pence)

**Operations Highlights**

- US\$6M raised from share placing in May 2013
- US\$5M finance facility with Silicon Valley Bank completed in September 2013
- Formation of NetDimensions healthcare on the back of the US\$3.5M acquisition of eHealthcareIT in March 2013
- Launch of NetDimensions Denmark to service the Nordics Market (Norway, Sweden, Finland and Denmark). The Nordic countries have large global businesses, many of which operate in high consequence industries offering good potential for NetDimensions to grow its Business in this region
- Headcount increased by 37 (28%) to 167 with sales quota carrying heads increasing by 12 (71%) to 29
- 67 new clients added through direct and reseller channels including Royal Caribbean Cruises Limited, KPMG LLC, General Mills (Häagen-Dazs), Omron, Jaguar Land Rover Limited, Globus Medical, Babcock, BCD Travel, Digicel Group, Emdeon, The Nature Conservancy and Musculoskeletal Transplant Foundation

**Roger Durn, Chairman of NetDimensions, commented:** "The major investment phase of the three-year Business plan was substantially completed in 2013. The current financial year is about maintaining focus on high consequence industries such as healthcare, life sciences, financial services, energy, manufacturing and transportation. The Company continues to make progress towards achieving its goal of becoming a leading provider of Talent Management Systems and related compliance solutions for high consequence industries, and will continue to drive recurring revenue growth to achieve long-term sustainable profitability."

The annual report will be available on the Company's website and sent to shareholders shortly.

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**About NetDimensions**

Established in 1999, NetDimensions (AIM: NETD; OTCQX: NETDY) is a global provider of performance, knowledge and learning management solutions.

NetDimensions provides companies, government agencies and other organizations with talent management solutions to personalize learning, share knowledge, enhance performance, foster collaboration and manage compliance programs for employees, customers, partners and suppliers.

Recognized as one of the talent management industry's top-rated technology suppliers, NetDimensions has been chosen by leading organizations worldwide including ING, Cathay Pacific, Hunter Douglas, Chicago Police Department, Geely Automotive, Fugro Group and Fresenius Medical Care.

NetDimensions is ISO 9001 certified and NetDimensions hosted services are ISO 27001 certified.

For more information, visit [www.NetDimensions.com](http://www.NetDimensions.com) or follow @netdimensions on Twitter.

## Chairman's Statement for the Year Ended 31 December 2013

The twelve months to 31 December 2013 was a year of investment, focus and progress. In the year, the Board committed substantial investment in the Company in line with the three-year business plan to substantially grow sales revenues with a focus on high consequence industries (heavily compliant and highly regulated industries). I am pleased to report that the Company made excellent progress in the year achieving a record high for reported revenue, which increased by 17% to US\$16.2M (2012: US\$13.8M).

### Financial Highlights

- 17% revenue growth to US\$16.2M (2012: US\$13.8M)
- 15% invoiced sales growth to US\$17.6M (2012: US\$15.3M)
- 36% revenue growth in our global hosted secure Software as a Service ("SaaS") offering to US\$6.1M (2012: US\$4.5M)
- 55% revenue growth in the key North America market to US\$6.8M (2012: US\$4.4M)
- 25% increase in deferred revenue to US\$7.6M (2012: US\$6.1M)
- 13% increase in net cash to US\$7.7M (2012: US\$6.8M)
- 25% increase in Dividend payment to US\$1.0 cent per ordinary share (2012: US\$0.8 cent)

### Financial Summary

The financial results for the year ending 31 December 2013 give an early indication of the success of the business plan implemented earlier in the year with progress made on all fronts. In particular I am pleased to report that revenue increased by 17% to US\$16.2M (2012: US\$13.8M). The revenue for the year included US\$1.3M from NetDimensions Healthcare, our new Healthcare division formed on the 1 March 2013 on the back of the acquisition of eHealthcareIT. Prior to the acquisition, eHealthcareIT was a reseller of NetDimensions in North America. Therefore the net effect of the acquisition on 2013 reported revenues, after adjusting for the revenue that we would have declared had eHealthcareIT remained a reseller, was US\$0.6M.

The Group continues to improve direct sales efforts and in the period the invoiced sales value from direct clients was US\$14.1M representing 80% (2012: US\$11.2M, 73%) of total invoiced sales. Increasing focus on direct sales in high consequence industries has led us into bigger deals with the average first-year deal size for new direct clients hitting US\$101K in the year (2012: US\$71K), an increase of 42% over the prior year. Invoiced Sales to clients in high consequence industries represented 76% of total invoiced sales, an increase of 19% over the prior year, providing a further indication that we are executing to plan.

The EMEA region ("Europe, Middle East and Africa") maintained its position as the largest market for the Group, comprising 44% of Group revenues. The North America region accounted for 42% of Group revenues, which included 10 months of contribution from the new Healthcare division. Asia Pacific including China comprised 9% of Group revenues and the rest of the world 5%.

The Group saw substantial growth in the North America market with revenues up 55% to US\$6.8M (2012: US\$4.4M), benefitting from growth in our global secure SaaS service along with an immediate contribution from our new Healthcare division. In addition, the Group ended the period with a strong deferred revenue balance of US\$7.6M (2012: US\$6.1M), some 25% higher than the prior year balance.

The Group continues to focus on supplying software via its global hosted secure SaaS service and we are pleased to report that revenues from this product offering increased by 36% to US\$6.1M (2012: US\$4.5M). The Group also continued to develop its professional services business with revenues increasing by 38% in the period to US\$4.0M (2012: US\$2.9M). Recurring revenues under contract totalled US\$9.8M at the end of the year of which US\$6.6M will be recognised in 2014. This, combined with deferred revenue of US\$7.6M, of which US\$7.5M will be recognised in 2014, provides the Group with an excellent start to the current financial year.

The Group's adjusted loss before tax, excluding net foreign exchange (losses) / gain (US\$0.1M), intangible asset amortisation (US\$0.5M) and non-cash share-based payments (US\$0.3m), was US\$4.0M (2012: profit of US\$0.4M). NetDimensions' loss before tax was US\$4.9M (2012: US\$0.2M). The increased loss in the period is a result of substantial investment in the Company as part of the three-year Business plan. This investment totalled US\$4.9M for the year, of which US\$3.4M was spent on new hires, US\$0.7M on additional marketing & promotional activities, US\$0.4M on infrastructure, including new and enlarged premises and upgraded data centres, and US\$0.4M on professional fees related to the acquisition of eHealthcareIT, the Silicon Valley Bank ("SVB") loan facility and the share placing.

Cash used in operating activities was US\$2.5M in the year (2012: US\$0.8M generated) as the Group made a total Investment of US\$4.9M in the Company, in line with the Business plan. Net increase in cash for the period, after US\$2.2M in cash consideration payments for the acquisition of eHealthcareIT and US\$6M net receipts from the share placing, was US\$0.9M (2012: decrease in cash US\$0.1M). The Group's cash balance remained healthy at US\$7.7M (2012: US\$6.8M) and along with an accounts receivable balance of US\$6.6M (2012: US\$5.7M) provides the Group with a strong liquidity position. In addition the Group has a facility of up to US\$5M with SVB, the balance of which remains undrawn, providing the Group with substantial headroom going forward.

Taking into consideration the Group's increased sales and strong cash balance, the Board recommends a final dividend of GBP 0.6 pence (or US\$1.0 cent) to be paid from the share premium account. If approved, the dividend will be paid on 18 July 2014 to shareholders on the register at the close of business on 20 June 2014. The Company's AGM will be held on Monday 9 June 2014 at 2:30pm in the afternoon on the 18<sup>th</sup> floor, Siu On Centre, 188 Lockhart Road, Hong Kong.

No material income tax provision was made in the year (2012: US\$0.1M).

## **Operations Review**

In May 2013 the Board commenced the implementation of the three-year Business plan to substantially increase market share, targeting high consequence industries.

I am pleased to report on the following progress:

- US\$6M raised from share placing in May 2013
- US\$5M finance facility with SVB completed in September 2013
- Formation of NetDimensions healthcare on the back of the US\$3.5M acquisition of eHealthcareIT in March 2013
- Headcount increased by 37 (28%) to 167 with Sales quota carrying heads increasing by 12 (71%) to 29
- Appointment of key senior executives; Chief Financial Officer, Chief Sales Officer, Chief Human Resources Officer, Global Alliances & Key Accounts Executive and General Counsel
- 67 new clients added through direct and reseller channels including Royal Caribbean Cruises Limited, KPMG LLC, General Mills (Häagen-Dazs), Omron, Jaguar Land Rover Limited, Globus Medical, Babcock, BCD Travel, Digicel Group, Emdeon, The Nature Conservancy and Musculoskeletal Transplant Foundation
- New enlarged offices in the UK, Hong Kong and Atlanta
- Launch of NetDimensions Denmark to service the Nordics Market (Norway, Sweden, Finland and Denmark). The Nordic countries have large global businesses, many of which operate in high consequence industries offering good potential for NetDimensions to grow its Business in this region
- The launch of NetDimensions Analytics, a powerful SaaS solution for learning, performance and talent data analytics
- NetDimensions positioned as a 'Core Leader' in Elearnity's 9-Grid™ report for Learning Management Systems and recognised for its strong presence in regulated industries

**Board and Management Changes**

On 2 January 2013, Matthew Chaloner was appointed Chief Financial Officer and on 25 October 2013, James Dominic Brooke was appointed Non-Executive Director.

**Outlook**

The investment phase of the three-year Business plan was substantially completed in 2013. The current financial year is about maintaining focus on high consequence industries such as healthcare, life sciences, financial services, energy, manufacturing and transportation. The Company continues to make progress towards achieving its goal of becoming a leading provider of Talent Management Systems and related compliance solutions to high consequence industries, and will continue to drive recurring revenue growth to achieve long-term sustainable profitability.

The Board will continue to explore new markets and opportunities for expansion and with a strengthened management team, strong balance sheet and the addition of the SVB facility we have the resources and funding in place to explore and implement multiple opportunities to grow the business.

Finally, we would like to thank all of the people who work at NetDimensions for their hard work, loyalty and dedication in 2013.

We look forward to another successful year with them, along with our clients, partners and shareholders in 2014.

**NETDIMENSIONS (HOLDINGS) LIMITED**

**CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013 US\$	2012 US\$
Revenue	16,207,733	13,795,947
Cost of sales	(1,585,989)	(1,206,348)
Gross profit	<u>14,621,744</u>	<u>12,589,599</u>
Other losses, net	(129,981)	(87,658)
Selling expenses	(11,913,955)	(7,092,319)
Operating expenses	<u>(7,588,694)</u>	<u>(5,678,105)</u>
Operating loss	(5,010,886)	(268,483)
Finance income	66,360	68,501
Finance costs	<u>(1,609)</u>	<u>(1,443)</u>
Finance income, net	<u>64,751</u>	<u>67,058</u>
Loss before income tax	(4,946,135)	(201,425)
Income tax expense	<u>(299)</u>	<u>(108,495)</u>
Loss for the year	<u><u>(4,946,434)</u></u>	<u><u>(309,920)</u></u>
Attributable to:		
Equity holders of the Company	<u><u>(4,946,434)</u></u>	<u><u>(309,920)</u></u>
Loss per share attributable to the equity holders of the Company for the year (expressed in US\$ cents per share):		
- Basic	<u><u>(14.6)</u></u>	<u><u>(1.2)</u></u>
- Diluted	<u><u>(14.6)</u></u>	<u><u>(1.2)</u></u>

**NETDIMENSIONS (HOLDINGS) LIMITED****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013 US\$	2012 US\$
Loss for the year	(4,946,434)	(309,920)
Other comprehensive income/(loss):		
Items that have been or will be recycled to profit or loss		
Revaluation loss of available-for-sale financial assets	-	(83,924)
Impairment loss of available-for-sale financial assets recognised in profit or loss	-	156,296
Currency translation differences	28,730	(81,594)
	<u>28,730</u>	<u>(9,222)</u>
Other comprehensive income/(loss) for the year	<u>28,730</u>	<u>(9,222)</u>
Total comprehensive loss for the year	<u>(4,917,704)</u>	<u>(319,142)</u>
Total comprehensive loss attributable to: equity holders of the Company	<u>(4,917,704)</u>	<u>(319,142)</u>

**NETDIMENSIONS (HOLDINGS) LIMITED**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2013**

	2013 US\$	2012 US\$
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	316,342	238,445
Intangible assets	3,522,353	566,592
Available-for-sales financial assets	-	-
Deposits	141,527	99,724
	<u>3,980,222</u>	<u>904,761</u>
<b>Current assets</b>		
Accounts and other receivables, prepayments and deposits	7,303,184	6,194,066
Cash and bank balances	7,727,788	6,826,657
	<u>15,030,972</u>	<u>13,020,723</u>
<b>Total assets</b>	<u><u>19,011,194</u></u>	<u><u>13,925,484</u></u>
<b>EQUITY</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	37,917	25,335
Reserves	18,052,319	10,939,512
Accumulated losses	(9,865,396)	(4,924,017)
<b>Total equity</b>	<u>8,224,840</u>	<u>6,040,830</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Obligations under finance leases	6,389	8,763
Deferred revenue	106,473	61,105
	<u>112,862</u>	<u>69,868</u>
<b>Current liabilities</b>		
Accounts and other payables	3,123,923	1,683,823
Deferred revenue	7,520,852	6,069,978
Obligations under finance leases	2,374	3,489
Income tax payables	26,343	57,496
	<u>10,673,492</u>	<u>7,814,786</u>
<b>Total liabilities</b>	<u>10,786,354</u>	<u>7,884,654</u>
<b>Total equity and liabilities</b>	<u><u>19,011,194</u></u>	<u><u>13,925,484</u></u>

On behalf of the Board

\_\_\_\_\_  
Jay Mervin Shaw  
Director

\_\_\_\_\_  
Matthew Chaloner  
Director



**NETDIMENSIONS (HOLDINGS) LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Attributable to equity holders of the Company							
	Share capital US\$	Share premium US\$	Capital redemption reserve US\$	Translation reserve US\$	Share-based payment reserve US\$	Available- for-sale financial assets revaluation reserve US\$	Accumulated losses US\$	Total US\$
At 1 January 2012	24,869	11,009,356	850	84,142	316,406	(72,372)	(4,437,734)	6,925,517
Loss for the year	-	-	-	-	-	-	(309,920)	(309,920)
Other comprehensive (loss)/income for the year:								
Revaluation loss of available-for-sale financial assets (Note 16)	-	-	-	-	-	(83,924)	-	(83,924)
Impairment loss of available-for-sale financial assets recognised in profit or loss	-	-	-	-	-	156,296	-	156,296
Currency translation differences	-	-	-	(81,594)	-	-	-	(81,594)
<b>Total comprehensive (loss)/income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(81,594)</b>	<b>-</b>	<b>72,372</b>	<b>(309,920)</b>	<b>(319,142)</b>
Employee share option benefits	-	-	-	-	62,321	-	-	62,321
Issue of shares to non-executive directors	67	29,838	-	-	-	-	-	29,905
Issue of shares to an executive director	75	24,996	-	-	-	-	-	25,071
Issue of shares upon exercise of share options	324	154,320	-	-	(64,058)	-	-	90,586
Transfer to accumulated losses upon forfeiture of share options	-	-	-	-	(17,616)	-	17,616	-
2011 special dividend paid	-	(579,449)	-	-	-	-	-	(579,449)
2011 final dividend paid	-	-	-	-	-	-	(193,979)	(193,979)
<b>At 31 December 2012</b>	<b>25,335</b>	<b>10,639,061</b>	<b>850</b>	<b>2,548</b>	<b>297,053</b>	<b>-</b>	<b>(4,924,017)</b>	<b>6,040,830</b>

**NETDIMENSIONS (HOLDINGS) LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Attributable to equity holders of the Company							
	Share capital US\$	Share premium US\$	Capital redemption reserve US\$	Translation reserve US\$	Share-based payment reserve US\$	Available- for-sale financial assets revaluation reserve US\$	Accumulated losses US\$	Total US\$
At 1 January 2013	25,335	10,639,061	850	2,548	297,053	-	(4,924,017)	6,040,830
Loss for the year	-	-	-	-	-	-	(4,946,434)	(4,946,434)
Other comprehensive income for the year:								
Currency translation differences	-	-	-	28,730	-	-	-	28,730
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,730</b>	<b>-</b>	<b>-</b>	<b>(4,946,434)</b>	<b>(4,917,704)</b>
Employee share option benefits	-	-	-	-	191,393	-	-	191,393
Issue of shares to non-executive directors	100	74,205	-	-	-	-	-	74,305
Issue of shares upon exercise of share options	232	103,283	-	-	(40,350)	-	-	63,165
Issue of shares for acquisition of a business (Note 25 )	1,500	988,473	-	-	-	-	-	989,973
Issue of shares from placement	10,750	6,059,276	-	-	-	-	-	6,070,026
Transfer to accumulated losses upon forfeiture of share options	-	-	-	-	(5,055)	-	5,055	-
2012 final dividend paid	-	(287,148)	-	-	-	-	-	(287,148)
<b>At 31 December 2013</b>	<b>37,917</b>	<b>17,577,150</b>	<b>850</b>	<b>31,278</b>	<b>443,041</b>	<b>-</b>	<b>(9,865,396)</b>	<b>8,224,840</b>

**NETDIMENSIONS (HOLDINGS) LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 US\$	2012 US\$
<b>Cash flows from operating activities</b>			
Cash (used in)/ generated from operations	1(a)	(2,513,704)	1,114,511
Interest paid		(1,609)	(1,443)
Income tax paid		(31,429)	(337,606)
		<hr/>	<hr/>
<b>Net cash (used in)/generated from operating activities</b>		<b>(2,546,742)</b>	<b>775,462</b>
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Acquisition of a business	2	(2,241,962)	-
Purchase of property, plant and equipment		(232,711)	(142,164)
Purchase of intangible assets		(22,889)	(19,839)
Interest received		66,360	68,501
Sales proceeds from disposal of property, plant and equipment	1(b)	-	1,043
Increase in bank deposits with original maturity of over three months		(1,558,265)	(2,049,344)
		<hr/>	<hr/>
<b>Net cash used in investing activities</b>		<b>(3,989,467)</b>	<b>(2,141,803)</b>
		<hr/>	<hr/>
<b>Cash flows from financing activities</b>			
Proceeds from issuance of shares from placement, net of expense		6,070,026	-
Proceeds from issuance of shares under share option scheme		63,165	90,586
Repayments of capital element of finance leases		(3,489)	(2,914)
Dividend paid		(287,148)	(773,428)
		<hr/>	<hr/>
<b>Net cash generated from/(used in) financing activities</b>		<b>5,842,554</b>	<b>(685,756)</b>
		<hr/>	<hr/>
<b>Net decrease in cash and cash equivalents</b>		<b>(693,655)</b>	<b>(2,052,097)</b>
Cash and cash equivalents at 1 January		4,777,313	6,868,630
Effect of foreign exchange rate changes		36,521	(39,220)
		<hr/>	<hr/>
<b>Cash and cash equivalents at 31 December</b>		<b>4,120,179</b>	<b>4,777,313</b>
		<hr/> <hr/>	<hr/> <hr/>

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Notes to the consolidated statement of cash flows

- (a) Reconciliation of loss before income tax to net cash (used in)/generated from operations:

	2013 US\$	2012 US\$
Loss before income tax	(4,946,135)	(201,425)
Adjustments for:		
Loss on disposal of property, plant and equipment	7,474	156
Depreciation of property, plant and equipment	147,398	133,460
Amortisation of intangible assets	495,934	372,336
Equity settled share-based payments	265,698	117,297
Finance costs	1,609	1,443
Finance income	(66,360)	(68,501)
Impairment loss on available-for-sale financial assets	-	156,296
Write-off of accounts receivable	113,682	65,153
Exchange gain	(3,593)	(51,331)
	<u>(3,984,293)</u>	<u>524,884</u>
Changes in working capital:		
- Accounts and other receivables, prepayments and deposits	(1,053,813)	(1,100,109)
- Accounts and other payables	1,138,160	23,722
- Deferred revenue	1,386,242	1,666,014
	<u>(2,513,704)</u>	<u>1,114,511</u>

- (b) In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

	2013 US\$	2012 US\$
Net book amount	7,474	1,199
Loss on disposal of property, plant and equipment	(7,474)	(156)
	<u>-</u>	<u>1,043</u>
Proceeds from disposal of property, plant and equipment	<u>-</u>	<u>1,043</u>

## NOTES TO THE FINANCIAL STATEMENTS

### 2 Business combination

As part of the Group's strategy to become a premier global provider of talent management solutions for highly-regulated industries, on 1 March 2013, the Group entered into a sale and purchase agreement with an independent third party to acquire the business of eHealthcareIT at a consideration consisting of (i) US\$2,000,000 in cash; (ii) 1,500,000 ordinary shares of the Company; and (iii) a contingent consideration calculated based on contracted sales of eHealthcareIT for the ten months ended December 2013, subject to a ceiling of US\$500,000. The acquired business is engaged in providing e-learning and compliance solutions to the U.S. healthcare market. The acquisition was completed on 1 March 2013. After the acquisition, the eHealthcareIT business immediately became the Group's new dedicated division, NetDimensions Healthcare, providing talent, learning and compliance management solutions specifically to the healthcare market internationally.

The goodwill of US\$1,147,553 arising from the acquisition is attributable to the specialisation in the provision of e-learning and compliance solutions in the US healthcare market from combining the operations of the Group and eHealthcareIT, which cannot be separately recognised as intangible assets.

The following table summarises the consideration paid and payable for the acquisition and the fair value of the assets acquired and liabilities assumed at the acquisition date.

	US\$
Consideration:	
- Cash consideration	2,000,000
- Equity instruments (1,500,000 ordinary shares)	989,973
- Contingent consideration, payable in cash	500,000
	<hr/>
Total consideration	3,489,973
	<hr/> <hr/>
Recognised amounts of identifiable assets acquired and liabilities assumed:	
	Fair value US\$
Intangible asset - customer base	2,283,532
Property, plant and equipment	2,000
Trade and other receivables	210,790
Trade and other payables	(43,902)
Deferred revenue	(110,000)
	<hr/>
Total identifiable net assets	2,342,420
	<hr/> <hr/>
Goodwill	1,147,553
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## NOTES TO THE FINANCIAL STATEMENTS

### 2 Business combination (Continued)

The fair value of the 1,500,000 ordinary shares issued as part of the consideration paid for eHealthcareIT of US\$989,973 was based on the published share price on 1 March 2013.

The potential amount for all future payments that the Group should be required to make for aforesaid contingent consideration is between US\$ Nil and US\$500,000. The fair value of the contingent consideration of US\$500,000 was based on the actual performance of eHealthcareIT from 1 Mar 2013 to 31 December 2013.

Cash and contingent consideration in total amount of US\$2,241,962 was settled during the year.

Acquisition-related costs of US\$223,992 have been charged to operating expenses in the consolidated income statement for the year ended 31 December 2013.