

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the action you should take, you should seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your shares in CVS Group plc (“**Company**”), please pass this document, together with the accompanying documents, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

**CVS Group plc**

Registered in England and Wales No. 06312831

CVS House  
Vinces Road  
Diss  
Norfolk  
IP22 4AY

15 November 2010

*To ordinary shareholders*

Dear Shareholder

**Annual General Meeting to be held on 9 December 2010 at 11:00 a.m. at The Cornwallis Country Hotel, Rectory Road, Brome, Eye, Suffolk IP23 8AJ**

I am pleased to send you details of our 2010 annual general meeting (“**AGM**”), which will be held at The Cornwallis Country Hotel, Rectory Road, Brome, Eye, Suffolk IP23 8AJ on 9 December 2010 at 11:00 a.m. I hope that you will be able to attend.

The formal notice of the AGM (“**Notice**”), enclosed with this letter, sets out the business to be considered at the AGM.

This year, shareholders will be asked to approve 8 resolutions. Resolutions 1 to 6 are proposed as ordinary resolutions. This means that, for each of those resolutions to be passed, more than 50 per cent of the votes cast must be in favour of the resolution. Resolutions 7 and 8 are proposed as special resolutions. This means that, for each of those resolutions to be passed, at least 75 per cent of the votes cast must be in favour of the resolution.

For further guidance, you should refer to the explanatory notes on the resolutions which follow the Notice.

**Recommendation**

The directors consider that all the resolutions set out in the Notice are in the best interests of the Company and its shareholders as a whole. The directors will be voting in favour of them, and unanimously recommend that you do so as well.

**Action to be taken**

You will find enclosed a proxy form for use in respect of the annual general meeting. As a member you are entitled to appoint one or more persons as proxies to exercise all or any of your rights to attend, speak and vote at the annual general meeting. A proxy need not be a member of the Company. You may appoint more than one proxy in relation to the meeting provided that each proxy is

appointed to exercise the rights attached to a different share or shares held by you. To appoint more than one proxy, you will need to complete a separate proxy form in relation to each appointment. Additional proxy forms may be obtained by contacting the Company's registrar on 0870 7071 656 or you may photocopy the proxy form. You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. If you do not intend to attend the meeting in person, please complete and return this form indicating how you wish your votes to be cast on each of the resolutions. You will still be able to attend and vote at the meeting should you wish to do so.

To be effective, the proxy form must be completed in accordance with the instructions printed on it and returned as soon as possible but, in any event, so as to reach the Company's registrar, Computershare Investor Services PLC of The Pavilions, Bridgwater Road, Bristol BS99 6ZY, by no later than 11.00 am on Tuesday 7 December 2010 (or, in the event that the meeting is adjourned, no later than 48 hours before the time of any adjourned meeting).

Yours sincerely

Richard Connell  
Chairman  
**CVS Group plc**

## CVS GROUP PLC

### NOTICE OF ANNUAL GENERAL MEETING

**Notice is given** that the 2010 annual general meeting of CVS Group plc ("**Company**") will be held at The Cornwallis Country Hotel, Rectory Road, Brome, Eye, Suffolk IP23 8AJ on 9 December 2010 at 11:00 a.m. for the following purposes:

**To consider and, if thought fit, to pass the following resolutions as ordinary resolutions:**

1. To receive the directors' report and the Company's annual accounts for the year ended 30 June 2010, together with the auditors' report on those accounts.
2. To reappoint PricewaterhouseCoopers LLP as auditors of the Company.
3. To authorise the directors to determine the remuneration of the auditors.
4. That the entry into by CVS (UK) Limited, the Company's wholly owned subsidiary, of a lease in respect of 275 London Road, Burgess Hill, West Sussex RH15 9QU ("**Property**") with Shirley Henderson, a person connected with Simon Innes, for a term of 20 years at an annual rent of £22,000 and otherwise substantively on the terms of the draft lease produced to the meeting and initialled by the chairman for identification purposes, be approved.
5. That the Company may send or supply any documents or information to members by making them available on a website for the purposes of paragraph 10(2) of schedule 5 to the Companies Act 2006 ("**Act**") and otherwise.
6. That, pursuant to section 551 of the Act, the directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £37,533, provided that (unless previously revoked, varied or renewed) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on 15 months from the date of the passing of this resolution (whichever is the earlier), save that the Company may make an offer or agreement before this authority expires which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after this authority expires and the directors may allot shares or grant such rights pursuant to any such offer or agreement as if this authority had not expired.

This authority is in substitution for all existing authorities under section 551 of the Act (which, to the extent unused at the date of this resolution, are revoked with immediate effect).

**To consider and, if thought fit, to pass the following resolutions as special resolutions:**

7. That, subject to the passing of resolution 6 and pursuant to section 570 of the Act, the directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority granted by resolution 6 as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
  - 7.1 in connection with an offer of equity securities (whether by way of a rights issue, open offer or otherwise):
    - 7.1.1 to holders of ordinary shares in the capital of the Company in proportion (as nearly as practicable) to the respective numbers of ordinary shares held by them;  
and

7.1.2 to holders of other equity securities in the capital of the Company, as required by the rights of those securities or, subject to such rights, as the directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and

7.2 otherwise than pursuant to paragraph 7.1 of this resolution, up to an aggregate nominal amount equal to five per cent of all the ordinary shares in issue,

and (unless previously revoked, varied or renewed) this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on 15 months from the date of the passing of this resolution (whichever is the earlier), save that the Company may make an offer or agreement before this power expires which would or might require equity securities to be allotted for cash after this power expires and the directors may allot equity securities for cash pursuant to any such offer or agreement as if this power had not expired.

This power is in substitution for all existing powers under section 570 of the Act (which, to the extent unused at the date of this resolution, are revoked with immediate effect).

8. That, pursuant to section 701 of the Act, the Company be and is generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 0.2p each in the capital of the Company ("**Shares**"), provided that:

8.1 the maximum aggregate number of Shares which may be purchased is 5,630,032;

8.2 the minimum price (excluding expenses) which may be paid for a Share is 0.2p; and

8.3 the maximum price (excluding expenses) which may be paid for a Share is an amount equal to 105 per cent of the average of the middle market quotations for a Share as derived from the Daily Official List of the London Stock Exchange plc for the five business days immediately preceding the day on which the purchase is made,

and (unless previously revoked, varied or renewed) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or on fifteen months from the date of passing of this resolution (whichever is the earlier), save that the Company may enter into a contract to purchase Shares before this authority expires under which such purchase will or may be completed or executed wholly or partly after this authority expires and may make a purchase of Shares pursuant to any such contract as if this authority had not expired.

**By order of the board**

.....  
**P D Coxon**  
**Secretary**

15 November 2010

**Registered office:** CVS House, Vinces Road, Diss, Norfolk, UK IP22 4AY  
**Registered in England and Wales No.** 06312831

## Notes

### *Entitlement to attend and vote*

1. The right to vote at the meeting is determined by reference to the register of members. Only those shareholders registered in the register of members of the Company as at 6.00pm on 7 December 2010 (or, if the meeting is adjourned, 6.00pm on the date which is two working days before the date of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the meeting.

### *Proxies*

2. A shareholder is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend and to speak and vote at the meeting. A proxy need not be a shareholder of the Company.

A shareholder may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. Failure to specify the number of shares each proxy appointment relates to or specifying a number which when taken together with the numbers of shares set out in the other proxy appointments is in excess of the number of shares held by the shareholder may result in the proxy appointment being invalid.

A proxy may only be appointed in accordance with the procedures set out in note 3 and the notes to the proxy form.

The appointment of a proxy will not preclude a shareholder from attending and voting in person at the meeting.

3. A form of proxy is enclosed. When appointing more than one proxy, complete a separate proxy form in relation to each appointment. Additional proxy forms may be obtained by contacting the Company's registrar on 0870 7071 656 or the proxy form may be photocopied. State clearly on each proxy form the number of shares in relation to which the proxy is appointed.

To be valid, a proxy form must be received by post or (during normal business hours only) by hand at the offices of the Company's registrar, Computershare Investor Services PLC of The Pavilions, Bridgwater Road, Bristol BS99 6ZY, no later than 11.00am on 7 December 2010 (or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting).

### *Corporate Representatives*

4. A shareholder which is a corporation may authorise one or more persons to act as its representative(s) at the meeting. Each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual shareholder, provided that (where there is more than one representative and the vote is otherwise than on a show of hands) they do not do so in relation to the same shares.

### *Documents available for inspection*

5. The following documents will be available for inspection during normal business hours at the registered office of the Company from the date of this notice until the time of the meeting. They will also be available for inspection at the place of the meeting from at least 15 minutes before the meeting until it ends.
  - 5.1 Copies of the service contracts of the executive directors.
  - 5.2 Copies of the letters of appointment of the non-executive directors.
  - 5.3 Copy of the licence to occupy and proposed lease to be entered into by CVS (UK) Limited and Shirley Henderson in respect of the Property.

*Communications with the Company*

6. Except as provided above, shareholders who wish to communicate with the Company in relation to the meeting should do so by calling our shareholder helpline on 0870 7071 656. No other methods of communication will be accepted.

*Retirement of Mr Christopher Marsh*

7. Mr Christopher Marsh, a non-executive director of the Company, is retiring by rotation and has decided not to seek reappointment to the board. The board wishes to thank Mr Marsh for his contribution to the Company to date.

## **Explanatory notes to the proposed resolutions**

### *Resolution 1: Directors' report and financial statements*

8. The directors will present their report, the auditors' reports and the audited financial statements for the year ended 30 June 2010 to the meeting as required by law. The directors' report is available on the Company's website ([www.cvsgroupplc.com](http://www.cvsgroupplc.com)).

### *Resolution 2: Re-appointment of auditors*

9. The Company is required to appoint auditors, at each general meeting at which accounts are presented, to hold office until the end of the next such meeting. The resolution, which is recommended by the Audit Committee, proposes the reappointment of PricewaterhouseCoopers LLP, the Company's existing auditors.

### *Resolution 3: Remuneration of auditors*

10. This resolution authorises the directors, in accordance with normal practice, to determine the remuneration paid to the auditors.

### *Resolution 4: Approval of lease agreement*

11. The Company entered into a licence to occupy 275 London Road, Burgess Hill, West Sussex RH15 9QU ("**Property**") with Shirley Henderson (wife of Simon Innes) on 22 June 2010 ("**Licence**"). The Licence stipulates that, upon shareholder approval, Ms Henderson will grant a 20 year lease of the Property to CVS (UK) Limited for an annual rental sum of £22,000, payable quarterly in equal instalments ("**Lease**"). The Company considers this rental sum to be in line with current market rates. Shareholder approval is required pursuant to section 190 of the Companies Act 2006 to consent to the entry by CVS (UK) Limited into the Lease as Ms Henderson is married to Simon Innes, Chief Executive of the Company, which means she is a person connected to a director of CVS (UK) Limited's holding company.

### *Resolution 5: Acceptance of Electronic Communication*

12. The law now allows the Company to use electronic and website communications with its shareholders in a wider variety of circumstances than was previously permitted. These changes have the potential to generate significant cost savings for the Company by reducing the volume of paper we use for shareholder communications, as well as being good for the environment.

### *Resolution 6: Directors' authority to allot shares*

13. Generally, the directors may only allot shares in the Company (or grant rights to subscribe for, or to convert any security into, shares in the Company) if they have been authorised to do so by shareholders in general meeting.

Resolution 6 renews a similar authority given at last year's AGM. If passed, resolution 6 will authorise the directors to allot shares in the Company (and to grant such rights) up to an aggregate nominal amount of £37,533 (which represents approximately one-third of the issued ordinary share capital of the Company as at 15 November 2010, being the last practicable date before the publication of this document). This authority is in substitution for all existing authorities under section 551 of the Act. If given, this authority will expire at the conclusion of the Company's next AGM or fifteen months from the date of passing of this resolution, whichever is the earlier. It is the directors' intention to renew this authority each year.

### *Resolution 7: Disapplication of pre-emption rights*

14. Generally, if the directors wish to allot new shares or other equity securities (within the meaning of section 560 of the Act) for cash, then under the Act they must first offer such shares or securities to shareholders in proportion to their existing holdings. These statutory pre-emption rights may be disappplied by shareholders.

Resolution 7, which will be proposed as a special resolution, renews a similar power given at last year's AGM and, if passed, will enable the directors to allot equity securities for cash up to a maximum aggregate nominal amount of 5% of all the ordinary shares in issue as at 15 November 2010, without having to comply with statutory pre-emption rights, but this power will be limited to allotments in connection with a rights issue, open offer or other pre-emptive offer. In addition, in accordance with normal practice, the resolution would enable the board to deal with treasury shares, fractional entitlements, record dates and overseas shareholders as it thinks fit in the context of any rights issue or open offer.

This is in line with the 2008 Statement of Principles issued by the Pre-Emption Group which provides that a company should not issue shares representing more than 7.5 per cent of its issued ordinary share capital for cash in any rolling three-year period, other than on a pre-emptive basis, without prior consultation with shareholders.

If given, this power will expire at the conclusion of the Company's next AGM or fifteen months from the passing of this resolution (whichever is the earlier). It is the directors' intention to renew this power each year.

*Resolution 8: Authority to on-market purchases*

15. Resolution 8, which will be proposed as a special resolution, renews a similar authority given at last year's AGM. If passed, it will allow the Company to purchase up to 5,630,032 ordinary shares in the market (which represents approximately 10 per cent of the issued ordinary share capital of the Company as at 15 November 2010, being the last practicable date before the publication of this document). The minimum and maximum prices for such a purchase are set out in the resolution. If given, this authority will expire at the conclusion of the Company's next AGM or fifteen months from the date of passing of this resolution, whichever is the earlier. It is the directors' intention to renew this authority each year.

The directors have no current intention to exercise the authority sought under resolution 8 to make market purchases, but consider the authority desirable to provide maximum flexibility in the management of the Company's capital base. If passed, the directors will only exercise this authority if they believe that to do so would result in an increase in earnings per share and would be in the best interests of the Company and of its shareholders generally. It is the directors' intention to review this authority each year.