



ASX RELEASE

19 June 2023

Entitlement Offer targeted to raise between \$5 million to \$8 million

Key Points

- Non-renounceable entitlement offer to raise a minimum of \$5 million, with a targeted raising of \$8 million.
- If successful at raising:
 - (i) \$5 million through the Entitlement Offer, the proceeds of the Entitlement Offer will be applied principally to fund:
 - A. an increase of approximately \$3 million in working capital to fund the roll out of new Toys R Us stores inside WH Smith high street shops in the UK;
 - B. an increase of approximately \$1 million across marketing spend and investments in new IT platforms; and
 - C. an investment of approximately \$1 million in greater depth of merchant and marketing team members in Australia and the UK, to scale up our investment to date in state-of-the-art robotics and logistics.
 - (ii) \$8 million through the Entitlement Offer, the proceeds of the Entitlement Offer will be applied principally to fund:
 - A. the activities described in (i) above; and
 - B. an increase of approximately \$3 million in capital expenditure in the opening of a new 3,000 square metre Toys R Us and Babies R Us experiential retail centre in Clayton, Victoria.
- Under the Entitlement Offer, eligible shareholders have the opportunity to invest at the price of \$0.011 per New Share. The issue price of \$0.011 per New Share represents an approximately 20% discount to the closing price of TOY shares on 14 June 2023 (being the last trading day before announcement of the Entitlement Offer).

Entitlement Offer

Toys'R'Us ANZ Limited (ASX: TOY) intends to conduct a non-renounceable entitlement offer of fully paid ordinary shares in TOY (**New Shares**) to raise a minimum of \$5 million, with a targeted raising of \$8 million (**Entitlement Offer**).

The offer price for the Entitlement Offer will be \$0.011 per share (**Offer Price**). The Offer Price represents:

- a 12.9% discount to the theoretical ex-rights price (**TERP**)¹; and
- a 20% discount to the last traded price of TOY shares.

Under the Entitlement Offer, eligible shareholders will be able to subscribe for 1 new ordinary share in TOY for every 1 existing share held at 5:00pm (Sydney time) on Thursday, 22 June 2023 (**Record Date**) at the Offer Price (**Entitlements**).

If successful at raising:

- (i) \$5 million through the Entitlement Offer, the proceeds of the Entitlement Offer will be applied principally to fund:
 - A. an increase of approximately \$3 million in working capital to fund the roll out of new Toys R Us stores inside WH Smith high street shops in the UK;
 - B. an increase of approximately \$1 million across marketing spend and investments in new IT platforms; and
 - C. an investment of approximately \$1 million in greater depth of merchant and marketing team members in Australia and the UK, to scale up our investment to date in state-of-the-art robotics and logistics.
- (ii) \$8 million through the Entitlement Offer, the proceeds of the Entitlement Offer will be applied principally to fund:
 - A. the activities described in (a) above; and
 - B. an increase of approximately \$3 million in capital expenditure in the opening of a new 3,000 square metre Toys R Us and Babies R Us experiential retail centre in Clayton, Victoria.

The Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Shareholders who do not take up their Entitlements will not receive any value for those Entitlements that they do not take up. Shareholders who are not eligible to receive Entitlements will not receive any value for the Entitlements they would have received had they been eligible.

Approximately 727,272,728 new ordinary shares in TOY will be issued as part of the Entitlement Offer (if the target raising of \$8 million is achieved). Shares issued under the Entitlement Offer will rank equally with existing shares. The Entitlement Offer is not underwritten.

The Entitlement Offer will include a top up facility under which eligible shareholders who take up their full Entitlement will be invited to apply for additional shares in the Entitlement Offer from a pool of those not taken up by other eligible shareholders. There is no guarantee that applicants under the top up facility will receive all or any of the shares they apply for under the facility.

¹ The theoretical ex-rights price of \$0.0126 is calculated using TOY's closing price on 14 June 2023 assuming proceeds from the Entitlement Offer of \$8,000,000. TERP is the theoretical price at which shares should trade immediately after the ex-date for the Entitlement Offer assuming 100% take-up of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to the TERP.

TOY will notify shareholders as to whether they are eligible to participate in the Entitlement Offer. Eligible shareholders will receive an information booklet including a personalised entitlement and acceptance form which will provide further details of how to participate in the Entitlement Offer.

Also, under the ASX Listing Rules, Appendix 7A, TOY will despatch a letter about the Entitlement Offer to each holder of options to subscribe for TOY shares.

A presentation on the Entitlement Offer has been lodged with ASX today and is able to be downloaded from ASX's website, www.asx.com.au.

Key dates²

Event	Date
Announcement of the Entitlement Offer	Monday, 19 June 2023
Ex date and start of entitlements trading	Wednesday, 21 June 2023
Record Date for Entitlement Offer (5:00pm (Sydney time))	Thursday, 22 June 2023
Information Booklet and Entitlement and Acceptance Form despatched	Tuesday, 27 June 2023
Entitlement Offer opens	Tuesday, 27 June 2023
Last day to extend the Closing Date for the Entitlement Offer	Monday, 3 July 2023
Closing date for acceptances under Entitlement Offer (5pm (Sydney time))	Thursday, 6 July 2023
Announcement of results of the Entitlement Offer and under-subscriptions	Thursday, 13 July 2023
Settlement of New Shares under the Entitlement Offer	Thursday, 13 July 2023
Allotment of New Shares issued under the Entitlement Offer Despatch of holding statements for New Shares issued under the Entitlement Offer	Friday, 14 July 2023
Normal ASX trading for New Shares issued under the Entitlement Offer commences	Friday, 14 July 2023

Further Information:

For further information, telephone 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) between 8.30am and 5.00pm (AEST) Monday to Friday. Alternatively, contact your stockbroker, solicitor, accountant, or other professional adviser.

This ASX release has been authorised by the Board of Directors.

Important information

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to in this document have not been and will not be registered under the United States Securities Act of 1933 (the 'US Securities Act'), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available. This document may not be distributed or released in the United States.

²All dates are indicative only and subject to change. TOY reserves the right to withdraw the Entitlement Offer or vary the timetable without notice.

About Toys“R”Us ANZ Limited

Toys“R”Us ANZ Limited (ASX: TOY) is an Australian-based listed company with a mission to enrich the lives of people by encouraging exploration, creativity and living life more fully through the enjoyment of toys and hobbies. In addition to distributing leading products throughout Australia for key partners via its trading business Funtastic, the company recently acquired 100% of the Hobby Warehouse Group in November 2020, including Australian e-commerce websites Toys“R”Us, Babies“R”Us and Hobby Warehouse and the distribution business Mittoni Pty Ltd. The Company changed its name from Funtastic Limited to Toys“R”Us ANZ Limited on the 24 June 2021. Further information is available at corporate.toysrus.com.au

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Toys“R”Us ANZ

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