



19 June 2023

Dear Shareholder

Toys'R'Us ANZ Limited – Entitlement Offer – notice to ineligible shareholders

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

The purpose of the Entitlement Offer is to fund:

- (a) if \$5 million is raised through the Entitlement Offer:
 - (i) an increase of approximately \$3 million in working capital to fund the roll out of new Toys R Us stores in store inside WH Smith High St shops in the UK;
 - (ii) an increase of approximately \$1 million across marketing spend and investments in new IT platforms; and
 - (iii) an investment of approximately \$1 million in greater depth of merchant and marketing team members in Australia and the UK, to scale up our investment to date in state-of-the-art robotics and logistics;
- (b) if \$8 million is raised through the Entitlement Offer:
 - (i) the activities described in (a) above; and
 - (ii) an increase of approximately \$3 million in capital expenditure in the opening of a new 3,000 square metre Toys R Us and Babies R Us experiential retail centre in Clayton, Victoria.

Summary of key terms of the Entitlement Offer

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

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

Documents relating to the Entitlement Offer were lodged with ASX on 19 June 2023 and are being mailed to Eligible Shareholders. Shareholder approval is not required for the Company to make the offer under the Entitlement Offer.

Eligibility of shareholders to participate in the Entitlement Offer

The Company has determined, under ASX Listing Rule 7.7.1(a) and section 9A(3) Corporations Act, that it would be unreasonable to make offers to shareholders in all countries in connection with the Entitlement Offer. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3)(b) Corporations Act, this letter is to inform you that the Company has determined that you are not an Eligible Shareholder and therefore are ineligible to apply for New Shares under the Entitlement Offer.

You are not required to do anything in response to this letter.

The Entitlement Offer is only available to Eligible Shareholders. An Eligible Shareholder means a holder of the Company shares at 5:00pm (AEST) on the Record Date who:

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

As you do not satisfy the criteria for eligibility, the Company is unfortunately unable to extend the Entitlement Offer to you.

New Shares equivalent to the number of New Shares you would have been entitled to if you were an Eligible Shareholder will be allocated to Eligible Shareholders who subscribe for New Shares in excess of their entitlement under the Entitlement Offer as part of the top up facility or as part of the shortfall facility.

As the Entitlement Offer is non-renounceable, you will not receive any payment or value for these entitlements in respect of any New Shares that would have been offered to you if you were eligible.

Further information

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

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



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

Important information

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