



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 of the Shareholders of Vita Group Limited will be held on Friday 25 October 2013 in the Murray Room, Novotel Brisbane, 200 Creek Street, Brisbane, Queensland 4000, at 10.00am.

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 2013.

2. Re-election of Directors who retire by Rotation

Resolution 1 – Re-election of Ms Robyn Watts

To consider and, if thought fit, pass the following as an Ordinary Resolution:

That Ms Robyn Watts, 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.

Resolution 2 – Re-election of Mr Neil Osborne

To consider and, if thought fit, pass the following Ordinary Resolution:

That Mr Neil Osborne, 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 3 – Increase in Non-Executive Directors' Fee Pool

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

That pursuant to and in accordance with Listing Rule 10.17 and for all other purposes, the maximum aggregate Directors' fees payable to non-executive Directors be increased from \$450,000 per annum to \$560,000 per annum.

Voting Exclusion Statement: The Company will disregard any votes cast on the proposed resolution to increase the maximum aggregate Directors' fees payable to non-executive Directors (resolution 3) 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 Directors' fees payable to non-executive Directors (resolution 3) by a member of the key management personnel of the Company, 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 3, unless:

- the proxy is the Chair of the meeting at which resolution 3 is voted on; and
- the proxy appointment expressly authorises the Chair to exercise the proxy even if resolution 3 is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

4. 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 2013 Annual Financial Report in respect of the financial year ended 30 June 2013, 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 Company, details of whose remuneration are included in the remuneration report for the year ended 30 June 2013 (**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 the resolution proposed in 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 on the resolution proposed in resolution 4, where:

- the Chairman has been expressly authorised to exercise undirected proxies, even though resolution 4 is related 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 the proposed resolution for adoption of the remuneration report (resolution 4) by a member of the key management personnel of the Company whose remuneration details are not included in the remuneration report for the year ended 30 June 2013, 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 Chair of the meeting at which resolution 4 is voted on; and
- the proxy appointment expressly authorises the Chair 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 Company.

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

5. Amendment to the Constitution – change to mandatory rotation of directors

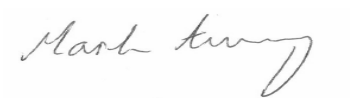
Resolution 5 – Amendment to Constitution

To consider and, if thought fit, pass the following Special Resolution:

That the Constitution of the Company be amended with effect from the conclusion of this Annual General Meeting, by replacing clause 59.1 with the following clause:

'59.1 At the close of each annual general meeting 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.'

By order of the Board



Mark E.H. Anning
Company Secretary

26 September 2013

EXPLANATORY NOTES

1. Financial Statements and Reports

The Financial Statements and Reports are included in the Vita Group Limited Annual Report for 2013 which has been made available to Shareholders and can be found on the Company's website (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. Re-election of Directors who retire by Rotation

Clause 59 of the Company's Constitution provides that at each AGM, at least one third of the total Directors of the Company (excluding the Managing Director) must retire from office. The Directors to retire are those who have spent the longest time in office. Each retiring Director is eligible for re-election in accordance with ASX Listing Rules and the Company's Constitution.

At this AGM, Ms Robyn Watts and Mr Neil Osborne are retiring from office by rotation. Both Directors are seeking re-election. Their details are:

Robyn Watts Independent Non-Executive Director

Robyn has for over 25 years been CEO of various businesses in the global media sector, most recently as CEO of ABC Enterprises at the Australian Broadcasting Corporation, where she was responsible for leading and managing ABC's Retail, Consumer Publishing and Content Sales, and Resource Hire business units.

Robyn is a company director specialising in business strategy and marketing to customer and client facing organisations. Her executive and non-executive experience in private and publicly listed organisations spans a range of industries including media, retail, telecommunications, entertainment, education, film, television and design.

Robyn became a Director of Vita Group in November 2011, is a member of the Audit, Compliance & Risk Committee, and has been appointed Chair of the Remuneration & Nomination Committee.

Having received an acknowledgement from Robyn that she has sufficient time available to carry out the duties of a Director of Vita Group Limited, and having reviewed the performance of Robyn as a Director, and the required mix of skills and experience required by the Board, the Directors (excluding Ms Watts) recommend that Shareholders vote in favour of Resolution 1.

Neil Osborne Independent Non- Executive Director

Neil was formerly a partner with the world's largest consulting and technology services firm, Accenture. He has over 24 years experience in the retail industry and has held a variety of senior executive positions with Myer Grace Bros and Coles Myer Ltd in corporate and operating roles across finance, supply chain, strategic planning and merchandising, including the positions of Myer Chief Operating Executive (Chief Financial Officer and Supply Chain) and CML Group General Manager, Retail Services.

Neil became a Director of Vita Group in June 2007, and is Chairperson of the Audit, Compliance & Risk Committee, and a member of the Remuneration & Nomination Committee.

Having received an acknowledgement from Neil that he has sufficient time available to carry out the duties of a Director of Vita Group Limited, and having reviewed the performance of Neil as a Director, and the required mix of skills and experience required by the Board, the Directors (excluding Mr Osborne) recommend that Shareholders vote in favour of Resolution 2.

3. Increase in Non-Executive Directors' Fee Pool

Resolution 3 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 aggregate amount of fees available to be paid to Directors by \$110,000 from \$450,000 per annum to an aggregate amount of \$560,000 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 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 fees payable to Directors has not been increased since October 2011. It is not intended to fully utilise the increased aggregate fees in the immediate future.

The remuneration of each Director for the year ended 30 June 2013 is detailed in the Company's 2013 Annual Report. As from September 2013, the Board has resolved to set Non-executive Director fees as follows:

Chairman = \$185,300 (inclusive of statutory superannuation);
Other Non-Executive Directors = \$92,650 (inclusive of statutory superannuation)

4. Remuneration 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 recent changes to the Corporations Act, if at least 25% of the votes cast on the resolution at the annual general meeting are against adoption of the report, then:

- if comments are made on the report at the annual general meeting, the Company's remuneration report for the financial year ending 30 June 2013 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 2013 annual general meeting, at least 25% of the votes cast on the resolution for adoption of the remuneration report for the relevant financial year are 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.

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 report to shareholders for adoption.

5. Amendment to the Constitution – change to mandatory rotation of directors

Clause 59.1 of the Company's Constitution currently provides that:

'59.1 At the close of each annual general meeting 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; or
(c) two,
whichever is the greatest.'

ASX Listing Rule 14.4 requires that the term of appointment for a non-executive director be limited to three years without re-election and Listing Rule 14.5 requires that an election of directors take place every year.

As a consequence, the ASX Listing Rules contemplate three year terms but with an election every year. The Board believes that this is an appropriate regime for dealing with its composition.

However, given the current and likely composition of the Board, the requirement that at least two directors retire by rotation under clause 59.1 means that the minimum number of directors that must retire at each Annual General Meeting will be two. With only three non-executive directors, this means directors must retire two years out of every three. If the number of non-executive directors was increased to four, they would face re-election every two years, and if it was increased to five,

they would face re-election twice every five years. This is not consistent with the regime for dealing with board composition contemplated by the Listing Rules

Accordingly, it is proposed that clause 59.1(c) be deleted, meaning that the requirement for a minimum of two non-executive directors to retire each year by rotation will not apply at subsequent Annual General Meetings.

As a special resolution, Resolution 5 must be passed by at least 75% of the votes cast by Shareholders entitled to vote on the resolution and who vote at the meeting in person or by proxy in order for Resolution 5 to be passed.

Each of the Directors recommend that Shareholders vote in favour of Resolution 5.

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, 23 October 2013.

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 Vita Group at its registered office, Level 3 77 Hudson Road, Albion, Queensland, 4010 not later than 10.00am (AEST) on Wednesday 23 October 2013.

WHERE TO LODGE A PROXY

By Post:

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

Online:

Lodge proxy electronically at www.investorvote.com.au and logging in 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

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.

ADMISSION TO MEETING

Shareholders who will be attending the Vita Group 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 Vita Group shares.

SHAREHOLDER QUESTIONS

Vita Group encourages Shareholders to submit written questions in advance of the meeting. To submit a written question, please complete and return the accompanying form, or submit the question online, in accordance with the instructions on the form.

The question must be received by the Company no later than Thursday 17 October 2013 (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, PricewaterhouseCoopers, 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.