



ENTITLEMENT OFFER DESPATCH

27 June 2023 – Digital-first e-commerce direct-to-consumer retailer, Toys“R” Us ANZ Limited (ASX:TOY) (TOY or **Company**), is pleased to announce the despatch of the letter to eligible shareholders, attached as an Annexure to this announcement, in relation to the Non-Renounceable Entitlement Offer (**Entitlement Offer**) as announced to the ASX on 19 June 2023.

-END-

This announcement has been authorised by the TOY Company Secretary.

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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Annexure

TOYS'R'US ANZ LIMITED

ACN 063 886 199

Entitlement Offer information booklet

Up to \$8 million pro rata non-renounceable entitlement offer at \$0.011 per Share with a minimum subscription of \$5 million

Last date for acceptance and payment: 5.00pm (AEST) on 6 July 2023

If you are an Eligible Shareholder, this is an important document that requires your immediate attention. It should be read in its entirety. If, after reading this document you have any questions about the securities being offered for issue under it or any other matter, you should contact your stockbroker, solicitor, accountant or other professional adviser.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Legal adviser

Lawyers | **McCullough
Robertson**

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Table of contents

IMPORTANT NOTICES	1
Chair's letter	2
Summary of the Entitlement Offer	4
Key dates	4
Enquiries	5
1 Description and effect of the Offer	6
1.1 Overview	6
1.2 Minimum subscription	7
1.3 No entitlement trading	7
1.4 Top Up Facility	7
1.5 Shortfall facility	7
1.6 Eligibility of Shareholders	7
1.7 Ranking of New Shares	8
1.8 Allotment	8
1.9 Capital structure	8
1.10 No effect on control	9
1.11 Effect on TOY's financial position	11
1.12 Basis of preparation of financial information	13
1.13 Pro-forma adjustments to consolidated balance sheet	13
1.14 Pro forma cash flow statement as at 31 January 2023	13
1.15 Key terms of lending arrangements under negotiation	14
1.16 Key terms of third-party logistics arrangements	15
1.17 Broker fees	15
1.18 Information Availability	16
2 How to apply	17
2.1 Shareholder's choices	17
2.2 Taking up all of your Entitlement and participating in the Top Up Facility	17
2.3 Taking up part of your Entitlement and allowing the balance to lapse	18
2.4 Allow your Entitlement to lapse	18
2.5 Consequences of not accepting your Entitlement	18
2.6 Payment	18
2.7 Entitlement and Acceptance Form is binding	18
2.8 Brokerage and Stamp Duty	19

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2.9	Notice to Nominees and Custodians	19
3	Principal risk factors -----	20
3.1	General market risks	20
3.2	Specific risks	20
4	Definitions -----	24
5	Corporate information -----	26

IMPORTANT NOTICES

This Information Booklet is dated 19 June 2023. Capitalised terms in this section have the meaning given to them in this Information Booklet.

The Entitlement Offer is being made without a prospectus under section 708AA Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84). This Information Booklet does not contain all of the information which a prospective investor may require to make an informed investment decision. The information in this Information Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This Information Booklet is important and should be read in its entirety before deciding to participate in the Entitlement Offer. This Information Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC.

TOY may make additional announcements after the date of this Information Booklet and throughout the period that the Entitlement Offer is open that may be relevant to your consideration about whether you should participate in the Entitlement Offer.

No party other than TOY has authorised or caused the issue of this Information Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information Booklet.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Information Booklet and you have acted in accordance with and agree to the terms of the Entitlement Offer detailed in this Information Booklet.

No overseas offering

This Information Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. In particular, this Information Booklet does not constitute an offer to Ineligible Shareholders and may not be distributed in the United States and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States.

This Information Booklet is not to be distributed in, and no offer of New Shares is to be made in countries other than Australia and New Zealand. The distribution of this Information Booklet (including an electronic copy) in other jurisdictions may be restricted by law and therefore persons who come into possession of this Information Booklet should seek advice on and observe these restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction outside Australia and New Zealand.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your Application for New Shares is subject to all requisite authorities and clearances being obtained for TOY to lawfully receive your Application Monies.

New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing TOY shareholders with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016* (New Zealand).

This document has not been registered, filed with or approved by a New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

Definitions, currency and time

Defined terms used in this Information Booklet are contained in section 4. All references to currency are to Australian dollars and all references to time are to Australian Eastern Standard Time (**AEST**), unless otherwise indicated.

Taxation

There will be tax implications associated with participating in the Entitlement Offer and receiving New Shares. TOY considers that it is not appropriate to give advice regarding the tax consequences of subscribing for New Shares under this Information Booklet or the subsequent disposal of any New Shares. TOY recommends that you consult your professional tax adviser in connection with the Entitlement Offer.

Privacy

TOY collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in TOY.

By submitting an Entitlement and Acceptance Form, you will be providing personal information to TOY (directly or through the Share Registry). TOY collects, holds and will use that information to assess your Application. TOY collects your personal information to process and administer your shareholding in TOY and to provide related services to you. TOY may disclose your personal information for purposes related to your shareholding in TOY, including to the Share Registry, TOY's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that TOY holds about you. To make a request for access to your personal information held by (or on behalf of) TOY, please contact TOY through the Share Registry.

Governing law

This Information Booklet, the Entitlement Offer and the contracts formed on acceptance of the Applications are governed by the law applicable in Victoria, Australia. Each Applicant submits to the exclusive jurisdiction of the Victoria courts and courts competent to hear appeals from those courts.

No representations

No person is authorised to give any information or to make any representation in connection with the Entitlement Offer which is not contained in this Information Booklet. Any information or representation in connection with the Entitlement Offer not contained in the Information Booklet may not be relied upon as having been authorised by TOY or any of its officers.

Past performance

Investors should note that TOY's past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) TOY's future performance including TOY's future financial position or share price performance.

Future performance

This Information Booklet contains certain forward-looking statements with respect to the financial condition, results of operations, projects and business of TOY and certain plans and objectives of the management of TOY. These forward-looking statements involve known and unknown risks, uncertainties and other factors which are subject to change without notice and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither TOY, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, those forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of TOY. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. Investors should consider the forward-looking statements contained in this Information Booklet in light of those disclosures.

Risks

Refer to the 'Risk factors' in section 3 of this Information Booklet for a summary of general and specific risk factors that may affect TOY.

Chair's letter

19 June 2023

Dear Shareholder

As a valued shareholder of Toys'R'Us ANZ Limited (**TOY**), I am pleased to write to you and offer you the opportunity to participate in TOY's recently announced non-renounceable entitlement issue of new ordinary shares in TOY (**New Shares**) at an issue price of \$0.011 per New Share (**Entitlement Offer**).

On 19 June 2023, TOY announced its intention to raise up to \$8 million through the Entitlement Offer, with a minimum subscription of \$5 million. If successful at raising:

- (a) \$5 million through the Entitlement Offer, the proceeds of the Entitlement Offer will be applied principally to fund:
 - (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; and
- (b) \$8 million through the Entitlement Offer, the proceeds of the Entitlement Offer will be applied principally to fund:
 - (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.

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).

The number of New Shares you are entitled to subscribe for under the Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form that is enclosed in this Information Booklet.

The Entitlement Offer is non-renounceable and therefore your entitlements will not be tradeable on ASX or otherwise transferable.

Other information

This Information Booklet contains important information, including:

- For personal use only
- instructions on how to apply, detailing how to participate in the Entitlement Offer if you choose to do so, and a timetable of key dates;
 - a personalised Entitlement and Acceptance Form which details your Entitlement, to be completed in accordance with the instructions; and
 - instructions on how to take up all or part of your Entitlement via BPAY; and
 - key risks in connection with an investment in TOY, which are summarised in section 3 of this Information Booklet. In particular, Eligible Shareholders should have regard to the financial risks noted in section 3.2.

The Entitlement Offer closes at 5.00pm (Sydney time) on 6 July 2023.

Please read in full the details on how to submit your application, which are set out in this Information Booklet. For further information regarding the Entitlement Offer, please call 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia), or visit our website at www.toysrus.com.au.

You should also consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

On behalf of the Board of TOY, I encourage you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely



Kevin A Moore
Executive Chair & Managing Director

Summary of the Entitlement Offer

Entitlement Offer	
Ratio	1 New Share for every 1 existing TOY ordinary shares
Issue Price	\$0.011 per New Share
Size (assuming subscription to the target raising)	727,272,728 New Shares
Minimum subscription	\$5,000,000
Gross proceeds (assuming subscription to the target raising)	\$8,000,000

Key dates

Activity	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

All times are in Australian Eastern Standard Time (**AEST**). This timetable is indicative only and subject to change. The Directors may vary these dates subject to the Listing Rules. An extension of the Closing Date will delay the anticipated date for issue of the New Shares. The Directors also reserve the right not to proceed with the whole or part of the Entitlement Offer any time before the allotment and issue of the New Shares. In that event, the relevant Application Monies (without interest) will be returned in full to Applicants.

Enquiries

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

If you have lost your Entitlement and Acceptance Form and would like a replacement form, you should contact the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

1 Description and effect of the Offer

1.1 Overview

The Entitlement Offer is a non-renounceable offer of 1 New Share at \$0.011 per New Share to raise approximately \$8 million (before direct offer costs including fees paid to advisers and to providers of specific services to cover share registry, printing and postage costs), with a minimum subscription of \$5 million.

Company position if \$5 million is raised

If \$5 million is raised 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 in store inside WH Smith High St 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.

Company position if \$8 million is raised

If \$8 million is raised 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. This site is already leased by the company and attached to our new purpose-built logistics and head office premises.

Eligible Shareholders who are on TOY's share register on the Record Date are entitled to acquire 1 New Share for every 1 Share held on the Record Date (**Entitlement**).

Fractional Entitlements will be rounded down to the nearest whole number of New Shares.

The issue price of \$0.011 per New Share represents a discount of approximately 20% to the closing price of TOY shares on 14 June 2023 (being the last trading day before announcement of the Entitlement Offer).

An Entitlement and Acceptance Form setting out your Entitlement accompanies this Information Booklet. Eligible Shareholders may subscribe for all or part of their Entitlement.

Eligible Shareholders who do not take up all of their Entitlements will have their percentage shareholding in TOY diluted.

Eligible Shareholders should be aware that an investment in TOY involves risks. The key risks identified by TOY are summarised in in section 3 of this Information Booklet. In particular, Eligible Shareholders should have regard to the financial risks noted in section 3.2.

1.2 Minimum subscription

The Entitlement Offer is subject to a minimum subscription of 454,545,455 Shares at \$0.011 per New Share to raise at least \$5 million (**Minimum Subscription**).

If the Minimum Subscription, which may include the placement of any shortfall that may arise under the Entitlement Offer, has not been raised by 13 July 2023, the Company will not issue any Shares and will return all Application Monies (without interest) to Applicants.

The Entitlement Offer is not underwritten.

1.3 No entitlement trading

The Entitlement Offer is non-renounceable and therefore your entitlements will not be tradeable on ASX or otherwise transferable.

1.4 Top Up Facility

Any New Shares not taken up by the Closing Date may be made available to those Eligible Shareholders who took up their full Entitlement and applied for additional New Shares under the Top Up Facility.

There is no guarantee that those Shareholders will receive the number of New Shares applied for under the Top Up Facility. The number of New Shares available under the Top Up Facility will not exceed the shortfall from the Entitlement Offer. The Directors reserve the right to allot and issue New Shares under the Top Up Facility at their sole discretion.

1.5 Shortfall facility

A shortfall may arise if applications received for New Shares under the Entitlement Offer (including after the completion of the Top Up Facility and the Entitlements of Ineligible Shareholders) are less than the number of New Shares offered.

The Directors reserve the right, subject to the requirements of the Listing Rules and the Corporations Act, to place Shortfall Shares within three months after the Closing Date to either existing or new Shareholders at their discretion. If issued, Shortfall Shares will be issued at a price not less than the Issue Price of New Shares under the Entitlement Offer. Shareholders will not receive any payment or value for the Entitlements not taken up under the Entitlement Offer that are subsequently taken up as Shortfall Shares.

The Company has appointed Canaccord Genuity (Australia) Limited ACN 075 071 466 and Shaw and Partners Limited ACN 003 221 583 to act as the placement agents for any Shortfall Shares under the Entitlement Offer.

1.6 Eligibility of Shareholders

The Entitlement Offer is being offered to all Eligible Shareholders.

An Eligible Shareholder is a Shareholder on the Record Date who:

- (a) has a registered address on the TOY share register in Australia and New Zealand or is a Shareholder that TOY has otherwise determined is eligible to participate;
- (b) is not in the United States and is not a person (including nominee or custodian) acting for the account or benefit of a person in the United States; and

- (c) 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 not being extended to the Ineligible Shareholders because of the small number of those Shareholders, the number and value of the Shares they hold and the cost of complying with applicable regulations in jurisdictions outside Australia and New Zealand.

1.7 Ranking of New Shares

The New Shares issued under the Entitlement Offer will be fully paid and rank equally with Existing Shares.

1.8 Allotment

TOY will make an application within seven days from the date of this Information Booklet for quotation of the New Shares on ASX. It is expected that allotment of the New Shares under the Entitlement Offer will take place no more than six Business Days after the close of the Entitlement Offer.

Application Monies will be held by TOY on trust for Applicants until the New Shares are allotted. No interest will be paid on Application Monies.

It is the responsibility of Applicants to determine the number of New Shares allotted and issued to them before trading the New Shares. The sale by an Applicant of New Shares before receiving their holding statement is at the Applicant's own risk.

1.9 Capital structure

Subject to the rounding down of fractional Entitlements and depending on the number of TOY options (if any) that are exercised before the Record Date, the capital structure of TOY following the issue of New Shares is expected to be as follows:

Existing Shares on issue as at the date of this Information Booklet	863,086,674
Approximate new Shares issued under the Entitlement Offer (assuming subscription to the target raising of \$8 million)	727,272,728
Approximate total number of Shares after the Entitlement Offer (assuming subscription to the target raising of \$8 million)	1,590,359,402

The above figures assume that no existing options over TOY Shares will be exercised prior to the Record Date. There are 32,378,751 existing options, comprising:

- (a) 10,149,450 Options subject to an exercise price of \$0.138 and expiring on 01 November 2023;
- (b) 10,180,305 Options subject to an exercise price of \$0.166 and expiring on 01 November 2024;
- (c) 1,691,956 Options subject to an exercise price of \$0.138 and expiring on 01 May 2025; and

- (d) 10,357,040 Options subject to an exercise price of \$0.199 and expiring on 01 November 2025;

The Options are held by the following parties:

Holder Name	Holding
GEORGIOUSIS HOLDINGS PTY LTD <GEORGIOUSIS FAMILY A/C>	25,572,330
MORE LAMB PTY LTD <MOORE LAMB FAMILY A/C>	5,114,465
YU LIAN	1,691,956
Total	32,378,751

The board of Directors consider it is unlikely that any existing options will be exercised before the Record Date. In the event that any existing options are exercised, however, any proceeds raised will be applied to the general working capital of TOY.

1.10 No effect on control

The effect of the Entitlement Offer on control depends on the extent which Eligible Shareholders take up their Entitlements under the Entitlement Offer. The effect on control under various scenarios are shown in the tables below.

Effects if Hobby Warehouse Holdings Pty Ltd and its Associates takes up their full Entitlement

Effect on control	Current shareholding		100% take-up by all shareholders (up to the target raising)		50% take-up by all other shareholders (up to the target raising)		0% take-up by all other shareholders (up to the target raising)	
	Shares	%	Shares	%	Shares	%	Shares	%
Hobby Warehouse Holdings Pty Ltd and its Associates	291,205,818	33.74%	582,411,636	36.62%	582,411,636	42.44%	582,411,636	50.46%

*The above assumes that Hobby Warehouse Holdings Pty Ltd and its Associates take up their full Entitlement (291,205,818 New Shares) and do not participate in the Top Up Facility or acquire any Shortfall Shares. The above table shows the variations to its percentage holding based on the take-up of all other shareholders (up to the target raising of \$8 million) and assuming any Shortfall Shares are not placed.

Effect on control	Current shareholding		100% take-up by all shareholders (up to the target raising)		50% take-up by all other shareholders (up to the target raising)		0% take-up by all other shareholders (up to the target raising)	
	Shares	%	Shares	%	Shares	%	Shares	%
All other Shareholders	571,880,856	66.26%	1,007,947,766	63.38%	789,914,311	57.56%	571,880,856	49.54%
Total	863,086,674	100.00%	1,590,359,402	100.00%	1,372,325,947	100.00%	1,154,292,492	100.00%

Effects if JASZAC Investments Pty Ltd takes up its full Entitlement

Effect on control	Current shareholding		100% take-up by all shareholders (up to the target raising)		50% take-up by all other shareholders (up to the target raising)		0% take-up by all other shareholders (up to the target raising)	
	Shares	%	Shares	%	Shares	%	Shares	%
JASZAC Investments Pty Ltd	103,064,772	11.94%	206,129,544	12.96%	206,129,544	16.13%	206,129,544	21.34%

*The above assumes that JASZAC Investments Pty Ltd takes up its full Entitlement (103,064,772 New Shares) and does not participate in the Top Up Facility or acquire any Shortfall Shares. The above table shows the variations to its percentage holding based on the take-up of all other shareholders (up to the target raising of \$8 million) and assuming any Shortfall Shares are not placed.

Effect on control	Current shareholding		100% take-up by all shareholders (up to the target raising)		50% take-up by all other shareholders (up to the target raising)		0% take-up by all other shareholders (up to the target raising)	
	Shares	%	Shares	%	Shares	%	Shares	%
All other Shareholders	760,021,902	88.06%	1,384,229,858	87.04%	1,072,125,880	83.87%	760,021,902	78.66%
Total	863,086,674	100.00%	1,590,359,402	100.00%	1,278,255,424	100.00%	966,151,446	100.00%

Effects if both Hobby Warehouse Holdings Pty Ltd and its Associates and JASZAC Investments Pty Ltd take up their full Entitlement

Effect on control	Current shareholding		100% take-up by all shareholders (up to the target raising)		50% take-up by all other shareholders (up to the target raising)		0% take-up by all other shareholders (up to the target raising)	
	Shares	%	Shares	%	Shares	%	Shares	%
Hobby Warehouse Holdings Pty Ltd and its Associates	291,205,818	33.74%	582,411,636	36.62%	582,411,636	40.90%	582,411,636	46.32%
JASZAC Investments Pty Ltd	103,064,772	11.94%	206,129,544	12.96%	206,129,544	14.48%	206,129,544	16.39%

*The above assumes that Hobby Warehouse Holdings Pty Ltd and its Associates and JASZAC Investments Pty Ltd take up their full Entitlement and do not participate in the Top Up Facility or acquire any Shortfall Shares. The above table shows the variations to their percentage holding based on the take-up of all other shareholders (up to the target raising of \$8 million) and assuming any Shortfall Shares are not placed.

Effect on control	Current shareholding		100% take-up by all shareholders (up to the target raising)		50% take-up by all other shareholders (up to the target raising)		0% take-up by all other shareholders (up to the target raising)	
	Shares	%	Shares	%	Shares	%	Shares	%
All other Shareholders	468,816,084	54.32%	801,818,222	50.42%	635,317,153	44.62%	468,816,084	37.29%
Total	863,086,674	100.00%	1,590,359,402	100.00%	1,423,858,333	100.00%	1,257,357,264	100.00%

The Board has sought to mitigate the potential impact of the Entitlement Offer on control by:

- (a) making the Entitlement Offer to all Eligible Shareholders;
- (b) pricing the Offer at an attractive price; and
- (c) seeking undertakings from Hobby Warehouse Holdings Pty Ltd and its Associates and JASZAC Investments Pty Ltd that they will only subscribe for New Shares under the Entitlement Offer to the extent permitted by the Corporations Act.

1.11 Effect on TOY's financial position

Set out below is a summary of the historical financial information for TOY as at 31 January 2023 (**Historical Financial Information**) and a pro-forma historical statement of the financial position as at 31 January 2023 (**Pro Forma Historical Financial Information**) (collectively, **Financial Information**). The Financial Information has been prepared to illustrate the effect of the Entitlement Offer.

	31 January 2023 Historical (Audited)	Cash burn and borrowings since 31 January 2023	Minimum subscription under Entitlement Offer (\$5,000,000)	Full subscription under Entitlement Offer (\$8,000,000)
	\$'000	\$'000	\$'000	\$'000
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	5,623	(3,723)	6,350	9,020
Trade and other receivables	1,147		1,147	1,147
Inventory and other current assets	9,659		9,659	9,659
TOTAL CURRENT ASSETS	16,429		17,156	19,826
NON-CURRENT ASSETS				
Property, plant and equipment	2,575		2,575	2,575
Goodwill and other intangibles	20,838		20,838	20,838
Other Non-Current Assets	3,764		3,764	3,764
Right of use assets	11,779		11,779	11,779
TOTAL NON-CURRENT ASSETS	38,956		38,956	38,956
TOTAL ASSETS	55,385		56,112	58,782
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	4,257		4,257	4,257
Provisions – short term	424		424	424
Other Liabilities – short term	2,236		2,236	2,236
Lease Liabilities – short term	681		681	681
TOTAL CURRENT LIABILITIES	7,598		7,598	7,598
NON-CURRENT LIABILITIES				
Interest Bearing Liabilities	10,000	1,500	11,500	11,500
Deferred tax liabilities	895		895	895
Lease Liabilities – long term	11,577		11,577	11,577
TOTAL NON-CURRENT LIABILITIES	22,472		23,972	23,972
TOTAL LIABILITIES	30,070		31,570	31,570
NET ASSETS	25,315	(5,223)	24,542	27,212
EQUITY				
Issued capital	293,027		298,027	301,027
Accumulated losses/ reserves	(267,712)	(5,223)	(273,485)	(273,815)
TOTAL EQUITY	25,315	(5,223)	24,542	27,212

1.12 Basis of preparation of financial information

The stated basis of preparation for the Historical Financial Information is in accordance with the recognition and measurement principles of the Australian Accounting Standards.

The stated basis of preparation for the Pro Forma Historical Financial Information is in a manner consistent with the recognition and measurement principles of the Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in this section of the Information Booklet, as if those events or transactions had occurred as at 31 January 2023.

1.13 Pro-forma adjustments to consolidated balance sheet

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information and has been prepared on the basis that the following significant transactions occurred as at 31 January 2023:

Material transactions since 31 January 2023:

- (a) \$1,500,000 loan drawn down on existing facility; and
- (b) cash spend of \$3,723,000 up to 31 May 2023.

The Entitlement Offer (Minimum Subscription):

- (c) the issue of 454,545,455 New Shares under the Entitlement Offer, expected to raise gross proceeds of \$5 million less estimated offer costs of \$550,000.

The Entitlement Offer (subscription up to the target raising of \$8 million):

- (d) the issue of 727,272,728 New Shares under the Entitlement Offer, expected to raise gross proceeds of \$8 million less estimated offer costs of \$880,000.

Due to the nature of the pro forma adjustments, they do not represent the actual or prospective financial position of TOY.

1.14 Pro forma cash flow statement as at 31 January 2023

The Company's pro forma historical cash position at 31 January 2023 adjusted for the Entitlement Offer is derived from actual cash as follows:

The Entitlement Offer (Minimum Subscription):

Cash as at 31 May 2023	\$1,900,000
Gross proceeds of the Entitlement Offer	\$5,000,000
Offer costs of the Entitlement Offer	(\$550,000)
Pro forma historical cash balance	<u>\$6,350,000</u>

The Entitlement Offer (full subscription up to the target raising of \$8 million):

Cash as at 31 May 2023	\$1,900,000
Gross proceeds of the Entitlement Offer	\$8,000,000
Offer costs of the Entitlement Offer	(\$880,000)
Pro forma historical cash balance	<u>\$9,020,000</u>

1.15 Key terms of lending arrangements under negotiation

US\$2 million loan facility

UK Toys R Us Limited (**UKTOY**) is negotiating a secured loan agreement with Tru Kids Inc. as lender (**Lender**) for a commitment of up to US\$2,000,000 for general corporate purposes (**Facility**). The security to be given by UKTOY would include a general security interest over all assets as well as a security interest over the certain licence agreements in favour of the Lender (**Licence Security**). The Licence Security would include a direction for all fees and royalty amounts received by UKTOY under the licences to be paid directly to the Lender.

The Facility is anticipated to be guaranteed by the Company and Hobby Warehouse Pty Ltd (**Guarantors**), who would each grant general security over all assets to support the guarantee given.

The Facility would be available in five loan amounts comprising of the first three loans of US\$500,000 each and the final two loans of US\$250,000 each. The second loan would not be available to be drawn until UKTOY and/or Guarantors have raised at least A\$5,000,000 of additional equity, and the third loan would not be available to be drawn until UKTOY and/or Guarantors have raised at least a further A\$3,000,000 of additional equity.

Repayment of the Facility would be required to be made in six equal instalments of US\$390,000 each on 31 July 2024, 31 October 2024, 31 January 2025, 30 April 2025, 31 July 2025, and 31 October 2025 (being the final repayment date). If UKTOY fails to repay any instalment within two business days after the relevant repayment date, the amount of such instalment to be repaid by UKTOY would be increased by 5%. Further, the proceeds from the sale of any assets of UKTOY would be required to be applied towards repayment of the Facility.

If UKTOY and the Guarantors raise at least A\$17,000,000 of equity after the date of the Facility, the loans advanced under the Facility will become repayable within five business days. The other proposed covenants under the Facility are typical for a secured financing arrangement and include:

- (a) UKTOY not being permitted to create any security interests over its assets other than in the ordinary course of trading, under retention of title or hire purchase arrangements, or otherwise with the prior written consent of the Lender;
- (b) restrictions on disposals of assets by UKTOY, other than on arm's length terms in the ordinary course of business;
- (c) UKTOY not paying or distributing any dividend or share premium reserve; and
- (d) limitations on incurring any further finance debt without the prior written consent of the Lender.

The proposed events of default under the Facility are market standard for a facility of this nature and include the termination of certain licence agreements, change of control, or the occurrence of a material adverse effect.

Intercreditor deed

An intercreditor deed is being negotiated between UKTOY, the Guarantors, the Lender and the Company's existing lender in respect of the proposed Facility and the existing secured loan provided by the existing lender (**Existing Facility**). In summary, the proposed intercreditor deed provides that:

- (a) the securities under the Existing Facility will have first priority ahead of the securities granted under the Facility;
- (b) payments to the Lender under the Facility are restricted to the amounts specified in the repayment schedule to the intercreditor deed, which comprises scheduled principal, interest, and royalty payments under the Facility; and
- (c) in respect of the certain licence agreements, the existing lender must be given prior notice by the Lender of any default, and an opportunity to exercise a cure right, prior to the Lender terminating the licence agreement.

1.16 Key terms of third-party logistics arrangements

On 14 June 2023, TOY announced it had entered into a binding fulfilment services agreement (**Fulfilment Services Agreement**) with Riot HoldCo Pty Ltd (**Riot**) to relocate Riot's logistics and office operations to the TOY distribution and logistics facility at Clayton, Victoria.

Subject to customary commercial terms and conditions, TOY will provide fulfilment services to Riot for an initial term of 24 months including receipting and storage of inventory, picking and packing of customer orders via bulk storage facilities and a state-of-the-art Autonomous Mobile Robot (AMR) system. Riot will pay TOY a fulfilment fee to pick and pack each order. The fulfilment fee is calculated based on approximately 7,000 SKU's and will be subject to consumer price index adjustments. Commencement of the fulfilment services is expected to be July 2023.

The Fulfilment Services Agreement will allow both companies to operate more efficiently and cost effectively and is estimated to offset up to \$2 million in the Company's warehouse and logistics expenditure over the initial term. Riot staff will relocate to the Company's purpose-built head office at its Clayton site, which was completed September 2022.

1.17 Broker fees

Canaccord Genuity (Australia) Limited ACN 075 071 466 and Shaw and Partners Limited ACN 003 221 583 are placement agents for any Shortfall Shares under the Entitlement Offer (**Placement Agents**). Customary with these types of arrangements:

- (a) the Placement Agents will receive a management fee of up to 1%, and a capital raising fee of up to 2.75%, of the gross proceeds of the Entitlement Offer placed by the Placement Agents as part of any shortfall;
- (b) the Placement Agents are entitled to reimbursement of certain expenses; and
- (c) TOY has agreed to indemnify the Placement Agents and others against their losses in connection with the Entitlement Offer.

1.18 Information Availability

Eligible Shareholders can obtain a copy of this Information Booklet from the TOY website at www.toysrus.com.au or by calling the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia), at any time from 8.30am to 5.00pm (AEST) during the Entitlement Offer period. Persons who access the electronic version of this Information Booklet should ensure that they download and read the entire Information Booklet. The electronic version of this Information Booklet will not include an Entitlement and Acceptance Form. A replacement Entitlement and Acceptance Form can be requested by calling the Share Registry.

2 How to apply

2.1 Shareholder's choices

The number of New Shares to which Eligible Shareholders are entitled under the Entitlement Offer (i.e. their Entitlement) is shown on the accompanying Entitlement and Acceptance Form. Eligible Shareholders may:

- (a) take up their Entitlement in full and, if they do so, they may apply for additional New Shares under the Top Up Facility (refer to section 2.2);
- (b) take up part of their Entitlement, in which case the balance of the Entitlement lapses (refer to section 2.3); or
- (c) allow their Entitlement to lapse (refer to section 2.4).

Ineligible Shareholders may not take up any of their Entitlements.

TOY reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Closing Date.

The Closing Date for acceptance of the Entitlement Offer is **5.00pm (AEST) on 6 July 2023** (however, that date may be varied by TOY, in accordance with the Listing Rules).

2.2 Taking up all of your Entitlement and participating in the Top Up Facility

If you wish to take up your Entitlement in full, follow the instructions set out in the Entitlement and Acceptance Form.

If you have applied to take up all of your Entitlement, you may also apply for additional New Shares under the Top Up Facility.

Please return your completed Entitlement and Acceptance Form together with your Application Monies in accordance with section 2.6 for the amount shown on the Entitlement and Acceptance Form to the Share Registry so that it is received no later than **5.00pm (AEST) on 6 July 2023** at the address set out below:

Toys'R'Us ANZ Limited
C/- Automic Registry Services
GPO Box 5193 Sydney, NSW, 2001

You may also take up all of your Entitlement by payment of the Application Monies through BPAY in accordance with the instructions on the Entitlement and Acceptance Form. If payment is being made through BPAY, you do not need to return the Entitlement and Acceptance Form. Your payment must be received by no later than **5.00pm (AEST) on 6 July 2023**.

If you do not return the Entitlement and Acceptance Form, amounts received by TOY in excess of the Issue Price multiplied by your Entitlement (**Excess Amount**) may be treated as an application to apply for as many additional New Shares under the Top Up Facility as your Excess Amount will pay for in full.

If you apply for additional New Shares under the Top Up Facility and your application is successful (in whole or in part) your New Shares will be issued at the same time that other New Shares are issued under the Entitlement Offer. There is no guarantee you will receive any New

Shares under the Top Up Facility. The Directors reserve their right to allot and issue New Shares under the Top Up Facility at their sole discretion.

Refund amounts, if any, will be paid in Australian dollars. You will be paid by direct credit to the nominated bank account as noted on the share register as at the closing date of the offer. If you wish to advise or change your banking instructions with the Share Registry you may do so by going to www.automicgroup.com.au and following the instructions.

2.3 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up part of your Entitlement, complete the Entitlement and Acceptance Form for the number of New Shares you wish to take up and follow the other steps required under section 2.2.

You may arrange for payment through BPAY in accordance with the instructions on the Entitlement and Acceptance Form. If payment is made through BPAY and TOY receives an amount that is less than the Issue Price multiplied by your Entitlement (**Reduced Amount**), your payment may be treated as an application for as many New Shares as your Reduced Amount will pay for in full.

2.4 Allow your Entitlement to lapse

If you do not wish to accept all or any part of your Entitlement, do not take any further action and that part of your Entitlement will lapse.

2.5 Consequences of not accepting your Entitlement

If you do not accept all of your Entitlement in accordance with the instructions set out above, any New Shares that you would have otherwise been entitled to under the Entitlement Offer (or New Shares that relate to the portion of your Entitlement that has not been accepted) may be acquired under the Top Up Facility or the Shortfall Facility.

2.6 Payment

The consideration for the New Shares (including under the Top Up Facility) is payable in full on application by a payment of \$0.011 per New Share.

You must arrange for payment of the Application Monies through BPAY in accordance with the instructions on the Entitlement and Acceptance Form.

Eligible Shareholders must not forward cash by mail. Receipts for payment will not be issued.

2.7 Entitlement and Acceptance Form is binding

A completed and lodged Entitlement and Acceptance Form, or a payment made through BPAY, constitutes a binding offer to acquire New Shares on the terms of this Information Booklet and, once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid Application for New Shares. The Directors' (or their delegates') decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Monies or making a payment by BPAY, you will also be deemed to have

acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you are an Eligible Shareholder and are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Entitlement Offer;
- (b) you acknowledge that the New Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended, or under the laws of any other jurisdiction outside Australia or New Zealand; and
- (c) you have not and will not send any materials relating to the Entitlement Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States.

2.8 Brokerage and Stamp Duty

No brokerage fee is payable by Eligible Shareholders who accept their Entitlement. No stamp duty is payable for subscribing for New Shares under the Entitlement Offer.

2.9 Notice to Nominees and Custodians

Nominees and custodians may not distribute any part of this Information Booklet or any Entitlement and Acceptance Form in any country outside Australia, except to beneficial holders of Shares in New Zealand as well as any other country to the extent TOY may determine it is lawful and practical to make the Entitlement Offer.

3 Principal risk factors

References to TOY in this section include its subsidiaries.

3.1 General market risks

Investors should be aware that the market price of TOY's securities may be influenced by a number of factors. General movements in local and international stock markets, exchange rates, prevailing economic conditions, investor sentiment and interest rates could all affect the market price of TOY's securities. These risks apply generally to any investment on the stock market.

In addition to the general risks associated with investing in the stock market, there are risks specific to investing in any particular entity. Some risks may be outside TOY's control and not capable of mitigation. If in doubt about the general or specific risks associated with TOY's securities, you should seek advice from your professional advisers.

Investment risks

Factors affecting the price at which TOY Shares are traded on ASX could include domestic and international economic conditions. In addition, the prices of a listed entity's securities are affected by factors that might be unrelated to its operating performance, such as general market sentiment.

Macro economic risks

TOY's operational and financial performance is affected by the Australian and other international economies and, in particular, the consumer markets within those economies. General and business conditions, inflation, interest rates, monetary and fiscal policy, political circumstances and currency exchange rates are all matters which may affect TOY's operating and financial performance.

Taxation risks

A change to the current taxation regime in Australia or in overseas jurisdictions in which TOY operates may affect TOY and its shareholders.

Accounting standards

Australian accounting standards are set by the Australian Accounting Standards Board (**AASB**) and are outside TOY's control. Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in TOY's financial statements.

3.2 Specific risks

Below is an analysis of some of the specific business risks facing TOY in the conduct of its activities. TOY is exposed to risks relevant to many businesses, including increasing competition, information systems failure risk and protection of intellectual property. This section is intended to be a concise summary of the key risks to TOY's business – not an exhaustive list of all possible risks.

Financial risk

If TOY is unable to obtain funding it could adversely affect the Company and its obligations under existing and future debt facilities. In particular, as described in section 1.15, under the current proposed terms of the Facility being negotiated, TOY would guarantee the performance of the

obligations of UK Toys R Us Limited (a wholly owned subsidiary of the Company) in connection with the Facility. If TOY is unable to raise:

- (a) the Minimum Subscription, UK Toys R Us Limited may be unable to drawdown a second loan of US\$500,000 from TRU Kids Inc; and
- (b) \$8 million, UK Toys R Us Limited may be unable to drawdown a third loan of US\$500,000 from TRU Kids Inc,

and this may result in TOY needing to provide interim funding to UK Toys R Us Limited to support its general working capital within the United Kingdom. If UKTOY and the Guarantors under the Facility raise at least \$17 million of equity after the date of the Facility, the loans advanced under the Facility will be repayable within five business days. The Facility is subject to negotiation and the terms may change or not be finalised between the parties.

If TOY is unable to manage its indebtedness and the restrictions applicable to it as a result of this indebtedness, its ability to implement its business strategy may be impaired and the results of its operations and financial condition may be adversely affected.

TOY may need to raise additional funds

TOY believes that if the Entitlement Offer is partially subscribed (raising at least \$5 million) or fully subscribed up to the target raising of \$8 million, proceeds raised by this Entitlement Offer will be sufficient to fund the actions described in this Information Booklet. However, TOY may require additional funds to satisfy its existing and future debt facilities and to invest in its other activities and future projects. Any further equity funds raised may result in a dilution in your shareholding. There is also a risk that TOY may not be able to raise further funds as and when required.

Operational risk

TOY is exposed to a range of operational risks including equipment failures and other accidents, industrial action or disputes, lease renewals, damage by third parties, floods, fire, major cyclone, earthquake, terrorist attack or other disaster. These risks may have a material adverse impact on TOY's financial performance and cash flows.

Sustainability of revenues and margins

The sustainability and growth in the level of TOY's revenue and profit margins is dependent on its continued ability to secure and maintain relationships with customers and suppliers. TOY relies on various key customer and supplier relationships and the loss or impairment of any of these relationships could have a material adverse effect on the Company's operations, financial condition and prospects.

Supply chain disruptions

TOY has established an extensive and reliable supply chain that allows it to procure and deliver products to customers in a timely and efficient manner. Disruption to any aspect of this supply chain could have a material adverse impact on TOY's operational and financial performance.

IT systems

TOY is reliant on the capability and reliability of its information technology systems and backup systems and those of its external service providers (such as communication carriers) to process transactions, manage inventory, report financial results and manage its business. The failure of any of TOY's or its customers' IT systems, including inventory management systems, could have

a significant impact on TOY's ability to trade. Such failures may have an adverse effect on the Company's future financial performance.

Counterparty risk

Third parties, such as customers, suppliers and other counterparties to contracts may not be willing or able to perform their obligations to TOY. TOY provides credit to its customers and the inability of its customers to pay their debts may materially impact the Company's financial performance, position and prospects.

Loss of key personnel

TOY's business operations depend to a significant extent on its key personnel, in particular its senior management team. These individuals have extensive experience in, and knowledge of, the markets TOY operates in and TOY's business. The loss of key personnel and the time taken to recruit suitable replacement(s) or additional personnel could adversely affect the Company's future financial performance.

Product risk

The products TOY supplies to customers are subject to sales agreements with customers and must meet certain specifications. Despite controls and measures being in place, products may fall outside these specifications due to process failures, equipment malfunctions, or variability of inputs during the manufacturing and packaging processes, which could have a material adverse effect on the Company's reputation, financial condition and results of operations. Furthermore, TOY may be exposed to certain warranty and liability risks relating to defects in products. If any product it sells is defective or fails to meet the required specifications, the relevant customer may assert claims against the Company.

Occupational health and safety

TOY's operations are subject to health and safety laws and regulations. Failure to comply with these laws and regulations could result in enforcement action by regulatory authorities which could result in monetary penalties for the Company. In addition, any significant regulatory body investigation or enforcement of health and safety requirements could damage the Company's reputation as a responsible corporate citizen and employer or could result in suspension or closure of operations.

Intellectual property

There can be no assurances that the validity, ownership or authorised use of intellectual property (including technology, know-how, trademarks, designs and patents (both owned and licensed) relevant to TOY's business may not be challenged.

Insurance

It is not always possible to obtain insurance against all risks and TOY may decide not to insure against certain risks as a result of high premiums or other reasons. The occurrence of an event that is not fully covered, or covered at all, by insurance, could have a materially adverse effect on the Company's financial position.

Consumer demand

TOY's operating and financial performance is dependent on consumer demand for its products. If the Company does not deliver products that appeal to consumers, or if there is a decline in consumer demand for its products, TOY's financial and operating performance could be materially

adversely affected. If product input costs increase and TOY seeks to pass on such increases to consumers through higher prices, this could result in a reduction in consumer demand for TOY's products and a fall in revenue.

Retailer relationships

Any adverse change in TOY's existing relationships with key distributors and retailers could have a material adverse impact on its operations and financial performance. Any action by distributors or retailers to reduce their inventories could also result in a fall in revenue for TOY. The Company notes that two of its key retailers are currently implementing revised strategic plans, and TOY is expanding its distribution base domestically and internationally to diversify this potential risk.

Product sourcing and licensing

TOY relies on a range of parties for its product sourcing and licensing strategy. Any change in existing relationships (including termination of any key supply arrangements) or any change in terms or conditions of overseas suppliers and any change in the international political or economic environment may lead to material adverse changes to TOY's operational and financial performance.

Damage to brands

The reputation and value associated with TOY's and/or its licensors' brands could be adversely impacted by a range of factors and could have an adverse effect on the Company's future financial performance.

Interest rates and foreign exchange risks

Adverse movements in exchange rates may impact product costs and price competitiveness which may impact the operations and financial performance of TOY. Also, adverse fluctuations in interest rates may impact TOY's financial performance.

Competition

TOY competes in the toy, sporting and confectionary product segments in both Australia and overseas. The Company has a wide range of competitors including major international companies, and a large number of smaller companies. The actions of these competitors or changes in consumer preferences may adversely affect TOY's financial performance.

Litigation and disputes

Legal and other disputes may arise from time to time in the ordinary course of the Company's operations. Any such dispute may impact profitability or affect the value of TOY's assets.

4 Definitions

These definitions are provided to assist the understanding some of the expressions used in this Information Booklet.

Term	Definition
\$	means Australian dollars.
Australian Accounting Standards	means the Australian accounting standards set by the Australian Accounting Standards Board.
AEST	means Australian Eastern Standard Time.
Applicant	means an Eligible Shareholder who has applied to subscribe for New Shares by submitting an Entitlement and Acceptance Form or has arranged for payment through BPAY in accordance with the instructions on the Entitlement and Acceptance Form.
Application	means the submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies or arranging for payment of the relevant Application Monies through BPAY in accordance with the instructions on the Entitlement and Acceptance Form.
Application Monies	means the aggregate amount of money payable for the New Shares applied for in a duly completed Entitlement and Acceptance Form or through BPAY.
ASIC	means the Australian Securities and Investments Commission.
Associate	has the same meaning as given to it in section 9 of the Corporations Act.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Business Day	means a business day as defined in the Listing Rules.
Closing Date	means 6 July 2023, the day the Entitlement Offer closes, or any other date that the Directors in their absolute discretion determine, subject to the Listing Rules.
Company or TOY	means Toys'R'Us ANZ Limited ACN 063 886 199.
Corporations Act	means <i>Corporations Act 2001</i> (Cth).
Directors	means the directors of TOY.
Eligible Shareholder	means a Shareholder as at the Record Date who is not an Ineligible Shareholder.
Entitlement	means the right to subscribe for New Shares under the Entitlement Offer.
Entitlement and Acceptance Form	means the Entitlement and Acceptance Form accompanying this Information Booklet.
Entitlement Offer	means the non-renounceable entitlement offer to Eligible Shareholders to subscribe for 1 New Share for every 1 Share of which the Shareholder is the registered holder on the Record Date, at the Issue Price pursuant to this Information Booklet.

Term	Definition
Existing Shares	means the Shares already on issue in TOY as at the Record Date.
Facility	has the meaning given in section 1.15 of this Information Booklet.
Financial Information	has the meaning given in section 1.11 of this Information Booklet.
Historical Financial Information	has the meaning given in section 1.11 of this Information Booklet.
Ineligible Shareholder	means a Shareholder as at the Record Date whose registered address is not located in Australia or New Zealand.
Information Booklet	means this document.
Issue Price	means \$0.011 per New Share.
Listing Rules	means the official listing rules of ASX.
Minimum Subscription	has the meaning given in section 1.2 of this Information Booklet.
New Shares	means Shares to be allotted and issued under the Entitlement Offer, including (as the context requires) the shortfall from the Entitlement Offer issued under the Top Up Facility.
Pro Forma Historical Financial Information	has the meaning given in section 1.11 of this Information Booklet.
Record Date	means 5:00pm (Sydney time) on Thursday, 22 June 2023.
Shareholders	mean holders of Shares.
Shares	means fully paid ordinary shares in the capital of TOY.
Share Registry	means Automic Pty Ltd ACN 152 260 814.
Shortfall Shares	means those New Shares not taken up by Eligible Shareholders under the Entitlement Offer, together with those New Shares to which any Ineligible Shareholders would otherwise have been entitled.
Top Up Facility	means the facility described in section 1.4 under which certain Eligible Shareholders may apply for New Shares in excess of their Entitlement.

5 Corporate information

Company

Toys'R'Us ANZ Limited ACN 063 886 199
Level 8, 210 George St
Sydney, NSW 2000
Tel: +61 3 9081 9100
www.toysrus.com.au

Directors

Mr Kevin Andrew Moore	Executive Chair and Director
Mr Louis John Mittoni	Executive Director
Mr Silvio Salom	Non-Executive Director
Mr John (Giovanni Antonio) Tripodi	Non-Executive Director

Company Secretary

Kim Clark

Share Register

Automic Pty Ltd ACN 152 260 814
Tel: +61 2 9698 5414
Within Australia: 1300 288 664
Outside Australia: +61 2 9698 5414
www.automicgroup.com.au

Lawyers

McCullough Robertson Lawyers
Level 11, 66 Eagle Street
Brisbane, QLD 4000
Tel: 3233 8888
www.mccullough.com.au



Toys "R" Us ANZ Limited | ACN 063 886 199

All Registry Communication to:



GPO Box 5193, Sydney NSW 2001
1300 288 664 (within Australia)
+61 2 9698 5414 (international)
corporate.actions@automicgroup.com.au
www.automicgroup.com.au

Holder Number:

Shares held as at the Record Date at
5.00pm (AEST) on 22nd June 2023

ENTITLEMENT AND ACCEPTANCE FORM

OFFER CLOSES 5.00PM (AEST) 6 JULY 2023 (WHICH MAY CHANGE WITHOUT NOTICE)

On 19th of June 2023, Toys "R" Us ANZ Limited (the Company) announced its intention to raise approximately \$8 million, with a minimum subscription of \$5 million, by way of a pro-rata non-renounceable entitlement offer (Entitlement Offer) of new fully paid ordinary shares (New Shares).

The Entitlement Offer information booklet dated 19th of June 2023 (Booklet) contains information about the Entitlement Offer and you should carefully read the Booklet before applying for New Shares under the Entitlement Offer.

1 ACCEPTANCE OF ENTITLEMENT OR PART THEREOF

Table with 3 columns: Entitlement Type, Payment Amount A\$ (\$0.011 per New Share), Number of New Shares Applied. Includes rows for Full Entitlement and Partial Entitlement.

2 APPLICATION FOR NEW SHARES UNDER THE TOP UP FACILITY

As an Eligible Shareholder, you are invited to apply for New Shares under the Top Up Facility (Top Up Shares), providing you have taken up your full Entitlement.

Table with 3 columns: Application Type, Payment Amount A\$ (\$0.011 per Top Up Share), Number of Top Up Shares Applied. Includes a row for Top Up Facility Application.

No fractional shares will be issued. If the dollar amount for additional shares, divided by the issue price (\$0.011), is a fraction of a New Share, the New Shares allotted will be rounded down to the nearest whole unit).

3 MAKE YOUR PAYMENT BY BPAY® OR ELECTRONIC FUNDS TRANSFER (EFT)

Total Payment A\$ [input fields for currency amount]

Option A – BPAY®



Biller Code:
Ref No:

Contact your financial institution to make your payment from your cheque or savings account.

Note: You do not need to return this form if you have made payment via BPAY® or EFT. Your BPAY® reference number or unique reference number will process your payment for your application for New Shares (including any Top Up Shares) electronically.

Option B – Electronic Funds Transfer (EFT)

The unique reference number which has been assigned to your Application is: [HolderId]-[CAID]-TOY

Funds are to be deposited in AUD currency directly to following bank account:

Account name:
Account BSB:
Account number:
Swift Code:

IMPORTANT: You must quote your unique reference number as your payment reference/description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your application and New Shares subsequently not issued.

4

Elect to receive email communication

Return to Automic Group by email to corporate.actions@automicgroup.com.au

Telephone Number ()	Contact Name (PLEASE PRINT)	TOY-[HolderId]
Please insert your email address if you wish to elect to be an e-Shareholder, and you consent to receiving communications from the Share Registry, Automic Group		

INSTRUCTIONS FOR COMPLETION OF THIS FORM

The right to participate in the Entitlement Offer is optional and is made without a prospectus under section 708AA of the Corporations Act (as notionally modified by ASIC Corporations (Non Traditional Rights Issues) Instrument 2016/84).

ACCEPTANCE OF OFFER

By making a BPAY® or EFT payment:

- you represent and warrant that you have read and understood the Booklet and that you acknowledge the matters, and make the warranties and representations contained therein and in this Entitlement and Acceptance Form; and
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of the Company.

1 Acceptance of Full or Partial Entitlement for Shares

If you wish to accept your full entitlement:

- make payment by BPAY® or EFT for your full entitlement by following the instructions on this Entitlement and Acceptance Form.

If you only wish to accept part of your entitlement:

- calculate the payment amount for the portion of your entitlement that you wish to take up in accordance with the partial entitlement section of this Entitlement and Acceptance Form; and
- make payment by BPAY® or EFT for that portion of your entitlement by following the instructions on this Entitlement and Acceptance Form.

2 Applying for New Shares under the Top Up Facility

If you accept your full entitlement and wish to apply for Top Up Shares in excess of your entitlement:

- make payment by BPAY® or EFT of the total payment amount for your full entitlement AND your participation in the Top Up Facility by following the instructions on this Entitlement and Acceptance Form.

Your application for Top Up Shares may not be successful (wholly or partially). The directors of the Company reserve the right to allot and issue New Shares under the Top Up Facility at their sole discretion. No interest will be paid on any application monies received and returned.

3 Payment

By making a payment via BPAY® or EFT, you agree that it is your responsibility to ensure that funds are submitted correctly and received by the Share Registry by the closing date and time. Payment **must be received** by the Share Registry by 5:00pm (AEST) on 6th July 2023.

It is your responsibility to ensure your CRN or unique Payment Reference is quoted, as per the instructions in Section 3. If you fail to quote your CRN or unique Payment Reference correctly, Automic may be **unable to allocate or refund your payment**. If you need assistance, please contact Automic.

Payment by BPAY®: You can make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. To BPAY® this payment via internet or telephone banking use your reference number on this Entitlement and Acceptance Form. Multiple acceptances must be paid separately.

Payment by EFT: You can make a payment via Electronic Funds Transfer (EFT). Multiple acceptances must be paid separately. Please use your unique reference on this Entitlement and Acceptance Form. This will ensure your payment is processed correctly to your application electronically.

Applicants should be aware of Automic's financial institution's cut off-time, their own financial institution's cut-off time and associated fees with processing a funds transfer. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time, including taking into account any delay that may occur as a result of payments being made after 5pm (AEST) and/or on a day that is not a business day (payment must be made to be processed overnight). You do not need to return this Form if you have made payment via BPAY® or EFT. Your reference number will process your payment to your application electronically and you will be deemed to have applied for such Shares for which you have paid.

4 Contact Details - Elect to receive email communication

The Company encourages shareholders to elect to receive their shareholder communications electronically. This will ensure you receive all future important shareholder communications in a faster and more secure way and reduce the environmental footprint of printing and mailing.

If you require further information about the Entitlement Offer, please contact Automic on 1300 288 664 or +61 2 9698 5414 between 8:30am and 8:00pm (AEST).