



# VITA GROUP LIMITED

**ACN 113 178 519**

Registered Office: Level 3, 77 Hudson Road, Albion, Queensland, 4010

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (**AGM**) of the Shareholders of Vita Group Limited (**Company**) will be held on Friday 13 November 2015 in the Vita Place Training Room, Level 3, 77 Hudson Road, Albion, Queensland 4010, at 10.00am (Brisbane time) (**Meeting**).

### **BUSINESS**

#### **1. Financial Statements and Reports**

To receive and consider the Financial Statements and the Reports of the Directors and the Auditor for the financial year ended 30 June 2015.

#### **2. Re-election of Director who retires by Rotation**

##### **Resolution 1 – Re-election of Mr Dick Simpson**

To consider and, if thought fit, pass the following ordinary resolution:

*That Mr Dick Simpson, a non-executive Director retiring by rotation in accordance with Clause 59 of the Company's Constitution, being eligible, be re-elected as a non-executive Director of the Company.*

#### **3. Increase in Non-Executive Directors' Fee Pool**

##### **Resolution 2 – Increase in Non-Executive Directors' Fee Pool**

To consider and, if thought fit, pass the following ordinary resolution:

*That pursuant to and in accordance with Listing Rule 10.17 and for all other purposes, the maximum aggregate amount of Directors' fees payable to non-executive Directors be increased by \$150,000 from \$560,000 to \$710,000 per annum.*

**Voting Exclusion Statement:** The Company will disregard any votes cast on the proposed resolution to increase the maximum aggregate amount of Directors' fees payable to non-executive Directors (Resolution 2) by a Director of the Company and any associate of a Director. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the Meeting as proxy for a person entitled to vote, in accordance with a direction on a proxy form to vote as the proxy decides.

The Company will also disregard any votes cast on the proposed resolution to increase the maximum aggregate amount of Directors' fees payable to non-executive Directors (Resolution 2) by a member of the key management personnel of the Company's consolidated group (**Vita Group**), or a closely related party of any such member, as a proxy where the proxy appointment does not specify the way the proxy is to vote on Resolution 2, unless:

- the proxy is the Chairman of the meeting at which Resolution 2 is voted on; and
- the proxy appointment expressly authorises the Chairman to exercise the proxy even if Resolution 2 is connected directly or indirectly with the remuneration of a member of the key management personnel for the Vita Group.

#### 4. Appointment of Auditor

##### Resolution 3 – Appointment of Auditor

To consider and, if thought fit, to pass the following ordinary resolution:

*That subject to the Australian Securities and Investments Commission having granted its consent to the resignation of PricewaterhouseCoopers as auditor of the Company, Grant Thornton, having been duly nominated and having consented in writing to do so, be appointed as auditor of the Company.*

#### 5. Remuneration Report

##### Resolution 4 – Adoption of Remuneration Report

To consider and, if thought fit, pass the following ordinary resolution:

*That the Remuneration Report contained in the Company's 2015 Annual Financial Report in respect of the financial year ended 30 June 2015, be adopted.*

**Voting Exclusion Statement:** The Company will disregard any votes cast on the proposed resolution for adoption of the Remuneration Report (Resolution 4) by or on behalf of:

- a member of the key management personnel of the Vita Group, details of whose remuneration are included in the remuneration report for the year ended 30 June 2015 (**KMP**); and
- a closely related party of a KMP,

whether the votes are cast as a shareholder, proxy or in any other capacity.

However, the Company will not disregard a vote cast by a KMP or closely related party of a KMP if:

- it is cast as a proxy;
- the proxy is appointed by writing that specifies how the proxy is to vote on Resolution 4; and
- it is not cast on behalf of a KMP or a closely related party of a KMP.

The Company will not disregard votes cast by the Chairman of the Meeting on Resolution 4, where:

- the Chairman has been expressly authorised to exercise undirected proxies, even though Resolution 4 is connected directly or indirectly with the remuneration of a member of KMP, which includes the Chairman; and
- the votes are not cast on behalf of a KMP or closely related party of a KMP.

The Company will also disregard any votes cast on Resolution 4 by a member of the key management personnel of the Vita Group whose remuneration details are not included in the remuneration report for the year ended 30 June 2015, or a closely related party of any such member, as a proxy where the proxy appointment does not specify the way the proxy is to vote on Resolution 4, unless:

- the proxy is the Chairman of the meeting at which Resolution 4 is voted on; and
- the proxy appointment expressly authorises the Chairman to exercise the proxy even if Resolution 4 is connected directly or indirectly with the remuneration of a member of the key management personnel for the Vita Group.


For the purposes of the Voting Exclusion Statements relating to Resolutions 2 and 4 above, the terms:

- 'closely related party' of a member of KMP or key management personnel means:
  - a spouse or child of the member;
  - a child of the member's spouse;
  - a dependant of the member or of the member's spouse;
  - anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Vita Group; or
  - a company the member controls.
- the relevant interpretation of 'associate' is in accordance with the ASX Listing Rules.

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**You may be liable for breach of the voting restrictions in the *Corporations Act 2001* (Cth) (Corporations Act) if you cast a vote that the Company disregards.**

By order of the Board



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Mark E.H. Anning  
Company Secretary

28 September 2015

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## **EXPLANATORY NOTES**

**The following Explanatory Notes (including any annexures) have been prepared to provide information to Shareholders about the items of business set out in the Notice of AGM and form part of that Notice.**

### **1. Financial Statements and Reports**

The Financial Statements and Reports are included in the Vita Group Limited Annual Report for 2015 which has been made available to Shareholders and can be found on the Company's website ([www.vitagroup.com.au](http://www.vitagroup.com.au)). Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on these reports and on the business, operations, financial position, management, and prospects of the Company. The Company's external auditor, PricewaterhouseCoopers, will be in attendance to respond to questions in relation to the conduct of the audit and the preparation and content of the Auditor's Report.

There is no requirement for the Financial Statements and these Reports to be formally approved by Shareholders.

### **2. Resolution 1 – Re-Election of Director**

Clause 59 of the Company's Constitution provides that at each AGM, a number of Directors must retire from office, being the number:

- (a) determined by the Directors; or
  - (b) required for compliance with the ASX Listing Rules,
- whichever is the greatest.

The Directors to retire by rotation at an AGM are those Directors who have been longest in office since their last election, and a Director (other than a Managing Director) must not hold office past the third AGM following the Director's appointment. A retiring Director is eligible for re-election in accordance with ASX Listing Rules and the Company's Constitution.

Mr Dick Simpson was appointed on 22 September 2005, was last re-elected at the 2012 AGM and he holds office until the end of the Meeting. Mr Simpson is seeking re-election. His details are:

***Dick Simpson***  
***Independent Non-Executive Director***

*Dick brings considerable experience to the Board. He has held roles as Chief Executive Officer in both the Telecommunications and Computing industries. Dick started his career in the information technology sector, spending 20 years with IBM and then Unisys, in both Australia and the USA. He then joined Optus, was Chief Operating Officer at NRMA and subsequently joined Telstra, where he was Group Managing Director, Mobiles. He moved to Hong Kong as President Telstra International where he was also Chairman of CSL (Hong Kong's biggest mobile carrier), Telstra Clear and REACH (Asia's largest international operator).*

*Dick became a Director of the Company in September 2005, and has served on the Remuneration & Nomination Committee, and the Audit, Compliance & Risk Committee. He also sits on the board of Tibra Capital (a private company), is a Director of Chevalier College in Bowral, NSW, is the chair of the Chevalier Foundation and is an advisor to several private and public companies.*

*Dick has been Chairman of the Company since 6 November 2008.*

**Board Recommendation**

Having received an acknowledgement from Dick that he has sufficient time available to carry out the duties of a Director of the Company, and having reviewed the performance of Dick as a Director, and the required mix of skills and experience required by the Board, the Directors (excluding Mr Simpson who is seeking election) recommend that Shareholders vote in favour of Resolution 1.

**3. Resolution 2 – Increase in Non-Executive Directors' Fee Pool**

Resolution 2 seeks Shareholder approval for the purposes of Listing Rule 10.17 and for all other purposes, for the Company to be authorised to increase the maximum aggregate amount of fees available to be paid to non-executive Directors under clause 62.1 of the Company's Constitution by \$150,000 from \$560,000 to \$710,000 per annum.

The Board considers that it is reasonable and appropriate at this time to seek an increase in the remuneration pool for non-executive Directors for the following reasons:

- (a) to give the Board strategic flexibility to appoint additional non-executive Directors;
- (b) expected growth of the Company and increased responsibilities for non-executive Directors;
- (c) non-executive Directors fees may in the future need to be increased to retain Directors;
- (d) to attract new Directors of a calibre required to effectively guide and monitor the business of the Company; and
- (e) to remunerate Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates.

The maximum aggregate amount of fees payable to Directors has not been increased since 2013 AGM. It is not intended to fully utilise the increased aggregate amount of fees in the immediate future.

The total annual remuneration of the non-executive Directors for the financial year ended 30 June 2015 was \$463,247 as detailed on page 14 of the Company's 2015 Annual Financial Report. This includes all Board and committee fees paid to non-executive Directors and superannuation contributions made on behalf of the non-executive Directors.

As from September 2015, the Board has resolved to set non-executive Director fees as follows:

Chairman = \$210,000 (inclusive of statutory superannuation);  
Other non-executive Directors = \$105,000 (inclusive of statutory superannuation)

No securities were issued to any non-executive Director under ASX Listing Rules 10.11 or 10.14 within the last three years.

**Board Recommendation**

The Directors abstain from making a recommendation in relation to Resolution 2.

#### 4. Resolution 3 – Appointment of Auditor

PricewaterhouseCoopers (**PwC**) has been the Company's external auditor since 2009. The Board determined that, given the length of PwC's tenure as auditor, it would be prudent and in line with good corporate governance to conduct a competitive tender process in respect of the external audit function. Following the conclusion of the process, Grant Thornton was selected as the external auditor of the Vita Group for the financial year beginning 1 July 2015, subject to shareholder approval of the appointment at the Meeting.

In accordance with section 329(5) of the Corporations Act, PwC has advised the Company that it has applied to the Australian Securities and Investments Commission (**ASIC**) for consent to resign as the Company's auditor. If ASIC does not grant its consent, PwC will continue to hold office as the Company's auditor after the Meeting.

Section 327B of the Corporations Act requires the Company to obtain shareholder approval by ordinary resolution for the appointment of Grant Thornton as the new auditor of the Company.

The Board supports the appointment of Grant Thornton as external auditor for the financial year beginning 1 July 2015.

A member of the Company, Ms Maxine Joan Horne, has given the Company written notice of the nomination of Grant Thornton for appointment as external auditor. A copy of the written notice of nomination is attached to this Notice as Annexure A.

Grant Thornton has consented in writing to the appointment as the Company's external auditor for the financial year beginning 1 July 2015 and, as at the date of this Notice, has not withdrawn its consent.

#### **Board Recommendation**

Each of the Directors recommends that Shareholders vote in favour of Resolution 3.

#### 5. Resolution 4 – Remuneration Report

The Company's Remuneration Report for the financial year ended 30 June 2015 is set out on pages 11 to 15 of the Company's 2015 Annual Financial Report.

The Remuneration Report sets out the Board's remuneration policies, and the remuneration of Directors and Key Managers for the financial year.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on the report.

The Resolution is advisory only and does not bind the Directors or the Company. However, under the Corporations Act, if at least 25% of the votes cast on the resolution at the Meeting are against adoption of the report, then:

- if comments are made on the report at the Meeting, the Company's remuneration report for the financial year ending 30 June 2016 will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this; and

- if, at the Company's 2016 AGM, at least 25% of the votes cast on the resolution for adoption of the remuneration report for the relevant financial year are also against its adoption, the Company will be required to put to Shareholders a resolution proposing that a general meeting (**Spill Meeting**) be called to consider the election of Directors of the Company (**Spill Resolution**). For any Spill Resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the Directors (other than any Managing Director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

## **Board Recommendation**

The Remuneration Report forms part of the Directors' Report, made in accordance with a unanimous resolution of the Directors.

Each of the Directors recommends the Remuneration Report to Shareholders for adoption.

## **ENTITLEMENT TO VOTE**

For the purposes of the Meeting, shares will be taken to be held by the persons who are registered as Shareholders as at 7.00pm (AEST) on Wednesday, 11 November 2015.

## **PROXIES**

If you are a Shareholder entitled to attend and vote, you are entitled to appoint one or two proxies. Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which each may exercise half of the votes. A proxy need not be a Shareholder of the company.

If you want to appoint one proxy, you can use the form provided. If you want to appoint two proxies, please follow the instructions on the front of the proxy form.

The Company's Constitution provides that, on a show of hands, every person present and qualified to vote shall have one vote. If you appoint one proxy, that proxy may vote on a show of hands, but if you appoint two proxies, neither proxy may vote on a show of hands.

If you appoint a proxy who is also a Shareholder or is also a proxy for another Shareholder, your directions may not be effective on a show of hands. Your directions will be effective if a poll is required and your proxy votes.

You may lodge a proxy online at Computershare's internet address below by following the instructions set out on the website. Shareholders who elected to receive their notice of meeting and proxy electronically will have received an e-mail with a link to the Computershare site.

To be effective, the proxy form or electronic proxy appointment must be received by Computershare Investor Services Pty Limited at the address, facsimile number or internet address below, or by the Company at its registered office, Level 3, 77 Hudson Road, Albion, Queensland, 4010 not later than 10.00am (AEST) on Wednesday 11 November 2015.

## **WHERE TO LODGE A PROXY**

### **By Post:**

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia



**Online:**

You can lodge your proxy form electronically by visiting [www.investorvote.com.au](http://www.investorvote.com.au), logging in and quoting the Control Number found on the front of your proxy form. Alternatively, you can scan the QR code also found on the front of your proxy form. Intermediary Online subscribers (Custodians) may lodge their proxy by visiting [www.intermediaryonline.com](http://www.intermediaryonline.com)

**Fax:**

1800 783 447 (Within Australia)

+61 3 9473 2555 (Outside Australia)

You can elect to receive Shareholder information electronically, or obtain a replacement or second proxy form, by contacting Computershare on 1300 552 270 (within Australia) or +61 3 9415 4000 (outside Australia). You may also update your Shareholder communication elections by logging onto [www.investorcentre.com](http://www.investorcentre.com).

**ADMISSION TO MEETING**

Shareholders who will be attending the Annual General Meeting, and who will not be appointing a proxy, are asked to bring the proxy form (if they have one) to the meeting to help speed admission.

Shareholders who do not plan to attend the Meeting are encouraged to complete and return a proxy form or lodge a proxy online, for each of their holdings of Company shares.

**SHAREHOLDER QUESTIONS**

The Company encourages Shareholders to submit written questions in advance of the Meeting. To submit written questions, please complete and return the accompanying form, or submit the questions online, in accordance with the instructions on the form.

The questions must be received by the Company no later than Friday 6 November 2015 (five business days before the Meeting). Questions should relate to matters that are relevant to the business of the Meeting as outlined in the Notice of Meeting.

Questions will be collated and, during the Meeting, the Chairman will endeavour to address as many of the more frequently asked questions as possible and, where appropriate, will give the representative of the auditor, PwC, the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the Meeting to address all questions.

As soon as practicable after the Meeting, a summary of the questions and answers will be made available and posted on the Company's website under the *Investor Relations* section, and where it is not possible to address a question at the Meeting, an individual response will be sent to the Shareholder who raised the question.

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Annexure A – Notice of Nomination of Auditor

## Vita Group Limited ACN 113 178 519

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### Nomination of Auditor

To: The Company Secretary  
Vita Group Limited  
Level 3, 77 Hudson Road  
Albion QLD 4010

As a member of Vita Group Limited ACN 113 178 519 (**Company**), and pursuant to section 328B(1) of the *Corporation Act 2001* (Cth), I nominate Grant Thornton of 18/145 Ann St, Brisbane, Queensland 4000 to be appointed as the auditor of the Company at the Annual General Meeting to be held on 13 November 2015, or at any adjournment of that meeting.

Dated 28 September 2015

Signed   
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Name (print) Maxine Joan Horne



