

### INTRODUCTION

Digislide Holdings Ltd ("Digislide") is an Australian company developing innovative miniaturised projection technologies with wide application. Particular emphasis is on those products that can be embedded into a range of mobile and/or hand-held communication devices.

The core Digislide technologies are in miniature video projection. Digislide holds numerous international and/or global patents and has proprietary breakthrough technology in terms of projector brightness and high resolution imaging.

The technologies include the IP for miniature projection through advanced optics and software/firmware development.

The technologies have received several awards in important international technology arenas and Digislide is currently in discussions with several major brands in consumer electronics. A Heads of Agreement has been achieved with Haier, one of China's largest consumer goods manufacturers and a Gold Partnership on development is already in place with Singtel.

Digislide has a business development plan that highlights licensing key products to manufacturers of OEM components and to also manufacture other projection products for sale in local and international markets.

**Its patented Digislide Inside™ miniaturised optics and electronics technologies can be embedded in a range of mobile and/or hand-held communications devices including mobile phones, laptops, PDAs and PMPs ("Portable Media Players" including iPod-type and MP4 devices).**



### HIGHLIGHTS

Management team has global experience in consumer electronics technologies.

Technologies have achieved National and International Technology Awards.

First product achieved 5% Australian market share after 30 months after launch in 2003.

**Digishow** pocket-sized companion Projector market entry in March 2009 for consumer market as companion to iPods, digital cameras and hand held electronic devices.

**Digivision** pocket-sized companion Projector market entry in June Qtr 2009 for professional market as companion to notebooks, smartphones and hand held electronic devices.

**StingRay** and **XRay** projector market entry in June Qtr 2009 for games consoles.

**Digislide is now seeking an ASX listing through an IPO with a minimum of A\$3m raising underwritten by MPS with oversubscriptions up to A\$4.5m at a share price of A\$1.25.**

#### Prospectus Dates

Offer open	19 December 2008
Offer closes	30 January 2009
ASX listing	approx 20 February 2009



## MARKETS FOR MINIATURISED PROJECTION TECHNOLOGIES

The global trend for greater mobility in communications and computing hardware is driving a parallel demand for the design and manufacture of ever smaller devices. However the smaller the device, the smaller the screen on which to view the associated image. To overcome the viewing limitations of miniaturised devices without loss of mobility, Digislide has developed a technology that becomes part of the device and then projects the larger image onto more convenient walls or screens.

The first wave of miniature projectors is already on the market **but** all current products lack Digislide's resolution and many use a common 3M optical engine and LED.

The market potential of projector bearing products is perceived to be very large (around US\$350bn) with applications ranging from the simple pocket-sized projector to embedded units in mobile phones, PDAs, notebook computers and game consoles. Digislide's market research suggests that the worldwide market volume for mobile phones and PDAs was around 1.15bn units in 2007 and should be 32% higher by 2012 whilst those for notebook computers were an estimated 109m units and 225m (up 106%) by 2012.

Digislide's key objectives are to design, develop and license projection technologies to major brand owners and other OEMs throughout the Asian region. Digislide seeks to earn royalties from every production unit that is sold containing Digislide technologies.

### **Sale of Products as an OEM**

Digislide believes it can have Digislide Inside™ miniaturised optics and electronics technology, manufactured and supplied to end markets as Digislide products or to one or more global brands, or other technology manufacturers, for embedding within their existing products.

### **Licence of Technology**

Digislide has strong patent protection that should ensure that any global brand developing its own miniaturised projection technology, or is using a supplier that has developed its own miniaturised projection technology, would need to pay a royalty to Digislide.

## DIGISLIDE INSIDE™ – EMBEDDED MINIATURE OPTICS AND ELECTRONICS

The Digislide technology has been miniaturised to such an extent that it can be embedded into units as small as PDAs and still provide SVGA resolution and high brightness. The fitting of such projectors into small communication devices and notebook computers is a natural evolution of both the devices and the Digislide technology.

The embedding of the projection unit is allowing major global brand companies and other OEMs to differentiate their products by using enclosed or dockable projection units.

**Digislide has established a facility for the production of opto-electronic image projection devices, with specialist manufacturing and assembly capabilities for electronic products that are intended to integrate custom optical and electronic components.**

## BOARD OF DIRECTORS

### Chairman

*Ian Mutton*

### CEO

*Luceille Outhred*

### Company Secretary

*John English*

### Company Secretary

*Hean Siew*

### Non-Executive Director

*Lin Chan*

### Non-Executive Director

*Malcolm Leahy*

### Non-Executive Director

*Leon Milford*

## PATENT PROTECTION

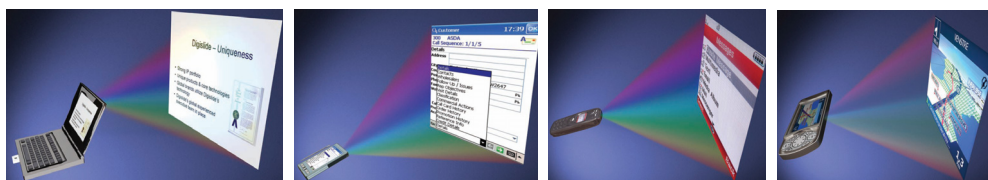
Multiple patents have been granted covering the Digislide Inside™ projection technology embedded in a range of communication, media and entertainment devices, inc.:

- Cell phones
- Hand held readers
- Hand held gaming devices
- Hand held GPS
- Laptops
- Media devices
- PDAs
- Decouplable image projection systems – for home or business use
- Projection peripheral device using periscope principles
- Personal entertainment arrangement with projection system and peripherals
- Dual projection system with simultaneous operations within the one device
- MantaRay's unique optical engine (light train)

## DIGISLIDE INSIDE™ TECHNOLOGIES

**Digislide Inside™** is a patented technology that will allow mobile handsets and other devices to have projection capabilities.

The advent of 3G, Bluetooth, PXT, WAP, Voice Recognition and WiFi convergence and connectivity technologies, increase content capacity and transmission capabilities. Despite all that, detailed images are not possible due to small display screens. Digislide Inside™ enhances functionality by addressing these constraints.



The Digislide Inside™ design centres on the use of a miniature wide-angle lens system. The design protection covers the unique lens arrangements and use of solid state or filament lamps (the former largely eliminate heat and energy consumption issues) for fixed, hand-held and mobile apparatus applications.

In the context of practical applications, images from the mobile phone screen can be projected onto a wall or other flat surface.

Both business and leisure markets will benefit from the Digislide Inside™ application. There is a clear opportunity for this core technology to be available in the mobile phone market, ideally promoted by, and integrated into, the product portfolio of a leader in the market.

## DIGISLIDE PRODUCTS

### 'Digishow' Companion Projector - VGA resolution

Digishow is a first stage companion projector for informal activities with iPods, smart phones and PDAs. The unit is just 113mm x 60mm x 18mm

### 'Digivision' Companion Projector – SVGA resolution

Digivision is a higher quality unit for professional use with applications ideal for PDAs and notebook computers. The unit is 113mm x 60mm x 35mm and is capable of projecting an A3 (53cm) size image in normal light and 150cm in home theatre environments.



### 'StingRay', 'XRAY' and 'WeSii' Projectors

These products have been designed to interface with a wide range of products including mobile handsets, PMPs, notebook computers, video gaming, digital cameras and GPS units.



The StingRay unit is targeted at the niche games market and will be available in VGA or higher resolution SVGA. The unit can be stand alone or a version that fits neatly into a slot in the SONY Playstation 2 to provide a projected image on a wall rather than via a TV monitor. The unit can fit current as well as previous generation games consoles.

## CAPITAL RAISING DETAILS

Digislide has launched its IPO to raise a minimum of \$3,000,000 at \$1.25 per share by the issue of 2,400,000 Shares.

The prospectus is available for download from the Martin Place Securities website:

[www.mpsecurities.com.au](http://www.mpsecurities.com.au), or from the Digislide website: [www.digislide.com.au](http://www.digislide.com.au).

For a hard copy to be sent to you please contact Martin Place Securities on (02) 9222 9111

## TRANSACTION MANAGER

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## KEY DATES

Offer open	19 Dec 08
Offer closes	30 Jan 09
ASX listing	20 Feb 09 (approx)

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## MANTARAY



MantaRay is a ruggedised video projector and TV all-in-one that captured 5% of the Australian annual video projection market within the first 30 months from its release in 2003.

MantaRay is a stand-alone forward video projector designed specifically for home entertainment enthusiasts and is designed to synergise with all existing major games consoles including Playstation, X-BOX, and GameCube. MantaRay possesses composite video input, audio output, an in-built speaker, on screen menu system for picture adjustments and a telescopic antenna for watching TV on the go.

## FINANCIAL FEATURES FOR DIGISLIDE AT IPO

Digislide has raised over A\$8m in the past two years in the development of the various miniaturised projection technologies. These funds have been expended on the physical technologies and international marketing of the products to major technology brands.

### Balance Sheet

	30 Nov 08	Post IPO	
		Min A\$3m	Max A\$4.5m
Current Assets	1.214	4.214	5.714
Non-current Assets	1.331	1.331	1.331
<b>Total assets</b>	<b>2.545</b>	<b>5.545</b>	<b>7.045</b>
Current Liabilities	1.810	1.810	1.810
IPO Costs		0.615	0.736
Non-current Liabilities	0.618	0.618	0.618
<b>Total Liabilities</b>	<b>2.428</b>	<b>3.043</b>	<b>3.164</b>
<b>Net Assets</b>	<b>0.117</b>	<b>2.502</b>	<b>3.881</b>

### Capital Structure

	30 Nov 08	Post IPO	
		Min A\$3m	Max A\$4.5m
Existing Shares	41,187	41,187	41,187
New Shares		2,400	3,600
<b>Total</b>	<b>41,187</b>	<b>43,587</b>	<b>44,787</b>

\*in millions

## DISCLAIMER

### General Securities – Advice Warning and Disclosure

The purpose of this Information Report is to highlight some elements of general company information that MPS considers provides an insight into the company. Reasonable care has been taken to achieve and maintain unbiased objectivity while assessing information provided by the company.

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MPS, its Directors and associates declare that they may have a relevant interest in the securities recommended herein. This position can change at any time. MPS was Broker to a recent Capital Raising for Digislide and earned a 5% commission on the funds raised, paid in shares.

Recipients of this Information Report should note that MPS is Sponsoring Broker and Underwriter to this Initial Public Offering and will earn a commission of up to 7% and a management fee of up to 1% and 3 million \$1.25 options.

Please be aware that some of the images in this Informational may only be conceptual representations.

This Information report is NOT intended to replace the Prospectus, and is not an offer for securities. In preparing this Information Report, Martin Place Securities Pty Ltd did not take into account the investment objectives, financial situation and particular needs of the reader. Any person interested in investing in this Company is directed to read the Prospectus.

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