



Dear Investors

As promised, we are happy to update you as we continue our pursuit to list TCM International Trade Ltd. ("TCM") on the Australian Securities Exchange.

Recently we received the Australian regulator (FIRB) approval for our first Australian acquisition, namely Toy Universe. We plan to take over the store's activities in the following month. We are excited to commence full-scale operations with Toy Universe in Australia and transform it into a global eCommerce business. We are also in the process of migrating our other recent acquisitions onto our platform, gearing up for the fourth and strongest quarter of the year.

TCM management and consultants are working diligently on auditing the Company's financial reports and building our infrastructure in preparation for life as a publicly traded company. Although the audit process is well underway, the requirement to consolidate the Company's financial statements with the financial accounts of certain special purpose vehicles holding eCommerce assets has proved to be more time-consuming than Company's auditors, Grant Thornton, anticipated initially.

TCM awaits ASX's response to its in-principle application. We understand that the ASX has a high caseload, and applications at present can take up to six weeks for an initial answer. While waiting on the ASX response, the Company's legal advisors have advised applying to the Israeli Securities Authority to seek approval for the structure of specific historical eCommerce activity under Israeli Securities law. The Company is acting as per this advice.

Given the above, we don't expect to be able to list in October as initially targeted. We will be pushing to list this year; however, Q1 2021 looks like a more realistic outcome.

We are pleased to confirm that we are well advanced in securing the services of three high profile Australian Directors and Chairperson to join the Board at the listing. Together, they bring a wealth of experience across a broad range of sectors and are incredibly enthusiastic about TCM's future. With the terms of their engagement still to be finalized, we will not mention any names just yet. They include two former CEOs of multi-billion-dollar ASX-listed companies and a very senior executive from the banking sector. We have also commenced discussions with a significant international broking house to take the Lead Manager role for the IPO and will conclude that shortly.

Our results for August were tremendous, achieving a record month of sales of US\$2.76m (unaudited results), up more than 12% month-on-month, and 178% year-on-year. As the e-commerce market continues to grow at an unprecedented rate, we expect the December quarter to deliver exceptional growth across our portfolio of e-stores.

While the delay in our listing plans is somewhat out of our control, we believe it will benefit TCM and its shareholders as it provides us with ample time to pursue further acquisitions, fine-tune the integration of those acquisitions, and increase our profits and



scale before the listing. With additional e-stores, increased scale, and even more substantial cash flow, we can hit the ground running at the IPO and beyond. Regardless of the IPO's timing, we will push hard to reach our financial goals for 2020.

We look forward to keeping you updated during these exciting times for TCM.

Best Regards,

Gabi and Shani Bar, Co-CEOs