

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

24 August 2020

Australian Securities Exchange
Companies Announcements Platform
20 Bridge Street
Sydney NSW 2000

Letter to shareholders regarding Entitlement Offer

Enclosed is a letter to be despatched later today to shareholders of Tabcorp Holdings Limited (Tabcorp) with a registered address in Australia and New Zealand in respect of the Entitlement Offer announced by Tabcorp on Wednesday, 19 August 2020.

This announcement was authorised for release by the Tabcorp Chairman, Paula Dwyer.

For more information:

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IMPORTANT INFORMATION

This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia. In particular, neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may only be exercised or taken up by, and the New Shares to be offered and sold in the Retail Entitlement Offer may only be offered or sold to, persons that are not in the United States and that are not acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of such a person in the United States) in “offshore transactions” (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act.

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TABCORP HOLDINGS LIMITED

\$600 MILLION PRO-RATA ACCELERATED RENOUNCEABLE ENTITLEMENT OFFER (WITH RETAIL ENTITLEMENTS TRADING)

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Dear Shareholder,

On 19 August 2020, Tabcorp Holdings Limited ("**Tabcorp**") announced an underwritten pro-rata accelerated renounceable entitlement offer of new Tabcorp shares ("**New Shares**") (with retail entitlements trading) to raise gross proceeds of approximately \$600 million ("**Entitlement Offer**").

THE ENTITLEMENT OFFER AND USE OF PROCEEDS

The proceeds of the capital raising will be used to pay down existing drawn syndicated facilities. Further details are set out in the investor presentation relating to the Entitlement Offer published on ASX on 19 August 2020 ("**Investor Presentation**").

The purpose of this letter is to inform you about the Entitlement Offer and to explain that if you are an eligible shareholder, you will be able to subscribe for 1 New Share for every 11 existing Tabcorp ordinary shares ("**Shares**") held by you on the **Record Date** of 7.00pm (Australian Eastern Standard Time ("**AEST**")) on 24 August 2020 ("**Entitlement**"). The offer price is \$3.25 per New Share ("**Offer Price**").

New Shares issued under the Entitlement Offer will be fully paid and rank equally with existing Tabcorp ordinary shares from the date of issue.

Following completion of the Entitlement Offer, Tabcorp will have issued approximately 185 million New Shares, resulting in total Tabcorp ordinary shares on issue of approximately 2,217 million. The Entitlement Offer is underwritten by UBS AG, Australia Branch subject to the terms of an underwriting agreement (the terms of which are summarised in the Investor Presentation).

The Entitlement Offer comprises an institutional entitlement offer ("**Institutional Entitlement Offer**") and an offer to eligible retail shareholders (as described below, "**Eligible Retail Shareholders**") to participate at the same Offer Price and offer ratio ("**Retail Entitlement Offer**"). The Entitlement Offer is being made by Tabcorp without a prospectus or other disclosure document in accordance with section 708AA of the *Corporations Act 2001* (Cth) ("**Act**") (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*).

ELIGIBLE RETAIL SHAREHOLDERS

Eligible Retail Shareholders are those persons who:

- are registered as a holder of Shares on the Record Date;
- have a registered address on the Tabcorp share register in Australia or New Zealand;
- are not in the United States and are not acting for the account or benefit of a person in the United States;
- are not Eligible Institutional Shareholders and were not treated as an ineligible institutional shareholder under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer,

provided that, if a shareholder of Tabcorp (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 and will not be able to participate in the Retail Entitlement Offer.

RETAIL OFFER BOOKLET

This letter is not an offer document but rather an advance notice of some key terms and conditions of the Retail Entitlement Offer. Full details of the Retail Entitlement Offer are set out in an offer booklet ("**Retail Offer Booklet**"), copies of which will be available on the ASX website www.asx.com.au and Tabcorp's Entitlement Offer website at www.tabcorp.com.au/investors/offer from 28 August 2020.

Eligible Retail Shareholders will be mailed a Retail Offer Booklet, together with a personalised Entitlement and Acceptance Form which contains details of your Entitlement, on or around 28 August 2020. You should read the Retail Offer Booklet carefully and in its entirety before deciding whether to participate in the Retail Entitlement Offer.

ACTION REQUIRED BY ELIGIBLE RETAIL SHAREHOLDERS

Your Entitlement may have value and it is important you determine whether to (in whole or in part) take up, transfer, sell or do nothing in respect of your Entitlement. There are a number of matters that you should consider in relation to taking up your Entitlements. You should ensure that you understand the tax consequences of any action that you take (including doing nothing), and you should consider seeking advice from your tax, accounting or other professional adviser.

Eligible Retail Shareholders who participate in the Retail Entitlement Offer will see their percentage holding in Tabcorp stay the same (if they take up all of their Entitlement) or reduce (if they take up only part of their Entitlement). Eligible Retail Shareholders who do not participate in the Retail Entitlement Offer will have their percentage holding in Tabcorp reduced.

Take up an Entitlement

If you wish to take up all, or part of, your Entitlement, please pay your Application Monies via BPAY®, or alternatively you will need to complete and return the personalised Entitlement and Acceptance Form together with the requisite Application Monies. In each case, please follow the instructions set out on the personalised Entitlement and Acceptance Form. Application Monies must be received by the Tabcorp Share Registry by **5.00pm (AEST) on 10 September 2020**.

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 Tabcorp Offer 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.

Sell or transfer an Entitlement

There are a number of ways in which you can sell all, or part of, your Entitlement, each of which may result in a different value for those Entitlements sold:

1. If you wish to sell all of your Entitlement on ASX, you should instruct your stockbroker personally and provide them with details they request as set out on your personalised Entitlement and Acceptance Form. Entitlements can be sold on ASX from 24 August 2020 to 3 September 2020.
2. If you wish to take up part of your Entitlement and sell the balance on ASX, you need to:
 - in respect of the part of your Entitlement you are taking up, pay your Application Monies via BPAY® by following the instructions set out on the Entitlement and Acceptance Form, or complete and return your personalised Entitlement and Acceptance Form with the requisite Application Monies; and
 - in respect of Entitlements to be sold on ASX, you should instruct your stockbroker personally and provide them with details they request as set out on your personalised Entitlement and Acceptance Form.
3. If you wish to transfer all or part of your Entitlement other than on ASX, you will need to complete and return a Renunciation and Transfer Form (which can be obtained through the Tabcorp Offer Information Line or your stockbroker) together with the Entitlement and Acceptance Form and the transferee's Application Monies to the Tabcorp Share Registry by 5.00pm (AEST) on 10 September 2020. The purchaser's address must be in Australia or New Zealand (unless Tabcorp otherwise agrees) and the purchaser must not be in the United States or acting for the account or benefit of a person in the United States.

Please note you may incur brokerage fees if you choose to sell your Entitlement on ASX. Eligible Retail Shareholders who sell their Entitlement before receiving confirmation of their Entitlement in the Entitlement and Acceptance Form do so at their own risk. Tabcorp will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to you if you trade your Entitlement before you receive your personalised Entitlement and Acceptance Form, whether on the basis of confirmation of the allocation provided by Tabcorp or the Tabcorp Share Registry or failure to maintain your updated details on the Tabcorp Share Register or otherwise. You can ascertain your correct Entitlement by calling your stockbroker or the Tabcorp Offer Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia) from 8.00am to 7.30pm (AEST) Monday to Friday.

Nominees must not take up Entitlements on behalf of, or send any documents related to the Retail Entitlement Offer to, any person in the United States.

In order to exercise Entitlements, holders of Entitlements must meet certain eligibility criteria that will be set out in the Retail Offer Booklet. In particular, persons in the United States and persons acting for the account or benefit of a person 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 Entitlements on ASX or take up or exercise Entitlements purchased on ASX or transferred from another person. It is the responsibility of purchasers of Entitlements on ASX to inform themselves of the eligibility criteria for exercise of Entitlements. If holders of Entitlements after the end of the trading period do not meet the eligibility criteria,

they will not be able to take up or exercise the Entitlements and, as a result, they may receive no value for them.

Do nothing

If your Entitlements are not taken up, sold or transferred, you will be taken to have authorised the sale of those Entitlements in the retail shortfall bookbuild. These Entitlements will be offered for sale, for your benefit, in the retail shortfall bookbuild on or around 15 September 2020. Accordingly, if you do not take up all of your Entitlements, you will receive any proceeds in excess of the Offer Price in respect of your Entitlements, net of any applicable withholding tax.

However, there is no guarantee that you will receive any proceeds as a result of the retail shortfall bookbuild, or that any particular amount of retail sale proceeds will be achieved. The ability to obtain retail sale proceeds in connection with the Retail Shortfall Bookbuild, and the amount of any retail sale proceeds, is dependent on various factors, including market conditions and investor demand for New Shares. To the maximum extent permitted by law, each of Tabcorp and the underwriter and each of their respective related bodies corporate and affiliates, and each of their respective directors, officers, partners, employees, representatives and agents, disclaim all liability, including for negligence, for any failure to procure retail sale proceeds.

The tax consequences of selling your Entitlement or from doing nothing may be different. Before selling your Entitlement or choosing to do nothing in respect of your Entitlement, you should seek your own tax advice (and you may wish to refer to the tax disclosures contained in the Retail Offer Booklet which will provide general information on potential taxation implications for Australian resident shareholders).

KEY DATES FOR ELIGIBLE RETAIL SHAREHOLDERS

Retail Entitlement Offer	Date (2020)
Announcement of the Entitlement Offer	Wednesday, 19 August
Record Date for eligibility in the Retail Entitlement Offer (7.00pm AEST)	Monday, 24 August
Retail Entitlements commence trading on ASX on a deferred settlement basis (ASX Code: TAHRA)	Monday, 24 August
Retail Entitlement Offer opens	Friday, 28 August
Retail Offer Booklet and Entitlement and Acceptance Form despatched	Friday, 28 August
Retail Entitlements commence trading on ASX on a normal settlement basis	Monday, 31 August
Retail Entitlements trading on ASX ends	Thursday, 3 September
Retail Entitlement Offer closes (5.00pm AEST)	Thursday, 10 September
Retail Entitlement Offer shortfall bookbuild	Tuesday, 15 September
Settlement of the Retail Entitlement Offer	Friday, 18 September
Allotment of New Shares under the Retail Entitlement Offer	Monday, 21 September
New Shares allotted under the Retail Entitlement Offer commence trading on ASX on a normal settlement basis	Tuesday, 22 September
Holding statements despatched	Wednesday, 23 September
Retail premium proceeds (if any) despatched to shareholders	Wednesday, 23 September

The above timetable is indicative only and subject to change. All times are references to AEST.

Tabcorp reserves the right to amend any or all of these events, dates and times without notice subject to the Act, the ASX Listing Rules and other applicable laws. In particular, Tabcorp reserves the right to extend the closing date of 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 at any time without prior notice. Any extension of the closing date will have a consequential effect on the issue 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.

For further information on the Entitlement Offer, please call the Tabcorp Offer Information Line on 1300 665 661 (within Australia) or +61 1300 665 661 (outside Australia), from 8.00am to 7.30pm (AEST) Monday to Friday, and read the Retail Offer Booklet when available. If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.

The Tabcorp Board is pleased to offer this opportunity to you.

Yours faithfully



Paula J. Dwyer
Chairman
Tabcorp Holdings Limited

IMPORTANT INFORMATION

This letter is issued by Tabcorp Holdings Limited (ABN 66 063 780 709). This letter is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any shares in Tabcorp in any jurisdiction. This letter does not constitute financial product advice and does not and will not form part of any contract for the acquisition of Tabcorp ordinary shares.

This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia. In particular, neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may only be exercised or taken up by, and the New Shares to be offered and sold in the Retail Entitlement Offer may only be offered or sold to, persons that are not in the United States and that are not acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of such a person in the United States) in “offshore transactions” (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act.

Nothing contained in this document constitutes investment, legal, tax or other advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. Please read the Retail Offer Booklet, and if you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.