



## Seeking Approval for Tabcorp Demerger

<b>Company/ASX Code</b>	Tabcorp Holdings Ltd/ TAH
<b>Scheme Meeting date</b>	Thursday 12 May 2022
<b>Time and location</b>	10am/10.30am AEST Amora Hotel Jamison Sydney
<b>Registry</b>	Link Market Services
<b>Webcast</b>	Yes
<b>Poll or show of hands</b>	Poll on all items
<b>Monitor</b>	Mike Muntisov assisted by Steve van Emmerik
<b>Pre-AGM Meeting?</b>	No

The individual(s) (or their associates) involved in the preparation of this voting intention have no shareholding in this company.

Voting recommendations associated with schemes and takeovers are considered to relate to dealings in financial products and require a financial service licence which ASA does not hold. For this reason, we urge you to read the scheme booklet and make your own decision and lodge the proxy forms for each meeting with a directed vote either for or against the resolution based on your circumstances.

### Summary of meeting/s

There are two meetings scheduled for 12 May 2022 to gain approval for the demerger of Tabcorp, with one proxy form for the General Meeting and one proxy form for the Scheme Meeting.

The first is a General Meeting at 10.00am to consider a technical resolution to approve a Capital Reduction which permits the demerging of the Lotteries Corporation. To pass, this resolution requires a simple majority of shareholders to vote in favour. Shareholders in favour of the Demerger Arrangement would be expected to vote in favour of this resolution, as the demerger can't proceed without its approval. If the scheme doesn't proceed, the capital reduction will not be undertaken.

The second is the Scheme Meeting, which follows straight after at 10.30am, and is the formal shareholder vote to approve the demerger arrangement. For the Demerger to proceed, the Scheme Resolution must be approved by a majority in number (more than 50%) of Tabcorp Shareholders present and voting at the Scheme Meeting (whether in person or by proxy); and at least 75% of the total number of votes cast on the resolution by Tabcorp Shareholders present and voting (whether in person or by proxy) at the Scheme Meeting.

The following discussion relates to the Scheme Meeting

<b>Item 1</b>	<b>To Approve the Scheme of Arrangement</b>
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The Tabcorp Demerger is the proposed separation of Tabcorp's Lotteries and Keno business from its Wagering and Media and Gaming Services businesses, to create two separate ASX-listed gambling entertainment companies.

This will be achieved by separating off The Lotteries Corporation (ASX: TLC) which will hold the lotteries and keno assets of the current Tabcorp. This business represents about sixty percent of Tabcorp's current revenue. The new Tabcorp will hold the remaining assets.

If approved, Tabcorp shareholders will receive one share in The Lotteries Corporation for each share they hold in Tabcorp. Shareholders will therefore hold one share of The Lotteries Corporation and one share in the slimmed down New Tabcorp for every share in the current Tabcorp that they hold. It is expected that the share prices of the new companies will reflect their relative value and should in total sum up to somewhere around the current Tabcorp share price.

The directors of Tabcorp recommend the Demerger be approved for the following reasons.

- Creates two significant businesses with focused Executive Leadership Teams
- Allows each business to adopt operating profiles and capital structures more aligned to its core operations
- Allows shareholders' to benefit from any future M&A activity
- Allows shareholders to retain full upside potential from various growth opportunities which may arise for both businesses
- Creates access to new and different investor categories with different investment preferences and ESG criteria
- Allows shareholders to value each business on a standalone basis with potential for market re-rating

Shareholders should study the Scheme Arrangement booklet which sets out potential disadvantages and risks, and make their own assessment of the merits of the demerger for their circumstances.

ASA requests proxy givers provide directed proxies but advises we will vote any open proxies in favour of the Scheme Arrangement.

The scheme booklet includes the Independent Expert's report which provides significant detail, and concludes that the Demerger is in the best interest of Tabcorp shareholders.

Some issues which shareholders should take note of:

Tabcorp is offering a Small Shareholder Sale Facility for shareholders with up to 2,000 shares without incurring any brokerage. The deadline for participation in this facility is 23 May 2022.

The taxation implications very much depends on when the Tabcorp shares were purchased and how the taxpayer chooses to treat the demerger. It is recommended shareholders read section six of the Scheme booklet and seek taxation advice as necessary.

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