

12 April 2024

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

**SGH WELCOMES BRC RECOMMENDATION;
SHAREHOLDERS TO RECEIVE MAXIMUM CONSIDERATION**

Seven Group Holdings Limited ACN 142 003 469 (**SGH**), through its wholly owned subsidiary Network Investment Holdings Pty Ltd (ACN 078 448 512) (**SGH Bidder**) refers to its off-market takeover bid for Boral Limited (Boral) and notes the following developments:

- Boral's Bid Response Committee's (**BRC**) has today provided its unanimous recommendation that Boral shareholders should accept SGH's takeover offer (**Offer**) or sell their Boral shares on-market.
- As a result of the package of measures agreed with the BRC, the Maximum Consideration of 0.1116 SGH Shares and \$1.70 cash¹ will now be paid to all Boral shareholders who accept the Offer (including those who have already done so).
- In calculating the scrip consideration to be issued to Boral Shareholders, SGH has agreed to round to the nearest whole number of SGH shares (either up or down), subject to customary protections against splitting shareholdings.
- SGH also intends to declare a \$0.30 per share fully-franked dividend that will be paid to all existing and new SGH shareholders following completion of the SGH Offer.
- The Independent Expert has formed the view that the Offer is reasonable.
- SGH now has an aggregate interest of 78.79% in Boral (including acceptances received under the Acceptance Facility).

SGH also notes that Boral's BRC has today announced two capital management initiatives, being an on-market buyback of up to 5% of Boral's share capital on issue capped at the implied offer value and a fully-franked \$0.26 dividend per share to deliver \$0.11 of franking credits for shareholders who can utilise them.²

Boral shareholders should note that the total consideration under SGH's offer will be adjusted for the dividend, with the cash component being reduced from \$1.70 to \$1.44 (reflecting the \$0.26 dividend being paid by Boral in accordance with the Offer terms) where the shareholders' Boral shares are transferred to SGH after the Record Date.

SGH MD&CEO Ryan Stokes said: *"We welcome the change in recommendation from the Bid Response Committee and we are pleased to be able to offer Boral shareholders the Maximum Consideration under our Offer."*

"Both new and existing SGH shareholders also stand to benefit from the 30 cent per share fully-franked dividend that SGH will pay following completion of SGH's Offer. The initiatives announced today improve momentum supporting our achievement of this outcome."

¹ This is adjusted to \$1.44 after adjusting for the \$0.26 per share fully-franked dividend to be paid to Boral shareholders if their Boral shares are transferred to SGH after the Record Date.

² Full details available in Boral Limited's ASX statement dated 12 April 2024.



“Boral shareholders will continue to have exposure to the future growth of the Boral’s business within SGH, alongside the Group’s suite of market-leading, industrial-focused businesses. SGH has a history of delivering outstanding shareholder returns incorporating capital growth and dividends, with a total shareholder return of 180% over the past five years.”

Following the initiatives listed above, if SGH acquires 100% of Boral, the Group’s Adjusted Net Debt / LTM Dec-23 EBITDA will remain below 2.5x, demonstrating the financial discipline by which this merger has been undertaken.

As a result of Boral’s BRC’s unanimous recommendation that Boral shareholders should accept the Offer, the conditions for release of acceptances from the Acceptance Facility have been satisfied. Shareholders that have tendered into the Acceptance Facility to date will be entitled to receive the payment of a \$0.26 per share fully-franked dividend to Boral shareholders.

SGH encourages Boral shareholders to **ACT NOW and ACCEPT** the Offer as soon as Boral trades ex-dividend. The Offer period will now be extended to allow the undertaking of Boral’s two capital management initiatives and will be open to Boral Shareholders until 7.00 pm (Sydney time) on 15 May 2024. Shareholders who accept the Offer will now be issued with SGH Shares and sent payment within 7 Business Days. The Offer is best and final.

This release has been authorised to be given to ASX by the Board of SGH.

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Seven Group Holdings Limited is an Australian diversified operating group, with market leading businesses across industrial services, energy and media. In industrial services, SGH owns WesTrac and Coates, and holds a 76.9% interest in Boral. WesTrac is the sole authorised Caterpillar dealer in Western Australia, New South Wales and the Australian Capital Territory. Coates is Australia's largest industrial and general equipment hire business. Boral is Australia's largest and leading integrated construction materials business. In Energy, SGH has a 30.0% shareholding in Beach Energy, as well as interests in other energy assets in Australia and the United States. In Media, SGH has a 40.2% shareholding in Seven West Media, one of Australia's largest multiple platform media companies, including the Seven Network, 7plus and The West Australian.



Fourth Supplementary Bidder's Statement

by **Network Investment Holdings Pty Limited** (ACN 078 448 512), a wholly owned subsidiary of **Seven Group Holdings Limited** (ACN 142 003 469), in relation to its off-market takeover bid for all of the ordinary shares in **Boral Limited** (ACN 008 421 761) (**Offer**).

1 Important information

This document is a supplementary bidder's statement under section 643 of the *Corporations Act 2001* (Cth) (**Corporations Act**). It is the fourth supplementary bidder's statement (**Fourth Supplementary Bidder's Statement**) issued by Network Investment Holdings Pty Limited (**SGH Bidder**), a wholly owned subsidiary of Seven Group Holdings Limited (**SGH**), in relation to the Offer.

This Fourth Supplementary Bidder's Statement supplements, and should be read together with, the replacement Bidder's Statement dated 4 March 2024 (**Bidder's Statement**), as supplemented on 4 March and 26 March 2024 and prevails to the extent of any inconsistency with the Bidder's Statement or the prior supplementary bidder's statements.

A copy of this Fourth Supplementary Bidder's Statement has been lodged with ASIC and provided to ASX on 12 April 2024. Neither ASIC, ASX nor any of their respective officers take any responsibility for its contents.

Unless the context otherwise requires, terms defined in the Bidder's Statement have the same meaning in this Fourth Supplementary Bidder's Statement. The rules of interpretation in section 10 of the Bidder's Statement also apply to this Fourth Supplementary Bidder's Statement.

2 Summary

Boral's Bid Response Committee (**BRC**) now unanimously recommends that Boral shareholders **ACCEPT** SGH's Offer or sell their Boral shares on-market. The BRC has stated that Boral shareholders should wait until after the record date for the Boral dividend (18 April 2024) to accept.

- (a) **Cash consideration increased by \$0.20 to now be the maximum consideration under the Offer of 0.1116 and \$1.70 cash per Boral share**
- (b) **Boral to pay \$0.26 per Boral share fully franked dividend – cash consideration correspondingly reduced by \$0.26 for shareholders who accept after the dividend record date (18 April 2024)**
- (c) **SGH intends to pay \$0.30 per SGH share fully franked dividend after completion of SGH's Offer**
- (d) **Boral has announced a potential on-market buyback for up to maximum size of 5% of Boral's shares at no higher than the prevailing implied value of the Offer (capped at \$6.16 per Boral share on ex-dividend basis)**
- (e) **Improved rounding treatment – fractional entitlements now rounded to the nearest whole SGH share (rather than down in all cases)**
- (f) **Offer is extended to 7.00pm (Sydney time) on 15 May 2024**

 WesTrac

 Coates



 SGH | Energy

Seven Group Holdings Limited | ABN 46 142 003 469

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3 Offer price increased to the Maximum Consideration

SGH has increased the cash consideration payable under its Offer by \$0.20 per Boral share.

Boral shareholders who accept will now receive \$1.70 cash (subject to the Boral Dividend in section 4.1) and 0.1116 SGH shares (subject to rounding) per Boral share. This is the Maximum Consideration under SGH's Offer and has an aggregate value of \$6.25 per share.¹

SGH increased the total cash consideration by \$0.20 as follows:

- (a) Following the unanimous recommendation by the BRC that Boral shareholders accept the Offer or sell their Boral shares on market, the condition for the First Consideration Increase of \$0.10 cash per Boral share has been satisfied or, to the extent not satisfied, waived.
- (b) SGH Bidder has also waived the condition relating to the Second Consideration Increase of the \$0.10 cash per Boral share, being reaching the compulsory acquisition threshold of 90.6%.

Shareholders who have already accepted the Offer will receive the additional \$0.20 per share consideration in 7 business days.

4 Boral and SGH shareholders to receive dividends

4.1 \$0.26 Boral Dividend (corresponding reduction in cash consideration)

As described in Boral's Second Supplementary Target's Statement dated 12 April 2024, Boral has announced a fully franked dividend of \$0.26 per Boral share (**Boral Dividend**) with a record date of 18 April 2024 (**Record Date**).

Consistent with section 9.11(e) of the Bidder's Statement, the \$1.70 per share now payable to accepting Boral shareholders will be reduced by the amount of the Boral Dividend if their Boral shares are transferred to SGH after the Record Date. This means they will receive \$1.44 as the cash consideration under the Offer. As set out in Boral's Second Supplementary Target's Statement, Boral shareholders as at the Record Date will be able to benefit from any franking credits.

This means a Boral shareholder who holds their Boral shares on the Record Date and then accepts the Offer will receive the Boral Dividend from Boral and will receive from SGH 0.1116 SGH shares (subject to rounding) and \$1.44 cash for every Boral share.

4.2 SGH intends to pay a dividend after SGH shares issued under Offer

SGH intends to declare a \$0.30 per SGH share fully franked dividend that will be paid to all existing and new shareholders, within a week after the latest date SGH shares are issued to Boral shareholders in connection with the Offer.

5 Changes to rounding

SGH Bidder has also amended the terms of its Offer so that if a shareholder is entitled to a fraction of an SGH share, it will be rounded up or down to the nearest whole SGH Share. Previously, all fractional entitlements were rounded down.

¹ Based on the closing price of SGH Shares of \$40.77 at close of trading on 16 February 2024. The implied aggregate value of the Offer will vary depending on the market price of SGH Shares and subject to the effects of rounding – see section 5 of this Fourth Supplementary Bidder's Statement.

This means that if a shareholder would be entitled to 0.5 or more of an SGH Share under the Offer, they will be rounded up to the nearest whole SGH Share. Shareholders who are entitled to less than 0.5 SGH Share will continue to be rounded down.

SGH has included an anti-parcel splitting provision, under which if SGH reasonably believes that any parcel of SGH Shares has been created or manipulated to take advantage of rounding up, then any fractional entitlement will be aggregated or rounded down to the nearest whole number of SGH Shares.

6 Boral's on-market buyback

As described in Boral's Second Supplementary Target's Statement dated 12 April 2024, Boral has also announced a potential on-market buyback for up to 5% of Boral's issued share capital (**Buyback**).

Under the Buyback, Boral will purchase Boral shares in the ordinary course of trading at a price not higher than the prevailing implied value of SGH's Offer Consideration and capped at \$6.16 per Boral share (on an ex-dividend basis).

7 Acceptance Facility

The Boral Board (excluding SGH nominees) has unanimously recommended that Boral Shareholders accept the Offer (or sell their Boral shares on market). As a result, the condition to the acceptance facility has been satisfied or, to avoid any doubt, waived. SGH has delivered a Confirmation Letter to the Acceptance Facility Agent directing it to release all Acceptance Instructions.

As a result, all shares the subject of the Acceptance Facility will be unconditionally accepted into the bid, and shareholders will receive their consideration within 7 business days of accepting. Shareholders who have tendered into the Acceptance Facility to date will be entitled to receive the Boral Dividend.

Any shareholders who wish to accept the Offer should do so by following the acceptance instructions set out in section 9.3 of the Bidder's Statement.

8 Offer Period extended

The Offer Period has been extended and is now scheduled to close at 7.00pm (Sydney time) on 15 May 2024 (unless extended).

9 Approval of Fourth Supplementary Bidder's Statement

This Fourth Supplementary Bidder's Statement has been approved by a unanimous resolution of the directors of Network Investment Holdings Pty Limited.

Signed for and on behalf of Network Investment Holdings Pty Limited by:



Richard Richards
Director

12 April 2024

A copy of this notice was lodged with ASIC on 12 April 2024. ASIC takes no responsibility for the contents of this notice.

Network Investment Holdings Pty Ltd a wholly-owned subsidiary of Seven Group Holdings Limited

Takeover offer for Boral Limited

Notice of variation under subsection 650D(1) of the Corporations Act

To: Australian Securities and Investments Commission (**ASIC**)

ASX Limited

Boral Limited (**Boral**)

Each Boral shareholder and other person referred to in s650D(1)(c) and s650D(2) of the Corporations Act 2001 (Cth)

Network Investment Holdings Pty Ltd (ACN 078 448 512) (**SGH Bidder**), a wholly owned subsidiary of Seven Group Holdings Limited, gives notice under subsection 650D(1) of the Corporations Act that it varies its off-market takeover bid (**Offer**) for all of the ordinary shares in Boral which is contained in its bidder's statement, as replaced and dispatched on 4 March 2024, and supplemented on 4 March 2024 and 26 March 2024 (**Bidder's Statement**), by:

- (a) amending subsection 9.1(c) of the Bidder's Statement to increase the cash component of the offer consideration from \$1.50 to \$1.70 for each Boral ordinary share;
- (b) replace the amount "\$1.50" with the amount "\$1.70" in all places in the Bidder's Statement, the acceptance form enclosed with the Bidder's Statement and in all other instances where the amount "\$1.50" appears as the cash component of the offer consideration;
- (c) amending section 9.1(c) of the Bidder's Statement to:
 - (1) remove the words, "*If this calculation results in an entitlement to a fraction of an SGH Share, that fraction will be rounded down to the next whole number of SGH Shares.*"; and
 - (2) insert the words, "*If this calculation results in an entitlement to a fraction of an SGH Share, that fractional entitlement will:*
 - a. *if less than 0.5, be rounded down to the nearest whole SGH Share; and*
 - b. *otherwise, be rounded up to the nearest whole SGH Share.*"
- (d) inserting a new section 9.1(ca) immediately below section 9.1(c), as follows:

"If SGH reasonably believes that any parcel of SGH Shares has been created or manipulated to take advantage of rounding up, then any

fractional entitlement will be aggregated or rounded down to the nearest whole number of SGH Shares.”

- (e) extending the period in which the offer will remain open so that the offer will now close at 7:00pm (Sydney) on 15 May 2024 (unless extended).

This notice of variation has been approved by a resolution passed by the directors of SGH Bidder.

DATED: 12 April 2024

Signed for and on behalf of
Network Investment Holdings Pty Ltd



Richard Richards
Director