

Unaudited half yearly report for the period  
1 January to 30 June 2009

**DDD GROUP PLC**

**Registered Number: 4271085**

## FINANCIAL REVIEW

DDD Group plc ("DDD" or "the Company"), the 3D software and content company, announces its unaudited half yearly report for the six months ended 30 June 2009.

### *Highlights*

#### Financial

- Turnover of £726,000 (June 2008: £354,000)
- Loss before tax of £448,000 (June 2008: £609,000)
- Loss before tax, net of IFRS2 (share based payments) implementation of £431,000 (June 2008: £603,000)
- Net cash outflow from operating activities of £119,000 (June 2008: outflow of £383,000)
- Net cash as at 30 June 2009 of £265,000 (June 2008: £207,000)

#### Operational

- Commenced 5-year license agreement with Wistron Corporation for the use of DDD real time 2D to 3D conversion software and hardware solutions in a range of consumer products including TVs and PCs.
- Debut of Acer Aspire® 3D notebook PC developed in conjunction with Wistron Corporation
- Demonstration of next generation Samsung 3D Plasma TV at Consumer Electronics Show incorporating Samsung 3D TV chip with TriDef automatic 2D to 3D conversion
- Introduction of TriDef Ignition next generation high performance PC game conversion software

### *Subsequent to the period end - highlights*

- Placing of 20,000,000 ordinary shares of 1p each at a price of 8.5p per ordinary share raising approximately £1,625,000, after expenses

## CHAIRMAN'S STATEMENT

"The Company continues to benefit from the growth in the 3D market, yielding first half income that has exceeded the 2008 full year income by 23%. Licensing income for the Company's software and hardware products represents an increasing percentage of the company's total income, resulting in a corresponding improvement of average gross profit margin to approximately 80%.

As a result of the Company's alliance with Wistron Corporation that commenced in late 2008, licensing income from PC software is the largest single contributor to overall growth. Since concluding the strategic investment and licensing agreement that was announced in January, the Company has worked closely with Wistron to deliver prototype 3D products for a number of Wistron's existing customers. The first example of the collaboration appeared at the Computex trade show in Taipei in June where an Acer Aspire® 3D notebook PC was demonstrated. Acer anticipates that this 3D notebook will be introduced commercially following the release of Microsoft's new Windows® 7 operating system in October this year.

At the Consumer Electronics Show in January, several leading consumer electronics manufacturers including Samsung, LG Electronics, Sony, Panasonic and JVC demonstrated a variety of 3D consumer HDTVs, signalling that the arrival of the consumer market for 3D content is imminent. The Company expects that this will yield further opportunities for technology licensing in the near term.

The Company had anticipated that the second generation 3D TVs would arrive in the Spring of 2009 enabling royalty income from Samsung and others, however the economic climate coupled with the ongoing discussions over 3D formats for Blu-ray discs has delayed this introduction until early 2010.

In April, the Company introduced its next generation TriDef® 3D Experience software for video, picture and game conversion. With support for well over 100 games, the Company's game conversion solution now includes a high performance 3D mode, based on the Company's patented 3D conversion techniques, that offers significant performance advantages over other competing solutions. For the game player, this yields a smoother, faster 3D game experience and for the PC manufacturer, the Company's solution allows 3D games to be played on entry-level graphics chips, widening the potential market for 3D devices.

The Company has also continued to develop the 2D to 3D video conversion technologies for both automatic and post production requirements. As broadcasters like BSkyB and others plan the introduction of 3D HDTV networks in 2010, the requirement for sufficient 3D content to fill these emerging channels will become increasingly critical. In addition to improvements in the automatic 3D conversion used in 3D TV chips and PC software, the Company is developing techniques intended to allow competitively priced 3D post-production conversion for the emerging broadcast television market.

In July, in a post balance sheet event, the Company completed an equity offering, raising £1.7m before expenses. Despite the economic climate, this offering was priced at a premium to market and was oversubscribed. The offering was placed to several of our largest shareholders, including Arisawa Manufacturing, Wistron Corporation and some of the directors of the Company. Six U.K. institutional investors also participated in the placing, underscoring the increasing investment appetite for 3D.

The working capital raised in July, combined with the increase in revenues, will enable the Company to increase headcount in both sales and technical staff as and when required in order to create further growth of revenue and earnings."

**Paul Kristensen**  
**Chairman**  
**23 September 2009**

## OPERATIONAL UPDATE

### *Executive Summary*

The 3D market continues to gather momentum, fuelled by the ongoing box office success of Hollywood's latest 3D movies. At almost every major international trade show for the consumer electronics market, broadcast market and PC markets, a growing list of major corporations are demonstrating their latest 3D products and services including Samsung, LG Electronics, Sony, JVC, Panasonic, and Acer.

By virtue of the Company's track record of delivering successful 3D solutions for customers including Samsung, Hyundai IT and Wistron, the Company has seen a healthy increase this year in approaches from organisations seeking to enter the 3D market by incorporating the Company's solutions.

As the 3D market develops, so too does the competition for the products and services offered by the Company. In the market for PC game conversion, the Company's TriDef Ignition game drivers offer a high performance alternative to the nVIDIA Vision 3D system, as evidenced by the adoption of DDD's TriDef 3D Experience PC software solution by Wistron Corporation, one of the world's leading notebook PC makers who are expected to manufacture approximately 28 million notebook PCs during 2009.

The first half of 2009 saw the Company focus on delivering next generation features for video and PC game conversion. Simultaneously, the Company was also engaged in assisting Wistron in delivering the first 3D mass market products to be manufactured on behalf of Wistron's customers.

With the emergence of mass markets for 3D consumer devices, the Company is also preparing to deliver content to consumers who own 3D PCs and TVs. The Company has commenced acquiring the rights to a growing library of originally made 3D content that will become available for digital download in the second half of the year. This approach broadens the revenue available to the Company by creating the opportunity to share in the revenue derived from the ongoing consumption of content delivered using optical media, broadcast and broadband.

### *Business Review*

DDD is presently pursuing the adoption of its patented software, hardware and content conversion/creation solutions on three main platforms as follows:

*Consumer Television*, refers to flat screen HDTV displays being developed and marketed by major consumer electronics companies where DDD's real-time 2D to 3D content conversion solution provides an important bridge towards mass-market consumer adoption of 3D capable televisions.

*Desktop and Notebook PC Displays*, refers primarily to consumers and business users who use 3D notebook PCs and monitors, and DDD's related software, to play games in 3D, watch movies in 3D, visualize scientific data in 3D and create 3D movies.

*Consumer Handheld Devices*, refers to the market for 3D mobile telephones, personal digital assistants and personal media players where the DDD Mobile™ suite of software can be used to convert, present, download and share popular mobile content such as wallpapers, animations and video in glasses-free 3D.

- ***Consumer Television***

In January, Samsung demonstrated their next generation 58" 3D plasma televisions at the Consumer Electronics Show in Las Vegas, further extending their 3D HDTV product line. The Samsung 58" TV includes Samsung's 'Real 3D Engine' chip that incorporates the DDD 3D conversion licensed to Samsung during 2008. Samsung's demonstration showed a popular X-Box 360 racing game that was being converted to 3D on Samsung's 3D TV chip using DDD's technology.

The Hyundai IT 46" and 32" 3D LCD TVs continue to prove popular with studios and broadcasters who are evaluating the delivery of 3D content to the home. The demonstrations by B SkyB of their HD 3D satellite TV

service have utilized the Hyundai 3D TVs and a number of other companies involved in cable, satellite and IPTV are using the Hyundai IT TVs as a basis for their technical and market planning activities.

In late 2008, Samsung announced that it was ceasing production of their DLP® range of consumer televisions due to the increasing competition from plasma and LCD TVs in the large TV segment. With a decreasing quantity of 3D Ready DLP TVs being sold as they are phased out, online sales of the TriDef 3D Experience to early adopter customers in the 3D TV market have declined from the levels seen in 2008. The decline in the use of the Company's software in the early adopter TV market has been more than offset by the increase in sales in the growing PC market, however.

In the near term, the Company is actively pursuing additional agreements for its real time 2D to 3D conversion technology in the emerging 3D television market that yield one-time development revenues and enable ongoing licensing and royalty revenues over the lifetime of the license agreement. The Company anticipates that some TV manufacturers will introduce 3D TVs without any automatic 2D to 3D conversion capabilities and has commenced discussions with the set top box manufacturers to expand the Company's footprint in the 3D TV market.

Income from the sale of 3D TV accessory packs, 3D TV development fees and licenses for 3D TV market comprised approximately 44% of income for the period.

- **Desktop and notebook PCs**

The Company generates income from the sale of software for 3D PC applications in two ways:

- Direct sales of software to end users via the Company's online website store
- Licensing of software to OEM partners for inclusion with 3D PC products

As the market for 3D PC monitors continues to grow, online sales income from the Company's TriDef 3D Experience software grew 42% compared to the same period in 2008. Similarly, primarily as a result of the Company's licensing agreement with Wistron Corporation, income from the licensing of software to OEM distribution partners grew by 308% compared to the same period in 2008.

DDD continues to resell desktop PC 3D monitors and additional TriDef software applications to international business users, primarily comprised of the Hyundai IT 24" high resolution PC 3D display based on Arisawa's X-pol™ optical solution.

Income from the sale of software and displays in the desktop and notebook PC market comprised approximately 54% of income for the period.

- **Consumer Handheld Devices**

With the groundswell of new 3D products being introduced in the TV and PC markets, the Company expects that these products will drive interest and demand for the delivery of 3D enabled mobile devices.

The Company continues to follow a number of these projects that are in their formative stages. As has been the case, the Company will continue to seek additional development, licensing and royalty opportunities in this segment from handset makers and will endeavour to secure ongoing revenue streams through participating in the delivery of premium 3D content to 3D subscribers.

During the period the Company recognised the remainder of the license revenue from the two-year exclusive license for the Korean market that was granted to Samsung in late 2006. Income from the mobile license fee comprised approximately 1% of income for the period.

- **3D Conversion & Content Publishing**

In mid 2008, DDD began the development of a 3D content publishing business capable of delivering high quality, specially made 3D content via digital download and optical discs to DDD's customers in the PC and TV markets.

The Company has secured the digital distribution rights to a growing library of third party 3D productions ranging from children's animation to educational feature length documentaries. Trailers for these productions will be included with DDD's PC software solutions. Feature length versions will be made available for paid download in conjunction with the mass-market launch of the 3D consumer devices that the Company's licensees in the PC and TV markets are developing.

Revenues from Content related activities accounted for less than 1% of revenues during the period.

**Chris Yewdall**  
**Chief Executive Officer**  
**23 September 2009**

**Consolidated Income Statement for the 6 months ended 30 June 2009**

		6 months to 30 June 2009 £'000 (unaudited)	6 months to 30 June 2008 £'000 (unaudited)	12 months to 31 Dec 2008 £'000
	Notes			
Revenue		726	354	592
Cost of sales		(142)	(79)	(208)
Gross profit		584	275	384
Administration expenses		(988)	(886)	(1,958)
Other income		15	12	197
Share based payment		(17)	(6)	(23)
Operating loss		(406)	(605)	(1,400)
Finance income		2	4	12
Finance expense		(44)	(8)	(53)
Loss before tax		(448)	(609)	(1,441)
Taxation		(110)	15	60
Loss for the period		(558)	(594)	(1,381)
<b>Loss per share</b>				
Basic (pence per share)	3	(0.62)	(0.80)	(1.86)

**Consolidated statement of comprehensive income for the 6 months ended 30 June 2009**

	6 months to 30 June 2009 £'000 (unaudited)	6 months to 30 June 2008 £'000 (unaudited)	12 months to 31 Dec 2008 £'000
<b>Income per the income statement</b>	(558)	(594)	(1,381)
<b>Other comprehensive income:</b>			
Exchange differences on translation of foreign operations	(36)	4	(109)
Other comprehensive income for the period, net of tax	(36)	4	(109)
Total comprehensive loss for the period	(594)	(590)	(1,490)

**Consolidated statement of financial position as at 30 June 2009**

		30 June 2009 £'000 (unaudited)	30 June 2008 £'000 (unaudited)	31 Dec 2008 £'000
	Notes			
<b>Assets</b>				
Non-current assets				
Property, plant and equipment		46	36	34
Intangible assets	4	201	393	242
Deposit		-	1	1
<b>Total non-current assets</b>		<b>247</b>	<b>430</b>	<b>277</b>
Current assets				
Trade and other receivables	6	59	153	1,014
Inventory		3	13	40
Cash and bank balances		265	207	95
<b>Total current assets</b>		<b>327</b>	<b>373</b>	<b>1,149</b>
<b>Total assets</b>		<b>574</b>	<b>803</b>	<b>1,426</b>
<b>Equity and liabilities</b>				
Capital and reserves				
Issued capital	5	7,606	7,442	7,442
Share premium	5	4,976	4,612	4,612
Merger reserve		13,279	13,279	13,279
Share based payment reserve		255	221	238
Translation reserve		(200)	(51)	(164)
Retained earnings		(26,873)	(25,528)	(26,315)
<b>Total equity</b>		<b>(957)</b>	<b>(25)</b>	<b>(908)</b>
Non-current liabilities				
Financial liabilities		555	510	532
Deferred tax liabilities		56	108	63
<b>Total non-current liabilities</b>		<b>611</b>	<b>618</b>	<b>595</b>
Current liabilities				
Trade and other payables	7	920	210	1,739
<b>Total current liabilities</b>		<b>920</b>	<b>210</b>	<b>1,739</b>
<b>Total liabilities</b>		<b>1,531</b>	<b>828</b>	<b>2,334</b>
<b>Total equity and liabilities</b>		<b>574</b>	<b>803</b>	<b>1,426</b>

**Consolidated statement of cash flows for the 6 months ended 30 June 2009**

	6 months to 30 June 2009 £'000 (unaudited)	6 months to 30 June 2008 £'000 (unaudited)	12 months to 31 Dec 2008 £'000
<b>Cash flows from operating activities</b>			
Loss for the period	(558)	(594)	(1,381)
Finance costs in the income statement	42	4	41
Tax in the income statement	110	(15)	(60)
Depreciation of non-current assets	11	13	25
Amortisation	201	238	526
Share based payments	17	6	23
Decrease / (increase) in inventory	37	-	(27)
Decrease / (increase) in trade and other receivables	955	(42)	(903)
(Decrease) / increase in trade and other payables	(819)	3	1,543
Net cash used in operations	(4)	(387)	(213)
Interest received	2	4	12
Income tax paid	(117)	-	-
Net cash used in operating activities	(119)	(383)	(201)
<b>Cash flows from investing activities</b>			
Interest paid	(21)	(8)	(53)
Payments for property plant and equipment	(23)	(6)	(12)
Payments for intangible assets	(160)	(190)	(326)
Net cash used in investing activities	(204)	(204)	(391)
<b>Cash flows from financing activities</b>			
Proceeds from issue of equity shares	575	-	-
Issue costs	(47)	-	-
Deposit withdrawn	1	-	-
Loan note issue	-	510	510
Net cash generated by financing activities	529	510	510
Net increase in cash and cash equivalents	206	(77)	(82)
Exchange losses	(36)	(2)	(109)
Total increase in cash and cash equivalents	170	(79)	(191)
Cash and cash equivalents at the start of the period	95	286	286
Cash and cash equivalents at the end of the period	265	207	95

**Consolidated statement of changes in equity for the 6 months ended 30 June 2009**

	Share capital £'000	Share premium £'000	Merger reserve £'000	Option reserve £'000	Foreign exchange £'000	Retained earnings £'000	Total equity £'000
<b>At 1 January 2008</b>	<b>7,442</b>	<b>4,612</b>	<b>13,279</b>	<b>215</b>	<b>(55)</b>	<b>(24,934)</b>	<b>559</b>
Loss for the year						(594)	(594)
<b>Other comprehensive income:</b>							
Exchange differences on translation of foreign operations					4		4
<b>Total comprehensive income</b>					4	(594)	(590)
Equity settled share options				6			6
<b>Transactions with owners</b>				6			6
<b>At 30 June 2008</b>	<b>7,442</b>	<b>4,612</b>	<b>13,279</b>	<b>221</b>	<b>(51)</b>	<b>(25,528)</b>	<b>(25)</b>
Loss for the year						(787)	(787)
<b>Other comprehensive income:</b>							
Exchange differences on translation of foreign operations					(113)		(113)
<b>Total comprehensive income</b>					(113)	(787)	(900)
Equity settled share options				17			17
<b>Transactions with owners</b>				17			17
<b>At 31 December 2008</b>	<b>7,442</b>	<b>4,612</b>	<b>13,279</b>	<b>238</b>	<b>(164)</b>	<b>(26,315)</b>	<b>(908)</b>
Loss for the year						(558)	(558)
<b>Other comprehensive income:</b>							
Exchange differences on translation of foreign operations					(36)		(36)
<b>Total comprehensive income</b>					(36)	(558)	(594)
Share issue	164	411					575
Cost of share issue		(47)					(47)
Equity settled share options				17			17
<b>Transactions with owners</b>	164	364		17			545
<b>At 30 June 2009</b>	<b>7,606</b>	<b>4,976</b>	<b>13,279</b>	<b>255</b>	<b>(200)</b>	<b>(26,873)</b>	<b>(957)</b>

## 1. The Company

Dynamic Digital Depth Group Plc ("the Company") is principally involved in the development and licensing of software, the conversion of content from 2D to 3D and the supply of hardware services and IP to enable the viewing of 3D images.

The Company is a public limited liability company incorporated and domiciled in England and Wales. The address of its registered office is 22 Melton Street, London, NW1 2BW, United Kingdom.

The Company has its listing on the Alternative Investment Market ("AIM") of the London Stock Exchange.

## 2. Basis of preparation

This unaudited consolidated half yearly report is for the six month period ended 30 June 2009. It does not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2008, which were prepared under International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

The consolidated financial statements have been prepared under the historical cost convention except for share based payments which are valued at the date of grant.

These interim consolidated financial statements have been prepared in accordance with accounting policies consistent with those set out in the Group's financial statements for the year ended 31 December 2008, which were prepared in accordance with IFRS as adopted by the EU, except for the adoption of IAS 1 Presentation of Financial Statements (Revised 2007).

The financial information set out in this interim report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2008, prepared under IFRS, have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under Section 237(2) of the Companies Act 1985.

## 3. Loss per share

	6 months to 30 June 2009 £'000 (unaudited)	6 months to 30 June 2008 £'000 (unaudited)	Year to 31 December 2008 £'000
Loss for the year attributable to equity shareholders	(558)	(594)	(1,381)
<b>Loss per share</b>			
Basic (pence per share)	(0.62)	(0.80)	(1.86)
	Shares	Shares	Shares
Issued ordinary shares at start of the period	74,416,547	74,416,547	74,416,547
Ordinary shares issued in the period	16,441,625	-	-
Issued ordinary shares at end of the period	90,858,172	74,416,547	74,416,547
Weighted average number of shares in issue for the period	90,310,118	74,416,547	74,416,547

The diluted loss per share does not differ from the basic loss per share as the exercise of share options would have the effect of reducing the loss per share and is therefore not dilutive under the terms of IAS 33.

**4. Intangible assets**

	Capitalised development costs £'000	Patents £'000	Total £'000
Cost			
At January 1 2008	796	192	988
Additions	190	-	190
At 30 June 2008	986	192	1,178
Additions	137	-	137
At 31 December 2008	1,123	192	1,315
Additions	160	-	160
At 30 June 2009	1,283	192	1,475
Amortisation			
At January 1 2008	355	192	547
Charge for the period	238	-	238
At 30 June 2008	593	192	785
Charge for the period	288	-	288
At 31 December 2008	881	192	1,073
Charge for the period	201	-	201
At 30 June 2009	1,082	192	1,274
Net book value			
At January 1 2008	441	-	441
At 30 June 2008	393	-	393
At 31 December 2008	242	-	242
<b>At 30 June 2009</b>	<b>201</b>	<b>-</b>	<b>201</b>

**5. Change in ordinary share capital structure and new ordinary share placing**

	Shares	Nominal Value £'000	Premium net of costs £'000	Total £'000
In issue 1 January & 31 December 2007	74,416,547	7,442	4,612	12,054
74,416,547 deferred shares 9 p par	74,416,547	6,698	-	6,698
74,416,547 shares 1 p par	74,416,547	744	4,612	5,356
In issue 31 December 2008	148,833,094	7,442	4,612	12,054
Share placing January 2009	16,441,625	164	364	528
In issue 30 June 2009	165,274,719	7,606	4,976	12,582

On 5 July 2008 the share capital of the Company was split so that a total of 74,416,547 ordinary shares of par value 10 pence became 74,416,547 deferred shares of par value 9 pence plus 74,416,547 new ordinary shares of par value 1 penny.

The holders of the deferred shares shall not be entitled to receive any dividend out of the profits of the Company available for distribution. On a distribution of assets on a winding-up or other return of capital (otherwise than on conversion or redemption or purchase by the Company of any of its shares) the holders of the deferred shares shall be entitled to receive the amount paid up on their shares after distribution (in cash or in specie) to the holders of the new ordinary shares the amount of £100,000,000 in respect of each new ordinary share held by them. The deferred shares shall not entitle their holders to any further or other right of participation in the assets of the Company. The holders of deferred shares shall not be entitled to receive notice of or to attend (either personally or by proxy) any general meeting of the Company or to vote (either personally or by proxy) on any resolution to be proposed. No certificates will be issued in respect of the deferred shares.

On January 5<sup>th</sup>, 2009, the Company announced that it had raised £575,457 before expenses through a placing of 16,441,625 ordinary shares of 1 pence each in the capital of the Company ("Placing Shares") at a placing price of 3.5 pence per share.

The Placing Shares were placed with Mr. Christopher Yewdall and Dr Sanji Arisawa (existing Directors of DDD), Mr. Michael Stubbs (an existing shareholder) and Wistron Corporation (listed on the Taiwan Stock Exchange under symbol 3231) which made this strategic investment at the same time as entering into a memorandum of understanding in relation to license agreements with DDD. Under the terms of the agreement with Wistron Corporation, Wistron Corporation is restricted from selling its shares for the earlier of (i) a period of 2 years from the date of issue or (ii) such time as the exclusive rights to be separately licensed by DDD to Wistron Corporation to use DDD's software revert to non-exclusive rights.

Following the issue of the Placing Shares, the Company's issued share capital increased from 74,416,547 shares to 90,858,172 shares when the Placing Shares were admitted to AIM on January 7<sup>th</sup>, 2009.

No options have been exercised.

#### **6. Trade and other receivables**

The trade receivables at the beginning of the period included £913,000 in license fees from Wistron that fell due on December 30<sup>th</sup>, 2008. This receivable was paid in full during the period.

#### **7. Trade and other payables**

The trade payables at the beginning of the period included £1,166,000 in prepaid license fees and advance royalty payments from licensees for software and hardware products in the TV, PC and Mobile Phone markets. Approximately £481,000 of these prepaid license fees and royalties were recognised during the period.

#### **8. Related party transactions**

Two of the Directors of the Company (Mr. Christopher Yewdall and Dr. Sanji Arisawa) and a substantial shareholder in the Company (Mr. Michael Stubbs) subscribed for Placing Shares, the Placing Shares transaction is a related party transaction for the purpose of AIM Rule 13. In this regard, having consulted with the Company's nominated adviser, Brewin Dolphin, the Directors of the Company, other than Dr. Sanji Arisawa and Mr. Christopher Yewdall, consider that the terms of the Placing Shares transaction are fair and reasonable insofar as the shareholders of DDD are concerned.

Two of the Directors of the Company (Mr. Hans Snook and Mr. Nicholas Brigstocke) and three substantial shareholder in the Company (Arisawa Manufacturing Company Limited, Wistron Corporation and Mr. Nigel Wray) subscribed for July Placing Shares, the July Placing Shares transaction is a related party transaction for the purpose of AIM Rule 13. In this regard, having consulted with the Company's nominated adviser, Brewin Dolphin, the Directors of the Company, other than Mr. Hans Snook and Mr. Nicholas Brigstocke, consider that the terms of the July Placing Shares transaction are fair and reasonable insofar as the shareholders of DDD are concerned.

**9. Events after the balance sheet date**

On July 9<sup>th</sup>, 2009, the Company announced that it planned to raise up to £1,700,000 before expenses through a placing of 20,000,000 ordinary shares of 1 pence each in the capital of the Company ("July Placing Shares") at a placing price of 8.5 pence per share.

The July Placing Shares were placed with Mr. Hans Snook and Mr. Nicholas Brigstocke (existing Directors of the Company), Arisawa Manufacturing Company Limited, Wistron Corporation and Mr. Nigel Wray (existing shareholders) as well as other institutional shareholders.

Following the issue of the July Placing Shares, the Company's issued share capital increased from 90,858,172 shares to 110,858,172 shares when the July Placing Shares were admitted to AIM on July 16<sup>th</sup>, and July 27<sup>th</sup>, 2009.