

ASX ANNOUNCEMENT



15 October 2018

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
- 2018 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.au/investor-centre/asx-announcements>

The AGM will be held on Friday, 16 November 2018, in the Sorrento Meeting Room at the Sofitel Gold Coast, 81 Surf Parade, Broadbeach Queensland commencing at 10.00am (Queensland time).

For enquiries:

Bradley Scale

Company Secretary

Tel: (07) 5588 8888

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VILLA WORLD LIMITED

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SHARE REGISTRY

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villaworld.com.au

VILLA WORLD LIMITED

NOTICE OF 2018 ANNUAL GENERAL
MEETING AND EXPLANATORY
MEMORANDUM

VILLA WORLD



HELPING PEOPLE REACH HOME



HOW TO GET THERE

The 2018 Annual General Meeting of Villa World Limited will be held on Friday, 16 November 2018 commencing at 10.00am (Queensland time) in the Sorrento Room at the Sofitel Gold Coast, 81 Surf Parade, Broadbeach Queensland. A map and directions are set out below.

AIR

The Gold Coast Airport is just 20 minutes south of the Sofitel 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

ROAD

When travelling southbound from Brisbane (78km) take the Nerang-Broadbeach Road exit (Exit 71) 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. At the next set of lights turn right onto Elizabeth Avenue. At the roundabout turn left onto Surf Parade. The Sofitel is located at 81 Surf Parade, Broadbeach. When travelling northbound from Gold Coast Airport, continue along the Gold Coast Highway until Elizabeth Avenue and then follow the directions above.

PUBLIC TRANSPORT

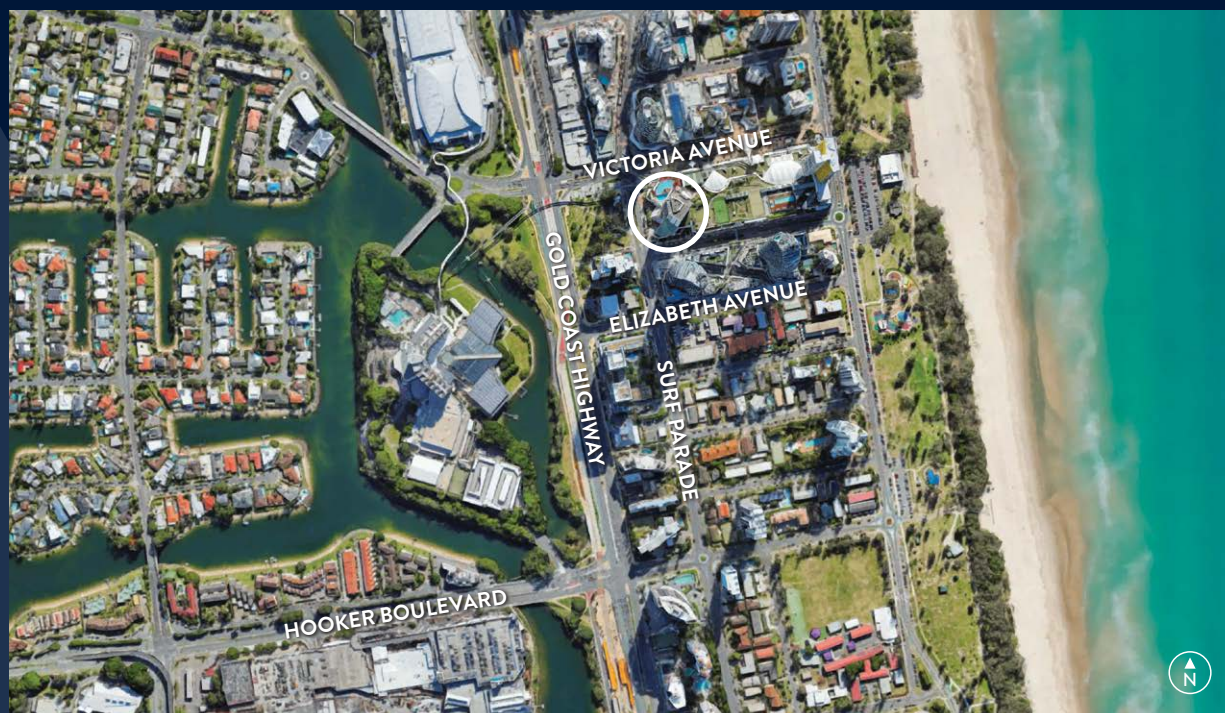
Local bus, coach, taxi and limousine companies operate regular services to all major attractions, hotel and shopping centres. To get to and from the Brisbane Airport, the closest train station is called Nerang. It is about 15 minutes by taxi or you can also catch a Surfside bus. There is a bus stop and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

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 adjacent to the Sofitel, in front of the Gold Coast Convention and Exhibition Centre. Services run 7-days a week, approximately every 10 to 15 minutes. To plan your journey visit www.translink.com.au

PARKING AT THE SOFTEL

The Sofitel's car park entrance is at the southern end of the building, accessible from the main driveway off Surf Parade. Undercover car spaces are available for short-term parking at a rate of \$5 per 30 minutes (maximum of \$40 per day).



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CHAIRMAN'S LETTER

Dear Shareholder

It is my pleasure to invite you to attend the 2018 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 the Sorrento Room, Sofitel Gold Coast, 81 Surf Parade, Broadbeach on Friday 16 November 2018, 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. After having introduced voting by poll at the 2017 annual general meeting, voting will once again 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
- 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

A handwritten signature in black ink, appearing to read 'Mark Jewell'. The signature is fluid and cursive, written over a white background.

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: Friday, 16 November 2018

Place: Sorrento Meeting Room, Sofitel, 81 Surf Parade, 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 15.
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 2018.

Item 2 - Adoption of Remuneration Report

To consider, and if thought fit, to pass the following resolution as a non-binding ordinary resolution:

"To adopt the Remuneration Report of Villa World for the financial year ended 30 June 2018."

Voting Exclusion Statement

Villa World will disregard any votes cast in favour of this 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; and
- their Closely Related Parties.

However, Villa World need not disregard a vote if it is cast by:

- the person as proxy for a person who is entitled to vote on the proposed resolution, 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 proposed resolution, in accordance with a proper direction on the proxy form.

Item 3 - Election of Director - Lisa MacCallum

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

"That Ms Lisa MacCallum, a director of Villa World retiring in accordance with the Constitution, is elected as a director of Villa World."

SPECIAL BUSINESS

Item 4 - Approval of the Villa World Executive Long Term Incentive Plan

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

"That the Villa World Limited Executive Long Term Incentive Plan be approved for all purposes on the terms which are described in the Explanatory Memorandum, and that any securities issued under the Villa World Limited Executive Long Term Incentive Plan be approved as an exception to ASX Listing Rule 7.1 (Exception 9(b) of ASX Listing Rule 7.2) during the three years following the date of this meeting."

Voting Exclusion Statement

Villa World will disregard any votes cast in favour of this Item 4 by, or on behalf of:

- any director of Villa World who is eligible to participate in the Villa World Limited Executive Long Term Incentive Plan;
- a member of its Key Management Personnel; and
- a Closely Related Party of any of those persons.

However, Villa World need not disregard a vote if it is cast by:

- the person as proxy for a person who is entitled to vote on the proposed resolution, 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 proposed resolution, in accordance with a proper direction on the proxy form.

NOTICE OF MEETING CONT.

Item 5 - Grant of Performance Rights to the Chief Executive Officer & Managing Director

To consider and, if thought fit, to 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 389,166 performance rights to Mr Craig Treasure, the Chief Executive Officer & Managing Director, in relation to the FY19 grant under the Villa World Limited Executive Long Term Incentive Plan, on the terms summarised in the Explanatory Memorandum.”

Voting Exclusion Statement

Villa World will disregard any votes cast in favour of this Item 5 by, or on behalf of:

- Mr Craig Treasure;
- any director of Villa World who is eligible to participate in the Villa World Limited Executive Long Term Incentive Plan;
- a member of its Key Management Personnel; and
- a Closely Related Party of any of those persons.

However, Villa World need not disregard a vote if it is cast by:

- the person as proxy for a person who is entitled to vote on the proposed resolution, 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 proposed resolution, in accordance with a proper direction on the proxy form.

Item 6 - Approval of Termination Benefits

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

“That for the purposes of sections 200B and 200E of the Corporations Act and all other purposes, approval be given for a period of three years, for the giving of benefits to any current or future holder of a managerial or executive office in Villa World Limited or a controlled entity, in connection with the person ceasing to hold that office, as set out in the Explanatory Memorandum.”

Voting Exclusion Statement

Villa World will disregard any votes cast in favour of this Item 6 by, or on behalf of:

- any person who holds a managerial or executive office in Villa World or a controlled entity (or is expected to in the future);

- a member of its Key Management Personnel; or
- a Closely Related Party of any of those persons.

However, Villa World need not disregard a vote if it is cast by:

- the person as proxy for a person who is entitled to vote on the proposed resolution, 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 proposed 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 7.00 pm (Sydney time) on 14 November 2018.

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 “Chair of the Meeting”).

NOTICE OF MEETING CONT.

If the Chair 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 Chair 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 Chair 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 Chair of the Meeting intends to vote undirected proxies in favour of Items 2, 3, 4 and 5 in the Notice of Meeting. As also noted on the proxy form for the Meeting, where the Chair is appointed as a proxy and none of the 'For', 'Against' or 'Abstain' boxes are marked for Items 2, 4, 5 and 6 (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 Chair to vote in favour of Items 2, 4, 5 and 6. If the Chair 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, 4, 5 and 6, any votes cast by the Chair on Items 2, 4, 5 and 6 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, 4 and 5, 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.

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 14 November 2018** in accordance with the instructions listed on the attached proxy form.

You can also lodge your proxy online at 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 post code.

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: 15 October 2018

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 2018.

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; and be received by Villa World **no later than 5.00pm (Queensland time) on 9 November 2018**.

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 this has been taken into account in producing the Remuneration Report for FY18. This reporting forms part of an executive remuneration framework that aims to encourage a strong performance culture delivering consistent year-on-year performance, and motivate sustainable, long-term value creation in line with Villa World's forward strategy.

The Remuneration Report commences on Page 40 of the 2018 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 of the Remuneration Report at the Meeting.

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

Item 3 - Election of director

Background

On 15 August 2018 Ms Lisa MacCallum was appointed by the Board as an independent non-executive director. Under rule 19.2(b) of the Constitution, where additional directors (other than a managing director) have been appointed by the Board, they hold office only until the conclusion of the next annual general meeting following their appointment. Accordingly, Ms MacCallum will retire as a director of Villa World at the Meeting and, being eligible, has offered herself for election under Item 3. Ms MacCallum's biographical details are provided below. Approval of this item of business requires only a simple majority.

Recommendation on Item 3: The directors (other than Ms MacCallum) endorse the election of Ms MacCallum under Item 3.



Lisa MacCallum
BA, B.com, CA

Independent non-executive director
since 15 August 2018.

Lisa is founder of Inspired Companies, a brand strategy and purposeful business focused enterprise. She began her professional life in Accounting, Finance and Consulting with KPMG in Australia and the USA. Lisa enjoyed a long career at NIKE Inc (2001-2014) based in the USA, serving on the executive leadership team in commercial and brand strategy roles and as Vice President of NIKE's Corporate Philanthropy and Global Community Investments.

EXPLANATORY MEMORANDUM CONT.

Prior to joining NIKE, Lisa co-founded a Tokyo-based multi-media and executive education company, Business Breakthrough, Inc. Lisa is a Board Committee member of British Telecom PLC and Special Advisor to British Telecom's global "Purposeful business" strategy. She is a World Economic Forum Young Global Leader and Advisory Board member; Founding Chair of the World Sporting Goods Industry's Physical Activity Committee; and current non-executive director of Bond University Limited.

EXPLANATORY NOTES TO SPECIAL BUSINESS

Item 4 - Approval of Villa World Limited's Executive Long Term Incentive Plan

Background

The Villa World Limited Executive Long Term Incentive Plan (Plan) was approved by shareholders at the 2015 annual general meeting. It is Villa World's principal vehicle for granting long term incentive awards to senior executives and other eligible employees, comprising Performance Rights which vest based on ongoing

employment and the achievement of specifically selected performance hurdles over the relevant performance period.

The primary objectives of the Plan are to:

- assist in the attraction, retention and motivation of key individuals;
- ensure enhanced focus on Villa World's long term performance and strategic direction;
- link the reward of senior executives and other eligible employees to performance and the creation of shareholder value;
- encourage increased alignment between reward outcomes and shareholder interests by providing an opportunity for senior executives and other eligible employees to receive an equity interest, build their shareholding in Villa World, and share in Villa World's future growth.

Summary of the Plan

A summary of the key terms of the Plan is set out below:

TERM	DETAIL
Purpose	The Plan allows the Board to grant equity awards in the form of Performance Rights as part of the long term incentive component of remuneration, as determined by the Board from time to time.
Performance Rights	Each Performance Right is a right to acquire one ordinary share in Villa World (or an equivalent cash amount) upon satisfaction of the vesting conditions, as determined by the Board. Each grant will specify the minimum and maximum number or value of Shares that the participant may receive if the vesting conditions are satisfied.
Eligible participants	The Board may grant Performance Rights to senior executives and other eligible employees of Villa World. In general, the Board will invite those who are considered to have capacity to impact the long term performance of Villa World. Non-executive Directors are not be eligible to participate in the Plan.
Vesting conditions	<p>The Board may determine vesting conditions, which may include performance and/or service conditions that must be satisfied before the Performance Rights vest.</p> <p>The vesting conditions will be measured and tested over a vesting period determined by the Board. Since the commencement of the Plan, grants have been made annually in one tranche per participant, with a vesting period of three years. This is intended to continue.</p> <p>Performance conditions for the initial grant</p> <p>After careful consideration of the long term financial focus and strategic direction of Villa World, the Board has determined the performance conditions for the initial grant to be as follows:</p> <ol style="list-style-type: none">1. 75% of the grant will vest based on Villa World's total shareholder return (TSR) over the performance period, compared to a peer group determined by the Board to represent Villa World's competitors. This will provide a focus on growth in share price and dividend yield.

EXPLANATORY MEMORANDUM CONT.

TERM	DETAIL
Vesting conditions cont.	<p>2. 25% of the grant will vest based on return on assets (ROA). This will provide a focus on the efficient use of Villa World's assets to generate revenue.</p> <p>The performance conditions are independent and will be tested separately.</p> <p>The applicable TSR and ROA performance targets and relevant vesting schedules will be the same for all participants in the Plan, including the Chief Executive Officer & Managing Director. Further details of the performance targets and vesting schedules for the initial grant are contained within the Explanatory Notes to Item 5 – Grant of Performance Rights to the Chief Executive Officer & Managing Director.</p> <p>Note that the Plan provides the Board with the ability to review and adjust the performance conditions, targets and vesting schedules on a grant-by-grant basis, ensuring they remain appropriate and sufficiently challenging.</p>
Other terms	<p>The Board may determine the terms of the Performance Rights, including whether any price is payable for the grant or upon exercise (as applicable), and any other lapsing conditions.</p> <p>Generally, no price is payable on grant or exercise unless the Board determines otherwise.</p>
Entitlements	<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>
Allocation of Shares upon vesting	<p>Villa World may issue shares or procure the acquisition of Shares on-market to satisfy vested Performance Rights.</p> <p>Villa World operates an employee share trust to acquire, hold or provide Shares for the purposes of the Plan.</p> <p>No trading restrictions will be placed on Shares allocated following vesting, subject to the Securities Dealing Policy, unless the Board determines otherwise.</p> <p>The Board retains the discretion to make an equivalent value cash payment to a participant to satisfy vested Performance Rights, in lieu of an allocation of Shares.</p>
Cessation of employment	<p>Where a participant's employment ceases with Villa World prior to Performance Rights vesting, the treatment will depend on the circumstances of cessation.</p> <p>Where employment ceases due to resignation or termination for cause (including gross misconduct), all 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 prior to Performance Rights vesting, 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, subject to the Board's discretion to determine otherwise.</p> <p>However, unless the Board exercises its discretion to determine a different treatment, where employment ceases within 12 months of the start of the relevant performance period for any reason, all unvested Performance Rights granted in respect of that performance period will lapse upon cessation.</p>

EXPLANATORY MEMORANDUM CONT.

TERM	DETAIL
Cessation of employment cont.	<p>The Board also has a broader discretion to apply any other treatment that it deems appropriate in the circumstances (including that another number of Performance Rights may vest either at cessation or at the end of the original vesting date, or that some or all Performance Rights lapse). In exercising this discretion, the Board may have regard to any factors the Board considers relevant, including the performance period elapsed, the extent to which the vesting conditions have been satisfied (or are estimated to be satisfied), the participant's performance during the vesting period, and the manner of or circumstances surrounding cessation.</p>
Change of control	<p>Where a change of control occurs, the Board has discretion to determine that all or a number (including a pro rata number) of any unvested Performance Rights vest, whether or not subject to any different or further vesting conditions, or be settled in cash or securities other than Shares.</p> <p>In making such a determination, the Board may have regard to any factors that the Board considers relevant, including the performance period elapsed at the time of the change of control event, the extent to which the vesting conditions have been satisfied at the time of the event and the circumstances of the event.</p> <p>The Plan also has specific rules in relation to divestments of a "material" business or asset, with the Board having the discretion to determine an appropriate treatment for participants in the event of such a divestment.</p>
Clawback	<p>In the event of fraud, dishonesty or material misstatement of financial statements, the Board may make a determination, including lapsing unvested Performance Rights to ensure that no unfair benefit is obtained by a participant.</p> <p>All Performance Rights granted under the Plan are subject to Villa World's Clawback Policy and any other relevant Villa World policies or codes of conduct.</p> <p>Where, in the opinion of the Board, a participant has committed an act or omission covered by any such policy or code of conduct (such as fraud, dishonesty or material misstatement), the Board may make a determination in accordance with the relevant policy or code of conduct, including lapsing unvested Performance Rights to ensure that no unfair benefit is obtained by a participant.</p>
Adjustment of awards	<p>The Board has discretion to adjust the number of Performance Rights in the event of a variation of capital or other corporate transaction to ensure participants do not enjoy a windfall gain or suffer a material detriment as a result of the variation or transaction, and in accordance with the Listing Rules.</p>
Administration of Plan	<p>The Plan may be administered either by the Board or an external party, including using a trust to acquire, hold or provide Shares to satisfy the awards. Since its commencement, the Plan has been administered by the Board and an employee share trust has been used.</p> <p>The Board is given the power to make all required determinations under the Plan and to waive or modify the application of the terms of the Plan and the Performance Rights granted under it as it considers appropriate.</p> <p>There is no loan scheme in relation to the grant of Performance Rights under the Plan.</p>

EXPLANATORY MEMORANDUM CONT.

Other information

Since the Plan was approved by shareholders at the 2015 annual general meeting, Performance Rights have been granted under it as shown in the table below.

Key Management Personnel		Performance rights awarded	Performance period end date	Vested	Forfeited / lapsed
Craig Treasure	FY18	383,699	30/06/2020	-	-
	FY17	387,528	30/06/2019	-	-
	FY16	316,902	30/06/2018	262,189	54,713
Michael Vinodolac	FY18	97,909	30/06/2020	-	-
	FY17	97,582	30/06/2019	-	-
	FY16	56,338	30/06/2018	46,611	9,727
Robyn Valmadre	FY18	74,976	30/06/2020	-	-
	FY17	76,669	30/06/2019	-	-
Paulene Henderson ¹	FY17	150,969	30/06/2019	-	150,969
	FY16	112,676	30/06/2018	-	112,676
Bradley Scale	FY18	78,063	30/06/2020	-	-
	FY17	66,214	30/06/2019	-	-

¹ Performance Rights granted to Paulene Henderson lapsed as a result of her resignation as CFO and Company Secretary on 5 June 2017.

No director of Villa World, other than an executive director (including the Chief Executive Officer & Managing Director), is eligible to participate in the Plan or any other employee incentive scheme of Villa World.

Separate shareholder approval is being sought for the grant of Performance Rights to the Chief Executive Officer & Managing Director (see Explanatory notes for Item 5 below).

A copy of the Plan Rules will be available for inspection at Villa World's registered office during normal business hours, and a copy can be provided to shareholders upon request.

Why is shareholder approval being sought?

Item 4 seeks shareholder approval for the Plan for all purposes under the Corporations Act and the Listing Rules, including but not limited to Listing Rule 7.2 (Exception 9(b)) which is an exception to the annual restriction on issuing securities under Listing Rule 7.1.

Listing Rule 7.1 provides that an ASX listed entity must not, subject to specified exceptions, issue or agree to issue equity securities during any 12 month rolling period that total more than 15% of the number of fully paid ordinary shares on issue at the beginning of that 12 month period, without shareholder approval **(15% Rule)**.

Under Listing Rule 7.2, shareholders may approve the issue of securities under an employee incentive scheme as an exception to the 15% Rule. If such approval is obtained, any Performance Rights granted under the Plan (and any Shares that may be issued to satisfy vested Performance Rights) would not count towards Villa World's capacity to issue securities under the 15% Rule.

Such approval was granted at the 2015 annual general meeting, and continues for three years from the date of that annual general meeting, at which time it must be renewed or it will expire. Approval is again being sought under Listing Rule 7.2 (Exception 9(b)), which will continue for another three years from the date of the Meeting. In the absence of such an approval, any issue of securities under the Plan may still be made, but must fall within the 15% Rule at the time of issue.

In the Board's opinion, it is in the best interests of Villa World to have flexibility in managing its capital requirements within the 15% Rule, without the need to obtain further shareholder approval. It is therefore prudent to ensure that Villa World's capacity within the 15% Rule is not diminished by the grant of Performance Rights under the Plan, or by any determination (where appropriate at the time) to issue Shares in satisfaction of any vested Performance Rights.

EXPLANATORY MEMORANDUM CONT.

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 proposed participation in the Plan) unanimously recommends that shareholders vote in favour of Item 4.

Item 5 - 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.

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 389,166 Performance Rights to Mr Treasure (equivalent to the value of \$888,000 on the terms and conditions of the Plan and as set out below.

If approval of this resolution is given, separate shareholder approval under Listing Rule 7.1 is not required and therefore the Performance Rights granted to Mr Treasure (and any Shares issued to satisfy vested Performance Rights) will be excluded from the calculation of Villa World's issue capacity under the 15% Rule (in accordance with exception 14 under Listing Rules 7.2).

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 FY19 grant to Mr Treasure (being the Long Term Incentive component of Mr Treasure's remuneration package for FY19), will be \$888,000 (Grant Value).</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 FY19, to constitute reasonable remuneration.</p> <p>The exact number of Performance Rights proposed to be granted will be 389,166, calculated by dividing the Grant Value by \$2.2818, being the volume weighted average price of Villa World's Shares over the 30 trading days up to and including 30 June 2018 (being immediately prior to the start of the performance period for the proposed FY19 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>

EXPLANATORY MEMORANDUM CONT.

TERM	DETAIL										
Participation	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 2015 annual general meeting, when the Plan was approved, Mr Treasure has been issued Performance Rights for no consideration as follows: 316,902 issued in November 2015 as approved at the 2015 annual general meeting; 387,528 issued in November 2016 as approved at the 2016 annual general meeting; 383,699 issued in November 2017 as approved at the 2017 annual general meeting.										
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>Total Shareholder Return</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> <p>The peer group will consist of S&P/ASX 200-300 companies excluding Metals & 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> <table> <tr> <th>TSR relative to peer group</th><th>Rights subject to TSR hurdle that vest (%)</th></tr> <tr> <td>At or above the 75th percentile</td><td>100%</td></tr> <tr> <td>Between the 50th and the 75th percentile</td><td>Pro rata vesting between 50% to 100% (i.e., on a straight line basis)</td></tr> <tr> <td>At the 50th percentile</td><td>50%</td></tr> <tr> <td>Below the 50th percentile</td><td>Nil</td></tr> </table> <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>Return on Assets</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>ROA = EBIT / Average funds employed*</p> <p>*Average fund employed will be calculated by taking the opening and closing funds employed for each relevant year.</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>	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
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										

EXPLANATORY MEMORANDUM CONT.

TERM	DETAIL										
Performance Hurdles cont.	<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> <table> <tr> <th>Average ROA performance over the Performance Period (i.e. average performance over FY18, FY19 and FY20)</th><th>Rights subject to ROA hurdle that vest (%)</th></tr> <tr> <td>At or above Maximum (13.5%)</td><td>100%</td></tr> <tr> <td>Between Threshold (12%) and Maximum (13.5%)</td><td>Pro rata vesting between 50% to 100% (i.e. on a straight line basis)</td></tr> <tr> <td>At Threshold (12%)</td><td>50%</td></tr> <tr> <td>Below Threshold (12%)</td><td>Nil</td></tr> </table> <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>	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
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										
Performance period and vesting	<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 2018 to 30 June 2021.</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, or at such earlier time when the Board is satisfied that the audited financial results are finalised.</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>										
Allocation of Shares upon vesting	<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>										
Trading restrictions	<p>Shares allocated on vesting of Performance Rights will not be subject to any trading restrictions other than under Villa World's Securities Dealing Policy.</p>										
Price paid for Shares	<p>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.</p>										
Cessation of employment	<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 performance 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>										

EXPLANATORY MEMORANDUM CONT.

TERM	DETAIL
Cessation of employment cont.	<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 performance 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 performance 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 5 is set out in the Notice of Meeting.

Recommendation on Item 5: The Board (other than Mr Treasure who abstains from making a recommendation because of his interest in the resolution) unanimously recommends that shareholders vote in favour of Item 5.

Item 6 - Approval of Termination Benefits

Why is shareholder approval being sought?

The law in Australia restricts the benefits that can be given to a person who holds (or has held within the previous three years) a managerial or executive office (as defined in the Corporations Act) (Relevant Person) on cessation of their employment. Under section 200B of the Corporations Act, a company may only give such a person a benefit in connection with their ceasing to hold office if approved by shareholders, or if an exemption applies.

The Plan sets out certain outcomes for unvested Performance Rights where a participant ceases employment (as described in Item 5 above).

However, the Board also has a broader discretion to apply any other treatment that it deems appropriate in the circumstances (including that another number of Performance Rights may vest either at cessation or at the end of the original vesting date, or that some or all Performance Rights lapse). In exercising this discretion, the Board may have regard to any factors the Board considers relevant, including the performance period elapsed, the extent to which the vesting conditions have been satisfied (or are estimated to be satisfied), the participant's performance during the vesting period, and the manner of or circumstances surrounding cessation.

This approval seeks to preserve the discretion of the Board to determine the most appropriate termination package for Relevant Persons now, in advance of any such potential benefits being provided.

If the Board exercises discretion to allow a member of the Key Management Personnel to retain any Performance

Rights under the Plan that would otherwise be forfeited, this will be fully described in the relevant Remuneration Report. This approval does not commit the Board to exercising its discretion in any particular way.

Shareholder approval is sought for the purposes of sections 200B and 200E of the Corporations Act for any 'termination benefits' resulting from the future exercise of the Board's discretion under the Plan. If shareholder approval is obtained, the value of the above benefits will be disregarded when calculating the Relevant Person's termination benefits cap for the purpose of subsection 200F(2)(b) or subsection 200G(1)(c) of the Corporations Act.

The value of the benefits or entitlements

The amount and value of the benefits being approved is the maximum potential benefit that could be provided under the Plan as a result of the exercise of the Board's discretion. A vested Performance Right entitles the holder to acquire one Share (or an equivalent cash amount), but the actual amount and value of the benefits that may be provided under the Plan cannot be ascertained in advance. This is because various matters, events and circumstances will or are likely to affect the calculation of the amount and value. These include:

- the Relevant Person's base salary at the time of cessation of employment;
- the length of their service and the portion of any relevant performance periods that have expired at the time they cease employment;
- the number of Performance Rights held by the Relevant Person prior to cessation of employment and the number that the Board determines to forfeit or leave on-foot in accordance with the Plan;
- Villa World's share price at the relevant time;
- any other factors that the Board determines to be relevant when exercising a discretion (such as its assessment of the Relevant Person's performance up to the termination date); and
- any changes in law prior to the date they cease to hold office.

EXPLANATORY MEMORANDUM CONT.

No new benefits

Shareholders are not being asked to approve any change or increase in the remuneration or benefits or entitlements for Relevant Persons, or any variations to the existing discretions of the Board.

Approval is sought for a three-year period

If approval is obtained, it will be effective for a three-year period. That is, shareholder approval will be effective:

- if the Board exercises discretions under the Plan;
- in relation to any Performance Rights granted under the Plan, or its replacement; and
- if the Relevant Person ceases to hold office,

during the period beginning at the conclusion of this Meeting and expiring at the conclusion of the annual general meeting in 2021. If considered appropriate, Villa World may seek fresh shareholder approval at the annual general meeting in 2021.

It can be reasonably anticipated that Relevant Persons' remuneration and aspects of the Plan, and the rules that underpin them, will be amended from time to time in line with market practice and changing governance standards. Where relevant, changes in relation to Key Management Personnel remuneration will be reported in the Remuneration Report. However, as set out above, the Board has an overriding discretion in relation to the treatment of grants of Performance Rights on cessation of employment. Subject to the three-year approval period, it is intended that this approval will remain valid for as long as the Plan provides for these Board discretions.

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

A voting exclusion statement applicable to Item 6 is set out in the Notice of Meeting.

Recommendation on Item 6: The Board (other than Mr Treasure who abstains from making a recommendation because of his interest in the resolution) unanimously recommends that shareholders vote in favour of Item 6.

GLOSSARY

TERM	MEANING
15% Rule	The rule that ASX listed entities must not, subject to specified exceptions, issue or agree to issue equity securities during any 12 month rolling period that total more than 15% of the number of fully paid ordinary shares on issue, without shareholder approval
Annual Report	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 2018
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited
Auditor	The auditor of Villa World from time to time, currently Ernst & Young
Board	Board of directors of Villa World
Closely Related Party	Has the meaning given in the Corporations Act
Computershare	Computershare Investor Services Pty Limited, responsible for maintaining Villa World's share registry
Constitution	The constitution of Villa World, as amended or updated from time to time
Corporations Act	The Corporations Act 2001 (Cth)
Explanatory Memorandum	The explanatory memorandum that accompanies this Notice of Meeting
Key Management Personnel	Has the meaning given in the Corporations Act
Listing Rules	Listing Rules of ASX
Meeting	The 2018 annual general meeting of shareholders to be held on 16 November 2018 and any adjourned meeting
Notice of Meeting	This notice of Meeting and any notice of any adjournment of the Meeting
Plan	Villa World Limited Executive Long Term Incentive Plan
Remuneration Report	The remuneration report included in the Annual Report
Share	A fully paid ordinary share in Villa World
Shareholder	A registered holder of a Share
Villa World	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

Email: 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

Email: web.queries@computershare.com.au

DIRECTORS

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

COMPANY SECRETARY

Bradley Scale

Villa World Limited ABN 38 117 546 326
Level 1 Oracle West, 19 Elizabeth Avenue,
Broadbeach QLD 4218
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+61 7 5588 8888 villaworld.com.au

VILLA WORLD



HELPING PEOPLE REACH HOME





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

Lodge your vote:



Online:

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

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 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: 132147

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) Wednesday, 14 November 2018

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 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 **Sorrento Meeting Room, Sofitel, 81 Surf Parade, Broadbeach Queensland 4218 on Friday, 16 November 2018 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, 4, 5 & 6** (except where I/we have indicated a different voting intention below) even though **Items 2, 4, 5 & 6** 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, 4, 5 & 6** 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.

	For	Against	Abstain
2 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Director – Lisa MacCallum	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of the Villa World Executive Long Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Grant of Performance Rights to the Chief Executive Officer & Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of Termination Benefits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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