

15 May 2018

to Adairs Limited
2 International Court,
SCORESBY,
VIC, 3179,
Australia

cc Australia Stock Exchange
Exchange Centre,
20 Bridge Street,
Sydney, NSW, 2000

subject **Substantial holding disclosure – Adairs Limited ("ADH")**

Dear Sir / Madam

UBS AG, Australia Branch ("**UBS**") is underwriting a secondary block ("**Block Trade**") of ordinary securities in ADH.

UBS entered into an agreement with respect to the Block Trade on 11 May 2018 ("**Block Trade Agreement**"). Through the operation of section 608(8) of the Corporations Act 2001 (Cth), UBS has obtained a relevant interest in approximately **7.69%** of ADH's ordinary securities.

Attached to this letter is UBS's substantial holder notice that has been lodged with the ASX containing details of this relevant interest (including a copy of the Block Trade Agreement).

Upon settlement of the Block Trade, UBS in its capacity as underwriter of the Block Trade will cease to have a relevant interest in the ADH ordinary securities the subject of the Block Trade.

Yours sincerely,

UBS Group AG



Serene Peh
Group Risk Control



Philip Alexander
Group Risk Control

Form 603

Corporations Law
Section 671B

Notice of initial substantial holder

To: Company Name/Scheme **ADAIRS LIMITED**

ACN/ARSN **147 375 451**

1. Details of substantial holder (1)

Name: **UBS Group AG and its related bodies corporate**

ACN/ARSN (if applicable)

The holder became a substantial holder on: **11 May 2018**

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	Persons' votes (5)	Voting power (6)
Ordinary	12,751,626	12,751,626	7.69%

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	
UBS AG London Branch	Power to control disposal over shares pursuant to stock borrowing and lending activities (see Appendix A)	200,000	Ordinary
UBS Securities Australia Ltd	Beneficial Owner	51,626	Ordinary
UBS AG, Australia Branch	Relevant interest in Adairs Limited shares to the extent arising under the terms of the Block Trade Agreement ("BTA") between UBS AG, Australia Branch and each vendor listed in Schedule 1 of the BTA to the extent arising under section 608(8) of the Corporations Act 2011 (Cth). (See Appendix B)	12,500,000	Ordinary

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	
UBS AG London Branch	Various Custodians	UBS AG London Branch	200,000	Ordinary
UBS Securities Australia Ltd	Brispot Nominees Pty Ltd	UBS Securities Australia Ltd	51,626	Ordinary

UBS AG, Australia Branch	Each vendor listed in Schedule 1 of the BTA	Each vendor listed in Schedule 1 of the BTA	12,500,000	Ordinary
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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	
Please see Appendix C.				

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
UBS AG London Branch	Related body corporate
UBS Securities Australia Ltd	Related body corporate
Brispot Nominees Pty Ltd	Related body corporate
UBS AG, Australia Branch	Related body corporate

7. Addresses

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

Name	Addresses
Details of all UBS offices can be found through the following link: http://apps2.ubs.com/locationfinder/	

SIGNATURE

Print Name: Philip Alexander

Capacity: Authorised signatory

Sign Here: 

Date: 15 May 2018

Print Name: Serene Peh

Capacity: Authorised signatory

Sign Here: 

Date: 15 May 2018

Contact details for this notice:

Serene Peh
Group Risk Control
(T) +65 6495 5283

Holder of relevant interest	UBS AG, London Branch
Type of agreement	Securities Lending Agreement
Parties to agreement	(i) UBS AG, London Branch ("UBS AG")/ UBS Limited (ii) Client (Please refer to Appendix A-1.)
Transfer date	Please refer to Appendix A-1.
Holder of voting rights	UBS AG/ UBS Limited
Are there any restrictions on voting rights?	Please refer to the details below.
If yes, detail	Since all right and title in the securities passes to the transferee (i.e. UBS AG/ UBS Limited), the transferee has the right to vote. However, in certain circumstances, the transferee may seek to arrange for voting rights to be exercised in accordance with the instructions of the transferor (i.e. Client).
Scheduled return date (if any)	None.
Does the borrower have the right to return early?	Yes.
If yes, detail	The borrower (i.e. UBS AG/ UBS Limited) has the right to return at its discretion subject to the terms of the relevant loan.
Does the lender have the right to recall early?	Yes.
If yes, detail	The lender (i.e. Client) can recall at its request subject to compliance with margin requirements and the terms of the relevant loan.
Will the securities be returned on settlement?	Yes.
If yes, detail any exceptions	None.

Securities Lending Agreement - UBS AG, London Branch / UBS Limited

Parties to agreement	Transfer date
Citibank NA as an agent acting on behalf of its clients	(i) 6 April 2018

Appendix - B



UBS

UBS AG, Australia Branch

AFSL 231087

ABN 47 088 129 613

Level 16 Chifley Tower

2 Chifley Square

SYDNEY NSW 2000

Tel. 61 2-9324 2000

www.ubs.com

COMMERCIAL-IN CONFIDENCE

11 May 2018

The shareholders as listed in Schedule 1 (each a "**Vendor**")

Dear Sirs

Sale of shares in Adairs Limited

1. Introduction

This Agreement sets out the terms and conditions upon which the Vendors as listed in Schedule 1 engage UBS AG, Australia Branch (ABN 47 088 129 613) (the "**Lead Manager**") to dispose of 12,500,000 existing fully paid ordinary shares in Adairs Limited (ACN 147 375 451) ("**Adairs**") (the "**Sale Securities**") (the "**Sale**") and the Lead Manager agrees to procure the disposal of the Sales Securities and to provide underwriting thereof, subject to clause 2, in accordance with the terms of this Agreement.

2. Sale of securities

2.1 **Sale.** The Vendors agree to sell the Sale Securities and the Lead Manager agrees to:

- (a) manage the sale of the Sale Securities by procuring purchasers for the Sale Securities at the price of \$2.20 per Sale Security ("**Sale Price**"). Purchasers may include the Lead Manager's related bodies corporate and Affiliates (as defined in clause 11.8) and may be determined by the Lead Manager provided that the Lead Manager will not sell any Sale Securities to any competitor of Adairs or any corporate retailer without first consulting with the Vendors and taking account of their views on whether Sale Securities should be sold to such a party; and
- (b) subject to clause 2.6, underwrite and guarantee the sale of the Sale Securities by purchasing at the Sale Price per Sale Security those of the Sale Securities which have not been purchased by third party purchasers (or the Lead Manager's related bodies corporate or Affiliates) in accordance with clause 2.1(a) as at 7.00pm on the date of this Agreement (or such time as the parties agree in writing) ("**Balance Securities**"),

in accordance with the terms of this Agreement.

- 2.2 **Timetable.** The Vendors must conduct the Sale in accordance with the timetable set out in Schedule 2 (the "**Timetable**") (unless the Lead Manager consents in writing to a variation).
- 2.3 **Account Opening.** On the date of this Agreement the Lead Manager or its nominated affiliate will (where relevant) open an account in the name of the Vendors in accordance with its usual practice, and do all such things necessary to enable it to act as Lead Manager to sell the Sale Securities in accordance with this Agreement.
- 2.4 **Manner of Sale.** The Lead Manager will conduct the Sale by way of an offer only to persons:

- (a) if in Australia, who do not need disclosure under Part 6D.2 of the Corporations Act 2001 (Cth) ("**Corporations Act**"); and
- (b) if outside Australia, to whom offers for sale of securities may lawfully be made without requiring the preparation, delivery, lodgement or filing of any prospectus or other disclosure document or any other lodgement, registration or filing with, or approval by, a government agency (other than any such requirement with which the Vendors, in their sole and absolute discretion, are willing to comply), as determined by the Lead Manager in consultation with the Vendors,

provided in each case (a) and (b) above that such persons may not be in the United States or U.S. Persons or acting for the account or benefit of U.S. Persons unless the Lead Manager reasonably believes them to be QIBs or they are Eligible U.S. Fund Managers (in each case, as defined in clause 2.5).

Any investor that purchases Sale Securities (other than Balance Securities) will be required to confirm, including through deemed representations and warranties, among other things:

- (a) its status as an investor meeting the requirements of this clause 2.4 and clause 2.5; and
- (b) its compliance with all relevant laws and regulations (including the takeover and insider trading provisions of the Corporations Act and the Foreign Acquisitions and Takeovers Act 1974 (Cth)).

- 2.5 **U.S. Securities Act.** The Sale Securities shall only be offered and sold:

- (a) to persons that are not in the United States and are not "U.S. persons" (as defined in Rule 902(k) under the U.S. Securities Act of 1933 (the "**U.S. Securities Act**")) ("**U.S. Persons**") and are not acting for the account or benefit of U.S. Persons, in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**"); and
- (b) to persons that are either (A) in the United States whom the Lead Manager reasonably believes to be qualified institutional buyers ("**QIBs**"), as defined in Rule

144A under the U.S. Securities Act, in transactions exempt from the registration requirements of the U.S. Securities Act pursuant to Rule 144A thereunder or (B) dealers or other professional fiduciaries organised, incorporated or (if an individual) resident in the United States that are acting for an account (other than an estate or trust) held for the benefit or account of persons that are not "U.S. Persons" (as defined in Rule 902(k) under the Securities Act), for which they have and are exercising investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S ("**Eligible U.S. Fund Managers**"), in reliance on Regulation S.

2.6 **Principal Shares.** Notwithstanding anything else in this Agreement, the number of Sale Securities which must be purchased by the Lead Manager under the terms of this Agreement ("**Principal Shares**") will be the lesser of:

- (a) the Balance Securities; and
- (b) the maximum number of the Sale Securities that can be sold to the Lead Manager without:
 - (i) notification by the Lead Manager or any of its Affiliates and non-objection from the Treasurer of Australia under section 26 of the Foreign Acquisitions and Takeovers Act 1975 (Cth) ("**FATA**"); or
 - (ii) breach by the Lead Manager or any of its associates of section 606 of the Corporations Act.

The Lead Manager warrants that the information it provides to the Vendors to enable them to calculate the number of Principal Shares in accordance with this clause 2.6 will, at the time it is given, be accurate. If the number of Principal Shares is less than the number of Balance Securities, such difference to be referred to in this Agreement as the "**Restricted Securities**", the Vendors agree to retain any Restricted Securities in their Respective Proportions, subject to the terms of this Agreement. For the purposes of this Agreement, the "**Respective Proportion**" for each Vendor equals the Sale Securities being sold by the Vendor divided by the total number of Sale Securities.

2.7 **Restricted Securities**

- (a) **Advance Amount.** By 3:00pm on the Settlement Date, the Lead Manager must advance to each Vendor an amount equal to the number of Restricted Securities (if any) retained by it multiplied by the Sale Price ("**Advance Amount**"). No interest will be payable on the Advance Amount. A Vendor must only repay the Advance Amount from and to the extent that the Vendor receives the proceeds of sale of the Restricted Securities. The outstanding Advance Amount will not be repayable in any circumstances in respect of Restricted Securities not sold by the End Date (as defined in clause 2.7(c) below) and the agency provided for in clause 2.7(c) will terminate at that time or at such earlier time when all Restricted Securities have been sold. If a Vendor receives a dividend or other distribution on a Restricted Security prior to the End Date, where that dividend or distribution was announced

on or after the Trade Date, then the Vendor must pay the after-tax amount of the receipt to the Lead Manager in reduction of the Advance Amount applicable to that Restricted Security.

- (b) **Repayment.** The Lead Manager will automatically apply any proceeds of sale of the Restricted Securities as agent against repayment of the Advance Amount by the Vendors, immediately upon receipt of those proceeds.
- (c) **Restricted Securities.** If there are Restricted Securities, then the Lead Manager will sell, as agent for the Vendors, in the ordinary course of the Lead Manager's business, the Restricted Securities by the date that is 30 Business Days after the date of this agreement ("**End Date**"). The Vendors must comply with directions of the Lead Manager to transfer Restricted Securities in order to settle any such sale, provided that all sales must be effected by 7.00 pm on the End Date;
- (d) **Execution of sale of Restricted Securities.** The Lead Manager agrees that the sale of the Restricted Securities will be effected by way of one or more special crossings in accordance with the Operating Rules of the ASX and the ASX Settlement Operating Rules, and/or by way of one or more regular brokered transactions on the ASX on the condition that neither it, nor any person acting on its behalf, knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States. Settlement of Restricted Securities sold in this manner will occur on a T + 2 basis (where T represents the date on which the relevant share was sold).
- (e) **Indemnity for Restricted Securities.** The Lead Manager must indemnify the Vendors for any shortfall between the actual price received for each Restricted Security sold (if any) as agent and the Sale Price in accordance with clause 2.7(c). Any such indemnified amount is to be paid to the Vendors on settlement in accordance with clause 2.7(d).
- (f) **Interest in Restricted Securities.** The parties acknowledge that the Lead Manager does not acquire any interest in the Restricted Securities (if any) or any rights in them (by way of security or otherwise) in respect of them except as agent for the sale of those shares.

2.8 Effecting of Sale and settlement. The Lead Manager shall procure that the Sale (other than of Restricted Securities) shall be effected on the Trade Date (as defined in the Timetable in Schedule 2), by way of one or more special crossings (in accordance with the ASX Operating Rules) at the Sale Price, with settlement to follow on a T+2 basis in accordance with the ASX Settlement Operating Rules ("**Settlement Date**"). Subject to clause 10, on the Settlement Date, the Lead Manager shall arrange for the payment to each Vendor, or as each Vendor directs, of an amount equal to the Sale Price multiplied by the number of Sale Securities being sold by that Vendor (excluding the number of Restricted Securities retained by that Vendor in accordance with clause 2.6, if any) less the

Vendor's Respective Proportion (as defined below) of any fees payable under clause 3 by transfer to each Vendor's account for value (in cleared funds) against delivery of the Sale Securities being sold by that relevant Vendor (excluding any Restricted Securities).

2.9 Moratorium.

- (a) Each Vendor represents and warrants that it will not, for a period of 90 calendar days from the date of this agreement (the "**Escrow Period**"), Deal in all or any of the fully paid ordinary shares held by it in Adairs ("**Remaining Shares**") at the time of settlement of the Sale of the Sale Securities pursuant to this Agreement, excluding:
 - (1) transactions in order to satisfy demand from eligible shareholders under a Adairs initiated dividend reinvestment plan (if any);
 - (2) a repurchase (whether by buy-back, reduction of capital or other means) of Remaining Shares by Adairs;
 - (3) any acceptance by the Vendor of a takeover offer for Adairs in accordance with Chapter 6 of the Corporations Act or transfer pursuant to a scheme of arrangement under Part 5.1 of the Corporations Act;
 - (4) a sale, transfer, or disposal to a third party where it is a condition of the sale that the third party announce an intention to acquire, or propose a transaction to acquire, greater than 50% of the ordinary shares in Adairs;
 - (5) a sale, transfer or disposal to a strategic third party purchaser (subject to the purchaser being confirmed as a strategic third party by the Lead Manager);
 - (6) the sale of any Restricted Securities in accordance with this agreement; or
 - (7) a sale, transfer or disposal to an Affiliate of the Vendor that is subject to a representation or warranty on substantially the same terms as this clause 2.9(a) in respect of the Remaining Shares sold, transferred or disposed. For the avoidance of doubt, any agreement by the Affiliate will be in respect of the Escrow Period.
- (b) Each party to the agreement acknowledges that the representation and warranty in clause 2.9(a) is not intended to and does not give the Lead Manager any power to dispose of, or control the disposal of, the Remaining Shares the subject of the representation and warranty to the extent that the Lead Manager would be in breach of applicable laws to have such power, and a breach of the representation and warranty in those circumstances will only give rise to a right to damages and the parties acknowledge that, in such circumstances, damages are an adequate remedy for breach of the representation and warranty.
- (c) Each party acknowledges that the representation and warranty in clause 2.9 has been provided to only address the financial consequences of a Vendor disposing of, or dealing with, any Remaining Shares held by it. The parties acknowledge that the

Lead Manager is not entitled to a remedy of specific performance for a breach of the representation and warranty in clause 2.9.

- (d) For the purposes of clause 2.9(a), "**Deal**" in respect of the Remaining Shares means:
- (1) sell, assign, transfer or otherwise dispose of;
 - (2) agree to offer to sell, assign, transfer or otherwise dispose of;
 - (3) enter into any option which, if exercised (whether such exercise is subject to conditions or otherwise), enables or requires the Vendor to sell, assign, transfer or otherwise dispose of; or
 - (4) decrease or agree to decrease an economic interest in, the Remaining Shares.

3. Fees

In consideration of performing its obligations under this Agreement the Lead Manager shall be entitled to such fees as the parties agree.

4. GST

- 4.1 **Input Tax Credit.** Any fees which the parties agree to be payable to the Lead Manager and any other amounts payable to the Lead Manager under this Agreement are to be agreed and calculated to be exclusive of GST. However, if any amounts payable to the Lead Manager under this Agreement are calculated by reference to a cost or expense incurred by the Lead Manager, the amount payable to the Lead Manager under any other provision of this Agreement must be reduced by the amount of any input tax credit to which the Lead Manager reasonably determines it is entitled for an acquisition in connection with that cost or expense.
- 4.2 **Tax invoice.** If any supply made under this Agreement is a taxable supply, the entity making the taxable supply ("**Supplier**") must issue a valid tax invoice to the party providing the consideration for that taxable supply ("**Recipient**"). The tax invoice issued by the Supplier must set out in detail the nature of the taxable supply, the consideration attributable to the taxable supply, the amount of GST payable by the Supplier in connection with the taxable supply and any other details reasonably requested by the Recipient. The GST amount means, in relation to a taxable supply, the amount of GST for which the Supplier is liable in respect of the taxable supply ("**GST Amount**").
- 4.3 **Timing of Payment.** The Recipient must pay the GST Amount in connection with a taxable supply at the same time that the Recipient must provide the consideration for that taxable supply (under the other provisions of this Agreement), or if later, within 5 business days of the Recipient receiving a tax invoice for that taxable supply.
- 4.4 **Payment Differences.** If the GST payable by the Supplier in connection with the taxable supply differs from the GST Amount paid by the Recipient under this clause, the Supplier

must repay any excess to the Recipient or the Recipient must pay any deficiency to the Supplier, as appropriate within 5 business days of the Supplier providing the Recipient with a written notification regarding the difference in the GST payable. Where the difference in the GST payable results from an adjustment event, the written documentation provided by the Supplier under this clause must include an adjustment note or tax invoice as required by the GST law.

- 4.5 **Defined Terms.** The references to "GST" and other terms used in this clause 4 (except Recipient and GST Amount) have the meanings given to those terms by the A New Tax System (Goods and Services Tax) Act 1999 (as amended from time to time). However, any part of a supply that is treated as a separate supply for GST purposes (including attributing GST payable to tax periods) will be treated as a separate supply for the purposes of this clause 4.
- 4.6 **References.** A reference to something done (including a supply made) by a party includes a reference to something done by any entity through which that party acts.

5. Undertakings

- 5.1 **Restricted Activities.** Each Vendor undertakes to the Lead Manager:
- (a) not, prior to settlement on the Settlement Date, to commit, to be involved in or to acquiesce in, any activity which breaches:
 - (i) the Corporations Act and any other applicable laws;
 - (ii) its constitution;
 - (iii) the ASX Listing Rules; or
 - (iv) any legally binding requirement of ASIC or the ASX,and which may have a material adverse effect on the Vendor's obligation to perform its obligations under this Agreement;
 - (b) immediately to notify the Lead Manager of any breach of any warranty or undertaking given by it under this Agreement; and
 - (c) not to withdraw the Sale following allocation of the Sale Securities to transferee(s),
- each of these undertakings being material terms of this Agreement.

6. Representations and Warranties

- 6.1 **Representations and warranties by the Vendors.** As at the date of this Agreement and on each day until and including the Settlement Date (or in the case where clause 2.6 applies in respect of the Lead Manager, 2 Business Days after the earlier of the date of the sale of the last Restricted Security or the End Date), each Vendor represents and warrants to the Lead Manager that each of the following statements is true, accurate and not misleading.

- (a) **(body corporate)** it is a body corporate validly existing and duly established under the laws of its place of incorporation;
- (b) **(capacity)** it has full legal capacity and power to enter into this Agreement and to carry out the transactions that this Agreement contemplates;
- (c) **(authority)** it has taken, or will have taken by the time required, all corporate action that is necessary or desirable to authorise its entry into this Agreement and its carrying out of the transactions that this Agreement contemplates;
- (d) **(agreement effective)** this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms;
- (e) **(ownership, encumbrances)** it is the registered holder and sole legal owner of the Sale Securities noted against its name in Schedule 1 and will transfer, or procure the transfer of, the full legal and beneficial ownership of the Sale Securities free and clear of all liens, charges, security interests, claims, equities and pre-emptive rights, subject to registration of the transferee(s) in the register of shareholders of Adairs;
- (f) **(control)** it does not control the Issuer (with "control" having the meaning given in section 50AA of the Corporations Act);
- (g) **(Sale Securities)** following sale by it, the Sale Securities will rank equally in all respects with all other outstanding ordinary shares of Adairs, including their entitlement to dividends, and may be offered for sale on the financial market operated by ASX without disclosure to investors under Part 6D.2 of the Corporations Act;
- (h) **(power to sell)** it has the corporate authority and power to sell the Sale Securities under this Agreement and no person has a conflicting right, whether contingent or otherwise, to purchase or to be offered for purchase the Sale Securities;
- (i) **(no insider trading offence)** the sale of the Sale Securities will not constitute a violation by it of Division 3 of Part 7.10 of the Corporations Act;
- (j) **(ASX listing)** the Sale Securities are quoted on the financial market operated by ASX;
- (k) **(trustee)** where it is a trustee of a trust, it has been validly appointed as trustee of that trust, there is no current proposal to replace it as trustee of that trust and it has the right to be indemnified out of the assets of that trust;
- (l) **(no general solicitation or general advertising)** none of it, any of its Affiliates or any person acting on behalf of any of them (other than the Lead Manager or its Affiliates or any person acting on behalf of any of them, as to whom it makes no representation or warranty) has offered or sold, or will offer or sell, any of the Sale Securities in the United States using any form of "general solicitation" or "general advertising" within the meaning of Rule 502(c) under the U.S. Securities Act;

- (m) **(no directed selling efforts)** with respect to those Sale Securities sold in reliance on Regulation S, none of it, any of its Affiliates, or any person acting on behalf of any of them (other than the Lead Manager or its Affiliates or any person acting on behalf of any of them, as to whom it makes no representation or warranty) has engaged or will engage in any "directed selling efforts" (as that term is defined in Rule 902(c) under the U.S. Securities Act);
- (o) **(foreign private issuer and no substantial U.S. market interest)** to the best of its knowledge, Adairs is a 'foreign private issuer' as defined in Rule 405 under the U.S. Securities Act and there is no 'substantial U.S. market interest' (as defined in Rule 902(j) under the U.S. Securities Act) in the Sale Securities or any security of the same class or series as the Sale Securities;
- (p) **(no stabilisation or manipulation)** neither it nor any of its Affiliates has taken or will take, directly or indirectly, any action designed to, or that might reasonably be expected to, cause or result in the stabilisation or manipulation of the price of the Sale Securities in violation of any applicable law;
- (q) **(no integrated offers)** none of it, any of its Affiliates or any person acting on behalf of any of them (other than the Lead Manager or its Affiliates or any person acting on behalf of any of them, as to whom no representation or warranty is made), has solicited any offer to buy, offered to sell or sold, and none of them will solicit any offer to buy, offer to sell or sell in the United States or to, or for the account or benefit of, any U.S. Person any security which could be integrated with the sale of the Sale Securities in a manner that would require the offer and sale of the Sale Securities to be registered under the U.S. Securities Act;
- (r) **(investment company)** to the best of its knowledge, Adairs is not and, solely after giving effect to the offering and sale of the Sale Securities, will not be, required to register as an "investment company" under U.S. Investment Company Act of 1940;
- (s) **(resale)** to the best of its knowledge, the Sale Securities are eligible for resale pursuant to Rule 144A and are not of the same class as securities listed on a national securities exchange registered under Section 6 of the U.S. Securities Exchange Act of 1934 ("**Exchange Act**") or quoted in a U.S. automated interdealer quotation system;
- (t) **(Exchange Act)** to the best of its knowledge, Adairs is exempt from reporting under Section 13 or 15(d) of the Exchange Act pursuant to Rule 12g3-2(b) thereunder;

- (u) **(breach of law)** it will perform its obligations under this Agreement so as to comply with all applicable laws in any jurisdiction including in particular the Corporations Act and the Foreign Acquisitions and Takeovers Act 1975 (Cth);
- (v) **(wholesale client)** it is a "wholesale client" (as such term is defined in section 761G of the Corporations Act);
- (w) **(anti-bribery)** neither it nor, to the knowledge of it, any of its related bodies corporate or any director, officer, or employee of it or any of its related bodies corporate has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) violated or is in violation of any applicable provision of the U.S. Foreign Corrupt Practices Act of 1977; or (iv) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment, which, in each of (i) through and including (iv), would have a material adverse effect on the Sale;
- (x) **(sanctions)** none of it or, to the knowledge of it, any of its related bodies corporate or any director, officer, or employee of it or any of its related bodies corporate is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**") or any similar Australian sanctions administered by the Commonwealth of Australia; and it will not directly or indirectly use the proceeds of the Sale in a manner that would result in a violation by it of the U.S. sanctions administered by OFAC; and
- (y) **(anti-money laundering)** the operations of each Vendor are and have been conducted at all times in compliance with all financial record keeping and reporting requirements imposed by law or regulation and in compliance with the money laundering and proceeds of crime statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any government agency (collectively, the **Money Laundering Laws**) to the extent that they apply to the Vendor and no action, suit or proceeding by or before any court or government agency, authority or body or any arbitrator involving each Vendor or any of their Affiliates with respect to the Money Laundering Laws is pending or threatened.

6.2 **Representations and warranties of Lead Manager.** As at the date of this Agreement and on each day until and including the Settlement Date (or in the case where clause 2.6 applies in respect of the Lead Manager, 2 Business Days after the End Date), the Lead Manager represents to the Vendors that each of the following statements is correct.

- (a) **(body corporate)** it is duly incorporated under the laws of its place of incorporation;

- (b) **(capacity)** it has full legal capacity and power to enter into this Agreement and to carry out the transactions that this Agreement contemplates;
- (c) **(authority)** it has taken, or will have taken by the time required, all corporate action that is necessary or desirable to authorise its entry into this Agreement and its carrying out of the transactions that this Agreement contemplates;
- (d) **(licenses)** it holds all licenses, permits and authorities necessary and has complied with the terms and conditions of the same in all material respects, in each case for the Lead Manager to fulfil its obligations under this Agreement;
- (e) **(agreement effective)** this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms;
- (f) **(breach of law)** it will perform its obligations under this Agreement (and ensure, in relation to the Sale, that its related bodies corporate and Affiliates act in a manner) so as to comply with all applicable laws in any jurisdiction including in particular the Corporations Act and the FATA, provided that the Lead Manager will not be in breach of this warranty to the extent that any breach is caused by an act or omission of a Vendor which constitutes a breach by a Vendor of its representations, warranties and undertakings in clauses 2.9, 5.1 and 6.1;
- (g) **(status)** it is a QIB or is not a U.S. Person (as defined in Regulation S under the U.S. Securities Act);
- (h) **(no registration)** it acknowledges that the Sale Securities have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
- (i) **(no general solicitation or general advertising)** none of it, its Affiliates nor any person acting on behalf of any of them has solicited offers for or offered to sell, and none of them will solicit offers for, or offer or sell, the Sale Securities in the United States using any form of "general solicitation" or "general advertising" within the meaning of Rule 502(c) under the U.S. Securities Act;
- (j) **(broker-dealer requirements)** all offers and sales of the Sale Securities in the United States by it and any of its Affiliates will be effected by its U.S. registered broker-dealer affiliate in accordance with applicable U.S. broker-dealer requirements;
- (k) **(U.S. selling restrictions)** it, its Affiliates and any person acting on behalf of any of them has offered and sold the Sale Securities, and will offer and sell the Sale Securities:
 - (i) within the United States, either (A) to persons whom it reasonably believes are QIBs pursuant to Rule 144A under the Securities Act, or (B) to Eligible

U.S. Fund Managers in reliance on Regulation S and has sold, and in each case will only sell the Sale Securities to such persons that have executed a confirmation letter; and

- (ii) to persons that are not in the United States and are not, and are not acting for the account or benefit of, U.S. Persons in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in accordance with Regulation S;
- (l) **(no directed selling efforts)** with respect to those Sale Securities sold in reliance on Regulation S, none of it, its Affiliates nor any person acting on behalf of any of them has engaged or will engage in any "directed selling efforts" (as that term is defined in Rule 902(c) under the U.S. Securities Act); and
- (m) **(no stabilisation or manipulation)** none of the Lead Manager or any of its Affiliates or any person acting on behalf of any of them has taken or will take, directly or indirectly, any action designed to, or that might reasonably be expected to, cause or result in the stabilisation or manipulation of the price of any securities of Adairs to facilitate the sale or resale of the Sale Securities in violation of applicable law.

6.3 **Reliance.** Each party giving a representation and warranty acknowledges that the other parties have relied on the above representations and warranties in entering into this Agreement and will continue to rely on these representations and warranties in performing their obligations under this Agreement. The above representations and warranties continue in full force and effect notwithstanding completion of this Agreement.

6.4 **Notification.** Each party agrees that it will tell the other parties promptly upon becoming aware of any of the following occurring prior to the completion of the sale of the Sale Securities:

- (a) any material change affecting any of its foregoing representations and warranties; or
- (b) any of its foregoing representations or warranties becoming materially untrue or materially incorrect.

7. Indemnity

7.1 Each Vendor agrees with the Lead Manager that it will keep the Lead Manager and its Related Bodies Corporate (as that term is defined in the Corporations Act), and their respective directors, officers and employees ("**Indemnified Parties**") indemnified against any losses, damages, liabilities, costs, claims, actions and demands (including any reasonable expenses arising in connection therewith) ("**Losses**") to the extent that such Losses are incurred or made in connection with the Sale or as a result of a breach of this Agreement by it, including any breach of any of the above representations or warranties given by it, and will reimburse the Lead Manager for all out of pocket costs, charges and

expenses which it may pay or incur in connection with investigating, disputing or defending any such action, demand or claim for which it is indemnified under this Agreement.

- 7.2 The indemnity in clause 7.1 does not extend to and is not to be taken as an indemnity against any Losses of an Indemnified Party to the extent any Losses have resulted from:
- (a) any fraud, recklessness, wilful misconduct or gross negligence of the Indemnified Party;
 - (b) any penalty or fine which the Indemnified Party is required to pay for any contravention of any law; or
 - (c) any amount in respect of which the indemnity would be illegal, void or unenforceable under any applicable law.
- 7.3 Each of the Vendors and an Indemnified Party must not settle any action, demand or claim to which the indemnity in clause 7.1 relates without the prior written consent of the Vendors or the Lead Manager, as applicable, such consent not to be unreasonably withheld or delayed.
- 7.4 If the Lead Manager becomes aware of any suit, action, proceedings, claim or demand in respect of which an Indemnified Party wishes to claim for indemnification under the indemnity contained in this clause 7, the Lead Manager must promptly notify the Vendors of the substance of that matter. The failure of the Lead Manager to notify the Vendors pursuant to this clause will not release the Vendors from any obligation or liability which it may have pursuant to this Agreement except that such liability will be reduced to the extent to which the amount the subject of the indemnity under clause 7.1 has increased as a result of the failure to so notify.
- 7.5 The indemnity in clause 7.1 is a continuing obligation, separate and independent from the other obligations of the parties under this Agreement and survives termination or completion of this Agreement. It is not necessary for the Lead Manager to incur expense or make payment before enforcing that indemnity.
- 7.6 The indemnity in clause 7.1 is granted to the Lead Manager both for itself and on trust for each of the Indemnified Parties.
- 7.7 Subject to clause 7.7, the parties agree that if for any reason the indemnity in clause 7.1 is unavailable or insufficient to hold harmless any Indemnified Party against any Losses against which the Indemnified Party is stated to be indemnified (other than expressly excluded), the respective proportional contributions of the Vendors and the Indemnified Party or the Indemnified Parties in relation to the relevant Losses will be as agreed, or failing agreement as determined by a court of competent jurisdiction, having regard to the participation in, instigation of or other involvement of the Vendors and the Indemnified Party or the Indemnified Parties in the act complained of, having particular regard to relative intent, knowledge, access to information and opportunity to correct any untrue statement or omission.

- 7.8 The Vendors agree with each of the Indemnified Parties that in no event will the Lead Manager and its associated Indemnified Parties be required to contribute under clause 7.6 to any Losses in an aggregate amount that exceeds the aggregate of the fees paid to the Lead Manager under this Agreement.
- 7.9 If an Indemnified Party pays an amount in relation to Losses where it is entitled to contribution from a Vendor under clause 7.6 the Vendors agree promptly to reimburse the Indemnified Party for that amount.
- 7.10 If a Vendor pays an amount to the Indemnified Parties in relation to Losses where it is entitled to contribution from the Indemnified Parties under clause 7.6 the Indemnified Parties must promptly reimburse the Vendor for that amount.

8. Announcements

- 8.1 The Vendors and the Lead Manager will consult each other in respect of any material public releases by any of them concerning the sale of the Sale Securities. The prior written consent of the Vendors must be obtained prior to the Lead Manager making any release or announcement or engaging in publicity in relation to the Sale of the Sale Securities and such release, announcement or engagement must be in compliance with all applicable laws, including the securities laws of Australia, the United States and any other jurisdiction.
- 8.2 The Lead Manager may, after completion of its other obligations under this Agreement, place advertisements in financial and other newspapers and journals at its own expense describing their service to the Vendors provided such advertisements are in compliance with all applicable laws, including the securities laws of Australia, the United States and any other jurisdiction.

9. Confidentiality

Each party agrees to keep the terms and subject matter of this Agreement confidential, except:

- (a) where disclosure is required by applicable law, a legal or regulatory authority or the ASX Listing Rules;
- (b) disclosure is made to an adviser or to a person who must know for the purposes of this Agreement, on the basis that the adviser or person keeps the information confidential; and
- (c) to a person to the extent reasonably necessary in connection with any actual or potential claim or judicial or administrative process involving that party in relation to the Sale.

10. Events of Termination

- 10.1 **Right of termination.** If any of the following events occurs at any time during the Risk Period (as defined in clause 10.4), then the Lead Manager may terminate its obligations under this Agreement without cost or liability to itself at any time before the expiry of the Risk Period by giving written notice to the Vendors:

- (a) **ASX actions.** ASX does any of the following:
 - (i) announces that Adairs will be removed from the official list of ASX or ordinary shares in Adairs will be suspended from quotation;
 - (ii) removes Adairs from the official list; or
 - (iii) suspends the trading of ordinary shares in Adairs for any period of time.
- (b) **ASIC inquiry.** ASIC issues or threatens to issue proceedings in relation to the Sale or commences, or threatens to commence any inquiry or investigation in relation to the Sale.
- (c) **Other termination events.** Subject to clause 10.2, any of the following occurs:
 - (i) **Banking moratorium.** A general moratorium on commercial banking activities in Australia, United States or the United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries.
 - (ii) **Breach of Agreement.** a Vendor is in default of any of the terms and conditions of this Agreement or breaches any representation or warranty given or made by it under this Agreement.
 - (iii) **Change in law.** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a new law, or the Government of Australia, any State or Territory of Australia, the Reserve Bank of Australia or any Minister or other governmental authority of Australia or any State or Territory of Australia, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of this agreement).

10.2 **Materiality.** No event listed in clause 10.1(c) entitles the Lead Manager to exercise its termination rights unless, in the bona fide opinion of the Lead Manager, it:

- (a) has, or would reasonably be expected to have, a material adverse effect on:
 - (i) the willingness of persons to purchase the Sale Securities; or
 - (ii) the price at which ordinary shares in Adairs are sold on the ASX; or
- (b) would reasonably be expected to give rise to a liability of the Lead Manager under the Corporations Act or any other applicable law.

10.3 **Effect of termination.** Where, in accordance with this clause 10, the Lead Manager terminates its obligations under this Agreement:

- (a) the obligations of the Lead Manager under this Agreement immediately end; and

- (b) any entitlements of the Lead Manager accrued under this Agreement, including the right to be indemnified, up to the date of termination survive.
- 10.4 **Risk Period.** For the purposes of this clause, the "Risk Period" means the period commencing on the execution of this Agreement and ending at 10.00am on the Trade Date.

11. Miscellaneous

- 11.1 **Entire agreement.** This Agreement constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that matter.

Where services are provided pursuant to this Agreement via a UBS Group entity located in the European Economic Area, each of the Vendors will be treated by that entity as a Professional Client for the purposes of the Markets in Financial Instruments Directive. A Vendor may request categorisation as a "Retail Client" although the Lead Manager and its affiliates are not able to provide services to Retail Clients. To discuss this categorisation, please contact the UBS persons whose names appear in this Agreement.

- 11.2 **Governing law.** This Agreement is governed by the laws of New South Wales, Australia. Each party submits to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales, and waives any right to claim that those courts are an inconvenient forum.
- 11.3 **Severability.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will be ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That will not invalidate the remaining provisions of this Agreement nor affect the validity or enforceability of that provision in any other jurisdiction.
- 11.4 **Waiver and variation.** A provision of or right vested under this Agreement may not be:
 - (a) waived except in writing signed by the party granting the waiver; or
 - (b) varied except in writing signed by the parties.

This Agreement may be varied by the parties to it without the approval of any Indemnified Person.

- 11.5 **No merger.** The rights and obligations of the parties will not merge on the termination or expiration of this Agreement. Any provision of this Agreement remaining to be performed or observed by a party, or having effect after the termination of this Agreement for whatever reason remains in full force and effect and is binding on that party.
- 11.6 **No assignment.** No party may assign its rights or obligations under this Agreement without the prior written consent of the other parties.
- 11.7 **Notices.** Any notice, approval, consent, agreement, waiver or other communication in connection with this Agreement must be in writing.

- 11.8 **Affiliates.** In this Agreement the term "Affiliates" means any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, a person; "control" (including the terms "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management, policies or activities of a person, whether through the ownership of securities by contract or agency or otherwise and the term "person" is deemed to include a partnership.
- 11.9 **Business Day.** In this Agreement "Business Day" means a day on which:
- (a) ASX is open for trading in securities; and
 - (b) banks are open for general banking business in Sydney, Australia.
- 11.10 **Interpretation.** In this Agreement:
- (a) headings and sub-headings are for convenience only and do not affect interpretation;
 - (b) a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;
 - (c) a reference to "dollars" and "\$" is to Australian currency; and
 - (d) all references to time are to Sydney, New South Wales, Australia time.
- 11.11 **Counterparts.** This Agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one agreement.
- 11.12 **Acknowledgements.** Each Vendor acknowledges that:
- (a) the Lead Manager is not obliged to disclose to it or utilise for the benefit of a Vendor, any non-public information which the Lead Manager obtains in the normal course of its business where such disclosure or use would result in a breach of any obligation of confidentiality or any internal Chinese wall policies of the Lead Manager;
 - (b) without prejudice to any claim a Vendor may have against the Lead Manager, no proceedings may be taken against any director, officer, employee or agent of the Lead Manager in respect of any claim that a Vendor may have against the Lead Manager;
 - (c) it is contracting with the Lead Manager on an arm's length basis to provide the services described in this agreement and the Lead Manager has not and is not assuming any duties or obligations (fiduciary or otherwise) in respect of it other than those expressly set out in this Agreement;
 - (d) the Lead Manager may perform the services contemplated by this Agreement in conjunction with their respective Affiliates, and any Affiliates performing these

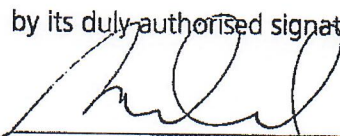
services are entitled to the benefits of and are subject to the terms of this Agreement; and

- (e) the Lead Manager is a full service securities and corporate advisory firm and, along with its respective Affiliates, the Lead Manager is engaged in various activities, including writing research, securities trading, investment management, financing and brokerage activities and financial planning and benefits counselling for both companies and individuals. In the ordinary course of these activities, the Lead Manager, its Affiliates, employees and officers may be providing, or may be in the future providing, financial or other services to other parties with conflicting interests to a Vendor and may receive fees for those services and may actively trade the debt and equity securities (or related derivative securities) for the Lead Manager's own account and for the account of their customers and may at any time hold long and short positions in such securities.

Yours sincerely,

SIGNED on behalf of
UBS AG, Australia Branch

by its duly authorised signatories



Signature of Authorised Signatory

CHARLIE O'NEIL
Print name

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)
)
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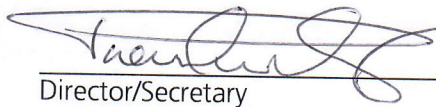


Signature of Authorised Signatory

RICHARD WILKES
Print name

Accepted and agreed to as of the date of this Agreement:

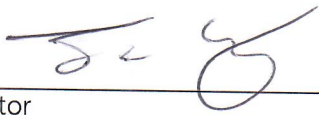
Executed by **Catalyst Buyout Fund 2A**)
Pty Ltd as trustee for the Catalyst
Buyout Trust 2A in accordance with
section 127 of the Corporations Act 2001
(Cth):



Director/Secretary

TRENT PETERSON

Print name

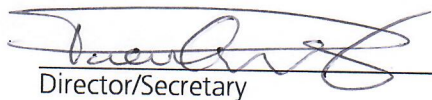


Director

JOHN STORY

Print name

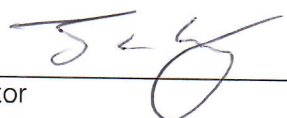
Executed by **Catalyst Buyout Fund 2B**)
Pty Ltd as trustee for the Catalyst
Buyout Trust 2B in accordance with
section 127 of the Corporations Act 2001
(Cth):



Director/Secretary

TRENT PETERSON

Print name

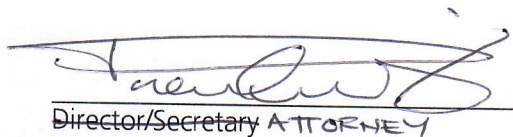


Director

JOHN STORY.

Print name

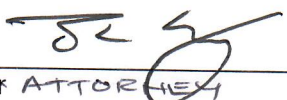
Executed by **Catalyst General Partner 2**)
Limited as general partner of Catalyst
Buyout Fund 2 LP in accordance with
section 127 of the Corporations Act 2001
(Cth):



Director/Secretary ATTORNEY

TRENT PETERSON

Print name



Director ATTORNEY

JOHN STORY.

Print name

Schedule 1**Vendors**

Vendor	Address	Sale Securities
Catalyst Buyout Fund 2A Pty Ltd as trustee for the Catalyst Buyout Trust 2B		5,750,571
Catalyst Buyout Fund 2B Pty Ltd as trustee for the Catalyst Buyout Trust 2B		5,750,571
Catalyst General Partner 2 Limited as general partner of Catalyst Buyout Fund 2 LP	PO Box 1075 JTC House 28 Esplanade St Helier Jersey Channel Islands JE4 2QP	998,858
TOTAL		12,500,000

Schedule 2 Timetable

Trade Date (T)

Date

14 May 2018

Settlement Date (T + 2)

16 May 2018

ADH- Appendix C					
Date of change	Person whose relevant interest changed	Nature of Change	Consideration given in relation to change	Number of securities	Class
12-Jan-18	UBS Securities Australia Ltd	Buy	824	377	Ordinary
12-Jan-18	UBS Securities Australia Ltd	Sell	8,344	(3,808)	Ordinary
12-Jan-18	UBS Securities Australia Ltd	Sell	6,355	(2,902)	Ordinary
15-Jan-18	UBS Securities Australia Ltd	Buy	4,584	2,127	Ordinary
15-Jan-18	UBS Securities Australia Ltd	Sell	4,578	(2,128)	Ordinary
15-Jan-18	UBS Securities Australia Ltd	Sell	926	(427)	Ordinary
15-Jan-18	UBS Securities Australia Ltd	Sell	2,965	(1,372)	Ordinary
16-Jan-18	UBS Securities Australia Ltd	Buy	9,428	4,363	Ordinary
16-Jan-18	UBS Securities Australia Ltd	Sell	4,020	(1,844)	Ordinary
16-Jan-18	UBS Securities Australia Ltd	Buy	1,627	743	Ordinary
16-Jan-18	UBS Securities Australia Ltd	Sell	884	(408)	Ordinary
17-Jan-18	UBS Securities Australia Ltd	Sell	10,778	(4,944)	Ordinary
17-Jan-18	UBS Securities Australia Ltd	Sell	737	(339)	Ordinary
17-Jan-18	UBS Securities Australia Ltd	Sell	18,459	(8,509)	Ordinary
18-Jan-18	UBS Securities Australia Ltd	Sell	16,695	(7,765)	Ordinary
18-Jan-18	UBS Securities Australia Ltd	Sell	47	(22)	Ordinary
18-Jan-18	UBS Securities Australia Ltd	Sell	10,911	(5,079)	Ordinary
18-Jan-18	UBS Securities Australia Ltd	Sell	6,264	(2,941)	Ordinary
19-Jan-18	UBS Securities Australia Ltd	Sell	3,099	(1,452)	Ordinary
19-Jan-18	UBS Securities Australia Ltd	Sell	3,928	(1,829)	Ordinary
19-Jan-18	UBS Securities Australia Ltd	Sell	6,643	(3,119)	Ordinary
22-Jan-18	UBS Securities Australia Ltd	Buy	200	94	Ordinary
22-Jan-18	UBS Securities Australia Ltd	Buy	11,568	5,494	Ordinary
23-Jan-18	UBS Securities Australia Ltd	Sell	11,721	(5,494)	Ordinary
25-Jan-18	UBS Securities Australia Ltd	Buy	94	44	Ordinary
25-Jan-18	UBS Securities Australia Ltd	Buy	10,750	5,000	Ordinary
25-Jan-18	UBS Securities Australia Ltd	Sell	10,650	(5,000)	Ordinary
31-Jan-18	UBS Securities Australia Ltd	Buy	992	471	Ordinary
31-Jan-18	UBS Securities Australia Ltd	Sell	5,392	(2,565)	Ordinary
01-Feb-18	UBS Securities Australia Ltd	Buy	947	447	Ordinary
01-Feb-18	UBS Securities Australia Ltd	Sell	173,774	(81,992)	Ordinary
02-Feb-18	UBS Securities Australia Ltd	Buy	1,246	595	Ordinary
02-Feb-18	UBS Securities Australia Ltd	Buy	4,160	2,000	Ordinary
05-Feb-18	UBS Securities Australia Ltd	Sell	1,240	(595)	Ordinary
05-Feb-18	UBS Securities Australia Ltd	Sell	4,167	(2,000)	Ordinary
05-Feb-18	UBS Securities Australia Ltd	Buy	948	460	Ordinary
05-Feb-18	UBS Securities Australia Ltd	Buy	24,890	12,157	Ordinary
05-Feb-18	UBS Securities Australia Ltd	Sell	2,093	(1,011)	Ordinary
05-Feb-18	UBS Securities Australia Ltd	Buy	4,160	2,000	Ordinary
05-Feb-18	UBS Securities Australia Ltd	Buy	1,246	595	Ordinary
06-Feb-18	UBS Securities Australia Ltd	Buy	331	167	Ordinary
06-Feb-18	UBS Securities Australia Ltd	Buy	9,751	5,085	Ordinary
06-Feb-18	UBS Securities Australia Ltd	Sell	10,913	(5,470)	Ordinary
06-Feb-18	UBS Securities Australia Ltd	Buy	44,299	22,254	Ordinary
06-Feb-18	UBS Securities Australia Ltd	Sell	18,950	(10,000)	Ordinary
07-Feb-18	UBS Securities Australia Ltd	Buy	268	131	Ordinary
07-Feb-18	UBS Securities Australia Ltd	Sell	352,823	(168,011)	Ordinary
08-Feb-18	UBS Securities Australia Ltd	Buy	69	34	Ordinary
08-Feb-18	UBS Securities Australia Ltd	Sell	548	(262)	Ordinary
08-Feb-18	UBS Securities Australia Ltd	Sell	686	(331)	Ordinary
08-Feb-18	UBS Securities Australia Ltd	Stock borrowed	N/A	154,420	Ordinary
09-Feb-18	UBS Securities Australia Ltd	Sell	15,316	(7,675)	Ordinary
09-Feb-18	UBS Securities Australia Ltd	Sell	965	(484)	Ordinary
09-Feb-18	UBS Securities Australia Ltd	Buy	1,057	530	Ordinary
12-Feb-18	UBS Securities Australia Ltd	Sell	86	(42)	Ordinary
12-Feb-18	UBS Securities Australia Ltd	Sell	125	(62)	Ordinary
12-Feb-18	UBS Securities Australia Ltd	Sell	1,058	(530)	Ordinary
12-Feb-18	UBS Securities Australia Ltd	Stock borrowed	N/A	7,629	Ordinary
13-Feb-18	UBS Securities Australia Ltd	Sell	9,584	(4,816)	Ordinary
13-Feb-18	UBS Securities Australia Ltd	Sell	118	(59)	Ordinary
13-Feb-18	UBS Securities Australia Ltd	Sell	6,361	(3,200)	Ordinary

13-Feb-18	UBS Securities Australia Ltd	Stock borrowed	N/A	634	Ordinary
13-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(7,629)	Ordinary
14-Feb-18	UBS Securities Australia Ltd	Buy	373	187	Ordinary
14-Feb-18	UBS Securities Australia Ltd	Buy	5,707	2,897	Ordinary
14-Feb-18	UBS Securities Australia Ltd	Sell	1,479	(743)	Ordinary
14-Feb-18	UBS Securities Australia Ltd	Sell	12,172	(6,101)	Ordinary
14-Feb-18	UBS Securities Australia Ltd	Stock borrowed	N/A	8,075	Ordinary
14-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(634)	Ordinary
15-Feb-18	UBS Securities Australia Ltd	Buy	496	248	Ordinary
15-Feb-18	UBS Securities Australia Ltd	Buy	7,738	3,938	Ordinary
15-Feb-18	UBS Securities Australia Ltd	Sell	283	(140)	Ordinary
15-Feb-18	UBS Securities Australia Ltd	Stock borrowed	N/A	3,760	Ordinary
15-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(8,075)	Ordinary
16-Feb-18	UBS Securities Australia Ltd	Buy	16,236	8,071	Ordinary
16-Feb-18	UBS Securities Australia Ltd	Sell	24	(12)	Ordinary
16-Feb-18	UBS Securities Australia Ltd	Sell	2,058	(1,029)	Ordinary
16-Feb-18	UBS Securities Australia Ltd	Sell	99	(49)	Ordinary
16-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(3,760)	Ordinary
19-Feb-18	UBS Securities Australia Ltd	Sell	2,154	(1,061)	Ordinary
19-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(4,046)	Ordinary
20-Feb-18	UBS Securities Australia Ltd	Sell	4,036	(1,959)	Ordinary
20-Feb-18	UBS Securities Australia Ltd	Stock borrowed	N/A	1,061	Ordinary
20-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(6,981)	Ordinary
21-Feb-18	UBS Securities Australia Ltd	Sell	4,659	(2,220)	Ordinary
21-Feb-18	UBS Securities Australia Ltd	Sell	46	(22)	Ordinary
21-Feb-18	UBS Securities Australia Ltd	Buy	8,226	3,955	Ordinary
21-Feb-18	UBS Securities Australia Ltd	Sell	4,187	(1,955)	Ordinary
21-Feb-18	UBS Securities Australia Ltd	Sell	1,176	(552)	Ordinary
21-Feb-18	UBS Securities Australia Ltd	Stock borrowed	N/A	1,959	Ordinary
21-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(1,061)	Ordinary
22-Feb-18	UBS Securities Australia Ltd	Sell	1,610	(742)	Ordinary
22-Feb-18	UBS Securities Australia Ltd	Sell	427	(198)	Ordinary
22-Feb-18	UBS Securities Australia Ltd	Buy	6,076	2,800	Ordinary
22-Feb-18	UBS Securities Australia Ltd	Sell	2,160	(1,000)	Ordinary
22-Feb-18	UBS Securities Australia Ltd	Stock borrowed	N/A	794	Ordinary
22-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(1,959)	Ordinary
23-Feb-18	UBS Securities Australia Ltd	Buy	14,122	6,387	Ordinary
23-Feb-18	UBS Securities Australia Ltd	Sell	16,188	(7,100)	Ordinary
23-Feb-18	UBS Securities Australia Ltd	Sell	990	(442)	Ordinary
23-Feb-18	UBS Securities Australia Ltd	Buy	14,761	6,530	Ordinary
23-Feb-18	UBS Securities Australia Ltd	Sell	3,187	(1,433)	Ordinary
23-Feb-18	UBS Securities Australia Ltd	Stock borrowed	N/A	120,000	Ordinary
26-Feb-18	UBS Securities Australia Ltd	Buy	15,474	7,115	Ordinary
26-Feb-18	UBS Securities Australia Ltd	Sell	7,220	(3,339)	Ordinary
26-Feb-18	UBS Securities Australia Ltd	Buy	15,883	7,289	Ordinary
26-Feb-18	UBS Securities Australia Ltd	Sell	925	(425)	Ordinary
26-Feb-18	UBS Securities Australia Ltd	Sell	12,615	(5,680)	Ordinary
26-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(120,275)	Ordinary
26-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(7,629)	Ordinary
26-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(634)	Ordinary
26-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(8,075)	Ordinary
26-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(3,760)	Ordinary
26-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(1,061)	Ordinary
26-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(1,959)	Ordinary
26-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(794)	Ordinary
26-Feb-18	UBS Securities Australia Ltd	Stock returned	N/A	(120,000)	Ordinary
27-Feb-18	UBS Securities Australia Ltd	Buy	9,041	4,457	Ordinary
27-Feb-18	UBS Securities Australia Ltd	Sell	4,346	(2,120)	Ordinary
27-Feb-18	UBS Securities Australia Ltd	Sell	243	(120)	Ordinary
27-Feb-18	UBS Securities Australia Ltd	Buy	11,458	5,668	Ordinary
27-Feb-18	UBS Securities Australia Ltd	Buy	791	404	Ordinary
27-Feb-18	UBS Securities Australia Ltd	Sell	5,382	(2,621)	Ordinary
28-Feb-18	UBS Securities Australia Ltd	Buy	1,904	939	Ordinary
28-Feb-18	UBS Securities Australia Ltd	Buy	10,678	5,239	Ordinary

28-Feb-18	UBS Securities Australia Ltd	Sell	252	(123)	Ordinary
02-Mar-18	UBS Securities Australia Ltd	Sell	18,086	(9,074)	Ordinary
02-Mar-18	UBS Securities Australia Ltd	Buy	2,365	1,232	Ordinary
02-Mar-18	UBS Securities Australia Ltd	Sell	99	(50)	Ordinary
05-Mar-18	UBS Securities Australia Ltd	Sell	415	(211)	Ordinary
06-Mar-18	UBS Securities Australia Ltd	Sell	5,690	(2,887)	Ordinary
06-Mar-18	UBS Securities Australia Ltd	Sell	1,149	(587)	Ordinary
07-Mar-18	UBS Securities Australia Ltd	Sell	2,451	(1,257)	Ordinary
08-Mar-18	UBS Securities Australia Ltd	Buy	73	37	Ordinary
08-Mar-18	UBS Securities Australia Ltd	Sell	2,467	(1,257)	Ordinary
09-Mar-18	UBS Securities Australia Ltd	Sell	2,490	(1,256)	Ordinary
15-Mar-18	UBS Securities Australia Ltd	Buy	3,596	1,863	Ordinary
21-Mar-18	UBS Securities Australia Ltd	Sell	1,676	(855)	Ordinary
22-Mar-18	UBS Securities Australia Ltd	Stock borrowed	N/A	855	Ordinary
26-Mar-18	UBS Securities Australia Ltd	Sell	3,028	(1,545)	Ordinary
26-Mar-18	UBS Securities Australia Ltd	Stock returned	N/A	(855)	Ordinary
27-Mar-18	UBS Securities Australia Ltd	Stock borrowed	N/A	1,545	Ordinary
29-Mar-18	UBS Securities Australia Ltd	Buy	536	275	Ordinary
29-Mar-18	UBS Securities Australia Ltd	Stock returned	N/A	(1,545)	Ordinary
03-Apr-18	UBS Securities Australia Ltd	Buy	7,961	4,190	Ordinary
04-Apr-18	UBS Securities Australia Ltd	Sell	2	(1)	Ordinary
04-Apr-18	UBS Securities Australia Ltd	Stock borrowed	N/A	86,000	Ordinary
05-Apr-18	UBS Securities Australia Ltd	Buy	11,159	5,873	Ordinary
05-Apr-18	UBS Securities Australia Ltd	Sell	762	(388)	Ordinary
05-Apr-18	UBS Securities Australia Ltd	Stock borrowed	N/A	40,000	Ordinary
05-Apr-18	UBS Securities Australia Ltd	Stock returned	N/A	(5,369)	Ordinary
06-Apr-18	UBS Securities Australia Ltd	Sell	4,660	(2,435)	Ordinary
06-Apr-18	UBS Securities Australia Ltd	Buy	5,092	2,687	Ordinary
06-Apr-18	UBS Securities Australia Ltd	Stock borrowed	N/A	5,000	Ordinary
06-Apr-18	UBS Securities Australia Ltd	Stock returned	N/A	(4,999)	Ordinary
09-Apr-18	UBS Securities Australia Ltd	Sell	11,403	(6,060)	Ordinary
09-Apr-18	UBS AG London Branch	Stock borrowed	N/A	200,000	Ordinary
09-Apr-18	UBS Securities Australia Ltd	Stock returned	N/A	(75,632)	Ordinary
09-Apr-18	UBS Securities Australia Ltd	Stock returned	N/A	(40,000)	Ordinary
09-Apr-18	UBS Securities Australia Ltd	Stock returned	N/A	(5,000)	Ordinary
10-Apr-18	UBS Securities Australia Ltd	Sell	2,158	(1,154)	Ordinary
11-Apr-18	UBS Securities Australia Ltd	Buy	7,956	4,266	Ordinary
12-Apr-18	UBS Securities Australia Ltd	Buy	9,942	5,649	Ordinary
12-Apr-18	UBS Securities Australia Ltd	Buy	5,053	2,784	Ordinary
13-Apr-18	UBS Securities Australia Ltd	Buy	19,724	11,048	Ordinary
13-Apr-18	UBS Securities Australia Ltd	Sell	7,995	(4,287)	Ordinary
13-Apr-18	UBS Securities Australia Ltd	Buy	9,226	5,538	Ordinary
16-Apr-18	UBS Securities Australia Ltd	Sell	8,269	(4,683)	Ordinary
18-Apr-18	UBS Securities Australia Ltd	Buy	8,329	4,557	Ordinary
18-Apr-18	UBS Securities Australia Ltd	Sell	17,421	(9,572)	Ordinary
19-Apr-18	UBS Securities Australia Ltd	Sell	10,704	(5,751)	Ordinary
19-Apr-18	UBS Securities Australia Ltd	Buy	2,388	1,312	Ordinary
20-Apr-18	UBS Securities Australia Ltd	Sell	4,876	(2,322)	Ordinary
23-Apr-18	UBS Securities Australia Ltd	Sell	38,614	(18,265)	Ordinary
23-Apr-18	UBS Securities Australia Ltd	Buy	14,548	6,920	Ordinary
23-Apr-18	UBS Securities Australia Ltd	Buy	4,664	2,200	Ordinary
24-Apr-18	UBS Securities Australia Ltd	Buy	144	67	Ordinary
24-Apr-18	UBS Securities Australia Ltd	Sell	1,482	(686)	Ordinary
24-Apr-18	UBS Securities Australia Ltd	Buy	3,638	1,700	Ordinary
24-Apr-18	UBS Securities Australia Ltd	Sell	4,260	(1,987)	Ordinary
26-Apr-18	UBS Securities Australia Ltd	Buy	6,518	3,060	Ordinary
26-Apr-18	UBS Securities Australia Ltd	Buy	7,655	3,600	Ordinary
26-Apr-18	UBS Securities Australia Ltd	Sell	8,064	(3,804)	Ordinary
27-Apr-18	UBS Securities Australia Ltd	Buy	8,537	4,105	Ordinary
27-Apr-18	UBS Securities Australia Ltd	Sell	8,028	(3,841)	Ordinary
30-Apr-18	UBS Securities Australia Ltd	Buy	7,944	3,819	Ordinary
30-Apr-18	UBS Securities Australia Ltd	Sell	3,509	(1,679)	Ordinary
01-May-18	UBS Securities Australia Ltd	Sell	1,068	(511)	Ordinary
01-May-18	UBS Securities Australia Ltd	Sell	10,504	(5,062)	Ordinary

02-May-18	UBS Securities Australia Ltd	Sell	2,644	(1,268)	Ordinary
03-May-18	UBS Securities Australia Ltd	Buy	2,250	1,092	Ordinary
03-May-18	UBS Securities Australia Ltd	Sell	3,677	(1,785)	Ordinary
03-May-18	UBS Securities Australia Ltd	Sell	6,794	(3,293)	Ordinary
04-May-18	UBS Securities Australia Ltd	Buy	13,921	6,754	Ordinary
04-May-18	UBS Securities Australia Ltd	Buy	2,100	1,000	Ordinary
04-May-18	UBS Securities Australia Ltd	Sell	2,277	(1,100)	Ordinary
04-May-18	UBS Securities Australia Ltd	Sell	12,454	(5,998)	Ordinary
08-May-18	UBS Securities Australia Ltd	Sell	7,945	(3,595)	Ordinary
08-May-18	UBS Securities Australia Ltd	Buy	5,951	2,705	Ordinary
08-May-18	UBS Securities Australia Ltd	Buy	17,151	7,800	Ordinary
08-May-18	UBS Securities Australia Ltd	Sell	23,754	(10,700)	Ordinary
09-May-18	UBS Securities Australia Ltd	Buy	12,979	5,691	Ordinary
09-May-18	UBS Securities Australia Ltd	Sell	1,425	(639)	Ordinary
09-May-18	UBS Securities Australia Ltd	Buy	6,210	2,700	Ordinary
10-May-18	UBS Securities Australia Ltd	Sell	15,970	(7,243)	Ordinary
10-May-18	UBS Securities Australia Ltd	Buy	11,123	4,988	Ordinary
10-May-18	UBS Securities Australia Ltd	Buy	8,812	4,015	Ordinary
10-May-18	UBS Securities Australia Ltd	Sell	4,161	(1,900)	Ordinary
10-May-18	UBS Securities Australia Ltd	Stock borrowed	N/A	140,000	Ordinary
11-May-18	UBS Securities Australia Ltd	Sell	6,970	(3,154)	Ordinary
11-May-18	UBS Securities Australia Ltd	Buy	4,701	2,127	Ordinary
11-May-18	UBS Securities Australia Ltd	Stock returned	N/A	(140,000)	Ordinary
11-May-18	UBS AG, Australia Branch	Relevant interest in Adairs Limited shares to the extent arising under the terms of the Block Trade Agreement ("BTA") between UBS AG, Australia Branch and each vendor listed in Schedule 1 of the BTA to the extent arising under section 608(8) of the Corporations Act 2011 (Cth). (See Appendix B)	N/A	12,500,000	Ordinary