

Announcement Summary

Entity name

ADAIRS LIMITED

Date of this announcement

Monday December 13, 2021

The +securities the subject of this notification are:

😇 +Other securities issued under an +employee incentive scheme that are not intended to be quoted on ASX

Total number of +securities to be issued/transferred

ASX +security code	Security description	Total number of +securities to be issued/transferred	Issue date
ADHAA	OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES	785,000	06/12/2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of entity

ADAIRS LIMITED

We (the entity named above) give notice of the issue, conversion or payment up of the following unquoted +securities.

1.2 Registered number type ABN Registration number 50147375451

1.3 ASX issuer code ADH

1.4 The announcement is

Solution New announcement

1.5 Date of this announcement

13/12/2021



Part 2 - Issue details

2.1 The +securities the subject of this notification are:

C +Other securities issued under an +employee incentive scheme that are not intended to be quoted on ASX

2.2a This notification is given in relation to an issue of +securities in a class which is not quoted on ASX and which:

☑ has an existing ASX security code ("existing class")



Part 3B - number and type of +securities the subject of this notification (existing class) where issue has not previously been notified to

ASX in an Appendix 3B

ASX +security code and description

ADHAA : OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES

Date the +securities the subject of this notification were issued

6/12/2021

Were any of the +securities issued to +key management personnel (KMP) or an +associate? No No

Please provide a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms

The Options have been granted under the Adairs Limited Equity Incentive Plan. The key terms are detailed in pages 26-41 of the Annual Report 2021 (<u>https://investors.adairs.com.au/DownloadFile.axd?file=/Report/ComNews/20210820/02</u> 409401.pdf). A summary of the performance and service conditions are set out below.

Issue Price: nil

Exercise Price: \$3.16

Performance condition

Focus on Furniture (FoF) EBIT over FY23 & % of Options that vest

- ¿ \$15m -> 0%
- ¿ Between \$15m and \$17.5m -> Pro-rata vesting on a straight line basis between 50% and 100%
- ¿ \$17.5m -> 100%
- Service condition

the Option holder must remain employed on a full-time basis and must not have resigned from the Group;

If the above conditions are satisfied (as determined by the Board), the Options will vest and become capable of exercise between 1 September 2023 and 30 September 2024, after which any unexercised Options will lapse.

Any other information the entity wishes to provide about the +securities the subject of this notification



Issue details

Number of +securities

785,000



Part 4 - +Securities on issue

Following the issue, conversion or payment up of the +securities the subject of this application, the +securities of the entity will comprise: (A discrepancy in these figures compared to your own may be due to a matter of timing if there is more than one application for quotation/issuance currently with ASX for processing.)

4.1 Quoted +Securities (Total number of each +class of +securities quoted)

Total number of ASX +security code and description +securities on issue ADH : ORDINARY FULLY PAID 170,889,856

4.2 Unquoted +Securities (Total number of each +class of +securities issued but not quoted on ASX)

Total number of +securities on issue ASX +security code and description

14,725,000

ADHAA : OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES



Part 5 - Other Listing Rule requirements

5.1 Were the +securities issued under an exception in Listing Rule 7.2 and therefore the issue did not need any security holder approval under Listing Rule 7.1? ☑ No

5.2b.1 How many +securities are being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

785,000

5.2c Are any of the +securities being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)? ⓒ No