



19 June 2023

Dear Option Holder

Toys'R'Us ANZ Limited – Entitlement Offer – Notice to Option Holders

On 19 June 2023, Toys'R'Us ANZ Limited ACN 063 886 199 (**Company**) announced a non-renounceable entitlement offer of fully paid ordinary shares in the Company (**New Shares**) to seek to raise approximately \$8 million, with a minimum subscription of \$5 million (**Entitlement Offer**).

The purpose of the Entitlement Offer is to fund:

- (a) if \$5 million is raised through the Entitlement Offer:
 - (i) an increase of approximately \$3 million in working capital to fund the roll out of new Toys R Us stores in store inside WH Smith High St shops in the UK;
 - (ii) an increase of approximately \$1 million across marketing spend and investments in new IT platforms; and
 - (iii) 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;
- (b) if \$8 million is raised through the Entitlement Offer:
 - (i) the activities described in (a) above; and
 - (ii) 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.

Summary of key terms of the Entitlement Offer

Under the Entitlement Offer, Eligible Shareholders (as defined below) will be invited to subscribe for 1 New Share for every 1 existing ordinary share in the Company held at 22 June 2023 on 5:00pm (AEST) (**Record Date**) at an offer price of \$0.011 per New Share (**Entitlement**).

An Eligible Shareholder means a holder of the Company shares at the Record Date who:

- has a registered address in Australia and New Zealand or is a shareholder that the Company has otherwise determined is eligible to participate;
- is not in the United States and is not a nominee, custodian or other person acting for the account or benefit of a person in the United States; and
- is eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus to be lodged or registered.



The Entitlement Offer is being made by the Company without a disclosure document or product disclosure statement under section 708AA Corporations Act 2001 (Cth).

Eligibility of option holders to participate in the Entitlement Offer

Your options do not entitle you to participate in the Entitlement Offer.

The purpose of this letter is to give you notice before the Record Date that you may exercise your options if you wish to participate in the Entitlement Offer. Accordingly, if you wish for some or all of the shares underlying your options to be counted as part of your Entitlement under the Entitlement Offer, you will need to exercise that portion of your vested and exercisable options for which you wish to participate and pay the current exercise price for them so that those shares are issued to you before the Record Date. Please contact our share registry if you wish to exercise your options.

The share registry contact details are:

By delivery (not to be used if mailing)

Automatic Pty Limited
Level 5, 126 Phillip Street
Sydney, NSW 2000

By post

Automatic Pty Limited
GPO Box 5193
Sydney NSW 2001

If you choose to participate in the Entitlement Offer by exercising some or all of your options before the Record Date, you will be sent a personalised entitlement and acceptance form containing important information about the Entitlement Offer.

If you do not wish to participate in the Entitlement Offer (in respect of your options) you do not need to take any action.

Before deciding whether to exercise all or any of your options, you should consider the terms of the Entitlement Offer carefully and consult with your professional adviser if necessary. Documents relating to the Entitlement Offer were lodged with ASX on 19 June 2023.

Further information

If you have any queries, please call 1300 288 664 (inside Australia) or +61 2 9698 5414 (outside Australia) between 8:30am and 5:00pm (AEST) Monday to Friday during the offer period or, alternatively, consult your professional adviser.



On behalf of the Directors, I thank you for your continued support of the Company.

Yours sincerely

A handwritten signature in purple ink, appearing to read 'K Moore', is positioned above the printed name.

Kevin Moore
Acting CEO, Executive Chairman and Executive Director
Toys'R'Us ANZ Limited ACN 063 886 199

Important information

This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia or New Zealand. In particular, the New Shares have not been, and will not be, registered under the United States Securities Act of 1933 (the 'US Securities Act') or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements under the Entitlement Offer may only be taken up by, and the New Shares in the Entitlement Offer may only be offered or sold to, directly or indirectly, certain persons outside the United States in 'offshore transactions' (as defined in Rule 902(h) of Regulation S under the US Securities Act) in reliance on Regulation S under the US Securities Act.

For personal use only