

# ASX ANNOUNCEMENT



22 September 2017

VILLA WORLD LIMITED ABN 38 117 546 326 ASX CODE: VLW

## Despatch of Notice of Meeting/Proxy Form

In accordance with Listing Rule 3.17, the Company advises that the following documents were despatched to shareholders today:

- Notice of Annual General Meeting ("AGM") and Proxy Form as attached to this announcement; and
- 2017 Annual Report for those holders who elected to receive a paper copy of the Annual Report.

These documents are available on the Company's website at: <http://www.villaworld.com.aub/investor-centre/asx-announcements>.

The AGM will be held on Tuesday, 24 October 2017, Meeting Room 9 at the Gold Coast Convention and Exhibition Centre, Cnr Gold Coast Highway & TE Peters Drive, Broadbeach Queensland commencing at 10.00am (Queensland time).

For enquiries:  
Bradley Scale  
Company Secretary  
Tel: (07) 5588 8888  
[securityholder@villaworld.com.au](mailto:securityholder@villaworld.com.au)

### VILLA WORLD LIMITED

Level 1 Oracle West,  
19 Elizabeth Avenue, Broadbeach QLD 4218  
Shareholder queries:  
Email: [securityholder@villaworld.com.au](mailto:securityholder@villaworld.com.au)  
ABN 38 117 546 326 ASX CODE: VLW

### SHARE REGISTRY

Computershare Investor Services Online:  
[www.investorcentre.com](http://www.investorcentre.com)  
By mail: GPO Box 2975, Melbourne VIC 3001  
Tel: (within Australia) 1300 651 684  
(international) + 61 3 9415 4000

[villaworld.com.au](http://villaworld.com.au)

# VILLA WORLD LIMITED

NOTICE OF 2017 ANNUAL GENERAL  
MEETING AND EXPLANATORY  
MEMORANDUM



# HOW TO GET THERE

The 2017 Annual General Meeting of Villa World Limited will be held on Tuesday, 24 October 2017 commencing at 10.00am (Queensland time) in Meeting Room 9 at the Gold Coast Convention and Exhibition Centre, Cnr Gold Coast Highway & TE Peters Drive, Broadbeach Queensland. A map and directions are set out below.

## AIR

The Gold Coast Airport is just 20 minutes south of the Gold Coast Convention and Exhibition Centre with regular flights from all capital cities and some Queensland regional centres. Regular bus and shuttle services are available from Gold Coast Airport to Broadbeach. For further information please visit [www.goldcoastairport.com.au](http://www.goldcoastairport.com.au).

## ROAD

When traveling southbound from Brisbane (78km) take the Broadbeach Motorway Exit and follow the directions to Broadbeach. Just after the Pacific Fair Shopping Centre turn left at the next set of lights. This will bring you out onto the Gold Coast Highway. The Gold Coast Convention and Exhibition Centre is situated on the corner of the next street, just after The Star Gold Coast.

## PUBLIC TRANSPORT

Local bus, coach, taxi and limousine companies operate regular services to all major attractions, hotel and shopping centres. To get to and from the Brisbane Airport, the closest train station is called Nerang. It is about 15 minutes by taxi or you can also catch a Surfside bus. There is a bus stop directly in front of the Gold

Coast Convention and Exhibition Centre on the Gold Coast Highway. There are also taxi and limousine ranks at the main entrance. You can also access the rail line to Brisbane via a bus from The Star Gold Coast.

## G:LINK LIGHT RAIL

The Gold Coast's G:link light rail system is a 13-kilometre corridor connecting Griffith University to Broadbeach, passing through the key activity centres of Surfers Paradise and Southport. The service provides an easily-accessible and affordable transport option for patrons and guests, with the Broadbeach North Station conveniently located just metres from the Gold Coast Convention and Exhibition Centre's main entrance. Services run 7-days a week, approximately every 10 to 15 minutes. To plan your journey visit [www.translink.com.au](http://www.translink.com.au).

## PARKING AT THE GCCEC

The Gold Coast Convention and Exhibition Centre's car park entrance is at the northern end of the building, accessible from traffic lights off the Gold Coast Highway and the main driveway off TE Peters Drive. Undercover car spaces are available for short-term parking. A \$12 inclusive of GST flat rate is charged for car parking at the centre. There are five conveniently located automatic pay stations in the car park so you can easily pre-pay prior to exiting. Pay stations accept all coins (except 5c), \$5 \$10 & \$20 notes, Visa/ MasterCard, and they provide change.



# CONTENTS

CHAIRMAN'S LETTER	2	EXPLANATORY MEMORANDUM	6
NOTICE OF MEETING	3	Explanatory notes to ordinary business	6
Ordinary business	3	Item 1 - Annual Report	6
Special business	3	Item 2 - Remuneration Report	6
Voting Exclusion Statement	3	Item 3 - Re-election of directors	6
Notes relating to voting	4	Explanatory notes to special business	7
		Item 4 - Grant of Performance Rights to the Chief Executive Officer & Managing Director	7
		GLOSSARY	11
		CORPORATE DIRECTORY	13





# CHAIRMAN'S LETTER

Dear Shareholder

It is my pleasure to invite you to attend the 2017 Annual General Meeting of Villa World Limited. The formal Notice of Meeting and Explanatory Memorandum (Notice Material), accompany this letter.

The Meeting will be held at Meeting Room 9, Gold Coast Convention and Exhibition Centre, Cnr Gold Coast Highway & TE Peters Drive, Broadbeach on Tuesday, 24 October 2017, commencing at 10.00am. Please refer to the "How to Get There" information sheet, for details of the venue, a map and transport options. Registration will be available from 9.00am.

The Meeting is an opportunity for shareholders to share their views directly with the Board and Executive team, and to hear from Board members about this years' performance, as well as plans for the future.

The Board recognises the importance of ensuring that all shareholders are provided with an opportunity to vote on resolutions, and are given a voice proportionate to their ownership. This year, the Board has determined that rather than voting being decided on a show of hands by those present at the meeting, voting will be conducted by way of a poll for all resolutions. This better reflects the wishes of shareholders who attend the Meeting as well as those voting by proxy. Further details of the polling procedure will be explained at the Meeting.

A voting/proxy form is included in the Notice Material. The voting/proxy form contains a barcode to assist with the registration process at the Meeting. If you attend the Meeting, please bring this barcoded voting/proxy form with you. If you are not attending the Meeting, the voting/proxy form allows you to either lodge your vote directly or appoint a proxy to vote on your behalf. Please refer to the Notice Material for more information.

If you cannot attend the Meeting, but would like to submit questions on any shareholder matters that may be relevant to the Meeting, you can do so in one of the following ways:

- through the online voting platform, details of which are included in the voting/proxy form;
- by email to [info@villaworld.com.au](mailto:info@villaworld.com.au); or
- submit your questions in writing when returning the voting/proxy form.

While time may not permit me to address all the questions submitted, I will try, during the course of the Meeting, to address the more frequently raised shareholder matters.

The Notice of Meeting commences on page 3, listing the items to be considered at the Meeting. Background information on those items is contained in the Explanatory Memorandum which commences on page 6.

The Board and Executive team invite shareholders to join them for refreshments to be served at the conclusion of the Meeting.

Yours sincerely



**Mark Jewell**  
Chairman



# NOTICE OF MEETING

Notice is given that the Annual General Meeting of members of Villa World Limited ACN 117 546 326 (Villa World) will be held at:

**Time:** 10.00am (Queensland time)

**Date:** Tuesday, 24 October 2017

**Place:** Meeting Room 9, Gold Coast Convention and Exhibition Centre, Cnr Gold Coast Highway & TE Peters Drive, Broadbeach Queensland 4218

## IMPORTANT NOTES

1. Registration will commence at 9.00am.
2. Discussion will take place on all items of business set out below.
3. The Explanatory Memorandum provides further information relating to the items of business.
4. Certain terms (such as capitalised terms and abbreviations) in this Notice of Meeting and the Explanatory Memorandum are defined in the Glossary at page 11.
5. As explained in the 'voting exclusion statement' on pages 3 and 4, certain Shareholders are excluded from voting in relation to particular resolutions and Villa World must disregard any votes cast by those Shareholders. Please do not vote if your vote must be disregarded.

## ORDINARY BUSINESS

### Item 1 - Annual Report

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report of Villa World for the financial year ended 30 June 2017.

### Item 2 - Adoption of Remuneration Report

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

"To adopt the Remuneration Report of Villa World for the financial year ended 30 June 2017."

### Item 3 - (a) Re-election of Director – Mark Jewell

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

"That Mr Mark Jewell, a director of Villa World retiring in accordance with the Constitution, is re-elected as a director of Villa World."

### Item 3 - (b) Re-election of Director – David Rennick

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

"That Mr David Rennick, a director of Villa World retiring in accordance with the Constitution, is re-elected as a director of Villa World."

## SPECIAL BUSINESS

### Item 4 - Grant of Performance Rights to the Chief Executive Officer & Managing Director

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

"That for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval be given for the grant of 383,699 performance rights to Mr Craig Treasure, the Chief Executive Officer & Managing Director, in relation to the FY18 grant under the Villa World Limited Executive Long Term Incentive Plan, on the terms summarised in the Explanatory Memorandum".

## VOTING EXCLUSION STATEMENT

### Item 2

Villa World will disregard any votes cast on Item 2 by, or on behalf of:

- a member, or former member, of its Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- their Closely Related Parties,

unless the vote is cast by:

- the person as proxy for a person who is entitled to vote on the resolution proposed under Item 2, in accordance with the directions on the proxy form; or
- the person chairing the Meeting as proxy for a person who is entitled to vote on the resolution proposed under Item 2, in accordance with a proper direction on the proxy form.

### Item 4

Villa World will disregard any votes cast on Item 4 by, or on behalf of, any director of Villa World (except a director who is ineligible to participate in any employee incentive scheme) and any associates of those persons.

# NOTICE OF MEETING CONT.

- However Villa World need not disregard the votes on this item of business if it is cast by a person:
- as proxy for a person who is entitled to vote on the relevant resolution, and the vote is cast in accordance with the directions on the proxy form; or
  - chairing the Meeting as proxy for a person who is entitled to vote on the relevant resolution in accordance with a proper direction on the proxy form.

## NOTES RELATING TO VOTING

### Shareholders entitled to vote

The directors have determined that the holding of each Shareholder for the purposes of ascertaining voting entitlements for the Meeting will be as it appears in the register of Shareholders at 7.00pm (Sydney time) on 20 October 2017.

### Voting

The voting on all proposed resolutions will be by poll.

On a poll, each Shareholder present in person has one vote for each Share held by the Shareholder and each person present as proxy, attorney or representative of a Shareholder has the number of votes that the person is appointed to represent (see below).

If a Share is held jointly and more than one Shareholder votes in respect of that Share, only the vote of the Shareholder whose name appears first in the register of Shareholders counts.

### Voting by proxy

If you cannot attend, you may appoint a proxy to attend and vote for you. If you are entitled to cast two or more votes, you may nominate two persons to vote on your behalf at the Meeting. If two proxies are appointed, each proxy may be appointed to represent a specified number or proportion of your votes. Fractions of votes will be disregarded. If no such number or proportion is specified, each proxy may exercise half of your votes. Please use a separate proxy form for each appointment of a proxy.

A proxy need not be a Shareholder, and may be an individual or a body corporate. If the proxy is a body corporate, the body corporate may in turn appoint an individual to exercise the body corporate's powers. A proxy may be appointed by reference to an office held by the proxy (e.g. "the Company Secretary" or "Chairman of the Meeting").

If the Chairman of the Meeting or another member of Villa World's Key Management Personnel is appointed as a proxy, the Shareholder can direct the proxy to vote for or against, or to abstain from voting on, each of the items of business by marking relevant boxes on the proxy form.

If a Shareholder returns a proxy form but does not nominate a representative, the Chairman of the Meeting will be that Shareholder's proxy and will vote on that Shareholder's behalf as expressly directed or authorised on the proxy form. If the Shareholder's nominated representative does not attend the Meeting, then that Shareholder's proxy will revert to the Chairman of the Meeting who will vote on each resolution in the same manner that the Shareholder has directed or authorised (on that Shareholder's proxy form) its nominated representative to vote.

### Undirected proxies

The Chairman of the Meeting intends to vote undirected proxies in favour of Items 2, 3 and 4 in the Notice of Meeting. As also noted on the proxy form for the Meeting, where the Chairman is appointed as a proxy and none of the 'For', 'Against' or 'Abstain' boxes are marked for Items 2 and 4 (being connected directly or indirectly with the remuneration of a member of Villa World's Key Management Personnel), the appointing Shareholder will be deemed to expressly direct the Chairman to vote in favour of Items 2 and 4. If the Chairman of the Meeting is otherwise deemed to be appointed as a proxy and the Shareholder does not expressly direct or authorise the proxy to vote on the resolutions in Items 2 and 4, any votes cast by the Chairman on Items 2 and 4 under that proxy will be disregarded.

If any other member of the Key Management Personnel named in the Remuneration Report or their Closely Related Parties is appointed as a proxy and the Shareholder does not expressly direct the proxy to vote on the resolutions in Items 2 and 4, the votes cast by that proxy will be disregarded.

If a person who is not a member of the Key Management Personnel named in the Remuneration Report or their Closely Related Party, is appointed as a proxy and the Shareholder does not direct the proxy how to vote as proxy in respect of any resolution, that proxy may vote as he/she sees fit on each resolution.

# NOTICE OF MEETING CONT.

### Appointment of Proxy

To ensure that all Shareholders can exercise their right to vote on the proposed resolutions, a proxy form is attached to this Notice of Meeting. To be valid, proxy forms, and the authority under which any form appointing a proxy is signed or a certified copy of that authority (if any), must be received **no later than 10.00am (Queensland time) on 22 October 2017** in accordance with the instructions listed on the attached proxy form.

You can also lodge your proxy online at [www.investorvote.com.au](http://www.investorvote.com.au), quoting the 6 digit control number which is located on the front of the accompanying proxy form. Alternatively, you can scan the QR code with your mobile device and insert your postcode.

Intermediary Online Subscribers (Custodians) may lodge their proxy instruction online by visiting <http://www.intermediaryonline.com>.

### Voting by attorney

A Shareholder may appoint an attorney to vote on his/her behalf. The attorney should bring evidence to the Meeting of his/her appointment, including any authority under which it is signed, unless it has previously been given to Computershare or Villa World.

### Corporations

A body corporate which is a Shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of sections 250D and 253B of the Corporations Act. The representative must bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to Villa World or Computershare.

### Queries

If you have any queries on the proxy form or on how to ensure that your vote is exercised, please call Computershare during business hours on:

1300 651 684 (within Australia) or  
+61 3 9415 4000 (outside Australia)

By order of the Board



**Bradley Scale**  
Company Secretary

Date: 21 September 2017



Seabright - Jacobs Well



# EXPLANATORY MEMORANDUM

## EXPLANATORY NOTES TO ORDINARY BUSINESS

### Item 1 – Annual Report

As required by section 317 of the Corporations Act, the Financial Report, Directors' Report and Auditor's Report of Villa World for the most recent financial year will be laid before the Meeting. These reports are contained in the Annual Report, which is available on Villa World's website at <http://www.villaworld.com.au/investor-centre/shareholder/financial-reports>.

During this item of business, Shareholders will be given the opportunity to ask questions about, or make comments on, the management of Villa World generally but there will be no formal resolution put to the Meeting.

Similarly, a reasonable opportunity will be given to Shareholders, as a whole, to ask the Auditor Ernst & Young, questions relevant to the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by Villa World in relation to the preparation of its financial statements and the independence of the Auditor in relation to the audit for the financial year ended 30 June 2017.

Shareholders may also submit these questions in writing before the Meeting. Relevant written questions for Ernst & Young must be submitted to Computershare via the online voting platform or at the address shown in the Corporate Directory or by email to: [info@villaworld.com.au](mailto:info@villaworld.com.au); and be received by Villa World **no later than 5.00pm (Queensland time) on 17 October 2017**.

### Item 2 - Remuneration Report

As required by the Corporations Act, the Board is presenting the Remuneration Report to Shareholders for consideration and adoption. The resolution is advisory only and does not bind the directors. However, if more than 25% of the votes are cast against two consecutive annual resolutions of this nature, a Shareholder vote is required on whether to convene a special meeting of members at which all directors (other than the Managing Director) who were in office when the Board resolved to put the Remuneration Report to the Meeting must stand for re-election.

The Villa World Board understands that Shareholders appreciate transparency and simplicity when it comes to remuneration reporting, and have taken that into account in producing the Remuneration Report for FY17. This reporting forms part of an executive remuneration framework that fosters a strong performance culture and links the remuneration outcomes for Executives with Villa World's strategy

and forward plan, and with the creation of long term Shareholder value. It aims to attract, motivate and retain the best people to achieve Villa World's strategic and operational objectives.

The Remuneration Report commences on Page 36 of the 2017 Annual Report. It provides Shareholders with details of:

- Villa World's remuneration policies as they relate to Key Management Personnel;
- the link between remuneration and Villa World's performance; and
- remuneration details for Key Management Personnel.

A reasonable opportunity will be given for discussion on the Remuneration Report at the Meeting.

**Recommendation on Item 2:** The directors unanimously recommend that Shareholders vote in favour of Item 2.

### Item 3 – Re-election of directors

#### Background

Under rule 19.3(b) of the Constitution, a director who is not a managing director may not hold office without re-election beyond the third AGM following the meeting at which the director was last elected or re-elected. Accordingly, Mr Jewell and Mr Rennick will retire as directors of Villa World at the Meeting and, being eligible, have offered themselves for re-election under Item 3. Approval of this item of business requires only a simple majority.

**Recommendation on Item 3(a):** The directors (other than Mr Jewell) endorse the re-election of Mr Jewell under Item 3(a).

**Recommendation on Item 3(b):** The directors (other than Mr Rennick) endorse the re-election of Mr Rennick under Item 3(b).

Mr Jewell's and Mr Rennick's biographical details are provided on page 7.

# EXPLANATORY MEMORANDUM CONT.

### Item 3(a) - Mark Jewell BCom CA (SA), GAICD



Independent non-executive director since 28 November 2013. Chairman since 28 May 2014.

Mark is an independent director with more than 25 years' senior executive and directorship experience in publicly listed companies. He

brings to the Board a wide range of expertise in the Australian property industry including strategy, risk, compliance and in depth experience in land and housing developments.

#### Board Committee memberships

- Member of the Audit and Risk Committee (since 28 November 2013)
- Member of the Remuneration and Nomination Committee (since 5 February 2015)

#### Other directorships (current and recent)

In the past three years Mark has served as a Non-executive Director of Oliver Hume Corporation Pty Ltd and Oliver Hume Property Syndications Pty Ltd (since November 2013).

### Item 3(b) - David Rennick BEc, LLB



Independent non-executive director since 1 September 2014.

David is an independent director and senior Melbourne based lawyer with nearly three decades in the property industry, having acted for leading developers and institutions as principal legal

advisor and on property and business strategy. His area of practice in property includes master planned community projects, property development, corporate real estate, institutional property and retail centre developments and leasing.

He is currently a Partner and Head of Australia for international law firm Pinsent Masons. Prior to that role, he was a property partner and then CEO of national law firm Maddocks where he was responsible for leadership, client and people strategies and management.

#### Board Committee memberships

- Member of the Audit and Risk Committee since 1 September 2014 (Chair since 5 November 2015)

- Member of the Remuneration and Nomination Committee since 5 November 2015 (Chair from 5 November 2015 – 17 February 2016)

#### Other directorships (current and recent)

In the past three years David has served as a Non-executive Director of:

- The Hester Hornbrook Academy, a school of Melbourne City Mission (since 31 August 2016).

## EXPLANATORY NOTES TO SPECIAL BUSINESS

### Item 4 – Grant of Performance Rights to the Chief Executive Officer & Managing Director

The Board has determined, subject to obtaining Shareholder approval, to grant Performance Rights under the Villa World Limited Executive Long Term Incentive Plan to the Chief Executive Officer & Managing Director, Mr Craig Treasure on the terms and conditions set out below.

#### Overview of Performance Rights grant under LTI component of remuneration

Villa World established the Plan during 2015 as part of its executive remuneration strategy and it was approved by Shareholders at Villa World's 2015 Annual General Meeting. Under the Plan, senior executives and other eligible employees may be offered Performance Rights to acquire Shares, subject to the satisfaction of certain vesting conditions over the relevant performance period.

# EXPLANATORY MEMORANDUM CONT.

## Why is Shareholder approval being sought?

Listing Rule 10.14 requires Shareholder approval in order for a director to acquire securities under an employee incentive scheme.

As the Plan allows for vested Performance Rights to be satisfied by the issue of new Shares or the on-market acquisition of Shares (as deemed appropriate by the Board at the time), Shareholders are asked to approve the grant of 383,699 Performance Rights to Mr Treasure (equivalent to the value of \$870,000) on the terms and conditions of the Plan and as set out below.

Approval of this resolution will also result in the Performance Rights granted to Mr Treasure (and any Shares issued to satisfy vested Performance Rights) being excluded from the calculation of Villa World’s issue capacity under the 15% Rule.

Further details of Mr Treasure’s executive remuneration package can be found in the Remuneration Report contained within the Annual Report.

**Key Terms of the Performance Rights grant**

A brief overview of the key terms of the proposed grant to Mr Treasure is set out below:

TERM	DETAIL
Details of the proposed grant	<p>The total value of the proposed FY18 grant to Mr Treasure (being the Long Term Incentive component of Mr Treasure’s remuneration package for FY18), will be \$870,000 (<b>Grant Value</b>).</p> <p>The relevant opportunity levels, as a percentage of fixed remuneration, have been approved by the Board and are considered, within the context of Mr Treasure’s total remuneration package for FY18, to constitute reasonable remuneration.</p> <p>The exact number of Performance Rights proposed to be granted will be 383,699, calculated by dividing the Grant Value by \$2.2674, being the volume weighted average price of Villa World’s Shares over the 30 trading days up to and including 30 June 2017 (being immediately prior to the start of the performance period for the proposed FY18 grant).</p>
Entitlements	<p>Each Performance Right is a right to acquire one Share (or an equivalent cash amount), subject to ongoing employment and achievement of the performance conditions set out below.</p> <p>Performance Rights do not carry any dividend or voting rights.</p> <p>Performance Rights are non-transferable, except in limited circumstances or with the consent of the Board.</p>
Date of Grant	<p>If Shareholder approval is obtained, the Performance Rights will be granted to Mr Treasure as soon as practicable after the Meeting, but in any event, within 12 months of the Meeting as required by the Listing Rules.</p>
Participation	<p>Mr Treasure is the only person to whom Listing Rule 10.14 applies who is eligible to participate in the Plan. Since Villa World’s FY15 Annual General Meeting, when the Plan was approved, Mr Treasure has been issued 316,902 performance rights for no consideration as approved at the FY15 Annual General Meeting and 387,528 performance rights for no consideration as approved at the FY16 Annual General Meeting. These were issued on 30 November 2015 and 30 November 2016 respectively.</p>
Performance Hurdles	<p>The Performance Rights are subject to two performance hurdles which are independent and will be tested separately.</p> <p>I. Relative Total Shareholder Return (TSR) (75%) II. Return on Assets (ROA) (25%)</p> <p><b>Total Shareholder Return</b></p> <p>75% of the Performance Rights will be subject to a relative TSR Hurdle, based on Villa World’s TSR performance over the relevant performance period compared to the peer group set out below (TSR Hurdle) (see below for details of the performance periods for this grant).</p>

# EXPLANATORY MEMORANDUM CONT.

Performance Hurdles cont.	<p>The peer group will consist of S&amp;P/ASX 200-300 companies excluding Metals &amp; Mining and A-REITS, and including a select group of ASX listed companies considered to be Villa World’s direct (industry) competitors. The comparator group may, at the discretion of the Board, be adjusted to take into account events during the performance period including, but not limited to, takeovers, mergers, de-mergers and de-listings.</p> <p>The percentage of Performance Rights subject to the TSR hurdle that vest with Mr Treasure, if any, will be determined by the Board with reference to the percentile ranking achieved by Villa World over the relevant performance period, compared to the other entities in the comparator group as follows:</p>	
	TSR relative to peer group	Rights subject to TSR hurdle that vest (%)
	At or above the 75th percentile	100%
	Between the 50th and the 75th percentile	Pro rata vesting between 50% to 100% (i.e., on a straight line basis)
	At the 50th percentile	50%
	Below the 50th percentile	Nil
	<p>The Board retains discretion to adjust the TSR hurdle in exceptional circumstances to ensure that Mr Treasure is neither advantaged nor disadvantaged by matters outside management’s control that materially affect achievement of the TSR hurdle.</p> <p><b>Return on Assets</b></p> <p>25% of the Performance Rights will be subject to an absolute ROA hurdle, based on Villa World’s ROA performance over the performance period. This will assist in focusing on the efficient use of Villa World’s assets to generate revenue.</p> <p>Broadly, ROA measures the earnings generated by Villa World relative to its total assets, based on the following calculation:</p> <p>Funds employed is defined as net assets excluding net tax balances, net debt, other financial liabilities and assets, and liabilities as a result of hedging (in accordance with accounting standards).</p> <p>The percentage of Performance Rights subject to the ROA hurdle that vest with Mr Treasure, if any, will be determined by the Board with reference to ROA performance achieved over the performance period compared to Villa World’s targets, as follows:</p>	
	Average ROA performance over the Performance Period (i.e. average performance over FY18, FY19 and FY20)	Rights subject to ROA hurdle that vest (%)
	At or above Maximum (13.5%)	100%
	Between Threshold (12%) and Maximum (13.5%)	Pro rata vesting between 50% to 100% (i.e. on a straight line basis)
	At Threshold (12%)	50%
	Below Threshold (12%)	Nil
	<p>The Board retains discretion to adjust the ROA hurdle in exceptional circumstances to ensure that Mr Treasure is neither advantaged nor disadvantaged by matters outside management’s control that materially affect achievement of the ROA hurdle.</p>	

# EXPLANATORY MEMORANDUM CONT.

<b>Performance period and vesting</b>	<p>The grant will be made in one tranche, with performance against the relevant performance hurdles tested over the three year period from 1 July 2017 to 30 June 2020.</p> <p>However, as Villa World's full year financial results are not typically announced to the market until August each year, vesting of Performance Rights will not be tested and notified to participants until or after this time.</p> <p>Any Performance Rights that do not vest following testing of the performance hurdles at the end of the performance period will lapse.</p>
<b>Allocation of Shares upon vesting</b>	<p>Following testing of the applicable performance conditions and determination of the level of vesting of Performance Rights, one Share will be allocated in relation to each Performance Right which vests.</p> <p>Villa World's obligation to allocate Shares on vesting may be satisfied by issuing new Shares, acquiring Shares on market or transferring Shares from an employee share trust.</p> <p>The Board retains the discretion to make an equivalent value cash payment to Mr Treasure in lieu of an allocation of Shares.</p>
<b>Trading restrictions</b>	Shares allocated on vesting of Performance Rights will not be subject to any trading restrictions other than Villa World's Securities Dealing Policy.
<b>Price paid for Shares</b>	No amount will be payable in respect of the grant of Performance Rights, nor in respect of any Shares allocated upon vesting of the Performance Rights.
<b>Cessation of employment</b>	<p>If Mr Treasure's employment with Villa World ceases before the vesting of his Performance Rights, the treatment will depend on both the date and circumstances of cessation.</p> <p>Where employment ceases due to resignation or termination for cause (including gross misconduct), all of Mr Treasure's unvested Performance Rights will lapse at cessation subject to the Board's discretion to determine otherwise.</p> <p>Where employment ceases for any other reason, a pro-rata portion of unvested Performance Rights (based on the period of time employed during the vesting period) will generally continue on-foot and be tested at the original vesting date against the relevant vesting conditions (ignoring any service related conditions).</p>
<b>Cessation of employment cont.</b>	<p>However, where Mr Treasure's employment ceases prior to 12 months after the start of the relevant performance period for any reason, all of his unvested Performance Rights will lapse.</p> <p>The Board also has a broader discretion to apply any other treatment that it deems appropriate in the circumstances, having regard to factors including the proportion of the vesting period elapsed, the extent to which performance conditions have been satisfied (or are estimated to be satisfied), the Board's assessment of Mr Treasure's individual performance during the vesting period, or the manner of or circumstances surrounding cessation.</p>

Approval of this item of business requires only a simple majority.

A voting exclusion statement applicable to Item 4 is set out in the Notice of Meeting.

**Recommendation on Item 4:** The Board (other than Mr Treasure who abstains from making a recommendation because of his interest in the resolution) unanimously recommends that the Shareholders vote in favour of Item 4.

# GLOSSARY

TERM	MEANING
<b>15% Rule</b>	The rule that ASX listed entities must not, subject to specified exceptions, issue or agree to issue equity securities during any 12 month period that total more than 15% of the number of fully paid ordinary shares on issue, without Shareholder approval
<b>Annual Report</b>	The annual report of Villa World that includes the financial report, the directors' report and the independent audit report for the year ended 30 June 2017
<b>ASIC</b>	Australian Securities and Investments Commission
<b>Associate</b>	Has the definition provided in the note to Rule 14.11 of the Listing Rules
<b>ASX</b>	ASX Limited
<b>Auditor</b>	The auditor of Villa World from time to time, currently Ernst & Young
<b>Board</b>	Board of directors of Villa World
<b>Closely Related Party</b>	Has the meaning given in the Corporations Act
<b>Computershare</b>	Computershare Investor Services Pty Limited, responsible for maintaining Villa World's share registry
<b>Constitution</b>	The constitution of Villa World, as amended or updated from time to time
<b>Corporations Act</b>	The Corporations Act 2001 (Cth)
<b>Explanatory Memorandum</b>	The explanatory memorandum that accompanies this Notice of Meeting
<b>Key Management Personnel</b>	Has the meaning given in the Corporations Act
<b>Listing Rules</b>	Listing Rules of ASX
<b>Meeting</b>	The 2017 Annual General Meeting of Shareholders to be held on 24 October 2017 and any adjourned meeting
<b>Notice of Meeting</b>	This notice of Meeting and any notice of any adjournment of the Meeting
<b>Plan</b>	Villa World Limited Executive Long Term Incentive Plan, approved by Shareholders at the Villa World 2015 Annual General Meeting
<b>Remuneration Report</b>	The remuneration report included in the Annual Report
<b>Share</b>	A fully paid ordinary share in Villa World
<b>Shareholder</b>	A registered holder of a Share
<b>Villa World</b>	Villa World Limited ACN 117 546 326 and where appropriate, its controlled entities





# CORPORATE DIRECTORY

## HEAD OFFICE

Villa World Limited  
ACN 117 546 326

Level 1 Oracle West  
19 Elizabeth Avenue  
Broadbeach QLD 4218

Telephone: +61 7 5588 8888  
Facsimile: +61 7 5588 8800

Website: [www.villaworld.com.au](http://www.villaworld.com.au)

Email: [info@villaworld.com.au](mailto:info@villaworld.com.au)

## AUDITOR

Ernst & Young  
111 Eagle Street  
Brisbane QLD 4000

## SHAREHOLDER INFORMATION AND ENQUIRIES

All enquiries and correspondence regarding  
shareholdings, voting or proxies should be directed  
to Villa World's share registry provider:

## COMPUTERSHARE INVESTOR SERVICES PTY LIMITED

Mailing address: GPO Box 242,  
Melbourne VIC 3001 Australia

Telephone: 1300 651 684 (within Australia)  
+61 3 9415 4000 (outside Australia)

Facsimile: 1800 783 447 (within Australia)  
+61 3 9473 2555 (outside Australia)

Website: [www.computershare.com.au](http://www.computershare.com.au)

Email: [web.queries@computershare.com.au](mailto:web.queries@computershare.com.au)

## DIRECTORS

Mr Mark Jewell (Chairman)  
Mr Craig Treasure (CEO & Managing Director)  
Mr David Rennick  
Ms Donna Hardman

## COMPANY SECRETARY

Bradley Scale



Villa World Limited ABN 38 117 546 326  
Level 1 Oracle West, 19 Elizabeth Avenue,  
Broadbeach QLD 4218  
PO Box 1899, Broadbeach QLD 4218  
+617 5588 8888 [villaworld.com.au](http://villaworld.com.au)





Villa World Limited  
ABN 38 117 546 326  
ASX Code: VLW

## Lodge your vote:



**Online:**

[www.investorvote.com.au](http://www.investorvote.com.au)



**By Mail:**

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

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

## For all enquiries call:

(within Australia) 1300 651 684  
(outside Australia) +61 3 9415 4000

## Proxy Form



### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

**Control Number: 189752**

**SRN/HIN:**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

**For your vote to be effective it must be received by 10.00am (Queensland time) on Sunday, 22 October 2017**

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form →**



☐

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

## Proxy Form

Please mark ☒ to indicate your directions

### STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Villa World Limited hereby appoint

☐

the Chairman  
of the Meeting OR



**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Villa World Limited to be held at **Meeting Room 9, Gold Coast Convention and Exhibition Centre, Cnr Gold Coast Highway and TE Peters Drive, Broadbeach QLD 4218 on Tuesday, 24 October 2017 at 10.00am (Queensland time)** and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Items 2 and 4** (except where I/we have indicated a different voting intention below) even though **Items 2 and 4** are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Items 2 and 4** by marking the appropriate box in step 2 below.

### STEP 2 Items of Business



**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

#### Ordinary business

2 Adoption of Remuneration Report

For

Against

Abstain

☐☐☐

3 (a) Re-election of Director - Mark Jewell

☐☐☐

3 (b) Re-election of Director - David Rennick

☐☐☐

#### Special business

4 Grant of Performance Rights to the Chief Executive Officer & Managing Director

☐☐☐

**Before completing your vote and returning by post, please consider using the preferred electronic voting option outlined on the front page of this form.**

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### SIGN

**Signature of Securityholder(s)** *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_

Date

/ /