

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document and/or the action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all your holding of shares in Apace Media plc you should immediately forward this document, including the Form of Proxy, as soon as possible to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

APACE MEDIA plc

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 03848181)

Notice of Extraordinary General Meeting

Notice of an Extraordinary General Meeting of Apace Media plc to be held at the offices of Seymour Pierce, Bucklersbury House, 3 Queen Victoria Street, London EC4N 8EL at 9.30 a.m. on 7 November 2005 is set out on page 6 of this document. The attached Form of Proxy for use at the Extraordinary General Meeting should be completed and returned as soon as possible and, in any event, so as to be received by the Company's registrars, Capita Registrars, Proxies Dept., PO Box 25, Beckenham, Kent BR3 4BR, not less than 48 hours before the time fixed for the Extraordinary General Meeting.

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DEFINITIONS

In this document, the following words and expressions shall, except where the context requires otherwise, have the following meanings:

"Act"	The Companies Act 1985, as amended;
"Board" or "Directors"	the board of directors of Apace Media plc;
"Capital Reorganisation"	firstly, the consolidation of every 40 Existing Ordinary Shares into 1 consolidated share of 20p and the consolidation of every 40 authorised but unissued Existing Ordinary Shares into 1 consolidated share of 20p. Then the sub-division of every consolidated share of 20p into 1 New Ordinary Share and one Deferred Share and the subdivision of every unissued consolidated share into 4 New Ordinary Shares;
"Company" or "Apace"	Apace Media plc;
"Deferred Shares"	the deferred shares of 15p each arising as a result of the Capital Reorganisation;
"Existing Ordinary Shares"	the existing ordinary shares of 0.5p each in the share capital of the Company;
"Extraordinary General Meeting" or "EGM"	the extraordinary general meeting of the Company convened for 9.30 a.m. on 7 November 2005, notice of which is set out on page 6 of this document;
"Form of Proxy"	the form of proxy enclosed with this document for use in connection with the EGM;
"New Ordinary Shares"	the new ordinary shares of 5p each arising as a result of the Capital Reorganisation;
"Proposals"	the Capital Reorganisation, the increased authority for Directors to allot shares and the ratification of the appointment of Charles Thompson and Christopher Rowlands
"Resolutions"	the Resolutions set out in the notice of EGM on page 6 of this document;
"Shareholders"	holders of ordinary shares.

LETTER FROM THE CHAIRMAN

APACE MEDIA PLC

(Incorporated in England and Wales with Registered Number 03848181)

Directors:

Didier Stoessel
Christopher Rowlands
Martin Johnston
Charles Thompson
Tony Vickers
Michael Morris

Registered and Head Office:

Unit G22 Shepherds East
Richmond Way
London W14 0DQ

14 October 2005

Dear Shareholder

Introduction

Since the reverse takeover of FTV Group plc completed in April of this year, the Board has commenced a programme of acquisitions, the first being the acquisition of MM Televizia OOD in Bulgaria. The Company is also investing in its Branded Content businesses and, as recently announced, in new television ventures.

The Directors intend to continue these strategies, as indicated in the interim results released on 30 September 2005, and therefore require Shareholder approval to an increased pool of shares available for acquisitions and to issue for cash.

In addition, the Directors are proposing the Capital Reconstruction as described in more detail below.

The purpose of this document is to explain the background to the Proposals and to seek Shareholders' approval of the Resolutions to be proposed at the EGM, notice convening which is set out on page 6 of this document.

Capital Reorganisation

The Company has decided to effect the Capital Reorganisation as further described below in order to make the shares more manageable in terms of the number of shares in issue and to make the pricing of the shares more attractive to potential investors.

Also, the Company's middle market share price, as at the close of business on 11 October 2005, the latest practicable date before publication of this document, was 0.88p, with a 0.75p – 1p bid/offer spread. We hope that the Capital Reorganisation will have the effect of reducing the bid/offer spread in the Company's shares, which the Board believes currently hinders trading in the Existing Ordinary Shares.

At present the authorised share capital of the Company is £8,750,000 divided into 1,750,000,000 Existing Ordinary Shares and 871,723,056 of these Existing Ordinary Shares are currently issued and fully paid.

It is proposed to consolidate every 40 issued Existing Ordinary Shares of 0.5p each into one consolidated share of 20p. It is also proposed that every 40 authorised but unissued Existing Ordinary Shares of 0.5p be consolidated into one consolidated share of 20p.

It is then proposed that each issued consolidated share be subdivided into one New Ordinary Share of 5p and one Deferred Share of 15p. It is also proposed that the authorised but unissued consolidated shares be redesignated as New Ordinary Shares of 5p each by the subdivision of each unissued consolidated share into 4 New Ordinary Shares of 5p each.

The New Ordinary Shares will replace the Existing Ordinary Shares under the Company's Articles of Association and will carry equivalent rights. The rights attaching to Deferred Shares, which will not be admitted to trading on AIM or any other recognised investment exchange, will render them effectively valueless. No share certificates will be issued in respect of Deferred Shares. It is intended that the Deferred Shares will be repurchased by the Company for a nominal amount in due course. The Deferred Shares will have no rights to vote or to participate in dividends and will carry limited deferred rights on any return on capital (whether on a liquidation or otherwise).

As an example, a Shareholder holding 1,000 Existing Ordinary Shares will, following the Capital Reconstruction, hold 25 New Ordinary Shares. The proportionate interests of Shareholders will not be affected by the proposed Capital Reorganisation.

Fractional entitlements will not be allocated but instead aggregated and sold in the market for the benefit of the Company. New share certificates will be posted to Shareholders in due course.

Board of Directors

It was announced recently that Christopher Rowlands and Charles Thompson had been appointed to the Board with effect from 1 November 2005. It is proposed that their appointments be ratified by Shareholders at the EGM.

Christopher Rowlands is a former CEO of HTV, the ITV franchise holder, and of the Television Corporation plc. Christopher will join as Deputy Chairman.

Charles Thompson has been an independent producer for more than 20 years having previously worked for the BBC and Thames Television. Charles will join as an executive Director.

Extraordinary General Meeting

Shareholders' approval is being sought at the EGM for the Proposals. At the end of this document is a notice convening an Extraordinary General Meeting at which Resolutions will be proposed to:

1. effect the Capital Reorganisation;

2. give the Directors authority under Section 80 of the Act to allot relevant securities for the purposes of future acquisitions up to an aggregate nominal amount of £4,391,384.80 (representing the authorised but unissued ordinary share capital following completion of the Proposals), such authority expiring 5 years from the passing of the Resolution;
3. disapply the statutory pre-emption rights contained in Section 89(1) of the Act for the purposes of the allotment of further equity securities for cash up to an aggregate nominal amount of £1,089,650 (representing approximately 100 per cent. of the issued share capital following completion of the Proposals), such authority expiring on the date of the next Annual General Meeting of the Company; and
4. approve the appointment of Christopher Rowlands and Charles Thompson to the Board.

Action to be taken

A Form of Proxy is enclosed for use by Shareholders at the EGM. Whether or not Shareholders intend to be present at the EGM they are asked to complete, sign and return the Form of Proxy to the Company's Registrars, Capita Registrars, Proxies Dept., PO Box 25, Beckenham, Kent BR3 4BR, as soon as possible but in any event so as to arrive no later than 9.30 a.m. on 3 November 2005. The completion and return of a Form of Proxy will not preclude Shareholders from attending the EGM and voting in person should they wish to do so. Accordingly, whether or not Shareholders intend to attend the EGM in person they are urged to complete and return the Form of Proxy as soon as possible.

Recommendation

Your Directors consider that the Proposals are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolutions to be proposed at the EGM as they intend to do in respect of their own beneficial and non-beneficial holdings, amounting in aggregate to 489,062,018 Existing Ordinary Shares, representing approximately 56.1 per cent. of the Company's issued share capital.

Yours faithfully

Didier Stoessel
Chairman

APACE MEDIA PLC

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS GIVEN that an **EXTRAORDINARY GENERAL MEETING** of Apace Media plc ("the Company") will be held at the offices of Seymour Pierce, Bucklersbury House, 3 Queen Victoria Street, London EC4N 8EL at 9.30 a.m. on 7 November 2005 for the purpose of considering and, if thought fit, passing the following Resolutions, of which Resolutions 4, 6 and 7 will be proposed as ordinary Resolutions, and Resolutions 1, 2, 3 and 5 will be proposed as special Resolutions:

RESOLUTIONS

1. THAT every 40 of the issued Existing Ordinary Shares of 0.5p in the capital of the Company be, and hereby are, consolidated into one Ordinary Share of 20p and that every 40 remaining authorised but unissued Existing Ordinary Shares of 0.5p each be consolidated into one Ordinary Share of 20p each.
2. THAT each of the issued consolidated Ordinary Shares of 20p in the capital of the Company be, and hereby is, re-designated and sub-divided into one New Ordinary Share of 5p and one Deferred Share of 15p and that the remaining authorised but unissued consolidated Ordinary Shares of 20p each be re-designated and sub-divided into four New Ordinary Shares of 5p each, the New Ordinary Shares and the Deferred Shares each having attached thereto the rights set forth in the articles of association of the Company as amended pursuant to Resolution 3 below.
3. THAT the Articles of Association of the Company be altered by deleting the present Article 4 thereof and substituting it with a new Article 4 in the following form:

"The authorised share capital of the Company is £8,750,000, divided into 109,620,772 Ordinary Shares of 5p each and 21,793,076 Deferred Shares of 15p each. The Ordinary Shares and the Deferred Shares shall be separate classes of shares and shall carry the same rights and privileges and shall rank *pari passu* in all respects, save that the rights attaching to the Deferred Shares shall be as follows:

(A) Dividend

The holders of the Deferred Shares shall not, by virtue of their holdings of Deferred Shares, have the right to receive dividends or otherwise participate in the profits of the Company;

(B) Capital

On a return of capital on liquidation or otherwise (other than on conversion, redemption or purchase by the Company of any of its own shares) the holders of Deferred Shares shall be entitled, *pro rata* to their holdings of Deferred Shares, to be paid out of the assets of the Company available for distribution among the members, after payment to the holders of Ordinary Shares of the amounts paid up thereon and of the sum of £100,000 on each Ordinary Share, the amount paid up or credited as paid up on the Deferred Shares. The holders of the Deferred Shares shall not be entitled to any other or further right to participate in the assets of the Company;

(C) Voting and attendance at general meetings

The holders of the Deferred Shares shall not, by virtue of their holdings of Deferred Shares, have the right to receive notice of or attend and vote at any general meeting of the Company; and

(D) Transfer; Authorities

Each holder of Deferred Shares shall be deemed to confer an irrevocable authority on the Company at any time:

- (a) to appoint any one or more of the Directors to execute on behalf of the holders of such Deferred Shares a transfer thereof and/or an agreement to transfer the same for no consideration to such person as the Directors may determine; and/or
- (b) to purchase the same in accordance with the provisions of the Act for not more than an aggregate sum of £3,268,961.40 for all the Deferred Shares without obtaining the sanction of the holder or holders thereof and for the purposes of such purchase to appoint any one or more of the Directors to execute on behalf of any holder of the Deferred Shares a contract for the sale to the Company of any such shares held by such holder;

and pending any such transfer and/or purchase the Company shall be entitled to retain the certificates for such Deferred Shares.”

- 4. THAT the Directors be and hereby are generally and unconditionally authorised (in substitution for all subsisting authorities to the extent unused) in accordance with section 80 of the Companies Act 1985 (the “Act”) to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80(2) of the Act) provided that this power shall be limited to the allotment of relevant securities up to an aggregate nominal amount of £4,391,384.80 (representing the authorised but unissued share capital) such authority to expire (unless previously renewed, varied or revoked by the Company in general meeting) on the date being 5 years after the passing of this Resolution save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry in pursuance of such offer or agreement as if the authority conferred hereby had not expired and notwithstanding such expiry, the Directors may allot relevant securities in pursuance of any such offer or agreement.
- 5. THAT, subject to the passing of Resolutions 1, 2, 3 and 4, the Directors be and hereby are empowered pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94(2) of the Act) for cash pursuant to the general authority conferred under Resolution 4 above as if sub-section 89(1) of the Act did not apply to any such allotment provided that this power shall be limited to:
 - (a) the allotment of equity securities in connection with an issue or any other pre-emptive offer of equity securities to holders of equity securities and any other persons entitled to participate in such issue or offering where the equity securities respectively attributable to the interests of such holders are proportionate (as nearly as may be) to the respective numbers of equity securities held by them on the record date of such allotment subject only to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements or any legal or practical difficulties under the laws of, or the requirements of, any regulatory body or stock exchange in any territory or otherwise; and
 - (b) the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal amount of £1,089,650 (representing approximately 100 per cent. of the New Ordinary Shares in issue).

and shall expire on the date of the next annual general meeting of the Company or, if earlier, the date being 15 months after the passing of this Resolution, provided that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired and provided further that this

authority shall be in substitution for and supersede and revoke any earlier power given to the Directors.

6. THAT Christopher Rowlands be and is hereby elected as a non-executive Director of the Company.
7. THAT Charles Thompson be and is hereby elected as an executive Director of the Company.

Dated: 14 October 2005

By Order of the Board:

Registered Office:
Unit G22 Shepherds East
Richmond Way
London W14 0DQ

Martin Johnston
Company Secretary

Notes:

- (i) A member entitled to vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote on his or her behalf. A proxy need not be a member of the Company. A form of proxy is attached to this notice for use at the meeting.
- (ii) To be valid, the instrument appointing a proxy (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of authority in accordance with section 3 of the Powers of Attorney Act 1971) must be deposited at or posted to the office of the registrars of the Company, Capita Registrars, Proxies Dept., PO Box 25, Beckenham, Kent BR3 4BR to be received no less than 48 hours before the time fixed for the meeting. Completion and return of the form of proxy will not preclude Shareholders from attending or voting at the meeting in person.

APACE MEDIA PLC FORM OF PROXY FOR EXTRAORDINARY GENERAL MEETING

I/We
(Name in full in block capitals please)

of (address)
being (a) member(s) of Apace Media plc hereby appoint the Chairman of the meeting

or (see note 1 below).....
as my/our proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be held at the offices of Seymour Pierce, Bucklersbury House, 3 Queen Victoria Street, London EC4N 8EL at 9.30 a.m. on 7 November 2005 and at any adjournment of the meeting. I/We direct my/our proxy to vote as indicated below and, on any other Resolutions, as he or she thinks fit:-

RESOLUTION	FOR	AGAINST
1 To approve the consolidation of the Existing Ordinary Shares.		
2 To approve the subdivision of the consolidated shares.		
3 To amend the existing Articles of Association of the Company to include the Deferred Shares.		
4 To give the Directors authority under Section 80 of the Act to allot relevant securities up to an additional aggregate nominal amount of £4,391,384.80.		
5 To disapply the statutory pre-emption rights contained in Section 89(1) of the Act for the purposes of allotment of equity securities for cash up to an aggregate nominal amount of £1,089,650.		
6 To approve the appointment of Christopher Rowlands as a non-executive Director.		
7 To approve the appointment of Charles Thompson as an executive Director.		

Signature:..... Date.....

Notes:

1. If you wish to appoint a person other than the Chairman then insert his/her name and delete the words "the Chairman of the meeting".
2. In the case of joint holders, the signature of the first named in the Register of Members will be accepted to the exclusion of all others.
3. Please insert an 'X' in either the 'FOR' or 'AGAINST' box. If both boxes are left blank, the proxy will vote or abstain as he/she thinks fit.
4. In the case of a corporation, the form of proxy should be under its common seal or under the hand of an officer or attorney duly authorised.
5. A proxy need not also be a member of the Company.
6. To be valid, this form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or an office or notarially certified copy thereof, must be deposited at or posted to the registrars of the Company, Capita Registrars, Proxies Dept., PO Box 25, Beckenham, Kent, BR3 4BR not less than 48 hours before the meeting or any adjournment thereof.
7. The summaries of the Resolutions are for guidance only. You are advised to read the accompanying Chairman's letter and Notice of Meeting carefully.

The return of this form of proxy will not prevent a Shareholder from attending the meeting and voting in person if he/she so wishes.