

MultiVision Forges Ahead In 2003



*Mr. Louis Mak, CEO of
MultiVision Intelligent
Surveillance*

The last quarter has been a hectic one for MultiVision. We closed year 2002 on a high note with the launch of our Initial Public Offering (IPO) on the Main Board of the Singapore Stock Exchange (SGX).

Our IPO is an important milestone for us, following our recent achievement in obtaining the ISO 9001 certification. We have successfully raised S\$13.3 million which provides us with the financial resources to pursue strategic businesses and alliances to accelerate our growth, engage in research and development to enhance our product suite and ensure product superiority; and build our distribution and sales networks to extend our solutions' reach worldwide.

Year 2002 is a year of success for MultiVision. We have won numerous digital video surveillance projects including the New South Wales State Rail Authority in Australia, the Chek Lap Kok Airport in Hong Kong and the Toddlerwatch/ SeniorcareWatch in the USA.

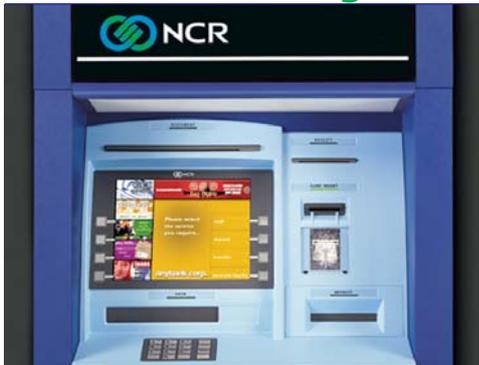
On the alliance front, we have also established our partnership with NCR China as the surveillance systems vendor of choice to be installed with NCR ATMs in the PRC. We have also forged an alliance with PCCW in Hong Kong where PCCW will market our solutions in Hong Kong and the PRC.

MultiVision has come a long way from a small company to become a public-listed company today. We currently boast an international distribution and sales network of 26 distributors across the Asia-Pacific region, the Middle East, Europe, Africa and the North America.

We would like to thank our three key pillars of strengths - Compelling Vision, Mayne Management and Goldsun. These are the investors who have held strong confidence in MultiVision from the start and invested in our company some 18 months ago. Their investments in MultiVision have paid off and have been tripled since. We strive to offer our current investors a good return of their investments in MultiVision.

Last but not least, we would like to express our gratitude to our employees, partners, business associates, customers and the stakeholders for their support. We look forward to another successful year with you.

■ Case Study



The MultiVision digital video surveillance solution is certified by NCR, the leading ATM manufacturer

NCR certification

The MultiVision digital video surveillance solution is certified by NCR, the leading ATM manufacturer. The certification process involved tight integration with the ATM application whereby the transaction information including account number, branch number, ATM number is sent by the ATM application to the DVR application. This data is then text overlaid onto the recorded image file so that the account information and person executing the transaction is positively identified. The account information is further used as an index by the search program to facilitate easier retrieval. A further extension will allow the shunting of the background camera during the pin verification process so that customers are assured that their pin number will not be recorded on the video file. Such tight integration makes the MultiVision solution far more secure than just installing a DVR to record the transaction.

■ Product News

NetServer Legend

With the availability of hardware compression chipsets for MPEG-4 and MPEG-2, MultiVision will be releasing 2 products that will provide enhanced image quality and recording frame rate called the NetServer Legend. One model is based on MPEG-2 compression technology with D-1 image quality. Detail specification and pricing information will be available soon.

■ New Orders !!

The last quarter of calendar year 2002 has seen some strong orders from our distributors from the PRC and the USA. Significant orders include banking branch digital video surveillance for 200 branches of the Industrial and Commercial Bank in the Zhanjiang city of the Guangdong province, St Louis School Board for 182 schools in St Louis, 10 NetServer Smart pilot systems from AutoNation, the largest car dealership with around 1,000 sites in the USA. All these orders have expansion possibilities for deployment in other bank branches, schools and car dealerships nationwide.



■ What's News

MultiVision In The Media

MultiVision has been well covered by both the broadcast and print media in the last few months. Dennis Li, our President and COO, appeared on Bloomberg TV and CNBC - "e". Apart from this, he was also interviewed by Singapore broadcast news channels - Channel NewsAsia's Money Mind and Channel 8's Money Week.

The different programs covered varying angles on MultiVision as a company. The company's operations, marketing strategy and financial status were well covered by these programs. Analysts from brokerage firms were also invited to comment on MultiVision's share offering. Comments were upbeat on the company's shares to perform, given the strong fundamentals.

The wires and the print media also gave a comprehensive coverage on MultiVision. Stories on MultiVision appeared on Dow Jones, AFX and Bloomberg. News on MultiVision were also captured on Singapore dailies, namely the Business Times, Straits Times, Lianhe Zaobao, Today with a special interview with Louis Mak appeared on the Streets.

■ Special Features

IPO Kicked Off With A Bullish Start In Singapore

MultiVision Intelligent Surveillance Limited announced the launch of our Initial Public Offering at the Raffles City Convention Center on 10 December 2002. The event drew more than 200 investors.

The IPO launch kicked off with SBI E2 Capital, our IPO manager and UOB Kay Hian, our underwriter presenting the salient highlights of the share offer. Following which, Dennis Li, our President and COO, gave a short live demonstration on the use of MultiVision's solutions and its applications. He went on to give the audience a backgrounder on our company, strategy and prospects. The session rounded up with a question-and-answer session where investors were given time to post questions about the company.

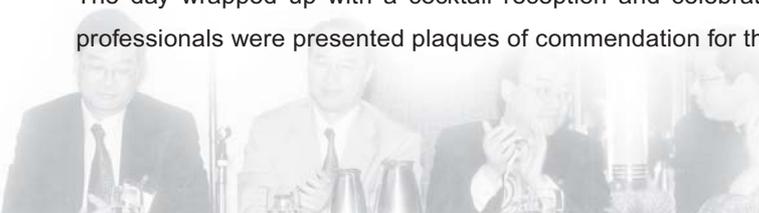


Upbeat outlook

18 December marked the first trading day of MultiVision's shares on the Main Board of the Singapore Stock Exchange (SGX). Riding on the confidence of our investors (our offer shares to the public was 7.8 times subscribed), share price jumped more than 10 percent to reach the 0.255 mark when the share ended trading on that day.

A trading ceremony was held at the premises of the Singapore Exchange, where Louis Mak, our Chief Executive Officer officiated the start of the trading of our stock on the exchange. MultiVision trades on the SGX under the ticker symbol, MVIS.SI.

The day wrapped up with a cocktail reception and celebration dinner held at the China Club at Capital Tower. The professionals were presented plaques of commendation for their hard work in making the IPO a success.



■ Technology Corner

The difference between a frame and a field!

(published with permission from Brewster Alexander - MultiVision distributor in the USA)



**THIS IS ONE FIELD
(OR A HALF FRAME)**



**THIS IS TWO FIELDS
(OR A WHOLE FRAME)**

In digital recording, you frequently see specifications indicating fields per second or frames per second. A 'field' is basically every other scan line of a picture. Two fields stuck together make a single frame! In the picture on the left, only one field is displayed. It's hard to see because only every other line is displayed. This is commonly used by DVRs, most use Images Per Second (IPS) or Pictures Per Second (PPS) or they will use the abbreviation FPS and really mean only Fields Per Second which are basically only capturing half the picture. The picture on the right is a whole frame. It

is produced when we stick both fields together just like the NetServer captures video.

When you capture frames using a high resolution such as 640 x 480 you have timing issues between the even and odd fields. Imagine taking half of one picture and half of the next and trying to put them together into a single picture, its impossible! On a PC this produces what we see below. Notice that the odd field from the previous frame shows him a little to the left and the even field of the next frame shows him a little to the right. This is what produces this combing effect and no amount of shifting the lines to the left or the right will fix it!



Common Capture Cards

Most of the graphics cards, TV tuners and video capture hardware we use to record video to the PC will not perform any kind of even and odd field syncing. Neither do they seem to give a standard order in which they combine the TV fields together. This field order problem applies regardless of if you use PAL or NTSC.

The NetServer Difference

Multivision's NetServers capture video using 2 fields per frame at a resolution of 320x240. Also, the NetServer is intelligent enough to know if the fields are even or odd. This allows the NetServer to capture better than TV quality images. So remember there are 2 things that you should watch for when buying a DVR. First, you should ask if they are capturing Frames Per Second or if they are capturing Fields Per Second. If they are capture Fields Per Second, Images Per Second (IPS) or Picture Per Second (PPS) you are losing half the picture. Also if they say that they capture higher resolutions than 320 x 240 that is a waste. Images that come from any camera cannot even produce an image this large and if you try to capture this large of an image, the image can distort when capturing fast moving action.