

RCG CORPORATION

ABN
85 108 096 251

NOTICE OF ANNUAL GENERAL MEETING

To be held at 10:00am AEDT
on Thursday, 23 November 2017

at the offices of Accent Group
64 Balmain Street
Cremorne VIC 3121

RCG Corporation Limited

Registered office:

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Waterloo, NSW 2017

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RCG CORPORATION LIMITED

ABN 85 108 096 251

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2017 Annual General Meeting of Shareholders of RCG Corporation Limited (the **Company**) will be held at 64 Balmain Street, Cremorne VIC 3121 on Thursday, 23 November 2017 at 10:00am AEDT (the **Meeting**).

The following business will be transacted at the Meeting. The Explanatory Statement which accompanies and forms part of this Notice of Meeting (the **Notice**) describes in more detail the matters to be considered at the Meeting. Terms and abbreviations used in this Notice will, unless the context requires otherwise, have the same meaning given to them in the glossary contained in the Explanatory Statement.

In accordance with the *Corporations Act 2001* (Cth) (the **Corporations Act**), a hard copy of the Company's Annual Report for the year ended 2 July 2017 is provided to Shareholders that have specifically requested to receive one. The Company's Annual Report is available online, from the date of this Notice, at <http://rcgcorp.com.au/for-investors/annual-reports/>.

AGENDA

ORDINARY BUSINESS

Item 1: Financial Statements

To receive and consider the Financial Report of the Company, together with the Directors' Report and Auditor's Report, for the year ended 2 July 2017.

Item 2: Remuneration Report

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

"That the Remuneration Report as set out in the Annual Report of the Company for the year ended 2 July 2017 be adopted."

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

Item 3: Re-election of Directors and confirmation of appointment

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

"That, Mr Craig Thompson who retires in accordance with rule 22.1 of the Company's Constitution, and who, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

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

"That Mr Stephen Kulmar who retires in accordance with rules 22.1 and 22.2 of the Company's Constitution and ASX Listing Rule 14.4, and who, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

SPECIAL BUSINESS

Item 4: Grant of Performance Rights to a Director and related party, Mr Hilton Brett

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

"That, for the purposes of section 200B of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant by the Company to Mr Hilton Brett of 5,500,000 Performance Rights, as outlined in the Explanatory Statement which accompanies and forms part of the Notice."

Item 5: Grant of Performance Rights to a Director and related party, Mr Daniel Agostinelli

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

"That, for the purposes of section 200B of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant by the Company to Mr Daniel Agostinelli of 5,500,000 Performance Rights, as outlined in the Explanatory Statement which accompanies and forms part of the Notice."

Item 6: Change of Company name to 'Accent Group Limited'

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, for the purposes of sections 157(1)(a) and 136(2) of the Corporations Act and for all other purposes:

- (a) the Company's name be changed from 'RCG Corporation Limited' to 'Accent Group Limited'; and*
- (b) all references to 'RCG Corporation Limited' in the Company's Constitution be replaced with references to 'Accent Group Limited',*

with effect from when the Australian Securities and Investments Commission alters the details of the Company's registration in accordance with the Corporations Act."

BY ORDER OF THE BOARD

Michael Hirschowitz
Finance Director
12 October 2017

NOTES:

Voting Entitlements

Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Directors have determined that the shareholding of each Shareholder for the purposes of ascertaining the voting entitlements for the Meeting will be as it appears in the share register at 7.00pm (AEDT) on Tuesday, 21 November 2017 (the **Entitlement Time**), subject to any applicable voting exclusion. This means that if you are not the registered holder of a Share in the Company at the Entitlement Time, you will not be entitled to vote at the Meeting.

Voting and required majority

The Resolutions outlined in Items 2 – 5 are ordinary resolutions meaning that for these Resolutions to be passed more than 50% of all votes cast by Shareholders entitled to vote on the relevant Resolution (whether in person or by proxy, attorney or representative), must be in favour of the Resolution.

The Resolution outlined in Item 6 is a special resolution, requiring at least 75% of all votes cast by Shareholders entitled to vote on the relevant Resolution (whether in person or by proxy, attorney or representative), to be in favour of the Resolution.

Subject to the voting exclusions, on a show of hands every Shareholder has one vote and, on a poll, every Shareholder has one vote for each Share held.

Voting Exclusions

ASX Listing Rules

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on:

- the Resolutions proposed by Items 4 and 5, by any Director who is eligible to participate in the Performance Rights Plan in respect of which these Resolutions relate, including, in each case, their respective associates.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Corporations Act

In addition, in accordance with section 250BD of the Corporations Act, a vote on the Resolutions proposed by Items 2, 4 and 5 must not be cast by or on behalf of a person appointed (including as a proxy), where that person is either a member of the Key Management Personnel or a Closely Related Party of such person.

However, a vote may be cast by such person if:

- the vote is not cast on behalf of a person who is otherwise excluded from voting and the appointment specifies how the proxy is to vote; or
- the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

How to Vote

You may vote by attending the Meeting in person, by proxy or personal/corporate representative.

Proxies

To vote by proxy, please complete and sign the proxy form enclosed with this Notice and return it to the share registry of the Company, Computershare Investor Services Pty Limited, either:

- online www.investorvote.com.au;
- by facsimile on +6 13 9473 2555;
- by post to GPO Box 242, Melbourne, VIC 3001; or
- by delivery to Level 4, 60 Carrington Street, Sydney, NSW,

so that it is received not later than 10.00am (AEDT) on Tuesday, 21 November 2017. If the proxy is signed by an attorney, please also enclose the authority under which the proxy is signed (or a certified copy of the authority).

A proxy need not be a Shareholder of the Company.

A Shareholder entitled to cast two or more votes may appoint two proxies. Where two proxies are appointed, each proxy may be appointed to represent a specified proportion of your voting rights. If you do not specify the proportion or number, each proxy may exercise one half of the votes.

Proxies given by corporate Shareholders must be executed in accordance with section 127 of the Corporations Act, their constitutions or by their attorney or duly authorised officer.

Personal Representative

To vote by personal representative, please forward the authority under which the personal representative has been appointed (or a certified copy) to the address set out above for the return of proxy forms so that it is received no later than 10.00am (AEDT) on Tuesday, 21 November 2017.

Corporate Representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act. The Company will require a certificate of appointment of corporate representative executed in accordance with section 127 of the Corporations Act. The certificate must be lodged with the Company before the Meeting or at the registration desk on the day of the Meeting. The Company will retain the certificate.

Voting intentions and undirected proxies

Subject to any voting restrictions and exclusions, where the Chairman of the Meeting is appointed as proxy, he intends to vote all undirected proxy votes in favour of all Items (and each of the Resolutions) outlined in this Notice. This includes the Resolutions proposed by Items 2, 4 and 5 even though those Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chairman of the Company.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to assist Shareholders in considering the Resolutions set out in the Notice. It is part of, and should be read in conjunction with, the Notice. The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions set out in the Notice.

Terms used in this Explanatory Statement will, unless the context requires otherwise, have the same meaning given to them in the glossary contained in this Explanatory Statement.

ORDINARY BUSINESS

Item 1 - Financial Statements

As required by section 317 of the Corporations Act the Financial Report, Directors' Report and Auditor's Report of the Company for the most recent financial year will be presented to the meeting. There is no requirement for a formal resolution on this item.

The Chair of the Meeting will allow a reasonable opportunity at the Meeting for Shareholders to ask questions about or make comments on the management of the Company. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor, Deloitte, questions about the Auditor's Report, the conduct of its audit of the Company's Financial Report for the financial year ended 2 July 2017, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of Deloitte in relation to the conduct of the audit.

THE RESOLUTIONS

Item 2 – Remuneration Report

The Corporations Act requires listed entities to put a Remuneration Report relating to director and executive remuneration for each financial year to a resolution of shareholders at their annual general meeting. The Remuneration Report can be found in the Company's Annual Report, which can be found on the Company's website at <http://rcgcorp.com.au/for-investors/annual-reports/>.

Under section 250R(3) of the Corporations Act, the vote is advisory only and does not bind the Directors or the Company. However, if at least 25% of the votes cast on the Resolution are voted against adoption of the Remuneration Report at the meeting and then again at the 2018 Annual General Meeting, the Company will be required to put to Shareholders a resolution at the 2018 Annual General Meeting proposing the calling of an extraordinary general meeting to consider the election of Directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the 2018 Annual General Meeting. All of the Directors who were in office when the 2018 Directors' Report was considered at the 2018 Annual General Meeting, other than the Managing Director, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

In summary, the Remuneration Report:

- explains the Board's policy for determining the nature and amount of remuneration of Directors and senior managers of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- details and explains any performance conditions applicable to the remuneration of Directors and senior managers of the Company; and
- sets out remuneration details for each Director, including the value of any options granted to those persons.

Directors' Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report proposed by the Resolution in Item 2.

Item 3 - Re-election of Directors and confirmation of appointment

Background

ASX Listing Rule 14.5 imposes a requirement on the Company to hold an election of directors each year. ASX Listing Rule 14.4 provides that a director (excluding the managing director, but if there is more than one managing director, only one is entitled not to be subject to re-election) of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer.

Rule 22.1 of the Company's constitution requires one-third (or the next lowest whole number) of the Directors (excluding the managing director) to retire at the annual general meeting of the Company. Any Directors who retire in accordance with rule 22.1 of the Company's Constitution are eligible for re-election at the annual general meeting. Rule 22.2 of the Company's Constitution requires each Director (excluding the managing director) to retire from office no later than at the third annual general meeting of the Company following their last election or appointment by a general meeting. Any Directors who retire in accordance with rule 22.2 of the Company's constitution are eligible for re-election.

Item 3.1 - Re-election of Mr Craig Thompson

Craig Thompson retires in accordance with rule 22.1 of the Company's Constitution and offers himself for re-election.

Craig is a co-founder of Accent Group and was appointed Chairman upon its inception. Craig is a widely experienced company director and has been intimately involved in business in multiple sectors. Craig has held directorships in listed and private companies in media, insurance, finance, retirement villages, retailing and on-line trading sectors. Craig has been a Non-Executive Director of the Company since March 2015.

Craig is a member of the Remuneration and Nomination Committee and the Audit and Risk Committee.

Whilst in accordance with the ASX Corporate Governance Principles and Recommendations (3rd edition) Craig Thompson is defined as a non-independent director, the Board considers him to be an independent director as Craig is completely independent from the day to day operations of the business and the Board therefore believes that he is able to bring clarity and independent thought to matters before the board.

Directors' Recommendation

The Board unanimously (with Craig Thompson abstaining) supports the re-election of Craig Thompson and recommends that Shareholders vote in favour of the Resolution proposed by Item 3.1.

Item 3.2 - Re-election of Mr Stephen Kulmar

Stephen Kulmar retires in accordance with the ASX Listing Rule 14.4 and rules 22.1 and 22.2 of the Company's Constitution and offers himself for re-election.

Steve is the former CEO of IdeaWorks and is currently the CEO of Retail Oasis, a retail marketing consultancy business. Steve has over 40 years' experience in advertising and has extensive experience in retail strategy, brand strategy, channel to market strategy, business re-engineering and new retail business development. Steve sits on a number of boards as a Non-Executive Director, including Thorn Group Limited. He has been a director of RCG since August 2007.

Steve is chairman of the Remuneration and Nomination Committee.

Having had regard to the ASX Corporate Governance Principles and Recommendations (3rd edition), the Board considers Steve Kulmar to be an independent director.

Directors' Recommendation

The Board unanimously (with Stephen Kulmar abstaining) supports the re-election of Stephen Kulmar and recommends that Shareholders vote in favour of the Resolution proposed by Item 3.2.

SPECIAL BUSINESS

Items 4 and 5- Grant of Performance Rights to Executives – Mr Hilton Brett and Mr Daniel Agostinelli Background

At the Company's 2016 Annual General Meeting, Shareholders approved (among other matters):

- the issue of securities under the 'RCG Performance Rights Plan' (the **Performance Rights Plan**) for the purposes of ASX Listing Rule 7.2, Exception 9 (as a result of this approval, securities issued under the Performance Rights Plan during the 3 years following the 2016 Annual General Meeting will be treated as having been made with the approval of Shareholders for the purposes of ASX Listing Rule 7.1 and will be excluded from the 15% limit for the purposes of ASX Listing Rule 7.1); and
- the grant of 371,526 Performance Rights to each of the Company's Co-CEO's, Hilton Brett and Daniel Agostinelli.

The Performance Rights Plan was introduced following a review by the Board of the existing remuneration arrangements of the Company. For further information about the Performance Rights Plan (including a summary of its key terms) and the previous grant of Performance Rights to each of Hilton Brett and Daniel Agostinelli, please refer to the Company's 2016 Notice of Annual General Meeting and Explanatory Statement (available on the ASX announcements platform).

The Resolutions proposed by Items 4 and 5 seek Shareholder approval to grant 5,500,000 additional Performance Rights to each of Hilton Brett and Daniel Agostinelli under the Performance Rights Plan as set out in the table below. Mr Brett and Mr Agostinelli are the Company's Co-CEO's, being Directors and therefore related parties of the Company. The reason for the proposed additional grant of Performance Rights (and the quantum of those Performance Rights) to Mr Brett and Mr Agostinelli is included below under the heading 'Reason for additional grant of Performance Rights'.

Related Party - Directors	Item number	Number of Performance Rights
Mr Hilton Brett	Item 4	5,500,000
Mr Daniel Agostinelli	Item 5	5,500,000

The total number of Performance Rights proposed to be granted to Mr Brett and Mr Agostinelli under the Resolutions proposed by Items 4 and 5 is 11,000,000 Performance Rights, entitling Mr Brett and Mr Agostinelli to acquire up to a maximum of 11,000,000 Shares in aggregate if the relevant Performance Condition (as summarised below) is satisfied or otherwise in accordance with the terms of the Performance Rights Plan. There are currently 542,291,224 issued Shares in the Company (including 8,484,998 Shares subject to the RCG Employee Share Scheme restrictions) and a further 18,569,315 Performance Rights which may be exercised and converted into Shares in the Company if the relevant vesting conditions are met.

Reason for additional grant of Performance Rights

The additional grant of Performance Rights to Hilton Brett and Daniel Agostinelli is proposed following a detailed review by the Board of their existing remuneration arrangements and the general objectives and operation of the Performance Rights Plan.

The primary objective of the Performance Rights Plan is to create long term performance and retention incentives for senior management. Following the initial grant of Performance Rights in 2016, the Board's Remuneration and Nominations Committee (**RNC**) engaged in extensive discussions with senior management regarding the efficacy of that grant. Management's feedback was that both the complexity and unlikelihood of achieving the vesting hurdles, combined with the modest quantum of Performance Rights issued and the staged vesting timeline, rendered the 2016 allocations under the Performance Rights Plan of little incentive or retention value to many senior managers and other executives.

Moreover, the RNC is conscious of the significant structural changes taking place in the both Australian and global retail landscape and has determined that that the Performance Rights Plan (and the Performance Rights

granted under the Performance Rights Plan) should also align with a strategic plan intended to deliver transparent and targeted returns to shareholders over a five-year period via a combination of Earnings Per Share (EPS) growth (which should result in share price appreciation) and dividends. It should also encourage management to remain with the Company over the long term to deliver those returns to shareholders.

The Board has set a long term strategic objective of delivering shareholders 10% per annum compounding EPS growth over five years, whilst maintaining a healthy dividend payout ratio, and now seeks to align the remuneration of the Company's senior management with the Company's achievement of this long term strategic objective. The Board believes that by setting and disclosing this objective, shareholders are able to better understand and monitor the alignment between the structure and conditions of the Performance Rights Plan and shareholder wealth creation over time.

In order to account for the factors, and accommodate the objectives, outlined above, the RNC has restructured the grant terms for the 2017 Performance Rights as follows (and the Performance Rights to be granted to Mr Brett and Mr Agostinelli under the Resolutions proposed by Items 4 and 5 are structured on the following basis):

1. There will be a single Performance Condition which will be 10% compound EPS growth over the five years ending 30 June 2022. Further details of this Performance Condition are set out below under the heading 'Vesting Conditions'.
2. The quantum of the grant will be based on the aggregate value of the Long Term Incentives that would be payable to participating executives over that five year period (based on current compensation rates). That is, for the purposes of the Resolutions proposed by Items 4 and 5, the grant of 5,500,000 Performance Rights to each of Hilton Brett and Daniel Agostinelli is the aggregate Long Term Incentive that they are entitled to over the next five years. Subject to shareholder approval of the proposed grants to Mr Agostinelli and Mr Brett, it is not currently intended that they will be granted any more Performance Rights during the five-year period.
3. Subject to the Board's discretion, if either Mr Agostinelli or Mr Brett is not employed by or a director of the Company (or any other Group Company) on the testing date of the Performance Condition, all of their Performance Rights will lapse. There is therefore a considerable incentive for them to stay with the Company and deliver the targeted performance outcome.
4. Subject to the Board's discretion, if the Performance Condition is not achieved by the end of the five-year period, all of the Performance Rights will lapse.

Ultimately, in the Board's view, the Performance Condition that must be satisfied before Performance Rights vest and are exercisable links the ultimate value of the Performance Rights to the continued growth of the Company and therefore provides an incentive for Hilton Brett and Daniel Agostinelli to ensure the Company continues to deliver sustainable growth. Hilton Brett and Daniel Agostinelli face considerable ongoing responsibilities and challenges in their roles within the Group. The grant of these additional Performance Rights will provide Hilton Brett and Daniel Agostinelli, each of whom is considered to be key to the future success of the Company, with the opportunity to receive Shares in order to reward their contribution to the Company achieving the long term strategic objective set by the Board and the overall future success of the Company.

Shareholder approval – ASX Listing Rules

ASX Listing Rule 10.14 requires shareholder approval by ordinary resolution before a director can acquire securities or rights to securities under an employee incentive scheme. Accordingly, ASX Listing Rule 10.14 requires Shareholders to approve the proposed grant of Performance Rights under the Resolutions proposed by Items 4 and 5 to Hilton Brett and Daniel Agostinelli.

If approval is given for the grant of the Performance Rights under ASX Listing Rule 10.14, approval is not required for the allocation and issue of Shares on vesting and exercise of any Performance Rights under ASX Listing Rule 7.1, and separate approval is not required under ASX Listing Rule 10.11 (which provides a general restriction against issuing securities to directors without shareholder approval).

Information required by ASX Listing Rule 10.15

For the purposes of ASX Listing Rule 10.15, the following information is provided to Shareholders in relation to the Resolutions proposed by Items 4 and 5:

Information	Disclosure
The maximum number of securities that may be acquired by all persons for whom approval is required	11,000,000 Performance Rights (to acquire up to 11,000,000 Shares upon vesting). The Board retains discretion on whether entitlements to Shares will be settled via the issue of Shares or via the payment of cash in accordance with the terms of the Performance Rights Plan.
The price for each security to be acquired under the Performance Rights Plan	The Performance Rights will be granted for no consideration. In addition, once vested, the Performance Rights become immediately exercisable. Following exercise of the Performance Rights, the Company must either issue one Share for every Performance Right exercised or pay a cash amount in accordance with the terms of the Performance Rights Plan. The Shares will be issued for no consideration. No funds will be raised by the grant of the Performance Rights.
The names of all Directors (and their associates) who received securities under the Performance Rights Plan since the last approval, the number of securities received and the acquisition price for each security	The Performance Rights Plan was approved by Shareholders on 23 November 2016 at the Company's 2016 Annual General Meeting. The following Directors (and their associates) have received the following number of securities under the Performance Rights since the last approval: <ul style="list-style-type: none"> • Mr Hilton Brett: 371,526 Performance Rights; • Mr Daniel Agostinelli: 371,526 Performance Rights; and • Mr Michael Hirschowitz: 247,684 Performance Rights. The above Performance Rights were granted for no consideration following Shareholder approval at the Company's 2016 Annual General Meeting. Following exercise of the Performance Rights, the Company must either issue one Share for every Performance Right exercised or pay a cash amount in accordance with the terms of the Performance Rights Plan. The Shares will be issued for no consideration.
The names of all Directors entitled to participate in the Performance Rights Plan	All executive Directors are entitled to participate in the Performance Rights Plan, which currently includes Mr Hilton Brett, Mr Daniel Agostinelli and Mr Michael Hirschowitz. Non-executive directors are not entitled to participate in the Performance Rights Plan.
The date by which the entity will issue the securities	The Performance Rights will be issued as soon as practicable after the Meeting, but in any event no later than 12 months after the Meeting.
The maximum number of Performance Rights each Director is entitled to receive	Mr Hilton Brett: 5,500,000 Mr Daniel Agostinelli: 5,500,000

The Company advises that no loans will be made by the Company to Hilton Brett or Daniel Agostinelli in relation to the acquisition of the Performance Rights or any Shares resulting from the exercise of the Performance Rights.

A voting exclusion statement is included in the Notice.

Corporations Act - Acceleration of vesting

Part 2D.2, Division 2 of the Corporations Act provides that a listed company must not permit a person in a managerial or executive office (including a Director) to receive a benefit in connection with their retirement or removal from office or employment (**Termination Benefit**), except with respect to certain statutory exceptions, over the applicable 'base salary amount' without Shareholder approval. The 'base salary amount' is calculated as 12 months of the applicable person's base salary plus any short term benefits not dependent on performance conditions paid during the relevant period. This section of the Corporations Act, and in particular the meaning of a Termination Benefit, is subject to a broad interpretation.

Under the Performance Rights Plan, where a participant in that plan ceases to be an employee or director of a Group Company all unvested Performance Rights held by that participant will lapse. However, in such circumstances, the Board has the discretion to otherwise determine how Performance Rights are to be treated. For example, where the reason for that participant ceasing employment is because of death, total and permanent disability, retirement or redundancy (as determined by the Board) or any other reason with the approval of the Board, the Board may determine that the Performance Rights held by that participant do not lapse.

The Board has formed the view that should the Performance Rights in respect of any of Hilton Brett and Daniel Agostinelli not automatically lapse on cessation of employment, the value of the Performance Rights provided to each of those persons may be considered a Termination Benefit. Accordingly, Shareholder approval is being sought for any such benefit which Hilton Brett and Daniel Agostinelli may receive under the Performance Rights Plan.

If Shareholders approve the Resolutions proposed by Items 4 and 5, the maximum number of Performance Rights that may vest upon the retirement or removal from office of Hilton Brett or Daniel Agostinelli under the Performance Rights Plan will be the number of Performance Rights granted to them under the Resolutions proposed by Items 4 and 5 as detailed above (plus the number of Performance Rights previously granted to them at the Company's 2016 Annual General Meeting as detailed above) (as applicable). However, the actual number of Performance Rights that may vest upon retirement or removal from office (if any) will depend on a range of factors. Accordingly, the precise value of the affected Performance Rights cannot presently be ascertained at this time. Matters, events and circumstances that will, or are likely to, affect the calculation of that value include the following:

- the number of unvested Performance Rights held by Hilton Brett or Daniel Agostinelli (as applicable) prior to the cessation of engagement/employment;
- the extent to which the relevant Performance Conditions attaching to the Performance Rights before they vest and are exercisable are met at the time;
- the period that has elapsed at that time since the effective grant of the Performance Rights;
- the reasons for cessation of engagement/employment;
- the number of Performance Rights that vest; and
- the Company's share price at the date of vesting.

The Company will calculate the value of the Performance Rights on the basis of the prevailing share price of the Company at the time.

Corporations Act - Related Party Transactions

Section 208 of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless the giving of the financial benefit falls within one of the permitted exceptions or prior shareholder approval is obtained to giving the financial benefit. For the purposes of Section 208 of the Corporations Act:

- directors of a company and an entity controlled by a director of the company are considered to be a related party; and
- the issuing of securities or granting of an option is an example of the giving of a financial benefit.

Section 211 of the Corporations Act provides an exception to the requirement to obtain shareholder approval for giving a financial benefit to a related party, where the financial benefit is remuneration to a related party as an officer or employee of a public company (or other prescribed entity) and where to give the remuneration would be reasonable given the circumstances of the public company (or entity giving the remuneration) and the related party's circumstances (including the responsibilities involved in the office or employment).

The Company considers that the exception in section 211 of the Corporations Act applies to the proposed grant of Performance Rights under the Resolutions proposed by Items 4 and 5 to Hilton Brett and Daniel Agostinelli given the circumstances of the Company and the circumstances of each of Hilton Brett and Daniel Agostinelli.

Vesting Conditions

Under the Performance Rights Plan, Performance Rights are granted but only vest subject to the achievement (or waiver in certain circumstances) of specific conditions as outlined below.

1. As described above, the first condition is a Performance Condition set by the Board for the proposed grant of Performance Rights to Hilton Brett and Daniel Agostinelli, as follows:
 - 10% compound growth in Adjusted Diluted Earnings Per Share (**ADEPS**).

The ADEPS Performance Condition is measured over a 5-year period commencing 1 July 2017.

The ADEPS Performance Condition has been set to reflect the long term strategic objective set by the Board of delivering shareholders 10% per annum compounding EPS growth over five years, whilst maintaining a healthy dividend payout ratio.

ADEPS is equal to the reported diluted earnings per share, adjusted only for the cost of the rights issued under the Performance Rights Plan (and any other adjustments that the Board, in its absolute discretion, deems reasonable).

It is important to note that the Performance Condition is binary. That is:

- if the Performance Condition is met, 100% of the Performance Rights vest at the end of FY2022; or
- if the Performance Condition is not met, 0% of the Performance Rights vest at the end of FY2022 (subject to the waiver of the Performance Condition to the extent permitted under the Performance Rights Plan),
- subject to the satisfaction or waiver of any other vesting conditions.

The Performance Condition is not retested if not met and any Performance Rights will lapse, subject to the waiver of the Performance Condition to the extent permitted under the Performance Rights Plan.

2. The second condition is that Hilton Brett and Daniel Agostinelli must be employed by or a director of a Group Company on the testing date of the above Performance Condition (unless this condition is waived in certain circumstances).

Directors' Recommendations

The Board unanimously (other than Hilton Brett) recommends that Shareholders vote in favour of the Resolution proposed by Item 4.

The Board unanimously (other than Daniel Agostinelli) recommends that Shareholders vote in favour of the Resolution proposed by Item 5.

The Chairman intends to exercise all available proxies in favour of the Resolutions proposed by Items 4 and 5.

Item 6: Change of company name to 'Accent Group Limited'

Background

The Resolution contained in Item 6 seeks Shareholder approval to change the Company's name from 'RCG Corporation Limited' to 'Accent Group Limited', and to amend the Company's Constitution to reflect the change of name. The Board has approved this change of name subject to the approval by Shareholders of this Resolution.

The Accent Group was acquired by the Company in May 2015. Accent is now by far the most substantial operating segment in the Group, contributing over 80% of Group's EBITDA for the year ended 02 July 2017. The Board considers that the change of name is appropriate so as to align the identity of the Company with the underlying operating businesses.

Reason for the Resolution

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name. Section 136(2) of the Corporations Act provides that a company may modify its constitution, or a provision of its constitution, by special resolution.

This Resolution is a special resolution and requires approval of 75 per cent or more of all votes cast by or on behalf of Shareholders present and eligible to vote.

If this Resolution is approved by Shareholders, in accordance with section 157(3) of the Corporations Act, the change of name will take effect when ASIC alters the details of the Company's registration to note the change of name. The Company's ASX listing code will change from "RCG" to "AX1" if Shareholders approve this Resolution.

If this Resolution is not approved by Shareholders, the name of the Company will remain as 'RCG Corporation Limited'.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of the Resolution proposed by Item 6.

GLOSSARY

In this Notice, the following items have the following meanings unless the context requires otherwise:

\$ means Australian Dollars.

AEDT means Australian Eastern Daylight Savings Time as observed in Sydney, Australia.

ASX means ASX Limited ACN 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules means the official listing rules of the ASX.

Board means the current board of directors of the Company.

Closely Related Party has the meaning as defined in section 9 of the Corporations Act.

Company means RCG Corporation Limited (ACN 108 096 251).

Constitution means the Company's Constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

EBITDA means earnings before interest, tax, depreciation and amortisation.

Entitlement Time means 7.00pm (AEDT) on Tuesday, 21 November 2017.

Explanatory Statement means the explanatory statement accompanying and forming part of this Notice.

Group means the Company and the subsidiaries of the Company from time to time.

Group Company means any body corporate or entity which is a member of the Group.

Items means the items set out in this Notice, or any one of them, as the context requires.

Key Management Personnel has the meaning as defined in section 9 of the Corporations Act.

Meeting means the 2017 Annual General Meeting of Shareholders to be held at 64 Balmain Street, Cremorne VIC 3121 on Thursday, 23 November 2017 at 10:00am AEDT.

Notice means this Notice of Annual General Meeting (including the Explanatory Statement and the Proxy Form).

Performance Rights Plan means the employee incentive scheme of the Company titled the 'RCG Performance Rights Plan' adopted by the Board on 14 October 2016.

Performance Condition means any condition determined by the Board which must be satisfied or circumstances which must exist before a Performance Right vests and a person who holds a Performance Right can, if they so determine, exercise the Performance Right.

Proxy Form means the proxy form accompanying this Notice.

Related Body Corporate has the meaning set out in in section 50 of the Corporations Act.

Resolutions means the resolutions proposed by the Items set out in this Notice, or any one of them, as the context requires.

Remuneration Report means the remuneration report set out in the Director's Report section of the Company's annual financial report for the year ended 2 July 2017.


RNC means the Remuneration and Nominations Committee of the Board.


Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

RCG
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

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 850 505
(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: 999999

SRN/HIN: I9999999999 PIN: 99999

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 (AEDT) on Tuesday, 21 November 2017**

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

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

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

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

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

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com 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** →

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

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.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of RCG Corporation 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 members of RCG Corporation Limited to be held at 64 Balmain Street, Cremorne VIC 3121 on Thursday, 23 November 2017 at 10:00am (AEDT) 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 and 5 (except where I/we have indicated a different voting intention below) even though Items 2, 4 and 5 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 and 5 by marking the appropriate box in step 2 below.

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.

STEP 2 Items of Business

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

ORDINARY BUSINESS

	For	Against	Abstain
2 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.1 Re-election of Mr Craig Thompson as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.2 Re-election of Mr Stephen Kulmar as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Grant of Performance Rights to a Director and related party, Mr Hilton Brett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Grant of Performance Rights to a Director and related party, Mr Daniel Agostinelli	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SPECIAL BUSINESS

6 Change of company name to 'Accent Group Limited'	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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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

/ /

RCG

999999A

Computershare +