



Press Release

SGX-Listed MultiVision Secures Landmark Project To Provide Digital Video Surveillance Solutions For Beijing Ahead Of 2008 Olympics

- **Lands first six of 21 districts in Beijing in a deal which will yield an estimated revenue of over HK\$100m by FY2008**
- **Income expected from installing state-of-the-art control centres and monthly service fees for tens of thousands facilities**
- **Reports 9.6% growth in net profit in Q1 FY2006**

SINGAPORE, 5 August 2005 – SGX Main Board-listed **MultiVision Intelligent Surveillance Limited** (“**MultiVision**”), which designs, develops and markets digital video surveillance products and solutions, announced today that it has secured a landmark contract to provide technical support services for six of 21 districts in Beijing as the Chinese capital steps up security ahead of the 2008 Olympics.

Continuing an extension of its business into the provision of digital video surveillance services, Hong Kong-based MultiVision said it is hopeful the initial contracts will be a prelude for projects in more districts in a city-wide undertaking that could eventually involve the deployment of more than 100,000 closed-circuit television (“CCTV”) systems – possibly one of the single largest digital video surveillance projects in Asia.

MultiVision will obtain revenue from the sale of its proprietary Digital Video Recording (DVR) systems as well as from installation and technical support services fees collected from the facilities which are to be monitored.

The digital CCTVs at each of these outlets will be linked over the Internet to a central control room in each district from where authorities will be able to monitor remotely for potential criminal acts or signs of public unrest. MultiVision has initiated the set-up of the control room, installing its DVRs and remote management software at the central location.

MultiVision is paying HK\$30 million cash and issuing 20 million new MultiVision shares at [S\$0.20 each] to acquire 100% of Huge Hill Limited ("Huge Hill"). Huge Hill is an investment holding company which had secured a contract to provide technical support services for six districts in Beijing for a ten-year period. MultiVision is the sole provider of digital video surveillance products and solutions for this project.

The deal is targeted to generate revenue of over HK\$100 million for MultiVision by FY2008. MultiVision estimates each district will have an average of 5,000 outlets or units requiring installations of its DVR systems and paying a monthly technical support service fee of RMB480.

Beijing's municipal authorities have divided the capital city with a population of 14 million into 21 districts (including one public transport network). Each district is further demarcated into four surveillance networks covering different parts of the city's community, security, internal and public network.

Mr. Dennis Li, MultiVision's President and Chief Operating Officer, said: "The Beijing city surveillance project is a highly prestigious project which propels MultiVision to the forefront of digital video surveillance solutions providers in China. Not only do we have the opportunity to extend the project to other districts in Beijing, we will also derive a consistent income stream through the monthly technical support service fees."

MultiVision also announced its results for the April-June first quarter ("Q1 FY2006") of FY2006. Turnover for the quarter rose 13% year-on-year to HK\$43.0 million from HK\$38.0 million for the same period a year ago, due to an increase in distribution sales for major regions that the Group operates in, including Hong Kong, Macau, and the PRC. The increased fulfillment of orders to its distributor in Macau during the period saw its inventories dip 28.7% to HK\$18.1 million as at 30 June 2005 from HK\$25.4 million as at 31 March 2005.

Profit from operations rose 36.6% to HK\$10.5 million from HK\$7.7 million for the same period a year ago, and showed an increase in margin to 24.5% for the quarter from 20.3% for the corresponding period a year ago.

"With the overall global video surveillance industry expected to grow by some 18% this year, we are optimistic that demand for digital video surveillance products and solutions will remain strong against the backdrop of increased terrorist threats worldwide," said Mr. Li.

"We believe this will be driven by increasing recognition by end users of the effectiveness of digital CCTV products and solutions as a replacement for analogue video surveillance products, and our strong positioning as an enterprise-focused solutions provider with an established customer database."

Referring back to the Beijing city surveillance project, Mr. Li said, "We are also constantly on the look out for strategic business partners to diversify our revenue source and broaden our solution offerings to include complementary product lines and services."

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About MultiVision Intelligent Surveillance Limited

(Bloomberg: MVIS SP EQUITY / Reuters: MVIS SI)

Headquartered in Hong Kong, MultiVision was established in 1986 and is a technology-based company principally engaged in the design, development and distribution of digital video surveillance products and solutions. The Company's products are adapted for use in a diverse range of industries including banking, residential, commercial, utilities, healthcare and transportation, as well as various government agencies. The end users of MultiVision's products include companies in both the private and public sectors. MultiVision is ISO9001 certified.

MultiVision's products and solutions are marketed to distributors, OEMs of surveillance products and systems integrators for integration into the security and surveillance systems of its end-users. The Company's principal markets are in Australia, Hong Kong, Taiwan and the PRC. MultiVision has 27 distributors in various countries and/or places such as Hong Kong, Taiwan, Macau, the PRC, Thailand, Malaysia, Singapore, Indonesia, Australia, New Zealand, Israel, Ghana, The Middle East, Ireland, UK and the USA.

The MultiVision range of digital video surveillance products offers digital video recording and real time monitoring of multiple locations from a central monitoring centre through the routing of signals from various cameras to a central monitoring centre.

For further information, visit www.multivision.com.hk