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DDD Group PLC

DDD Group announces restructuring

Los Angeles, California: DDD Group plc, the advanced imaging company, announces that it has undertaken a restructuring of the Group following delays in the shipment of the Group's TriDef SmartCam and TriDef VR software by two significant affiliate licensees. Forecasts prepared by the Group assumed that shipments of both products would commence during the second quarter however delays in the introduction of the licensee products with which the software will be shipped has a corresponding impact on when end users will be able to complete their post evaluation purchases.

While both licensees have confirmed that their shipments will commence during the third quarter, the delay in revenue prompted the board to act to restructure the Group pending the revenues from these and other licensees reaching a suitable level with respect to the operating costs of the Group.

Consequently the Group has implemented a round of layoffs that impact the Group's technical development team in Perth, Australia and the marketing team in Los Angeles, California. The Group continues to sell its TriDef SmartCam, TriDef VR and TriDef 3D software apps from the TriDef.com website along with the UPix apps on the Google Play store and the Apple App store. In addition, the Group's affiliates continue to offer TriDef SmartCam through the pre-existing license agreements.

As a result of the restructuring, the Group will be closing the Perth, Australia office and is planning to vacate the office in Los Angeles. In view of the closure of the physical offices, the Group has moved its information technology infrastructure to the cloud to enable the ongoing operation of the various subsidiaries. The Group has also withdrawn the legacy TriDef 3D Mobile apps from the Google Play store due to a continued slowdown in demand for stereoscopic mobile applications that has been previously reported.

The Group may require additional funding within the next 12 months if the delays in the affiliate revenue persist or a change occurs in the market. There remains uncertainty that contract negotiations will be finalised or performance will be as expected. If there are further material adverse variances against the Group's forecasts, the Group would need to implement additional mitigating actions to manage cash resources.

Enquiries:

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About DDD Group

DDD transforms the visual experience. Its advanced imaging and TriDef® solutions are licensed by leading brands including Samsung, ASUS, Gigabyte and MSI for use in TVs, notebooks and PCs. Over 56 million 3D products and over 4 million 2D products have been shipped by DDD's licensees and affiliates worldwide. For more information please visit www.DDDgroupplc.com.