



adairs

NOTICE OF ANNUAL
GENERAL MEETING
2023





NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2023 Annual General Meeting of members of Adairs Limited (the **Company**) will be held in the Bellarine Room at Hyatt Centric, 25 Downie Street, Melbourne, Victoria on Friday 24 November 2023 at 11:00am (AEDT) (the **Meeting**).

Shareholders who are unable to attend in-person may view a live webcast of the Meeting via: <https://meetings.linkgroup.com/ADH23>. Shareholders watching online will not be able to vote, ask questions or make comments via the webcast.

Shareholders who cannot attend in-person are encouraged to submit a direct vote or appoint a proxy to participate and vote on their behalf. Shareholders can also submit questions in advance of the Meeting. Further details on how to participate, vote and submit questions are detailed in the Notice of Meeting.

AGENDA ITEMS

1. ANNUAL FINANCIAL REPORT

To receive and consider the Financial Report of the Company and its controlled entities and the Reports of the Directors and Auditor for the year ended 25 June 2023.

2. RE-ELECTION OF DIRECTOR

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

"That David MacLean, being eligible, be re-elected as a Director of the Company."

3. ADOPTION OF REMUNERATION REPORT

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

"That the Remuneration Report for the year ended 25 June 2023 be adopted."

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company. A voting exclusion statement applies to this resolution (see note 3 relating to Voting).

4. APPROVAL OF LONG-TERM INCENTIVE GRANT OF PERFORMANCE RIGHTS TO MARK RONAN

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

"That approval be given for all purposes, including ASX Listing Rule 10.14, for the grant of Performance Rights to Mark Ronan as his annual long-term incentive for the year ended 30 June 2024 on the terms described in the explanatory notes accompanying this Notice of Meeting."

Note: A voting exclusion statement applies to this resolution (see note 3 relating to Voting).

5. RE-INSERTION OF PROPORTIONAL TAKEOVER PROVISIONS IN THE CONSTITUTION

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

"That the proportional takeover provisions contained in Rule 6 of the Company's Constitution be inserted for a period of three years with effect from the date of the Annual General Meeting."

By Order of the Board

Fay Hatzis

Company Secretary

23 October 2023

VOTING

1. ENTITLEMENT TO VOTE

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that persons who are registered holders of shares in the Company as at 7:00pm (AEDT) on Wednesday, 22 November 2023 will be entitled to attend and vote at the Meeting as a shareholder. Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

If more than one joint holder of shares is present at the Meeting (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

2. ALL AGENDA ITEMS WILL BE DECIDED BY A POLL

Voting on each Agenda item set out in the Notice of Meeting will be conducted by a poll. On a poll, Shareholders (or their proxy, representative or attorney) have one vote for every fully paid ordinary share held (subject to the restrictions on voting referred to below).

3. VOTING EXCLUSIONS

Agenda item 3 - Adoption of the Remuneration Report

The Company will disregard any votes cast on Agenda item 3:

- › by or on behalf of a member of the Company's key management personnel (**KMP**) named in the Company's Remuneration Report for the year ended 25 June 2023 or their closely related parties (regardless of the capacity in which the vote is cast); or
- › as a proxy by a person who is a member of the Company's KMP at the date of the Meeting or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote on Agenda item 3:

- › in accordance with a direction in the Voting Form; or
- › by the person chairing the Meeting, in accordance with an express authorisation in the Voting Form to exercise the proxy even though Agenda item 3 is connected with the remuneration of the KMP.

Agenda item 4 - Approval of long-term incentive grant of Performance Rights to Mark Ronan

The Company will disregard any votes cast on Agenda item 4:

- › in favour of the Agenda items by or on behalf of Mark Ronan and his associates (regardless of the capacity in which the vote is cast); or
- › as a proxy by a person who is a member of the Company's KMP at the date of the Meeting or their closely related parties,

VOTING *continued*

However, votes will not be disregarded if they are cast:

- as proxy or attorney for a person entitled to vote on the Agenda item in accordance with a direction given to the proxy or attorney to vote on the Agenda item in that way;
- by the person chairing the Meeting as a proxy for a person entitled to vote on the Agenda item, pursuant to an express authorisation in the Voting Form to exercise the proxy as the Chairman decides; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Agenda item; and
 - the holder votes on the Agenda item in accordance with the directions given by the beneficiary to the holder to vote in that way.

4. HOW TO VOTE

Voting prior to the Meeting

Shareholders may lodge a direct vote or appoint a proxy online at www.linkmarketservices.com.au or by submitting a Voting Form to the share registry through one of the methods described in section 5 of these notes relating to voting. Please note, Voting Forms must be received by no later than 11.00am (AEDT) on Wednesday, 22 November 2023 in order to be valid.

Even if you plan to attend the Meeting, you are still encouraged to submit a direct vote or directed proxy in advance of the Meeting so that your votes can be counted if for any reason you cannot attend on the day.

Voting by Proxy

- a) A shareholder entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the shareholder. A proxy need not be a shareholder and can be either an individual or a body corporate. A shareholder can appoint a proxy by completing and returning a signed Voting Form (see section 4 of these notes relating to voting, and the Voting Form).
- b) A shareholder that is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the shareholder's votes.
- c) If you wish to direct how your proxy should vote, please mark the appropriate boxes on the Voting Form. If you do not direct your proxy how to vote on a particular item of business, you are authorising your proxy to vote as they decide, subject to any applicable voting exclusions.
- d) Unless the Chairman is your proxy, members of the Company's KMP (which includes each of the Directors) will not be able to vote as proxy on Agenda items 3 or 4 unless you direct them how to vote. If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, you should ensure that you direct that person how to vote on Agenda items 3 and 4. If you intend to appoint the Chairman as your proxy, you can direct the Chairman how to vote by marking the boxes for the relevant Agenda item (for example, if you wish to vote "for", "against" or to "abstain" from voting).
- e) If you appoint the Chairman as your proxy (or if the Chairman becomes your proxy by default) and you do not mark a box next to Agenda items 3 or 4, then by signing and submitting the Voting Form, you will be expressly authorising the Chairman to vote as they see fit in respect of Agenda items 3 or 4 even though they are connected with the remuneration of the Company's KMP.

- f) All Agenda items will be decided by poll. On a poll, if:
- a shareholder has appointed a proxy (other than the Chairman) and the appointment of the proxy specifies the way the proxy is to vote on the Agenda item; and
 - that shareholder's proxy is either not recorded as attending the Meeting or does not vote on the Agenda item,
- the Chairman will, before voting on the Agenda item closes, be taken to have been appointed as the proxy for the shareholder for the purposes of voting on that Agenda item and must vote in accordance with the written direction of that shareholder.
- g) Please note that for proxies without voting instructions that are exercisable by the Chairman, the Chairman intends to vote all available proxies in favour of each Agenda item.

5. VOTING FORM DEADLINE

To be effective a Voting Form must be received no later than 11:00am (AEDT) Wednesday, 22 November 2023 using one of the below methods:

By Mail: Locked Bag A14
Sydney South NSW 1235

By Fax: +61 2 9287 0309

Online: www.linkmarketservices.com.au

- Step 1: Select Investor Login from the right-hand menu.
- Step 2: Enter Adairs Limited as the Issuer.
- Step 3: Enter your Holder Identifier (which appears under the barcode on the front of your Voting Form) and your postcode or Country.
- Step 4: Enter the security code, tick the box to accept the terms and conditions and click "Login".
- Step 5: Select Voting from the top menu and follow the prompts to lodge your Proxy.

6. CORPORATE REPRESENTATIVES

A body corporate that is a shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of section 250D of the *Corporations Act 2001* (Cth) (**Corporations Act**). The representative should provide the Company with evidence of his or her appointment, including any authority under which it has been signed, in the same manner, and by the same time, as outlined above for Voting Forms, unless it has previously been given to the Company.

7. VOTING BY ATTORNEY

A shareholder entitled to attend and vote may appoint an attorney to act on his or her behalf at the Meeting. An attorney may but need not be a member of the Company.

An attorney may not vote at the Meeting unless the instrument appointing the attorney, and the authority under which the instrument is signed or a certified copy of the authority, are received by the Company in the same manner, and by the same time, as outlined above for Voting Forms.

8. QUESTIONS FOR THE COMPANY

Shareholders who are physically present at the Meeting are able to ask a question during the Meeting when invited by the Chairman.

If you wish to ask a question in advance of the Meeting it must be submitted no later than 5:00pm (AEDT) on Friday, 17 November 2023 via the Link website at www.linkmarketservices.com.au. When you have accessed your shareholding online, select the 'Ask Question' option under the 'Action'.

We will endeavour to respond to as many of the more frequently asked questions as possible at the meeting. However, there may not be sufficient time available at the Meeting to address all of the questions raised. Please note that individual responses will not be sent to shareholders.

9. SUBMITTING QUESTIONS FOR THE AUDITOR BEFORE THE MEETING

Shareholders may submit written questions to the Company's Auditor, Ernst & Young, if the question is relevant to the content of Ernst & Young's Audit Report for the year ended 25 June 2023 or the conduct of its audit of the Company's Financial Report for the year ended 25 June 2023.

Relevant written questions for the Auditor must be received by the Company by no later than 5:00pm (AEDT) on Friday, 17 November 2023 by submitting them via the Link website at www.linkmarketservices.com.au.

A list of written questions will be made available to shareholders attending the Meeting. If written answers are tabled at the Meeting, they will be made available to shareholders as soon as practicable after the Meeting.

The Auditor is not obliged to provide written answers to written questions submitted by shareholders.

EXPLANATORY NOTES

These explanatory notes have been prepared to help shareholders understand the items of business at the forthcoming Meeting.

ITEM 1 – ANNUAL FINANCIAL REPORT

The Corporations Act requires:

- › the reports of the Directors and Auditor; and
- › the annual Financial Report, including the Financial Statements of the Company for the year ended 25 June 2023,

to be laid before the Meeting. Neither the Corporations Act nor the Company's Constitution requires a vote of shareholders on the reports or statements. However, shareholders will be given an opportunity to raise questions or comments on the management of the Company.

Also, a reasonable opportunity will be given to shareholders as a whole at the Meeting to ask the Company's Auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the Auditor in relation to the conduct of the audit.

ITEM 2 – RE-ELECTION OF DIRECTOR

Re-election of David MacLean

David is a Non-Executive Director and joined the Board in 2010. David is a member of the Remuneration Committee and the Nomination Committee.

David was formerly the Chief Executive Officer and Managing Director of Adairs Limited for 14 years from 2002 to 2016, having previously been General Manager from 1989 to 2002. Prior to this, David held the position of Director of Buying at David Jones Melbourne. The MacLean family were the majority shareholder of Adairs Limited from 1986 until 2007.

In addition to being a Non-Executive Director of Adairs Limited, David is a Non-Executive Director of dusk Retail Holdings Group and Universal Store.

David now runs his family investment office and holds minority interests in a number of private retail businesses.

Recommendation

The Directors (other than David MacLean), having considered the skills and experience that David MacLean brings to the Board, unanimously recommend that Shareholders vote in favour of Item 2. The Chair of the Meeting intends to vote all available proxies in favour of this item.

ITEM 3 – ADOPTION OF REMUNERATION REPORT

Shareholders will have a reasonable opportunity at the Meeting to ask questions about or make comments on the Remuneration Report. The Remuneration Report on pages 53–71 of the Company's 2023 Annual Report sets out the remuneration policies of the Company and reports on the remuneration arrangements in place for the Company's KMP during the year ended 25 June 2023. The Annual Report is available on the Company's investor relations website at investors.adairs.com.au.

As prescribed by the Corporations Act, the vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote and discussion at the Meeting into account in setting remuneration policy for future years.

Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Item 3. The Chair of the Meeting intends to vote all available proxies in favour of this item.

ITEM 4 – APPROVAL OF LONG TERM INCENTIVE GRANT OF PERFORMANCE RIGHTS TO MARK RONAN

Pursuant to ASX Listing Rule 10.14, the Company is seeking shareholder approval for the grant of Performance Rights to Mark Ronan (an **Eligible Participant**), as part of his Long Term Incentive (**LTI**) for FY2024.

ASX Listing Rule 10.14 provides that a listed company must not issue securities to a Director under an employee incentive scheme unless it obtains the approval of its shareholders. As Mr Ronan is an Executive Director of the Company, shareholder approval is being sought for this purpose.

If shareholder approval is obtained, the Performance Rights pursuant to Agenda item 4 will be granted under the Adairs Limited Equity Incentive Plan (the **Plan**) within 12 months of the Meeting.

Key terms of the FY2024 LTI grant

The LTI grant is designed to align the interests of the Eligible Participants with the interests of shareholders by providing the opportunity to receive an equity interest in the Company through the granting of Performance Rights.

The performance measures proposed focus on outcomes that are in the reasonable control of management (e.g. earnings per share), and over the long term are expected to correlate strongly with the value created for shareholders.

It is proposed that Mr Ronan be granted 456,250 Performance Rights. The number of Performance Rights to be granted has been calculated based on the 5-day VWAP following release of the Company's FY23 annual results, which has been calculated to be \$1.44. The total value of the grant is therefore \$657,000, which equates to approximately 90% of Mr Ronan's fixed annual remuneration of \$730,000 in FY24.

The Performance Rights do not entitle an Eligible Participant to dividends or voting rights however shares allocated following the vesting and exercise of Performance Rights rank *pari passu* in all respects with other ordinary shares (including with respect to dividends and voting rights).

Performance Period

The performance period is 3 financial years from 26 June 2023 to 28 June 2026.

Vesting conditions

1. Service condition

Unless the Board determines otherwise, for any Performance Rights to vest and become exercisable, the Eligible Participant must remain employed on a full time basis by the Group at the vesting date, subject to the cessation of employment provisions outlined below. The service condition will be tested on the vesting date for the Performance Rights, being 28 June 2026.

2. Performance conditions

Each proposed grant of Performance Rights will be subject to an earnings per share (**EPS**) performance condition. The performance hurdles are expressed as the absolute EPS for FY26.

Earnings per Share performance condition

The EPS performance condition will be measured by reference to the Company's EPS for the year ended 28 June 2026.

EPS measures the earnings generated by the Company attributable to the weighted average number of shares on issue during the period. Calculation of the EPS and achievement against the performance condition will be determined by the Board in its absolute discretion.

The following table outlines the EPS performance hurdles as determined by the Board which must be met in order for Performance Rights to vest:

EPS Performance	Proportion of Performance Rights that will vest against relevant target
Less than 30 cents	Nil
From 30 to 37 cents	Pro-rata vesting on a straight-line basis between 30% and 100%
Equal to, or above, 37 cents	100%

For the purpose of this tranche of the LTI, the Board has determined that Company's EPS for the period ending on 25 June 2023 is 23.3 cents per share, which is based on the underlying NPAT of the Company for FY23 of \$40.1 million.

Testing of the vesting conditions

Testing of the vesting conditions will occur at the end of the performance period. Any Performance Rights that do not vest will lapse immediately.

Cessation of employment

Where the employment of an Eligible Participant is terminated for cause or they resign, all unvested Performance Rights will lapse, unless otherwise determined by the Board.

Change of control

In the event of a likely change in control of the Company, the Board has a discretion to determine that some or all of the Eligible Participant's Performance Rights will vest.

If a change of control occurs before the Board exercises its discretion, a pro-rata portion of the Performance Rights (equal to the portion of the relevant performance period that has elapsed up to the change of control) will vest.

EXPLANATORY NOTES *continued*

Restrictions on dealing

An Eligible Participant must not sell, transfer, encumber, hedge or otherwise deal with Performance Rights.

An Eligible Participant will be free to deal with the shares allocated on exercise of the Performance Rights, subject to the requirements of the Company's Securities Dealing Policy.

Additional information provided in accordance with ASX Listing Rules

- Mr Ronan's total remuneration package as at 31 October 2023 is \$1,972,000, comprising 37% as total fixed remuneration (inclusive of superannuation) and 63% as the maximum amount he can earn as variable remuneration. Further details regarding Mr Ronan's remuneration package are set out in the Remuneration Report in the Company's 2023 Annual Report.
- 3,815,000 options have been granted to Mr Ronan under the Plan in prior years. The Options were granted for nil consideration as they form part of his remuneration. Each option held by Mr Ronan entitles him to acquire an ordinary share in the Company subject to meeting specific performance and service conditions, and payment of an exercise price. The range of exercise prices is set out on page 69 of the 2023 Annual Report while the performance and service conditions are assessed and set by the Board each year in which options are proposed to be granted.
- 289,427 Performance Rights have been granted to Mr Ronan under the Plan in prior years. As the Performance Rights form part of Mr Ronan's remuneration, they are granted at no cost. No other Performance Rights have been issued to the Company's Directors under the Plan.
- Mark Ronan is the only Director entitled to receive options or Performance Rights under the Plan.
- No loan will be made by the Company in relation to the exercise of options by a Director.
- The Company uses Performance Rights because they seek to align the interests of executives and shareholders in creating long term shareholder value. The Performance Rights do not receive dividends or have voting rights unless they vest and are exercised by the beneficiary.
- If shareholder approval is not obtained, the Board will consider alternative arrangements to appropriately remunerate and incentivise Mr Ronan.
- Details of any Performance Rights or shares issued under the Plan will be published in the Company's Annual Report relating to the period in which they were issued, along with a statement that approval for this issue was obtained under ASX Listing Rule 10.14.
- Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after these Agenda items are approved and who are not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

Recommendation

The Directors (other than Mark Ronan) unanimously recommend that Shareholders vote in favour of Item 4. The Chair of the Meeting intends to vote all available proxies in favour of this item.

ITEM 5 – RE-INSERTION OF PROPORTIONAL TAKEOVER PROVISIONS IN CONSTITUTION

The provisions relating to proportional takeover bids previously contained in Rules 6 of the Company's Constitution are designed to assist shareholders to receive proper value for their shares if a proportional takeover bid is made for the Company.

Under the Corporations Act and Rule 6.4 of the Constitution, these provisions must be renewed every three years or they will cease to have effect. The proportional takeover provisions have not been renewed within the last three years so must be re-inserted at this AGM to apply to any proportional takeover offers.

If these provisions are re-inserted by shareholders, they will be in exactly the same terms as the current provisions in Rule 6 of the Constitution and will operate for three years from the date of the AGM. A copy of the Company's Constitution is available on the Company's investor relations website at www.investors.adairs.com.au.

1. Statement under the Corporations Act

The Corporations Act requires that the following information be provided to shareholders when they are considering the inclusion of proportional takeover provisions in a constitution.

2. Effect of the provisions to be included

A proportional takeover offer is where an offer is made to each shareholder for a proportion of that shareholder's shares, and not for the shareholder's entire shareholding.

The provisions of the Company's Constitution stated that the registration of any transfer of shares giving effect to a takeover contract under a proportional takeover bid in respect of shares in a class of shares in the Company is prohibited unless and until a resolution to approve the takeover bid is passed. Rule 6.3 contains details regarding the procedures for any such resolution. The Corporations Act also sets out requirements relating to this resolution.

The vote is decided on a simple majority. Each person who, as at the end of the day on which the first offer under the bid was made, held shares included in the bid class in respect of which the offer was made is entitled to vote, but the bidder and its associates are not allowed to vote.

If the resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn. If the bid is approved (or taken to have been approved), the transfers must be registered if they comply with the Corporations Act and the Company's Constitution.

The Directors will breach the Corporations Act if they fail to ensure the approving resolution is voted on. However, if the resolution is not voted on, the bid will be taken to have been approved.

The proportional takeover approval provisions do not apply to full takeover bids and only apply for three years from approval. The provisions may be renewed, but only by a special resolution.

3. Reasons for re-inserting the provisions

If the proportional takeover approval provision is not in the Constitution, a proportional takeover bid may enable control of the Company to pass without shareholders having the opportunity to sell all of their shares to the bidder. Shareholders may therefore be exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium for their shares. The proposed proportional takeover provisions decrease this risk because they allow shareholders to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

4. Review of proportional takeover provisions

While proportional takeover approval provisions were in force under the Company's Constitution, there have been no full or proportional takeover bids for the Company. Therefore, there is no example against which to review the advantages or disadvantages of the provisions for the Directors and the shareholders. The Directors are not aware of any potential takeover that has been discouraged by Rule 6 of the Company's Constitution.

5. Potential advantages and disadvantages

The Directors consider that the re-insertion of the proportional takeover approval provisions has no potential advantages or disadvantages for them. They remain free to make a recommendation as to whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover approval provisions for shareholders of the Company are:

- shareholders have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- the provisions may help shareholders avoid being locked in as a minority;
- the bargaining power of shareholders is increased (this may help ensure that any partial offer is adequately priced); and
- knowing the view of the majority of shareholders may help each individual shareholder assess the likely outcome of the proportional takeover bid and to decide whether to accept or reject that offer.

The potential disadvantages for shareholders of the Company include:

- proportional takeover bids for shares in the Company may be discouraged;
- shareholders may lose an opportunity of selling some of their shares at a premium; and
- the chance of a proportional takeover bid being successful may be reduced.

The Board considers that the potential advantages for shareholders of the proportional takeover approval provisions outweigh the potential disadvantages. In particular, shareholders as a whole are able to decide whether or not a proportional takeover bid is successful.

6. No knowledge of any acquisition proposals

At the date of this Notice of Meeting, no Director is aware of a proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company.

Recommendation

The Directors unanimously recommend that Shareholders vote in **favour** of Item 5. The Chair of the Meeting intends to vote all available proxies in favour of this item.

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adairs

LODGE YOUR VOTE



ONLINE

<https://investorcentre.linkgroup.com>



BY MAIL

Adairs Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150



ALL ENQUIRIES TO

Telephone: +61 1300 554 474

VOTING FORM

I/We being a member(s) of Adairs Limited (the **Company**) and entitled to attend and vote hereby appoint:

STEP 1 Please mark either A or B

A

VOTE DIRECTLY



elect to lodge my/our
vote(s) directly (mark box)



in relation to the Annual General Meeting of the Company to be held at **11:00 am (AEDT) on Friday, 24 November 2023**, and at any adjournment or postponement of the Meeting.

You should mark either "for" or "against" for each item.

OR

B

APPOINT A PROXY



the Chairman
of the Meeting
(mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am (AEDT) on Friday, 24 November 2023 at Bellarine Room at Hyatt Centric, 25 Downie Street, Melbourne, Victoria (the Meeting)** and at any postponement or adjournment of the Meeting.

Shareholders unable to attend may view the meeting by webcast via the following website: <https://meetings.linkgroup.com/ADH23>, however this does not provide for asking questions or voting.

Important for Items 3 & 4: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Items 3 & 4, even though the Item is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Voting Forms will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Items

For Against Abstain*

2 Re-election of David MacLean as a Director

☐	☐	☐
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3 Adoption of Remuneration Report

☐	☐	☐
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4 Approval of long-term incentive grant of Performance Rights to Mark Ronan

☐	☐	☐
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5 Re-insertion of proportional takeover provisions in the constitution

☐	☐	☐
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* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SHAREHOLDER VOTING FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's Share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your Shares using this form.**

VOTING UNDER BOX A - DIRECT VOTE

If you ticked the box under Box A you are indicating that you wish to vote directly. Please only mark either **"for"** or **"against"** for each item. Do not mark the **"abstain"** box. If you mark the **"abstain"** box for an item, your vote for that item will be invalid.

If no direction is given on all of the items, or if you complete both Box A and Box B, your vote may be passed to the Chairman of the Meeting as your proxy.

Custodians and nominees may, with the Share Registrar's consent, identify on the Voting Form the total number of votes in each of the categories **"for"** and **"against"** and their votes will be valid.

The Chairman's decision as to whether a direct vote is valid is conclusive.

VOTING UNDER BOX B – APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name and email address of that individual or body corporate in Step 1. A proxy need not be a Shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Voting Form, including where the Items are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your Shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Voting Form may be obtained by telephoning the Company's Share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Voting Form and the second Voting Form state the percentage of your voting rights or number of Shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either Shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting Virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at vote@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's Share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A VOTING FORM

This Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (AEDT) on Wednesday, 22 November 2023**, being not later than 48 hours before the commencement of the Meeting. Any Voting Form received after that time will not be valid for the scheduled Meeting.

Voting Forms may be lodged using the reply paid envelope or:



ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Voting Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their 'Holder Identifier' - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

Adairs Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

*during business hours Monday to Friday (9:00am - 5:00pm)