

Cheerful Scout Plc: CLS / Index: AIM / Sector: Media
23 November 2006

**CHEERFUL SCOUT PLC ('Cheerful Scout' or 'the Company')
AGM STATEMENT**

Cheerful Scout Plc, the AIM listed multi media group, held its Annual General Meeting today and all resolutions were duly passed.

Chairman Stuart Appleton made the following statement:

“As our final results clearly highlighted, 2006 has been an exceptional year for us. We made great strides across all our divisions, which resulted in a strengthening of our portfolio of blue-chip clients, an enhancement of our technology and service offering and the winning of several prestigious awards in the UK and Europe.

“Whilst the core business performed exceptionally well and was the main contributor to your Company's inaugural pre-tax profits, the new divisions are also beginning to make waves. Our newly established events division, which works in tandem with state of the art presenting medium, nVision Presenter, has already organised some key international live events and we look forward to this making a significant contribution going forward. Additionally, we are very excited about a new target market - The Business Intelligence Market – where we see nVision Strategy taking a major role.

“As investors will be aware, a consolidation of share capital was recommended and has now been approved. Essentially, every 25 issued and unissued ordinary shares of 0.5 pence each in the capital of the Company shall be consolidated into 1 ordinary share of 12.5 pence. This will reduce trading costs for shareholders without having an adverse effect on liquidity, and in the longer term we believe that it will enable us to attract further institutional investment, which will give increased stability to the stock.”

Pursuant to the share consolidation, application has been made to the London Stock Exchange plc for 9.8 million ordinary shares of 12.5 pence each ('New Ordinary Shares') arising on the consolidation to be admitted to trading on AIM. It is expected that dealings in the New Ordinary Shares will commence on 27 November 2006.

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Contacts:

Gary Fitzpatrick

Cheerful

Tel: 020 7291 0444

Isabel Crossley

St Brides Media

Tel: 020 7242 4477