

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**If you are in any doubt about the contents of this document or as to the action you should take, you should immediately consult your stockbroker, solicitor, accountant, or other independent financial adviser authorised under the Financial Services and Markets Act 2000.**

If you have sold or otherwise transferred all of your ordinary shares in Victoria PLC, please forward this document as soon as possible together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

Cantor Fitzgerald, which is regulated by the Financial Conduct Authority, is acting as financial adviser to the Company, and to no one else in relation to the proposals in this document and will not be responsible to any person other than the Company for providing the protection afforded to its customers or for advising any other person on the contents of this document or any transaction or arrangement referred to herein.

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# **VICTORIA PLC**

*(the “Company”)*

*(incorporated and registered in England and Wales under number 00282204)*

## **NOTICE OF ANNUAL GENERAL MEETING SUBDIVISION OF EXISTING SHARES AUTHORITY TO MAKE PURCHASES OF ITS OWN SHARES AND APPROVAL OF WAIVER UNDER RULE 9 OF THE TAKEOVER CODE**

This document should be read as a whole. Your attention is drawn to the letter from the Senior Independent Director of Victoria PLC, set out on pages 3 to 10 of this document in which the Independent Directors recommend that you approve the proposals described herein by voting in favour of each of the resolutions to be proposed at the Annual General Meeting referred to below.

Notice of the Annual General Meeting of the Company to be held at the offices of Brown Rudnick LLP, 8 Clifford Street, London W1S 2LQ on 9 September 2016 at 10.00 a.m. is set out at the end of this circular. Shareholders who hold their shares in certificated form are requested to complete and return the enclosed Form of Proxy to the Company's registrars at Capita Asset Services PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible but in any event, to be valid, so as to arrive no later than 10.00 a.m. on 7 September 2016. Shareholders who hold their shares in uncertificated form may use the CREST electronic proxy appointment service. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual issued by Euroclear UK & Ireland Limited. The message must be transmitted so as to be received by the issuer's agent, Capita Asset Services (CREST ID: RA10) by 10.00 a.m. on 7 September 2016. The return of a Form of Proxy or the appointment of a proxy through CREST will not preclude a member from attending and voting at the Annual General Meeting in person, should they subsequently decide to do so.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Notice of Annual General Meeting and Form of Proxy posted or notified to shareholders	10 September 2016
Latest time for receipt of completed Forms of Proxy for AGM	11.00 a.m. on 7 September 2016
Latest time for receipt of CREST Proxy Instruction	11.00 a.m. on 7 September 2016
Annual General Meeting	11.00 a.m. on 9 September 2016
Record Date for the Subdivision	6.00 p.m. on 9 September 2016
Admission and dealings in New Shares commences	8.00 a.m. on 12 September 2016
CREST accounts to be credited with New Shares	as soon as practicable after 8.00 a.m. on 12 September 2016
Certificates representing New Shares to be sent to shareholders	by 23 September 2016

**PART I**  
**LETTER FROM THE SENIOR INDEPENDENT  
DIRECTOR OF VICTORIA PLC**

(incorporated and registered in England and Wales with registered number 00282204)

**Directors:**

Geoffrey Brendon Wilding – Executive Chairman  
Michael Scott – Finance Director  
Andrew Nigel Harrison – Senior Independent Non-Executive Director  
Ian Alexander Anton – Non-Executive Director  
Gavin Petken – Non-Executive Director

**Registered Office**

Worcester Road  
Kidderminster  
Worcestershire  
DY10 1JR

10 August 2016

Dear Shareholder,

**Notice of Annual General Meeting, including resolutions relating to a Share Split, Proposed Buy-Back Authority and a Rule 9 Waiver**

**Introduction**

I have pleasure in inviting you to the 2016 Annual General Meeting of Victoria PLC, which will be held at the offices of Brown Rudnick LLP, 8 Clifford Street, London W1S 2LQ at 10.00 a.m. on 9 September 2016. This document includes the Notice of AGM, which sets out the resolutions that Shareholders are being asked to consider and vote on. These resolutions are a very important part of governance of the Company and all Shareholders are asked to vote whether they are able to attend the AGM or not. The Notice of AGM contains certain items of business which are of a technical nature, being the Share Split, Proposed Buy-Back Authority and the Rule 9 Waiver and these are therefore explained in detail below. As well as providing details of the resolutions being put to shareholders at the Annual General Meeting, this document also explains why the Independent Directors consider the Share Split and the Rule 9 Waiver to be in the best interests of the Company and its Shareholders.

In recent years, the share price of the Existing Shares has risen to a point where their middle market closing price as at 9 August 2016 (being the latest practicable date prior to the publication of this document) is £14.16 per Existing Share. The Directors therefore believe that it is appropriate to recommend a five-for-one Share Split, which will increase the number of ordinary shares owned by each shareholder by a factor of five, with an expected resultant reduction in share price. Shareholders should note that subject to market movements, the aggregate value of their shareholdings should remain the same following the proposed Share Split.

In addition, in common with many listed companies, the Directors have included a resolution in the Notice of AGM to give limited authority for the Company to make market purchases of Ordinary Shares. The Directors have always considered it to be in the best interests of all Shareholders for the Company to have the right, in appropriate circumstances, to purchase its own shares in the market. The Company may either cancel any shares it purchases under the authority granted to it by Shareholders or transfer them into treasury.

As at 9 August 2016 (being the latest practicable date prior to the publication of this document), Camden which is owned by The Camden Trust of which Geoffrey Wilding, the Chairman of the Company, is a discretionary beneficiary, holds 6,087,730 Ordinary Shares representing approximately 33.46 per cent. of the issued share capital of the Company. However, were the Company to undertake a share repurchase in accordance with the authority being sought in Resolution 9, Camden's interest in Ordinary Shares will increase, in which case Camden could be required to make a mandatory general offer for the remainder of the share capital of the Company. The Independent Directors are therefore seeking your approval, via the Waiver Resolution, for a waiver to be granted from the obligations that would otherwise apply to Camden in these circumstances.

## Share Split

The Directors consider that having a larger number of Ordinary Shares in issue, each with a lower market value than at present, has a number of potential benefits for Shareholders: these include moving the share price into what the Directors believe to be a range that may improve the liquidity of the market in the Company's shares and potentially reduce the bid/offer spread. The Directors also believe that a Share Split could help to attract and retain a more diverse shareholder base.

As at the date of this document, there are 18,193,581 Existing Shares allotted, called up and fully paid. Immediately following the Share Split becoming effective, there will be 90,967,905 New Shares allotted, called up and fully paid and it is expected that the price of each New Share will become one-fifth of the price of an Existing Share. This will reflect the fact that Shareholders will own five times as many New Shares as they currently own Existing Shares. Shareholders should however note that subject to market movements, the aggregate value of their shareholdings should remain the same.

The financial position of the Company will not be affected by the Share Split, nor will its assets, liabilities or shareholders' funds be reduced. Immediately after the Share Split becomes effective, each Shareholder will hold the same percentage of the issued share capital as was held immediately before the Share Split became effective.

The New Shares will, in all respects, rank *pari passu* with and, except for the nominal value, be subject to the same rights and restrictions as the Existing Shares. In particular, holders of New Shares will have the same voting rights, the same rights to participate in dividends or income of the Company and the same rights on a liquidation of the Company as the holders of Existing Shares.

Apart from taking into account the greater number of shares in issue, the Directors do not intend to alter the dividend policy as a result of the Share Split.

The Share Split is conditional upon the passing of Resolution 6 by the Shareholders and upon Admission. Application will be made for Admission, and dealings in the New Shares are expected to commence, at 8.00 am on 12 September 2016 and, at that time, the Existing Shares will be removed from AIM and will no longer be traded.

For holdings in uncertificated form, it is expected that the appropriate share accounts in CREST will be credited with Shareholders' entitlements to the New Shares on 12 September 2016. For holdings in certificated form, it is expected that share certificates for the New Shares will be sent to Shareholders (at their own risk) by 23 September 2016 or as soon as practicable thereafter.

Certificates representing Existing Shares will stop being valid and will be cancelled upon the Share Split becoming effective and they should be destroyed on receipt of the appropriate share certificate representing the New Shares. Transfers between the date on which the Share Split becomes effective and the date on which share certificates in respect of the New Shares are sent out will be certified against the register if required. No temporary or renounceable documents of title in respect of any of the New Shares will be issued.

The Share Split will not constitute a disposal of the Existing Shares for the purposes of UK capital gains tax legislation. Each Shareholder's holding of New Shares derived from that Shareholder's Existing Shares will be treated for capital gains tax purposes (and for the purposes of UK corporation tax on chargeable gains) as the same asset as that Shareholder's Existing Shares and therefore will be treated as having the same aggregate acquisition cost and having been acquired at the same time (or times) as that Shareholder's Existing Shares were acquired. The Share Split will not give rise to any liability to UK stamp duty or stamp duty reserve tax. If you are in any doubt as to your tax position or you are resident or subject to tax in any jurisdiction other than the UK, you should consult your professional adviser.

### **Proposed Buy Back Authority and Rule 9 Waiver**

The Independent Directors believe that it is in the best interests of the Company and its Shareholders as a whole to retain the flexibility in the management of its capital structure. In accordance with section 724 of the Act, the Company is entitled, on buying back its own shares, to hold such shares in treasury for subsequent sale, transfer for the purposes of or pursuant to employee share option schemes, or cancellation as an alternative to cancelling them immediately.

As at 9 August 2016 (the latest practicable date prior to the publication of this document), the Company held no Ordinary Shares in treasury. However, the Independent Directors would not be prepared to exercise the authority being sought in Resolution 9 (authority to purchase own shares) and cancel or return to treasury the Ordinary Shares so acquired in circumstances which would lead to Camden becoming obliged to make a general offer to acquire all of the Ordinary Shares not already held by it in accordance with Rule 9 of the Takeover Code.

Camden was incorporated in Guernsey on 18 February 2014, with incorporation number 58018. It is a non-trading company. The only asset held by Camden is the Ordinary Shares it holds in Victoria which was assigned to it by Geoffrey Wilding on 25 February 2014.

It is for this reason that the Independent Directors have decided to seek a waiver from the Panel from the obligation on Camden to make a general offer under Rule 9 of the Takeover Code that could arise as a result of the exercise of the authority granted under Resolution 9. Accordingly, subject to the Waiver Resolution being approved by the Independent Shareholders voting on a poll at the Annual General Meeting, the Panel has agreed to grant the Rule 9 Waiver where the obligations on Camden arise solely as a result of the exercise by the Company of the authority granted under Resolution 9 and the cancellation or return to treasury of the Ordinary Shares so acquired.

In order to be passed, the Waiver resolution will require the approval by a simple majority of the votes cast by the Independent Shareholders on a poll.

The Rule 9 Waiver, if approved, will not be valid if any purchases of Ordinary Shares are made by Camden in the period between the date of this document and the Annual General Meeting.

The Directors have also agreed not to tender any shares as part of any Proposed Buy-Back.

### **Explanation of the resolutions to be proposed at the Annual General Meeting**

Resolutions 1 to 6 and 10 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 7 to 9 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

#### ***Resolution 1: Receiving the report and accounts***

The Directors will present to the Shareholders at the Annual General Meeting the accounts for the previous financial year, on this occasion for the year ended 2 April 2016, together with their report and the auditor's report on those accounts.

#### ***Resolution 2: Approving the Directors' remuneration report***

The Directors are required to include specified information within the remuneration report and must submit that report for approval by Shareholders at each Annual General Meeting in accordance with the Directors' Remuneration Report Regulations 2002 and section 439 of the Act. The remuneration report has been prepared accordingly and approved by the Directors.

Details of Directors' remuneration are included in full on page 18 of the Victoria PLC Report and Accounts 2016.

#### ***Resolution 3: Re-election of Director***

Under the Articles of Association of the Company the Directors must take it in turns to retire and offer themselves for re-election by the Shareholders. It is the turn of Alexander Anton to retire by rotation and he is therefore offering himself up for re-election.

**Resolution 4: Election of Director**

Since the last Annual General meeting Michael Scott has been appointed a Director and therefore is required by the Company's Articles of Association to put himself forward for election by the Shareholders at this Annual General Meeting.

The biography of Michael Scott is listed on page 15 of the Victoria PLC Report and Accounts 2016.

**Resolution 5: Appointment and remuneration of the auditor**

The auditor of the Company is required to be appointed or re-appointed at each Annual General Meeting at which accounts are presented. Having expressed their willingness to act as the new auditors, resolution 5 proposes that Grant Thornton UK LLP be appointed.

It is normal practice for a company's Directors to be authorised to fix the auditor's remuneration and Shareholders' approval to do so is sought in this resolution.

**Resolution 6: Share Split**

The Companies Act 2006 permits a company to sub-divide its share capital by resolution of its members. Resolution 6 will be proposed as an ordinary resolution.

**Resolution 7: Granting the Directors authority to allot shares**

The Companies Act 2006 provides that Directors shall only allot shares with the authority of Shareholders in general meeting. The authority given to the Directors at the last Annual General Meeting to allot (or issue) shares expires on the date of this year's Annual General Meeting.

Resolution 7 will be proposed as an ordinary resolution for the renewal of the Directors' general authority to issue shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £1,516,132.00 representing approximately one third of the current issued share capital of the Company (excluding treasury shares). The Directors have no present intention of exercising this authority.

The Company held no shares in treasury as at 9 August 2016, (being the last practicable date prior to the publication of this document).

**Resolution 8: Disapplication of pre-emption rights**

The Companies Act 2006 also provides that any allotment of new shares for cash must be made pro rata to individual Shareholders' holdings, unless such provisions are disapplied under section 570 of the Companies Act 2006. The authority given to the Directors at the last Annual General Meeting to allot shares for cash expires on the date of this year's Annual General Meeting.

Resolution 8 will be proposed as a special resolution for the renewal of the Directors' authority to allot equity securities for cash, without first offering them to Shareholders pro rata to their holdings. This authority facilitates issues made by way of rights to Shareholders which are not strictly in accordance with section 561(1) of the Companies Act, and authorises other allotments of up to a maximum aggregate nominal amount of £227,419.75 of shares, representing approximately five per cent. of the current issued ordinary share capital of the Company.

This authority also allows the Directors, within the same aggregate limit, to sell for cash shares that may be held by the Company in treasury.

**Resolution 9: Granting the Company the authority to purchase its own shares**

Resolution 9 will be proposed as a special resolution for the renewal of the Company's authority to purchase its own shares in the market during the period until the next Annual General Meeting of the Company for up to 4,548,395 Ordinary Shares, representing approximately 5 per cent. of the issued ordinary share capital of the Company. The price payable shall not be more than five per cent. above the average market value for the Ordinary Shares for the five business days before the purchase is made and in any event not more than the higher of the price of the last independent trade and current independent bid as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange and not less than 5 pence per share, being the nominal value of the Shares.

This power will only be used if the Directors consider that to do so would be in the best interests of Shareholders generally. The Company may either cancel any shares it purchases under this authority or transfer them into treasury (and subsequently sell or transfer them out of treasury or cancel them).

On 10 August 2016, the total number of options to subscribe for Ordinary Shares amounted to 746,000. This represented 4.10 per cent. of the Company's issued ordinary share capital on that date. If this authority to purchase shares were exercised in full the total share options outstanding would represent 4.32 per cent. of the issued ordinary share capital.

The ability of the Company to purchase its own shares pursuant to this resolution will be determined by the passing of Resolution 10 seeking Shareholder authority for the Rule 9 Waiver.

**Resolution 10: Rule 9 Waiver**

Resolution 10 will be proposed as an ordinary resolution to seek the approval, taken on a poll, of Independent Shareholders to waive the obligation on Camden to make a general offer that could otherwise arise should the Company purchase its own Ordinary Shares. The background to and reasons for this resolution are set out below in this letter, which also contains the recommendation from the Independent Directors.

**City Code on Takeovers and Mergers**

The Takeover Code is issued and administered by the Panel. The Panel has been designated as the supervisory authority to carry out certain regulatory functions in relation to takeovers and its statutory functions are set out in and under Chapter 1 of Part 28 of the UK Companies Act 2006.

Under Rule 9 of the Takeover Code, any person who acquires an "interest" (as defined in the Takeover Code) in shares which, when taken together with shares in which he is already interested and in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, is normally required to make a general offer to all of the remaining shareholders to acquire their shares.

In addition, when any person, together with any persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any person acquires shares which were to increase that person's percentage of the voting rights in the Company in which he is interested.

Under Rule 37 of the Takeover Code, when a company purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a person or a group of persons acting in concert is interested will be treated as an acquisition for the purposes of Rule 9 (although a shareholder who is neither a director, nor acting in concert with a director, will not normally incur an obligation to make a Rule 9 offer).

An offer under Rule 9 of the Takeover Code must be made in cash (or accompanied by a cash alternative) and at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares in the company during the 12 months prior to the announcement of the offer.

The Panel has agreed, however, to waive the obligation on Camden to make a general offer that would otherwise arise as a result of the Proposed Buy Back Authority, subject to the approval of the Independent Shareholders. Accordingly, the Waiver Resolution is being proposed at the Annual General Meeting and will be taken on a poll. Camden will not be entitled to vote on the Waiver Resolution.

### Concert Party

The following Shareholders are considered by the Panel to be currently acting in concert with each other under the Takeover Code:-

Mrs M Anton  
 Mrs E Anton  
 Ms N E Parr (nee Anton) (Halb Nominees Ltd)  
 Ms G H Anton  
 Ms. F F Anton  
 Mrs S W C Anton  
 Trustees of the A and S C Anton Children's Trust  
 Trustees of the Fraser Trust Directors Pension Scheme  
 Ms S F Anton  
 A H Anton  
 I A Anton  
 J Haines (Frank Nominees Limited of Kleinwort Benson Private Bank)  
 (all of such shareholders together the "**Concert Party**")

At 2 April 2016 the Concert Party held 6.56% of the issued shares in the Company. The Panel had also deemed, in June 2014, that Alexander Anton (a member of the Concert Party), should be treated as acting in concert with Geoff Wilding and Camden. This arose due to the fact that Alexander Anton may have benefitted, by personal arrangement with Geoff Wilding, under the contract for differences the Victoria PLC had entered into with Geoff Wilding on 20 February 2013, following shareholder approval. This personal arrangement has now been set aside and as a result the Company has agreed with the Panel that Alexander Anton should no longer be treated as acting in concert with Geoff Wilding and Camden.

### Maximum potential holding of Camden

The following table sets out the shareholding of Camden as at the date of this document and following the maximum purchase of Ordinary Shares (and subsequent cancellation thereof) both before and after the Share Split in accordance with the authority granted under Resolution 9, assuming Camden does not participate:

	<i>As at the date of this document</i>		<i>Following Share Split before Share Split</i>		<i>Following maximum buy-back and cancellations after Share Split</i>	
	<b>Number of Existing Shares</b>	<b>Percentage</b>	<b>Number of Shares</b>	<b>Percentage</b>	<b>Number of New Shares</b>	<b>Percentage</b>
Camden	6,087,730	33.46	30,438,650	33.46	30,438,650	35.22
Geoffrey Wilding	–	–	–	–	–	–

If the Company utilises the authority granted under Resolution 9 to its full extent and buys back and cancels or returns to treasury the Ordinary Shares so acquired, should Camden not participate in any such buy back, it will be interested in 30,438,650 Ordinary Shares representing 35.22 per cent. of the voting rights of the Company.

Following utilisation of the authority granted under Resolution 9, Camden will be interested in Ordinary Shares carrying 30 per cent. or more of the Company's voting share capital, but will not hold Ordinary Shares carrying more than 50 per cent. of such voting rights and therefore any further increase in Camden's interest in Ordinary Shares (including, for example, market purchases of Ordinary Shares) by or on behalf of Camden, will be subject to the provisions of Rule 9 of the Takeover Code.



### **Intentions of Camden and Continuation of Business**

Camden has confirmed to the Company that it is not proposing, as a result of any increase in its percentage interest of Ordinary Shares following any re-purchase by the Company of its own shares, to seek any change in the composition of the Board or to the general nature of any other aspect of the Company's business.

As required by the Takeover Code, Camden has also confirmed that its intentions regarding the future of the Company's business, the maintenance of existing trading facilities for the securities of the Company, the location of the Company's places of business and the continued employment of its employees and management and those of its subsidiaries, including any material change in the conditions of employment, will not be altered as a result of these proposals, nor will there be any redeployment of the fixed assets of the Company as a result of such proposals.

Geoffrey Wilding has not taken part in any decision of the Independent Directors in relation to the Waiver, since he is a discretionary beneficiary of The Camden Trust which owns Camden which is the subject of the Waiver. Camden has confirmed it will not vote on the Waiver Resolution.

Geoffrey Wilding and Camden do not intend to make an offer for the Company, and have no intention to cause the Company to cease to maintain any of the trading facilities in respect of the Ordinary Shares.

### **Financial and additional information**

Your attention is drawn to the financial information set out in Part II of this document and the additional information set out in Part III of this document.

### **Company's business and its current financial and trading and prospects**

Victoria PLC is a leading designer, manufacturer and distributor of innovative flooring products. The Group is headquartered in the UK, with operations across the UK and Australia employing over 1,600 people across 12 sites.

The Group manufactures wool and synthetic broadloom carpets, carpet tiles, underlay and flooring accessories. In addition, it markets and distributes a range of complementary LVT (luxury vinyl tile) and hardwood flooring products produced by third-party manufacturers.

The Company announced its annual results for the year ended 2 April 2016 on 26 July 2016 with Group revenues growing by 100.9% (105.9% in constant currency terms) from £127.0m to £255.2m while underlying Group operating profit more than doubled from £9.3m to £21.6m. After exceptional items, the Group recorded a profit before tax of £9.3m, compared with a £1.6m loss before tax in the prior year. Group debt as at year end was £61.1m, less than two times annualised EBITDA (2015: £35.7m).

Both markets in which Victoria trades – the UK and Australia – continue to perform well and the Group has enjoyed a strong start to the current financial year.

There are currently no ratings and outlooks publicly accorded to Camden and Victoria by ratings agencies.

### **Action to be taken**

A Form of Proxy for use in connection with the resolutions being proposed at the forthcoming Annual General Meeting is enclosed.

Shareholders who hold their shares in certificated form are requested to complete and return the enclosed Form of Proxy to the Company's registrars at Capita Asset Services PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible but in any event, to be valid, so as to arrive no later than 10.00 a.m. on 7 September 2016.

Shareholders who hold their shares in uncertificated form may use the CREST electronic proxy appointment service. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual issued by Euroclear UK & Ireland Limited. The message must be transmitted so as to be received by the issuer's agent, Capita Asset Services (CREST ID: RA10) by 10.00 a.m. on 7 September 2016.

The return of a Form of Proxy or the appointment of a proxy through CREST will not preclude a member from attending and voting at the Annual General Meeting in person, should they subsequently decide to do so.

**Directors' recommendation**

**Resolutions 1 to 8**

The Board believes the proposals described above regarding the resolutions to be proposed at the AGM (other than resolution 9 and 10 which were considered by the Independent Directors only whose recommendation is set out below) to be in the best interests of the Shareholders and the Company as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of resolutions 1 to 8 at the AGM, as they intend to do in respect of their own beneficial holdings of 6,225,961 Ordinary Shares in aggregate, representing 34.22 per cent. of the current issued share capital of the Company.

**Independent Directors' recommendation**

**Resolutions 9 and 10**

Geoffrey Wilding, who is deemed interested in resolutions 9 and 10 due to his being a discretionary beneficiary under The Camden Trust which owns Camden, has not taken part in any decision of the Board relating to any proposal to seek a waiver of Rule 9 from the Panel since it is Camden shareholding which is the subject of the waiver.

The Independent Directors, who have been so advised by Cantor Fitzgerald in respect of the Rule 9 Waiver, consider obtaining the Rule 9 Waiver to be fair and reasonable and in the best interests of the Independent Shareholders and the Company as a whole. In providing advice to the Independent Directors, Cantor Fitzgerald has taken into account the Independent Directors' commercial assessments.

Accordingly, the Independent Directors unanimously recommend that the Independent Shareholders vote in favour of resolutions 9 and 10 at the AGM as they intend to do in respect of their own beneficial holdings of 138,231 Ordinary Shares in aggregate, representing 0.76 per cent. of the current issued share capital of the Company.

Yours faithfully,

**Andrew Harrison**

Senior Independent Non-Executive Director

## PART II

### FINANCIAL INFORMATION

As required under the rules of the Takeover Code, the information listed below relating to the Company is hereby incorporated by reference into this document in accordance with Rule 24.15 of the Takeover Code and are available free of charge on the Company's website at [www.victoriapl.com](http://www.victoriapl.com) and are also available for inspection as set out on page 21 of this document.

#### Information

Audited consolidated accounts for the year ended 2 April 2016	<a href="http://www.victoriapl.com/victoriapl/uploads/ir_repaandpres/files/Victoria-Annual-Report-2016.pdf">http://www.victoriapl.com/victoriapl/uploads/ir_repaandpres/files/Victoria-Annual-Report-2016.pdf</a>  The audited consolidated accounts of Victoria for the year ended 2 April 2016 are set out on pages 22 to 67 (both inclusive) of Victoria's annual report for the year ended on 2 April 2016 available from Victoria's website (at the link referred to above).
Audited consolidated accounts for the year ended 28 March 2015	<a href="http://www.victoriapl.com/victoriapl/uploads/homepage/files/annual-report-2015.pdf">http://www.victoriapl.com/victoriapl/uploads/homepage/files/annual-report-2015.pdf</a>  The audited consolidated accounts of Victoria for the year ended 28 March 2015 are set out on pages 16 to 49 (both inclusive) of Victoria's annual report for the year ended on 28 March 2015 available from Victoria's website (at the link referred to above).

The Company will provide within two Business Days, without charge, to each person to whom a copy of this document has been delivered, upon their written or verbal request, a copy of this document and any documents incorporated by reference in this document. Hard copies of any documents incorporated by reference in this document will not be provided unless such a request is made.

Requests for hard copies of any such document should be directed to Michael Scott, Victoria Plc, Worcester Road, Kidderminster, Worcestershire DY10 1JR or by telephoning + 44 (0)1562 749300.

## **PART III**

### **ADDITIONAL INFORMATION**

#### **I Responsibility**

- I.1 The Directors, whose names appear on page \*\*, accept responsibility for the information contained in this document (other than information relating to Camden, The Camden Trust and the Camden Directors in this document which is the responsibility of the Camden Directors, and the Independent Directors recommendation on page 9 of this document which is the responsibility of the Independent Directors). To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- I.2 The Camden Directors accept responsibility for the information set out in this document relating to Camden and The Camden Trust. To the best of the knowledge and belief of the Camden Directors (who have taken all reasonable care to ensure that such is the case), the information in this document for which they take responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- I.3 The Independent Directors accept responsibility for the Independent Directors' recommendation on page 9 of this document. To the best of the knowledge and belief of the Independent Directors (who have taken all reasonable care to ensure that such is the case), the information in this document for which they take responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

## 2 Interests and dealings

### (a) Definitions

For the purposes of this Part III, references to the following terms shall have the following meanings:

<b>“acting in concert”</b>	has the meaning attributed to it in the Takeover Code;
<b>“arrangement”</b>	includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;
<b>“connected adviser”</b>	has the meaning attributed to it in the Takeover Code;
<b>“connected person”</b>	has the meaning attributed to it in section 252 of the UK Companies Act 2006;
<b>“control”</b>	means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights, being all the voting rights attributable to the capital of the company which are currently exercisable at a general meeting, of a Company, irrespective of whether such interests give de facto control;
<b>“dealing” or “dealt”</b>	includes the following: <ul style="list-style-type: none"><li>(i) the acquisition or disposal of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of voting rights attached to relevant securities, or of general control of relevant securities;</li><li>(ii) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any relevant securities;</li><li>(iii) subscribing or agreeing to subscribe for relevant securities;</li><li>(iv) the exercise of conversion of any relevant securities carrying conversion or subscription rights;</li><li>(v) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities;</li><li>(vi) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and</li><li>(vii) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;</li></ul>
<b>“derivative”</b>	includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security but which does not include the possibility of delivery of such underlying security;
<b>“disclosure date”</b>	means 10 August 2016
<b>“disclosure period”</b>	means the period commencing on 10 August 2015, being the date 12 months prior to the date of the posting of this document and ending on the disclosure date
<b>“exempt principal trader” or “exempt fund manager”</b>	has the meaning attributed to it in the Takeover Code;
<b>being “interested”</b>	in relevant securities includes where a person: <ul style="list-style-type: none"><li>(i) owns relevant securities;</li><li>(ii) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities or has general control of them;</li><li>(iii) by virtue of any agreement to purchase, option or derivative, has the right or option to acquire relevant securities or call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or</li><li>(iv) is party to any derivative whose value is determined by reference to its price and which results, or may result, in his having a long position in it;</li></ul>
<b>“relevant securities”</b>	means shares in Victoria (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof; and
<b>“short position”</b>	means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

(b) Interests and Dealings in Ordinary Shares

- (i) At the close of business on 9 August 2016 (being the latest practicable date prior to the publication of this document), the Directors, their respective families and related trusts, were interested in the following relevant securities of the Company:

Director	Number of relevant securities	Percentage of Issued Ordinary Shares
Geoffrey Wilding <sup>1</sup>	6,087,730	33.46
Michael Scott <sup>2</sup>	4,250	0.02
Alexander Anton <sup>3</sup>	98,075	0.57
Andrew Harrison	35,906	0.21
Gavin Petken	–	–
<b>Total</b>		

1. these Ordinary Shares are all held in the name of Camden.

2. Michael Scott holds 5,000 B Ordinary Shares under the long term management incentive plan, which are convertible into Ordinary Shares.

3. these Ordinary Shares are held under the names of Alexander Anton and his close family and trusts.

- (ii) Save as disclosed above, and in paragraph 3.3 below, at the close of business on 9 August 2016 (being the latest practicable date prior to the publication of this document), neither the Directors, nor their respective families and related trusts, held any options over Ordinary Shares.

- (iii) At the close of business on 9 August 2016 (being the latest practicable date prior to the publication of this document), Camden was interested in the following relevant securities in the Company:

As at the date of this document		Following maximum buy-back and cancellations before the Share Split		Following maximum buy-back and cancellations after the Share Split	
Number of Existing Shares	Percentage	Number of Existing Shares	Percentage	Number of Existing Shares	Percentage
6,087,730	33.46	30,438,650	33.46	30,438,650	35.22

- (iv) At the close of business on 9 August 2016 (being the latest practicable date prior to the publication of this document), the following persons acting, or presumed to be acting in concert with Victoria had an interest in, or a right to subscribe for, the following relevant securities of the Company:

Name	Number of Ordinary Shares	Percentage of issued Ordinary Shares
Concert Party	1,192,851	6.56

- (v) The following dealings in relevant securities of the Company by the Directors, their immediate families and related trusts and persons acting, or deemed to be acting in concert with him, have taken place during the disclosure period:

Name	Transaction Date	Transaction	Number of Victoria relevant securities	Price
Michael Scott	6 January 2016	Purchase	4,250	1,160p
Andrew Harrison	14 September 2015	Placing participation	8,950	1,230p

On 16 December 2015, Alexander Anton transferred 15,000 ordinary shares into the Fraser Trust Directors Pension Scheme with Brown Brothers Harriman.

- (vi) Save as disclosed above, at the close of business on 9 August 2016 (being the latest practicable date prior to the publication of this document), neither Camden nor any person acting in concert with it, was interested in (directly or indirectly), had any right to subscribe for or had any short position in any relevant securities of the Company, nor has any such person dealt, borrowed or lent any relevant securities of the Company during the disclosure period, save for any borrowed shares which have been either on-lent or sold.

- (vii) The following dealings in relevant securities of the Company by Camden or any person acting in concert with it have taken place during the disclosure period:

Name	Transaction Date	Transaction	Number of Victoria relevant securities	Price
Camden	7 August 2015	Sale	1,000,000	1,117.5p

(viii) Save as disclosed above, at the close of business on 9 August 2016 (being the latest practicable date prior to the publication of this document), neither: (i) the Company; (ii) the Directors (nor any members of their respective immediate families, related trusts or, so far as the Directors are aware, connected persons); (iii) anyone acting in concert with the Company; or (iv) any person with whom the Company or any person acting in concert with it has an arrangement of the kind referred to in the definition of acting in concert, had any interest in or right to subscribe for, or had any short position in relation to, or during the disclosure period dealt in any relevant securities.

(ix) Save as disclosed above, neither the Company, any of the directors of the Company, nor any member of their immediate families, related trusts (so far as the directors are aware), connected persons, nor any persons acting in concert with any of them, had an interest or right to subscribe for relevant securities or any relevant Victoria securities or any short position in relation to, or during the disclosure period dealt in any relevant securities or any relevant securities.

### 3 Material Contracts

The following are the material contracts (not being contracts entered into in the ordinary course of business) which have been entered into within the two years prior to the date of this document by the Company:

- 3.1 The Company as borrower, together with certain of its subsidiaries, as guarantors, entered into an amendment and restatement agreement with Barclays Bank PLC and HSBC Bank PLC, as lenders on 29 April 2016, pursuant to which the facilities agreement dated 10 April 2015 with Barclays Bank PLC and HSBC PLC was amended and restated to effect, inter alia, the following key changes:
  - consent to the Interfloor group of companies reorganisation;
  - the accession of Victoria Midco Holdings Limited as a guarantor following the reorganisation of the Group so that Victoria Midco Holdings Limited, a wholly owned subsidiary of the Company, became the direct or indirect holding company of all Group Companies; and
  - the resignation of certain resigning subsidiary Group Companies as guarantors following the Interfloor group reorganisation;
  - the £50,000,000 revolving facility was increased to £80,000,000.
- 3.2 On 29 April 2016, the Group undertook a reorganisation and Victoria Midco Holdings Limited (“**Midco**”), a newly incorporated company wholly owned by Victoria, previously established, acquired the entire share capital of all the subsidiary companies directly held by Victoria on a share for share exchange basis pursuant to a share purchase agreement between Victoria and Midco in respect of each directly held subsidiary company.
- 3.3 On 29 April 2016, Midco entered into a subscription agreement with Michael Scott pursuant to which Michael Scott was issued with 5,000 B Shares (“**B Shares**”) in Midco in connection with a new growth shares based incentive for Michael Scott subscribed under the employee shareholder shares regime, such shares being only entitled to capital growth above a hurdle upon which between the second and third anniversary of the issuance, Mr Scott will be entitled to exchange the B Shares into Ordinary Shares in Victoria for equivalent value. Victoria is entitled to acquire the B Shares from Mr Scott at any time after January 2019 for Ordinary Shares in Victoria of an equivalent value. The B Shares are subject to good leaver and bad leaver provisions. In addition Midco adopted new articles of association necessary to create a new class of B shares in Midco.
- 3.4 On 29 April 2016, Interfloor Group Limited and its subsidiaries (“**Interfloor Group**”) undertook a reorganisation to isolate and strike off dormant or intermediate holdings companies that serve no useful purpose (“**Interfloor Reorganisation**”). Such companies being: Interfloor Industries Limited, Interfloor Holdings Limited, Duralay International Holdings Limited, Interfloor Trustees Limited, Interfloor Investments Limited and Presbury Properties Limited (“**Dormant Companies**”). As part of the Interfloor Reorganisation documentation was effected to (i) reorganise the debt and shareholding within the Interfloor Group such that the companies to be retained are within a sub-group under Interfloor Operations Limited; (ii) to extract remaining assets from the Dormant Companies; and (iii) to dissolve and strike off the Dormant Companies.
- 3.5 On 24 November 2015, the Company entered into a deed of variation in relation to the option agreement dated 30 September 2014 between the Company and the Business Growth Fund pursuant to which the definition of ‘option period’ thereunder was amended to mean the period commencing on 24 September 2015 and ending on 31 December 2022. Gavin Petken is a regional director of Business Growth Fund.

3.6 On 10 September 2015, the Company entered into a conditional share purchase agreement pursuant to which the Company agreed to purchase the entire issued share capital and shareholder indebtedness of Interfloor Group Limited from Milestone Capital, Hutton Collins Partners and management of Interfloor (the “**Interfloor Acquisition Agreement**”). Completion occurred on 14 September 2015.

The aggregate consideration payable under the Interfloor Acquisition Agreement was for a total enterprise value of £65,000,000 paid in cash on completion.

The warrantors thereunder gave customary warranties and tax indemnity and the Sellers gave customary warranties as to title to shares. Any claim under the warranties must be brought within 12 months of completion and within four years of Completion in respect of the tax covenant.

3.7 On 10 September 2015, the Company entered into a placing agreement with Cantor Fitzgerald (“**Placing Agreement**”), the Company’s nominated adviser and broker. Pursuant to the Placing Agreement Cantor Fitzgerald, as placing agent, undertook a placing of 2,504,223 vendor placing shares in connection with the Interfloor Acquisition Agreement and 402,633 firm placing shares all of which were admitted to trading to AIM on 14 September 2015. In addition the Company undertook a conditional placing of 711,035 shares subject to the passing of certain resolutions at the Company’s general meeting held on 6 October 2015. The Placing Agreement contained customary warranties and indemnities given by the Company to Cantor Fitzgerald.

3.8 On 7 August 2015, the Company and the sellers of Quest Carpet Manufacturing Pty Limited entered into a share and unit sale agreement pursuant to which the Company acquired the entire issued share capital of Quest Carpet Manufacturers Pty Limited and all the units of Quest Carpet Manufacturers Unit Trust (the “**Quest Acquisition Agreement**”). The initial cash consideration was A\$10.5 million payable in instalments of A\$3.5 million on the anniversary of completion for each of the next three years from completion.

3.9 On 14 January 2015, the Company and all the shareholders of the Whitestone Weavers group entered into a share purchase agreement pursuant to which the Company agreed to purchase the entire issued share capital of Whitestone Weavers Limited, Carpet Line Direct Limited, Gaskell Mackay Carpets Limited and Thomas Witter Carpets Limited (the “**Whitestone Acquisition Agreement**”).

The aggregate consideration payable under the Whitestone Acquisition Agreement was:

- an initial payment of £5,748,000 paid in cash on completion;
- deferred cash consideration of (i) £2,271,000 payable on 31 March 2015; (ii) £1,748,000 payable on April 2016; and (iii) £2,536,000 payable in January 2018; and
- deferred cash consideration entitlement of up to £1,500,000 in aggregate provided annual performance targets for increased EBITDA are achieved, payable in annual instalments of up to £0.5 million over the three years.

The aggregate liability of the sellers for all claims under the warranties and tax covenants under the Whitestone Acquisition Agreement is limited to approximately £7.4 million. The Sellers are not liable for a claim unless all claims when aggregated exceed £100,000 of which any individual claim to count towards the aggregate amount must exceed £10,000. A claim under warranties or tax covenant must be brought on or before the seventh anniversary of completion under the tax warranties or tax covenant and for all other claims within 30 months of completion.

The Sellers are subject to restrictive covenants for a period of (i) one year following that Seller’s leaver date under his service agreement; and (ii) until the expiry of the third anniversary of completion (to coincide with the earn out consideration period under the Whitestone Acquisition Agreement).



3.10 The Company, as borrower, entered into a Facility Agreement dated 10 April 2015 between the Company and certain of its subsidiaries as guarantors and Barclays Bank PLC and HSBC Bank PLC as lenders and Barclays Bank PLC as agent and security agent.

**Facility Amounts**

A £50,000,000 revolving credit facility available for drawing by way of cash advances together with bi-lateral ancillary facilities.

The Facility Agreement provides for an accordion option of up to £120,000,000 total commitments.

**Facility Term**

The Facilities are available until 10 October 2018 or such later date as the parties may agree pursuant to an extension request option of up to 365 days.

**Guarantee and indemnity**

The Company, and certain of its subsidiaries provided cross guarantees and the punctual performance by each other obligor under the agreement of their obligations under the Facility Agreement and related finance documents and undertook to indemnify the lenders against any cost, loss or liability they incur as a result of an obligor not paying any amount expressed to be payable by it under any finance document.

**Covenants**

The obligors are required to observe certain undertakings including the delivery of audited consolidated financial statement and compliance certificates, annual budget, notification of continuing defaults or material litigation, maintenance of consents and authorisations, compliance with laws, insurance and preservation of assets.

The obligors are also required to comply with certain negative undertakings including restrictions on change of business, acquisitions, joint ventures, granting security (negative pledge), incurring financial indebtedness, granting loans and guarantees and disposals.

The Facility Agreement requires compliance with certain financial covenants, namely the interest cover ratio and adjusted leverage. These financial covenants are tested on a quarterly basis.

**Mandatory prepayment**

There will be a mandatory prepayment of the Facility in certain circumstances including illegality and change of control.

The Company may voluntarily prepay the loans subject to 3 business days prior notice and in agreed minimum amounts and integral multiples.

**Security**

The Facility is secured by way of debentures over the assets of each obligor and cross guarantees and fixed charges over all freehold property and shares of the material subsidiaries.

**Events of Default**

The Facility Agreement also contains certain customary events of default for facilities of this nature, the occurrence of which will allow the lenders to accelerate all outstanding loans and terminate their commitments. The events of default include, among other things, non-payment, breach of a financial covenant, misrepresentation or breach of any other provision of the finance documents, cross-default, insolvency, the commencement of any insolvency or similar proceedings, ownership of arrangements, unlawfulness and material adverse change.

3.11 On 30 September 2014, the Company entered into a share purchase agreement with the sellers of Abingdon Flooring Limited, to acquire the entire issued share capital of Abingdon Flooring Limited and its subsidiaries Alliance Distribution Limited and Distinctive Flooring Limited (the “**Abingdon Acquisition Agreement**”).

The initial cash consideration payable on Completion was £7,655,000. Additional deferred cash consideration of up to £4,500,000 is payable to the sellers upon annual performance targets for increased EBIT being achieved over a three year period from Completion. Customary warranties and indemnities were given by the vendors.

3.12 On 30 September 2014, the Company entered into a £10,000,000 unsecured 2022 loan facility provided by Business Growth Fund (the “**Loan Note**”), which is fully subordinated to the bank lenders. The Loan Note carries a fixed coupon of 10 per cent. but with no capital repayment for the first five years, with capital then being repaid over the following three years.

3.13 On 30 September 2014 The Business Growth Fund was granted an option over 746,000 Ordinary Shares, representing 5 per cent. of the Company’s deemed enlarged share capital at the time of grant. These options have an exercise price of £2.86. The options are all exercisable inter alia, during the ‘option period’ defined as the earlier of (i) three years from the date of grant, (ii) a change of control pursuant to a takeover of the Company; and (iii) Geoffrey Wilding ceasing to be beneficially interested in 30 per cent. or more of the issued share capital of the Company.

#### **4 Directors’ Service Contracts**

##### ***Service Agreement between (1) the Company and (2) Geoffrey Wilding dated 6 October 2012***

The services of Geoffrey Wilding as executive chairman are provided under terms of a service contract dated 6 October 2012. The agreement provides for fees of £65,000 per annum. At the discretion of the Remuneration Committee, Geoffrey Wilding is entitled to receive a performance related bonus. In the absence of a breach of the service agreement, it can be terminated 3 months written notice by either party.

##### ***Service Agreement between (1) the Company and (2) Michael Scott dated 23 December 2015***

The services of Michael Scott as financial director are provided under the terms of a service agreement dated 23 December 2015. The agreement provides for a rate of remuneration of £140,000 per annum. In the absence of a breach of the service agreement, it can be terminated by six months written notice by either party.

##### ***Letter of appointment as a non-executive director from (1) the Company to (2) Alexander Anton dated 6 March 2013***

The services of Alexander Anton as a non-executive director are provided under the terms of a letter of appointment dated 6 March 2013 for an annual fee of £35,000. Alexander Anton is required to attend board meetings of the Company, Remuneration Committee meetings and Audit Committee meetings. The appointment is reviewed annually and is terminable on one months notice.

##### ***Letter of appointment as a non-executive director from (1) the Company to (2) Andrew Harrison dated 6 March 2013***

The services of Andrew Harrison as a non-executive director are provided under the terms of a letter of appointment dated 6 March 2013 for an annual fee of £35,000. Andrew Harrison is required to attend board meetings of the Company, Remuneration Committee meetings and Audit Committee meetings. The appointment is reviewed annually and is terminable on one months notice.

##### ***Letter of appointment as a non-executive director from (1) the Company to (2) Gavin Petken dated 30 September 2014***

The services of Gavin Petken as a non-executive director are provided under the terms of a letter of agreement dated 30 September 2014. No annual fee is payable to Gavin Petken. Business Growth Fund will receive an annual fee pursuant to the investment agreement with the Company in respect of Gavin Petken being an investor director. Gavin Petken is required to attend board meetings of the Company, Remuneration Committee meetings and Audit Committee meetings.

Save for Michael Scott’s service agreement, no other Director service contracts have been entered into, or amended, within the six months of the date of this document.

Save as otherwise detailed in this paragraph 4, there are no arrangements in place for the providing of any benefits upon termination of the appointment or employment of the Directors.

## 5 Market Quotations

The following table sets out the middle market quotations for an Ordinary Share, as derived from the Daily Official List of the London Stock Exchange, for the first Business Day of each of the six months immediately preceding the date of this document and on 9 August 2016 (being the latest practicable date prior to the publication of this document);

Date	Price per Ordinary Share (pence)
1 March	1,243
1 April	1,483
3 May	1,410
1 June	1,430
1 July	1,050
1 August	1,365
9 August	1,416

## 6 Other information

- (a) No agreement, arrangement or understanding (including any compensation arrangement) exists between Camden (or any person acting in concert with it) and any of the Directors, recent directors, Shareholders or recent shareholders of the Company or any person interested or recently interested in shares of the Company, having any connection with or dependence upon the offer or the implementation of the proposals set out in this document.
- (b) Camden has not entered into or reached an advanced stage of discussions on proposals to enter into any form of incentivisation arrangements with members of the Company's management who are interested in Ordinary Shares.
- (c) No agreement, arrangement or understanding exists whereby the Ordinary Shares held by Camden will be transferred to any other party. If pursuant to the buy-back authority being sought in Resolution 9 the Company purchases any Ordinary Shares, they may be held in treasury in accordance with the Act for subsequent sale, transfer for the purposes of or pursuant to employee share schemes, or cancellation as an alternative to cancelling them immediately.
- (d) Save as disclosed in the Company's preliminary results statement for the year ended 2 April 2016, issued on 26 July 2016 there has been no material or significant change in the financial or trading position of the Company since 2 April 2016, being the date of the Company's last audited accounts.
- (e) Cantor Fitzgerald has given and not withdrawn its written consent to the issue of this document with the inclusion herein of the reference to its name in the form and context in which it appears.

## 7 Documents available for inspection

Copies of the following documents will be made available for inspection on the Company's website at [www.victoriapl.com](http://www.victoriapl.com) from the date of posting of this document up to the date of the Annual General Meeting and at the place of meeting for 15 minutes prior to the AGM and during the AGM:

- (a) the memorandum and articles of association of the Company;
- (b) the Annual Report and Accounts of the Company for the two years to 2 April 2016;
- (c) the consent letter from Cantor Fitzgerald referred to in paragraph 6(e) above; and
- (d) this document.

10 August 2016

## DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

“Act”	the Companies Act 2006, as amended;
“acting in concert”	shall have the meaning ascribed thereto in the Takeover Code;
“Admission	the effective admission of the New Shares to trading on AIM pursuant to the AIM Rules;
“Annual General Meeting” or “AGM”	the annual general meeting of the Company convened for 9 September 2016, notice of which is set out at the back of this document;
“AIM”	AIM, a market operated by the London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange;
“Business day”	a day (other than a Saturday, Sunday or public holiday) when banks in the City of London are open for business;
“Cantor Fitzgerald”	Cantor Fitzgerald Europe;
“Camden”	Camden Holdings Limited, a company incorporated and registered in Guernsey with company number 58018 whose registered office is at Sarna House, Le Truchot, St Peter Port, Guernsey GY1 4NA;
“Camden Directors”	Praxis Directors One Limited and Praxis Directors Two Limited;
“Concert Party”	means as defined in Part III of this document;
“Company” or “Victoria”	Victoria PLC;
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001 as amended from time to time) in respect of which Euroclear UK & Ireland Limited is the Operator
“Directors” or the “Board”	the Directors of the Company whose names are set out on page ** of the document;
“Existing Shares”	the ordinary shares of 25p each in the capital of the Company (and each an “Existing Share”) in issue as at the date of this document;
“Form of Proxy”	the form of proxy accompanying this document for use by Shareholders in connection with the AGM;
“Group”	the Company and its subsidiaries and each a ‘Group Company’;
“Independent Directors”	all of the Directors other than Geoffrey Wilding;
“Independent Shareholders”	all the Shareholders other than Camden;
“London Stock Exchange”	London Stock Exchange plc;
“New Shares”	the new Ordinary Shares of 5p each in the capital of the Company resulting from the passing and implementation of Resolution 9 at the AGM (and each a “New Share”);
“Notice of AGM”	the notice of the 2016 annual general meeting of the Company which is set out at the end of this document;
“Ordinary Shares”	as at the date of this document, Ordinary Shares of 25p each in the capital of the Company, and following the Share Split ordinary shares of 5p each in the capital of the Company;
“Panel”	The Panel on Takeovers and Mergers;
“Proposed Buy-Back Authority”	the proposal to grant authority to the Company to purchase up to 9 Ordinary Shares (representing approximately 5 per cent. of the current issued ordinary share capital of the Company);
“Rule 9 Waiver”	the waiver by the Panel, subject to the approval of Independent Shareholders, of the obligation which would otherwise arise under Rule 9 of the Takeover Code requiring Camden to make a general offer for the issued share capital of the Company following re-purchases of Ordinary Shares by the Company pursuant to resolution 9 that could potentially increase Camden shareholding from approximately 33.46 per cent. of the issued share capital to a maximum of approximately 35.22 per cent. of issued share capital;
“Shareholders”	persons who are registered holders of Ordinary Shares from time to time;
“Share Split”	the proposed sub-division of each of the Existing Shares as described in this document;
“Takeover Code”	The City Code on Takeovers and Mergers;
“Waiver Resolution”	the ordinary resolution 10 in the form set out in the Notice of AGM; and
“Wider Concert Party”	Camden, Geoffrey Wilding and the Concert Party.

# NOTICE OF ANNUAL GENERAL MEETING

Victoria PLC (Registered No. 00282204)

(the "Company")

Notice is hereby given that the Annual General Meeting of the Company will be held at the offices of Brown Rudnick LLP, 8 Clifford Street, London W1S 2LQ on 9 September 2016 at 10.00 a.m. for the following purposes:

## Resolutions

To consider and, if though fit, to pass the following resolutions of which numbers 1 to 6 will be proposed as ordinary resolutions, numbers 7 to 9 as special resolutions and number 10 as an ordinary resolution to be taken on a poll.

1. To receive and adopt the Directors' Report, Auditor's Report and Accounts for the year ended 2 April 2016.
2. To approve the Directors' remuneration report set out in the 2016 Report and Accounts.
3. To re-elect Alexander Anton who retires by rotation in accordance with the Company's Articles of Association.
4. To elect Michael Scott as a Director, who was appointed a Director of the Company after the last Annual General Meeting and therefore is required by the Company's Articles of Association to put herself forward for election by the Company's shareholders at this Annual General Meeting.
5. To appoint Grant Thornton UK LLP as auditors of the Company, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company, and to authorise the Directors to determine their remuneration.
6. THAT each ordinary share of 25p each in the capital of the Company be and is hereby sub-divided into five ordinary shares of 5p each (the "**Share Split**"), such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the existing ordinary shares of 25p each in the capital of the Company and as set out in the Company's articles of association for the time being provided that this resolution is conditional upon, and shall take effect on, admission to trading on AIM of the new ordinary shares arising from such subdivision on 8.00 a.m. on 12 September 2016 (or such later time and/or date as the directors of the Company may, in its absolute discretion determine).
7. THAT subject to and in accordance with Article 7 of the Articles of Association of the Company, the directors of the Company be and are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (in substitution for any existing authority to allot shares) to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £1,516,132.00 provided that such authority shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution, save that the Company may before such expiry make an offer or agreement which would or might require such shares to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry, and the board may allot shares and grant rights to subscribe or convert securities into shares in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired.
8. THAT, subject to the passing of resolution 7, and in accordance with Article 7 of the Articles of Association of the Company, the board be empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities (within the meaning of section 560 of the said Act) for cash pursuant to the general authority conferred by resolution 7 and be empowered pursuant to section 573 of the said Act to sell ordinary shares (as defined in section 560 of the said Act) held by the Company as treasury shares (as defined in section 724 of the said Act) for cash as if section 561(1) of the said Act did not apply to such allotment or sale, provided that this power shall be limited to allotments of equity securities and the sale of treasury shares:
  - (a) in connection with or pursuant to an offer by way of rights, open offer or other pre-emptive offer to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient in relation to the treasury shares or to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory; and
  - (b) otherwise than pursuant to sub-paragraph (i) above, up to an aggregate nominal amount of £227,419.75;

and such power shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the board may allot equity securities or sell treasury shares in pursuance of such an offer or agreement as if the power conferred by this resolution had not expired.

9. THAT, the Company be generally and unconditionally authorised, pursuant to section 701 of the Companies Act 2006, to make one or more market purchases (as defined in section 693(4) of the Companies Act 2006) of ordinary shares (being approximately 5 per cent of the current issued ordinary share capital of the Company) on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:
- (a) the maximum aggregate number of Ordinary Shares that may be purchased is:
    - (i) if Resolution 6 is not passed 909,679 ordinary shares; or
    - (ii) if Resolution 6 is passed 4,548,395 ordinary shares;
  - (b) the minimum price which may be paid for an ordinary share is:
    - (i) 25p if Resolution 6 is not passed; or
    - (ii) 5p if Resolution 6 is passed.
  - (c) the amount paid for each share (exclusive of expenses) shall not be more than the higher of (1) five per cent. above the average market value for the five business days before the date on which the contract for the purchase is made, and (2) an amount equal to the higher of the price of the last independent trade and current independent bid as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange; and
  - (d) the authority herein contained shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2017 or 18 months after the passing of this resolution, whichever is earlier, provided that the Company may, before such expiry, make a contract to purchase its own shares which would or might be executed wholly or partly after such expiry, and the Company may make a purchase of its own shares in pursuance of such contract as if the authority hereby conferred hereby had not expired.
10. THAT, subject to the passing of Resolution 9 above, the waiver granted by the Panel on Takeovers and Mergers, described in the letter accompanying the notice convening this meeting, of the obligation under Rule 9 of the Takeover Code on Camden Holdings Limited to make a general offer to shareholders of the Company as a result of any market purchases of Ordinary Shares by the Company pursuant to the authority sought pursuant to Resolution 9 set out in the notice convening this meeting, be and is hereby approved such that if the authority to be granted by Resolution 9 was exercised in full, the aggregate interest in Ordinary Shares of Camden Holdings Limited would represent approximately 35.22 per cent. of the issued Ordinary Shares and no other options or rights to subscribe for Ordinary Shares were exercised or taken up and no issues of Ordinary Shares made and excluding for this purpose any Ordinary Shares made and excluding for this purpose any Ordinary Shares held as treasury shares. This Resolution 10 will be taken on a poll of Independent Shareholders.

By Order of the Board

**David Cressman**

Secretary

Dated: 10 August 2016

Registered office: Worcester Road, Kidderminster, Worcestershire DY10 1JR

## Notes

1. A member may appoint another person as his/her proxy to exercise all or any of his rights to attend, speak and vote at the meeting. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise rights attached to different shares held by that member. To appoint more than one proxy you may photocopy this form. Please indicate the proxy holder's name and the number of shares in relation to which he or she is authorised to act as your proxy (which, in aggregate with all other proxy appointments, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given.
2. A proxy does not need to be a member of the Company. To appoint as a proxy a person other than the Chairman of the meeting, please insert their full name in the space provided on this form. If this proxy form is signed and returned with no name provided, the Chairman of the meeting will be deemed to be your proxy. Where someone (other than the Chairman) is appointed as proxy, the appointing member is responsible for ensuring that the proxy attends the meeting and is aware of that member's voting intentions.
3. To appoint a proxy, this form must be completed and received by post or (during normal business hours only) by hand (together with any authority under which it is signed or a certified copy of such authority) at Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 10.00 am on Wednesday, 7 September 2016.
4. In the case of a member which is a company, this proxy form must be executed under its common seal or signed on its behalf by an officer or attorney of the company duly authorised in that behalf.
5. In the case of joint holders, the vote of the first named on the Register of Members who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders. The signature of any one holder will be sufficient.
6. The completion and return of this form will not preclude a member from attending the meeting and voting in person.
7. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those members registered in the Register of Members of the Company as at close of business on Wednesday, 7 September 2016 (or in the event of an adjournment, close of business on the date which is two days before the time of the adjourned meeting), shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their names at that time. Changes in the entries in the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend or vote at the meeting.
8. The "Vote withheld" option is provided to enable you to abstain on any particular resolution. However, it should be noted that a "Vote withheld" is not a vote in law and will not be counted in the calculation of the proportion of the votes "For" and "Against" a resolution.
9. If you submit more than one valid proxy appointment in respect of the same shares, the appointment received last before the latest time for the receipt of proxies will take precedence.
10. CREST members may use the CREST electronic proxy appointment service and refer to notes 10 to 13 of the Notice of annual general meeting in relation to the submission of a proxy appointment via CREST.

