



## Prospectus

Toys'R'Us ANZ Limited ACN 063 886 199

Placement of up to 86,923,077 New Shares at an issue price of \$0.0065 per New Share (**Offer**)

**This is an important document and 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.**

**This is a transaction-specific prospectus issued in accordance with section 713 of the *Corporations Act 2001 (Cth)*.**

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## IMPORTANT NOTICES

### General

This Prospectus is dated 20 February 2024. A copy of this Prospectus was lodged with ASIC on that date. Neither ASIC nor ASX takes any responsibility for the contents of this Prospectus or the merits of any investment under this Prospectus. No New Shares will be allotted or transferred on the basis of this Prospectus after the expiry date. This Prospectus expires 13 months after the date of issue.

No person may give any information or make a representation about the Offer, which is not in this Prospectus. Information or representations not in this Prospectus must not be relied on as authorised by the Company, or any other person, in connection with the Offer.

This Prospectus provides information for investors to decide if they wish to invest in TOY. Read this document in its entirety. Examine the assumptions underlying the risk factors that could affect the financial performance of TOY. Consider these factors carefully in light of your personal financial circumstances. Seek professional advice from your accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest. The Offer does not take into account the investment objectives, financial situation or needs of particular investors.

The Company will apply to ASX within seven days of the date of this Prospectus for Official Quotation by ASX of the New Shares the subject of the offer.

### Transaction Specific Prospectus

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers that potential investors may consult.

### Risk Factors

Potential investors should be aware that subscribing for New Shares involves a number of risks. The key risk factors of which investors should be aware of are set out in Section 6. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the New Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Potential investors should consider consulting their professional advisers before deciding whether to apply for New Shares pursuant to this Prospectus.

### Electronic prospectus

This Prospectus is available electronically at [www.toysrus.com.au](http://www.toysrus.com.au). Electronic versions of this Prospectus should be downloaded and read in their entirety. Obtain a paper copy of the Prospectus (free of charge) by telephoning 1300 288 664. Applications for New Shares may only be made on the Application Form attached to this Prospectus or in its paper copy form downloaded in its entirety from [www.toysrus.com.au](http://www.toysrus.com.au).

### Foreign selling restrictions

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

The Prospectus does not constitute an offer or invitation in any jurisdiction where, or to any person to whom, the offer or invitation would be unlawful. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of those restrictions. Any failure to comply with the restrictions may constitute a violation of applicable securities laws.

Each potential investor warrants and represents that they will not offer or sell the New Shares in the United States or in any other jurisdiction outside Australia, or to a United States person, except in transactions exempt from registration under the US Securities Act 1933 as amended, and in compliance with all applicable laws in the jurisdiction in which the New Shares are offered and sold.

### Forward-looking statements

Statements in this Prospectus may be forward looking statements.

Forward looking statements can be identified by the use of forward-looking terminology such as, but not limited to, 'may', 'will', 'expect', 'anticipate', 'estimate', 'would be', 'believe', or 'continue' or the negative or other variations of comparable terminology. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. The Directors' expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis. They are based on, among other sources, the examination of historical operating trends, data in the Company's records and other data available from third parties. There can be no assurance, however, that the Directors' expectations, beliefs or projections will give the results projected in the forward-looking statements. Investors should not place undue reliance on these forward-looking statements.

Additional risk factors that could cause actual results to differ materially from those indicated in the forward-looking statements are set out in Section 6.

### Exposure period

No exposure period applies to this Prospectus by operation of the Corporations Act in respect of the New Shares.

### Privacy

The Company and the share registry collect, hold and use personal information received from you to communicate and provide services to you as a Shareholder. The Company may disclose information to its agents, service providers (such as the share registry) and government bodies. The Company's privacy policy sets out how you may access, correct and update the personal information that the Company holds about you (by contacting the share registry), how you can complain about privacy related matters and how the Company responds to complaints.

### Defined terms

Capitalised terms used in this Prospectus are defined in the Glossary.

### Currency

Monetary amounts shown in this Prospectus are expressed in Australian dollars unless otherwise stated.

### Photographs and diagrams

Photographs used in this Prospectus without descriptions are only for illustration. The people shown are not endorsing this Prospectus or its contents. Diagrams used in this Prospectus may not be drawn to scale. The assets depicted in photographs in this Prospectus are not assets of the Company unless otherwise stated.

## THIS DOCUMENT IS IMPORTANT AND SHOULD BE READ IN ITS ENTIRETY

# Letter from the Chair

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20 February 2024

Dear Investor,

On behalf of your Board, I am pleased to offer you the opportunity to confirm your participation in a placement of new TOY shares (**New Shares**).

This Prospectus relates to the capital raising that was announced today by the Company, being a private placement of up to 84,615,385 fully paid ordinary shares in the Company at an offer price of \$0.0065 per New Share to raise up to approximately \$550,000 (**Placement**) and 2,307,692 New Shares to certain advisors of the Offer. The total number of New Shares issued under this Prospectus is 86,923,077.

The offer price of \$0.0065 under the Placement is an 18.75% discount to the Company's 15-day VWAP on Friday, 16 February 2024 of \$0.0080, being the last trading day prior to the issue of this Prospectus.

The Company has undertaken the Placement for the purposes of funding the Company's short-term working capital requirements. Given the previous suspension of the Company's Shares in the preceding 12 months, this Prospectus has been prepared primarily for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of New Shares issued under the Placement.

The Offer is only available to those investors who are participating in the Placement announced by the Company today and who are personally invited to accept the Offer. An Application Form will be provided to those persons only.

I encourage you to read this Prospectus and the information referred to in it in its entirety before making an investment decision.

Yours faithfully



**Kelly Humphreys**  
**Chair & Non-Executive Director**

## 1 Investment overview

### 1.1 Summary offer details

Terms of offer	Details
Offer Price per New Share	\$0.0065
Total number of New Shares offered under this Prospectus	86,923,077*
Total amount to be raised under the Placement	\$550,000

\* Subject to rounding. Includes 84,615,385 New Shares offered under the Placement and 2,307,692 New Shares offered to advisor

### 1.2 Important dates

Event	Date
Prospectus date	20 February 2024
Opening date	20 February 2024
Closing Date (5:00pm AEDT)	21 February 2024
Anticipated date of allotment of New Shares	22 February 2024
Shareholding statements expected to be despatched	23 February 2024
Expected date for official quotation of New Shares on ASX	26 February 2024

**All dates and times are subject to change and are indicative only. All times are to AEDT. The Company reserves the right to vary these dates and times without notice.**

### 1.3 Purpose of the Offer and use of funds

Proceeds from the Capital Raising will be applied principally to fund the Company's short term working capital requirements.

## 1.4 Shareholding structure

The following table shows the shareholding structure of TOY on completion of the Offer:

<b>Existing Shares on issue</b>	982,463,505
<b>Approximate New Shares to be issued under the Offer</b>	86,923,077*
<b>Approximate total number of Shares after the Offer</b>	1,069,386,582

\* Subject to rounding. Includes 84,615,385 New Shares offered under the Placement and 2,307,692 New Shares offered to advisor

## 1.5 Potential questions and answers

Question	Answer	Section
<b>Who is the issuer of this Prospectus?</b>	Toys'R'Us ANZ Limited ACN 063 886 199	Not applicable
<b>What is the Offer?</b>	The Offer is placement of up to 84,615,385 New Shares in TOY at an issue price of \$0.0065 per New Share. JASZAC Investments Pty Ltd will also receive 2,307,692 New Shares for its advisor services to the Offer.	section 3.1
<b>What is the Offer Price of the New Shares?</b>	The New Shares are being issued at \$0.0065 per New Share.	section 3.1
<b>What rights and liabilities attach to the New Shares?</b>	The New Shares will rank equally in all respects with the Shares held by the Existing Shareholders. The rights and liabilities attaching to all Shares are set out in the Company's constitution.	sections 7.2 and 8.2
<b>What is the Company's financial position?</b>	The Company's financial position is set out in detail in section 5 of this Prospectus.	section 5
<b>What risks are involved with an investment in the Company?</b>	An investment in TOY is subject to both general and specific risks which you should consider before making a decision to apply for New Shares. Key specific risks include:  (a) 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;  (b) TOY may require additional funds to satisfy its existing and future debt facilities and to invest in its other activities and future projects;  (c) 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 which may have a material adverse	section 6

Question	Answer	Section
	<p>impact on TOY's financial performance and cash flows;</p> <p>(d) 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;</p> <p>(e) disruption to any aspect of TOY's supply chain could have a material adverse impact on TOY's operational and financial performance;</p> <p>(f) 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;</p> <p>(g) third parties, such as customers, suppliers and other counterparties to contracts may not be willing or able to perform their obligations to TOY;</p> <p>(h) 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;</p> <p>(i) 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; and</p> <p>(j) 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.</p>	
<b>Is the Offer underwritten?</b>	The Offer is not underwritten.	section 3.1
<b>Further questions</b>	If you have questions about the Offer, please contact the Company Secretary on +61 7 3010 9393	section 3.10

## 1.6 Important notice

This section is not intended to provide full details of the investment opportunity. Shareholders must read this Prospectus in full to make an informed investment decision. The New Shares offered under this Prospectus carry no guarantee of return of capital, return on investment, payment of dividends or on the future value of the Shares.

## 2 TOY – the business

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### 2.1 Board and management team

#### **Kelly Humphreys**

Chair & Non-Executive Director

Kelly Humphreys was appointed as a Non-Executive Director on 5 December 2023 and appointed as Chair on 21 December 2023.

Ms Humphreys is an experienced ASX director, currently serving as Chair of Raiz Invest Limited (ASX:RZI) and Non-Executive Director and Chair of Audit, Risk and Finance Committees on the Boards of The National Stock Exchange (ASX:NSX), Latrobe Health Services and the Victorian Building Authority. She has broad experience across regulatory, health and the financial services sectors.

#### **Kevin Andrew Moore**

Non-Executive Director

Kevin Moore was appointed as Executive Chairman and Executive Director on 26 November 2020. Mr Moore stood down as Executive Chairman on 21 December 2023 and was elected as a Non-Executive Director on that date.

He has multinational board and governance experience, specialising in digital marketing, and is a growth director with a focus on \$10 to \$100 million businesses. He has a corporate career with director level marketing and general management experience across 30 countries, with success in launching and growing Australian and Global brands. His private company career saw him build a small technology based retail marketing business into the sector leader with 2,500 team members in Australia and New Zealand, and clients that include Apple, Amazon, Bunnings, Coles and Woolworths.

#### **John (Giovanni Antonio) Tripodi**

Non-Executive Director

John Tripodi was appointed as non-executive director on 25 October 2018.

Mr Tripodi is a business leader with multinational FMCG experience in various strategic and operational roles with a track record of championing innovative brand strategies that deliver successful commercial outcomes. He is currently the CEO of the diversified sport, entertainment and consumer lifestyle agency, Twenty3 Group. Prior to co-founding the Twenty3 Group, Mr Tripodi held senior sales and marketing roles with Mars Inc. before moving into general management with the L'Oreal Group.

#### **Penny Cox**

Chief Executive Officer

Ms Cox was officially appointed as Chief Executive Officer on 7 August 2023, although she has been working with the Company on a consulting basis since June 2023.

Ms Cox is an experienced e-commerce leader with a track record of growing companies from \$25m to \$350m. She has extensive experience across a variety of functions including Marketing, Commercial, Operations and Technology. She was previously SVP of Growth at Carousell Group and before that VP of Commercial at RedMart (since acquired by Alibaba).



## **3 Details and effect of the Offer**

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### **3.1 Purpose of prospectus**

The Company has been suspended from trading on the ASX for more than 5 days in the last 12 months and as a result was precluded from issuing a 'cleansing' notice in accordance with section 708A(5) of the Corporations Act to ensure the New Shares are not subject to on-sale restrictions. This Prospectus will remove the on-sale restrictions.

### **3.2 Overview**

The Offer is a placement of New Shares at \$0.0065 per New Share to raise up to approximately \$550,000 (before direct offer costs including fees paid to advisers and to providers of specific services to cover share registry, printing and postage costs).

The Board intends to use the proceeds of the Offer to fund its short-term working capital requirements.

The Offer is only available to those investors who participating in the placement announced by the Company today and who are personally invited to accept the Offer. An Application Form will be provided to those persons only.

The offer price of \$0.0065 under the Placement is an 18.75% discount to the Company's 15-day VWAP on Friday, 16 February 2024 of \$0.008, being the last trading day prior to the issue of this Prospectus. The Applicant should be aware that an investment in TOY involves risks. The key risks identified by TOY are set out in section 6 of this Prospectus.

### **3.3 Underwriting**

The Offer is not underwritten.

### **3.4 Purpose of the Prospectus**

This Prospectus has been prepared primarily to facilitate the secondary trading of the New Shares issued under this Prospectus.

Only Applicants are eligible to receive New Shares under this Prospectus.

### **3.5 Impact on control**

The issue of the New Shares under this Prospectus is not expected to have any material effect on the control of the Company.

### **3.6 Financial position**

The effect of the Offer on the financial position of the Company is set out in section 5.

### **3.7 Taxation considerations**

The taxation consequences of an investment in the Company depend upon your particular circumstances. You should make your own enquiries about the taxation consequences of an investment in the Company. If you are in doubt about the course you should follow, you should consult your accountant, stockbroker, lawyer or other professional adviser.

### **3.8 Foreign selling restrictions**

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

The Prospectus does not constitute an offer or invitation in any jurisdiction where, or to any person to whom, the offer or invitation would be unlawful. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of those restrictions. Any failure to comply with the restrictions may constitute a violation of applicable securities laws.

Each Applicant warrants and represents that they will not offer or sell the New Shares in the United States or in any other jurisdiction outside Australia or New Zealand, or to a United States person, except in transactions exempt from registration under the US *Securities Act 1933* as amended, and in compliance with all applicable laws in the jurisdiction in which the New Shares are offered and sold.

### **3.9 Withdrawal**

The Company reserves the right to withdraw the Offer, at any time before the allotment of New Shares. If the Offer does not proceed, the Application Money is refunded. No interest is paid on any Application Money refunded because of the withdrawal of the Offer.

### **3.10 Enquiries**

If you have questions about the Offer, please contact the Company Secretary on +61 7 3010 9393 .

## **4 How to apply**

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### **4.1 Applying for New Shares**

Unless personalised Application Forms have already been provided to you, completed Application Forms for New Shares must be mailed or delivered to the Company by the Closing Date set out in section 1.2 in accordance with the instructions provided by the Company to each Applicant.

The Opening Date and Closing Date for the Offer (as set out in section 1.2) are indicative only and subject to change without notice. The Company may vary these dates, including to close the Offer early, extend the Closing Date or to withdraw the Offer at any time prior to issue. If any of the dates are changed, subsequent dates may also change. You are encouraged to lodge your Application Form as soon as possible after the opening date.

### **4.2 Payment**

The consideration for the New Shares is payable in full on application by a payment of \$0.0065 per New Share. The Application Form must be accompanied by the Application Money. The Company will contact potential investors with details regarding how payment can be made.

Receipts for payment will not be issued.

### **4.3 Application Form is binding**

A completed and lodged Application Form, or a payment made through BPAY, constitutes a binding offer to acquire New Shares on the terms of this Prospectus and cannot be withdrawn.

If the Application 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 Application Form is final.

By completing and returning your personalised Application Form with the requisite Application Money or making a payment by BPAY, you will also be taken to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that you:

- (a) are not a person to whom it would be illegal to make an offer or issue New Shares under the Offer; and
- (b) acknowledge that the New Shares have not been, and will not be, registered under the US *Securities Act of 1933* or under the laws of any other jurisdiction outside Australia or New Zealand.

### **4.4 Validity of Application Forms**

An Application Form may only be distributed with, attached to or accompany a complete and unaltered copy of this Prospectus.

By completing and lodging an Application Form received with this Prospectus, the Applicant represents and warrants that the Applicant has personally received a complete and unaltered copy of this Prospectus before completing the Application Form.

The Company does not accept a completed Application Form if it has reason to believe the Applicant has not received a complete copy of the Prospectus or it has reason to believe that the Application Form has been altered in any way.

#### **4.5 Brokerage and Stamp Duty**

No brokerage fee is payable by Applicants who apply for New Shares. No stamp duty is payable for subscribing for New Shares under the Offer.

#### **4.6 Information Availability**

Applicants can obtain a copy of this Prospectus from TOY's website at [www.toysrus.com.au](http://www.toysrus.com.au) or by calling the share registry on 1300 288 664 (within Australia) and +61 2 9698 5414 (outside Australia) at any time from 8.30am to 5.00pm (AEDT) until the Closing Date.

## 5 Financial information

### 5.1 Historical and pro forma consolidated balance sheet as at 31 January 2024

Set out below is a summary of the historical financial information for TOY as at 31 July 2023 (**Historical Financial Information**) and a pro-forma historical statement of the financial position as at 31 January 2024 (**Pro Forma Historical Financial Information**) (collectively, **Financial Information**).

The Financial Information has been prepared to illustrate the effect of the Offer.

### 5.2 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 Prospectus, as if those events or transactions had occurred as at 31 January 2024.

### 5.3 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 20 February 2024:

*Material transactions since 31 January 2024:*

- (a) UK exit of TOY (which required approximately \$7M of initial working capital to fund the UK expansion and was expected to incur an initial operating loss of \$6M in the first 12 months as the division built to scale). This involved the transfer of ownership of all UK business assets to Tru Kids Inc. for the settlement of its US\$1.8M outstanding loan balance; and
- (b) the renegotiation of finance facility its major finance partner to reduce the facility limit to \$13 million at an interest rate of 11.5% per annum, which requires a lump sum repayment of \$3M by 31 May 2024 and re-pricing of warrants over 18,000,000 ordinary shares to \$0.011 per share.

	31 Jul 2023 (AUDITED)	31 Jan 2024 (UNAUDITED) **	Cash Burn 1 to 19 Feb 2024	Feb 2024 Capital Raising	Proforma Accounts 19 Feb 2024
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	1,766	310	31	505	846
Trade and other receivables	837	371			371
Inventory and other current assets	5,113	1,047	(31)		1,016
Assets of group held for sale	3,119	2,452			2,452
<b>TOTAL CURRENT ASSETS</b>	<b>10,835</b>	<b>4,180</b>	<b>-</b>	<b>505</b>	<b>4,685</b>

	31 Jul 2023 (AUDITED)	31 Jan 2024 (UNAUDITED) **	Cash Burn 1 to 19 Feb 2024	Feb 2024 Capital Raising	Proforma Accounts 19 Feb 2024
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment	2,767	2,289			2,289
Goodwill and other intangibles	6,899	6,709			6,709
Other Non-Current Assets	2,935	2,756			2,756
Right of use assets	11,167	10,554			10,554
<b>TOTAL NON-CURRENT ASSETS</b>	<b>23,768</b>	<b>22,308</b>	-	-	<b>22,308</b>
<b>TOTAL ASSETS</b>	<b>34,603</b>	<b>26,488</b>	-	<b>505</b>	<b>26,993</b>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Trade and other payables	3,405	1,885			1,885
Contract liabilities / deferred revenue	114	98			98
Borrowings	12,084	13,000			13,000
Lease Liabilities – short term	576				
Employee Benefits	460	346			346
Provisions	280				
Other current liabilities	2,044	1,142			1,142
Liabilities directly associated with disposal group held for sale	1,565	4,627			4,627
<b>TOTAL CURRENT LIABILITIES</b>	<b>20,528</b>	<b>21,098</b>			<b>21,098</b>
<b>NON-CURRENT LIABILITIES</b>					
Borrowings	526				
Lease Liabilities – long term	11,284	11,568			11,568
Deferred tax liabilities	738	579			579
Employee benefits	9				
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>12,557</b>	<b>12,147</b>	-	-	<b>12,147</b>
<b>TOTAL LIABILITIES</b>	<b>33,085</b>	<b>33,245</b>	-	-	<b>33,245</b>
<b>NET ASSETS / (LIABILITIES)</b>	<b>1,518</b>	<b>(6,757)</b>	-	<b>505</b>	<b>(6,252)</b>
<b>EQUITY</b>					
Issued capital	292,920	294,215		565	294,780
Reserves	476	719			719
Accumulated losses	(291,878)	(301,691)		(60)	(301,751)
<b>TOTAL EQUITY/ (DEFICIENCY)</b>	<b>1,518</b>	<b>(6,757)</b>	-	<b>505</b>	<b>(6,252)</b>

\*\* As announced to the ASX on 5 Feb 2024 the Company has executed an agreement to exit the TOY UK business so accordingly the division is categorised as a Current Asset Held for Sale as at 31 Jan 2024.

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

#### 5.4 Pro forma cash flow statement as at 31 January 2024

The Company's pro forma historical cash position at 31 January 2024 adjusted for the Offer is derived from actual cash as follows:

Cash as at 31 January 2024	\$310,000
Gross proceeds of the Offer	\$550,000
Offer costs of the Offer	(\$60,000)
Pro forma historical cash balance	<u>\$800,000</u>

## **6 Risk factors**

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### **6.1 Factors influencing success and risk**

#### **Introduction**

This section identifies the major risks the Board believes are associated with an investment in TOY.

The TOY business is subject to risk factors, both specific to its business activities, and risks of a general nature. Individually, or in combination, these might affect the future operating performance of TOY and the value of an investment in the Company. There can be no guarantee that TOY will achieve its stated objectives or that any forward-looking statements will eventuate. An investment in the Company should be considered in light of relevant risks, both general and specific. Each of the risks set out below could, if it eventuates, have a material adverse impact on TOY's operating performance and profits, and the market price of the Shares.

Before deciding to invest in the Company, potential investors should:

- (a) read the entire Prospectus;
- (b) consider the assumptions underlying the risk factors that could affect the financial performance of TOY;
- (c) review these factors in light of their personal circumstances; and
- (d) seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

### **6.2 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.

### **6.3 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 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 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.

## **6.4 Cautionary statement**

Statements in this Prospectus may be forward looking statements.

Forward looking statements can be identified by the use of forward looking terminology such as, but not limited to, 'may', 'will', 'expect', 'anticipate', 'estimate', 'would be', 'believe', or 'continue' or the negative or other variations of comparable terminology. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. The Directors' expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis. They are based on, among other sources, the examination of historical operating trends, data in the Company's records and other data available from third parties. There can be no assurance, however, that the Directors' expectations, beliefs or projections will give the results projected in the forward-looking statements. Investors should not place undue reliance on these forward-looking statements.

Additional factors that could cause actual results to differ materially from those indicated in the forward-looking statements are discussed earlier in this section.

For personal use only

## **7 Material agreements**

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### **7.1 Key documents**

The Board considers that certain agreements relating to TOY are significant to the Offer, the operations of TOY or may be relevant to investors. A description of material agreements or arrangements, together with a summary of the more important details of each of these agreements is set out below.

### **7.2 Constitution**

The following is a summary of the major provisions of the Company's constitution:

#### **General Meeting**

Shareholders are entitled to be present in person (which includes attendance in a virtual or hybrid meeting), or by proxy, attorney or representative to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

#### **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of Shareholders or classes of Shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by them, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

If a person present at a general meeting represents personally or by proxy, attorney or representative more than one Shareholder, on a show of hands the person is entitled to one vote only, even though he or she represents more than one Shareholder.

#### **Dividends and interim dividends**

The Directors may pay any interim and final dividends.

#### **Dividend reinvestment plan**

Subject to the ASX Listing Rules and the Corporations Act, the Directors of the Company may on terms they decide, implement a dividend reinvestment plan. No such plan exists as at the date of this Prospectus.

#### **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of Shareholders, divide among the Shareholders the whole or any part of the property of the

Company and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

### **Shareholder liability to forfeiture of Shares**

As the New Shares under the Prospectus are fully paid ordinary shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

### **Transfer of Shares**

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules.

### **Future increase in capital**

Subject to the Constitution, the Directors may issue new Shares and preference shares from time to time.

### **Variation of rights**

Under Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

### **Alteration of Constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution at a general meeting passed by at least three quarters of votes validly cast for Shares at the general meeting. In addition, at least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

### **Listing Rules**

If the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

## **7.3 Documents available for inspection**

Copies of the following documents are available for inspection during normal office hours at the registered office of the Company for 13 months after the date of this Prospectus:

- (a) the constitution of TOY; and
- (b) the consents to the issue of this Prospectus.

## 8 Additional information

### 8.1 Continuous reporting and disclosure obligations

This Prospectus is a 'transaction specific prospectus' issued under section 713 Corporations Act as a prospectus for the issue of continuously quoted securities.

In general terms, a transaction specific prospectus is only required to contain information about the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information about all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

The Company is subject to regular reporting and disclosure obligations because it is a 'disclosing entity' for the purposes of the Corporations Act. Additionally, as a listed company, TOY is subject to the Listing Rules which require disclosure to ASX of any information the Company has which a reasonable person would expect to have a material effect on the price or value of its Shares.

As a disclosing entity under the Corporations Act, the Company states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the financial report for the Company for the full year ended 31 July 2023 2023;
  - (ii) the financial report of the Company for the half year ended 31 December 2022; and
  - (iii) all continuous disclosure notices given by the Company after the lodgement of the full year financial report referred to above and before the lodgement of this Prospectus with ASIC (see below).

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules that investors or their professional advisers:

- (a) would reasonably require for the purpose of making an informed assessment of:
  - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
  - (ii) the rights and liabilities attaching to the securities the subject of this Prospectus; and
- (b) would reasonably expect to find in this Prospectus.

This Prospectus contains information specific to the Offer. If investors require further information in relation to the Company, they are recommended to take advantage of the opportunity to inspect or obtain copies of the documents referred to above.

Copies of ASX announcements are available on the ASX website or the Company's website at [www.toysrus.com.au](http://www.toysrus.com.au).

The Company's ASX announcements since the Company lodged its annual financial report for the financial year ended 31 July 2023 to the date of this Prospectus are set out below.

Date	Announcements
18/02/24	Trading halt
05/02/24	UK Exit and Renegotiation of Finance Facility
02/02/24	Notification of cessation of securities - TOY
15/01/24	Change in substantial holding
10/01/24	Final Director's Interest Notice - Salom
03/01/24	Director Resignation
02/01/24	Change of Director's Interest Notice - Tripodi
02/01/24	Change of Director's Interest Notice - Salom
02/01/24	Change of Director's Interest Notice - Humphreys
29/12/23	Notification regarding unquoted securities - TOY opens new window
21/12/23	Results of Annual General Meeting
21/12/23	Chairman & CEO Addresses and Presentation to AGM
06/12/23	Change in substantial holding
30/11/23	Escrowed Shares Release
28/11/23	Appendix 4C and Quarterly Activities Report
28/11/23	Change in substantial holding
22/11/23	Change of Director's Interest Notice - Humphreys
17/11/23	Annual General Meeting Notice of Meeting
10/11/23	Change in substantial holding
02/11/23	Becoming a substantial holder - Salom
01/11/23	Appendix 4G and Corporate Governance Statement

In addition, copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

The Company will give free of charge, to any person who requests it before the Closing Date, a copy of the Annual Report and any continuous disclosure notices lodged by the Company from lodgement of the Annual Report to the date of this Prospectus.

## 8.2 Rights attaching to New Shares

The rights attaching to the New Shares, which are the same as the Existing Shares, are set out in the Company's constitution and summarised in section 7.2 of this Prospectus.

## 8.3 Existing Options

Existing Options	Exercise price	Expiry date
1,696,717	\$0.166	1 November 2024
1,691,956	\$0.138	1 May 2025
1,726,173	\$0.199	1 November 2025



The Board considers it is unlikely that any Existing Options will be exercised before the Closing Date. However, if any Existing Options are exercised before the Closing Date, any proceeds raised will be applied to the general working capital of TOY.

#### 8.4 Other securities

The Company has the following other securities on issue as at the date of this Prospectus (excluding Shares and the Existing Options noted above)

Security	Number on issue
Service rights	16,863,632
Share appreciation rights	14,675,454
Warrants	1

#### 8.5 Litigation

To the best of the Directors' knowledge and belief, no litigation, mediation, conciliation or administrative proceeding is taking place, pending or threatened against the Company.

#### 8.6 Consents and disclaimers of responsibility

None of the parties referred to below has made any statement that is included in this Prospectus or any statement on which a statement made in this Prospectus is based, except as specified below. Each of the parties referred to below, to the maximum extent permitted by law, expressly disclaims, and takes no responsibility for, any part of this Prospectus, other than the reference to its name and the statement included in this Prospectus with the consent of that party, as specified below.

K&L Gates has given, and has not withdrawn, its written consent to be named as lawyers to the Company in the form and context in which it is named.

Automatic Pty Ltd has given, and has not withdrawn, its written consent to be named as Share Registry of the Company in the form and context in which it is named.

#### 8.7 Interests of experts and advisers

Except as set out in this Prospectus:

- (a) no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus has any interest or has had any interest during the last two years:
  - (i) in the formation or promotion of TOY;
  - (ii) in property acquired or proposed to be acquired by TOY in connection with its formation or promotion or the offer of the New Shares, or
  - (iii) the offer of the New Shares; and
- (b) no amount has been paid or agreed to be paid, and no benefit has been given, or agreed to be given, to any person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus in connection with the services provided by the person in connection with the:
  - (i) formation or promotion of TOY, or

- (ii) offer of the New Shares.

K&L Gates has acted as legal adviser to the Company for the Offer and has provided legal advice on the Offer. K&L Gates will be paid an amount of approximately \$20,000 for these services (excluding GST and disbursements). During the 24 months preceding lodgement of this Prospectus with ASIC, K&L Gates has not received any fees in respect of its general legal services provided to the Company.

Automatic Pty Ltd has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Application Forms received pursuant to this Prospectus, and are paid for these services on standard industry terms and conditions.

Each of JASZAC Investments Pty Ltd and Veradas Capital have acted as advisors to TOY for the Placement. Veradas Capital will be paid \$15,000 in cash for these services. JASZAC Investments Pty Ltd will be paid the equivalent of \$15,000 in New Shares, receiving 2,307,692 New Shares.

## 8.8 Substantial Shareholders

The following Shareholders have a substantial holding in TOY:

Shareholder	Shares	Percentage interest
Citicorp Nominees Pty Ltd	148,650,810	15.13%
Hobby Warehouse Holdings Pty Ltd and its Associates	105,696,949	10.76%
JASZAC Investments Pty Ltd and its Associates	119,095,927	12.12%
Apes with With Wings Pty Ltd	52,097,728	5.30%

The table above shows the current shareholding of each substantial Shareholder.

As noted above, JASZAC Investments Pty Ltd will receive 2,307,692 New Shares for its advisor services to the Offer. JASZAC Investments Pty Ltd will also receive 15,384,615 New Shares under the Offer as an investor. Following the Offer, JASZAC Investments Pty Ltd and its Associates will hold 136,788,235 shares in TOY representing 12.79% of the shareholding in TOY.

## 8.9 Interests of Directors

Other than as set out above or elsewhere in this Prospectus:

- (a) no Director or proposed Director of TOY has, or has had in the two years before lodgment of this Prospectus, any interest in:
  - (i) the formation or promotion of TOY;
  - (ii) any property acquired or proposed to be acquired by TOY in connection with the formation or promotion or the offer of the New Shares; or
  - (iii) the offer of the New Shares, and
- (b) no amounts have been paid or agreed to be paid and no benefit has been given or agreed to be given, to any Director or proposed Director of TOY either:
  - (i) to induce him or her to become, or to qualify him or her as, a Director, or
  - (ii) otherwise for services rendered by him or her in connection with the formation or promotion of TOY or the offer of the New Shares.

## Shareholdings

The Directors or their associates have a beneficial interest in the following Shares and Existing Options at the date of this Prospectus:

Director	Shareholder	Direct Shares	Indirect Shares	Existing Options	Service Rights
Kevin Andrew Moore	Held indirectly via a related entity	0	34,941,554	3,422,890	0
John (Giovanni Antonio) Tripodi	Held directly and indirectly via a related entity	110,803	1,363,637	0	500,000 (directly) 8,181,816 (indirectly)
Kelly-Anne Humphreys	Held indirectly via a related entity	0	3,5000,000	0	8,181,816

## Payments to Directors

The constitution of TOY provides that the Directors may be paid, as remuneration for their services, a sum set from time to time by the Shareholders in general meeting, with that sum to be divided among the Directors as they agree.

The maximum aggregate amount which has been approved by the Shareholders for payment to the Directors is \$500,000 per annum. The current non-executive directors fees are \$90,000 per annum for the Chair and \$60,000 per annum for each of the non-executive directors.

### 8.10 Expenses of the Offer

The total estimated expenses of the Offer payable by the Company including ASX and ASIC fees, accounting fees, legal fees, share registry fees, printing costs, public relations costs and other miscellaneous expenses are estimated to be \$60,000.

### 8.11 Allotment

TOY will apply within seven days from the date of this Prospectus for quotation of the New Shares on ASX. It is expected that allotment of the New Shares under the Offer will take place no more than five Business Days after the close of the Offer.

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

It is the responsibility of Applicants to work out 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.

### 8.12 CHESS

The Company will apply for the New Shares to participate in CHESS. An Applicant who is issued New Shares under this Offer will receive a shareholding statement instead of a share certificate. It sets out the number of New Shares issued to the successful Applicant.

The shareholding statement also provides details of the Shareholder's HIN (in the case of a holding on the CHESS sub-register) or SRN (in the case of a holding on the issuer sponsored sub-register).

Shareholders need to quote their HIN or SRN, as applicable, in all dealings with a stockbroker or the share registry. Further statements are given to Shareholders showing changes in their shareholding during a particular month. Additional statements may be requested at any time, although the Company reserves the right to charge a fee for them.

### **8.13 Privacy**

Applicants may be asked to give personal information to TOY directly, and through the share registry, such as name, address, telephone and fax numbers, tax file number and account details. The Company and the share registry collect, hold and use that personal information to provide facilities and services to Applicants and undertake administration. Access to information may be disclosed by the Company to its agents and service providers on the basis that they deal with the information under the *Privacy Act 1988* (Cth). The Company's privacy policy sets out how Shareholders may request access to and correction of their personal information held by or on behalf of the Company (by contacting the share registry), how Shareholders can complain about privacy related matters and how the Company responds to complaints.

### **8.14 Authorisation**

This Prospectus is issued by the Company. Each Director has consented to the lodgment of the Prospectus with ASIC.

Dated 20 February 2024

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**Kelly Humphreys**

Chair & Non-Executive Director

## Glossary

<b>AEDT</b>	Australian Eastern Daylight Time
<b>Annual Report</b>	means the annual report of the Company for the financial year ended 31 July 2023 which includes audited financial statements for the financial year ended 31 July 2023 and the auditor's report, which was lodged with ASX and ASIC on 1 November 2023.
<b>Applicant</b>	means a person or entity who participated in the placement announced by the Company on 20 February 2024 and who submits an Application Form.
<b>Application Form</b>	means an application form accompanying this Prospectus.
<b>Application Money</b>	means the money received by the Company under the Offer, being the Offer Price multiplied by the number of New Shares applied for by an Applicant.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
<b>Board</b>	means the board of directors of the Company.
<b>Business Day</b>	means a business day as defined in the Listing Rules.
<b>Capital Raising</b>	means the capital raising taking the form of the Placement and the Loan Facilities.
<b>CHESS</b>	means Clearing House Electronic Subregister System, operated by ASX Settlement.
<b>Closing Date</b>	Means 5.00pm AEDT on 21 February 2024.
<b>Company or TOY</b>	means Toys'R'Us ANZ Limited ACN 063 886 199.
<b>Corporations Act</b>	means <i>Corporations Act 2001</i> (Cth).
<b>Directors</b>	means the directors of the Company.
<b>Existing Options</b>	means the Options already on issue in TOY and referred to in section 8.3 of this Prospectus.
<b>Existing Shareholders</b>	means the holders of Shares before the date of this Prospectus.
<b>Existing Shares</b>	means the Shares already on issue in TOY.
<b>Listing Rules</b>	means the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.
<b>New Shares</b>	means the Shares issued by TOY under this Prospectus.
<b>Offer</b>	means the placement of up to 84,615,385 New Shares at an issue price of \$0.0065 per New Share to raise up to approximately \$550,000 (before costs), under this Prospectus and the placement of a further 2,307,692 New Shares to JASZAC Investments Pty Ltd for its advisor services to the Offer.
<b>Offer Price</b>	means \$0.0065 per New Share.
<b>Prospectus</b>	means this prospectus.
<b>Shareholders</b>	means shareholders in TOY.
<b>Shares</b>	means fully paid ordinary shares in TOY.

<b>Us or we</b>	means the Company.
<b>VWAP</b>	has the meaning given to the term 'volume weighted market average price' under the Listing Rules.
<b>You</b>	means the investors under this Prospectus.

## Corporate directory

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### **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](http://www.toysrus.com.au)

### **Directors and executives**

Ms Kelly Humpreys - Chair & Non-Executive Director  
Kevin A Moore - Non-Executive Director  
Mr John (Giovanni Antonio) Tripodi - Non-Executive Director  
Ms Penny Cox - Chief Executive Officer

### **Company Secretary**

Kim Larkin

### **Share Registry**

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](http://www.automicgroup.com.au)

### **Lawyers to the Offer**

K&L Gates  
25/525 Collins Street  
Melbourne VIC 3000

Enter your details below (clearly in capital letters using pen), make payment via Electronic Funds Transfer (EFT) and return in accordance with the instructions on the reverse.

5. TFN/ABN/Exemption Code																																
Applicant #1	Applicant #2	Applicant #3																														
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If NOT an individual TFN/ABN, please note the type in the box C = Company; P = Partnership; T = Trust; S = Super Fund <table border="1" style="width: 40px; height: 30px; float: right; border-collapse: collapse;"> <tr> <td style="width: 100%;"></td> </tr> </table>																																

## CORRECT FORMS OF REGISTRABLE TITLE

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual	Mr John Richard Sample	J R Sample
Joint Holdings	Mr John Richard Sample & Mrs Anne Sample	John Richard & Anne Sample
Company	ABC Pty Ltd	ABC P/L or ABC Co
Trusts	Mr John Richard Sample <Sample Family A/C>	John Sample Family Company
Superannuation Funds	Mr John Sample & Mrs Anne Sample <Sample Family Super A/C>	John & Anne Superannuation Fund
Partnerships	Mr John Sample & Mr Richard Sample <Sample & Son A/C>	John Sample & Son
Clubs/Unincorporated Bodies	Mr John Sample <Health Club A/C>	Health Club
Deceased Estates	Mr John Sample <Estate Late Anne Sample A/C>	Anne Sample (Deceased)



## INSTRUCTIONS FOR COMPLETING THE FORM

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This is an Application Form for new fully paid Ordinary Shares in Toys "R" Us ANZ Limited ACN 063 886 199, at a subscription price of \$0.0065 per Share, per the terms of the Prospectus lodged 20 February 2024.

1. **Shares Applied For & Payment Amount** - Enter the number of Shares & the amount of the application monies payable you wish to apply for.
2. **Applicant Name(s) and Postal Address** - The Application must be in the name of a natural person(s), companies or other legal entities acceptable by the Company. At least one full given name and surname is required for each natural person. Refer to the table above for the correct forms of registrable title(s). Applicants using the wrong form of names may be rejected. Next, enter your postal address for the registration of your holding and all correspondence. Only one address can be recorded against a holding.
3. **Contact Details** - Please provide your contact details for us to contact you between 8:30am and 7:00pm (AEDT) should we need to speak to you about your application. In providing your email address you elect to receive electronic communications.
4. **CHESS Holders** - If you are sponsored by a stockbroker or other participant and you wish to hold Shares allotted to you under this Application on the CHESS subregister, enter your CHESS HIN. Otherwise leave the section blank and on allotment you will be sponsored by the Company and a "Securityholder Reference Number" (SRN) will be allocated to you.
5. **TFN/ABN/Exemption** - If you wish to have your Tax File Number, ABN or Exemption registered against your holding, please enter the details. Collection of TFN's is authorised by taxation laws but quotation is not compulsory and it will not affect your Application.
6. **Payment** - Payments for applications made using this application form can only be made by Electronic Funds Transfer (EFT), details below. Do not forward cash with this Application Form as it will not be accepted.

## DECLARATIONS

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### BY SUBMITTING THIS APPLICATION FORM WITH THE APPLICATION MONIES, I/WE DECLARE THAT I/WE:

- Have completed this Application Form in accordance with the instructions on the form;
- Declare that the Application Form and all details and statements made by me/us are complete and accurate;
- I/we agree to provide further information or personal details, including information related to tax-related requirements, and acknowledge that processing of my application may be delayed, or my application may be rejected if such required information has not been provided;
- Where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company;
- Authorise the Company and their agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Shares to be allocated;
- Agree to be bound by the Constitution of the Company; and
- Acknowledge that neither the Company nor any person or entity guarantees any particular rate of return of the Shares, nor do they guarantee the repayment of capital.

## LODGEMENT INSTRUCTIONS

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**EMAIL:** Please send your completed Application Form and payment receipt to [kim.larkin@boardroomlimited.com.au](mailto:kim.larkin@boardroomlimited.com.au)

**PAYMENT:** You can pay by Electronic Funds Transfer "EFT"

The unique reference which has been assigned to your Application is: [Registration Name]-TOY

Funds are to be deposited directly to following bank account:

**Account name:** Toys"R"Us ANZ Limited

**Account BSB:** 033-065

**Account number:** 565 126

**Bank:** Westpac

**Important:**

You must quote your unique reference 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.

You must provide a copy of your payment receipt, that shows the unique reference, payment amount, sender, and date.

If you require further information about the Offer, please contact Kim Larkin by either phone on +61 7 3010 9393 between 10:00am and 6:00pm (AEDT), or via email at [kim.larkin@boardroomlimited.com.au](mailto:kim.larkin@boardroomlimited.com.au).