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If you have sold or otherwise transferred all of your Existing Shares, please immediately forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

**Notice of a General Meeting of DCD Media Plc, to be held at the offices of Sprecher Grier Halberstam LLP, 5<sup>th</sup> Floor, One America Square, Crosswall, London EC3N 2SG at 11.30 a.m. on Monday 22 December 2008, is set out at the end of this document. To be valid the accompanying blue Form of Proxy for use in connection with the meeting should be completed, signed and returned in accordance with the instructions thereon as soon as possible and, in any event, so as to reach the Company's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by not later than 11.30 a.m. on 20 December 2008. Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.**

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# **DCD Media Plc**

*(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 3393610)*

## **Notice of General Meeting**

**22 December 2008 at 11.30 a.m.**

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## DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

“1985 Act”	the Companies Act 1985 (as amended)
“2005 Loan Notes”	the convertible loan notes created by the Company due 2009 which were constituted by an instrument dated 16 December 2005 as subsequently amended
“2006 Act”	the Companies Act 2006
“2007 Loan Notes”	the convertible loan notes created by the Company due 2012 which were constituted by an instrument dated 7 August 2007 as subsequently amended
“AIM”	the AIM Market operated by the London Stock Exchange plc
“Classical TV”	Classical TV Limited, a company incorporated and registered in England and Wales under the 1985 Act with registered number 06437237
“Classical TV Arrangements”	the £1.8 million licensing transaction between the Company and Classical TV announced on 1 September 2008
“Companies Act”	the 1985 Act and the 2006 Act
“Company” or “DCD”	DCD Media Plc
“Directors” or “Board”	the directors of the Company whose names are set out on page 4 of this document, or any duly authorised committee thereof
“Existing Shares”	the 53,480,503 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM
“Form of Proxy”	the blue form of proxy for use in connection with the General Meeting which accompanies this document
“Gartmore”	means Gartmore Investment Limited on behalf of The Alphagen Volantis Fund Limited, the Gartmore UK and Irish Smaller Companies Trust plc, Strathclyde Pension Fund, Gartmore Smaller Companies Trust plc and Gartmore Growth Opportunities Trust plc
“General Meeting”	the general meeting of the Company to be held at 11.30 a.m. on 22 December 2008
“Loan Notes”	the 2005 Loan Notes and the 2007 Loan Notes

“Notice”	the notice convening the General Meeting, which is set out on pages 7 and 8 of this document
“Ordinary Shares”	the ordinary shares of 10 pence each in the capital of the Company
“Resolutions”	the resolutions set out in the Notice
“Shareholders”	holders of Ordinary Shares

## LETTER FROM THE CHAIRMAN OF DCD MEDIA PLC

### DCD Media Plc

*(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 3393610)*

*Directors:*

David Keith Elstein *(Non-executive Chairman)*  
David Ian Stewart Green *(Chief Executive)*  
John Joseph McIntosh *(Finance Director)*  
Simon Peter Douglas Frank Pizey *(Executive Director)*  
Tarik Charles Wildman *(Non-executive Director)*  
James Edward Hytner *(Non-executive Director)*

*Registered Office:*

One America Square  
Crosswall  
London  
EC3N 2SG

28 November 2008

*To Shareholders*

Dear Shareholder,

#### **Notice of General Meeting**

##### **1. Introduction and summary**

Your Board announced on 24 November 2008 that the Company had secured further variations to the terms of the Loan Notes and sought to clarify certain matters with respect to the Company's and Chris Hunt's arrangements with Classical TV. I am pleased to send you notice of the General Meeting referred to in the announcement. The General Meeting will be held at 11.30 a.m. on Monday 22 December 2008 at the offices of Sprecher Grier Halberstam LLP, 5<sup>th</sup> Floor, One America Square, Crosswall, London EC3N 2SG. The Notice is set out on pages 7 to 8 of this document.

The purpose of this letter is to provide you with an explanation of the reasons for, and effect of, the Resolutions.

The Board has become aware that certain actions have been taken by the Company relating to variations to the Loan Notes and the Classical TV Arrangements in respect of which it had not been granted the requisite authorities and powers by the Shareholders, as described more fully below. The Resolutions are, therefore, proposed with the intention to ratify and authorise these actions. The Board takes its responsibilities seriously and regularly reviews the legal and compliance functions of the Company.

##### **2. Reasons for and explanation of the Resolutions**

###### **Amendment and Restatement of the Loan Notes**

The 2005 Loan Notes were constituted by an instrument dated 16 December 2005. These entitled the noteholders to convert the 2005 Loan Notes into Ordinary Shares (which at the time had a nominal value of 0.1 pence each) at a price of 0.9 pence for each Ordinary Share. The 2007 Loan Notes were constituted by an instrument dated 7 August 2007 and entitled the noteholders to convert these notes into Ordinary Shares at a price of 88 pence for each Ordinary Share.

The Company renegotiated and varied the terms of the Loan Notes on 14 December 2007 and then, subsequently, on 20 October 2008. In the case of each variation, the price at which the Loan Notes

would convert in Ordinary Shares was lowered. The variation on 14 December 2007 changed the conversion price to 60 pence in respect of the 2005 Loan Notes and 68 pence in respect of the 2007 Loan Notes, in each case the conversion price was subject to certain anti-dilution adjustments. The variation on 20 October 2008 changed the conversion price of the Loan Notes from this position to the lower of 28 pence and the lowest average price of an Ordinary Share on the last trading day of any calendar week following 20 October 2008.

Since 20 October 2008, noteholders have exercised conversion rights over, and been allotted and issued, 336,000 Ordinary Shares.

The variations to the Loan Notes increased the number of Ordinary Shares that would, if the Loan Notes were converted by them, be issued and allotted to the noteholders. As such, under the 1985 Act the Directors were required at the time to obtain authority under Section 80 of that Act to allot the Loan Notes and the power under Section 95 of that Act to issue Ordinary Shares pursuant to the Loan Notes without first offering such shares to Shareholders in accordance with their pre-emption rights. The Directors did not have sufficient existing authorities or powers granted by Shareholders for the full allotment and issue of the Loan Notes, as varied, or the increased number of Ordinary Shares that would result upon conversion of the Loan Notes.

Resolutions 2, 3 and 7 seek the ratification and affirmation of Shareholders to the variations to the Loan Notes, the allotment and issue of the Loan Notes and the allotment, issue and transfer of Ordinary Shares resulting from the exercise of any conversion rights by noteholders. Resolutions 1 and 4 seek your approval to release the Directors from any liability that may arise from any lack of authority of the Shareholders for the actions referred to above.

### **Classical TV Arrangements**

Your Board announced on 1 September 2008 that it had entered into a licensing arrangement with Classical TV. Under this arrangement, DCD licensed certain internet streaming rights to its performing arts catalogue for a period of 10 years to Classical TV for a cash consideration of £1.8 million and shares in Classical TV, equal to 19.9 per cent. of the fully diluted share capital. The shares were allotted and issued to DCD on 3 September 2008.

At that time, the only Shareholder in Classical TV was a member of Classical TV management, Derek Nelson. However, subsequently, Chris Hunt acquired, on 5 September, shares in Classical TV equal to 50.1% of the fully diluted share capital. These shares are held by him legally, but not beneficially, under an arrangement whereby such shares may subsequently be transferred, as directed by the board of Classical TV, to Classical TV directors. As announced, Chris Hunt has become a director of Classical TV, and could, therefore, potentially participate in this arrangement. Your Board had agreed that Chris Hunt could not obtain any remuneration or other benefits from Classical TV, including any shareholding in his own right, without its prior approval. The board of Classical TV has not yet made any decision as to the beneficial ownership of the shares held by Chris Hunt so he remains a nominee shareholder in respect of those shares.

Under Section 190 of the 2006 Act, a company may not, without shareholder approval, enter into any arrangement under which, inter alia, a person connected with a director of that company is to acquire from that company a substantial non-cash asset, which includes any asset with a value of £100,000 or more. Although Chris Hunt did not, at the time the Classical TV Arrangements were concluded, hold shares in Classical TV, the Board has been advised that it would be prudent to obtain Shareholder approval in respect of this aspect of the Classical TV Arrangements.

Resolution 5 seeks the affirmation and approval of Shareholders to the Classical TV Arrangements notwithstanding that Classical TV may have been connected with Chris Hunt. Resolution 6 seeks your approval to release the Directors from any liability that may arise in the event that Chris Hunt was connected to Classical TV at the time that the Classical TV Arrangements were entered into.

Resolutions 1 to 6 will be proposed as ordinary resolutions. This means that more than 50% of votes cast, either by Shareholders present in person, on a show of hands, or by Shareholders present in person or by proxy, on a poll, must support those Resolutions in order for them to be passed. In addition, the votes by the Directors will be disregarded for the purposes of establishing whether the requisite majority is obtained for Resolutions 1, 4 and 6 under Section 239 of the 2006 Act. Resolution 7 will be proposed as a special resolution. At least 75% of votes cast, either by Shareholders present in person, on a show of hands, or by Shareholders present in person or by proxy, on a poll, must support this Resolution in order for it to be passed.

### **3. Action to be taken**

A Form of Proxy for use at the General Meeting accompanies this document. The blue Form of Proxy should be completed and signed in accordance with the instructions thereon and returned as soon as possible, and, in any event, so as to be received by the Company's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by not later than 11.30 a.m. on 20 December 2008. Completion and return of the blue Form of Proxy will not preclude a Shareholder from attending the General Meeting and voting in person should they so wish.

### **4. Irrevocable undertakings**

The Directors have irrevocably undertaken to vote in favour of the Resolutions in respect of their beneficial holdings amounting to, in aggregate 10,034,160 Existing Shares (representing approximately 18.76 per cent. of the existing issued share capital of the Company). The Shareholders should be aware that the Directors are interested in the outcome of the voting on the Resolutions. The appropriate declarations of interest have been made by the Board. In addition, the Company holds irrevocable undertakings entered into by Gartmore and other shareholders to vote in favour of the Resolutions in respect of in aggregate 23,737,397 Existing Shares (representing approximately 44.39 per cent. of the existing issued share capital of the Company).

Yours sincerely

**David Keith Elstein**

*Non-executive Chairman*

## NOTICE OF GENERAL MEETING

### DCD Media Plc

*(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 3393610)*

**NOTICE IS HEREBY GIVEN THAT** a general meeting of DCD Media Plc (the “**Company**”) will be held at the offices of Sprecher Grier Halberstam LLP, 5<sup>th</sup> Floor, One America Square, Crosswall, London EC3N 2SG at 11.30 a.m. on Monday 22 December 2008 to consider and, if thought fit, to pass the following resolutions of which resolutions 1, 2, 3, 4, 5 and 6 will be proposed as ordinary resolutions of the Company and resolution 7 will be proposed as a special resolution of the Company:

#### ORDINARY RESOLUTIONS

1. **THAT**, the directors of the Company and each of them be and are hereby released from any liability which does or may arise from any lack of authority on the part of the directors pursuant to Sections 80 and 95 of the Companies Act 1985 in relation to any allotments of relevant securities or equity securities made by the Company on or after 20 October 2008;
2. **THAT**, the amendment and restatement of a convertible loan note instrument dated 16 December 2005 entered into by the Company pursuant to (i) a deed of amendment and restatement dated 21 December 2007, and (ii) a deed of amendment and restatement dated 20 October 2008 be and is hereby ratified and approved notwithstanding any lack of authority on the part of the directors to allot relevant securities pursuant to Section 80 of the Companies Act 1985 on 21 December 2007 or 20 October 2008;
3. **THAT**, the amendment and restatement of a convertible loan note instrument dated 7 August 2007 entered into by the Company pursuant to (i) a deed of amendment and restatement dated 21 December 2007, and (ii) a deed of amendment and restatement dated 20 October 2008 be and is hereby ratified and approved notwithstanding any lack of authority on the part of the directors to allot relevant securities pursuant to Section 80 of the Companies Act 1985 on 21 December 2007 or 20 October 2008;
4. **THAT**, the directors of the Company and each of them be and are hereby released from any liability which does or may arise from any lack of authority on the part of the directors in relation to the allotments referred to in resolutions 2 and 3 above;
5. **THAT**, the arrangement announced on 1 September 2008, whereby the Company entered into an agreement to license internet streaming rights to eleven hundred hours of its performing arts catalogue for a consideration comprising: (i) £1.8 million in cash; and (ii) equity of 19.9 per cent. of Classical TV Limited be and is hereby affirmed and approved, notwithstanding that Classical TV Limited may be a person connected with Mr Chris Hunt within the meaning of Sections 190 and 254 of the Companies Act 2006;
6. **THAT**, the directors of the Company and each of them be and are hereby released from any liability which does or may arise in the event that Classical TV Limited is a person connected with Mr Chris Hunt within the meaning of Sections 190 and 254 of the Companies Act 2006;

#### SPECIAL RESOLUTION

7. **THAT**, all amendments which have from time to time been made by the Company to the terms of the convertible loan notes created by it in 2005 and 2007, in so far as they concern the right of the holders thereof to convert such loan notes into ordinary shares of the Company, together with the allotment and issue of ordinary shares in the Company pursuant to the exercise of such

amended conversion rights and all subsequent transfers or transmissions, or purported transfers and transmissions of the ordinary shares so issued, be and are hereby confirmed and ratified and given the fullest effect possible, notwithstanding that at the time when such amendments were made :-

- (a) the directors of the Company did not have the requisite authority under Section 80 of the Companies Act 1985 to make such amendments; and
- (b) none of the additional rights which the holders of the said loan notes acquired by reason of such amendments was first offered to the shareholders of the Company in accordance with Section 89 of the Companies Act 1985.

*Registered Office:*  
One America Square  
Crosswall  
London  
EC3N 2SG

By Order of the Board

John Bottomley  
*Company Secretary*  
28 November 2008

**Notes:**

1. A member entitled to receive notice, attend and vote at the general meeting is entitled to appoint a proxy or proxies to attend and vote instead of him. Such proxy need not be a member of the Company. Completion and return of the blue form of proxy does not preclude your attendance at the meeting and voting in person if you so wish. To be valid, the instrument appointing a proxy, together with if appropriate, a power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such authority, must reach the offices of the Company's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not less than 48 hours before the time fixed for the holding of the meeting. A pre-paid form of proxy accompanies this notice.
2. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the time by which a person must be entered on the register of members of the Company in order to have the right to receive notice, attend and vote at the general meeting is 11.30 a.m. on 20 December 2008 or 48 hours before the time of adjournment of the meeting. Changes to entries on the register of members of the Company after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.
3. In the case of joint holders, the signature of only one of the joint holders is required on the form of proxy, but the vote of the first named on the register of members will be accepted to the exclusion of the other joint holders.