



ACQUISITION OF KAMERA HOLDINGS AB

London, UK – 27 November 2003

Virtue Broadcasting Plc ("Virtue") announces that it has today entered into a conditional purchase agreement to acquire Kamera Holdings AB ("Kamera") with Kamera's convertible bond holders and shareholders representing 70 percent of the issued share capital. Kamera is a Swedish based company traded on the HQ-Tech market.

As announced on 3 October 2003 Virtue has been reviewing the IP based corporate communications sector for value enhancing consolidation opportunities, and is delighted to have reached agreement with a majority of the Kamera shareholders. Kamera provides webcasting and content distribution services to large corporations and professional institutions, and is a market leader in the Nordics. Kamera's customers include the Stockholm Stock Exchange, Nokia, AstraZeneca and Pharmacia.

Kamera reported in its rights issue prospectus dated 4 November 2003 that it had made unaudited revenues of £1.3 million and loss after taxation of £0.5 million in the 8 month period to 31 August 2003. The prospectus highlighted that Kamera had net liabilities of £0.1 million as at 31 August 2003 which included £48,000 of cash. The audited accounts of Kamera for the 12 months to 31 December 2002 show revenues of £1.5 million, a loss after taxation excluding goodwill impairment and amortisation of £1.3 million and net assets of £0.4 million.

Following this announcement Virtue will shortly file in Sweden a prospectus with the Finansinspektionen, the Swedish Financial Supervisory Authority, to make a public offer to purchase the entire issued share capital of Kamera on terms outlined below. The purchase is conditional upon receiving more than 90 percent acceptances from the Kamera shareholders and both the satisfactory uptake by its shareholders of between £420,000 to £600,000 in the outstanding rights issue (and for which the 70 percent of shareholders referred to above have undertaken to subscribe £420,000) and conversion of £80,000 of convertible debt in to shares prior to the completion date.

In consideration of the entire share capital of Kamera, Virtue will issue between 40,760,000 and 43,796,389 new ordinary 0.1 pence shares, depending on the uptake of Kamera's outstanding rights issue plus a total of £100,000 cash consideration. This represents approximately 19.2 to 20.3 per cent. of the enlarged share capital of the new group. Based on the closing mid-market price of Virtue shares on 25 November 2003 this values Kamera at £2.5 million to £2.7 million. The completion date is expected to be on or before 9 January 2004 and application for new shares to be admitted to AIM is expected to be five days after completion. A further announcement will be made at that time.

Fredrik Ramberg, Chairman of Kamera, commented, "The purchase of Kamera by Virtue presents a major step in the consolidation of the webcasting market in Europe and will give the new group access to broader markets as well as technical platforms for their respective digital communications businesses".

"The Kamera business has excellent people and customers and were innovators in the early webcasting market", said Mike Neville, Chairman of Virtue, "this acquisition increases the company's footprint to the Nordic market which is one of the most mature in Europe. The extended customer base, which is second to none, will add valuable revenue streams and associated margins. This transaction is an integral part of the business transformation process that we are currently undergoing, where our intention is to offer valued added IP based communications services to corporate customers and professional institutions across Europe. This strategy will be leveraged from our current core operational infrastructure, and provide enhanced margins and longevity of revenues over the medium term. Finally, and very importantly, our customers will be able to access integrated services across a European footprint, which should reflect significant value."

About Virtue Broadcasting plc

Virtue, a UK based plc, is a leading streaming media solutions provider in Europe enabling corporations to communicate both internally and externally, to support their business goals, cost-effectively. Virtue provides organizations with the technology infrastructure and software solutions, which empower them to create and deliver communications messages [including investor relations to their stakeholders] that complement their global communications strategies. It is headquartered in London, and has offices in Zurich, Frankfurt, Madrid and Sydney.

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