

## Form 603

Corporations Act 2001  
Section 671B

## Notice of initial substantial holder

To Company Name/Scheme **RCG Corporation Limited**

ACN/ARSN

**1. Details of substantial holder (1)**Name **RCG Corporation Limited and each of the companies set out in part 1 of annexure A**  
ACN/ARSN (if applicable) **108 096 251**The holder became a substantial holder on **3/8/07****2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

| Class of securities (4) | Number of securities | Person's votes (5) | Voting power (6) |
|-------------------------|----------------------|--------------------|------------------|
| <b>Ordinary</b>         | 14,912,013           | 14,912,013         | 11.34%           |
|                         |                      |                    |                  |

**3. Details of relevant interests**

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

| Holder of relevant interest    | Nature of relevant interest (7) | Class and number of securities |
|--------------------------------|---------------------------------|--------------------------------|
| <b>RCG Corporation Limited</b> | See part 2 of annexure A        | 14,912,013 ordinary shares     |
|                                |                                 |                                |

**4. Details of present registered holders**

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

| Holder of relevant interest    | Registered holder of securities | Person entitled to be registered as holder (8) | Class and number of securities |
|--------------------------------|---------------------------------|--|--------------------------------|
| <b>RCG Corporation Limited</b> | Rosedale Road Pty Limited       | Rosedale Road Pty Limited                      | 13,490,913 ordinary shares     |
| <b>RCG Corporation Limited</b> | R&R Super Pty Limited           | R&R Super Pty Limited                          | 1,421,100 ordinary shares      |
|                                |                                 |  |                                |

**5. Consideration**

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

| Holder of relevant interest | Date of acquisition | Consideration (9) |          | Class and number of securities |
|-----------------------------|---------------------|-------------------|----------|--------------------------------|
|                             |                     | Cash              | Non-cash |                                |
| See part 2 of annexure A    |                     |                   |          |                                |
|                             |                     |                   |          |                                |
|                             |                     |                   |          |                                |

**6. Associates**

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

| Name and ACN/ARSN (if applicable) | Nature of association                                |
|-----------------------------------|--|
| See part 1 of annexure A          | Wholly owned subsidiaries of RCG Corporation Limited |
|                                   |  |

**7. Addresses**

The addresses of persons named in this form are as follows:

| Name                                 | Address                                   |
|--------------------------------------|---|
| Each of the Substantial Shareholders | Unit 8, 29 Bridge Road, Stanmore NSW 2048 |
|                                      |   |

**Signature**

print name **Howard Knapp**

capacity **Company Secretary**

sign here

*H. Knapp*

date **7/8/07**

*J. W. Mans*

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Company Secretary  
Dated: 7 August 2007

## ANNEXURE A

### Part 1

King of Knives Pty Ltd ACN 003 232 531  
King of Knives Franchising Pty Ltd ACN 111 948 979  
HMC Imports Pty Ltd ACN 125 433 972  
King of Knives Limited (Incorporated in New Zealand)  
The Athlete's Foot Australia Pty Ltd ACN 001 777 582  
TAF Constructions Pty Ltd ACN 097 684 430  
Amazing Paint Discounts Pty Ltd (Subject to Deed of Company Arrangement) ACN 003 006 326  
ACN000099347 Pty Ltd (Subject to Deed of Company Arrangement) ACN 000 099 347  
Aymtold Pty Ltd (Subject to Deed of Company Arrangement) ACN 003 414 177  
Barrojest Pty Ltd (Subject to Deed of Company Arrangement) ACN 003 549 666  
Heritage Paints Pty Ltd (Subject to Deed of Company Arrangement) ACN 003 002 908  
Toveken Pty Ltd (Subject to Deed of Company Arrangement) ACN 003 562 114  
Brynex Pty Ltd (Subject to Deed of Company Arrangement) ACN 003 408 786  
Monto Pty Ltd (Subject to Deed of Company Arrangement) ACN 055 270 749

### Part 2

RCG Corporation Limited entered into a Deed of Guarantee and Indemnity with Tricom Nominees Pty Limited on 3 August 2007. Pursuant to that agreement, RCG Corporation Limited has the right to direct Tricom Nominees Pty Limited to enforce its powers under Share Mortgages between Tricom and each of Rosedale Road Pty Limited and R&R Super Pty Limited. The Share Mortgages take security over shares in RCG Corporation Limited held by Rosedale Road Pty Limited and R&R Super Pty Limited. The Deed of Guarantee and Indemnity and Share Mortgages together secure certain obligations of King of Knives Holdings Pty Limited and King of Knives Holdings (NZ) Limited as buyers under Share Sale Agreements entered into with RCG Corporation Limited on 3 August 2007 in connection with the sale of the King of Knives subsidiaries.