



Toys “R” Us Asia Announces New Joint Ownership Structure

Taj Noteholders and Fung Retailing Reach Agreement to Partner on Toys “R” Us Asia Business

HONG KONG, November 16th, 2018 – Toys “R” Us Asia announced today that the approximate 85% interest in Toys (Labuan) Holding Limited (the “Company”) will be acquired by the holders of its parent company TRU Taj LLC’s Senior Secured Notes (the “Taj Noteholders”).

The Taj Noteholders and Fung Retailing Limited (“Fung Retailing”), the owner of approximately 15% of the Company, have agreed to new partnership terms in a transaction which values the Company at approximately US\$900 million.

As part of this transaction, Fung Retailing will acquire, at the transaction value, an incremental 6% of the Company from the Taj Noteholders, thereby increasing Fung Retailing’s ownership to approximately 21% of the Company, making it the largest shareholder in the Company.

This transaction facilitates the separation of the Asian business from its ultimate parent Toys “R” Us, Inc. and positions the Company well for an exciting new chapter of growth.

The Taj Noteholders includes several investment funds and financial institutions with extensive experience investing in and owning international businesses and retail companies.

A spokesperson for the Taj Noteholders commented, “This transaction is a significant step in separating the valuable and growing Toys “R” Us Asia operation from the rest of the business. The Company’s growth prospects in Greater China, Japan and Southeast Asia are bright and we are excited about investing in and owning the Company in partnership with Fung Retailing”.

Mr. Pieter Schats, Executive Director of Fung Retailing, commented, “Since introducing Toys “R” Us to Hong Kong in 1986, Fung Retailing has played an integral role in the successful growth and development of Toys “R” Us in Asia. As a sign of the confidence we have in the management team and future success of Toys “R” Us in the region, we are pleased to increase our shareholding in the Company, reflecting our commitment to support Toys “R” Us Asia in reaching new heights.”

The Company will continue to be led by its current President & CEO, Mr. Andre Javes and his experienced management team, who have consistently and successfully built the business across the Asia region.

In addition, the Company will be making a significant investment in technology to boost its infrastructure for the future. The Company sources toy, education and baby products from across the globe, with significant emphasis on quality, safety and trust.

“We are committed to remaining the leading specialty retailer of toy, education and baby products in Asia by driving innovation and quality through our products and services,” Javes added. “The conclusion of the sale process brings clarity to the Company’s ownership and we look forward to strengthening and leveraging our partnerships with our vendors and commercial stakeholders. Our shareholders’ investment is a huge vote of confidence in our vision, our team and our winning model.”



About Toys (Labuan) Holding Limited

By year end 2018, Toys (Labuan) Holding Ltd and its subsidiaries will operate over 450 stores with more than 10,000 team members in Japan, Greater China and Southeast Asia – including Brunei, China, Hong Kong, Malaysia, Singapore, Taiwan and Thailand – and license over 85 stores in the Philippines and Macau. In March 2017 Toys “R” Us Japan was successfully integrated into Toys (Labuan) Holding Limited which added over 160 stores to the pan-Asia toy, education and baby products store chain. As the leading toy, education and baby products retailer for children in Asia, the Company offers a differentiated shopping experience with a broad selection of exclusive products and unique services.

Toys (Labuan) Holding Limited operates as a separate legal entity and is financially independent from all other Toys “R” Us current or former operating companies around the world.

About the Taj Noteholders

The Taj Noteholders include investment funds and financial institutions who collectively manage billions of dollars of committed capital. The Taj Noteholders have extensive experience investing in retail companies around the world.

About Fung Retailing

The retailing businesses of the Fung Group are brought together under privately-held Fung Retailing Limited and extend from Greater China to the UK, France, Japan, Korea, Singapore, Malaysia, Thailand, and the Philippines through a combined network of over 3,300 stores. They include stores operated separately and independently by publicly-listed Convenience Retail Asia Limited (SEHK: 00831) and Trinity Limited (SEHK: 00891), as well as the privately-held Branded Lifestyle Holdings Limited, Kids Fashion, Toys “R” Us Asia and Suhyang Networks Company Limited. Fung Retailing employs over 23,000 staff, and its turnover exceeds US\$3 billion. The Fung Group (www.funggroup.com) is a Hong Kong-headquartered multinational group whose core businesses are in trading, logistics, distribution and traditional and digital retailing.