



7 July 2016

## DDD Group plc

("DDD" or the "Company" or the "Group")

### Admission Statement

The Board of DDD Group plc, the advanced imaging company, is pleased to announce the admission of its ordinary shares to trading on Asset Match ahead of its first auction.

It is intended that the first auction in the Company's shares will be held in July 2016. Thereafter, auctions will be held quarterly. More information, including exact auction dates and details on how to buy and sell, are available on the [company profile page](#).

#### The directors of the Company are:

Nicholas Brigstocke (*Non-Executive Chairman*)

Christopher Yewdall (*Chief Executive Officer*)

Victoria Stull (*Chief Financial Officer*)

Dr. Sanji Arisawa (*Non-Executive Director*)

Hans R. Snook (*Non-Executive Director*)

#### Registered office:

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#### Nicholas Brigstocke, Chairman of DDD Group plc, commented:

"The Board is pleased to be working with Asset Match to provide regular and structured liquidity for our shareholders. The transparency on Asset Match's platform enables shareholders to view and participate in auctions on an equal basis."

#### 1. Company description

DDD Group is a leading developer and licensor of intellectual property in the advanced imaging market for consumer entertainment products. The Group delivers innovative 'intelligent video' software solutions for the video chat/conferencing, gamecasting/webcasting and social photography markets. Headquartered in Los Angeles, California, the Group also has a research and development office in Perth, Australia here the company was founded in 1993.

#### 2. Strategy and prospects

The Group is a leading developer of real time image analysis and segmentation technologies. The Group has developed a successful brand around its TriDef® range of products, initially in the market for stereoscopic 3D consumer products where its TriDef 3D 2D to 3D conversion solutions have been shipped in 56 million 3D televisions, personal computers, smartphones and tablets.

DDD's latest TriDef SmartCam and UPix software products are designed for personal computers and smartphones/tablets and are delivered as Windows, OS X, Android and iOS downloadable apps. These apps are used in a diverse range of sizeable international markets including:

- Gamecasting and webcasting where game players use TriDef SmartCam overlay their image onto the game and video content they are pre-recording for streaming on the internet.

- Video chat and video conferencing where participants use TriDef SmartCam to replace or blur their immediate background, allowing video chat and calls to be made in a wider range of locations and with greater privacy.
- Social photography where mobile users can create better selfies with UPix. UPix also makes digital photography interactive allowing friends and family to become part of the moment even though they are not physically present.

The Group creates affiliate licenses with PC software developers and publishers through which the Group's software is marketed by the affiliate to their end users. The Group shares part of the license fee paid by the end users to purchase the Group's software with the affiliate. In the mobile/tablet market, the Group publishes its software in app stores such as the Google Play Store and the Apple App Store.

The Group licenses its TriDef 3D automatic 2D to 3D conversion solution directly to the 3D consumer product manufacturers (OEMs) and receives calendar quarterly royalties based on the number of products containing the licensed solution that the OEM has produced. Following a decline in the 3D consumer market since 2013, this is not a market where future growth is expected.

### **3. Board of Directors**

Brief biographies of the directors of the Company are set out below.

#### **Nicholas Brigstocke - Non-Executive Chairman**

Nick was appointed a non-executive director of DDD in November 2001 and appointed Chairman in June 2013. In addition, he currently is a member of the board of directors of Petromaroc Corporation PLC. In 2001, he retired as Chairman of UK Equity Capital Markets at Credit Suisse First Boston ("CSFB"). He joined CSFB when it purchased Barclays de Zoete Wedd in January 1998, at which time he was Chairman and Managing Director of BZW's UK corporate broking business. Prior to that, he was head of equity sales and a member of the equity management committee at BZW.

#### **Christopher Yewdall - Chief Executive Officer / Executive Director**

Chris was appointed Chief Executive Officer of DDD in November 2001. He joined DDD as Vice President of Sales and Marketing in September 1998, was appointed President of DDD USA in July 1999, became its Chief Executive Officer in July 2000 and was appointed to its Board of Directors of DDD Inc. in April 2001. Prior to joining DDD, Chris was Vice President, Business Development of C-Dilla Limited, an anti-piracy software provider servicing entertainment and business software developers. Between February 1991 and March 1997, he was General Manager and Vice President of Sales of Virtuality Inc., a virtual reality 3D technologies company with offices in Europe and North America.

#### **Victoria Stull - Chief Financial Officer / Executive Director**

Victoria was appointed to the Board of Directors of DDD on 18 July 2012. Victoria joined the Company's finance team in October 2009 and was appointed as Chief Financial Officer in June 2010. Prior to joining DDD, Victoria was a founding member and Vice President of Sales & Business Development of GOQO, an online entertainment portal available in over 20,000 internet cafes throughout China. Victoria has also held positions of Vice President Business Development and Vice President Financial Operations, at Gemstar-TV Guide International, a leading provider of interactive programming technologies in the digital television market, and Sony Pictures International Television. She spent five years in various audit roles with Sony Corporation of America and Deloitte & Touche LLP.

#### **Dr. Sanji Arisawa - Non-Executive Director**

Sanji was appointed a non-executive director of DDD in March 2005. He is Chairman & Chief Executive Officer at Arisawa Mfg. Co., Ltd and Independent Outside Director at Nippon Seiki Co., Ltd., Chairman at Protec Arisawa Europe, S.A, and President & Representative Director at Protec International Holdings Co., Ltd. Additionally, he serves on the board of directors of ThinFlex Corp., Colorlink Japan, Ltd. and Protec Arisawa America. He

received his undergraduate degree from Waseda University and a doctorate degree from North Carolina State University in 1973.

#### **Hans R. Snook - Non-Executive Director**

Hans was appointed a non-executive director of DDD in January 2006. Hans is the Chairman of Truemove, a mobile telephone operator based in Thailand. Hans was the founder and Chief Executive of Orange and served on the board of the main holding company and two of its subsidiaries. He articulated the vision of a 'wire free future' which has driven the branding, strategy and operation of Orange. Under Hans' leadership, Orange launched on 28 April 1994 and had a profound impact on the mobile market in both the UK and globally. In March 1996, Orange listed on the London and NASDAQ exchanges and, in June of that year, became the youngest company to enter the FTSE 100. After a series of acquisitions, Hans continued as Chief Executive of the enlarged Orange group, leading it to a subsequent flotation in February 2001, at which point he became Special Adviser to the group, a role from which he stepped down at the end of 2001. From 2002 until July 2005, Hans was non-executive Chairman of Carphone Warehouse Group plc. From May 2005 to February 2007, Hans was non-executive Chairman of MonsterMob Group plc.

#### **4. Share capital and significant shareholders**

At 30 June 2016 the Company's issued share capital consisted of 190,588,572 ordinary shares with a nominal value of 1 pence each, each share having equal voting rights.

The Company does not hold any ordinary shares in treasury and therefore the number of ordinary shares with voting rights is 190,588,572.

The ordinary shares are not admitted to trading on any exchange or trading platform other than Asset Match.

The Company has been notified that the following shareholder(s) are interested in 3% or more of the issued share capital of the company:

<i>Name of shareholder</i>	<i>Number of shares</i>	<i>Percentage holding</i>
Arisawa Manufacturing Co., Ltd.	29,856,123	15.6%
Mr. Michael Stubbs	23,448,740	12.3%
Mr. Robert Morton	18,000,000	9.4%
Mr. Nigel Wray	10,420,648	5.4%
Wistron Corporation	9,919,831	5.2%
InterDigital Finance Corporation	7,039,760	3.6%

As a result of a share capital restructure in 2008, DDD also has 74,416,547 deferred shares with a nominal value of 9 pence each, with no voting rights and limited rights as described in the 2015 Group financial statements (Note 10). The deferred shares are not tradeable.

#### **5. Financial statements**

The Company's latest annual report and accounts for the year ended 31 December 2015 can be accessed on the [company profile page](#).

#### **6. Legal and arbitration proceedings**

Other than noted below, during the 12 months preceding the date of this document, neither the Company nor any of its subsidiaries has been engaged in or is currently engaged in any other litigation or arbitration proceedings which have or may have had in the recent past a significant effect on the financial position of the Company and so far as the directors are aware, there are no such proceedings pending or threatened by or against the Company or any of its subsidiaries.

## **OUTSTANDING LITIGATION**

### **Dynamic Digital Depth Research PTY LTD v. LG Electronics Inc. and LG Electronics USA, Inc. Case No. 15-cv-05578 (C.D. Cal.):**

On July 23, 2015, Dynamic Digital Depth Research PTY LTD (“DDDR”), a wholly owned subsidiary of the Group, filed a complaint against LG Electronics, Inc. and LG Electronics USA, Inc. (collectively, “LGE”) in the U.S. District Court for the Central District of California, asserting infringement of U.S. Patent Nos. 6,477,267 (the “’267 patent”); 6,496,598 (the “’598 patent”), and 7,489,812 (the “’812 patent”) (collectively, the “patents-in-suit”), against LGE’s 3D televisions with automatic 2D-to-3D conversion capabilities. The complaint seeks damages, injunctive relief, interest, a finding of willfulness, and a declaration that the action is exceptional. On September 28, 2015, LG filed its Answer, Affirmative Defenses, and Counterclaims. LGE asserted counterclaims against DDDR for declaratory judgment of non-infringement and invalidity of the patents-in-suit. On January 19, 2016, LGE filed a Motion for Judgment on the Pleadings alleging that the ’267 and ’812 patents are invalid. Following a hearing on June 6, 2016, the Court deferred a decision on LG’s Motion for Judgment on the Pleadings until the claim construction phase of the litigation is completed. The Court scheduled a hearing for claim construction of the patents-in-suit on September 8, 2016. The Court has not scheduled a date for trial.

### **7. Responsibility statement**

The directors of DDD Group plc, as set about above, accept responsibility for the information contained within this document. To the best of the knowledge and belief of the directors (who have taken reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

**REMINDER:** It is intended that the first auction in the Company’s shares will be held in July 2016. Thereafter, auctions will be held at regular intervals. More information, including exact auction dates and details on how to buy and sell, will be provided in due course.

The Company is working with Deutsche Bank to cancel the ADR program, which will result in the cancellation of the listing on OTCQX. This process is expected to be completed in September 2016. Holders of the ADRs will have the option to convert into share certificates in the Company and sell their shares on the Asset Match platform.

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