

NOTICE OF ANNUAL GENERAL MEETING

Incorporated in England and Wales 0501189



Notice is hereby given that the Annual General Meeting (**Meeting**) of YCO Group plc (**Company**) will be held at **The Covent Garden Hotel, Blue Private Room, 10 Monmouth Street, London WC2H 9HB** on **28 June 2011** at **12.00 noon**.

You will be asked to consider and vote on the resolutions below. Resolutions 1 to 6 inclusive are proposed as ordinary resolutions and resolutions 7 to 8 inclusive are proposed as special resolutions.

ORDINARY BUSINESS

1. To receive and adopt the Company's annual report and accounts for the financial year ended 31 December 2010 together with the directors' report and the auditors' report on those accounts.
2. To reappoint Jeffrey's Henry LLP as auditors of the Company and to authorise the directors of the Company to fix their remuneration.
3. To re-elect Ian Petts as a director of the Company.
4. To re-elect Rishi Malliwal as a director of the Company.
5. To re-elect Scott Lidbetter as a director of the Company.
6. That, in accordance with section 551 of the Companies Act 2006 (the "2006 Act") the directors of the Company ("Directors") be and are generally and unconditionally authorised to allot Relevant Securities (as defined in the explanatory notes to this resolution) up to an aggregate nominal amount of £56,188 representing approximately 33% of the Company's current issued share capital provided that this authority, unless duly renewed, varied or revoked by the Company, will expire on the date being twelve months from the date of the passing of this resolution or, if earlier, 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, before such expiry, make offers or agreements which would or might require Relevant Securities to be allotted after such expiry and, the Directors may allot Relevant Securities in pursuance of such an offer or agreement notwithstanding that the authority conferred by this resolution has expired.

All unexercised authorities previously granted to the Directors to allot Relevant Securities are hereby revoked.

SPECIAL BUSINESS

7. THAT, subject to the passing of resolution 6, the Directors be given the general power pursuant to sections 570 and 573 of the 2006 Act to allot equity securities (as defined by section 560 of the 2006 Act) for cash, either pursuant to the authority conferred by resolution 6 set out in the notice of this Meeting or by way of a sale of treasury shares, as if section 561(1) of the 2006 Act did not apply to any such allotment provided that this power shall be limited to:

7.1 the allotment of equity securities in connection with an offer by way of a rights issue or open offer:

7.1.1 to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and

7.1.2 to holders of other equity securities as required by the rights of those securities or 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, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

7.2 the allotment (otherwise than pursuant to sub-paragraph 7.1 above) of equity securities to any person or persons up to an aggregate nominal amount of £25,287 representing approximately 15% of the Company's current issued share capital;

provided that the power granted by this resolution will expire on the date being twelve months from the date of the passing of this resolution or, if earlier, 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, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and, the Directors may allot equity securities in pursuance of such an offer or agreement notwithstanding that the authority conferred by this resolution has expired.

All unexercised powers previously granted to the Directors to allot Relevant Securities are hereby revoked.

8. That the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of £0.0035 each on such terms and in such manner as the Directors may from time to time determine, provided that:

8.1 the maximum aggregate number of ordinary shares that may be purchased is 7,224,960 representing approximately 15% of the issued ordinary share capital of the Company as at 4 May 2011;

8.2 the minimum price (excluding expenses) which may be paid for each ordinary share is £0.0035;

8.3 the maximum price (excluding expenses) which may be paid for each ordinary share is the higher of:

SPECIAL BUSINESS (CONTINUED)

8.3.1 105% of the average market value of an ordinary share in the Company for the five business days prior to the day the purchase is made; and

8.3.2 the value of an ordinary share calculated on the basis of the higher of the price quoted for:

- (a) the last independent trade of; and
- (b) the highest current independent bid for,

any of the Company's ordinary shares on the trading venue where the market purchases pursuant to the authority conferred by this resolution will be carried out.

The authority conferred by this resolution shall expire on 28 June 2012 or, if earlier, at the conclusion of the Company's next annual general meeting save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority.

BY ORDER OF THE BOARD

Ian Petts
Finance Director and Company Secretary
30 June 2011

REGISTERED OFFICE

18 Coulson Street
London SW3 3NB
Company Number: 5011189



NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

1. ENTITLEMENT TO ATTEND AND VOTE

To be entitled to attend and vote at the Meeting the Company specifies that only those members registered on the Company's register of members at:

- 6.00 pm on 26 June 2011; or
- if this Meeting is adjourned, at 6.00 pm on the day two days prior to the adjourned meeting.

2. APPOINTMENT OF PROXIES

If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. To appoint more than one proxy please refer to the notes on the proxy form.

3. APPOINTMENT OF PROXY USING HARD COPY PROXY FORM

The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to Capita Registrars, PXS, 34 Beckenham Road, Beckenham, BR3 4TU; and
- received by Capita Registrars, PXS, 34 Beckenham Road, Beckenham, BR3 4TU no later than 12.00 pm on 26 June 2011.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

4. APPOINTMENT OF PROXY BY JOINT MEMBERS

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).

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

5. CHANGING PROXY INSTRUCTIONS

To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Capita Registrars, PXS, 34 Beckenham Road, Beckenham, BR3 4TU.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

6. TERMINATION OF PROXY APPOINTMENTS

In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Capita Registrars, PXS, 34 Beckenham Road, Beckenham, BR3 4TU. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Capita Registrars, PXS, 34 Beckenham Road, Beckenham, BR3 4TU no later than 12.00 pm on 26 June 2011.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

7. DOCUMENTS ON DISPLAY

Company on any weekday (excluding public holidays) during normal office hours from the date of this notice of the Meeting until the time of the Meeting and for at least 15 minutes prior to the Meeting and during the Meeting:

- copies of the service contracts of executive Directors, and
- copies of the letters of appointment of the non-executive Directors.

EXPLANATORY NOTES

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010 – RESOLUTION 1

Members will be asked to receive the annual report and accounts for the year ended 31 December 2010. A copy of the annual report and accounts is enclosed.

AUDITORS – RESOLUTION 2

The Company is required at each general meeting at which the Company's annual report and accounts for the previous financial year are presented to appoint auditors to hold office until the next such meeting. Accordingly, resolution 2 reappoints Jeffrey's Henry LLP as auditors to the Company and authorises the directors to fix their remuneration.

ELECTION OF DIRECTORS – RESOLUTIONS 3 TO 5

Ian Petts, Scott Lidbetter and Rishi Malliwal, who were appointed as Directors since the last Annual General Meeting, are retiring in accordance with the Company's articles of association and offer themselves for election.

Biographical details of each of the Directors seeking election appear on pages 22 and 23 of the annual report and accounts.

AUTHORITY OF DIRECTORS TO ALLOT SHARES – RESOLUTION 6

Under section 551 of the 2006 Act, the directors of a company are not permitted to allot shares (or grant certain rights over shares) unless authorised to do so by the members.

This resolution complies with guidance issued by the Association of British Insurers (ABI) in December 2008. If passed, it will authorise the Directors to allot a maximum nominal amount of Relevant Securities (including equity securities) under this resolution of £56,188 which represents approximately 33% of the Company's issued share capital as at 4 May 2011.

As at close of business on 21 May 2011, the Company did not hold any treasury shares at that time.

The authority granted by this resolution will expire on 28 June 2012 or, if earlier, the date of the next annual general meeting of the Company.

Relevant Securities means:

- Shares in the Company other than shares allotted pursuant to:
 - an employee share scheme (as defined by section 1166 of the 2006 Act);
 - a right to subscribe for shares in the Company where the grant of the right itself constituted a Relevant Security; or
 - a right to convert securities into shares in the Company where the grant of the right itself constituted a Relevant Security.
- Any right to subscribe for or to convert any security into shares in the Company other than rights to subscribe for or convert any security into shares allotted pursuant to an employee share scheme (as defined by section 1166 of the 2006 Act). References to the allotment of Relevant Securities in the resolution include the grant of such rights.

EXPLANATORY NOTES (CONTINUED)

DISAPPLICATION OF PRE-EMPTION RIGHTS – RESOLUTION 7

This resolution will, if passed, give the Directors power, pursuant to the authority to allot granted by resolution 6, to allot shares in the Company or sell treasury shares for cash without first offering them to existing shareholders in proportion to their existing holdings.

The Company will be able to issue shares in the event of a rights issue or open offer in favour of the existing members in proportion to their existing shareholdings up to a nominal value of £56,188 which represents approximately 33% of the issued share capital of the Company.

The Company will also be able to issue shares for cash to persons other than existing members up to a nominal value of £25,287 which represents approximately 15% of the issued share capital of the Company.

The power granted by this resolution will expire on 28 June 2012 or, if earlier, the date of the next annual general meeting of the company.

PURCHASE OF OWN SHARES – RESOLUTION 8

This resolution seeks authority for the Company to make market purchases of its own ordinary shares and is proposed as a special resolution. If passed, the resolution gives authority for the Company to purchase up to 7,224,960 of its ordinary shares, representing just under 15% of the Company's issued ordinary share capital (excluding treasury shares) as at 4 May 2011.

The resolution specifies the minimum and maximum prices which may be paid for any ordinary shares purchased under this authority. The authority will expire on the earlier of 28 June 2012 and the Company's 2012 annual general meeting.

The Directors do not currently have any intention of exercising the authority granted by this resolution. The Directors will only exercise the authority to purchase ordinary shares where they consider that such purchases will be in the best interests of shareholders generally.

The Company may either cancel any shares it purchases under this authority or transfer them into treasury (and subsequently sell or transfer them out of treasury or cancel them).

