

# Tabcorp



## RETAIL ENTITLEMENT OFFER

### **Tabcorp Holdings Limited**

ABN 66 063 780 709

1 for 11 pro-rata accelerated renounceable entitlement offer of Tabcorp Holdings Limited ordinary shares at \$3.25 per New Share

Retail Entitlement Offer closes at 5.00pm (AEST) on Thursday, 10 September 2020

If you are an Eligible Retail Shareholder, this is an important document that requires your immediate attention. It should be read in its entirety. This document is not a prospectus under the Corporations Act and has not been lodged with the Australian Securities and Investments Commission. You should consult your stockbroker, solicitor, accountant or other professional adviser if you have any questions.

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

# IMPORTANT NOTICES

This Retail Offer Booklet has been issued by Tabcorp Holdings Limited (ABN 66 063 780 709) (**Tabcorp**).

This Retail Offer Booklet is dated Friday, 28 August 2020 and relates to the Retail Entitlement Offer, which is part of the Entitlement Offer by Tabcorp to raise approximately \$600 million. Capitalised terms in this section have the meaning given to them in this Retail Offer Booklet.

The Retail Entitlement Offer is made pursuant to section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73). This Retail Offer Booklet is not a prospectus or a product disclosure statement under the Corporations Act and has not been lodged with ASIC. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a prospectus or product disclosure statement. As a result, it is important for you to read and understand the publicly available information on Tabcorp and the Entitlement Offer (for example, the information available on Tabcorp's website at [www.tabcorp.com.au](http://www.tabcorp.com.au) or on ASX's website at [www.asx.com.au](http://www.asx.com.au)) prior to deciding whether to accept your Retail Entitlement and apply for New Shares. The information in this Retail Offer Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

**Please contact your professional advisor or the Tabcorp Offer Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) between 8.00am and 7.30pm (AEST) on Monday to Friday if you have any questions.**

This Retail Offer Booklet should be read in its entirety (including the accompanying Entitlement and Acceptance Form) before you decide to participate in the Retail Entitlement Offer. In particular, the Investor Presentation in Section 4 of this Retail Offer Booklet details important factors and risks that could affect the financial and operating performance of Tabcorp. Please refer to Appendix B 'Key risks' of the Investor Presentation for details. When making an investment decision in connection with the Retail Entitlement Offer, it is essential that you consider these risk factors carefully in light of your individual personal circumstances, including financial and taxation issues (some of which have been outlined in Section 4 of this Retail Offer Booklet).

In addition to reading this Retail Offer Booklet in conjunction with Tabcorp's other periodic and continuous disclosure announcements including the Investor Presentation and Tabcorp's announcements to the ASX and on its website, you should conduct your own independent review, investigations and analysis of Tabcorp and the New Shares and obtain any professional advice you require to evaluate the merits and risks of an investment in Tabcorp before making any investment decision.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY<sup>®</sup> in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Retail Offer Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer detailed in this Retail Offer Booklet.

## No overseas offering

This Retail Offer Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Retail Offer Booklet does not constitute an offer to Ineligible Retail Shareholders.

This Retail Offer Booklet is not to be distributed in, and no offer of New Shares is to be made, in countries other than Australia and New Zealand.

No action has been taken to register or qualify the Retail Entitlement Offer, the Retail Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Retail Offer Booklet (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of the information in this Retail Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your Application for New Shares is subject to all requisite authorities and clearances being obtained for Tabcorp to lawfully receive your Application Monies.

## New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of Tabcorp with registered addresses on the Tabcorp share register in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

## United States

None of the information in this Retail Offer Booklet or the accompanying Entitlement and Acceptance Form constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this Retail Offer Booklet (or any part of it), the accompanying ASX Announcement nor the accompanying Entitlement and Acceptance Form may be released or distributed, directly or indirectly, in the United States.

The Entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold to, directly or indirectly, persons in the United States or persons that are acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of persons in the United States). The Entitlements and the New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act (**Regulation S**).

## Definitions, time and currency

Defined terms used in this Retail Offer Booklet are contained in Section 7. All references to time are to Australian Eastern Standard Time (**AEST**), unless otherwise indicated.

All references to '\$' are AUD unless otherwise noted.

## Taxation

There will be tax implications associated with participating in the Retail Entitlement Offer and receiving New Shares or Retail Entitlements. Section 6 provides for a general guide to the Australian income tax, goods and services tax and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders. The guide does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. Tabcorp recommends that you consult your professional tax adviser in connection with the Retail Entitlement Offer.

## Privacy

Tabcorp collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in Tabcorp.

By submitting an Entitlement and Acceptance Form, you will be providing personal information to Tabcorp (directly or through the Share Registry). Tabcorp collects, holds and will use that information to assess your Application. Tabcorp collects your personal information to process and administer your shareholding in Tabcorp and to provide related services to you. Tabcorp may disclose your personal information for purposes related to your shareholding in Tabcorp, including to the Share Registry, Tabcorp's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that Tabcorp holds about you. To make a request for access to your personal information held by (or on behalf of) Tabcorp, please contact Tabcorp through the Share Registry.

## Governing law

This Retail Offer Booklet, the Retail Entitlement Offer and the contracts formed on acceptance of the Applications are governed by the law of Victoria, Australia. Each Applicant submits to the exclusive jurisdiction of the courts of Victoria, Australia.

## Past performance

Investors should note that Tabcorp's past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guarantee or guidance as to) Tabcorp's future performance including Tabcorp's future financial position or share price performance.

## Future performance

This Retail Offer Booklet contains certain "forward looking statements" with respect to the financial condition, results of operations, projects and business of Tabcorp and certain plans and objectives of the management of Tabcorp. Forward looking statements include those containing words such as: "anticipate", "believe", "expect", "estimate", "should", "will", "plan", "could", "may", "intends", "guidance", "project", "forecast", "target", "likely" and other similar expressions, and include, but are not limited to, statements regarding outcome and effects of the Retail Entitlement Offer. Any forward looking statements, opinions and estimates provided in this Retail Offer Booklet are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of Tabcorp's and the Lead Manager Parties (defined below). This includes any statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements may include projections, guidance on future revenues, earnings, dividends and estimates.

These forward-looking statements contained in this Retail Offer Booklet involve known and unknown risks, uncertainties and other factors which are subject to change without notice, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

**You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19.** Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither Tabcorp, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, such forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of Tabcorp. A number of important factors could cause actual results or performance to differ materially from the forward looking statements. Investors should consider the forward looking statements contained in this Retail Offer Booklet in light of those disclosures.

The forward looking statements are based on information available to Tabcorp as at the date of this Retail Offer Booklet. Except as required by law or regulation (including the Listing Rules), Tabcorp is under no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

None of the Lead Manager Parties has authorised, approved or verified any forward-looking statements.

## Lead Manager

UBS AG, Australia Branch (the **Lead Manager**) has acted as lead manager to, and underwriter of, the Entitlement Offer. Neither the Lead Manager, its affiliates, related bodies corporate (as that term is defined in the Corporations Act), or shareholders nor any of their respective directors, employees, officers, representatives, agents, affiliates, partners, consultants and advisers (together the **Lead Manager Parties**), nor the advisers to Tabcorp or any other person including clients named in this document, have authorised, permitted or caused the issue or lodgement, submission, despatch or provision of this Retail Offer Booklet (or any other materials released by Tabcorp) and, except to the extent expressly referred to in this Retail Offer Booklet, none of them makes or purports to make any statement in this Retail Offer Booklet and there is no statement in this Retail Offer Booklet which is based on any statement by any of them.

The Lead Manager Parties may, from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from Tabcorp.

## Disclaimer

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Tabcorp and the Lead Manager. To the maximum extent permitted by law, each of Tabcorp and the Lead Manager and each of their respective affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion. To the maximum extent permitted by law, the Lead Manager Parties disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Retail Entitlement Offer and the information in this Retail Offer Booklet being inaccurate or due to information being omitted from this Retail Offer Booklet, whether by way of negligence or otherwise, and make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of the information in this Retail Offer Booklet.

The Lead Manager Parties take no responsibility for any part of this Retail Offer Booklet or liability (including, without limitation, any liability arising from fault or negligence on the part of any person) for any direct, indirect, consequential or contingent loss or damage whatsoever arising from the use of any part of this Retail Offer Booklet or otherwise arising in connection with either of them.

The Lead Manager Parties make no recommendation as to whether you or your related parties should participate in the Retail Entitlement Offer nor do they make any representations or warranties, express or implied, to you concerning the Entitlement Offer or any such information, and by returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY<sup>®</sup> in accordance with the instructions on the Entitlement and Acceptance Form, you represent, warrant and agree that you have not relied on any statements made by the Lead Manager Parties in relation to the New Shares or the Entitlement Offer generally.

## Risks

Refer to Appendix B 'Key risks' of the Investor Presentation included in Section 4 of this Retail Offer Booklet for a summary of general and specific risk factors that may affect Tabcorp. You should consider these risks carefully in light of your personal circumstances, including financial and taxation issues, before making an investment decision in connection with the Retail Entitlement Offer.

## No cooling off

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw an Application once it has been accepted.

## Trading Retail Entitlements and New Shares

Tabcorp and the Lead Manager will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade Retail Entitlements before they receive their Entitlement and Acceptance Form, whether on the basis of confirmation of the allocation provided by Tabcorp or the Share Registry or otherwise, or who otherwise trade or purport to trade Retail Entitlements in error or which they do not hold or are not entitled to.

Tabcorp will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by Tabcorp or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

## Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Retail Offer Booklet.

Any information or representation that is not in this Retail Offer Booklet may not be relied on as having been authorised by Tabcorp, or its related bodies corporate in connection with the Retail Entitlement Offer.

If you are in any doubt as to these matters, you should first consult with your stockbroker, solicitor, accountant or other professional adviser.

# LETTER FROM THE CHAIRMAN

Dear Shareholder,

On behalf of Tabcorp, I am pleased to invite you to participate in an underwritten 1 for 11 pro-rata accelerated renounceable entitlement offer (with retail entitlements trading) for new ordinary shares in Tabcorp (**New Shares**) at an offer price of \$3.25 per New Share (**Offer Price**) to raise gross proceeds of approximately \$600 million (**Entitlement Offer**).

Tabcorp's performance for the financial year ended 30 June 2020 (**FY20**) was materially impacted by COVID-19. However, the strength of our diversified gambling entertainment group and investments in integration and digital transformation have been clearly demonstrated by our Lotteries business delivering a strong performance as well as digital growth in both Wagering and Keno. The Group delivered a net profit after tax and before significant items of \$271 million in FY20. After incurring non-cash goodwill impairment charges of \$1,090 million relating to the Wagering and Media and Gaming Services businesses and other significant items totalling \$51 million, the Group recorded a statutory net loss after tax of \$870 million.

The Group has undertaken a range of capital management initiatives since the onset of COVID-19 to preserve cash and maximise financial flexibility. These initiatives include obtaining additional debt facilities to provide liquidity, deferring payment of some state taxes, securing debt covenant relief for the 30 June 2020 and 31 December 2020 tests<sup>1</sup> and no final dividend for FY20<sup>2</sup>.

There is continued significant uncertainty regarding the severity and duration of the COVID-19 impact.

This has led Tabcorp to reconsider its capital management targets and revise its target gearing range to 2.5-3.0x Gross Debt / EBITDA (from 3.0-3.5x previously) as well as reduce its target dividend payout ratio to 70-80% of NPAT (before significant items)<sup>3</sup> on the resumption of dividends. These changes are expected to improve Tabcorp's credit metrics and conserve more capital over time.

The Entitlement Offer proceeds will be used to pay down existing drawn bank debt facilities and support the move towards the revised target gearing range. This is expected to strengthen Tabcorp's balance sheet, provide greater financial flexibility in the current uncertain times, and provide additional credit metric headroom for covenant and rating purposes.

Tabcorp has reaffirmed its commitment to its investment grade credit rating, and continues to focus on executing strategies that are expected to create value for shareholders.

## Entitlement Offer

Under the Entitlement Offer, eligible shareholders are entitled to acquire 1 New Share for every 11 existing Tabcorp ordinary shares held on the record date, being 7.00pm (AEST) on Monday, 24 August 2020 (**Record Date**). The pro-rata nature of the Entitlement Offer provides an equitable mechanism for shareholders to maintain their level of ownership in Tabcorp.

New Shares issued will rank equally with existing ordinary shares from their time of issue.

The Offer Price of \$3.25 per New Share represents a 10.6% discount to the theoretical ex-rights price (**TERP**)<sup>4</sup> of \$3.64 and a discount of 11.4% to Tabcorp's closing price of \$3.67 on the ASX on Tuesday, 18 August 2020, the last trading day before the Entitlement Offer was announced.

The Entitlement Offer comprises an institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**). The Institutional Entitlement Offer and associated bookbuild have raised approximately \$371 million in total.

The Retail Entitlement Offer is expected to raise approximately \$229 million. This Retail Offer Booklet relates to the Retail Entitlement Offer and Entitlements allotted under it (**Retail Entitlements**).

The Tabcorp Directors intend to participate and take up their full Retail Entitlement.

---

1 As announced to ASX on 19 May 2020 (bank lenders) and 4 June 2020 (US Private Placement lenders)

2 As announced to ASX on 19 May 2020

3 NPAT under Tabcorp's revised target dividend payout ratio will no longer be adjusted for the Victorian wagering and betting licence and Purchase Price Accounting, as it was historically

4 TERP is the theoretical price at which Tabcorp shares may trade immediately after the ex date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Tabcorp shares trade on the ASX immediately after the ex date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to the closing price of the Tabcorp share price as traded on ASX on Tuesday, 18 August 2020 being the last trading day prior to the announcement of the Entitlement Offer

Accompanying this Retail Offer Booklet is your personalised Entitlement and Acceptance Form which contains details of your Retail Entitlement. Your Retail Entitlement may have value and it is important that you determine whether to take up, sell, transfer or do nothing in respect of your Retail Entitlement (see Section 2.6).

The Retail Entitlement Offer closes at 5.00pm (AEST) on Thursday, 10 September 2020. To participate, you need to ensure that you have completed your application by paying Application Monies by BPAY® before this time in the manner described in this Retail Offer Booklet. If you are unable to pay by BPAY® (for example if you are a New Zealand based shareholder without an Australian bank account) or are having difficulty paying by BPAY® please call the Tabcorp Offer Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia). If the information line operator is unable to assist you to make payment by BPAY®, you are able to pay by cheque, bank draft or money order. You may also find details on the Retail Entitlement Offer and your Retail Entitlement by accessing the Offer Website at [www.tabcorp.com.au/investors/offer](http://www.tabcorp.com.au/investors/offer).

If you do not wish to take up your Retail Entitlement, you may sell all or part of your Retail Entitlement on the ASX from Monday, 24 August 2020 to Thursday, 3 September 2020, or transfer all or part of your Retail Entitlement directly to another person. The assignment, transfer and exercise of Retail Entitlements is restricted to persons meeting certain eligibility criteria, as described in Section 5.1. If holders of Retail Entitlements at the end of the trading period do not meet the eligibility criteria, they will not be able to exercise the Retail Entitlements and, as a result, they may receive no value for them. If you choose to do nothing in respect of all or part of your Retail Entitlement, part or all (as applicable) of your Retail Entitlement will be offered for sale for your benefit through a bookbuild process on Tuesday, 15 September 2020 (**Retail Shortfall Bookbuild**). In this case, you will receive any amount paid above the Offer Price in respect of the Retail Entitlements sold to investors in the Retail Shortfall Bookbuild (**Retail Premium**). The Retail Premium may be zero, in which case no payment will be made to holders of those Retail Entitlements sold into the Retail Shortfall Bookbuild.

#### Further Information

Further information on the Retail Entitlement Offer and Tabcorp's business is detailed in this Retail Offer Booklet. You should carefully read this Retail Offer Booklet in its entirety and consult your financial adviser before making your investment decision. In particular, you should read and consider the 'Key Risks' section of the Tabcorp Investor Presentation included in Section 4 of this Retail Offer Booklet which contains a summary of some of the key risks associated with an investment in Tabcorp.

If you have any questions in respect of the Retail Entitlement Offer please call the Tabcorp Offer Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) at any time from 8.00am to 7.30pm (AEST) Monday to Friday.

On behalf of Tabcorp's Board of Directors, I thank you for your ongoing support in Tabcorp.

Yours faithfully,



**Paula J. Dwyer**  
Chairman  
Tabcorp Holdings Limited

# SUMMARY OF THE ENTITLEMENT OFFER

Entitlement Offer	
Ratio	1 New Share for every 11 Existing Shares
Offer Price	\$3.25 per New Share
Size	Approximately 114 million New Shares under the Institutional Entitlement Offer and approximately 71 million New Shares under the Retail Entitlement Offer
Gross proceeds	Approximately \$600 million, comprising approximately \$371 million under the Institutional Entitlement Offer and approximately \$229 million under the Retail Entitlement Offer

## KEY DATES

Activity	Date
Announcement of the Entitlement Offer	Wednesday, 19 August 2020
Institutional Entitlement Offer opens	Wednesday, 19 August 2020
Institutional Entitlement Offer closes	Thursday, 20 August 2020
Institutional Shortfall Bookbuild closes	Friday, 21 August 2020
Announcement of results of Institutional Entitlement Offer	Monday, 24 August 2020
Retail Entitlements commence trading on ASX on a deferred settlement basis (ASX Code: TAHRA)	Monday, 24 August 2020
Record Date for Entitlement Offer (7.00pm AEST)	Monday, 24 August 2020
<b>Retail Entitlement Offer opens</b>	<b>Friday, 28 August 2020</b>
Retail Offer Booklet and Entitlement and Acceptance Form despatched	Friday, 28 August 2020
Settlement of the Institutional Entitlement Offer	Friday, 28 August 2020
Retail Entitlements commence trading on ASX on a normal settlement basis	Monday, 31 August 2020
Issue and commencement of trading of New Shares issued under the Institutional Entitlement Offer	Monday, 31 August 2020
Retail Entitlements trading on ASX ends	Thursday, 3 September 2020
<b>Retail Entitlement Offer closes (5.00pm AEST)</b>	<b>Thursday, 10 September 2020</b>
Retail Shortfall Bookbuild	Tuesday, 15 September 2020
Settlement of the Retail Entitlement Offer	Friday, 18 September 2020
Issue of New Shares under the Retail Entitlement Offer	Monday, 21 September 2020
New Shares under the Retail Entitlement Offer commence trading on ASX on a normal settlement basis	Tuesday, 22 September 2020
Despatch of holding statements for New Shares issued under the Retail Entitlement Offer	Wednesday, 23 September 2020
Retail Premium (if any) despatched	Wednesday, 23 September 2020

*This timetable above is indicative only and may change. Tabcorp reserves the right to amend any or all of these dates and times subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, Tabcorp reserves the right to extend the closing date for the Retail Entitlement Offer, to accept late Applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the allotment date of New Shares. Tabcorp also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares. In that event, the relevant Application Monies (without interest) will be returned in full to Applicants.*

### Enquiries

Tabcorp Offer Information Line: 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) between 8.00am and 7.30pm (AEST) on Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (AEST) on Thursday, 10 September 2020.

Alternatively, contact your stockbroker, solicitor, accountant or other professional adviser.

# 1. CONTENTS

<b>1. Summary of options available to you</b>	<b>8</b>
<b>2. How to apply</b>	<b>9</b>
2.1 Overview	9
2.2 Institutional Entitlement Offer	9
2.3 Retail Entitlement Offer	9
2.4 Your Retail Entitlements	9
2.5 Consider the Retail Entitlement Offer carefully in light of your particular investment objectives and circumstances	10
2.6 Options available to you	10
2.7 Option 1: If you wish to take up all or part of your Retail Entitlements	10
2.8 Option 2: If you wish to sell all or part of your Retail Entitlements	10
2.9 Option 3: Do nothing and let your Retail Entitlements be sold through the Retail Shortfall Bookbuild	12
2.10 Ineligible Retail Shareholders	12
2.11 Retail Shortfall Bookbuild	12
2.12 Retail Offer Booklet availability	12
<b>3. Payment</b>	<b>13</b>
3.1 Payment by BPAY <sup>®</sup>	13
3.2 If you are unable to pay by BPAY <sup>®</sup>	13
3.3 Entitlement and Acceptance Form is binding	14
3.4 Representations by acquirers of Retail Entitlements	15
3.5 Brokerage	16
3.6 Notice to nominees and custodians	16
3.7 Withdrawal of the Entitlement Offer	16
3.8 Enquiries	16
<b>4. ASX Announcement and Investor Presentation</b>	<b>17</b>
<b>5. Additional information</b>	<b>60</b>
5.1 Eligibility of Retail Shareholders	60
5.2 Ranking of New Shares	60
5.3 Allotment	60
5.4 Reconciliation	60
5.5 Receipt of excess Retail Premium	60
5.6 Rounding of Retail Entitlements	61
5.7 Trading of Retail Entitlements	61
5.8 Underwriting arrangements	61
5.9 Lead Manager	62
5.10 Continuous disclosure	62
<b>6. Australian taxation consequences</b>	<b>63</b>
6.1 Issue of Retail Entitlements	63
6.2 Sale of Retail Entitlements	63
6.3 Retail Entitlements not taken up	63
6.4 Taking up of Retail Entitlements	64
6.5 Dividends on New Shares as a result of Retail Entitlements taken up	64
6.6 Disposal of New Shares	64
6.7 Withholding tax	64
6.8 Other Australian taxes	64
<b>7. Definitions</b>	<b>65</b>
<b>8. Corporate information</b>	<b>67</b>

# 1. SUMMARY OF OPTIONS AVAILABLE TO YOU

If you are an Eligible Retail Shareholder (as defined in Section 5.1) you may take any one of the following actions:

1. Take up all or part of your Retail Entitlements; or
2. Sell all or part of your Retail Entitlements:
  - A. on ASX; or
  - B. by transferring it directly to another person; or
3. Do nothing and let all or part of your Retail Entitlements be sold into the Retail Shortfall Bookbuild.

If you are a retail shareholder that is not an Eligible Retail Shareholder you are an Ineligible Retail Shareholder. Ineligible Retail Shareholders will receive the Retail Premium (if any), less any applicable expenses, for the sale of Retail Entitlements by a nominee for their benefit through the Retail Shortfall Bookbuild.

Options available to you	Key considerations
1. Take up all or part of your Retail Entitlements	<ul style="list-style-type: none"><li>• You may elect to purchase New Shares at the Offer Price (see Section 2.7 for instructions on how to take up your Retail Entitlements).</li><li>• The New Shares will be fully paid and rank equally in all respects with Existing Shares.</li><li>• The Retail Entitlement Offer closes at 5.00pm (AEST) on Thursday, 10 September 2020.</li><li>• If you only take up part of your Retail Entitlements, you may choose to sell or transfer the balance (see Option 2 below) or you may do nothing and let that part be sold in the Retail Shortfall Bookbuild for your benefit (see Option 3 below).</li><li>• Eligible Retail Shareholders are not able to apply for New Shares in excess of their Retail Entitlements as set out in their personalised Entitlement and Acceptance Form.</li></ul>
2. Sell or transfer all or part of your Retail Entitlements	<ul style="list-style-type: none"><li>• If you do not wish to take up all or part of your Retail Entitlements, you may be able to sell all or part of your Retail Entitlements on ASX through your broker (see Section 2.8) or transfer your Retail Entitlements directly to another person (see Section 2.8).</li><li>• Retail Entitlements may be traded on ASX from Monday, 24 August 2020 to Thursday, 3 September 2020 (ASX Code: TAHRA). You may incur brokerage costs if you sell all or part of your Retail Entitlements on ASX.</li><li>• If you sell your Retail Entitlements in the Retail Entitlement Trading Period, you may receive a higher or lower amount than a shareholder who sells their Retail Entitlements at a different time in the Retail Entitlement Trading Period or through the Retail Shortfall Bookbuild.</li><li>• If you only sell or transfer part of your Retail Entitlements, you may choose to take up the remainder (see Option 1 above) or you may do nothing and let that part be sold in the Retail Shortfall Bookbuild (see Option 3 below).</li></ul>
3. Do nothing and let all or part of your Retail Entitlements be sold through the Retail Shortfall Bookbuild	<ul style="list-style-type: none"><li>• To the extent you do not take up or do not sell all of your Retail Entitlements on ASX (or via direct transfer), your Retail Entitlements will be sold on your behalf through the Retail Shortfall Bookbuild on Tuesday, 15 September 2020 and you will receive any Retail Premium in respect of these Retail Entitlements (see Section 2.9). There is no guarantee that there will be any Retail Premium.</li><li>• You will not incur brokerage costs on any Retail Premium received from the Retail Shortfall Bookbuild.</li><li>• By letting your Retail Entitlements be sold on your behalf through the Retail Shortfall Bookbuild, you will forgo any exposure to increases or decreases in the value of New Shares (or any value for that Retail Entitlement which may have been achieved through its sale on ASX or otherwise). Your percentage shareholding in Tabcorp will also be diluted.</li></ul>

## 2. HOW TO APPLY

### 2.1 Overview

Tabcorp intends to raise approximately \$600 million under the Entitlement Offer.

Tabcorp is offering eligible Shareholders the opportunity to subscribe for 1 New Share for every 11 Existing Shares held on the Record Date. The Offer Price per New Share is \$3.25.

The Entitlement Offer comprises four components:

- **Institutional Entitlement Offer** – Eligible Institutional Shareholders were given the opportunity to take up all or part of their Entitlement. Entitlements under the Institutional Entitlement Offer (**Institutional Entitlements**) were renounceable and were not able to trade on ASX;
- **Institutional Shortfall Bookbuild** – Institutional Entitlements not taken up and Entitlements of Ineligible Institutional Shareholders were sold through a bookbuild process on Friday, 21 August 2020 (**Institutional Shortfall Bookbuild**). The premium paid in respect of those Institutional Entitlements was \$0.45 per Institutional Entitlement (**Institutional Premium**). Eligible institutional shareholders who elected not to take up all of their Institutional Entitlements, and Ineligible Institutional Shareholders, will receive the Institutional Premium for each Institutional Entitlement that was not taken up and that was sold into the Institutional Shortfall Bookbuild;
- **Retail Entitlement Offer** – Eligible Retail Shareholders will be allotted Retail Entitlements under the Retail Entitlement Offer which can be taken up in whole or in part, or traded on ASX (or transferred directly to another person) in whole or in part. This means that if you do not wish to take up all or part of your Retail Entitlement you may sell on ASX or transfer all or part of your Retail Entitlement in order to realise value from your Retail Entitlement. You may incur brokerage costs if you sell your Retail Entitlement on ASX; and
- **Retail Shortfall Bookbuild** – Retail Entitlements which are not taken up by the close of the Retail Entitlement Offer, and Retail Entitlements of Ineligible Retail Shareholders (as defined in Section 5.1) will be sold through the Retail Shortfall Bookbuild. Any Retail Premium will be remitted proportionally to holders of those Retail Entitlements at the close of the Retail Entitlement Offer, and to Ineligible Retail Shareholders. The Retail Premium, if any, is expected to be paid on or about Wednesday, 23 September 2020.

You have a number of decisions to make in respect of your Retail Entitlements. These decisions may materially affect the value (if any) that may be received in respect of your Retail Entitlements. You should read this Retail Offer Booklet carefully before making any decisions in relation to your Retail Entitlements.

The Entitlement Offer is underwritten by the Lead Manager. Further details on the Retail Entitlement Offer and Retail Shortfall Bookbuild are set out below.

### 2.2 Institutional Entitlement Offer

On Wednesday, 19 August 2020 and Thursday, 20 August 2020, Tabcorp successfully conducted the Institutional Entitlement Offer at the Offer Price of \$3.25 per New Share.

On Friday, 21 August 2020, Tabcorp successfully conducted the Institutional Shortfall Bookbuild.

The Institutional Entitlement Offer raised gross proceeds of approximately \$371 million.

New Shares to be issued under the Institutional Entitlement Offer (including those subject to the Institutional Shortfall Bookbuild) are expected to be issued and commence trading on ASX on Monday, 31 August 2020.

### 2.3 Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders are invited to apply for 1 New Share for every 11 Existing Shares held as at the Record Date at the Offer Price of \$3.25 per New Share.

The offer ratio and Offer Price under the Retail Entitlement Offer are the same as for the Institutional Entitlement Offer.

The Retail Entitlement Offer opens on Friday, 28 August 2020 and will close at 5.00pm (AEST) on Thursday, 10 September 2020.

The Retail Entitlement Offer is underwritten, and seeks to raise gross proceeds of approximately \$229 million.

### 2.4 Your Retail Entitlements

Your Retail Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 11 Existing Shares you held as at the Record Date (with fractional entitlements rounded up, if necessary, to the nearest whole number of New Shares).

## 2. HOW TO APPLY CONTINUED

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Retail Entitlement for each separate holding.

You can also view details of your Retail Entitlements online at [www.tabcorp.com.au/investors/offer](http://www.tabcorp.com.au/investors/offer).

New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally in all respects with Existing Shares.

Eligible Retail Shareholders should be aware that an investment in Tabcorp involves risks. The key risks identified by Tabcorp are set out in Appendix B from page 20 of the Investor Presentation (enclosed in Section 4).

### 2.5 Consider the Retail Entitlement Offer carefully in light of your particular investment objectives and circumstances

The Retail Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow entitlement offers to be made without a prospectus. This Retail Offer Booklet does not contain all of the information which may be required in order to make an informed decision regarding an application for New Shares offered under the Retail Entitlement Offer. As a result, it is important for you to read carefully and understand the information on Tabcorp and the Retail Entitlement Offer made publicly available, prior to deciding whether to take up all or part of your Retail Entitlements, sell or transfer all or part of your Retail Entitlements or do nothing in respect of your Retail Entitlements. In particular, please refer to this Retail Offer Booklet and other announcements by Tabcorp made available at [www.asx.com.au](http://www.asx.com.au) (including announcements which may be made by Tabcorp after publication of this Retail Offer Booklet).

Please consult with your stockbroker, accountant or other professional adviser if you have any queries or are uncertain about any aspect of the Retail Entitlement Offer. You should also refer to Appendix B 'Key risks' of the Tabcorp Investor Presentation included in Section 4 of this Retail Offer Booklet.

### 2.6 Options available to you

If you are an Eligible Retail Shareholder, you may take any of the following actions. Each of these options may have a materially different outcome on any value you receive in respect of your Retail Entitlements.

1. Take up all or part of your Retail Entitlements (see Section 2.7);
2. Sell all or part of your Retail Entitlements to persons meeting certain eligibility criteria;
  - A. on ASX (see Part A of Section 2.8); or
  - B. by transferring it directly to another person (see Part B of Section 2.8); or
3. Do nothing and let your Retail Entitlements be sold through the Retail Shortfall Bookbuild (see Section 2.9).

### 2.7 Option 1: If you wish to take up all or part of your Retail Entitlements

If you wish to take up all or part of your Retail Entitlements, please pay your Application Monies via BPAY<sup>®</sup> by following the instructions set out on your personalised Entitlement and Acceptance Form. Payment is due by no later than 5.00pm (AEST) on Thursday, 10 September 2020. If you are unable to pay by BPAY<sup>®</sup>, please refer to Section 3.2 below.

If you take up and pay for all or part of your Retail Entitlements before the close of the Retail Entitlement Offer, it is expected that you will be issued New Shares on Monday, 21 September 2020. Tabcorp's decision on the number of New Shares to be issued to you will be final.

Tabcorp also reserves the right (in its absolute discretion) to reduce the number of New Shares issued (or any Retail Premium paid) to Eligible Retail Shareholders, or persons claiming to be Eligible Retail Shareholders, if Tabcorp believes their claims to be overstated or if they or their nominees fail to provide information to substantiate their claims to Tabcorp's satisfaction (see Sections 5.4 and 5.5).

Eligible Retail Shareholders are not able to apply for New Shares in excess of their Retail Entitlements as set out in their personalised Entitlement and Acceptance Form.

### 2.8 Option 2: If you wish to sell all or part of your Retail Entitlements

#### A. Selling all or part of your Retail Entitlements on ASX

If you wish to sell all or part of your Retail Entitlements on ASX, you should instruct your stockbroker and provide details as requested from your personalised Entitlement and Acceptance Form or as accessed online at [www.tabcorp.com.au/investors/offer](http://www.tabcorp.com.au/investors/offer). Allow sufficient time for your instructions to be carried out by your stockbroker. Please note you may incur brokerage if you choose to sell your Retail Entitlements on ASX.

Retail Entitlement trading on ASX starts on a deferred settlement basis at 10.00am (AEST) on Monday, 24 August 2020 (ASX Code: TAHRA) until 4.00pm (AEST) on Friday, 28 August 2020 and from 10.00am (AEST) on Monday, 31 August 2020 until 4.00pm (AEST) on Thursday, 3 September 2020 on a normal settlement basis. There is no guarantee that there will be a liquid market in traded Retail Entitlements. A lack of liquidity may impact your ability to sell your Retail Entitlements on ASX and the price you may be able to achieve.

This Retail Offer Booklet, along with your personalised Entitlement and Acceptance Form, will be despatched on Friday, 28 August 2020.

**Tabcorp will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to you if you trade your Retail Entitlements before you receive your personalised Entitlement and Acceptance Form, whether on the basis of confirmation of the allocation provided by Tabcorp or the Share Registry, or failure to maintain your updated details on the Share Registry or otherwise, or who otherwise trade or purport to trade Retail Entitlements in error or which they do not hold or are not entitled to.**

**While the Retail Entitlements will be tradeable on ASX, the assignment, transfer and exercise of Retail Entitlements trading on ASX will be restricted to persons meeting certain eligibility criteria. It is the responsibility of purchasers of Retail Entitlements to inform themselves of the eligibility criteria for exercise. In particular, persons in the United States and persons acting for the account or benefit of persons in the United States (to the extent such person holds Securities for the account or benefit of such person in the United States) will not be eligible to purchase or trade Retail Entitlements or to take up Retail Entitlements they acquire. If holders of Retail Entitlements at the end of the Retail Entitlement Trading Period do not meet the eligibility criteria, they will not be able to exercise the Retail Entitlements. In the event that holders are not able to exercise their Retail Entitlements, they may receive no value for them.**

If you wish to sell part of your Retail Entitlements on ASX and let the balance be sold into the Retail Shortfall Bookbuild, follow the procedures above in respect of the part of your Retail Entitlements you wish to sell on ASX, and do nothing in respect of the balance. You will receive the Retail Premium (if any) in respect of those Retail Entitlements sold through the Retail Shortfall Bookbuild.

Prices obtainable for Retail Entitlements may rise and fall over the Retail Entitlement Trading Period and will depend on many factors including the demand for and supply of Retail Entitlements on ASX and the value of Tabcorp Existing Shares relative to the Offer Price. If you sell your Retail Entitlements in the Retail Entitlement Trading Period, you may receive a higher or lower amount than a shareholder who sells their Retail Entitlements at a different time in the Retail Entitlement Trading Period or through the Retail Shortfall Bookbuild.

If you sell your Retail Entitlements, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up those Retail Entitlements. Your percentage shareholding in Tabcorp will also be diluted.

#### **B. If you wish to transfer all or part of your Retail Entitlements other than on ASX**

If you wish to transfer all or part of your Retail Entitlements other than on ASX, you must forward a completed Renunciation and Transfer Form to the Share Registry in relation to the part of your Retail Entitlements that you wish to transfer. If the transferee wishes to take up all or part of the Retail Entitlements transferred to them, they must send their Application Monies together with the Entitlement and Acceptance Form related to the Retail Entitlements transferred to them to the Share Registry.

You can obtain a Renunciation and Transfer Form online at [www.tabcorp.com.au/investors/offer](http://www.tabcorp.com.au/investors/offer) or from your stockbroker. The Renunciation and Transfer Form as well as the transferee's Application Monies and the Entitlement and Acceptance Form related to the Retail Entitlements transferred to them must be received by the Share Registry no later than 5.00pm (AEST) on Thursday, 10 September 2020.

If the Share Registry receives both a completed Renunciation and Transfer Form and an application for New Shares in respect of the same Retail Entitlements, the transfer will take priority over the application.

If you wish to transfer part of your Retail Entitlements and allow the balance to be sold into the Retail Shortfall Bookbuild, follow the procedures above in respect of the part of your Retail Entitlements you wish to transfer, and do nothing in respect of the balance. You will receive the Retail Premium (if any) in respect of those Retail Entitlements sold through the Retail Shortfall Bookbuild.

If you transfer your Retail Entitlements, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up those Retail Entitlements. Your percentage shareholding in Tabcorp will also be diluted.

You may only transfer your Retail Entitlements in this way to a purchaser whose address is in Australia or New Zealand or who is otherwise an 'Eligible Person' (see Section 5.7), and who is not in the United States and not acting for the account or benefit of a person in the United States (to the extent such purchaser is acting for the account or benefit of a person in the United States). Persons that are in the United States will not be eligible to purchase, trade, take up or exercise Retail Entitlements. Similarly, persons acting for the account or benefit of persons in the United States will not be eligible to purchase, trade, take up or exercise Retail Entitlements on behalf of those persons in the United States. You should inform any purchaser of these restrictions.

See Sections 5.1 and 5.7 for more information on restrictions on participation.

## 2. HOW TO APPLY CONTINUED

### 2.9 Option 3: Do nothing and let your Retail Entitlements be sold through the Retail Shortfall Bookbuild

Any of your Retail Entitlements which you do not take up, sell or transfer will be sold through the Retail Shortfall Bookbuild on Tuesday, 15 September 2020 to Eligible Institutional Investors. You will receive the Retail Premium (if any) in respect of those Retail Entitlements sold through the Retail Shortfall Bookbuild (see Section 2.11).

By allowing your Retail Entitlements to be sold through the Retail Shortfall Bookbuild, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Retail Entitlements (or any value for your Retail Entitlements which may have been achieved through its sale on ASX or otherwise). Your percentage shareholding in Tabcorp will also be diluted.

### 2.10 Ineligible Retail Shareholders

Ineligible Retail Shareholders are retail shareholders as at the Record Date who are not Eligible Retail Shareholders.

Ineligible Retail Shareholders will receive the Retail Premium (if any) for Retail Entitlements that have been sold on their behalf into the Retail Shortfall Bookbuild.

### 2.11 Retail Shortfall Bookbuild

Retail Entitlements which are not taken up by close of the Retail Entitlement Offer, and Retail Entitlements that would have been issued to Ineligible Retail Shareholders had they been eligible to participate in the Retail Entitlement Offer, will be sold through the Retail Shortfall Bookbuild. Any Retail Premium will be remitted proportionally to such shareholders on or about Wednesday, 23 September 2020, net of any applicable expenses.

Retail Premium amounts, if any, will be paid in Australian dollars. Relevant retail shareholders will be paid by direct credit to the nominated bank account as noted on Tabcorp's Share register or, if there is no nominated bank account, by cheque to their registered address. The Retail Premium, if any, is expected to be paid on or about Wednesday, 23 September 2020.

The Retail Premium may be zero, in which case no payment will be made to holders of those Retail Entitlements sold into the Retail Shortfall Bookbuild. The outcome of the Institutional Shortfall Bookbuild (including the Institutional Premium) is not an indication as to whether there will be a Retail Premium or what any Retail Premium may be.

The ability to sell Retail Entitlements under the Retail Shortfall Bookbuild and the ability to obtain any Retail Premium will depend on various factors, including market conditions. The final price for Retail Entitlements sold under the Retail Shortfall Bookbuild will be agreed between the Lead Manager and Tabcorp having regard to a number of factors, and may or may not be set at the final clearing price of the Retail Shortfall Bookbuild. If there is a Retail Premium, it may be less than, more than, or equal to the Institutional Premium or less than, more than or equal to any price or prices that Retail Entitlements may be able to be sold on ASX or otherwise transferred. To the maximum extent permitted by law, Tabcorp, its related bodies corporate and affiliates, and each of their respective directors, officers, partners, employees, representatives and agents, and each of the Lead Manager Parties, disclaim all liability, including for negligence, for any failure to procure a Retail Premium under the Retail Shortfall Bookbuild, for any difference between the Retail Premium and the Institutional Premium. Tabcorp reserves the right to allocate Retail Entitlements under the Retail Shortfall Bookbuild at its discretion.

You should note that if you sell or transfer all or part of your Retail Entitlement or allow all or part of your Retail Entitlement to be sold into the Retail Shortfall Bookbuild, then you will forgo any exposure to increases or decreases in the value of New Shares (or any value for that Retail Entitlement which may have been achieved through its sale on ASX or otherwise) and your percentage shareholding in Tabcorp will be diluted by your non-participation in the Retail Entitlement Offer.

### 2.12 Retail Offer Booklet availability

Eligible Retail Shareholders in Australia and New Zealand can obtain a copy of this Retail Offer Booklet during the period of the Retail Entitlement Offer by accessing the Offer Website at [www.tabcorp.com.au/investors/offer](http://www.tabcorp.com.au/investors/offer) or by calling the Offer Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) between 8.00am and 7.30pm (AEST) Monday to Friday, during the Retail Entitlement Offer Period.

A replacement personalised Entitlement and Acceptance Form can be requested by accessing the Offer Website at [www.tabcorp.com.au/investors/offer](http://www.tabcorp.com.au/investors/offer) or calling the Offer Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) between 8.00am and 7.30pm (AEST) Monday to Friday, during the Retail Entitlement Offer Period.

If you access the electronic version of this Retail Offer Booklet, you should ensure that you download and read the entire Retail Offer Booklet. The electronic version of this Retail Offer Booklet on the ASX website and the Offer Website will not include an Entitlement and Acceptance Form. You can download a personalised Entitlement and Acceptance Form from the Offer Website by using your Security Reference Number (**SRN**) or Holder Identification Number (**HIN**) as shown on your Issuer Sponsored/CHESS statements.

This Retail Offer Booklet (including the accompanying personalised Entitlement and Acceptance Form) may not be distributed or released to, or relied upon by, persons in the United States.

# 3. PAYMENT

Payment should be made using BPAY® if possible. New Zealand Shareholders who do not have an Australian bank account and other shareholders who are unable to pay by BPAY®, will be able to pay by cheque, bank draft or money order (refer to Section 3.2 below).

Cash payments will not be accepted. Receipts for payment will not be issued.

Tabcorp will treat you as applying for as many New Shares as your payment will pay for in full up to your Retail Entitlement.

Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to Applicants on any Application Monies received or refunded.

## 3.1 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form or on the Offer Website ([www.tabcorp.com.au/investors/offer](http://www.tabcorp.com.au/investors/offer)). You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (CRN) on your personalised Entitlement and Acceptance Form or accessible on the Offer Website. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Retail Entitlements in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your Application will not be recognised as valid.

Please note that by paying by BPAY®:

- (a) you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in Section 3.3; and
- (b) if you do not pay for your full Retail Entitlement, you are deemed to have taken up your Retail Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (AEST) on Thursday, 10 September 2020. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

## 3.2 If you are unable to pay by BPAY®

If you are unable to pay by BPAY®, you are able to pay by cheque, bank draft or money order.

Tabcorp encourages payments by BPAY® if possible.

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by the cheque, bank draft or money order in Australian currency for the amount of the Application Monies, payable to 'Tabcorp Retail Offer' and crossed 'Not Negotiable'.

Your cheque, bank draft or money order must be:

- (a) for an amount equal to \$3.25 multiplied by the number of New Shares that you are applying for; and
- (b) in Australian currency drawn on an Australian branch of a financial institution. Payment cannot be made in New Zealand dollars. New Zealand resident Shareholders must arrange for payment to be made in Australian dollars.

If paying by cheque, you should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies as your cheque will be processed on the day of receipt. If the amount of your cheque, bank draft or money order for Application Monies (or the amount for which the cheque, bank draft or money order clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower whole number of New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

## 3. PAYMENT CONTINUED

It is your responsibility to ensure that your Entitlement and Acceptance Form and payment by cheque, bank draft or money order is received by the Share Registry by no later than 5.00pm (AEST) on Thursday, 10 September 2020 at the address below:

### Mailing Address

Tabcorp Holdings Limited.  
C/- Link Market Services Limited  
GPO Box 3560  
Sydney NSW 2001  
Australia

Entitlement and Acceptance Forms and Application Monies will not be accepted at Tabcorp's registered or corporate offices, or other offices of the Share Registry.

### 3.3 Entitlement and Acceptance Form is binding

A payment made through BPAY<sup>®</sup> or a completed and lodged Entitlement and Acceptance Form together with the payment of requisite Application Monies constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Retail Offer Booklet and, once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid Application for New Shares. Tabcorp's decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By making a payment by BPAY<sup>®</sup> or by completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Monies, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you have received and read, and understand this Retail Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- (b) you agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet, and Tabcorp's constitution;
- (c) you authorise Tabcorp to register you as the holder(s) of New Shares allotted to you under the Retail Entitlement Offer;
- (d) all details and statements in the personalised Entitlement and Acceptance Form are complete, accurate and up to date;
- (e) you represent and warrant that you are in compliance with any restriction that applies to shareholdings in Tabcorp (including restrictions arising under legislation, the requirements of a regulatory authority or under Tabcorp's constitution) (**Ownership Restrictions**) and you will not cease to be in compliance with the Ownership Restrictions (or any other applicable law or regulation), if you acquire New Shares allotted to you under the Retail Entitlement Offer;
- (f) if you are a natural person, you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- (g) you accept that there is no cooling off period under the Retail Entitlement Offer and that once Tabcorp receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY<sup>®</sup>, you may not withdraw your Application or funds provided except as allowed by law;
- (h) you agree to apply for and be issued up to the number of New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY<sup>®</sup>, at the Offer Price;
- (i) you authorise Tabcorp, the Lead Manager, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- (j) you acknowledge and agree that:
  - (i) determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Tabcorp and/or the Lead Manager;
  - (ii) Tabcorp, its affiliates, and each of the Lead Manager Parties disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- (k) you represent and warrant (for the benefit of Tabcorp, its related bodies corporate and affiliates and each of the Lead Manager Parties) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Institutional Shareholder under the Institutional Entitlement Offer and are otherwise eligible to participate in the Retail Entitlement Offer;
- (l) you declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;

- (m) the information contained in this Retail Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (n) this Retail Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in Tabcorp and is given in the context of Tabcorp's past and ongoing continuous disclosure announcements to ASX;
- (o) you acknowledge the statement of risks in Appendix B of the Investor Presentation included in Section 4 of this Retail Offer Booklet, and that an investment in Tabcorp is subject to risks;
- (p) none of Tabcorp, its related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, nor any of the Lead Manager Parties, guarantees the performance of the New Shares or the performance of Tabcorp, nor do they guarantee the repayment of capital from Tabcorp;
- (q) you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- (r) you authorise Tabcorp to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- (s) the law of any place does not prohibit you from being given this Retail Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an Application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- (t) you are an Eligible Retail Shareholder;
- (u) you acknowledge that the Retail Entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act or under the laws of any state or other jurisdiction of the United States and that, accordingly the Retail Entitlements may not be taken up or exercised by a person in the United States and the New Shares may not be offered or sold, directly or indirectly, in the United States or to persons acting for the account or benefit of a person in the United States (to the extent such persons are acting for the account or benefit of a person in the United States);
- (v) you are not in the United States and you are not acting for the account or benefit of any persons in the United States;
- (w) you acknowledge that you are purchasing the Retail Entitlements or the New Shares in an "offshore transaction" (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act;
- (x) you have not and will not send any materials relating to the Retail Entitlement Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States, or to any country outside Australia and New Zealand;
- (y) if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, including in regular way transactions on ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States;
- (z) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting an Application is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Retail Offer Booklet, the Entitlement and Acceptance Form or any information or materials relating to the Retail Offer Booklet to any such person; and
- (zz) you make all other representations and warranties set out in this Retail Offer Booklet.

### 3.4 Representations by acquirers of Retail Entitlements

Investors who acquire Retail Entitlements on ASX or otherwise will, by acquiring those Retail Entitlements, and by applying to take up all or part of those Retail Entitlements, be deemed to agree to make and be subject to the representations, declarations, warranties and agreements in Section 3.3 above (with references to the personalised Entitlement and Acceptance Form to be read as including any other form provided or required to be provided to Tabcorp, the Share Registry or the person's stockbroker).

The Retail Entitlements may not be purchased, traded, taken up or exercised by persons in the United States or by persons who are acting for the account or benefit of persons in the United States.

Investors should note that if you purchase Retail Entitlements in a transaction on ASX or otherwise, in order to take up or exercise those Retail Entitlements and subscribe for New Shares you:

- (a) must be an Eligible Retail Shareholder, a resident in Australia or New Zealand, or otherwise qualify as an 'Eligible Person'<sup>5</sup>; and
- (b) must not be in the United States or acting for the account or benefit of a person in the United States in respect of the purchase or exercise of such Retail Entitlements and the subscription for such New Shares.

If you do not satisfy the above conditions, you will not be entitled to take up Retail Entitlements or subscribe for New Shares.

---

<sup>5</sup> See section 5.7.

## 3. PAYMENT CONTINUED

It is the responsibility of purchasers of Retail Entitlements to inform themselves of the eligibility criteria for exercise. If holders of Retail Entitlements after the end of the Retail Entitlement Trading Period do not meet the eligibility criteria, they will not be able to exercise the Retail Entitlements. In the event that holders are not able to take up their Retail Entitlements, those Retail Entitlements will be sold into the Retail Shortfall Bookbuild and holders may receive no value for them.

### 3.5 Brokerage

No brokerage fee is payable by Eligible Retail Shareholders who accept their Retail Entitlements.

### 3.6 Notice to nominees and custodians

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders. Nominees with registered addresses in the eligible jurisdictions, irrespective of whether they participate under the Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Existing Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Shareholder.

Nominees and custodians who hold Shares as nominees or custodians will have received, or will shortly receive, a letter from Tabcorp. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to, and they must not sell or transfer Retail Entitlements in respect of or purport to accept the Retail Entitlement Offer in respect of:

- (a) beneficiaries on whose behalf they hold Existing Shares who would not satisfy the criteria for an Eligible Retail Shareholder;
- (b) Eligible Institutional Shareholders who received an offer to participate in the Institutional Entitlement Offer (whether they accepted their Institutional Entitlement or not);
- (c) Ineligible Institutional Shareholders who were ineligible to participate in the Institutional Entitlement Offer; or
- (d) Shareholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

In particular, persons acting as nominees or custodians for other persons may not take up Retail Entitlements on behalf of, or send this Retail Offer Booklet (or any part of it) or any other documents relating to the Retail Entitlement Offer to, any person in the United States. Persons in the United States and persons acting for the account or benefit of persons in the United States will not be able to purchase or trade Retail Entitlements on ASX or otherwise, or take up or exercise Retail Entitlements purchased on ASX or otherwise, and may receive no value for any such Retail Entitlements held.

Tabcorp is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares or Retail Entitlements. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, including following acquisition of Retail Entitlements on ASX or otherwise, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws. Tabcorp is not able to advise on foreign laws.

### 3.7 Withdrawal of the Entitlement Offer

Subject to applicable law, Tabcorp reserves the right to withdraw the Entitlement Offer at any time before the issue of New Shares, in which case Tabcorp will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest being payable to Applicants.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to Tabcorp will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to Tabcorp.

### 3.8 Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions regarding the Entitlement Offer, please contact the Tabcorp Offer Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside of Australia) at any time from 8.00am to 7.30pm (AEST) on Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (AEST) on Thursday, 10 September 2020. If you have any further questions, you should contact your stockbroker, solicitor, accountant or other professional adviser.

You can also find detail about the Entitlement Offer on the Offer Website ([www.tabcorp.com.au/investors/offer](http://www.tabcorp.com.au/investors/offer)).

Eligible Retail Shareholders should be aware that an investment in Tabcorp involves risks. The key risks identified by Tabcorp are set out in Appendix B from page 20 of the Investor Presentation (in Section 4).

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION



**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

19 August 2020

ASX Market Announcements  
Australian Securities Exchange  
20 Bridge Street  
Sydney NSW 2000

## **Tabcorp announces Entitlement Offer and Revised Capital Management Targets**

Tabcorp Holdings Limited (**Tabcorp**) has today announced an underwritten pro-rata accelerated renounceable entitlement offer with retail trading rights to raise approximately \$600 million in new equity (Entitlement Offer). As a result of the Entitlement Offer, Tabcorp's shares have been placed in a trading halt pending the completion of the institutional component of the Entitlement Offer outlined below.

Tabcorp has also today announced revised capital management targets, including a reduction in its target gearing range to 2.5-3.0x Gross Debt / EBITDA (from 3.0-3.5x previously) as well as a reduction in its target dividend payout ratio to 70-80% of NPAT (before significant items)<sup>1</sup> on the resumption of dividends (with no final dividend for FY20 as previously announced on 19 May 2020).

Tabcorp's Managing Director and CEO, David Attenborough said "The continued significant uncertainty regarding the severity and duration of the COVID-19 impact has led Tabcorp to reconsider its previous capital management targets in order to improve its credit metrics and conserve more capital over time.

The Entitlement Offer proceeds will be used to pay down existing drawn bank debt facilities and support the move towards the revised target gearing range. This is expected to strengthen Tabcorp's balance sheet, provide greater financial flexibility in uncertain times, and provide additional credit metric headroom for covenant and rating purposes.

These measures demonstrate Tabcorp's commitment to retain its investment grade credit rating.

We remain confident that the strength and resilience of Tabcorp's diversified portfolio of businesses will allow Tabcorp to manage current market challenges and we continue to focus on executing strategies to create value for shareholders."

Following the completion of the Entitlement Offer, as at 30 June 2020 Tabcorp will have pro forma Gross Debt / EBITDA of 3.2x (reduced from 3.8x)<sup>2,3</sup> and approximately \$1,496 million of pro forma undrawn bank facilities.<sup>3</sup>

<sup>1</sup> NPAT under Tabcorp's revised target dividend payout ratio will no longer be adjusted for the Victorian wagering and betting licence and Purchase Price Accounting, as it was historically  
<sup>2</sup> Gross Debt represents interest bearing liabilities adjusted for USPP debt at the A\$ principal repayment under cross currency swaps and includes lease liability of \$353 million. Gross debt / EBITDA calculated on FY20 EBITDA of \$995 million  
<sup>3</sup> Pro forma Gross Debt and pro forma undrawn facilities are adjusted for the planned use of proceeds under the Entitlement Offer

Tabcorp Holdings Limited	Level 21, Tower 2 727 Collins Street Melbourne VIC 3008	GPO Box 1943 Melbourne VIC 3001	tabcorp.com.au ABN 66 063 780 709
--------------------------	---	------------------------------------	--------------------------------------

## 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED



Tabcorp intends to further reduce its gearing towards the revised target range of 2.5-3.0x over time.

Tabcorp has previously announced the support of lenders in the form of additional debt facilities<sup>4</sup> and debt covenant relief for the 30 June 2020 and 31 December 2020 tests.<sup>5</sup>

### Entitlement Offer

The Entitlement Offer is an underwritten pro-rata accelerated renounceable entitlement offer with retail rights trading under which eligible shareholders will be entitled to subscribe for 1 new Tabcorp share (**New Share**) for every 11 shares held on the Record Date, at a price of \$3.25 per New Share (**Offer Price**).

The Offer Price represents:

- 10.6% discount to the theoretical ex-rights price (**TERP**)<sup>6</sup> of \$3.64
- 11.4% discount to Tabcorp's closing price of \$3.67 on the ASX on Tuesday, 18 August 2020

Approximately 185 million New Shares will be issued under the Entitlement Offer (9.1% of the existing issued capital). New Shares issued will rank equally with existing ordinary shares from their time of issue.

The Entitlement Offer will raise approximately \$600 million and comprise:

- An **Institutional Entitlement Offer**: Eligible institutional shareholders will be invited to subscribe for a pro-rata number of New Shares. The Institutional Entitlement Offer will open today, Wednesday 19 August 2020 and closes on Thursday, 20 August 2020. Institutional entitlements not taken-up, along with entitlements of ineligible institutional shareholders, will be sold under an institutional shortfall bookbuild and any proceeds in excess of the Offer Price (net of any withholding tax) will be paid to the relevant shareholders.
- A **Retail Entitlement Offer**: Eligible retail shareholders in Australia and New Zealand will be invited to subscribe for a pro-rata number of New Shares. Eligible retail shareholders who wish to apply to participate in the Retail Entitlement Offer must do so by 5.00pm (AEST) on Thursday, 10 September 2020. Eligible retail shareholders may also sell their entitlements on the ASX, with trading to commence on Monday, 24 August 2020 and conclude on Thursday, 3 September 2020. Entitlements not taken up, along with entitlements of ineligible retail shareholders, will be sold under a retail shortfall bookbuild and any proceeds in excess of the Offer Price (net of any withholding tax) will be paid to the relevant shareholders.

Eligible retail shareholders should carefully read the retail offer booklet and accompanying personalised Entitlement and Acceptance Form which are expected to be despatched on Friday, 28 August 2020 and which will be made available on the ASX and Tabcorp websites (subject to eligibility requirements) on that date (**Retail Offer Booklet**). Any Eligible Retail Shareholder who wishes to acquire New Shares under the Retail Entitlement Offer should review the Retail Offer Booklet and will then need to complete, or otherwise apply in accordance with, the personalised Entitlement and Acceptance Form that will accompany the Retail Offer Booklet.

<sup>4</sup> As announced to ASX on 7 April 2020

<sup>5</sup> As announced to ASX on 19 May 2020 (bank lenders) and 4 June 2020 (US Private Placement lenders)

<sup>6</sup> TERP is the theoretical price at which Tabcorp shares may trade immediately after the ex date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Tabcorp shares trade on the ASX immediately after the ex date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to the closing price of the Tabcorp share price as traded on ASX on Tuesday, 18 August 2020 being the last trading day prior to the announcement of the Entitlement Offer

Tabcorp Holdings Limited	Level 21, Tower 2 727 Collins Street Melbourne VIC 3008	GPO Box 1943 Melbourne VIC 3001	tabcorp.com.au ABN 66 063 780 709
--------------------------	---	------------------------------------	--------------------------------------

Retail shareholders who have questions regarding the Retail Entitlement Offer should read the Retail Offer Booklet in full and if they require further information, call the Tabcorp Offer Information Line, on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) at any time from 8.00am to 7.30pm (AEST) Monday to Friday during the offer period between Friday, 28 August 2020 and Thursday, 10 September or go to Tabcorp's website.

The Tabcorp Directors intend to participate and take up their full Entitlement.

Tabcorp expects to announce the outcome of the Institutional Entitlement Offer to the market prior to the commencement of trading on Monday, 24 August 2020 and will remain in trading halt until this time.

UBS AG, Australia Branch is acting as lead manager and underwriter to the Entitlement Offer.

## Key dates

Event	Date (2020)
Trading halt and announcement of Offer, Institutional Entitlement Offer Opens	Wednesday, 19 August
Institutional Entitlement Offer closes <sup>7</sup>	Thursday, 20 August
Institutional Entitlement Offer shortfall bookbuild closes	Friday, 21 August
Announce results of Institutional Entitlement Offer	Monday, 24 August
Trading halt is lifted and Tabcorp shares recommence trading on an "ex-entitlement" basis	Monday, 24 August
Record date for the Entitlement Offer (7:00pm AEST)	Monday, 24 August
Retail rights commence trading on the ASX	Monday, 24 August
Retail Entitlement Offer opens and Retail Entitlement Offer Booklet despatched	Friday, 28 August
Settlement of New Shares issues under the Institutional Entitlement Offer	Friday, 28 August
Allotment and normal trading of New Shares issued under the Institutional Entitlement Offer	Monday, 31 August
Close of retail rights trading on the ASX	Thursday, 3 September
Retail Entitlement Offer closes (5:00pm AEST)	Thursday, 10 September
Announce results of Retail Entitlement Offer	Tuesday, 15 September
Retail Entitlement Offer shortfall bookbuild	Tuesday, 15 September
Announce results of Retail shortfall bookbuild	Wednesday, 16 September
Settlement of Retail Entitlement Offer	Friday, 18 September
Allotment of New Shares issued under the Retail Entitlement Offer	Monday, 21 September
Normal trading of New Shares issued under the Retail Entitlement Offer	Tuesday, 22 September
Despatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	Wednesday, 23 September

All dates and times are indicative and subject to change without notice; AEST refers to Australian Eastern Standard Time. Tabcorp reserves the right to amend the timetable, to extend the closing date for the Retail Entitlement Offer, to withdraw the Entitlement Offer at any time prior to the issue of New Shares and/or to accept late applications either generally or in specific cases.

<sup>7</sup> Institutional Entitlement Offer for Australian, New Zealand and Asian investors closes Wednesday, 19 August 2020. For all other regions the offer closes on Thursday, 20 August 2020

Tabcorp Holdings Limited	Level 21, Tower 2 727 Collins Street Melbourne VIC 3008	GPO Box 1943 Melbourne VIC 3001	tabcorp.com.au ABN 66 063 780 709
--------------------------	---	------------------------------------	--------------------------------------

## 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED



### Additional information:

Further details of the Entitlement Offer are set out in the Entitlement Offer and Revised Capital Management Targets Investor Presentation also provided to the ASX today (**Investor Presentation**). The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the Entitlement Offer. Further detail regarding Tabcorp's results for the year ended 30 June 2020 are set out in the Full Year Results Presentation and Full Year Results Announcement also announced today.

If you have any questions in respect of the Retail Entitlement Offer please call the Tabcorp Offer Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) at any time from 8.00am to 7.30pm (AEST) Monday to Friday. For other questions, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

This announcement was authorised for release by the Tabcorp Board.

### For more information:

Media: Nicholas Tzaferis, GM Corporate Communications, +61 3 9868 2529

Investors/Analysts: Chris Richardson, GM Investor Relations, +61 3 9868 2800

### IMPORTANT NOTICES

#### Not for release or distribution in the United States

This announcement has been prepared for publication in Australia and may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or the solicitation of any offer to buy securities in the United States. Neither the entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold to, directly or indirectly, to, persons in the United States or persons that are acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of persons in the United States), except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.

#### Future performance and forward-looking statements

This announcement contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Tabcorp, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Tabcorp Holdings Limited	Level 21, Tower 2 727 Collins Street Melbourne VIC 3008	GPO Box 1943 Melbourne VIC 3001	tabcorp.com.au ABN 66 063 780 709
--------------------------	---	------------------------------------	--------------------------------------

**You are strongly cautioned not to place undue reliance on forward-looking statements, including in respect of Tabcorp's FY21 financial outlook, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic.**

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Tabcorp's business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Except as required by law or regulation, none of Tabcorp, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward-looking statements are based on information available to Tabcorp as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), none of Tabcorp, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

Tabcorp Holdings Limited	Level 21, Tower 2 727 Collins Street Melbourne VIC 3008	GPO Box 1943 Melbourne VIC 3001	tabcorp.com.au ABN 66 063 780 709
--------------------------	---	------------------------------------	--------------------------------------

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES



EXCITEMENT

INTEGRITY

# TABCORP HOLDINGS LIMITED

## Entitlement Offer and Revised Capital Management Targets Investor Presentation

19 AUGUST 2020

ABN 66 063 780 709

Tabcorp

# IMPORTANT NOTICES AND DISCLAIMER

This investor presentation (**Presentation**) is dated 19 August 2020 and has been prepared by Tabcorp Holdings Limited (ABN 66 063 780 709) (**Tabcorp** or the **Company**). By attending an investor presentation or briefing, or accepting, accessing or reviewing this Presentation, you acknowledge and agree to the terms set out below.

This Presentation has been prepared in relation to a pro rata accelerated renounceable Entitlement Offer of new fully paid ordinary shares in Tabcorp (**New Shares**) with retail rights trading to be made to eligible institutional shareholders of Tabcorp (**Institutional Entitlement Offer**) and eligible retail shareholders of Tabcorp (**Retail Entitlement Offer**) under section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) as modified by Australian Securities and Investments Commission (**ASIC**) Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73 (**Entitlement Offer**).

## Summary information

This Presentation is for information purposes only and is a summary only. It should be read in conjunction with Tabcorp's most recent financial report and Tabcorp's other periodic and continuous disclosure information lodged with the Australian Securities Exchange (**ASX**), which is available at [www.asx.com.au](http://www.asx.com.au) and [tabcorp.com.au](http://tabcorp.com.au). The content of this Presentation is provided as at the date of this Presentation (unless otherwise stated). Reliance should not be placed on information or opinions contained in this Presentation and, subject only to any legal obligation to do so, Tabcorp does not have any obligation to correct or update the content of this Presentation.

Certain market and industry data used in this Presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. Neither Tabcorp nor its advisers or representatives have independently verified any such market or industry data provided by third parties or industry or general publications.

## Not financial product advice or offer

This Presentation does not and does not purport to contain all information necessary to make an investment decision, is not intended as investment or financial advice (nor tax, accounting or legal advice), must not be relied upon as such and does not and will not form any part of any contract or commitment for the acquisition of New Shares. Any decision to buy or sell securities or other products should be made only after seeking appropriate financial advice. This Presentation is of a general nature and does not take into consideration the investment objectives, financial situation or particular needs of any particular investor.

Any investment decision should be made solely on the basis of your own enquiries. Before making an investment in Tabcorp, you should consider whether such an investment is appropriate to your particular investment objectives, financial situation or needs. Tabcorp is not licensed to provide financial product advice in respect of its shares.

This Presentation is not a prospectus, product disclosure statement or other offering document under Australian law or any other law (and will not be lodged with the Australian Securities and Investments Commission (**ASIC**) or any other foreign regulator). This Presentation is not, and does not constitute, an invitation or offer of securities for subscription, purchase or sale in any jurisdiction.

The distribution of this Presentation in jurisdictions outside Australia may be restricted by law and you should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. In particular, this Presentation must not be distributed or released in the United States.

This Presentation does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States. Neither the entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold to, directly or indirectly, persons in the United States or persons that are acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of persons in the United States), except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.

Refer to Appendix C of this Presentation for further details about international offer restrictions.

The retail offer booklet for the Retail Entitlement Offer will be available following its lodgement with ASX. Any eligible retail shareholder in Australia or New Zealand who wishes to participate in the Retail Entitlement Offer should consider the retail offer booklet before deciding whether to apply under that offer.

**Tabcorp**

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

## IMPORTANT NOTICES AND DISCLAIMER

### Investment risk

An investment in Tabcorp shares is subject to known and unknown risks, some of which are beyond the control of Tabcorp and its directors and officers. Tabcorp does not guarantee any particular rate of return or the performance of Tabcorp nor does it guarantee any particular tax treatment. You should have regard to the risk factors outlined in Appendix B of this Presentation when making your investment decision. Cooling off rights do not apply to the acquisition of New Shares.

### Financial information

All financial information in this Presentation is in Australian dollars (\$) or AUD) unless otherwise stated. This Presentation includes certain financial information of Tabcorp, being:

- The historical consolidated statement of financial position as at 30 June 2020 (the Historical Financial Information); and
- The pro forma consolidated statement of financial position as at 30 June 2020 assuming completion of the Entitlement Offer (net of offer costs) (the Pro Forma Historical Financial Information). The Historical Financial Information, and the Pro Forma Historical Financial Information are collectively referred to as Financial Information.

The Directors of the Company (the Directors) are responsible for the preparation and presentation of the Financial Information.

The Historical Financial Information was derived from the consolidated financial statements of Tabcorp for the year ended 30 June 2020, which were audited by Ernst & Young in accordance with Australian Auditing Standards, and on which an unqualified audit opinion was issued. The Historical Financial Information has been prepared using the recognition and measurement requirements of, but not presentation and disclosure requirements of, Australian Accounting Standards ('AAS') adopted by the Australian Accounting Standards Board (AASB). Full Compliance with AAS, gives compliance with International Financial Reporting Standards (including the interpretations of the International Financial Reporting Interpretations Committee) (IFRS) as issued by the International Accounting Standards Board (IASB).

The Pro Forma Historical Financial Information has been derived from the historical consolidated balance sheet as at 30 June 2020 and adjusted for pro forma adjustments relating to the Entitlement Offer less costs as if they had occurred as at 30 June 2020. The Pro Forma Historical Financial Information has been prepared by the Company in accordance with the measurement and recognition requirements of AAS other than it includes adjustments which have been prepared in a manner consistent with AAS that reflect the impact of certain transactions as if they had occurred as at 30 June 2020.

This Presentation includes certain pro forma historical financial information to reflect the impact of the Entitlement Offer. Such information is for illustrative purposes only and is not represented as being indicative of Tabcorp's (or anyone else's) views on its future financial position and/or performance. In addition, the pro forma historical financial information has been prepared by Tabcorp in accordance with the measurement and recognition principles, but not the disclosure requirements, prescribed by AAS. The pro forma financial information does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission.

This Presentation includes preliminary results for July 2020, as a single month, and for information purposes only. This information has been extracted from Tabcorp's monthly management accounts and is unaudited. Given the extraordinary current situation pertaining to COVID-19 and the resultant uncertainty, the July results should not be extrapolated beyond the month or considered indicative of future performance.

Investors should be aware that certain financial measures included in this Presentation are 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC and 'non-GAAP financial measures' within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934, as amended, and are not recognised under AAS and IFRS. Non-IFRS financial information in this Presentation include EBITDA, net debt (reported), net debt (economic) and gross debt and NPAT (before significant items). Such non-IFRS financial information does not have a standardised meaning prescribed by AAS or IFRS. Therefore, the non-IFRS financial information may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. Although Tabcorp believes these non-IFRS financial measures provide useful information to investors in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-IFRS financial information included in this Presentation.

Certain figures, amounts, percentages, estimates, calculations of value and fractions provided in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Presentation.

### Subsequent events

The financial information has been prepared based upon conditions existing at 30 June 2020 and considering those events occurring subsequent to that date, that provide evidence of conditions that existed as at 30 June 2020. Refer to Note A6 to the 30 June 2020 consolidated financial statements for Subsequent events. No adjustments have been made to the Pro Forma Historical Financial Information as at 30 June 2020 for events that occurred post 30 June 2020 other than pro forma adjustments relating to the Entitlement Offer less transaction costs as if they had occurred as at 30 June 2020.

**Tabcorp**

# IMPORTANT NOTICES AND DISCLAIMER

## Past performance

Past performance, including past share price performance of Tabcorp and pro forma financial information given in this Presentation, is given for illustrative purposes only and should not be relied upon as (and is not) an indication of Tabcorp's views on its future financial performance or condition. Past performance of Tabcorp cannot be relied upon as an indicator of (and provides no guidance as to) the future performance of Tabcorp. Nothing contained in this Presentation nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future.

## Future performance and forward-looking statements

This Presentation contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "anticipate", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Tabcorp, its directors and management including any further impacts of COVID-19 on Tabcorp's continued trading and operations. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

**You are strongly cautioned not to place undue reliance on forward-looking statements, including in respect of Tabcorp's FY21 financial outlook and relevant preliminary figures for July 2020, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic.**

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Tabcorp's business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Except as required by law or regulation, none of Tabcorp, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this Presentation. The forward-looking statements are based on information available to Tabcorp as at the date of this Presentation. Except as required by law or regulation (including the ASX Listing Rules), none of Tabcorp, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

## Disclaimer

UBS AG, Australia Branch (ABN 47 088 129 613) is acting as lead manager and underwriter to the Entitlement Offer (Lead Manager). A summary of the key terms of the underwriting agreement between Tabcorp and the Lead Manager is provided in Appendix D "Summary of underwriting agreement".

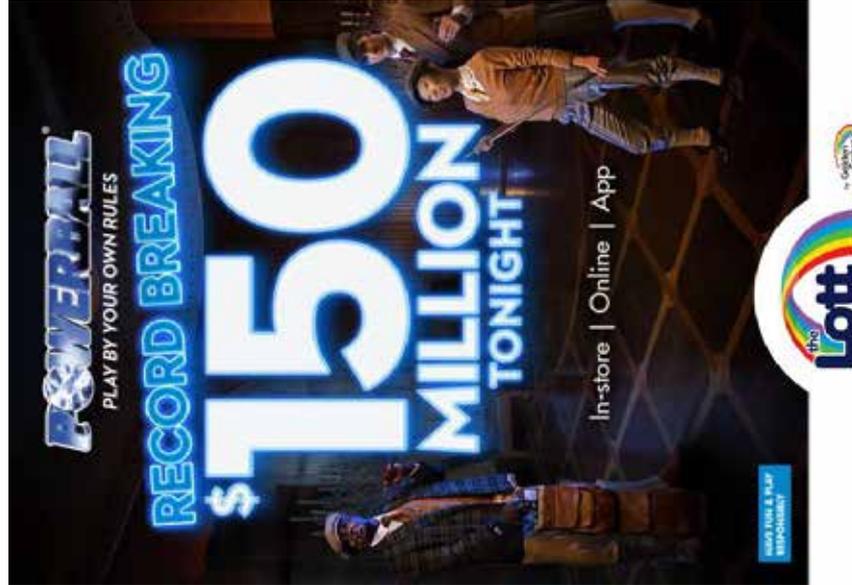
To the maximum extent permitted by law, Tabcorp and the Lead Manager and each of their respective related bodies corporate, shareholders and affiliates, and each of their respective officers, directors, partners, employees, representatives, affiliates, agents, consultants and advisers (each a Limited Party): (i) expressly disclaim any and all responsibility and liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) for any direct, indirect, consequential or contingent loss or damage arising from this Presentation or reliance on anything contained in or omitted from it or otherwise arising in connection with this Presentation; (ii) disclaim any obligations or undertaking to release any information in this Presentation or revision to the information in this Presentation to reflect any change in expectations or assumptions; and (iii) do not make any representation or warranty, express or implied, as to the accuracy, reliability, completeness or fairness of the information, opinions and conclusions contained in this Presentation or that this Presentation contains all material information about Tabcorp or that a prospective investor or purchaser may require in evaluating a possible investment in Tabcorp or acquisition of shares in Tabcorp, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement. Neither the Lead Manager nor any of its Limited Parties have independently verified the information, opinions or conclusions contained in this Presentation and take no responsibility for any part of this Presentation or the Offer.

Further, neither the Lead Manager nor any of its Limited Parties accept any fiduciary obligations to or relationship with you, any investor or potential investor in connection with the Offer or otherwise. The Lead Manager and its Limited Parties make no recommendation as to whether you or your related parties should participate in the Offer nor do they make any representations or warranties to you concerning the Offer, and you represent, warrant and agree that you have not relied on any statements made by the Lead Manager or any of its Limited Parties in relation to the Offer. Neither the Lead Manager nor any of its Limited Parties have authorized, permitted or caused the issue, lodgement, submission, dispatch or provision of this Presentation and, for the avoidance of doubt, and except for references to their name, none of them makes or purports to make any statement in this Presentation and there is no statement in this Presentation which is based on any statement by any of them.

## 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

### TABLE OF CONTENTS

	Page
<b>1</b> EXECUTIVE SUMMARY	<b>6-7</b>
<b>2</b> TABCORP OVERVIEW	<b>8-10</b>
<b>3</b> RECENT PERFORMANCE AND TRADING	<b>11-13</b>
<b>4</b> ENTITLEMENT OFFER AND REVISED CAPITAL MANAGEMENT TARGETS	<b>14</b>
<b>5</b> USE OF PROCEEDS AND PRO FORMA BALANCE SHEET	<b>15-16</b>
<b>A</b> APPENDICES	<b>17-37</b>



**Tabcorp**

<sup>5</sup> NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

# EXECUTIVE SUMMARY

1

## Group performance, trading environment and COVID-19 initiatives

- Diversified portfolio helping to manage current market challenges
- Tabcorp's FY20 group performance<sup>1</sup> impacted by COVID-19 but partially mitigated by strong Lotteries result and other initiatives
- Broad range of actions taken to support our people and partners, and to mitigate the impact of COVID-19 on earnings and the balance sheet
- Capital management initiatives undertaken since COVID-19 to preserve cash and maximise financial flexibility include obtaining additional debt facilities to provide liquidity, deferring payment of some state taxes, securing debt covenant relief for the 30 June 2020 and 31 December 2020 tests<sup>2</sup> and no final dividend for FY20<sup>3</sup>
- Tabcorp/Tatts integration substantially complete. Cost synergies on track to deliver \$95m of annual savings
- Embarking upon a three-year enterprise-wide optimisation program to deliver significant cost savings and enhanced operational capability

2

## Changes to Tabcorp's capital management targets

- Tabcorp has revised its capital management targets to:
  - Reduce the target gearing range to 2.5-3.0x Gross Debt / EBITDA (from 3.0-3.5x previously); and
  - Reduce the target dividend payout ratio to 70-80% of NPAT (before significant items)<sup>4</sup> on the resumption of dividends
- These changes are expected to improve Tabcorp's credit metrics and conserve more capital over time
- Tabcorp reaffirms its commitment to maintain its investment grade credit rating

### Notes:

1. Tabcorp incurred a statutory net loss after tax of (\$870m) for FY20
2. As announced to ASX on 19 May 2020 (bank lenders) and 4 June 2020 (USFP lenders)
3. As announced to ASX on 19 May 2020
4. NPAT under Tabcorp's revised target dividend payout ratio will no longer be adjusted for the Victorian wagering and betting licence and Purchase Price Accounting, as it was historically

6

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

**Tabcorp**

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

## EXECUTIVE SUMMARY (CONTINUED)

3

### Entitlement Offer – overview

- Underwritten<sup>1</sup> \$600m pro-rata accelerated renounceable entitlement offer with retail rights trading ("Entitlement Offer")
- Eligible shareholders are entitled to subscribe for 1 New Share for every 11 existing ordinary shares held on the Record Date
- Entitlement Offer represents 9.1% of the current shares on issue
- Offer price of \$3.25 per New Share represents a 10.6% discount to the theoretical ex-rights price ("TERP")<sup>2</sup> of \$3.64 and 11.4% discount to Tabcorp's closing price of \$3.67 on the ASX on Tuesday, 18 August 2020

4

### Entitlement Offer – rationale and use of proceeds

- Entitlement Offer proceeds will be used to pay down existing drawn bank debt facilities and support the move towards the revised target gearing range. This is expected to strengthen Tabcorp's balance sheet, provide greater financial flexibility in uncertain times, and provide additional credit metric headroom for covenant and credit rating purposes
- Pro forma Gross Debt / EBITDA<sup>3,4</sup> as at 30 June 2020 will be 3.2x (reduced from 3.8x) and Tabcorp intends to further reduce its gearing towards the revised target range of 2.5-3.0x over time
- Pro forma undrawn debt facilities<sup>4</sup> as at 30 June 2020 of approximately \$1,496m

#### Notes:

1. Underwritten subject to termination events on slides 35-37
2. TERP is the theoretical price at which Tabcorp shares may trade immediately after the ex date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Tabcorp shares trade on the ASX immediately after the ex date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to the closing price of the Tabcorp share price as traded on ASX on Tuesday, 18 August 2020 being the last trading day prior to the announcement of the Entitlement Offer
3. Gross Debt represents interest bearing liabilities adjusted for USPP debt at the AS principal repayment under cross currency swaps and includes lease liability of \$353m. Gross Debt / EBITDA calculated on FY20 EBITDA of \$995m
4. Pro forma Gross Debt and pro forma undrawn facilities are adjusted for the planned use of proceeds under the Entitlement Offer

**Tabcorp**

7  
NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

# TABCORP IS A DIVERSIFIED GAMBLING ENTERTAINMENT COMPANY

## Diversified portfolio of businesses

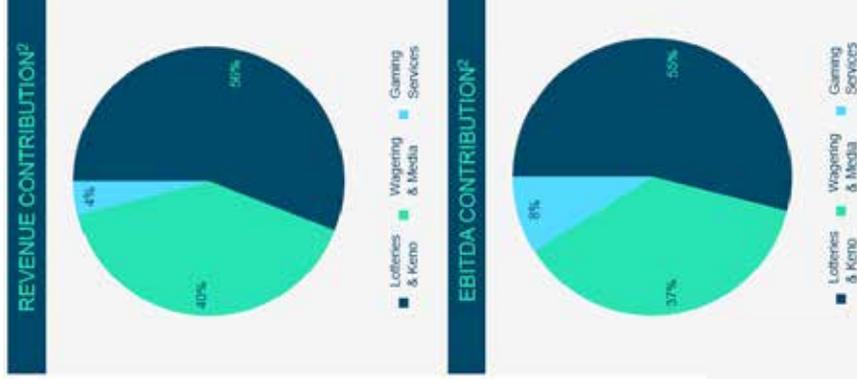
- Diversified portfolio of highly regulated businesses operating under iconic brands, underpinned by long dated licences<sup>1</sup>
- Large and established market positions
- Diversified and defensive earnings and strong cash flow conversion, helping to manage current market challenges

## Clear strategy to create value

- Ongoing shift to digital, lift in data capability and customer personalisation
- Innovation in products and experiences that build on our unique advantages

## Strong and sustainable foundations

- Experienced management team with deep industry knowledge
- Continued investment in compliance, risk management and responsible gambling initiatives
- Trusted partnerships and brands



**Notes:**

1. Tabcorp has a long dated average licence tenure of 23 years for Lotteries, 27 years for Keno, 49 years for Wagering and two out of three of Gaming Services' monitoring licences having indefinite rolling renewal capability. Near term expiries include the Victorian Keno licence in 2022 and the Victorian Wagering licence in 2024.
2. Revenue and EBITDA contribution based on FY20. EBITDA is from continuing operations before significant items

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

## TABCORP IS A DIVERSIFIED GAMBLING ENTERTAINMENT COMPANY (CONTINUED)



- Proven track record in game portfolio management and innovation
- Customer led improvements delivering better customer experiences, greater digital conversion and further deepening alignment with retail partners
- Digital growing reflecting CRM capability supported by recent changes to omni-channel program
- Keno leveraging successful licensed venue channel, digital opportunity and potential enhancements to product portfolio

Lotteries digital turnover +22% in FY20

3.7m active registered players<sup>1</sup> (+12% in FY20)

- Tabcorp's unique combination of assets creates an increasingly differentiated customer experience and service proposition, with a key focus on brand, digital (including venue mode) and personalisation
- Enhanced customer experience now being driven nationally across a single improved platform following the recent completion of the UBET account customer migration
- Media is an important differentiator with continued focus on expanding, innovating and modernising the experience

Turnover of c.\$14bn (c.50% digital) in FY20<sup>2</sup>

TAB active customers +7.1% in FY20

- Unique position as the services partner of choice for the gaming industry with a technology platform that connects suppliers, regulators and venues
- Role as government-licensed monitor in key markets with long dated / perpetual licences
- Implementation of operational review now underway

+85% reach across national EGMs<sup>1,3</sup>

Across c.4,000 venues nationally<sup>1</sup>

Notes:

1. As at 30 June 2020
2. Total combined TAB and Ex UBET turnover
3. EGM refers to electronic gaming machine

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES



# UPDATE ON INTEGRATION OF TABCORP/TATTS

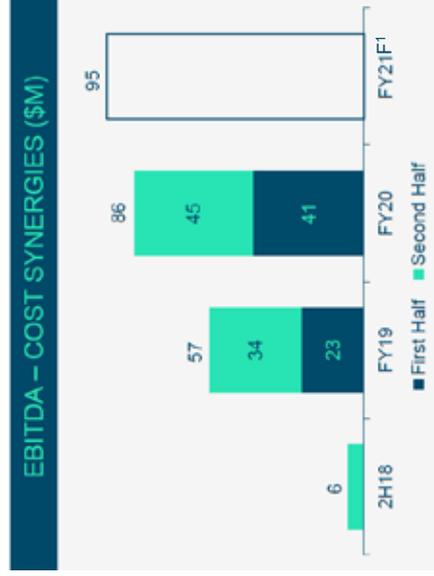
**Tabcorp-Tatts Merger**  
December 2017

**Integration**  
January 2018 to FY21

**Optimisation**  
FY21 to FY23

## INTEGRATION

- Significant milestone achieved with account customer migration of UBET systems to TAB platform now complete
  - Digital expanded to full TAB product suite
  - Legacy systems and infrastructure to be decommissioned
  - Retail uplift (including Trackside) planned to complete in FY21
  - For period from 28 July 2020 to 15 August 2020, ex-UBET users +25% vs pcp<sup>1</sup>
- Cost synergies on track to deliver at least \$95m of annual savings<sup>1</sup>
- Revenue synergies
  - Business improvement initiatives remain a priority
  - Measure not meaningful due to COVID-19 impacts
- One-off costs incurred to 30 June 2020: \$103m pre tax (guidance of \$135m maintained)



## OPTIMISATION

- Embarking upon a three-year enterprise-wide optimisation program to deliver significant cost savings and enhanced operational capability
- Key focus areas include:
  - Operating model changes
  - Process simplification and re-design
  - Data and digitisation improvements
  - Maximising value from our vendor spend and property footprint

Note:

1. Investors are strongly cautioned not to place undue reliance on forward-looking statements, including in respect of Tabcorp's FY21 financial outlook and relevant preliminary figures for July 2020, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic. Refer to the disclaimer at the beginning of the presentation for further detail on forward-looking statements

10

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

**Tabcorp**

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

## ACTION TAKEN TO MITIGATE COVID-19 IMPACT

BROAD RANGE OF ACTIONS TAKEN TO SUPPORT OUR PEOPLE AND PARTNERS, AND TO MITIGATE THE IMPACT OF COVID-19 ON EARNINGS AND THE BALANCE SHEET

 <b>VENUES / EVENTS IMPACTED</b>	 <b>REVENUE IMPACT &amp; RESPONSE</b>	 <b>COST RESPONSE</b>	 <b>CAPITAL MANAGEMENT</b>
<ul style="list-style-type: none"> <li>○ Lotteries retail network largely remained open</li> <li>○ Licenced venues (hotels &amp; clubs), TAB agencies and on-course outlets – closure or social distancing measures</li> <li>○ Cancellation / postponement of               <ul style="list-style-type: none"> <li>• Sports</li> <li>• International horse racing</li> </ul> </li> <li>○ Domestic racing continued</li> </ul>	<ul style="list-style-type: none"> <li>○ Like-for-like lottery sales up; digital mix increased</li> <li>○ Loss of retail Wagering and Keno revenue</li> <li>○ Temporary full fee relief during Gaming Services venue closures</li> <li>○ Sky subscription relief to venues partly offset by increased export content</li> <li>○ Decrease in revenue from sport and international racing</li> </ul>	<ul style="list-style-type: none"> <li>○ Temporary standing down of over 1,600 employees</li> <li>○ Reduced working days</li> <li>○ Significant reduction in annual leave balances</li> <li>○ Reduction in technology contractors</li> <li>○ Reduction in MD &amp; CEO fixed remuneration and Board fees</li> <li>○ Significant reduction in discretionary expenditure</li> </ul>	<ul style="list-style-type: none"> <li>○ Additional debt facilities to provide liquidity</li> <li>○ Deferred payment of some state taxes</li> <li>○ Significant reduction in capex vs prior plans</li> <li>○ Debt covenant relief for the 30 June 2020 and 31 December 2020 tests</li> <li>○ No final dividend for FY20</li> <li>○ Entitlement Offer undertaken to strengthen balance sheet</li> </ul>

**Tabcorp**

# FY20 GROUP PERFORMANCE

FY20 GROUP PERFORMANCE HEAVILY IMPACTED BY COVID-19 AND NON-CASH GOODWILL IMPAIRMENT, BUT PARTIALLY MITIGATED BY LOTTERIES RESULT AND OTHER INITIATIVES

FY20 Group performance				
	FY20 VS PCP	1H20 VS PCP	2H20 VS PCP	
REVENUE	\$5,224M	DOWN ▼ 4.8%	UP ▲ 4.4%	DOWN ▼ 14.4%
EBITDA (BEFORE SIGNIFICANT ITEMS) <sup>1,2</sup>	\$995M	DOWN ▼ 11.5%	UP ▲ 2.2%	DOWN ▼ 26.3%
NPAT (BEFORE SIGNIFICANT ITEMS) <sup>1,2,3</sup>	\$271M	DOWN ▼ 31.6%	UP ▲ 3.4%	DOWN ▼ 69.8%
NPAT (STATUTORY) <sup>3</sup>	(\$870M)	NM	▲ 11.2%	NM
EPS (BEFORE SIGNIFICANT ITEMS) <sup>1,2</sup>	13.4 CPS	DOWN ▼ 31.6%	UP ▲ 2.9%	DOWN ▼ 70.2%
EPS (STATUTORY)	(42.9) CPS	NM	▲ 10.1%	NM
DPS (FULLY FRANKED)	11.0 CPS	DOWN ▼ 50.0%	IN LINE	NM

## Strategy to create shareholder value

- Clear focus on executing strategies that are expected to create value for shareholders:
  - Digital opportunity across Lotteries & Keno and Wagering & Media
  - Post integration improvement in customer offer in former UBET states
  - Implementation of operational review of Gaming Services
  - Embarking upon three-year enterprise-wide optimisation program designed to deliver significant cost savings and enhanced operational capability

Notes:

- Results for 1H19 and FY19 are from continuing operations and before significant items
- Significant items (after tax) of \$1,141m comprise impairments of goodwill to Wagering & Media \$90.5m and Gaming Services \$185m, and asset impairments and onerous contract \$19m. Tatts Group combination implementation costs \$18m and Racing Queensland arrangements \$19m, partly offset by the benefit from ACTTAB/POCT compensation tax refund \$5m
- Tabcorp incurred a statutory net loss after tax of (\$870m) for FY20

12

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

**Tabcorp**

## 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

### REVENUE: JULY 2020<sup>1</sup>

GROUP REVENUE UP 2.8% IN THE MONTH

Revenue up 4.7%	Revenue up 6.8%	Revenue down 52.2%
<b>LOTTERIES &amp; KENO</b> <ul style="list-style-type: none"> <li>○ Lotteries sales up despite strong jackpot sequences in pcp</li> <li>○ Keno up driven by ACT digital growth</li> </ul>	<b>WAGERING &amp; MEDIA</b> <ul style="list-style-type: none"> <li>○ Significant increase in digital</li> <li>○ Retail down due to Victorian closures</li> <li>○ Surge in available content with many major sports having resumed</li> </ul>	<b>GAMING SERVICES</b> <ul style="list-style-type: none"> <li>○ Venue closures, particularly in Victoria, continue to impact revenues</li> <li>○ Still providing fee relief to closed Gaming Services venues</li> </ul>

The above information is for a single month and is provided for information purposes only. Particularly given the extraordinary current situation pertaining to COVID-19 and the resultant uncertainty, it should not be extrapolated beyond the month or considered indicative of future performance. For further information on forward looking statements please see the disclaimer at the beginning of this presentation

Note:  
1. Unless otherwise indicated movement is vs pcp (July 2019). Amounts derived from unaudited monthly management accounts

# ENTITLEMENT OFFER AND REVISED CAPITAL MANAGEMENT TARGETS

## REVISED TARGET GEARING RANGE AND TARGET DIVIDEND PAYOUT RATIO TO STRENGTHEN BALANCE SHEET AND PROVIDE GREATER FINANCIAL FLEXIBILITY IN UNCERTAIN TIMES

<p><b>Changes to capital management targets</b></p>	<ul style="list-style-type: none"> <li>○ Group performance impacted by COVID-19 but partially mitigated by strong Lotteries performance and other initiatives</li> <li>○ Continued significant uncertainty regarding the severity and duration of COVID-19 impact</li> <li>○ Tabcorp has revised its capital management targets to:               <ul style="list-style-type: none"> <li>● Reduce the target gearing range to 2.5-3.0x Gross Debt / EBITDA (from 3.0-3.5x previously); and</li> <li>● Reduce the target dividend payout ratio to 70-80% of NPAT (before significant items)<sup>1</sup> on the resumption of dividends</li> </ul> </li> <li>○ These changes are expected to improve Tabcorp's credit metrics and conserve more capital over time</li> <li>○ The payment of future dividends will be revisited in due course, having regard to the operating environment, Tabcorp's financial position (including liquidity levels and gearing metrics) and the earnings outlook at the time</li> </ul>
<p><b>Entitlement Offer undertaken to strengthen balance sheet</b></p>	<ul style="list-style-type: none"> <li>○ Net proceeds from the Entitlement Offer will be used to pay down existing drawn bank debt facilities and support the move towards the revised target gearing range</li> <li>○ The pay down of existing bank debt facilities is expected to strengthen Tabcorp's balance sheet, provide greater financial flexibility in uncertain times, and provide additional credit metric headroom for covenant and credit rating purposes</li> <li>○ The Entitlement Offer of \$600m represents approximately a c.0.6x reduction in gearing (as at 30 June 2020), which broadly corresponds to the reduction in Tabcorp's target gearing range</li> <li>○ Pro forma Gross Debt / EBITDA<sup>2</sup> as at 30 June 2020 is 3.2x, reduced from 3.8x</li> <li>○ Tabcorp intends to further reduce its gearing towards the revised target range of 2.5-3.0x over time</li> </ul>
<p><b>Support of lenders and commitment to investment grade credit rating</b></p>	<ul style="list-style-type: none"> <li>○ Tabcorp has previously announced the support of its lenders in the form of debt covenant relief for the 30 June 2020 and 31 December 2020 tests<sup>3</sup></li> <li>○ \$226m of new debt facilities obtained since March 2020 from existing lenders</li> <li>○ Tabcorp reaffirms its commitment to its investment grade credit rating</li> </ul>

Notes:

1. NPAT under Tabcorp's revised target dividend payout ratio will no longer be adjusted for the Victorian wagering and betting licence and Purchase Price Accounting, as it was historically
2. Gross Debt represents interest bearing liabilities adjusted for USPP debt at the AS principal repayment under cross currency swaps and includes lease liability of \$353m. Gross Debt / EBITDA calculated on FY20 EBITDA of \$995m. Pro forma Gross Debt is adjusted for the planned use of proceeds under the Entitlement Offer
- 14 3. As announced to ASX on 19 May 2020 (bank lenders) and 4 June 2020 (USPP lenders)

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

## ENTITLEMENT OFFER – PROCEEDS USED TO PAY DOWN EXISTING DRAWN BANK DEBT FACILITIES

ENTITLEMENT OFFER PROCEEDS TO BE USED TO PAY DOWN EXISTING DRAWN BANK DEBT FACILITIES

### Sources and uses (\$m)

Sources	
Entitlement Offer	600
<b>Total sources</b>	<b>600</b>
Uses	
Pay down existing drawn bank debt facilities	586
Offer costs <sup>1</sup>	14
<b>Total uses</b>	<b>600</b>

- o \$586m net proceeds from Entitlement Offer to be used to pay down existing drawn bank debt facilities
- o Assumes Tabcorp continues to retain undrawn lines on bank debt facilities to provide additional financial flexibility
- o Following the Entitlement Offer, Tabcorp will have approximately \$1,496m of undrawn bank facilities. \$226m of new debt facilities obtained since March 2020 from existing lenders
- o Only FY21 debt maturity is \$171.5m USPP due in December 2020<sup>2</sup>

### Pro forma gearing

Gross Debt / EBITDA<sup>3</sup> as at 30 June 2020



	\$m (as at 30 June 2020)	Reported	Impact of Entitlement Offer <sup>4</sup>	Pro forma
Gross Debt <sup>3</sup>		3,748	(586)	3,162
Net Debt (economic) <sup>4</sup>		3,399	(586)	2,813

- o Balance sheet debt reduction of \$586m<sup>5</sup>
- o Pro forma Gross Debt / EBITDA as at 30 June 2020 will be 3.2x (reduced from 3.8x)
- o Tabcorp intends to further reduce its gearing towards the revised target range of 2.5-3.0x over time

#### Notes:

1. Estimated costs prior to announcement of the Entitlement Offer
2. Excludes \$100m overdraft facility maturing in February 2021
3. Gross Debt represents interest bearing liabilities adjusted for USPP debt at the AS principal repayment under cross currency swaps and includes lease liability of \$353m. Gross Debt / EBITDA calculated on FY20 EBITDA of \$995m
4. Net Debt (economic) calculated as Gross Debt less cash and cash equivalents
5. Entitlement Offer proceeds less offer costs

15

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

**Tabcorp**

# PRO FORMA BALANCE SHEET AND PROPOSED USE OF PROCEEDS

## IMPACT OF ENTITLEMENT OFFER ON THE PRO FORMA BALANCE SHEET AND PROPOSED USE OF PROCEEDS TO PAY DOWN EXISTING DRAWN BANK DEBT FACILITIES

As at 30 June 2020 \$m	PRO FORMA BALANCE SHEET			PROPOSED USE OF PROCEEDS	
	Reported	Impact of Entitlement Offer <sup>1</sup>	Pro forma (unaudited) post Entitlement Offer	Impact of debt pay down <sup>2</sup>	Post debt pay down
Cash and cash equivalents	349	586	935	(586)	349
Other current assets	378	–	378	–	378
Licences	2,148	–	2,148	–	2,148
Other intangible assets <sup>3</sup>	8,134	–	8,134	–	8,134
Property, plant and equipment	456	–	456	–	456
Other non current assets	951	–	951	–	951
<b>Total assets</b>	<b>12,416</b>	<b>586</b>	<b>13,002</b>	<b>(586)</b>	<b>12,416</b>
Interest bearing liabilities	3,720	–	3,720	(586)	3,134
Other liabilities	2,666	(4)	2,662	–	2,662
<b>Total liabilities</b>	<b>6,386</b>	<b>(4)</b>	<b>6,382</b>	<b>(586)</b>	<b>5,796</b>
<b>Shareholders' funds</b>	<b>6,030</b>	<b>590</b>	<b>6,620</b>	<b>–</b>	<b>6,620</b>

Notes:

1. Net proceeds of Entitlement Offer less offer costs, with deferred tax adjustment for estimated transaction costs
2. Tabcorp proposes to use the net proceeds of Entitlement Offer (post offer costs) to pay down existing drawn bank debt facilities
3. Tabcorp reported non-cash goodwill impairment charges of \$1,090m in its financial results for the year ended 30 June 2020. Following this impairment, the book value of goodwill for these segments at 30 June 2020 is \$7,160m

16

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

**Tabcorp**

## 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

APPENDIX A – ENTITLEMENT  
OFFER OVERVIEW AND KEY DATES

**Tabcorp**

# ENTITLEMENT OFFER OVERVIEW

<b>Offer size and structure</b>	<ul style="list-style-type: none"> <li>○ Underwritten 1 for 11<sup>1</sup> pro-rata accelerated renounceable Entitlement Offer with retail rights trading expected to raise approximately \$600m ("Entitlement Offer")</li> <li>○ Approximately 185m New Shares to be issued under the Entitlement Offer representing 9.1% of existing shares on issue</li> <li>○ Entitlement Offer price of \$3.25 per New Share             <ul style="list-style-type: none"> <li>● 10.6% discount to the theoretical ex-rights price ("TERP")<sup>2</sup> of \$3.64</li> <li>● 11.4% discount to Tabcorp's closing price of \$3.67 on the ASX on Tuesday, 18 August 2020</li> </ul> </li> </ul>
<b>Institutional Entitlement Offer</b>	<ul style="list-style-type: none"> <li>○ Institutional Entitlement Offer opens today, Wednesday 19 August 2020 and closes on Thursday, 20 August 2020<sup>3</sup></li> <li>○ Institutional entitlements not taken up and entitlements of ineligible institutional shareholders will be sold in the institutional shortfall bookbuild which opens on Thursday, 20 August 2020 and closes on Friday, 21 August 2020<sup>4</sup></li> </ul>
<b>Retail Entitlement Offer</b>	<ul style="list-style-type: none"> <li>○ Eligible retail shareholders have a number of options under the Retail Entitlement Offer,<sup>5</sup> as follows:             <ul style="list-style-type: none"> <li>● Elect to subscribe for all or part of their pro rata entitlements from 7:00pm (AEST) on the Retail Entitlement Offer open date of Friday, 28 August 2020 and closes at 5:00pm (AEST) on the Retail Entitlement Offer close date of Thursday, 10 September 2020</li> <li>● Sell or transfer all or some of their retail entitlements. Retail entitlements may be traded on the ASX from Monday, 24 August 2020 to Thursday, 3 September 2020</li> <li>● Do nothing and let their retail entitlements be offered for sale through the retail shortfall bookbuild process managed by the Lead Manager with any proceeds in excess of the offer price (net of any withholding tax and expenses) paid to the shareholder<sup>6</sup></li> </ul> </li> </ul>
<b>Director participation</b>	<ul style="list-style-type: none"> <li>○ The Tabcorp Directors intend to participate and take up their full Entitlement</li> </ul>
<b>Ranking</b>	<ul style="list-style-type: none"> <li>○ New Shares will rank equally with existing ordinary shares from their time of issue</li> </ul>
<b>Record Date</b>	<ul style="list-style-type: none"> <li>○ 7:00pm (AEST) Monday, 24 August 2020</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>○ Refer to Appendix B for a summary of key risks associated with an investment in Tabcorp and the Entitlement Offer</li> </ul>
<b>Underwriting</b>	<ul style="list-style-type: none"> <li>○ Underwritten by UBS AG, Australia Branch<sup>7</sup></li> </ul>

Notes:

1. Fractional entitlements to New Shares to be rounded up to the nearest whole number of New Shares
2. TERP is the theoretical price at which Tabcorp shares trade immediately after the ex date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Tabcorp shares trade on the ASX immediately after the ex date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to the closing price of the Tabcorp share price as traded on ASX on Tuesday, 18 August 2020 being the last trading day prior to the announcement of the Entitlement Offer Institutional Entitlement Offer for Australian, New Zealand and Asian investors closes Wednesday, 19 August 2020. For all other regions the offer closes on Thursday, 20 August 2020
3. These entitlements will be offered for sale in the relevant shortfall bookbuild to participating institutions and any premium (being any amount paid in respect of the sale of the entitlements) will be paid to non-participating and ineligible shareholders, net of any applicable withholding tax and expenses)
4. The Retail Entitlement Offer is only available to eligible shareholders with a registered address in Australia or New Zealand on the Record Date – see the Retail Offer Booklet for further details on eligibility once available
5. These entitlements will be offered for sale in the relevant shortfall bookbuild and any premium (being any amount paid in respect of the sale of the entitlements) will be paid to non-participating and ineligible shareholders, net of any applicable withholding tax and expenses
6. Underwritten subject to certain termination events as summarised on slides 35-37

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

## 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

### KEY DATES FOR ENTITLEMENT OFFER

Event	Date (2020)
Trading halt and announcement of Offer, Institutional Entitlement Offer Opens	Wednesday, 19 August
Institutional Entitlement Offer closes <sup>1</sup>	Thursday, 20 August
Institutional Entitlement Offer shortfall bookbuild closes	Friday, 21 August
Announce results of Institutional Entitlement Offer	Monday, 24 August
Trading halt is lifted and Tabcorp shares recommence trading on an "ex-entitlement" basis	Monday, 24 August
Record date for the Entitlement Offer (7:00pm AEST)	Monday, 24 August
Retail rights commence trading on the ASX	Monday, 24 August
Retail Entitlement Offer opens and Retail Entitlement Offer Booklet despatched	Friday, 28 August
Settlement of New Shares issued under the Institutional Entitlement Offer	Friday, 28 August
Allotment and normal trading of New Shares issued under the Institutional Entitlement Offer	Monday, 31 August
Close of retail rights trading on the ASX	Thursday, 3 September
Retail Entitlement Offer closes (5:00pm AEST)	Thursday, 10 September
Announce results of Retail Entitlement Offer	Tuesday, 15 September
Retail Entitlement Offer shortfall bookbuild	Tuesday, 15 September
Announce results of Retail Entitlement Offer shortfall bookbuild	Wednesday, 16 September
Settlement of Retail Entitlement Offer	Friday, 18 September
Allotment of New Shares issued under the Retail Entitlement Offer	Monday, 21 September
Normal trading of New Shares issued under the Retail Entitlement Offer	Tuesday, 22 September
Despatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	Wednesday, 23 September

Dates and times are indicative only and subject to change without notice. Tabcorp reserves the right to alter the dates in this presentation at its discretion and without notice, subject to the ASX Listing Rules and Corporations Act 2001 (Cth). All dates refer to 2020 and times are AEST. AEST refers to Australian Eastern Standard Time

Note:

1. Institutional Entitlement Offer for Australian, New Zealand and Asian investors closes Wednesday, 19 August 2020. For all other regions the offer closes on Thursday, 20 August 2020

**Tabcorp**

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

## APPENDIX B – KEY RISKS

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

## KEY RISKS

This section discusses some of the key risks associated with any investment in Tabcorp, which may affect the value of Tabcorp shares. The risks set out below are not listed in order of importance and do not constitute an exhaustive list of all risks involved with an investment in Tabcorp. Before investing in Tabcorp, you should be aware that an investment in Tabcorp has a number of risks, some of which are specific to Tabcorp and some of which relate to listed securities generally, and many of which are beyond the control of Tabcorp. Before investing in Tabcorp shares, you should consider whether this investment is suitable for you. Potential investors should review publicly available information on Tabcorp (such as that available on the websites of Tabcorp and ASX, and, in particular, previous Tabcorp ASX announcements and periodic disclosures), carefully consider their personal circumstances and consult their stockbroker, solicitor, accountant or other professional adviser before making an investment decision. Many of the risks highlighted elsewhere in Appendix B are likely to be heightened due to the current and potential future impacts of COVID-19.

Risk	Description and potential consequences
<b>COVID-19 RELATED OR RESULTING INCREASE OF RISKS</b>	<ul style="list-style-type: none"> <li>The COVID-19 pandemic and government restrictions have impacted the Group's operating businesses to varying degrees, and in turn the Group's financial and operational performance. To date, the main impacts have been to the Group's Wagering and Media business (due primarily to the temporary closure of licensed venues (hotels and clubs) and TAB agencies and disruption to sporting events and international racing), and in the Gaming Services business (due to the temporary closure of licensed venues).</li> <li>Investors should be aware that the COVID-19 pandemic and related actions taken in response by the Australian and other governments, including national lockdowns, border controls/travel restrictions and the effects of the pandemic on the global and domestic economy have had, and are likely to continue to have, a material adverse effect on Tabcorp, its financial performance and outlook, liquidity and/or share price. There is no certainty as to the length of Australian and other government restrictions and whether they will increase or be eased in the future.</li> <li>The shift in customer preferences towards online entertainment platforms, including social gaming and e-sports, and away from land-based retail TAB outlets and racecourse locations may accelerate as a result of COVID-19, which may have a material adverse impact on Tabcorp's business and future revenue. Tabcorp may also need to incur additional capital expenditure to sustain and/or grow its business in response to any such change in customer preferences, which may adversely affect Tabcorp's future profitability and operations.</li> <li>There is a risk that social distancing and other restrictions will continue to affect Tabcorp's venues (both third party licensed pubs and clubs, and TAB agencies) for an extended period in some form, including certain venues being unable to pay debts as and when they fall due and therefore in some cases resulting in permanent venue closures, with resulting impacts on Tabcorp's profitability.</li> <li>The long-term impacts from COVID-19 on general economic or industry conditions and consumer discretionary spending are uncertain and may adversely impact the financial and operational performance of the Group and the delivery of its growth strategies in the future.</li> <li>In light of COVID-19, extra caution should be exercised when assessing the risks associated with an investment in Tabcorp. The continually changing situation is bringing unprecedented challenges to global financial markets and the global economy, with significant volatility and movements seen in equities prices and valuations. This applies equally to the Australian financial market and economy.</li> </ul>
<b>LEGAL AND REGULATORY</b>	<ul style="list-style-type: none"> <li>The Group's businesses are regulated by laws, licences, regulations, rules, permits and other approvals. Any material breach of the relevant obligations or failure to meet compliance and conduct requirements may have an adverse impact on the financial performance and operating position of the Group. Any such adverse impact may arise as a result of the suspension or loss of applicable material gambling licences, renewal of licences on less favourable terms, increased supervision and oversight by regulators and other stakeholders, civil or criminal penalties, brand or reputational damage, and the inability to obtain future licences or business opportunities. In addition, a breakdown in material operational processes, system errors or failure to comply with the requirements for the calculation of jackpots, tote and fixed odds dividends, gambling taxes or other stakeholder returns, may require the Group to repay winnings or other financial impacts, or seek reimbursement of any overpayments, while also exposing the Tabcorp Group to litigation, including class actions, or other forms of disputes.</li> </ul>
<b>Breach of laws and licences, and compliance and conduct risks</b>	

**Tabcorp**

# KEY RISKS

Risk	Description and potential consequences
<b>LEGAL AND REGULATORY (CONTINUED)</b>	
Licences and other approvals	<ul style="list-style-type: none"> <li>The conduct of wagering, lotteries, Keno and the provision of gaming services are regulated by laws, licences, permits and other approvals from relevant state and territory governments. The loss of, or failure to, renew any material licence, permit, authorisation or other approval (or renewal on less favourable terms) may have an adverse impact on the financial performance, operations and position of the Group.</li> <li>Examples of licence expiry risk include Tabcorp's Victorian Keno licence, which expires in 2022, and Tabcorp's Victorian Wagering and Betting Licence, which expires in 2024 (with an option to extend for up to a further two years at the discretion of the Victorian Government). While Tabcorp successfully renewed its wagering and Keno licences in Victoria when they last came up for renewal in 2012, there is a risk that Tabcorp is unable to renew these licences, or that they are renewed on less favourable terms.</li> </ul>
Changes in laws and the regulatory environment	<ul style="list-style-type: none"> <li>The Tabcorp Group's businesses operate in a highly regulated environment and are significantly affected by government policy and the manner in which governments and regulators exercise their powers. From time to time, government policy and decisions shift and are influenced by societal attitudes and political and/or media attention.</li> <li>Changes in legislation, regulation, taxation or government policy (and related judicial decisions and enforcement policy) by government agencies, tribunals and departments, including as a result of changes in societal attitudes towards gambling products, may have an adverse impact, to varying degrees, on the Tabcorp Group's operational and financial performance as a result of significant changes in the nature of operations, increased compliance or other costs, resourcing demands, and potential changes in the level of competition in relevant markets.</li> </ul>
Investigations	<ul style="list-style-type: none"> <li>From time to time, members of the Tabcorp Group (as well as their current and former officers and executives) may be subject to various formal and informal investigations such as tax compliance investigations carried out by the Australian Taxation Office (ATO) or investigations carried out by other Federal or State regulatory or law enforcement bodies including the ACCC, the Australian Federal Police, ASIC, AUSTRAC and State-based gambling regulators. Probity-related implications may also arise for Tabcorp. This could potentially lead to the suspension or loss of applicable gambling licences, other civil or criminal penalties and brand damage and loss of future licence or business opportunities, each of which may, if they were to occur, have a materially adverse effect on the Group's financial position, performance and /or operations. There is also the risk that Tabcorp's reputation may further suffer due to public scrutiny surrounding any such investigations regardless of their outcome and this may also adversely affect the Group's ability to generate revenue or conduct its operations.</li> <li>An example of such investigations is the current ATO investigation in relation to certain deductions claimed by Tatts Group Limited in relation to the tax year ended 30 June 2016.</li> </ul>
Litigation and Disputes	<ul style="list-style-type: none"> <li>From time to time, members of the Tabcorp Group become involved, or could become involved, in litigation and disputes including class actions, including with regulatory or law enforcement bodies, (such as the ACCC, the Australian Federal Police, ASIC, AUSTRAC and State-based gambling regulators), joint ventures and other business partners, stakeholders and third parties. In addition to the direct costs associated with managing any litigation or dispute and its eventual outcome, there is a risk that Tabcorp Group's reputation may suffer due to the profile and public scrutiny surrounding any such litigation and disputes regardless of their outcome. Further, there is a risk where litigation or disputes arise between members of the Tabcorp Group and joint venture or other business partners with whom the Tabcorp Group maintains an ongoing relationship, there may be an adverse effect on such relationships and potentially Tabcorp's operations. The current dispute between Tabcorp and Racing Queensland Limited (discussed below) is an example of this.</li> </ul>
Compliance risk	<ul style="list-style-type: none"> <li>Any failure by members of the Tabcorp Group to meet compliance standards and systems at operational levels may increase exposure to a compliance failure. Tabcorp has an established compliance function and governance framework. Tabcorp's compliance function monitors compliance with existing regulations, the regulatory environment and Tabcorp's adherence to internal processes, however there is a risk that internal risk management and controls fail or do not operate as intended in relation to the management of compliance risk. A failure of the Tabcorp Group's compliance framework and controls may potentially result in, among other things, members of the Tabcorp Group breaching laws, regulations and licence conditions, resulting in potential regulatory enforcement action, including litigation. These actions could result in significant financial penalties, or other disciplinary action (including the loss of a licence), which could adversely affect the Tabcorp Group's financial position, its ability to generate revenue or conduct its operations.</li> </ul>
Customer and supplier compliance with regulatory requirements	<ul style="list-style-type: none"> <li>Any failure by existing customers of Tabcorp to satisfy or to continue to satisfy, necessary regulatory requirements, including in relation to identity verification and other background checks relating to being a registered customer of Tabcorp, could impact on the operations and earnings of Tabcorp. There is also a risk that suppliers of Tabcorp fail to adequately support Tabcorp to satisfy necessary regulatory requirements, including delivery of products and/or services in the timeframes and/or to the standards required which would therefore impact Tabcorp's ability to meet its regulatory obligations.</li> </ul>

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

## KEY RISKS

Risk	Description and potential consequences
<b>CUSTOMER AND COMPETITION RISK</b>	
<b>Consumer discretionary spending and preferences</b>	<ul style="list-style-type: none"> <li>◦ Gambling activities compete with other consumer products for consumers' discretionary spending and in particular with other forms of leisure and entertainment. If the Group does not adequately respond to competition for consumers' discretionary expenditure, there may be an adverse effect on the operational and financial performance of the Group.</li> <li>◦ Consumer discretionary spending may also be affected by adverse changes to general economic or industry conditions, changes in consumers' attitudes towards gambling products and the availability of payment channels, which may in turn adversely affect the financial performance of the Group.</li> <li>◦ The Group's businesses are affected to varying degrees by competing suppliers of gambling and media products and services, based both in Australia and overseas. New competitors and disruptors may also enter the Group's traditional markets and be subject to less regulation compared to the Group. As a result, there is a risk that the Group may not be able to compete on the same terms as other operators, or may face increased levels of competition from suppliers of gambling products and services, which could adversely affect the operational and financial performance of the Group. A sustained increase in competition from existing competitors or new entrants may result in a material failure to grow, or a loss of market share or revenue in some markets. Examples of the types of competition the Group has encountered are set out below. <ul style="list-style-type: none"> <li>• Wagering: Tabcorp's wagering business has for some time competed with interstate and international wagering operators who accept bets online or over the telephone. The internet and other new forms of distribution have allowed new competitors to enter Tabcorp's traditional markets without those competitors being licensed in all those states and territories and often operating under more favourable fiscal and regulatory regimes. The retail operations and the wagering and media business have been affected by COVID-19 which has seen greater traffic migrate generally to digital platforms. There is also the possibility that, in the future, competition from interstate and international operators may extend to Tabcorp's retail network. This would undermine the retail exclusivity of the licences that are presently held by Tabcorp in NSW, Victoria, Queensland, South Australia, Tasmania, the Australian Capital Territory and the Northern Territory.</li> <li>• Lotteries: Tabcorp's lotteries business is subject to competition from synthetic lottery operators (who offer synthetic products in relation to overseas lotteries to Australian customers). There is a risk that continued growth for these competitors could have a negative impact on Tabcorp's lotteries sales both across its retail network as well as on its online operations. In addition, the Group sells its lotteries products through various channels, including via reseller arrangements with third party providers, and there is a risk that sales of lotteries products shift towards these third party providers over time, which may have a negative impact on the profitability of Tabcorp's business.</li> <li>• Keno: Tabcorp's Keno offering is subject to competition from synthetic Keno products as well as international Keno games. There is a risk that continued growth in these competing products may have a negative impact on Tabcorp's Keno sales.</li> <li>• Gaming Services: Tabcorp's gaming businesses also face competition from other entities who provide similar products and/or services, or who also hold monitoring licences in various parts of Australia (including in Queensland), which allows multiple licence holders) A sustained increase in competition from new entrants and existing operators may adversely impact the Group's ability to grow market share and associated revenue.</li> </ul> </li> </ul>
<b>FINANCIAL AND BALANCE SHEET RISKS</b>	
<b>Funding risks</b>	<ul style="list-style-type: none"> <li>◦ The Group is exposed to risks relating to the cost and availability of funds to support its operations, including changes in interest rates and foreign currency exchange rates, counterparty credit and liquidity risks, which could impact its financing activities.</li> <li>◦ In addition, as part of its arrangements with its external financiers, the Group is subject to a number of customary conditions and financial covenants. A failure to comply with such conditions and covenants may require the Group to repay borrowings earlier than anticipated, or result in increased financing costs for the Group, which could in turn adversely affect the financial performance of the Group.</li> </ul>
<b>Debt covenants</b>	<ul style="list-style-type: none"> <li>◦ Tabcorp is subject to various covenants under its debt facilities, including interest cover, gearing and negative pledge covenants. As announced to the ASX in separate announcements on 19 May 2020 and 4 June 2020, Tabcorp reached agreement with its bank lenders under its Syndicated Facility Agreement as well as its US Private Placement note holders for a waiver of, and adjustments to, certain financial covenants in relation to the 30 June 2020 and 31 December 2020 testing dates. Whilst Tabcorp currently expects there to be adequate head-room in Tabcorp's financial covenants post the agreed waiver and adjustments, there remains the risk that factors such as a reduction in operating earnings could potentially lead to a breach of such covenants. In such an event, Tabcorp's lenders may require the entirety of their loans to be repaid immediately or simultaneously with all debt facilities. This would have a material adverse effect on Tabcorp's financial position.</li> </ul>

**Tabcorp**

# KEY RISKS

Risk	Description and potential consequences
<b>FINANCIAL AND BALANCE SHEET RISKS (CONTINUED)</b>	
<b>Debt covenants</b>	<ul style="list-style-type: none"> <li>Tabcorp is subject to various covenants under its debt facilities, including interest cover, gearing and negative pledge covenants. As announced to the ASX in separate announcements on 19 May 2020 and 4 June 2020, Tabcorp reached agreement with its bank lenders under its Syndicated Facility Agreement as well as its US Private Placement note holders for a waiver of, and adjustments to, certain financial covenants in relation to the 30 June 2020 and 31 December 2020 testing dates. Whilst Tabcorp currently expects there to be adequate head-room in Tabcorp's financial covenants post the agreed waiver and adjustments, there remains the risk that factors such as a reduction in operating earnings could potentially lead to a breach of such covenants. In such an event, Tabcorp's lenders may require the entirety of their loans to be repaid immediately or simultaneously with all debt facilities. This would have a material adverse effect on Tabcorp's financial position.</li> </ul>
<b>Ability to service or refinance debt</b>	<ul style="list-style-type: none"> <li>Tabcorp may become unable to service or refinance its existing debt, or obtain new debt, on acceptable terms or at all, depending on future performance and cash flows of Tabcorp which are affected by various factors, some of which are outside Tabcorp's control, such as interest and exchange rates, general economic conditions and global financial markets. If any of these scenarios materialise, Tabcorp may be unable to raise financing on acceptable terms to repay maturing indebtedness. This could adversely affect the longer term prospects and financial performance of the Group. Additionally, ongoing requirements to meet debt covenants may impact Tabcorp's ability to refinance debt.</li> </ul>
<b>Credit rating risk</b>	<ul style="list-style-type: none"> <li>Tabcorp has obtained an investment grade rating from a credit rating agency which could be reviewed, suspended, withdrawn or downgraded. The rating agency could also change the methodologies by which it rates Tabcorp. Tabcorp's cost of funds, margins, access to capital markets and other aspects of its financial performance may be adversely affected if it fails to maintain its credit rating.</li> </ul>
<b>Counterparty credit risks</b>	<ul style="list-style-type: none"> <li>Tabcorp is exposed to the risk that various counterparties, including financial entities, will fail to perform their contractual obligations in favour of Tabcorp. This creates risk in a number of areas, including with respect to bank deposits and investments, and interest rate and foreign exchange risk management. Tabcorp employs contracts to hedge some or all of its exposure to foreign currency exchange rate fluctuations and interest rate fluctuations. At the end of the deposit term or upon the maturity of the contracts, the counterparties are obligated to return or pay funds in Tabcorp's favour or to otherwise deliver to Tabcorp an agreed amount of a specified currency at a contracted rate. If any of these counterparties were to liquidate, become insolvent, enter voluntary administration or otherwise cease operations, they may not be able to satisfy their obligations under these time deposits or forward contracts, which could materially adversely impact Tabcorp's financial position.</li> </ul>
<b>Access to capital</b>	<ul style="list-style-type: none"> <li>In addition to internally generated cash flow, Tabcorp relies on access to debt and equity financing to fund its operations. The ability to secure financing on acceptable terms may be materially adversely affected by volatility in financial markets, either globally or affecting a particular geographic region, industry or economic sector, or by a downgrade in its credit rating. For these or other reasons, financing may be unavailable or the cost of financing may be significantly increased.</li> </ul>
<b>Accounting impairment</b>	<ul style="list-style-type: none"> <li>Such inability to obtain, or increase to the cost of obtaining, financing could materially adversely affect Tabcorp's operations or financial performance.</li> <li>At each reporting date, Tabcorp is required to assess whether there is any indication that any of its assets may be impaired and, where an indicator of impairment exists, makes a formal estimate of the recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to the recoverable amount. This impacts Tabcorp's balance sheet and its reported financial results.</li> </ul>
<b>Tax</b>	<ul style="list-style-type: none"> <li>Adverse changes in assumptions or outcomes in respect of race fields or sports product fees, retail exclusivity, competition or other risk factors, as well as new developments that are not currently apparent, could trigger an impairment and have a negative impact on the reported financial results of Tabcorp.</li> </ul>
<b>Change in accounting or financial reporting standards</b>	<ul style="list-style-type: none"> <li>Tabcorp announced ahead of its FY20 results a non-cash goodwill impairment charge of \$1,090m in relation to the Wagering &amp; Media and Gaming Services businesses. There is no assurance that there will not be further impairments of assets in the future.</li> </ul>
<b>Change in accounting or financial reporting standards</b>	<ul style="list-style-type: none"> <li>A change to the current tax regime at either Federal or State government level may affect Tabcorp. There are risks that any changes to a tax law, including the current rate of company income tax and further changes to tax concessions such as research and development expenditure, may impact Tabcorp.</li> <li>Tax payments (at both Federal and State level) are material to Tabcorp's overall liquidity position and there is a risk that changes in the timing or quantum of payment obligations to tax authorities results in the need to source additional liquidity, which may adversely affect the Group's financial position, as well as commercial arrangements with its stakeholders.</li> </ul>
<b>Change in accounting or financial reporting standards</b>	<ul style="list-style-type: none"> <li>Australian Accounting Standards are set by the Australian Accounting Standards Board (AASB) and are outside Tabcorp's control. Changes to accounting standards issued by AASB, or changes to any other financial reporting standards, could materially adversely affect the financial performance and position reported Tabcorp's financial statements.</li> </ul>
<b>Change in accounting or financial reporting standards</b>	<ul style="list-style-type: none"> <li>Australian Accounting Standards are set by the Australian Accounting Standards Board (AASB) and are outside Tabcorp's control. Changes to accounting standards issued by AASB, or changes to any other financial reporting standards, could materially adversely affect the financial performance and position reported Tabcorp's financial statements.</li> </ul>

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

## KEY RISKS

Risk	Description and potential consequences
<b>OPERATIONAL RISKS</b>	
Technology, cybersecurity and privacy risks	<ul style="list-style-type: none"> <li>The Group's business relies on the successful operation of technology infrastructure, which could be adversely affected by various factors including obsolescence of equipment, complexity of core environments, extended digital outages which prevent account customers from transacting in Group products, malicious attacks on technology systems and customer and company data and regulatory information, ability to recover from a significant hardware, network or data centre failure, and managing risks associated with outsourcing key processes and activities to third-parties.</li> <li>The Group's business also relies on technology infrastructure to support ongoing business growth. Where such infrastructure cannot efficiently support the changing needs of the business, this may potentially adversely impact the reputation, operations or financial performance of the Group.</li> <li>The COVID-19 working environment has seen an enhanced threat level across all industries and organisations as opportunistic criminals seek to exploit organisations' cyber defences. A significant cyber incident or prolonged failure of the computer systems and/or related infrastructure or technology security failure could impact upon the Group's technology systems and equipment, prevent operation of revenue generating functions, result in the loss or exposure of information assets, or personal customer or regulatory data could be wrongfully appropriated, lost or disclosed, which may potentially adversely impact the reputation, operations or financial performance of the Group and expose the Group to significant regulatory enforcement actions, litigation and other disputes.</li> </ul>
Reliance on infrastructure and third party commercial arrangements	<ul style="list-style-type: none"> <li>The Group is reliant on key infrastructure and third party commercial arrangements for the operation of its business. A significant malfunction or interruption to key infrastructure, or a failure of, significant interruption to, or reduction in the quality of third party products and services that the Group relies upon for a sustained period of time, may have an adverse impact on the reputation and the operating and/or financial performance of the Group.</li> </ul>
Racing and sports products	<ul style="list-style-type: none"> <li>Each state and territory of Australia has implemented race fields arrangements, under which wagering operators pay product fees for use of that industry's race fields information. Similar arrangements exist in relation to various sports. There is the potential that fees will increase, new fees will be introduced, or the method for determining fees will change, and such changes may have an adverse effect on the operational and financial performance of the Group.</li> <li>In addition, a material increase in the taxes and levies payable by the Group in respect of its wagering, lotteries or gaming businesses may reduce margins and have an adverse impact on the financial performance of the Group.</li> </ul>
Changes in race fields and sports product fees and taxes	<ul style="list-style-type: none"> <li>There is also a risk that racing, sport or industry bodies may disagree with the Group regarding the application of certain aspects of the race fields regimes, contracts that govern product fees or relevant commercial arrangements generally, or the manner in which taxes, levies and fees are determined. Such disagreements may lead to litigation or other dispute resolution processes being involved, including negotiated settlement of relevant commercial disputes.</li> <li>Each state and territory of Australia has implemented race fields arrangements, under which wagering operators pay product fees for use of that industry's race fields information. Similar arrangements exist in relation to various sports. There is the potential that fees will increase, new fees will be introduced, or the method for determining fees will change, and such changes may have an adverse effect on the operational and financial performance of the Group.</li> <li>In addition, a material increase in the taxes and levies payable by the Group in respect of its wagering, lotteries or gaming businesses may reduce margins and have an adverse impact on the financial performance of the Group.</li> </ul>
Disruption or decline of licensed venues, agencies and retail network	<ul style="list-style-type: none"> <li>There is also a risk that racing, sport or industry bodies may disagree with the Group regarding the application of certain aspects of the race fields regimes, contracts that govern product fees or relevant commercial arrangements generally, or the manner in which taxes, levies and fees are determined. Such disagreements may lead to litigation or other dispute resolution processes being involved, including negotiated settlement of relevant commercial disputes.</li> <li>The operating and financial performance of the Group's business is materially dependent on the operation of a network of licensed venues (hotels and clubs), TAB agencies, newsagencies, convenience stores and other retail outlets which offer the Group's products. Significant disruption or closures of, or a decline in, these channels, whether as a result of a particular event (for example, due to adverse weather events or climate change, epidemic/pandemic outbreak such as the COVID-19 pandemic, or natural disaster), economic conditions, changes in consumer behaviour or any other factors, may have a direct adverse effect on the operating and financial performance of the Group, as reported in various ASX announcements and the Group's FY20 results.</li> </ul>

**Tabcorp**

# KEY RISKS

Risk	Description and potential consequences
<b>OPERATIONAL RISKS (CONTINUED)</b>	
<b>People</b>	<ul style="list-style-type: none"> <li>The Group's performance and the execution of its strategies depends on its ability to attract and retain key senior management and operating personnel and foster a high performance culture. The loss of any key personnel, or the Group's inability to attract the requisite personnel with suitable experience, could have an adverse effect on the performance of the Group and the delivery of its strategies and/or operations.</li> <li>There is a heightened risk that the people-related initiatives that were implemented to mitigate the impacts of the COVID-19 pandemic (refer above) may have an adverse impact on the Group's ability to attract and retain certain key senior management and personnel, as well as employee engagement and productivity.</li> </ul>
<b>Sky Channel broadcast and distribution arrangements</b>	<ul style="list-style-type: none"> <li>Sky Channel holds rights to broadcast, and has agreements in place to distribute, various race meetings held throughout Australia, New Zealand and internationally. Certain of those contracts may expire and in such case new contracts or extensions would need to be negotiated.</li> <li>Tabcorp continues to engage closely with holders of broadcast rights and distribution partners and will continue to actively seek to extend those arrangements in advance of their expiry, however if, for any reason, Tabcorp is unable to renegotiate any of those arrangements on materially the same or similar terms, then this may impact the operational and financial performance of Tabcorp's wagering and media business.</li> </ul>
<b>Acquisitions and divestments</b>	<ul style="list-style-type: none"> <li>From time to time, Tabcorp examines new acquisition opportunities, including the opportunity to bid for new licences both domestically and internationally, which may relate to existing businesses or new areas of operation for Tabcorp. There is a risk that Tabcorp may incur substantial costs, delays or other problems in implementing its strategy for any acquired businesses, or be unsuccessful in bidding for new businesses or licences, which could negatively impact Tabcorp's operations, profitability and/or reputation.</li> <li>Tabcorp may also pursue opportunities to divest existing assets, investments or businesses. If such divestments are undertaken, no assurances can be given that the price paid to Tabcorp by a purchaser of such assets would be an accurate reflection of any future market value of such assets had Tabcorp retained ownership of such assets.</li> <li>The COVID-19 pandemic may also cause material changes or delays in planned or potential acquisitions or divestments or businesses by Tabcorp, which may adversely impact Tabcorp's financial performance.</li> </ul>
<b>Racing Queensland proceedings</b>	<ul style="list-style-type: none"> <li>On 28 June 2019, Racing Queensland (RQ) commenced legal proceedings against Tabcorp and UBET Qld Limited (UBET). RQ is seeking damages and other relief. The proceedings are in relation to two interrelated disputes relating to the calculation of fees following the introduction of the point of consumption tax (POCT) in Queensland on 1 October 2018. The claim concerns two contractual arrangements being (a) the Queensland Product and Program Deed (QPP) which sets out the long-term commercial relationship between the parties, including variable fees payable monthly by UBET to RQ and (b) the Deed of Understanding (DOU) which sets out minimum financial commitments to RQ regarding the UBET business and provides for annual top up payments for the calendar years 2018 to 2020 if UBET does not meet those minimum commitments.</li> <li>In relation to the QPP, the parties disagree on how the increase in wagering tax (when compared to the previous wagering tax regime) paid by UBET across racing and sport following the introduction of POCT is treated when calculating the variable fees payable to RQ. If Tabcorp and UBET are ultimately unsuccessful in the QPP aspect of the proceedings, the estimated financial impact covering the 21 month period to 30 June 2020 is an expense of up to \$44 million post tax. The alleged underpayment on the relevant variable fees to RQ would extend until June 2044 when the QPP expires.</li> <li>In relation to the DOU, RQ's position is effectively that UBET must, as part of the minimum commitment, calculate and pay to it any reduction or offset of the relevant variable fees (to take into account the impact of point of consumption tax) in the calendar years 2018-2020. If RQ is correct and Tabcorp and UBET are ultimately unsuccessful in the DOU aspect of the proceedings, UBET would bear the expense above for the 21 month period to 30 June 2020 and an additional amount in relation to the amount of the wagering tax increase for the 6 month period to 31 December 2020 irrespective of the outcome of the QPP part of the proceedings.</li> </ul>
<b>Reputation</b>	<ul style="list-style-type: none"> <li>Tabcorp's brand names and reputation are important assets for Tabcorp's business. Successful maintenance of the reputation and value associated with these brand names will be critical to Tabcorp's businesses and its strategy for the future.</li> <li>It is possible that, Tabcorp's business strategies may not be achieved, resulting in the erosion of the reputation or value associated with the brand names which, in turn, could have an adverse effect on the performance and operations of Tabcorp.</li> <li>Other events, including a material non-compliance with regulations, or licence terms or a breach of or failure in information and technology systems, could have an adverse impact on Tabcorp's reputation and the value of its brands and increase expenditure due to additional compliance costs and/or potential claims for compensatory damages.</li> <li>Significant disciplinary actions, the imposition of monetary fines or the loss of a licence in one jurisdiction would affect Tabcorp's reputation and adversely affect its current licences or future opportunities for licences in other jurisdictions. The consequences of such events could be significant for Tabcorp, including reduced revenues, increased expenses, loss of consumer trust in the relevant brand or products and loss of a business unit.</li> </ul>

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

## KEY RISKS

Risk	Description and potential consequences GENERAL INVESTMENT AND ASX LISTING RISKS
<p><b>Breach of shareholding restrictions</b></p>	<ul style="list-style-type: none"> <li>○ There are a number of restrictions applying to shareholdings in Tabcorp, which arise under legislation, requirements of various regulatory authorities or in the Tabcorp Constitution. Some of these restrictions limit the number of Tabcorp shares and/or voting power that can be held by a shareholder. For further information see Part 2 of Tabcorp's Constitution, which is available at <a href="http://www.tabcorp.com.au">www.tabcorp.com.au</a>.</li> <li>○ Notwithstanding these restrictions, as Tabcorp shares are traded on the ASX, it may not be possible for Tabcorp to prevent a person from acquiring voting power in Tabcorp in excess of these limitations. There are provisions in Tabcorp's constitution which will enable Tabcorp, in certain circumstances, to require divestment of the offending part of a person's shareholding in Tabcorp. These provisions only operate after a breach has occurred, therefore, they do not prevent such a breach occurring.</li> <li>○ As an example, Tabcorp's NSW Totalizator licences are subject to compliance with the NSW Totalizator Act. If the 10% shareholding restriction in the NSW Totalizator Act is breached, the NSW Racing Minister could take disciplinary action against the licensee, TAB Limited, under the NSW Totalizator Act and/or its NSW Totalizator licences. Such disciplinary action could include any one or more of a fine, the suspension or cancellation of the NSW Totalizator licences or the amendment of (or imposition of further) conditions to the NSW Totalizator licences. The NSW Racing Minister could also direct TAB Limited to take action to rectify the relevant offending situation.</li> <li>○ Any such disciplinary action (or other direction from the NSW Racing Minister to TAB Limited) could have an adverse impact on Tabcorp's operations, financial performance and the value of Tabcorp shares.</li> </ul>
<p><b>Risks associated with the current global economic environment</b></p>	<ul style="list-style-type: none"> <li>○ General economic factors may affect an investment in Tabcorp or the performance of Tabcorp. Some of these include: <ul style="list-style-type: none"> <li>• movements in Australian and international stock markets, changes in interest rates, inflation and inflationary expectations and overall economic and political conditions may affect the demand for and market price of Tabcorp;</li> <li>• changes in government legislation and policy, in particular taxation laws, may affect the relative attractiveness of investing in Tabcorp;</li> <li>• the price of securities on ASX may rise or fall due to a diverse range of non-company specific influences which may affect the market performance of the Tabcorp Group; and</li> <li>• global or domestic recession as a result of the COVID-19 pandemic.</li> </ul> </li> <li>○ None of Tabcorp, its directors or any other person guarantees the market performance of the Tabcorp Group.</li> <li>○ The Australian and global economies continue to experience challenging conditions. Any further deterioration in the Australian or global economies may have an adverse effect on the financial position and performance of the Tabcorp Group.</li> <li>○ Further, the effect of these conditions on the Tabcorp Group's ability to refinance its debt obligations, and the terms on which any such refinancing can be obtained, is uncertain. If these conditions result in the Tabcorp Group being unable to refinance its debt obligations, or to do so on reasonable terms, this may have an adverse effect on the financial position and performance of the Tabcorp Group.</li> <li>○ The operational and financial performance and position of the Tabcorp Group may be adversely affected by the worsening of general economic conditions in Australia, as well as international market conditions and related factors. It is also possible new risks might emerge as a result of markets experiencing extreme stress or existing risks may manifest themselves in ways that are not currently foreseeable.</li> </ul>

**Tabcorp**

## KEY RISKS

Risk	Description and potential consequences
<b>ENTITLEMENT OFFER RISKS</b>	
<b>Risk of dilution</b>	<ul style="list-style-type: none"> <li>○ Shareholders who do not take up all of their entitlement under the Entitlement Offer will be diluted in their percentage security holding by not participating to the full extent in the Offer.</li> <li>○ If a Tabcorp shareholder does not take up their entitlement under the Entitlement Offer, there is no guarantee that any value will be received for their renounced entitlement through the relevant bookbuild processes under the Entitlement Offer or (in the case of eligible retail shareholders) that they will be able to receive any value through selling their entitlements on ASX or otherwise transferring them.</li> <li>○ The ability to sell entitlements under the institutional or retail bookbuild processes under the Entitlement Offer and the ability to obtain any premium will be dependent upon various factors, including market conditions. Further, the relevant bookbuild price may not be the highest price available, but will be determined having regard to a number of factors, including having binding and bona fide offers which, in the reasonable opinion of the Lead Manager, will, if accepted, result in otherwise acceptable allocations to clear the entire book.</li> </ul>
<b>Renouncement</b>	<ul style="list-style-type: none"> <li>○ Similarly, for eligible retail shareholders, there is no guarantee that there will be a liquid market on ASX or otherwise in traded entitlements, and prices obtainable for entitlements may rise and fall over the trading period and will depend on many factors including the demand for and supply of entitlements and the value of Tabcorp shares relative to the issue price.</li> <li>○ To the maximum extent permitted by law, none of Tabcorp, the Lead Manager, their respective related bodies corporate and affiliates and their respective directors, officers, employees, agents and advisers will be liable (including for negligence) for any failure to procure subscribers under either bookbuild at a price equal to or in excess of the issue price.</li> <li>○ Shareholders who do not participate in the Entitlement Offer, or take up only part of their entitlement, will have their percentage holding in Tabcorp reduced.</li> </ul>
<b>OTHER</b>	
<b>Other risks</b>	<ul style="list-style-type: none"> <li>○ The above risks should not be taken as a complete list of the risks associated with an investment in Tabcorp. The risks outlined above and other risks not specifically referred to may in the future materially adversely affect the value of Tabcorp shares and their performance. Accordingly, no assurance or guarantee of future performance or profitability is given by Tabcorp in respect of Tabcorp shares.</li> </ul>

## 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

APPENDIX C – INTERNATIONAL  
OFFER JURISDICTIONS

**Tabcorp**

# INTERNATIONAL OFFER JURISDICTIONS

## **International Offer Restrictions**

This document does not constitute an offer of entitlements ("Entitlements") or new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Entitlements and New Shares may not be offered or sold in the institutional entitlement offer, in any country outside Australia except to the extent permitted below.

### **Canada (British Columbia, Ontario and Quebec provinces)**

This document constitutes an offering of Entitlements and New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces"), only to persons to whom such securities may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This document is not a prospectus, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of National Instrument 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this document, the merits of the Entitlements or the New Shares or the offering of such securities and any representation to the contrary is an offence. No prospectus has been, or will be, filed in the Provinces with respect to the offering of Entitlements or New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and accepted by the securities regulator in the applicable Province. Furthermore, any resale of the Entitlements or the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the Entitlements or the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

*Statutory rights of action for damages and rescission.* Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

*Certain Canadian income tax considerations.* Prospective purchasers of the Entitlements and the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of such securities as there are Canadian tax implications for investors in the Provinces.

*Language of documents in Canada.* Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the Entitlements and the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

## INTERNATIONAL OFFER JURISDICTIONS

### China

This document has not been approved by, nor registered with, any competent regulatory authority of the People's Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). Accordingly, the Entitlements and the New Shares may not be offered or sold, nor may any invitation, advertisement or solicitation for such securities be made from, within the PRC. This document does not constitute an offer of New Shares within the PRC.

The Entitlements and the New Shares may not be offered or sold to legal or natural persons in the PRC other than to: (i) "qualified domestic institutional investors" as approved by a relevant PRC regulatory authority to invest in overseas capital markets; (ii) sovereign wealth funds or quasi-government investment funds that have the authorization to make overseas investments; or (iii) other types of qualified investors that have obtained all necessary PRC governmental approvals, registrations and/or filings (whether statutorily or otherwise).

### European Union

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the Entitlements or the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of Entitlements and New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

### Hong Kong

**WARNING:** This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Entitlements and the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Entitlements and the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Entitlements and the New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Entitlements or New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

### Japan

The Entitlements and the New Shares have not been and will not be registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the Entitlements and the New Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors. Any Qualified Institutional Investor who acquires Entitlements or New Shares may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of Entitlements or New Shares is conditional upon the execution of an agreement to that effect.

**Tabcorp**

# INTERNATIONAL OFFER JURISDICTIONS

## **Korea**

The Company is not making any representation with respect to the eligibility of any recipients of this document to acquire the Entitlements or the New Shares under the laws of Korea, including, without limitation, the Foreign Exchange Transaction Act and regulations thereunder. These securities have not been, and will not be, registered under the Financial Investment Services and Capital Markets Act of Korea ("FSCMA") and therefore may not be offered or sold (directly or indirectly) in Korea or to any resident of Korea or to any persons for re-offering or resale in Korea or to any resident of Korea (as defined under the Foreign Exchange Transaction Act of Korea and its enforcement decree), except as permitted under the applicable laws and regulations of Korea.

Accordingly, the Entitlements and the New Shares may not be offered or sold in Korea other than to "accredited investors" (as defined in the FSCMA).

## **Norway**

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act. The Entitlements and the New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in the Norwegian Securities Trading Act).

## **Singapore**

This document and any other materials relating to the Entitlements and the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Entitlements and New Shares, may not be issued, circulated or distributed, nor may the Entitlements and New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Entitlements or the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Entitlements or New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

## **Switzerland**

The Entitlements and the New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to such securities constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

No offering or marketing material relating to the Entitlements or the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of such securities will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

Neither this document nor any other offering or marketing material relating to the Entitlements or the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. Such securities will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This document is personal to the recipient and not for general circulation in Switzerland.

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

## INTERNATIONAL OFFER JURISDICTIONS

### **United Arab Emirates**

This document does not constitute a public offer of any securities in the United Arab Emirates. The Entitlements and the New Shares may not be offered or sold, directly or indirectly, to the public in the UAE. Neither this document nor any securities of the Company have been approved by the Securities and Commodities Authority ("SCA") or any other authority in the UAE.

This document may be distributed in the UAE only to "qualified investors" (as defined in the SCA Board of Directors' Chairman Decision No. 37 RM of 2019, as amended) and may not be provided to any person other than the original recipient. No marketing of the Entitlements or the New Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE.

No offer or invitation to subscribe for Entitlements or New Shares is valid, or permitted from any person, in the Abu Dhabi Global Market or the Dubai International Financial Centre.

### **United Kingdom**

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the Entitlements or the New Shares.

These securities may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Entitlements or the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

### **United States**

This Presentation does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States. Neither the entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold to, directly or indirectly, persons in the United States or persons that are acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of persons in the United States), except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.

**Tabcorp**

APPENDIX D – SUMMARY OF  
UNDERWRITING AGREEMENT

**Tabcorp**

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

## SUMMARY OF UNDERWRITING AGREEMENT

UBS AG, Australia Branch (ABN 47 088 129 613) (Lead Manager) is acting as lead manager and underwriter of the Entitlement Offer. Tabcorp has entered into an underwriting agreement with the Lead Manager in respect of the Entitlement Offer (Underwriting Agreement).

The Underwriting Agreement contains representations and warranties and indemnities in favour of the Lead Manager.

The Lead Manager may, in certain circumstances, terminate its obligations under the Underwriting Agreement on the occurrence of the following events:

- Certain documents and publications in respect of the Entitlement Offer include content that is misleading or deceptive in a material respect or likely to mislead or deceive in a material respect (including by omission) or there are no reasonable grounds for making statements relating to future matters in such documents and publications;
- Certain delays to the timetable for the Entitlement Offer without the prior written consent of the Lead Manager;
- ASIC holds, or gives notice of intention to hold, a hearing or investigation in relation to, prosecutes or gives notice of an intention to prosecute or commences proceedings against, or gives notice of an intention to commence proceedings against Tabcorp or any of its directors, officers or employees in relation to the Entitlement Offer;
- ASX announces that Tabcorp's shares will be delisted, removed from quotation or suspended from quotation by ASX (other than at the request of Tabcorp and with the prior approval of the Lead Manager, such approval not to be unreasonably withheld);
- Unconditional approval (or approval conditional only on customary conditions which are acceptable to the Lead Manager, acting reasonably) is refused or not granted by ASX for official quotation of the New Shares by, in the case of the Institutional Entitlement Offer, the date of settlement of the New Shares for the Institutional Entitlement Offer and, in the case of the Retail Entitlement Offer, the date of settlement of the New Shares for the Retail Entitlement Offer;
- An obligation arises on Tabcorp to give ASX a notice in accordance with section 708AA(12)(a) (as included in the Corporations Act by ASIC Corporations Instrument 2016/84) in relation to a matter that is materially adverse to investors (in the reasonable opinion of the Lead Manager), or Tabcorp gives such a notice;
- Tabcorp withdraws the Entitlement Offer;
- Tabcorp engages in conduct that is misleading or deceptive in a material respect or which is likely to mislead or deceive in a material respect in connection with the making of the Entitlement Offer;

**Tabcorp**

## SUMMARY OF UNDERWRITING AGREEMENT

- There is a material breach of any material financing arrangement to which Tabcorp or any of its subsidiaries (together, the Group) is a party or a financier gives a valid notice of an intention to withdraw or accelerate, or withdraws or accelerates, commitments of \$50 million or more;
- A waiver or amendment of a debt covenant in a material financing arrangement to which a member of the Group is a party is terminated, rescinded or amended without the prior written consent of the Lead Manager or breached by Tabcorp or any member of the Group in a manner which triggers or is reasonably likely to trigger an event of default or review event;
- Any member of the Group becomes insolvent or there is an act or omission which may result in any Group member which is a party to a material financing arrangement of Tabcorp that is in force at the time of entry into the Underwriting Agreement, becoming insolvent; or
- Any certificate which is required to be provided by Tabcorp under the Underwriting Agreement is not provided when required.

In addition, the Lead Manager may terminate its obligations under the Underwriting Agreement if any of the following events has had, or is likely to have, a material adverse effect on the marketing, settlement or success of the Entitlement Offer, the likely market price of Tabcorp's shares, or where the event gives rise, or is likely to give rise, to a liability of the Lead Manager under, or result in the Lead Manager contravening, or being considered to be involved in, a contravention of any applicable law:

- A statement in any certificate which is required to be provided by Tabcorp under the Underwriting Agreement is untrue, incorrect or misleading;
- Tabcorp fails to perform or observe any of its obligations under the Underwriting Agreement;
- Any representation or warranty made or given by Tabcorp in the Underwriting Agreement is or becomes untrue or incorrect;
- There is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a new law, or the Government of Australia, any State or Territory of Australia, the Reserve Bank of Australia or any Minister or other Government Agency of Australia or any State or Territory of Australia, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been publicly announced before the date of the Underwriting Agreement);
- The outbreak of hostilities not presently existing (whether war has been declared or not), or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, United States of America, Japan, United Kingdom, the People's Republic of China or any member state of the European Union, or a national emergency is declared by any of those countries, or a major terrorist act is perpetrated on any of those countries or any diplomatic, military or political establishment of any of those countries elsewhere in the world;

# 4. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION CONTINUED

## SUMMARY OF UNDERWRITING AGREEMENT

- A general moratorium on commercial banking activities in Australia, the United States of America or the United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries;
- Trading in all securities quoted or listed on ASX, the London Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect for one trading day or substantially all of one trading day;
- Any Government Agency that regulates the business or operations of the Group or an element of the Entitlement Offer holds, or gives notice of intention to hold, a hearing or investigation in relation to the business or operations of the Group, or prosecutes or gives notice of an intention to prosecute, or commences proceedings against, or gives notice of an intention to commence proceedings against, Tabcorp, one of its subsidiaries or any of their directors, officers or employees, except where the existence of the hearing, investigation, prosecution, proceeding or notice has not become publicly available and it has been withdrawn by the date that is the earlier of the business day immediately preceding the relevant date of settlement of the New Shares and the date that is three business days after the hearing, investigation, prosecution, proceeding or notice is commenced or received;
- Any director of Tabcorp is charged with a criminal offence relating to any financial or corporate matter, or a director of Tabcorp is disqualified from managing a corporation under the Corporations Act;
- There is a change in the membership of the board of directors of Tabcorp or the Chief Executive Officer, in circumstances where Tabcorp has not consulted with and given reasonable notice to the Lead Manager regarding the proposed change before a new Chief Executive Officer is appointed (noting that Tabcorp disclosed its intention to start a process to appoint a new Chief Executive Officer to ASX prior to the execution of the Underwriting Agreement).

If the Lead Manager terminates its obligations under the Underwriting Agreement, the Lead Manager will not be obliged to perform any of its obligations that remain to be performed. Termination of the Underwriting Agreement could have an adverse impact on the amount of proceeds raised under the Entitlement Offer. In these circumstances, Tabcorp would need to utilise alternative funding options to achieve its objectives as described in this Presentation.

**Tabcorp**

# Tabcorp

This Presentation was approved and authorised for release  
to the ASX by the Tabcorp Board



## 5. ADDITIONAL INFORMATION

### 5.1 Eligibility of Retail Shareholders

The Retail Entitlement Offer is being offered to all Eligible Retail Shareholders only.

Eligible Retail Shareholders are Shareholders on the Record Date who:

- (a) have a registered address on the Tabcorp share register in Australia or New Zealand;
- (b) are not in the United States and are not acting for the account or benefit of a person in the United States;
- (c) are not Eligible Institutional Shareholders and were not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and
- (d) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer,

provided that, if a Shareholder (including a nominee or custodian) is acting for the account or benefit of a person in the United States, it may not participate in the Retail Entitlement Offer on behalf of such a person.

Retail Shareholders who are not Eligible Retail Shareholders are Ineligible Retail Shareholders.

Tabcorp has determined that it is unreasonable to extend the Retail Entitlement Offer to Ineligible Retail Shareholders because of the small number of such Shareholders, the number and value of Shares that they hold and the cost of complying with the applicable regulations in jurisdictions outside Australia and New Zealand. Tabcorp may (in its absolute discretion) extend the Retail Entitlement Offer to shareholders who have registered addresses outside Australia and New Zealand (except the United States) in accordance with applicable law.

### 5.2 Ranking of New Shares

The New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally with Existing Shares.

### 5.3 Allotment

Tabcorp has applied for quotation of the New Shares on ASX in accordance with Listing Rule requirements. If ASX does not grant quotation of the New Shares, Tabcorp will repay all Application Monies (without interest).

Subject to approval being granted, it is expected that trading of New Shares to be issued under the Retail Entitlement Offer will commence on a deferred settlement basis at 10.00am (AEST) on Friday, 4 September 2020 until 4.00pm (AEST) on Monday, 21 September 2020 (when New Shares are expected to be issued) and thereafter on a normal settlement basis.

### 5.4 Reconciliation

As with any entitlement offer, investors may believe that they own more Existing Shares on the Record Date than they ultimately do. This may result in a need for reconciliation to ensure all eligible Shareholders have the opportunity to receive their full Entitlement.

Tabcorp may need to issue a small quantity of additional New Shares to ensure all eligible Shareholders have the opportunity to receive their appropriate allocation of New Shares. The price at which these New Shares would be issued, if required, is the same as the Offer Price.

Tabcorp also reserves the right to reduce the number of Entitlements or New Shares allocated to eligible Shareholders or persons claiming to be eligible Shareholders, if their Entitlement claims prove to be overstated, if they or their nominees fail to provide information requested to substantiate their Entitlement claims, or if they are not eligible Shareholders.

### 5.5 Receipt of excess Retail Premium

If you receive a Retail Premium payment in excess of the Retail Premium payment to which you were actually entitled based on that part of your Retail Entitlement under the Retail Entitlement Offer which remains held by you as at close of the Retail Entitlement Offer at 5.00pm (AEST) on Thursday, 10 September 2020, then, in the absolute discretion of Tabcorp, you may be required to repay Tabcorp the excess Retail Premium.

By taking up or transferring your Retail Entitlements, or accepting the payment to you of a Retail Premium, you irrevocably acknowledge and agree to repay any excess payment of the Retail Premium as set out above as required by Tabcorp in its absolute discretion. In this case the amount required to be repaid will be net of any applicable expenses. You also acknowledge that there is no time limit on the ability of Tabcorp to require repayment as set out above and that where Tabcorp exercises its right to correct your Retail Entitlements, you are treated as continuing to have taken up, transferred or not taken up any remaining part of the Retail Entitlements.

## 5.6 Rounding of Retail Entitlements

Where fractions arise in the calculation of Retail Entitlements, they will be rounded up to the nearest whole number of New Shares.

## 5.7 Trading of Retail Entitlements

Retail Entitlements are tradeable and can be sold or transferred. They are expected to be quoted on and tradeable on ASX from Monday, 24 August 2020 to Thursday, 3 September 2020 (ASX Code: TAHRA). You may sell your Retail Entitlements (which you do not wish to take it up or let it be sold into the Retail Shortfall Bookbuild) in order to realise value which may attach to the relevant part of your Retail Entitlements if sold at that time. If you let your Retail Entitlements be sold into the Retail Shortfall Bookbuild, you have the opportunity to receive any Retail Premium (see Section 2.4). There is no guarantee that there will be a liquid market in traded Retail Entitlements. A lack of liquidity may impact the ability to sell Retail Entitlements on ASX and the price able to be achieved.

Prices obtainable for Retail Entitlements may rise and fall over the Retail Entitlement Trading Period and will depend on many factors including the demand for and supply of Retail Entitlements on ASX and the value of Tabcorp's existing Shares relative to the Offer Price. If you sell your Retail Entitlements, you may receive a higher or lower amount than a shareholder who sells their Retail Entitlements at a different time in the Retail Entitlement Trading Period or through the Retail Shortfall Bookbuild.

If you decide not to take up all or part of your Retail Entitlements, you should consider whether to sell all or part of your Retail Entitlements or allow all or part of it to be sold into the Retail Shortfall Bookbuild. Information on how Retail Entitlements may be sold or transferred is set out in Section 2 and information on Australian taxation considerations is set out in Section 6.

Institutional Entitlements under the Institutional Entitlement Offer were not quoted on or tradeable on ASX nor privately transferable.

Retail Entitlements may not be purchased, traded, taken up or exercised by persons in the United States or by persons who are acting for the account or benefit of persons in the United States.

Investors should note that if you purchase Retail Entitlements on ASX or otherwise, in order to take up or exercise those Retail Entitlements and subscribe for New Shares you:

- must be an Eligible Retail Shareholder, a resident in Australia or New Zealand, or otherwise qualify as an 'Eligible Person'<sup>6</sup>; and
- must not be in the United States or acting for the account or benefit of a person in the United States in respect of the purchase or exercise of such Retail Entitlements and the subscription for such New Shares.

If you do not satisfy the above conditions, you will not be entitled to take up Retail Entitlements or subscribe for New Shares.

It is the responsibility of purchasers of Retail Entitlements to inform themselves of the eligibility criteria for exercise. If holders of Retail Entitlements after the end of the Retail Entitlement Trading Period do not meet the eligibility criteria, they will not be able to exercise the Retail Entitlements. In the event that holders are not able to take up their Retail Entitlements, they may receive no value for them.

## 5.8 Underwriting arrangements

Tabcorp and the Lead Manager have entered into an Underwriting Agreement. The Lead Manager has agreed to underwrite the Entitlement Offer on the terms and conditions set out in the Underwriting Agreement. The Lead Manager's obligation to underwrite the Entitlement Offer is conditional on certain matters, including Tabcorp delivering certain certificates and sign-offs to the Lead Manager.

If certain events occur (in certain circumstances having regard to the materiality of the event), the Lead Manager may terminate the Underwriting Agreement. Those events include where:

- (a) there are certain delays to the timetable for the Entitlement Offer without the prior written consent of the Lead Manager;
- (b) Tabcorp withdraws the Entitlement Offer;
- (c) ASX announces that Tabcorp's shares will be delisted, removed from quotation or suspended from quotation by ASX, in certain circumstances;
- (d) Tabcorp is required to give ASX a notice in accordance with section 708AA(12)(a) of the Corporations Act (as included in the Corporations Act by ASIC Corporations Instrument 2016/84) in relation to a matter that is materially adverse to investors (in the reasonable opinion of the Lead Manager), or Tabcorp gives such a notice;
- (e) certain documents and publications in respect of the Entitlement Offer include content that is misleading or deceptive in a material respect or likely to mislead or deceive in a material respect (including by omission) or there are no reasonable grounds for making statements relating to future matters in such documents and publications; or
- (f) Tabcorp fails to perform or observe any of its obligations under the Underwriting Agreement.

<sup>6</sup> Certain investors in a limited number of foreign jurisdictions (other than the United States) may be Eligible Persons if they satisfy the requirements of that expression as set out in the Entitlement and Acceptance Form.

## 5. ADDITIONAL INFORMATION CONTINUED

In accordance with the Underwriting Agreement, as is customary with these types of underwriting arrangements:

- (a) Tabcorp has (subject to certain limitations) agreed to indemnify the Lead Manager, its affiliates, successors and related bodies corporate and their respective directors, officers, employees, agents, representatives or advisers against losses incurred directly or indirectly in relation to the Entitlement Offer;
- (b) Tabcorp and the Lead Manager have given certain representations, warranties and undertakings in connection with (among other things) the conduct of the Entitlement Offer; and
- (c) Tabcorp must pay the Lead Manager (in addition to reimbursement for certain expenses):
  - (i) a management fee of 0.4% of the proceeds of the Entitlement Offer; and
  - (ii) an underwriting fee equivalent to 1.3% of the proceeds of the Institutional Entitlement Offer, and 1.5% of the proceeds of the Retail Entitlement Offer.

Please see the ASX Announcement and Investor Presentation (in particular, Appendix D of the Investor Presentation) for further details about the Underwriting Agreement.

### 5.9 Lead Manager

Neither the Lead Manager nor any of the other Lead Manager Parties have authorised or caused the issue of this Retail Offer Booklet and they do not take responsibility for any statements made in this Retail Offer Booklet or any action taken by you on the basis of such information. To the maximum extent permitted by law, each Lead Manager Party disclaims all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and this information being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. None of the Lead Manager Parties make any recommendations as to whether you or your related parties should participate in the Entitlement Offer, nor do they make any representations or warranties to you concerning this Entitlement Offer or any such information and you represent, warrant and agree that you have not relied on any statements made by the Lead Manager Parties in relation to the New Shares or the Entitlement Offer generally.

Tabcorp will arrange for Retail Entitlements which are not taken up by close of the Retail Entitlement Offer to be sold to eligible institutional investors. Tabcorp has engaged the Lead Manager to assist in selling Retail Entitlements to subscribe for New Shares (including Retail Entitlements that would have been issued to Ineligible Retail Shareholders had they been eligible to participate in the Retail Entitlement Offer), through the Retail Shortfall Bookbuild. However, it is important to note that Lead Manager will be acting for and providing services to Tabcorp in this process and will not be acting for or providing services to shareholders or any other investor. The engagement of the Lead Manager by Tabcorp is not intended to create any agency, fiduciary or other relationship between the Lead Manager and the shareholders or any other investor. Please refer to section 2.11 for further information about the circumstances in which a Retail Premium (if any) may be available.

### 5.10 Continuous disclosure

Tabcorp is a “disclosing entity” under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules, including the preparation of annual reports and half yearly reports.

Tabcorp is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, Tabcorp has an obligation under the Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of Tabcorp shares. That information is available to the public from ASX.

# 6. AUSTRALIAN TAXATION CONSEQUENCES

This section is a general summary of the Australian income tax, goods and services tax (**GST**) and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders.

The taxation implications of the Retail Entitlement Offer will vary depending upon your particular circumstances. Accordingly, you should seek and rely upon your own professional advice before concluding on the particular taxation treatment that will apply to you.

Neither Tabcorp nor any of its officers or employees, nor its taxation or other advisers, accepts any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

The comments in this section deal only with the Australian income tax implications of the Retail Entitlement Offer if you:

- are an Eligible Retail Shareholder;
- are a resident of Australia for Australian income tax purposes; and
- hold your Existing Shares, New Shares and Retail Entitlements on capital account.

The comments do not apply to you if you:

- are not a resident for Australian income tax purposes;
- hold your Existing Shares, New Shares or Retail Entitlements as revenue assets or trading stock;
- are subject to the Taxation of Financial Arrangements (**TOFA**) rules in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in relation to your holding of New Shares or Retail Entitlements;
- acquired New Shares or Retail Entitlements pursuant to Shares acquired under an employee share scheme;
- are subject to special tax rules such as insurance companies and tax exempt organisations; or
- acquired Retail Entitlements otherwise than because you are an Eligible Retail Shareholder (e.g. where the Retail Entitlements are acquired on ASX).

The comments in this section are general in nature and are based on the Australian tax legislation and administrative practice in force as at the date of this Retail Offer Booklet.

## 6.1 Issue of Retail Entitlements

A Retail Entitlement issued to an Eligible Retail Shareholder is a capital gains tax (**CGT**) asset, being a right to subscribe for New Shares.

The issue of the Retail Entitlements will not itself result in any amount being included in your assessable income.

## 6.2 Sale of Retail Entitlements

If you sell your Retail Entitlements on ASX or otherwise, you should derive a capital gain for CGT purposes equal to the sale proceeds less certain non-deductible costs of disposal such as brokerage.

Eligible Retail Shareholders will be treated as having acquired their Retail Entitlements on the same day they acquired the Existing Shares which gave rise to the Retail Entitlements. Accordingly, individuals, complying superannuation entities or trustees that have held their Existing Shares for at least 12 months prior to the date of disposal, should be entitled to discount the amount of a capital gain resulting from the sale of the Retail Entitlements (after the application of any current year or carry forward capital losses). The amount of this discount is 50% for individuals and trustees and 33⅓% for complying superannuation entities. This is referred to as the 'CGT discount'. The CGT discount is not available for companies that are not trustees. Trustees should seek specific tax advice regarding the tax consequences arising to beneficiaries because of discount capital gains.

## 6.3 Retail Entitlements not taken up

Any Retail Entitlements not taken up, transferred or sold by you will be sold on your behalf in the Retail Shortfall Bookbuild and any Retail Premium in respect of your Retail Entitlements will be paid to you.

You will derive a capital gain for CGT purposes where the capital proceeds for your Retail Entitlements sold in the Retail Shortfall Bookbuild exceed your cost base in the Retail Entitlements.

Any Retail Premium paid to you for Retail Entitlements sold in the Retail Shortfall Bookbuild should constitute your capital proceeds for the sale. As the Retail Entitlements are granted to Eligible Retail Shareholders for nil consideration, your cost base in the Retail Entitlements should be limited to certain non-deductible incidental costs (if any) in relation to the disposal of your Retail Entitlements.

## 6. AUSTRALIAN TAXATION CONSEQUENCES CONTINUED

Individuals, complying superannuation entities or trustees that have held their Existing Shares for at least 12 months prior to the date of sale in the Retail Shortfall Bookbuild, should be entitled to the CGT discount in respect of any capital gain resulting from the sale of the Retail Entitlements in the Retail Shortfall Bookbuild (after the application of any current year or carry forward capital losses). Trustees should seek specific tax advice regarding the tax consequences arising to beneficiaries because of discount capital gains.

### 6.4 Taking up of Retail Entitlements

No income tax or CGT liability will arise on the taking up of your Retail Entitlements.

If you take up all or part of your Retail Entitlements you will acquire New Shares. The cost base of each New Share for CGT purposes will be equal to the Offer Price plus certain non-deductible incidental costs you incur in acquiring New Shares.

New Shares will be taken to have been acquired on the day you exercise the Retail Entitlements.

### 6.5 Dividends on New Shares as a result of Retail Entitlements taken up

Any future dividends or other distributions made in respect of New Shares will be subject to the same income taxation treatment as dividends or other distributions made on Existing Shares held in the same circumstances.

### 6.6 Disposal of New Shares

The disposal of a New Share will constitute a CGT event for CGT purposes.

On disposal of a New Share, you will make a net capital gain if the capital proceeds on disposal exceed the cost base of the New Share. You will make a capital loss if the capital proceeds are less than the reduced cost base of the New Share. The cost base of New Shares is addressed above in Section 6.4.

Individuals, trustees or complying superannuation entities that have held New Shares for 12 months or more before the date of disposal should be entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting capital losses). The CGT discount factor is 50% for individuals and trustees and 33⅓% for complying superannuation entities. The CGT discount is not available for companies that are not trustees. Trustees should seek specific tax advice regarding the tax consequences arising to beneficiaries because of discount capital gains.

New Shares will be treated for the purposes of the CGT discount as having been acquired when you exercise your Retail Entitlements. Accordingly, in order to benefit from the CGT discount in respect of a disposal of those New Shares, New Shares must have been held for at least 12 months after the date of being taken up and before the disposal occurs.

If you make a capital loss, you can only use that loss to offset other capital gains from other sources (i.e. the capital loss cannot be used against taxable income on revenue account). However, if the capital loss cannot be used in a particular income year it can be carried forward to use in future income years, providing in the case of companies, certain tests are satisfied.

### 6.7 Withholding tax

Tabcorp may be obliged to withhold tax on payment of dividends that are not fully franked, at the specified rate (currently 47%), and remit such amounts to the ATO, unless you have previously provided your TFN or ABN to Tabcorp or you have informed Tabcorp that you are exempt from quoting your TFN or ABN.

If you are an Australian tax resident shareholder, and you have not previously provided your TFN or ABN to Tabcorp, you may wish to do so. You are able to provide your TFN or ABN online with the Share Registry at [www.investorcentre.linkmarketservices.com.au](http://www.investorcentre.linkmarketservices.com.au). When providing your details online, you will be required to enter your Security Reference Number (**SRN**) or Holder Identification Number (**HIN**) as shown on your Issuer Sponsored/CHESS statements and other personal details such as your postcode.

Eligible Retail Shareholders may be able to claim an income tax credit/refund (as applicable) in their income tax returns in respect of any tax withheld.

### 6.8 Other Australian taxes

No Australian GST or stamp duty will be payable in respect of the issue, sale or taking up of Retail Entitlements or the acquisition of New Shares.

## 7. DEFINITIONS

**\$ or cents** means Australian dollars or cents.

**ABN** means Australian Business Number.

**AEST** means Australian Eastern Standard Time.

**Applicant** means an Eligible Retail Shareholder who has submitted a valid Application.

**Application** means the arranging for payment of the relevant Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form or the submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies.

**Application Monies** means the aggregate amount payable for the New Shares applied for through BPAY® or in a duly completed Entitlement and Acceptance Form.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) and the securities exchange operated by it.

**ASX Announcement** means the initial announcement in relation to the Entitlement Offer released to the ASX on Wednesday, 19 August 2020, incorporated in Section 4 of this Retail Offer Booklet.

**BPAY®** means BPAY Pty Ltd (ABN 69 079 137 518).

**Business Day** has the same meaning as in the Listing Rules.

**CGT** means capital gains tax.

**Closing Date** means 5.00pm (AEST) on Thursday, 10 September 2020, the day the Retail Entitlement Offer closes.

**Commissioner** means the Australian Commissioner of Taxation.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**CRN** means the unique Customer Reference Number on the personalised Entitlement and Acceptance Form.

**Eligible Institutional Shareholder** means, in accordance with sections 708(8) and (11) of the Corporations Act, respectively, a sophisticated or professional Shareholder on the Record Date who:

- (a) is not an Ineligible Institutional Shareholder; and
- (b) has successfully received an invitation from the Lead Manager to participate in the Institutional Entitlement Offer (either directly or through a nominee),

provided that if such person is in the United States, the person meets certain eligibility criteria determined by Tabcorp and the Lead Manager.

**Eligible Person** as determined by Tabcorp in accordance with Section 5.7.

**Eligible Retail Shareholder** has the meaning given in Section 5.1.

**Entitlement** means the right to subscribe for 1 New Share for every 11 Existing Shares held by eligible Shareholders on the Record Date, pursuant to the Entitlement Offer.

**Entitlement and Acceptance Form** means the entitlement and acceptance form accompanying this Retail Offer Booklet.

**Entitlement Offer** means the Institutional Entitlement Offer and the Retail Entitlement Offer.

**Existing Shares** means the Shares already on issue on the Record Date.

**GST** means goods and services tax, as defined in *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

**HIN** means Holder Identification Number.

**Ineligible Institutional Shareholder** means a Shareholder who is an institutional or sophisticated Shareholder on the Record Date with a registered address on the Tabcorp share register outside the Permitted Jurisdictions or to whom ASX Listing Rule 7.7.1(a) applies.

**Ineligible Retail Shareholder** means a Shareholder (or beneficial holder of Shares) other than an Eligible Institutional Shareholder, Ineligible Institutional Shareholder or Eligible Retail Shareholder.

**Institutional Entitlement** means an Entitlement under the Institutional Entitlement Offer.

**Institutional Entitlement Offer** means the pro-rata accelerated renounceable entitlement offer of New Shares to Eligible Institutional Shareholders under the Entitlement Offer.

**Institutional Settlement Date** means Friday, 28 August 2020.

**Institutional Shortfall Bookbuild** means the bookbuild process associated with the Institutional Entitlement Offer.

**Institutional Premium** means the proceeds (if any) in excess of the Offer Price (per underlying Share) in respect of the Entitlements sold in the Institutional Shortfall Bookbuild.

**Investor Presentation** means the presentation to investors in relation to the Entitlement Offer released to the ASX on Wednesday, 19 August 2020, incorporated in Section 4 of this Retail Offer Booklet.

## 7. DEFINITIONS CONTINUED

**Lead Manager** means UBS AG, Australia Branch (ABN 47 088 129 613).

**Lead Manager Parties** means the Lead Manager and each of the Lead Manager's affiliates, related bodies corporate (as that term is defined in the Corporations Act) and shareholders, and each of their respective directors, employees, officers, representatives, agents, affiliates, partners, consultants and advisers.

**Listing Rules** means the official listing rules of ASX.

**New Shares** means Shares to be allotted and issued under the Entitlement Offer.

**Offer Information Line** means 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia). The Offer Information Line will be answered live and operate between 8.00am and 7.30pm (AEST) on Monday to Friday during the Retail Entitlement Offer Period.

**Offer Price** means \$3.25 per New Share.

**Offer Website** means the offer website which can be accessed at [www.tabcorp.com.au/investors/offer](http://www.tabcorp.com.au/investors/offer).

**Permitted Jurisdiction** means Australia, New Zealand, United States, United Kingdom, Hong Kong, Norway, Japan, Switzerland, Singapore, Canada, France, Sweden, Netherlands, United Arab Emirates, Germany, China, Ireland, Denmark, Korea, Luxembourg, Italy, and any other jurisdiction as agreed between the Lead Manager and Tabcorp.

**Record Date** means 7.00pm (AEST) on Monday, 24 August 2020.

**Renunciation and Transfer Form** means the renunciation and transfer form which can be used to sell or transfer Retail Entitlements off market (i.e. other than on ASX).

**Retail Entitlement** means an Entitlement under the Retail Entitlement Offer.

**Retail Entitlement Offer** means the pro rata accelerated renounceable offer with retail rights trading of New Shares to Eligible Retail Shareholders under the Entitlement Offer.

**Retail Entitlement Offer Period** means the period from Friday, 28 August 2020 to 5.00pm (AEST) on Thursday, 10 September 2020.

**Retail Entitlement Trading Period** means the period from Monday, 24 August 2020 to Thursday, 3 September 2020.

**Retail Offer Booklet** means this document.

**Retail Premium** means the proceeds (if any) in excess of the Offer Price (per underlying Share) in respect of the Retail Entitlements sold in the Retail Shortfall Bookbuild.

**Retail Shortfall Bookbuild** means the bookbuild process associated with the Retail Entitlement Offer.

**Share** means a fully paid ordinary share in the capital of Tabcorp.

**Share Registry** means Link Market Services Limited (ABN 54 083 214 537).

**Shareholder** means a holder of Shares.

**SRN** means Securityholder Reference Number.

**Tabcorp** means Tabcorp Holdings Limited (ABN 66 063 780 709).

**TFN** means Tax File Number.

**Underwriting Agreement** means the underwriting agreement between Tabcorp and the Lead Manager.

**U.S. Securities Act** means the U.S. Securities Act of 1933, as amended.

## 8. CORPORATE INFORMATION

### **Tabcorp Holdings Limited**

(ABN 66 063 780 709)  
Level 21, Tower 2, Collins Square  
727 Collins Street  
Melbourne VIC 3008  
Australia  
[www.tabcorp.com.au](http://www.tabcorp.com.au)

### **Tabcorp Offer Information Line**

Australia: 1300 665 661  
International: +61 1300 665 661

Open 8.00am to 7.30pm (AEST) on Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (AEST) on Thursday, 10 September 2020

### **Share Registry**

Link Market Services Limited  
Level 12, 680 George Street  
Sydney NSW 2000  
Australia  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

### **Lead Manager**

UBS AG, Australia Branch  
Level 16, Chifley Tower  
2 Chifley Square  
Sydney NSW 2000  
Australia

### **Australian Legal Adviser**

Herbert Smith Freehills  
ANZ Tower  
161 Castlereagh Street  
Sydney NSW 2000  
Australia

**Tabcorp**