THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about what action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other appropriately authorised independent financial adviser authorised under the FSMA if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Ordinary Shares, please send this document and accompanying Form of Proxy at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom you have sold or transferred your shares for delivery to the purchaser or transferee. The distribution of this document into jurisdictions other than the UK may be restricted by law. Persons into whose possession this document and/or the accompanying Form of Proxy comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws or regulations of any such jurisdictions. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

Brewin Dolphin, which is authorised and regulated in the United Kingdom by the Financial Services Authority and is a member of the London Stock Exchange, is CVS Group plc's nominated adviser and broker for the purposes of the AIM Rules. Brewin Dolphin is acting exclusively for the Company and will not be responsible to any other person for providing the protections afforded to clients of Brewin Dolphin, or for advising any other person in relation to the contents of this document or any other matter referred to herein. Brewin Dolphin has not authorised the contents of this document for any purpose and, without limiting the statutory rights of any person to whom this document is issued, no representation or warranty, express or implied, is made by Brewin Dolphin as to any of the contents or the completeness of this document.

CVS Group plc

(incorporated under the Companies Act 1985 and registered in England and Wales with registered number 06312831)

Proposed placing of 4,736,842 new Ordinary Shares at 190 pence per share in connection with the proposed acquisition of Veterinary Enterprises & Trading Limited and Notice of General Meeting

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Your attention is drawn to the letter from the Chairman of CVS Group plc set out in this document which recommends you to vote in favour of the Resolutions to be proposed at the General Meeting referred to below. You should read this document in its entirety and consider whether to vote in favour of the Resolutions in light of the information contained in this document.

Application will be made for the New Shares to be admitted to trading on AIM. Subject to Admission becoming effective, it is expected that dealings in the New Shares will commence on AIM on 11 March 2010. The New Shares will rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive all dividends and other distributions declared, paid or made in respect of the Ordinary Shares after Admission. The London Stock Exchange has not examined or approved the contents of this document. The whole of the text of this document should be read. Your attention is drawn to the letter from the Chairman contained in this document which recommends you vote in favour of the Resolutions.

Notice of a General Meeting of CVS Group plc, to be held at the offices of DLA Piper UK LLP, 3 Noble Street, London EC2V 7EE at 10.30 a.m. on 10 March 2010, is set out at the end of this document. The Form of Proxy for use at the General Meeting accompanies this document and, to be valid, should be completed and returned in accordance with the instructions set out therein as soon as possible but in any event so as to reach the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY as soon as possible and, in any event, by no later than 10.30 a.m. on 8 March 2010. Completion of a Form of Proxy will not prevent a Shareholder from attending the meeting and voting in person.

This document does not constitute an offer of securities to the public and accordingly is not a prospectus, nor does it constitute an admission document drawn up in accordance with the AIM Rules.

This document does not constitute an offer to buy or subscribe for, or the solicitation of an offer to buy or subscribe for, Ordinary Shares or any New Shares in any jurisdiction in which such offer or solicitation is unlawful. The New Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States nor do they qualify for distribution under any of the relevant securities laws of Australia, Canada, Japan, South Africa or the Republic of Ireland.

Accordingly, the New Shares may not, directly or indirectly, be offered, sold or taken up, delivered or transferred in or into the United States, Australia, Canada, Japan, South Africa, the Republic of Ireland or any other territory outside the United Kingdom. The distribution of this document outside the United Kingdom may be restricted by law and therefore persons outside the United Kingdom into whose possession this document has come should inform themselves about and observe any restrictions as to the Placing or the distribution of this document.

This document contains a number of forward looking statements relating to the Group and Enlarged Group with respect to, amongst others, the following: financial conditions; results of operations; the business of the Group and Enlarged Group; future benefits of the Proposed Acquisition; and management plans and objectives. The Company considers any statements that are not historical facts as "forward looking statements". They relate to events and trends that are subject to risks, uncertainties and assumptions that could cause the actual results and financial position of the Group and Enlarged Group to differ materially from the information presented in the relevant forward looking statement. When used in this document the words "estimate", "project'', "intend", "aim", "anticipate", 'believe", "expect', "should" and similar expressions, as they relate to the Group and Enlarged Group or management of it, are intended to identify such forward looking statements. Shareholders are cautioned not to place undue reliance on these forward looking statements which speak only as at the date of this document. Neither the Company nor any member of the Group or Enlarged Group undertakes any obligation to update publicly or revise any of the forward looking statements whether as a result of new information, future events or otherwise, save in respect of any requirement under applicable laws, the AIM Rules or other regulations.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS[1]

	2010
Announcement of the Proposed Acquisition and posting of the Circular and Forms of Proxy	19 February
Latest time and date for receipt of Forms of Proxy	10.30 a.m. on 8 March
General Meeting	10.30 a.m. on 10 March
Expected date for Admission and commencement of dealings in the New Shares	11 March
Expected date for CREST accounts to be credited in respect of the New Shares	11 March
Expected date for completion of the Proposed Acquisition	11 March
Expected date for despatch of definitive certificates in respect of the New Shares to be held in certificated form	15 March

(1) Each of the times and dates set out in the above timetable and mentioned throughout this document are London times unless otherwise stated and are subject to change.

ADMISSION AND PLACING STATISTICS

Placing Price per New Share	190 pence
Number of Ordinary Shares in issue as at the date of this document	51,563,475
Number of New Shares being issued	4,736,842
Number of Ordinary Shares in issue immediately following Admission[2]	56,300,317
Approximate gross proceeds of the Placing to be received by the Company, before expenses	£9.0 million
New Shares as a percentage of the Enlarged Share Capital[2]	8.41%
Approximate estimated proceeds of the Placing to be received by the Company, net of expenses (including VAT) relating to the Placing	£8.6 million

(2) Assumes no Ordinary Shares are issued between the date of this document and Admission.

CVS Group plc

(incorporated under the Companies Act 1985 and registered in England and Wales with registered number 06312831)

Directors:	Registered Office:
Richard Connell (Chairman)	CVS House
Simon Innes (Chief Executive)	Vinces Road
Paul Coxon (Finance Director)	Diss, Norfolk
Christopher Marsh (Non-Executive Director)	IP22 4AY
David Timmins (Non-Executive Director)	UK

19 February 2010

Proposed placing of 4,736,842 new Ordinary Shares at 190 pence per share in connection with the proposed acquisition of Veterinary Enterprises & Trading Limited and Notice of General Meeting

Dear Shareholder

1. Introduction

The Board of CVS has today announced its interim results for the six months ended 31 December 2009 and the conditional acquisition by CVS (UK) of the entire issued share capital of Veterinary Enterprises & Trading Limited, a holding company which, through various subsidiaries, operates veterinary surgeries and a laboratory in the South East of England.

CVS has also today announced a Placing of 4,736,842 new Ordinary Shares at 190 pence per New Share to raise approximately £9.0 million (approximately £8.6 million net of Placing expenses) to help fund the Proposed Acquisition. The Placing Price of 190 pence per New Share represents a discount of approximately 2.8 per cent. to the Closing Price of 195.5 pence per Ordinary Share on 18 February 2010 (being the last Business Day prior to the announcement of the Proposed Acquisition). The Placing has been fully underwritten by Brewin Dolphin, subject to certain conditions set out in the Placing Agreement.

The Acquisition Agreement provides for the acquisition of the entire issued share capital of Veterinary Enterprises for cash consideration of approximately £9.90 million and the discharge by CVS (UK) on Completion of bank indebtedness of the VET Group totalling £2.26 million plus a further payment as settlement of break fees in respect of interest rate hedges which the Directors do not expect to be in excess of £50,000 and therefore not material in the context of the Consideration. The Consideration is being funded predominantly from the Placing Proceeds, with the balance being satisfied from the Company's existing cash resources.

Shareholders should note that the Placing and consequently the Proposed Acquisition are conditional upon, *inter alia*, the Resolutions being passed by the requisite majority at the General Meeting. If the Resolutions are not passed by the requisite majority, the Placing and consequently the Proposed Acquisition will not proceed. Accordingly, you will find set out at the end of this document the Notice convening a general meeting to be held at the offices of DLA Piper UK LLP at 3 Noble Street, London EC2V 7EE at 10.30 a.m. on 10 March 2010.

The purpose of this letter is to outline the background to and reasons for the proposed acquisition of Veterinary Enterprises and the Placing and to explain why the Board considers the Proposed Acquisition and the Placing to be in the best interests of the CVS Group. The Directors are recommending that you vote in favour of the Resolutions at the General Meeting as they intend to do in respect of 1,400,256 Ordinary Shares held, directly or indirectly, by them, representing approximately 2.72 per cent. of the Existing Share Capital.

2. Information on CVS

The Directors believe that CVS is the largest employer and operator of small animal veterinary surgeries in the UK. The Group operates 170 veterinary surgeries across the UK, five veterinary laboratories and one pet crematorium. The Directors believe the Group continues to be the largest employer in the UK veterinary profession, with 1,813 staff including 454 vets as at 31 December 2009.

CVS was formed in 1999 and floated on AIM in October 2007. Since flotation, the Group has continued to expand in line with its stated strategy at IPO, acquiring 44 surgeries, three laboratories and a pet crematorium. The business model utilises the strong cash generation of the business to acquire new surgeries on sensible multiples and then to improve margin performance and increase revenue by a combination of:

- the deployment of better buying power
- the provision of existing central services to support practices
- assistance with sales and marketing.

The Group intends to continue its strategy of growth through acquisition in the fragmented UK veterinary market, combined with organic growth of clinical services across its three business areas. In addition, the ability to provide laboratory and crematorium services facilitates vertical integration and drives further efficiencies. The Directors believe that CVS has a share of the small animal veterinary market in the UK of approximately 7 per cent., as measured by reference to the number of small animal surgeries.

The Group delivered significant growth in revenues, profitability and cash generation in the financial year to 30 June 2009, compared with the prior year. Total Group revenue increased by 23 per cent. to £76.61 million and cash generation increased by 90 per cent. to £12.38 million. The veterinary practices and crematorium acquired in the financial year contributed revenue of £5.72 million during the year. Operating profit increased by 72 per cent. in the year to 30 June 2009 from £4.08 million to £7.01 million. The Group recorded a profit after income tax for the year of £3.04 million (2008: loss of £0.34 million as restated). Adjusted earnings per share was 11.5p, 44 per cent. up from 8.0p in the prior year (as restated). Basic and diluted earnings per share were 5.9p and 5.8p, respectively.

The Directors believe that acquisition opportunities continue to present themselves, aided by both a lack of competitive activity and the ability of CVS to provide an exit route to practice owners. The Group has a strong pipeline of potential acquisitions under consideration.

The Market

The market for veterinary products and services in the UK exceeds £1.1 billion and is highly fragmented, with 4,470 veterinary surgeries in the UK in 2009. The small animal category, in which CVS operates, accounts for 54 per cent. of the total (2,399 surgeries) and the fragmented nature of the market is such that, in total, the top six corporate operators account for only 17 per cent. of UK small animal surgeries. Key features of the UK market include:

- favourable demographics driving up pet ownership
- growth in companion small animal spending
- highly fragmented small animal veterinary surgery market
- limited veterinary laboratory facilities; dominated by IDEXX, CVS and Dechra
- fragmented pet crematoria market with many privately owned crematoria.

The companion animal market continues to grow, driven by a combination of factors including:

- progressive rise in UK households owning pets
- rising pet life expectancy
- an increased propensity by pet owners to spend on animal health
- new product developments such as dietary products
- the growth of pet insurance.

The biggest categories in the companion animal market are cats and dogs and these grew by 24 per cent. and 12 per cent., respectively, between 2000 and 2005.

3. Summary of Interim Results

Financial highlights

	Six months ended 31 December 2009 (Unaudited)	Six months ended 31 December 2008 (Unaudited)	Approximate growth %
Adjusted results before income tax, net finance expense, depreciation, amortisation, share option expense and transaction costs relating to acquisitions:			
Adjusted EBITDA[1]	£7.12m	£6.08m	17
Adjusted earnings per share[2]	7.2p	5.2p	38
Reported results:			
Revenue	£41.48m	£37.24m	11
Operating profit	£3.79m	£3.42m	11
Profit before income tax	£2.81m	£1.87m	50
Profit after income tax	£2.02m	£1.24m*	62
Cash generated from operations	£6.64m	£5.59m	19
Basic and diluted earnings per share	3.9p	2.4p*	63

1 See Interim Results for a reconciliation of profit before income tax for the period to adjusted earnings before income tax, net finance expense, depreciation, amortisation, share option expense and transaction costs relating to acquisitions ("adjusted EBITDA").

2 See Interim Results for a reconciliation of basic and diluted earnings per share to adjusted earnings per share.

* Restated – see Interim Results for details.

- Sales growth of 11.4 per cent
- Underlying like-for-like sales growth of 1.5 per cent. in the five months to 30 November 2009 (ignoring effects of adverse weather conditions in December); like-for-like sales growth of 0.5 per cent. for the six month period
- Adjusted EBITDA margin improved from 16.3 per cent. to 17.2 per cent
- Cash generated from operations increased by 18.9 per cent
- Acquisitions continued to be funded from internally generated cash.

Financial performance

Adjusted EBITDA has grown by 17.2 per cent. from £6.08 million to £7.12 million and the adjusted EBITDA margin has increased from 16.3 per cent. to 17.2 per cent. of revenue. This was mainly due to the impact that the expanded practice base has through delivery of operational and purchasing efficiencies.

Acquisition activity

The Group acquired two practices in the six month period to 31 December 2009. The practice acquired in Berkshire has traded for over five months as part of the Group and its performance has been ahead of expectations. The other practice was acquired at the end of November and has performed in line with expectations.

Cash flow and funding position

Cash generated from operations increased by 18.9 per cent. to £6.64 million from £5.59 million which demonstrates the Group's continued ability to convert operating profits into cash.

The Group spent £0.65 million on acquisitions in the first six months, all of which was funded from internally generated cash. As at 31 December 2009, the Group had net debt of £36.90 million comprising cash balances of £6.07 million and bank debt and finance lease liabilities of £42.97 million. This is a reduction of £3.88 million compared to 30 June 2009. The Group also had a working capital facility of £2 million which remained undrawn at the period end. The Group has operated comfortably within its agreed bank facilities and banking covenants were fully complied with throughout the period.

Earnings per share

Adjusted earnings per share increased by 2.0p (38 per cent.) to 7.2p from 5.2p in the comparable period. Basic and diluted earnings per share were 3.9p per share (2008: 2.4p per share).

Commenting on these results, CVS Chief Executive, Simon Innes, said:

"I am delighted to report another strong set of results with growth in revenues, earnings and cash generation, demonstrating the resilience of our business to the challenging economic conditions.

I am pleased with the acquisitions made in the period and in particular with the significant acquisition announced today."

4. Information on VET Group

The VET Group was established in 1998 in West Sussex. Operating under the Pet Doctors brand, it has since grown through its strategy of acquiring "first-opinion" veterinary clinics across the South East of England. Currently, Pet Doctors operates 27 veterinary surgeries which, excluding the management team, employ approximately 160 staff, including around 40 vets. The Pet Doctors clinics are managed by five area managers. The VET Group has an established organisational structure in place with centralised finance, marketing, IT and HR functions.

The VET Group also includes Greendale, which has been providing diagnostic and related laboratory services to veterinary surgeons, zoos and universities for over 20 years, and Wey Referrals, a specialist referrals centre operated by Pet Doctors, which offers "second-opinion" and other services not typically available in front-line veterinary practices. Greendale employs 13 staff and offers a broad range of diagnostic services also offered by CVS's existing laboratories. The Wey Referrals business employs 17 staff, including five vets.

The VET Group delivered revenue growth in the financial year to 31 March 2009, increasing 3.3 per cent. to £12.8 million, driven by organic growth and a partial year contribution from acquisition activity. Gross margins increased from 50.3 per cent. to 52.3 per cent. over the same period, reflecting the growth of revenue over a largely fixed cost base. VET Group EBITDA increased to approximately £0.81 million from £0.78 million, despite incurring certain one-off charges including bank refinancing fees in 2009.

In the six months to 30 September 2009, the VET Group has continued to make good progress, growing revenues and further improving margins.

Summary of VET Group financials

	Year ended 31 March 2009 (£'000)	**Year ended 31 March 2008 (£'000)**
Revenue		
Vet Services		
Pet Doctors	10,949	10,210
Wey Referrals	1,131	1,375
	12,080	11,585
Labs	956	1,010
Inter company	(234)	(202)
Total Sales	12,802	12,393
EBITDA	809	777
EBITDA margin	6%	6%
Net Debt	2,876	3,018
No. of practices	27	27

5. Background to and reasons for the Proposed Acquisition

CVS has grown both organically and by making selective acquisitions in order to expand its activities and UK-wide presence. Acquisitions have been successfully integrated, including the most significant acquisition to date: a group of 25 surgeries which were acquired in September 2006. Management has a strong track record of significantly enhancing the performance of the Group's acquired surgeries and the Directors are confident that the Group will rapidly integrate the VET portfolio into its existing operations and deliver enhanced performance.

VET is a similar business to CVS operating in the same small animal veterinary surgical market and offering complementary diagnostic services. Having been established as a single practice, VET has grown predominantly by acquisition and now operates across the South East of England. The Proposed Acquisition represents a significant step in the Group's consolidation of the veterinary market within a highly populous part of England, without adversely affecting its existing, ongoing programme to acquire small animal veterinary surgeries.

The Directors believe that the Proposed Acquisition is a good fit both operationally and geographically. The acquisition of the Wey Referrals business should provide an opportunity to increase the level of referrals generated within the Group. Greendale represents a good geographical and operational fit with CVS's existing business.

Following the Proposed Acquisition and integration of the two businesses, the Enlarged Group is expected to operate 197 veterinary surgeries, have approximately 2,000 staff and increase its market share to approximately 8 per cent. The Directors believe that the scale, market presence and revenue diversification of the Enlarged Group will facilitate growth and improve financial performance.

The Directors, working with the key management of VET, believe that the adoption of the Group's business model will enable revenue growth and margin improvement over time as has been the case with its historical acquisitions, in particular, through utilisation of the Group's central services and its buying terms. Other than transaction costs the Directors do not anticipate any significant exceptional costs from integrating the VET Group.

Accordingly, the Board believes that the Proposed Acquisition will be earnings-enhancing in the first full financial year of ownership following Completion, with further opportunities for earnings enhancement going forward through revenue and cost synergies, by organically growing the business and improving margins.

Following completion of the Proposed Acquisition, the Board intends to continue its strategy of evaluating additional, selective acquisition opportunities that emerge. It is currently intended that internally-generated cash will allow the Group to make future acquisitions of specific, known targets as well as anticipated pipeline opportunities, yet to be identified.

6. Details of the Proposed Acquisition

Pursuant to the Acquisition Agreement which is conditional only (i) on the passing by Shareholders of the Resolutions and (ii) on the Placing Agreement not having been terminated by Brewin Dolphin and having become and remaining unconditional in all respects (save only as to fulfilment of the conditions relating to Admission and Completion), the Vendors will, at Completion, sell and CVS (UK) will buy the entire issued share capital of Veterinary Enterprises. In the event that these conditions are not satisfied, CVS (UK) may terminate the Acquisition Agreement which will, without prejudice to any accrued rights or obligations, be of no further effect save for certain Vendor legal fee reimbursements, which the Directors believe to be immaterial in the context of the acquisition consideration.

The Vendors have undertaken to ensure that, pending Completion, the businesses of the VET Group will be carried on in the ordinary and usual course and in the same manner as prior to the date of the Acquisition Agreement.

After Completion, and following receipt by CVS of the Placing Proceeds, the Vendors will be paid the Consideration in cash. An exercise to determine the net asset value of the VET Group on the date of Completion (subject to certain agreed adjustments) will be carried out as soon as reasonably practicable but, in any event, within 60 days after delivery of VET's January management accounts. The Acquisition Agreement contains a mechanism to ensure that any movement in net liabilities (excluding goodwill) in excess of £50,000 between the balance sheet at 30 September 2009 and the balance sheet at the date of Completion, will result in an appropriate payment being made or received by CVS (UK).

Certain of the Vendors have given warranties and indemnities to CVS (UK) customary for a transaction of this nature. The maximum aggregate liability of those Vendors under the warranties and indemnities will be an amount equal to the Consideration, as adjusted. Subject to certain limitations, CVS (UK) will be able to bring claims for breach of any warranty in respect of which the aggregate amount of the claim exceeds £75,000 up to the date which is 18 months from the date of Completion. Claims in respect of tax may be brought up to the seventh anniversary of Completion.

Only one of the Vendors will remain an employee of the VET Group after Completion. The two departing Vendors have undertaken that, except with the consent of CVS (UK), they will not for a period of 3 years from Completion, *inter alia*, carry on or be engaged, concerned or interested in the operation of a business with a view to the consolidation, acquisition, merger or amalgamation of veterinary practices and/or veterinary laboratories within the United Kingdom nor solicit or entice away from the VET Group or offer to employ or otherwise engage any of its directors or senior employees.

7. Details of the Placing

The Company is proposing to raise approximately £9.0 million (approximately £8.6 million net of Placing expenses) by way of a placing of 4,736,842 New Shares to help fund the Proposed Acquisition. The Placing Price of 190 pence per New Share represents a discount of approximately 2.8 per cent. to the Closing Price of 195.5 pence per Ordinary Share on 18 February 2010 (being the last Business Day prior to the announcement of the Proposed Acquisition). Under the terms of the Placing Agreement, Brewin Dolphin, as agent for the Company, has agreed to use all reasonable endeavours to procure placees for the New Shares at the Placing Price or, failing which, itself to subscribe for the New Shares at the Placing Price. The New Shares will represent approximately 8.41 per cent. of the Enlarged Share Capital.

The Board, having been advised by Brewin Dolphin, considers that it is in the best interests of the Company and Shareholders as a whole for the funds required for the financing of the Proposed Acquisition to be raised by the Placing. It is believed that the significant costs, both financially and in terms of management time, of producing a full prospectus, which would be required if the Company were to offer all Shareholders the opportunity to acquire new shares in the Company (e.g. via an open offer or a rights issue), are such that a non-pre-emptive placing with a limited number of institutional and other investors is a more appropriate method of raising finance in this instance.

The Company therefore seeks from Shareholders the flexibility to raise finance by means of issuing new equity without pre-emption for existing Shareholders. At the General Meeting we seek your approval of various resolutions to provide this flexibility. Further details are provided below.

The Placing is conditional, *inter alia*, upon:

(iii) the Resolutions being passed without amendment;

(ii) the Placing Agreement becoming unconditional in all respects (save for Admission) and it not having been terminated; and

(iii) admission of the New Shares to trading on AIM becoming effective by not later than 8.00 a.m. on 11 March 2010 (or such later time and date as the Company and Brewin Dolphin may agree, not being later than 8.00 a.m. on 25 March 2010).

The Placing Agreement contains certain warranties (subject to limitations which are normal for an agreement of this type), given by the Company in favour of Brewin Dolphin as to certain matters relating to the CVS Group and its business. In addition, the Company has given certain undertakings to Brewin Dolphin and has agreed to indemnify Brewin Dolphin in relation to certain liabilities it may incur in respect of the Placing. Brewin Dolphin has the right to terminate the Placing Agreement in certain circumstances prior to Admission including, *inter alia*, (i) for certain *force majeure* events or other events involving certain material adverse changes relating to the CVS Group or (ii) in the event of a material breach of the warranties or other obligations of the Company set out in the Placing Agreement.

The Company has agreed to pay to Brewin Dolphin a placing and underwriting commission together with certain costs and expenses incurred in connection with the Placing.

Application will be made to the London Stock Exchange for the New Shares to be admitted to trading on AIM. Subject to, *inter alia*, the Resolutions being passed by the requisite majority at the General Meeting, it is expected that Admission will become effective and that trading in the New Shares will commence on AIM at 8.00 a.m. on 11 March 2010.

The New Shares will, when issued and fully paid, rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive any dividend or other distribution declared, made or paid in respect of the Ordinary Shares after Admission.

It is expected that the New Shares will be delivered in CREST on 11 March 2010 and that (where appropriate) share certificates for the New Shares to be held in certificated form will be despatched by first class post by 15 March 2010.

8. General Meeting

The Notice convening the General Meeting to be held at the offices of DLA Piper UK LLP at 3 Noble Street, London EC2V 7EE at 10.30 a.m. on 10 March 2010 is set out at the end of this document.

At the General Meeting the following resolutions will be proposed:

Resolution 1

Resolution 1 will be proposed as an ordinary resolution.

Resolution 1 proposes that, in addition to existing authorities, the Directors be authorised to allot shares in the Company or to grant rights to subscribe for or convert any securities into shares in the Company up to a maximum nominal amount of £9,473.684, representing 4,736,842 new Ordinary Shares to be issued in connection with the Placing, which comprises approximately 9.19 per cent. of the issued share capital of the Company as at 18 February 2010 (being the latest practicable date before the despatch of this document). This authority will expire at the conclusion of the next annual general meeting of the Company to be held after the passing of the resolution.

Resolution 2

Resolution 2 will be proposed as a special resolution.

Resolution 2 proposes that the Directors be empowered to disapply pre-emption rights in relation to the allotment of the New Shares in connection with the Placing. This authority will expire at the conclusion of the next annual general meeting of the Company to be held after the passing of the resolution. Pursuant to Resolution 2, pre-emption rights would be disapplied to the extent necessary, and where relevant, in respect of the allotment of the New Shares up to an aggregate nominal amount of £9,473.684 which represents approximately 9.19 per cent. of the issued ordinary share capital of the Company as at 18 February 2010 (being the latest practicable date before the despatch of this document).

9. Action to be taken

A Form of Proxy for use at the General Meeting is enclosed. Whether or not you intend to be present at the meeting, you are requested to complete, sign and return the Form of Proxy to the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY as soon as possible but in any event so as to be received no later than 10.30 a.m. on 8 March 2010, being 48 hours before the time of the General Meeting. The completion and return of a Form of Proxy will not prevent you from attending the General Meeting and voting in person if you wish to do so.

10. Recommendation

The Directors believe that the approval of the Resolutions is in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors are recommending that you vote in favour of the Resolutions at the General Meeting as they intend to do in respect of 1,400,256 Ordinary Shares held, directly or indirectly, by them, representing approximately 2.72 per cent. of the Existing Share Capital.

Yours faithfully,

Richard Connell
Chairman

DEFINITIONS

The following definitions apply throughout this document, except where the context requires otherwise.

"Admission"	the admission of the New Shares to trading on AIM becoming effective in accordance with the AIM Rules
"AIM"	AIM, a market operated by the London Stock Exchange
"AIM Rules"	the AIM rules for companies published by the London Stock Exchange from time to time governing admission to, and the operation of, AIM
"Acquisition Agreement"	the conditional acquisition agreement dated 19 February 2010 between CVS (UK) and the Vendors relating to the proposed acquisition of Veterinary Enterprises, further details of which are set out in this document
"Board" or "Directors"	the board of directors of the Company, whose names are set out on page 3 of this document
"Brewin Dolphin"	Brewin Dolphin Ltd, the Company's nominated adviser and broker for the purposes of the AIM Rules
"Business Day"	any day (excluding Saturdays and Sundays) on which banks are open in the City of London for the conduct of normal banking business
"Circular"	this circular dated 19 February 2010
"Closing Price"	the closing middle market quotation as derived from the Daily Official List on a particular day
"Completion"	completion of the Proposed Acquisition expected to be on or about 11 March 2010
"Consideration"	the sum of approximately £9.9 million, being the consideration under the Acquisition Agreement
"CREST"	the relevant system (as defined in the Regulations) in respect of which Euroclear UK & Ireland Limited is the operator (as defined in the Regulations)
"CVS" or "the Company"	CVS Group plc
"CVS Group" or the "Group"	the Company and its subsidiary undertakings
"CVS (UK)"	CVS (UK) Limited, a wholly-owned subsidiary of the Company
"Daily Official List"	the daily record setting out the prices of all trades in shares and other securities conducted on the London Stock Exchange
"Enlarged Group"	the Group following Completion, as enlarged by the acquisition of the VET Group
"Enlarged Share Capital"	the issued share capital of the Company following Admission, as enlarged by the New Shares
"Existing Share Capital"	the Ordinary Shares in issue as at the date of this document
"General Meeting"	the general meeting of the Company convened for 10.30 a.m. on 10 March 2010 (or any adjournment thereof), notice of which is set out at the end of this document

"Greendale"	Greendale Veterinary Diagnostics Limited, a wholly-owned subsidiary of VET
"Form of Proxy"	the form of proxy accompanying this document for use by Shareholders at the General Meeting
"FSMA"	the Financial Services and Markets Act 2000 (as amended) including any revisions made pursuant thereto at the date of this document
"Interim Results"	the consolidated financial results of the Group for the six month period ended 31 December 2009
"London Stock Exchange"	London Stock Exchange plc
"New Shares"	the 4,736,842 new Ordinary Shares to be conditionally subscribed in accordance with the terms of the Placing Agreement
"Notice of General Meeting" or "Notice"	the notice of General Meeting set out at the end of this document
"Ordinary Shares"	ordinary shares of 0.2 pence each in the capital of the Company
"Pet Doctors"	Pet Doctors Limited, a wholly-owned subsidiary of VET
"Placing"	the proposed placing by Brewin Dolphin of the New Shares on behalf of the Company at the Placing Price
"Placing Agreement"	the conditional agreement dated 19 February 2010 between the Company and Brewin Dolphin in connection with the Placing, further details of which are set out in this document
"Placing Price"	190 pence per New Share
"Placing Proceeds"	the funds raised from the Placing after deduction of advisers' fees and expenses
"Proposed Acquisition"	the conditional acquisition by the Company of Veterinary Enterprises
"Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
"Resolutions"	the resolutions to be proposed at the General Meeting as set out in the Notice
"Shareholders"	holders of Ordinary Shares
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"Vendors"	the current shareholders of Veterinary Enterprises
"Veterinary Enterprises" or "VET"	Veterinary Enterprises & Trading Limited
"VET Group"	Veterinary Enterprises and its subsidiary undertakings being Pet Doctors, Greendale, Wey Referrals Limited and Superstar Pets Limited
"Wey Referrals"	a division of Pet Doctors

CVS Group plc

(incorporated and registered in England and Wales with registered number 06312831)

NOTICE OF GENERAL MEETING

NOTICE is hereby given that a general meeting of CVS Group plc (the "**Company**") will be held at the offices of DLA Piper UK LLP at 3 Noble Street, London EC2V 7EE, at 10.30 a.m. on 10 March 2010 for the purpose of considering and, if thought fit, passing the following resolutions of which resolution 1 will be proposed as an ordinary resolution and resolution 2 will be proposed as a special resolution.

Resolutions

1. That, in addition to existing authorities, the directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "**Act**") to allot shares (or to grant rights to subscribe for or to convert any security into shares) in the Company up to an aggregate nominal value of £9,473.684 pursuant to or in connection with the allotment of up to 4,736,842 new ordinary shares of 0.2 pence each in the capital of the Company to such persons as may be entitled in connection with the Placing (as defined in the circular sent by the Company to its shareholders dated 19 February 2010). Such authority, unless previously revoked, varied or renewed by the Company in general meeting, shall expire at the conclusion of the next annual general meeting of the Company to be held after the passing of this resolution, save that the Company may prior to the expiry of such period make an offer or agreement which would or might require shares to be allotted in the Company after the expiry of the said period and the directors may allot shares in the Company in pursuance of such offer or agreement notwithstanding the expiry of the authority given by this resolution.

2. That, subject to and conditional upon the passing of resolution 1 above, in addition to existing authorities the directors be and are empowered pursuant to section 571 of the Act to allot equity securities (as defined in section 560 of the Act) which are the subject of the authority granted by resolution 1, for cash, as if section 561(1) of the Act did not apply to any such allotments. Such authority, unless previously revoked, varied or renewed by the Company in general meeting, shall expire at the conclusion of the next annual general meeting of the Company to be held after the passing of the resolution, save that the Company may, prior to the expiry of such period, make an offer or agreement which would or might require shares to be allotted in the Company after the expiry of the said period and the directors may allot shares in the Company in pursuance of such offer or agreement notwithstanding the expiry of the authority given by this resolution.

Dated: 19 February 2010

By order of the Board

Paul Coxon
Secretary

Registered Office:

CVS House
Vinces Road
Diss
Norfolk
IP22 4AY
UK

Notes

1. At 18 February 2010 (being the last business day prior to the publication of this notice), the issued share capital of the Company was 51,563,475 ordinary shares of 0.2 pence each ("**Ordinary Shares**") and the total number of voting rights was 51,563,475.

2. Holders of Ordinary Shares are entitled to attend and vote at the general meeting.

3. Shareholders entitled to attend and vote at the general meeting are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the meeting and at any adjournment of it. A shareholder may appoint more than one proxy in relation to the general meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy, you may photocopy the form of proxy. Please indicate the proxy holder's name and the number of Ordinary Shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of Ordinary Shares held by you). A proxy need not be a member of the Company.

4. A form of proxy for use by shareholders is enclosed with this document. Details of how to appoint the Chairman of the general meeting or another person as your proxy are set out in the notes to the form of proxy. If you do not have a form of proxy and believe that you should have one, or if you require additional forms, please contact Computershare Investor Services on 0870 707 1656 (calls cost 10p per minute plus network extras, lines are open 8.30 a.m.-5.30 p.m., Mon-Fri) or from outside the UK on: +44 (0) 870 707 1656.

5. To be valid any form of proxy or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY no later than 10.30 a.m. on 8 March 2010, together with, if appropriate, the power of attorney or other authority (if any) under which it is signed or a duly certified copy of that power or authority.

6. The return of a completed form of proxy, other such instrument or any CREST Proxy instruction (as described in paragraph 11 below) will not prevent a shareholder attending the general meeting and voting in person if he/she wishes to do so.

7. If a shareholder submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

8. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

9. A vote withheld option is provided on the form of proxy to enable you to instruct your proxy not to vote on any particular resolution, however, it should be noted that a vote withheld in this way is not a 'vote' in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution. The register of directors' interests is kept by the Company and will be open for inspection at the meeting.

10. To be entitled to attend and vote at the general meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the register of members of the Company at 10.30 a.m. on 8 March 2010 (or, in the event of any adjournment, 10.30 a.m. on the date which is two days (excluding non-working days) before the time of the adjourned meeting). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

11. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the general meeting and any adjournment(s) of such meeting by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. Please note the following:

(a) In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("**EUI**") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (3RA50) by the latest time(s) for receipt of proxy appointments specified in this notice of general meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST applications host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

(b) CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(c) The Company may treat as invalid a CREST Proxy instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

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