



McGrathNicol

19 August 2024

ASX Announcement

Booktopia Group Limited ACN 612 421 388 (ASX: BKG) and its subsidiaries listed in Annexure A (all Administrators Appointed) (collectively, Booktopia or the Companies)

McGrathNicol announces sale of Booktopia business

Administrators of Booktopia Group Ltd, McGrathNicol Partners Keith Crawford, Matthew Caddy and Damien Pasfield, today announce that a sale of Booktopia's business and related assets (**the Transaction**) to Booktopia Direct (IP) Pty Ltd and Booktopia Direct Pty Ltd (**Purchasers**) was completed on Friday evening (16 August).

The Purchasers are related to the owner of digiDirect, a leading Australian-owned omnichannel consumer electronics retailer with a well-established national store network and a significant online presence.

The Transaction enables the immediate resumption of trading for the Booktopia business, a vital part of Australia's publishing industry. The Purchasers have confirmed their intention to hire over 100 employees, with former Booktopia staff encouraged to rejoin the group.

The sale was managed by McGrathNicol's Deals team and made possible with the support of Booktopia's secured creditor, Moneytech, which provided essential funding to the Administrators to preserve the business pending the sale.

McGrathNicol Partner and Administrator Keith Crawford said: "We are incredibly pleased to have completed the sale of the Booktopia business to the owner of digiDirect. The transaction will result in the retention of all remaining employees, the recruitment of some 100 additional employees and continuity of supply for Booktopia's trade creditors. The Purchaser is also offering special arrangements to customers with unredeemed gift cards.

"Booktopia has been a key part of Australia's publishing industry for 20 years, and transitioning the business to such a well-known Australian retailer is a great outcome for all stakeholders," Mr Crawford said.

"We commend digiDirect's owner Shant Kradjian and his team, who moved quickly and professionally to complete due diligence and the Transaction in collaboration with the Administrators and Booktopia's staff and key suppliers. We extend our thanks also to key stakeholders who supported the completion of the Transaction, including Booktopia staff, Moneytech and our legal advisors Arnold Bloch Leibler."

The sale price will not be sufficient to provide for a return to shareholders. Having completed the Transaction, the Administrators will now prepare to convene the second meeting of the creditors of Booktopia, details of which will be announced separately.

Further information

For all further enquiries, please contact booktopiaenquiries@mcgrathnicol.com.



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Annexure A - schedule of insolvent entities

| Entity | ACN |
|---------------------------------|-------------|
| Booktopia Group Limited | 612 421 388 |
| Booktopia Pty Limited | 096 845 126 |
| Making I. T. Better Pty Limited | 088 289 534 |
| Virtual Lifestyles Pty. Limited | 088 289 507 |

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