

4 March 2024

The Manager
Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir Madam

Takeover bid by Seven Group Holdings Limited for Boral Limited – second supplementary bidder's statement and notice that defeating condition to takeover bid freed

We refer to the off-market takeover bid by Network Investment Holdings Pty Ltd ACN 078 448 512 (**SGH Bidder**), a wholly-owned subsidiary of Seven Group Holdings Limited ACN 142 003 469, for all the ordinary shares in Boral Limited ACN 008 421 761 announced on 19 February 2024 (**Offer**).

We enclose, by way of service pursuant to section 647(3)(a) of the Corporations Act 2001 (Cth) (**Corporations Act**), a copy of SGH Bidder's second supplementary bidder statement dated 4 March 2024, which supplements or amends the replacement bidder's statement dated 4 March 2024.

We also enclose, by way of service pursuant to sections 650F(3)(a) of the Corporations Act 2001 a notice declaring that the Offer has been freed from all remaining defeating conditions.

The Offer is currently scheduled to close at 7.00pm (Sydney time) on 4 April 2024.

Yours sincerely



Warren Coatsworth
Company Secretary

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 71.6% 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.



Second 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).

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 second supplementary bidder's statement (**Second Supplementary Bidder's Statement**) to the bidder's statement dated 19 February 2024 as replaced and issued on 4 March 2024 (**Bidder's Statement**) (reflecting changes made in the First Supplementary Bidder's Statement dated 4 March 2024) by Network Investment Holdings Pty Limited (ACN 078 448 512) (**SGH Bidder**), a wholly owned subsidiary of Seven Group Holdings Limited (ACN 142 003 469) (**SGH**), in relation to its off market takeover bid for all the ordinary shares in Boral Limited (ACN 008 421 761) (**Boral**) (the **Offer**).

This Second Supplementary Bidder's Statement supplements, and should be read together with, the Bidder's Statement and prevails to the extent of any inconsistency with the Bidder's Statement.

A copy of this Second Supplementary Bidder's Statement has been lodged with ASIC and provided to ASX on 4 March 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 Second Supplementary Bidder's Statement. The rules of interpretation in section 10 of the Bidder's Statement also apply to this Second Supplementary Bidder's Statement.

2 Offer declared unconditional

Pursuant to section 9.8(a) of the Bidder's Statement and section 650F of the Corporations Act, SGH Bidder has announced that the Offer is now free from all Conditions. Shareholders who accept the Offer will now be issued SGH Shares¹ and sent payment within 7 Business Days (see further details under paragraph 3).

3 Improved payment terms

SGH is pleased to announce that it has improved the payment terms under the Offer.

¹ If you are a Foreign Shareholder, you will not be entitled to receive SGH Shares as the consideration for the Relevant Shares as a result of accepting this Offer. Refer to section 9.11(g) of the Bidder's Statement for further details.



If you accept the Offer in accordance with the instructions contained in the Offer, you will be issued SGH Shares² and sent payment within 7 Business Days from the date on which you accept the Offer.

4 Shareholder acceptance facility

4.1 Overview

SGH Bidder has established an acceptance facility that is open to all Boral Shareholders to facilitate the receipt of their acceptances of the Offer (**Facility**). The Facility enables Boral Shareholders to indicate their intention to accept the Offer without being obliged to do so until the First Consideration Increase is effective.

As set out in section 5.1 of the Bidder's Statement, the Offer Consideration will be increased in certain circumstances:

- (a) **First Consideration Increase:** the cash component of the Offer Consideration will be increased by \$0.10 per Boral Share if one or both of the following occur:
 - (1) SGH Bidder receives acceptances under the Offer sufficient to increase its aggregate interest in Boral Shares to 80% or more prior to close of the Offer; or
 - (2) the Boral Board (excluding the SGH nominee directors, Mr Stokes and Mr Richards) unanimously recommend that Boral Shareholders accept the Offer.
- (b) **Second Consideration Increase:** the cash component of the Offer Consideration will be increased by a further \$0.10 per Boral Share if:
 - (1) SGH Bidder receives acceptances under the Offer sufficient to increase its voting power in Boral Shares to 90.6% or more prior to close of the Offer, being the point at which SGH Bidder may proceed to compulsorily acquire the Boral Shares not accepted under the Offer under Part 6A.1 of the Corporations Act.

If the First Consideration Increase and the Second Consideration Increase occur, Boral Shareholders would receive 0.1116 SGH Shares and \$1.70 cash per Boral Share.

4.2 Operation of the Facility

The Facility is operated by Computershare Clearing Pty Limited ACN 063 826 228, an independent third party acceptance facility operator (**Acceptance Facility Agent**). The Facility will be operated by the Acceptance Facility Agent in accordance with the Facility terms of appointment (**Terms of Appointment**).

The Facility will operate as follows:

- (a) If you decide to participate in the Facility, you will provide to the Acceptance Facility Agent a duly completed appointment of Acceptance Facility Agent form (**Appointment Form**), together with:
 - (1) if you are the registered shareholder of your Boral Shares, a duly completed acceptance and transfer form for the Offer in respect of some or all your Boral Shares (**Acceptance Form**); or
 - (2) if your Boral Shares are held by a custodian (such as a nominee) (**Custodian**), a duly completed and executed direction to your

² If you are a Foreign Shareholder, you will not be entitled to receive SGH Shares as the consideration for the Relevant Shares as a result of accepting this Offer. Refer to section 9.11(g) of the Bidder's Statement for further details.

Custodian to accept the Offer in respect of some or all your Boral Shares (**Custodian Direction**),

(collectively, the **Acceptance Instructions**).

- (b) The Acceptance Facility Agent will hold the completed Acceptance Form and/or Custodian Direction in accordance with the terms set out in the Appointment Form.
- (c) SGH Bidder may deliver a letter to the Acceptance Facility Agent (**Confirmation Letter**) confirming that one or both of the following have occurred:
 - (1) SGH Bidder has received acceptances under the Offer sufficient to increase its aggregate interest in Boral Shares to 80% or more prior to close of the Offer; or
 - (2) the Boral Board, (excluding the SGH nominee directors, Mr Stokes and Mr Richards), unanimously recommend that Boral Shareholders accept the Offer,(collectively, the **First Consideration Increase Conditions**).
- (d) SGH Bidder will not provide the Confirmation Letter to the Acceptance Facility Agent unless one or both of the First Consideration Increase Conditions has been satisfied. For this purpose, SGH Bidder's aggregate interest will be calculated based on the sum of:
 - (1) the "voting power" in Boral which SGH discloses, including any swap interest which requires disclosure under section 671B(7) of the Corporations Act even though it does not convey a relevant interest by virtue of section 609(6) of the Corporations Act; and
 - (2) the number of Boral Shares in respect of which Acceptance Instructions have been received under the Facility (as advised by the Acceptance Facility Agent to SGH Bidder).
- (e) Upon the Acceptance Facility Agent receiving the Confirmation Letter from SGH Bidder, the Acceptance Facility Agent will, as soon as is reasonably practicable, deliver (as appropriate):
 - (1) the Acceptance Form to Boardroom Pty Limited (in the case of Issuer Sponsored Holdings) or to the relevant Controlling Participant (in the case of CHESS Holdings); or
 - (2) the Custodian Direction to the relevant Custodian(s).
- (f) You will retain all rights and control over your Boral Shares and, in particular, will be able to withdraw your Acceptance Form or Custodian Direction simply by submitting a withdrawal notice to the Acceptance Facility Agent in writing (including by email) (**Withdrawal Notice**). The Acceptance Facility Agent must return the Acceptance Instructions to the Boral Shareholder promptly upon:
 - (1) receipt of a written request (by email) from you at any time prior to the Acceptance Facility Agent receiving the Confirmation Letter from SGH Bidder; or
 - (2) SGH Bidder terminating its arrangements with the Acceptance Facility Agent in respect of the Facility.

For the avoidance of doubt, if you decide to participate in the Facility (and comply with the steps contemplated in section 4.2(a) above) after the time at which SGH Bidder has delivered the Confirmation Letter to the Acceptance Facility Agent, you have no right to withdraw your Acceptance Form or Custodian Direction.

The Acceptance Facility Agent will receive reasonable fees from SGH Bidder for acting as facility agent, and will not charge Boral Shareholders any fees for acting as facility agent.

4.3 Disclosure

SGH Bidder will treat any Boral Shares the subject of the Facility as shares over which it has “voting power” for the purpose of the disclosure requirements in section 671B(7) of the Corporations Act and for continuous disclosure obligations in respect of the Facility.

By 8.30am (Sydney time) on each Business Day, the Acceptance Facility Agent will inform SGH Bidder of the number of Boral Shares in respect of which Acceptance Instructions have been received as at 7.00pm (Sydney time) on the previous Business Day.

Following receipt of this information from the Acceptance Facility Agent, SGH Bidder will disclose this information as required by the Corporations Act. When SGH Bidder discloses its voting power in that regard, it will do so in a way that distinguishes the Boral Shares that are the subject of the Facility.

4.4 Participating in the Facility

If a Boral Shareholder wishes to participate in the Facility, please provide to the Acceptance Facility Agent:

- (a) a completed and executed Appointment Form; and
- (b) a completed and executed:
 - (1) Acceptance Form; or
 - (2) in respect of Boral Shares held by a custodian, Custodian Directions (one copy for the Bidder and one copy for the Custodian).

A copy of the Appointment Form, Terms of Appointment, Acceptance Form, Custodian Directions and Withdrawal Notice will be provided to Boral Shareholders upon request. Any Boral Shareholder may request a copy of any of these documents from the Acceptance Facility Agent by email at custodians@computershare.com.au. The documents will also be included in an SGH ASX announcement and available on SGH's website.

Boral Shareholders can provide their Appointment Form, together with their Acceptance Form or Custodian Direction, to the Acceptance Facility Agent by post or email. If these forms are provided to the Acceptance Facility Agent by email, please also courier the original documents to the Acceptance Facility Agent immediately upon sending the email. The Acceptance Facility Agent reserves the right to act on documents emailed to it.

4.5 Immediately accepting the Offer (without participating in the Facility)

You may also immediately accept the Offer by lodging with SGH Bidder a complete and executed Acceptance Form, in the form attached to the original Bidder's Statement. Should one or both of the First Consideration Increase Conditions be satisfied or both waived, you will still be entitled to receive the First Consideration Increase.

Further, should the Second Consideration Increase occur, you will also be entitled to receive the Second Consideration Increase.

4.6 Further information

If you have any questions in relation to the Facility or the related documents, please contact Computershare Clearing Pty Limited by email at custodians@computershare.com.au.

5 Consent

The Acceptance Facility Agent has given, and has not at the date of this Supplementary Bidder's Statement withdrawn, its written consent to being named in this Supplementary Bidder's Statement.

6 ASIC relief for Acceptance Facility

On 1 March 2024, ASIC granted relief (ASIC Instrument 24-0150) by way of a modification or variation to section 609A, in order to have the acceptance facility apply to this condition: The Boral Board (excluding the SGH nominee directors, Mr Stokes and Mr Richards) unanimously recommend that Boral Shareholders accept the Offer. This relief was required because it is not one of the standard "triggering conditions" contemplated with respect to an acceptance facility in section 609A of the Corporations Act.

If you would like a copy of the ASIC instrument referred to in this section 6 or the instrument referred to in section 7 below, please contact the SGH Offer Information Line on 1300 373 947 (toll-free) or +61 2 8023 5462 from outside Australia and a copy will be provided to you free of charge.

7 Swap settlement arrangements and related ASIC relief

As described in the Bidder's Statement including in section 2.8, and in SGH's substantial holder notices, SGH has an interest under a physically settled swap relating to 101,034,431 Boral shares, representing approximately 9.2% of Boral's issued shares. SGH's subsidiary Westrac Holdings Pty Ltd ACN 009 336109, which is the party to the swap, proposes (subject to counterparty approval) to settle that swap by taking delivery of the shares in Boral and paying the swap counterparty the reference price of approximately \$3.62 per Boral share:

- with respect to up to 3%, using "creep" capacity; and
- with respect to the balance of 6.2%, by settling it progressively, if and when Exchangeable Noteholders exercise their exchange rights. The acquisition by SGH of a relevant interest in those Boral Shares would occur simultaneously with SGH ceasing to have a relevant interest in an equivalent number of Boral shares delivered on exchange of the Exchangeable Notes.

On 1 March 2024, ASIC granted relief (ASIC Instrument 24-0149) from:

- section 623 of the Corporations Act, which prevents a bidder from offering a benefit (such as cash consideration) to a shareholder which is likely to induce the shareholder to dispose of bid class shares; and
- section 651A of the Corporations Act, which automatically varies a takeover bid to add a cash alternative if the bidder acquires shares for a cash sum only outside the takeover bid.

The reference price payable for the shares on settlement of the swap is approximately \$3.62, which is substantially below the recent market prices of Boral shares as are disclosed in the Bidder's Statement. If SGH Bidder had added a cash alternative of \$3.62 per share in order to comply with sections 623 and 651A of the Corporations Act, there would have been a risk of Boral shareholder confusion or mistaken acceptance. The effect of the relief is that SGH Bidder is not required to make a cash offer of \$3.62 in order to comply with the takeovers rules in the Corporations Act.

8 Approval of Supplementary Bidder's Statement

This 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

4 March 2024

Network Investment Holdings Pty Ltd
ACN 078 448 512

Notice that defeating condition to takeover bid freed

To: **Boral Limited ACN 008 421 761 (Boral)**
ASX Limited

For the purposes of section 650F of the *Corporations Act 2001* (Cth), Network Investment Holdings Pty Ltd ACN 078 448 512, a wholly-owned subsidiary of Seven Group Holdings Limited ACN 142 003 469, gives notice declaring that:

- 1 its takeover offers under its off-market takeover bid for all the ordinary shares in Boral Limited (**Offer**) contained in its replacement bidder's statement dated 4 March 2024 (**Bidder's Statement**) (as supplemented or amended by the second supplementary bidder's statement dated 4 March 2024) are free from the following defeating conditions in section 9.6(a) (Conditions - No Prescribed Occurrences) of the Bidder's Statement; and
- 2 its voting power in Boral is 62.4%.

date 4 March 2024

Signed for and on behalf of
Network Investment Holdings Pty Ltd
by

sign here ►



Director

print name Richard Richards