

## RESEARCH NOTE

### E-Sim Ltd.: OTC BB “ESIM.OB”

Share Statistics	
<b>Symbol</b>	ESIM.OB
<b>Last Trade (11/02/04)</b>	\$0.37
<b>High/ Low 52 weeks</b>	\$1.55/0.31
<b>Average Volume (3m)</b>	8,727
<b>Market Capitalization</b>	\$8.07 Mn
<b>Shares Outstanding</b>	21.84 Mn

*Source: Yahoo Finance, SEC Filings*

***Since our last update (dated 10/15/2004) ESIM announced several developments which culminated with extension of already on-going and working relationship with NEC group. We believe the recent agreements demonstrate ESIM's ability to diversify its customer base and elevate the acceptance of its technology. We are reiterating our Buy rating on ESIM.***

#### ESIM SIGNS AGREEMENT WITH THE NEC GROUP TO ROLL-OUT ITS MMI TECHNOLOGY

On November 2, 2004, ESIM announced that it has signed an agreement with NEC Corporation, and Nippon Systemware Co., Ltd., Japan to deploy e-SIM's RapidPLUS(TM) MMI software and technology to the NEC group. The agreement covers the adoption, distribution, and penetration of e-SIM's RapidPLUS(TM) technology into the NEC group with expected significant sales of e-SIM's MMI technology including RapidPlus(TM) development seats to new users within the NEC group. In accordance with the agreement, business enterprise units and subsidiaries of the NEC group will benefit from the adoption of e-SIM's technology. Also, NEC will set up special training courses to accelerate the dissemination of ESIM's technologies, and provide guidance and support for users within the NEC group for advancing the adoption and integration of e-SIM's RapidPLUS(TM)-based MMI software and technologies. The NEC Group employs more than 140,000 people worldwide and had net sales of approx. \$47 billion in the FY04 (ended March 2004).

#### QUASAR INNOVATIONS SELECTS ESIM'S NEW MMI VERSION 2.0 SOLUTION FOR TI-BASED HANDSETS

On October 27, 2004, ESIM announced that they have signed an agreement with Quasar Innovations, a Bangalore, India based Virtual Original Design Manufacturer (VODM), to integrate e-SIM's MMI Solution version 2.0 into Quasar's handsets on top of their Texas Instruments (TI) platform. Quasar is one of the first Indian design houses offering end-to-end mobile handset solutions to a growing international customer base. The agreement provides initial revenues along with royalties for each handset manufactured that includes the e-SIM MMI technology. e-SIM will supply Quasar with its new MMI Solution version 2.0, including a full reference MMI application, customization tools, RapidPLUS(TM) development tools, and professional services. Quasar Innovation's new line of handset capable devices embedded with e-SIM's MMI 2.0 software solution is expected to be available by first quarter 2005.

## PRAIRIECOMM SELECTS E-SIM'S MMI SUITE FOR CUTTING-EDGE FRONTIER PLATFORM

On October 19, 2004, ESIM and PrairieComm, Inc., a leading developer and supplier of 3G-baseband processors and communications software, announced that they have signed an agreement to bundle e-SIM's MMI Solution with PrairieComm's FronTier 3G platforms. As part of the agreement PrairieComm purchased e-SIM's MMI Solution and will include it as a bundled part of its platforms. PrairieComm plans to offer its clients e-SIM's modular and customizable MMI Solution as an integral part of its FronTier application framework platform. The MMI offering is pre-integrated onto FronTier along with other software components such as multimedia/video services, browsing, messaging, predictive text, and voice recognition.

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