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If you sell or transfer or have sold or transferred all of your Ordinary Shares, please forward this Document, with the accompanying Second Form of Proxy, as soon as possible to the purchaser or transferee or to the bank, stockbroker or other agent through or to whom the sale or transfer was effected for onward transmission to the purchaser or transferee for delivery to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of Ordinary Shares, please consult the bank, stockbroker or other agent through whom the sale or transfer was effected as to the action you should take.

VICTORIA PLC

(Incorporated and registered in England & Wales with registered number 00282204)

Explanatory Circular and Additional Annual General Meeting Resolutions

This Document should be read in its entirety. Your attention is drawn to the letter from your Chairman which is set out on pages 3 to 6 of this Document. The letter contains a recommendation to vote in favour of the Additional Resolutions to be proposed at the Annual General Meeting referred to below.

The Annual General Meeting of the Company is to be held at the Company's registered office, Worcester Road, Kidderminster, Worcestershire DY10 1JR at 11:00 a.m. on 31 August 2012. A Second Form of Proxy for use in connection with the Additional Resolutions to be proposed at the Annual General Meeting is enclosed and, to be valid, should be completed and returned as soon as possible, but in any event, so as to be received at the Company's registered office, Worcester Road, Kidderminster, Worcestershire DY10 1JR, by not later than 11:00 a.m. on 29 August 2012. Return of a Second Form of Proxy will not prevent Shareholders from attending the Annual General Meeting.

DEFINITIONS

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

“Additional Resolutions”	the additional ordinary resolutions to be proposed at the Annual General Meeting, the terms of which are set out on page 7 of this Document
“Annual General Meeting” or “AGM”	the Annual General Meeting of the Company convened by the Notice of General Meeting to be held at the Company’s registered office, Worcester Road, Kidderminster, Worcestershire DY10 1JR at 11:00 a.m. on 31 August 2012
“Annual Report”	the annual report of the Company for the year ended 31 March 2012 which was posted to shareholders on 30 July 2012
“Articles”	the articles of association of the Company
“Company” or “Victoria”	Victoria PLC, a company registered in England and Wales under the Companies Act with registered number 00282204
“Directors” or “Board”	the board of directors of the Company from time to time
“Document”	this document
“Former Directors”	Geoff Wilding, Alexander Anton and Sir Bryan Nicholson
“New Directors”	David Garman and Roger Hoyle
“Notice of AGM”	the notice of the Annual General Meeting which accompanied the Annual Report
“Ordinary Shares” or “Shares”	ordinary shares of 25 pence each in the capital of the Company
“Second Form of Proxy”	the additional form of proxy accompanying this Document for use by Shareholders in connection with the Additional Resolutions and the resolutions to re-elect Mr Bullock and Mr Poynter to be proposed at the Annual General Meeting
“Shareholders”	holders of the Ordinary Shares from time to time
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland

LETTER FROM THE CHAIRMAN

VICTORIA PLC

Incorporated and registered in England & Wales with registered number 00282204

Directors

Katherine Innes Ker, *Non-executive Chairman*
Alan Bullock, *Group Managing Director*
Barry Poynter, *Executive Director*
David Garman, *Non-executive Director*
Roger Hoyle, *Non-executive Director*

Registered Office

Worcester Road
Kidderminster
Worcestershire
DY10 1JR

23 August 2012

Dear Shareholder

1. Introduction

The Company announced on 8 August 2012 that it had appointed David Garman and Roger Hoyle as new independent non-executive directors to the Board.

Under the Articles, the New Directors are required to retire at the forthcoming Annual General Meeting and the Board is seeking their re-election to the Board. Accordingly, the Board is proposing to add the following additional resolutions to be considered at the Annual General Meeting:

1. To re-elect David Garman as a Director of the Company; and
2. To re-elect Roger Hoyle as a Director of the Company.

Biographical details of each of the New Directors are set out below. A Second Form of Proxy is enclosed with this Document for use in connection with the Additional Resolutions.

The Board recommends that Shareholders vote FOR the re-appointment of the New Directors pursuant to the Additional Resolutions.

This Document sets out further details of the background to the appointment of the New Directors and should be read in its entirety.

Shareholders should also note that, on 15 August 2012, the Company received a valid requisition pursuant to Section 303 of the Companies Act 2006 requiring it to convene a general meeting of the Company. The requisition was received by the Company from HSBC Global Custody Nominee (UK) Limited, as the holder of shares held beneficially on behalf of New Fortress Finance Holdings Limited, and proposes ordinary resolutions:

- (a) to remove Katherine Innes Ker, Roger Hoyle, David Garman and any director appointed pursuant to article 81.1 of the Company's articles of association after 13 August 2012 as directors of the Company; and
- (b) to appoint Alexander Anton, Geoffrey Wilding and Andrew Harrison as directors of the Company.

The Company confirms that the Board will make the necessary arrangements to convene the requisitioned general meeting within the required timetable and will send a circular to Shareholders convening the meeting by 5 September 2012.

2. Background

Shareholders will recall that at a general meeting of the Company held on 6 March 2012, Geoff Wilding, Alexander Anton, Sir Bryan Nicholson and I were appointed as directors of the Company.

In seeking to be appointed as directors of your Company, the four of us stated that our strategy for the Company was “*positive, straightforward and achievable*” and was “*intended to maximise value and returns for all shareholders*”.

We indicated that we would carry out a “*full strategic review*” and that we did not want the Company “*sold, partially sold or otherwise dismembered... at this low point in the economic cycle*”.

In the period since then, the Board has undertaken a strategic review of the Company’s businesses and has concluded that Victoria’s ongoing strategy should be to continue developing its Australian and UK businesses through sales growth, margin enhancement and a shift towards a distribution based business from its historic manufacturing and supply model. The Board has also concluded that corporate M&A activity would be considered where there are opportunities to generate accelerated returns to Shareholders.

The Directors are clear that the best interests of all Shareholders will be served by the adoption of the strategy outlined above, including an acceleration of returns to Shareholders where appropriate.

3. Board differences

Significant differences unfortunately arose between the Former Directors and the rest of the Board, including me, in relation to the execution of the Company’s strategy in circumstances where the Former Directors expected a significant financial interest in its outcome.

In connection with the implementation of the strategy referred to above, the Former Directors, who were all non-executive directors, proposed that an incentive scheme should be set up under which they would potentially receive a substantial share of returns made to Shareholders.

The terms of the proposed scheme provided for them to make a £250,000 payment to the Company and in return to receive 50 per cent. of all returns of value to Shareholders above £3 per share, provided that £3 per share could be returned to Shareholders within two years.

The members of the Board, excluding the Former Directors, considered the terms of the proposed incentive scheme and, with the benefit of independent advice, concluded that it was not fair and reasonable to all Shareholders and so we could not recommend it to Shareholders. The provision of such an incentive to non-executive directors runs completely contrary to the principles set out in the UK Corporate Governance Code and the guidelines of the Association of British Insurers. In addition, value creation schemes of this kind are uncommon and the quantum of the proposed benefit for participants was wholly out of line with what the Board considered was reasonable, taking into account Shareholders’ interests.

Alternative proposals

Discussions with the Former Directors regarding alternative incentive scheme structures continued but the Board did not manage to reach agreement on a scheme which both met the remuneration expectations of the Former Directors and was also one which the rest of the Board could recommend as being fair and reasonable to all Shareholders.

The proposal that was made to the Former Directors was for a scheme that rewarded the participants, provided they took an executive position with the Company, if the returns made to Shareholders exceeded £4 per share. The proposal was that the participants should be entitled to be remunerated with 50 per cent. of the returns in excess of £4 per share, but subject to an overall cap of 10 per cent. of the total returns to Shareholders. The Former Directors rejected this proposal.

The Former Directors did, however, acknowledge in due course that the original scheme proposed by them could not be implemented, given the Board’s decision that it could not be recommended to Shareholders.

4. Board changes

As a consequence of the failure to agree the terms of an incentive scheme, the relationship between the Former Directors and the rest of the Board deteriorated rapidly. The differences between the Former Directors and the rest of the Board, as to how best to execute the Company's strategy for the benefit of all Shareholders and how proceeds arising from implementation of the strategy should be distributed, became irreconcilable.

At a Board meeting on 8 August 2012, the rest of the Board asked the Former Directors to consider their position on the Board in light of the irreparable breakdown in the relationship between the Former Directors and the rest of the Board, the need to ensure that the Company has a stable governance framework in place, and the overriding duty of the Board to act in the best interests of Shareholders as whole and informed them that the alternative would be for the Board to remove them. The Former Directors resigned as directors in response to this.

5. The New Directors

The New Directors bring significant public company and relevant industry expertise and experience to the Board.

David Garman

Mr. Garman brings to Victoria a wealth of public company experience in addition to significant knowledge gained during a 35 year career within the manufacturing and logistics services sectors.

He is currently a Non-Executive Director of Phoenix IT Group plc, and the Senior Independent Director of St. Modwen Properties plc, positions he has held since 2008 and 2010 respectively. In addition, he chairs the Boards of two private equity backed companies, Deritend Industries Limited and JLA Limited.

In 1999, he was appointed Chief Executive of TDG, a listed logistics business, and over his nine year tenure developed the business from its roots in the UK into a European logistics and supply chain company, until it was sold in 2008.

Prior to taking up his role at TDG, he spent 26 years in the food industry, working at United Biscuits for 20 years in a variety of management roles. From 1993 until 1999 he worked for Associated British Foods, where he was a Director and Chief Executive of its Allied Bakeries subsidiary.

Since 2008, Mr. Garman has focused on assisting public and private businesses in the development of their operational strategies. He has advised on a broad spectrum of subjects from business analytics and due diligence, to strategy development and performance improvement, ultimately for the benefit of stakeholders.

Mr. Garman will join the Group's Audit, Remuneration and Nomination Committees.

Roger Hoyle FCA

A Chartered Accountant, Mr. Hoyle brings a strong background in corporate finance and business to the Company. His City career began in investment banking with County Bank before joining N M Rothschild, where he spent a decade. Based in Manchester, he helped build a growing corporate finance practice, advising a wide range of businesses involved in manufacturing.

He later moved into executive search and recruitment, founding Ashley Hoyle Limited in 1999, where he has driven its growth strategy and developed a leading position for the company within the senior management recruitment sector.

Mr Hoyle is also a Non-Executive Director of the venture and growth capital fund management company, Enterprise Ventures Group Limited.

Mr. Hoyle will join the Group's Audit, Remuneration and Nomination Committees.

The Board is confident that David Garman and Roger Hoyle will contribute hugely to the successful execution of the strategy outlined in paragraph 2 above for the benefit of all Shareholders

6. Action to be taken

You will find enclosed a Second Proxy Form with this document for use at the Annual General Meeting. Whether or not you propose to attend the Annual General Meeting in person, please complete the Proxy Form and return it to the Company Secretary at the Company's registered office: Worcester Road, Kidderminster, Worcestershire DY10 1JR so as to arrive as soon as possible, but in any event so as to be received before 11.00 a.m. on 29 August 2012 to be valid. Completion and return of a Second Proxy Form will not preclude you from attending and voting at the Annual General Meeting in person should you subsequently decide to do so.

Shareholders should also be aware that both of the executive Directors, Alan Bullock and Barry Poynter, will retire by rotation at the AGM and resolutions are being proposed for their re-election. It is vital for the well-being of the Company, and in the best interests of all Shareholders, that there continues to be a strong and experienced executive team at Victoria. Shareholders should use the form of proxy which accompanied the Notice of AGM or the accompanying Second Form of Proxy for voting on the re-election of Alan Bullock and Barry Poynter.

If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.

7. Recommendation

The Board is of the opinion that the re-election of David Garman and Roger Hoyle is in the best interests of Shareholders as a whole and accordingly unanimously recommends that all Shareholders vote in favour of their re-election at the Annual General Meeting on 31 August 2012.

The Board is also of the opinion that the re-election of Alan Bullock and Barry Poynter is in the best interests of Shareholders as a whole and accordingly unanimously recommends that all Shareholders vote in favour of their re-election at the AGM.

Yours sincerely

Katherine Innes Ker
Chairman

ADDITIONAL RESOLUTIONS

of

VICTORIA PLC

At the Annual General Meeting of the Company to be held at the Company's registered office, Worcester Road, Kidderminster, Worcestershire DY10 1JR at 11:00 a.m. on 31 August 2012 the following Additional Resolutions will be proposed as ordinary resolutions:

1. To re-elect David Garman as a Director of the Company;
2. To re-elect Roger Hoyle as a Director of the Company

BY ORDER OF THE BOARD

Terry Danks,
Company Secretary

Registered Office
Worcester Road
Kidderminster
Worcestershire
DY10 1JR

23 August 2012

Notes:

1. Shareholders entitled to attend and to speak and vote at the Annual General Meeting are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A Second Proxy Form which may be used to make such appointment and give proxy instructions accompanies this Document, or for shareholders who have agreed to the Company sending or supplying documents via the Company's website, a proxy form shall be sent to shareholders with the letter notifying them of the publication of this document.
2. If you are not a member of the Company but you have been nominated by a member of the Company under section 146 of the 2006 Act to enjoy information rights, you do not automatically have a right to appoint any proxies in respect of the Annual General Meeting. Instead please see note 9 below.
3. To be valid, any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at the Company's registered office at Victoria PLC, Worcester Road, Kidderminster, Worcestershire, DY10 1JR no later than 11.00am on Wednesday, 29 August 2012.
4. The return of a completed proxy form will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
5. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at the offices of Capita Registers, 34 Beckenham Road, Beckenham, Kent BR3 4TU at 11.00 am on Wednesday, 29th August 2012 (or, in the event of any adjournment, on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
6. As at 22 August 2012 (being the latest practicable date for preparation of this Notice), the Company's issued share capital consisted of 6,943,556 Ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 22 August 2012 was 6,943,556. The website referred to in note 12 below will include equivalent information on the number of issued shares and voting rights.
7. Shareholders should note that it is possible that, pursuant to requests made by shareholders of the Company satisfying the thresholds under section 527 of the 2006 Act, the Company may be required to publish a statement on its website setting out any matter relating to: (i) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstances connected with an auditor of the Company ceasing

to hold office since the last Annual General Meeting. The Company cannot require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the 2006 Act. Where the Company is required to place a statement on its website under section 527 of the 2006 Act, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the 2006 Act to publish on a website.

8. Any person to whom this notice is sent who is a person nominated under section 146 of the 2006 Act to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated (a "Relevant Member"), have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Relevant Member as to the exercise of voting rights. Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.
9. Any corporation which is a member may authorise a person or persons to act as its representative(s) at the Annual General Meeting. In accordance with the provisions of the 2006 Act, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual shareholder of the Company, provided that they do not do so in relation to the same shares.
10. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
11. A copy of this Notice, and other information required by section 311A of the 2006 Act, can be found at <http://www.victoriapl.com/victoriapl/investors/agmdetails>.