

FUNDING SECURED FOR NEW CUSTOMER FULFILMENT CENTRE (CFC)

Australia's leading online book retailer Booktopia Group Limited (ASX: BKG) ("the Company") is pleased to announce it has finalised a \$12 million finance package to support the development of the company's new Customer Fulfilment Centre (CFC) at South Strathfield.

Once operational in the second quarter of FY24, the new CFC is expected to deliver a range of operational efficiencies and improved margins compared to the company's current facility at Lidcombe.

The funding package comprises two components:

- **Trade Finance Facility** – The Company has established a \$7 million trade finance facility with Australian non-bank lender Moneytech Finance Pty Limited (Moneytech) to assist working capital requirements while investment continues in the new CFC. The facility has an initial term of 24 months and is a first ranking general security agreement. The interest rate is the MoneyTech Base Rate (currently 10.2%) less 1.97%.
- **Unsecured Debt Facility** – The company has established a \$5 million short term unsecured debt facility with AFSG Capital¹ to assist in funding the new CFC fitout pending refinance by a longer term subordinated debt facility. The facility includes funding from major shareholders Tony Nash and Steven Taurig and has a term of 180 days and an interest rate of 10% pa.

The new CFC will support the efficient fulfilment of over 12 million units per annum with flexibility built into the design for further expansion whilst reducing labour costs per unit in the CFC.

Booktopia Chairman Peter George said completing the funding package was an important milestone for the business.

"The new CFC is critical to ensuring Booktopia can deliver industry-leading efficiency in the medium and long term," he said. "The advanced robotics platform and future-proof design will ensure we can continue to evolve with changing technologies and deliver books in the fastest possible time at the lowest possible cost, well into the future."

Authorised for lodgment by the Board.

ENDS

¹ AFSG Capital Pty Ltd ACN 618 417 440 is a Corporate Authorised Representative (CAR Number 001283406) of Mantis Financial Group Pty Ltd ACN 614 846 963 AFSL No.492452



Media and investor relations enquiries to:

Ben Ready
RGC Media & Mktng
0415 743 838
ben@rgcmm.com.au