

BWA Group Plc
("BWA" or the "Company")

Notice of Requisitioned Meeting

Set out below is the text of a letter from the Directors of BWA which was included in a circular posted to shareholders in the Company on 16 March 2011.

"Dear Shareholder

Notice of Requisitioned Meeting
Directors' unanimous recommendation to vote
AGAINST
the Requisitioned Resolutions

1. Introduction

On 22 February 2011, the directors of the Company (the "Directors") received a requisition (the "Requisition") from Webb Capital Plc ("Webb Capital") and Mr Peter Webb (together, the "Requisitioners"), both registered as shareholders of the Company and together holding or representing at least 5 per cent. of the issued share capital of the Company at the time the Requisition was made.

The Requisition requires the Directors to call a general meeting (the "Requisitioned Meeting") for the purpose of proposing the ordinary resolutions numbered 1 to 6 on the Notice of Meeting (the "Requisitioned Resolutions") as demanded by the Requisitioners. A notice convening the Requisitioned Meeting for 10.00 a.m. on 31 March 2011 is set out on page 7 of this document.

An additional resolution, numbered 7, (the "Continuation Resolution") is being proposed by the Directors at the Requisitioned Meeting to authorise the Directors to continue with their pursuit of the Company's stated investment strategy.

The purpose of this letter is to explain why the Directors strongly believe that the Requisitioned Resolutions are not in the best interests of the Company and its Shareholders and to recommend unanimously that Shareholders vote AGAINST THE REQUISITIONED RESOLUTIONS and for the Continuation Resolution at the Requisitioned Meeting.

2. Requisitioned Meeting

In accordance with the provisions of section 303 of the Companies Act 2006 (as amended) the Directors are required to call a general meeting if the Company receives a request from one or more shareholders representing at least 5 per cent. of the paid up capital of the Company which carries 5 per cent. or more of the voting rights at general meetings at the time the request is made.

The Requisition received by the Company complies with the Companies Act 2006 (as amended) and you will therefore find set out at the end of this document a notice convening the Requisitioned Meeting, which is to be held at the offices of Bircham Dyson Bell LLP, 50 Broadway, London SW1H 0BL at 10.00 a.m. on 31 March 2011.

The Requisitioned Resolutions, which are set out in full in the Notice of Meeting, propose, inter alia, that Richard Battersby and James Butterfield are removed as Directors; that Peter Webb and Dwight Mighty of Webb Capital be appointed as directors of your company in their place and that Peter Webb be appointed Chairman.

3. Reasons Given for the Requisition

A letter from Mr Webb setting out his reasons for the Requisition accompanies this document.

4. Directors' Response to the Requisition

Investment Strategy

Mr Webb's main argument is that the investments made by the Company to date do not meet the investment criteria set out on the Company's admission to PLUS last year. The Directors do not agree. On applying to be admitted to

trading on the PLUS-quoted Market, the Company confirmed that its investment strategy was, inter alia, to:

"acquire minority or passive stakes in the securities of other businesses"

A number of investments have been made to date, all of which have been minority, passive stakes which the Directors believe could generate significant returns for Shareholders. All of these investments are entirely consistent with the element of the investment strategy referred to above. As a result of investments like these and certain successful realisations, the Directors are pleased to have been able to report a profit before taxation for the six months ended 31 October 2010 and they expect to report continued progress in the full year results.

The most recent investment by the Company was announced on 14 March 2011. The Company has committed GBP25,000 to Zyzygy plc ("Zyzygy") to pay for certain fees and expenses of Zyzygy in connection with its proposed restructuring. This restructuring includes an open offer at 0.25p per ordinary share and a capital reorganisation to allow Zyzygy to apply for admission to trading on the PLUS-quoted Market as an Investment Vehicle. On 17 January 2011, Richard Battersby was appointed as non-executive Chairman of Zyzygy and James Butterfield was appointed as a non-executive director of Zyzygy to assist with these proposals.

In return for its commitment of GBP25,000, BWA is entitled to receive 25,000,000 new ordinary shares in Zyzygy after that company's general meeting on 4 April 2011. BWA is also to receive a fee of GBP50,000 for its services to Zyzygy, which is to be settled by the issue of 50,000,000 additional new ordinary shares in Zyzygy. All these shares will be allotted to BWA at par value of 0.1p per share.

The Company's investment strategy also encompasses the prospect of larger scale acquisitions and investments and these have been under active consideration in parallel with the investments in minority, passive stakes. Since BWA joined the PLUS-quoted Market, the Directors have considered over 40 such opportunities, introduced either by the Directors themselves or by their contacts. Indeed, the Directors are at the moment actively considering a potentially attractive investment opportunity which results from an introduction made to James Butterfield by a contact of Peter Webb at a recent reception at Webb Capital.

More importantly, the Directors have continued to focus on maintaining shareholder value throughout this process and have drawn no remuneration in the 12 months since the Company was re-listed, despite the considerable time they have dedicated to finding an appropriate transaction for the Company. They are therefore disappointed at the course of action taken by the Requisitioners and at the costs that the Company will have to bear as a result. These costs are expected to be equivalent to more than six months' overheads for the Company.

Wren Extra Care Group plc ("Wren")

The Directors note Mr Webb's comments in relation to Wren. James Butterfield has kept the Directors informed of the situation at Wren referred to by Mr Webb and the Directors are satisfied that this has no bearing on his role as a Director of BWA. The Directors do not believe that events at Wren provide any valid justification for the making of the Requisition.

Conflict of Interest

The Directors also note Mr Webb's comments about the possible conflict of interest arising from Richard Battersby and James Butterfield being directors of Zyzygy as well as BWA. The Directors believe that it is clear from the announcement of 14 November 2011 that the arrangements with Zyzygy are designed to generate a return, potentially a material one, for shareholders in BWA. The Directors would also point out that Messrs Battersby and Butterfield are not the only directors of Zyzygy and do not have board control of that company.

For the avoidance of any doubt, all three Directors of BWA are fully aware of their responsibilities as directors and appropriate arrangements are in place at the Company to ensure that any genuine conflict is identified and treated appropriately.

The Directors believe that the arguments put forward by Mr Webb are without merit. The Directors note that the Requisitioned Resolutions do not give Shareholders the opportunity to vote on an alternative investment

strategy for the Company if control of the Board of BWA changes. The Directors therefore conclude that the Requisition is an attempt to gain control of the Company's strategic direction without making a general offer for the Company. As such, the Directors believe the Requisition Resolutions should be rejected.

5. Continuation Resolution

The Company's admission document dated 12 January 2010 contained the following statement:

"If the Company fails to complete any acquisition or investment as outlined above within 12 months from the date of Admission, the Directors will seek Shareholders' approval for the further pursuit of its investment strategy or a resolution will be proposed for a members' voluntary liquidation of the Company (pursuant to Part IV of the Insolvency Act) and the return of funds (after payment of the expenses and liabilities of the Company) to the Shareholders pro rata to their respective shareholdings."

The 12 month period referred to above commenced on 31 March 2010 and ends on 31 March 2011. The Directors believe that the Company has made good progress in the last 12 months and the Directors are therefore proposing to extend the period for the Company to complete a material acquisition or investment to 31 March 2012. The terms of the proposed extension are set out in Resolution 7 in the Notice of Meeting on page 7 of this document.

6. Irrevocable Voting Undertakings

The Directors are pleased to report that they have received irrevocable undertakings from Shareholders (MORE TO FOLLOW) Dow Jones Newswires

March 17, 2011 03:00 ET (07:00 GMT)

representing approximately 45.44 per cent. of the Company's issued share capital to vote against the Requisitioned Resolutions.

7. Notice of Requisitioned Meeting

A notice convening the Requisitioned Meeting at which the Requisitioned Resolutions and the Continuation Resolution will be proposed is set out on page 7 of this document.

8. Action to be taken

Shareholders, whether or not they propose to attend the Requisitioned Meeting in person, are requested to complete, sign and return the Form of Proxy, in accordance with the instructions printed thereon, so as to be received by the Company's registrars, Share Registrars Limited, Proxy Department, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL as soon as possible and, in any event, by not later than 10.00 a.m. on 29 March 2011. Completion and return of the Form of Proxy will not preclude shareholders from attending and voting at the Requisitioned Meeting in person if they wish to do so.

9. Recommendation

The Directors believe that their broad business experience, together with their extensive network of contacts, means that they are best placed to identify, evaluate and secure appropriate acquisition and/or investment opportunities for BWA.

For this reason and all of the reasons given above, the Directors unanimously believe that the Requisitioned Resolutions are not in the best interests of the Company and its Shareholders and therefore recommend that Shareholders vote AGAINST all the Requisitioned Resolutions to be proposed at the Requisitioned Meeting.

The Directors unanimously believe that the Continuation Resolution is in the best interests of the Company and its Shareholders and therefore recommend that Shareholders vote for the Continuation Resolution to be proposed at the Requisitioned Meeting.

The Directors will be voting against the Requisitioned Resolutions and for the Continuation Resolution in respect of their own beneficial holdings of 27,063,258 Ordinary Shares, representing in aggregate approximately 25.65 per cent. of the issued share capital of the Company at the date of this document".

A copy of the circular and a copy of the letter from Mr. Webb are available on the PLUS website at www.plus-sx.com. Copies of the Circular and the letter are also available free of charge to the public during normal business hours on any weekday (Saturdays and public holidays excepted) from the offices of St Helens Capital Partners LLP, 223a Kensington High Street, London W8 6SG and shall remain available for at least one month after the date of posting.

The Directors of BWA are responsible for the contents of this announcement.

BWA Group Plc:

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BWA Group Plc

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