

26 August 2020

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

INVESTOR PRESENTATION

Seven Group Holdings Limited (ASX: SVW) attaches an Investor Presentation for the year ended 30 June 2020.

Ends.

This release has been authorised to be given to ASX by the Board of Seven Group Holdings Limited.

For more details:

Jim Kelly +61 412 549 083
Courtney Howe +61 404 310 364

WesTrac

coateshire

7COOL

SGH | Energy

Seven Group Holdings Limited | ABN 46 142 003 469

Level 30, 175 Liverpool Street | Sydney NSW 2000 Australia | Postal Address: PO Box 745 | Darlinghurst NSW 1300 Australia

Telephone +61 2 8777 7446 | Facsimile +61 2 8777 7192



STRENGTH, COMMUNITY, RESILIENCE

RESULTS FOR THE YEAR ENDED 30 JUNE 2020

26 AUGUST 2020

GROUP OVERVIEW

Our **purpose** is to recognise and serve exceptional businesses

Our **objective** is to maximise return to stakeholders through long term sustainable value creation



GROUP OVERVIEW PEOPLE, SAFETY AND CULTURE

Keeping our people safe is our top priority

- Significant improvement in safety statistics over the past two years
 - Group 38.5% reduction in LTIFR and 36.8% reduction in TRIFR
- Continued focus on lead indicators and initiatives to further drive improvements in safety culture, particularly at AllightSykes
- The “Built By Us” safety culture program at WesTrac was formally recognised, receiving the Enterprise Safety Program Initiative Award at the 2020 Australian Workplace Health & Safety Awards

Our people are committed to supporting our customers

- More than 5,800 employees as at June 2020
- Our people have led the support for our customers to maintain their businesses and to ensure our businesses remain strong
- All our people across the Group recognised through \$300 gift cards to acknowledge their efforts and contribution through COVID-19

Initiatives underway to develop our greatest asset, the people who work across our businesses

- Programs (training, apprenticeships, trade upgrades) to uplift the skills and capability of our people to better address potential skilled labour gaps
- Continued focus on cultural transformation programs to build leadership capability and nurture an open and inclusive culture that values diversity

Rolling 12 Month	LTIFR			TRIFR		
	FY20	FY19		FY20	FY19	
WesTrac WA	1.1	1.2	↓	6.8	8.3	↓
WesTrac NSW	0.0	1.0	↓	6.2	10.2	↓
Coates Hire	0.7	1.4	↓	6.7	13.3	↓
AllightSykes	2.4	2.5	↓	11.9	7.4	↑
SGH Energy	0.0	0.0	-	0.0	0.0	-
Group Total	0.8	1.3	↓	6.7	10.6	↓

- Lost time injury frequency rate (LTIFR) = number of lost time injuries per million hours worked
- Total recordable injury frequency rate (TRIFR) = number of recordable injuries per million hours worked

GROUP OVERVIEW COMMUNITY ENGAGEMENT

Uniquely positioned to assist our communities

- Incredible work undertaken by 35 of our brave and committed employees who served in the RFS and other volunteer services; staff recognised through paid leave to fight bush fires and support affected communities
- The diversity of our Group uniquely positions us to respond to the crisis through industry leading equipment and our team’s motivation and skills

\$10m pledged by SGH and its majority shareholder

- SGH pledge of \$5m matched by a \$5m pledge by Australian Capital Equity (ACE)
- \$2.6m contributed by SGH as at 30 June 2020
- Direct support for firefighting efforts, disaster recovery and the long-term task of rebuilding communities and ensuring support for mental health
 - Continued focus of our team on finding the gaps in support on the ground and maintaining contact and interaction with many of those we are supporting



RFS donation and equipment	\$1.5m donation and infrastructure for fire camps to house firefighters and support personnel, including temporary accommodation for teams of 200 to 600 personnel, mess tents, ablution blocks, power, lighting and other facilities
Australian Defence Force	D6 dozer deployed to ADF to fight bushfires south of Canberra
Local councils	Heavy earth moving and clearing equipment to assist various councils with tree removal, restoring access to roads, clean-up operations, waste handling and stock feed distribution, including 962M wheel loader deployed to NSW South Coast and 5x compact track loaders deployed across Southern Highlands, NSW South Coast and Gippsland
Community facilities	Emergency accommodation, shower and toilet facilities, laundry blocks with washers and dryers, kitchen and dining facilities, bushfire recovery containers (Balmoral, Bredbo, Cobargo, Kangaroo Island, Nambucca Heads)
Volunteer groups	Power generation, buildings and rental vehicles for volunteer groups rebuilding communities on the North Coast and Central West of NSW

GROUP OVERVIEW COMMUNITY ENGAGEMENT



One of 14 water carts deployed to fire fronts in January



WesTrac bushfire appeal community cricket match, Kalgoorlie WA



Equipment for delivery to the ADF in Bega, NSW South Coast



Cat D6 dozer deployed to Badga State Forest, NSW South Coast



Bushfire Bash charity match on Channel 7



Equipment packed into fire recovery units, NSW



Genset deployed to Talbingo, NSW Snowy Mountains

GROUP OVERVIEW COVID-19 UPDATE

Key principles of the SGH COVID-19 response plan

- Protecting the health and safety of our people
- Supporting our customers
- Ensuring our businesses remain strong

Coordinated groupwide response

- Agile management response and staff commitment to operational flexibility in order to deal with the dynamic environment
- Many of our businesses continued to work on site to ensure we could support our customers
 - Ensuring workforce protection and productivity
 - Stabilising the supply chain
 - Proactively engaging with customers

Impact on the operating businesses

- Limited impact for WesTrac, with customers active, supply chains open, and volumes continuing to grow
- Some impact on Coates Hire with event revenue being impacted and Mid tier and Trades contractor activity slowing
- Measures put in place by Governments have significantly impacted the advertising market and Seven West Media
- Supply and demand shocks have impacted Beach Energy's realised oil price, however their domestic gas business remains resilient



GROUP OVERVIEW BUSINESSES AND MARKETS

Industrial services WesTrac CAT WesTrac (100% owned) is one of the largest CAT dealers globally (by sales) and supports customers in Australia's rich iron ore and thermal coal regions 28 branches \$3.5 bn revenue Focus on parts supply, component rebuilds, parts exchange and autonomous mining Key customers: BHP, CIMIC, FMG, Glencore, Macmahon, Mineral Resources, Rio Tinto, Roy Hill	Industrial services coateshire ALLIGHTSYKES Coates Hire (100% owned) is the largest nationwide industrial and general equipment hire company. AllightSykes is a manufacturer and distributor of lighting, dewatering and power solutions globally Over 160 branches \$1.1 bn revenue Focus on large tier one customers, mid-tier and trade, engineering solutions Key customers: BMD, CIMIC, Downer, FMG, John Holland, Lend Lease	Energy beach SGH Energy Beach Energy (28.5% owned) is a leading mid-cap E&P business and a key supplier to a growing East Coast gas market SGH Energy (100% owned) holds operated and non-operated oil and gas interests including 15% of the Crux LNG Project Key customers: Alinta, AGL, Adelaide Brighton, Origin Energy	Media investments 7 7 7 Seven West Media (40% owned) is a leading diversified media company in Australia Monthly Australia-wide audience reach of: - 17.3m in Seven Network - 9m in 7Digital - 3.7m in WAN + digital Other media investments include interests in China P/E funds
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Mining production

- We provide equipment solutions to the world's largest miners, supporting record production volumes and driving efficiency

Infrastructure investment

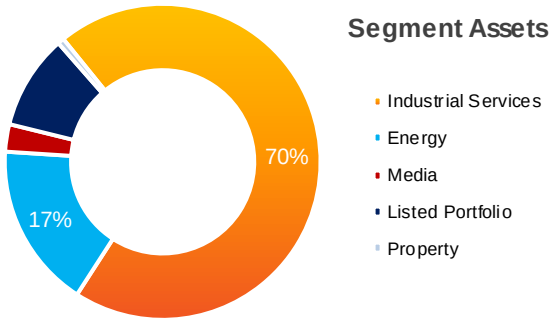
- We are the largest national equipment hire business, providing solutions to major infrastructure and construction customers with a strong pipeline of committed government projects

East Coast gas

- Beach Energy and SGH Energy are well positioned to meet growing East Coast gas demand and LNG export opportunity

Diversified investments

- Strong balance sheet to pursue growth opportunities within or adjacent to our existing core businesses



Note: based on segment asset values as at 30 June 2020

GROUP OVERVIEW HIGHLIGHTS

Resilient financial result with improved revenue and UEBIT

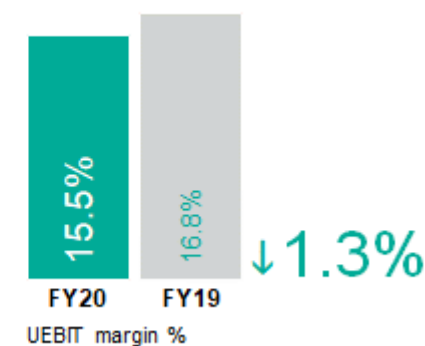
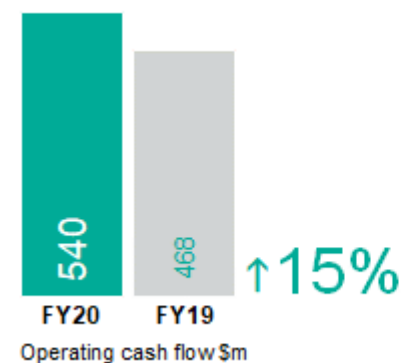
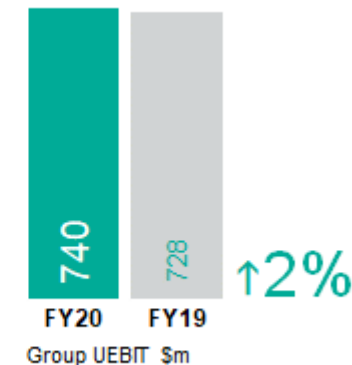
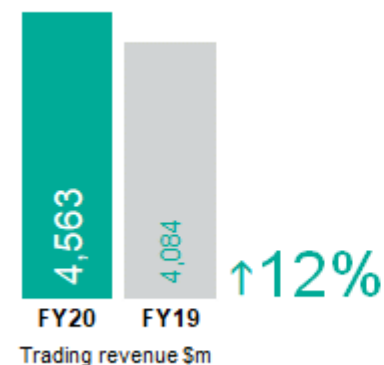
- Delivered on guidance initially provided in August 2019 with UEBIT of \$740m, up 6.5% on pre AASB16 FY19 EBIT of \$695m
- FY20 UEBIT up 2% or \$12m against FY19 restated EBIT of \$728m, driven by WesTrac performance in both parts and product sales
- Trading revenue of \$4.6bn up 12% with growth across operations
- Good fundamentals reflected by operating EBIT margin increasing from 12.7% to 12.9%
- Operating cash flow of \$540m up 15% and improved EBITDA cash conversion of 82% up from 64%, reflecting the realisation of working capital investment

Good fundamentals to navigate the next phase of uncertainty

- Industrial services UEBIT growth of 13% reflecting activity levels of key end-markets in mining and infrastructure
 - WesTrac parts lines shipped were up 3% for the year
 - Component revenue up 46% driven by strong customer activity
 - Coates Hire UEBIT of \$204m improved on prior year, reflecting management agility in a dynamic environment

Increased balance sheet capacity to support investments

- A\$461m USPP and additional facilities in place post 30 June
- \$652m invested in Boral as at 14 July to accumulate 16.3% stake



Note: UEBIT margin on total revenue (including share of results from equity accounted investees)

GROUP OVERVIEW KEY FINANCIALS

Underlying Results (\$m)	FY20	FY19	% Change
Trading revenue	4,562.6	4,084.0	12%
Underlying earnings before interest and tax ¹	739.9	727.9	2%
Underlying net profit after tax attributable to shareholders ¹	471.6	458.9	3%
Underlying earnings per share ¹	139 cents	137 cents	1%
Underlying EBITDA cash conversion ^{1,2}	82%	64%	18%
Statutory results (\$m)	FY20	FY19	% Change
Trading revenue	4,562.6	4,084.0	12%
Earnings before interest and tax	381.7	470.7	-19%
Net profit after tax attributable to shareholders	115.8	201.0	-42%
Earnings per share	34 cents	60 cents	-43%
Final fully franked ordinary dividend	21 cents	21 cents	

Notes:

1. Excluding significant items. Refer to slide 12 for listing of significant items
2. Refer to slide 14 for EBITDA cash flow conversion

GROUP
FINANCIALS

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FINANCIALS PROFIT AND LOSS

\$m	FY20	FY19	Change %
Revenue	4,562.6	4,084.0	12%
Other income	62.7	53.5	17%
Share of results from equity accounted investees (underlying)	151.7	208.4	-27%
Trading revenue and other income	4,777.0	4,345.9	10%
Expenses (excluding depreciation, amortisation, interest and tax)	(3,772.4)	(3,346.1)	13%
Underlying EBITDA	1,004.6	999.8	0.5%
Depreciation and amortisation	(264.7)	(271.9)	-3%
Underlying EBIT	739.9	727.9	2%
Net finance costs	(150.1)	(160.7)	-7%
Underlying net profit before tax	589.8	567.2	4%
Underlying tax expense	(116.0)	(106.4)	9%
Underlying NPAT	473.8	460.8	3%
Significant items (including tax impact)	(355.8)	(257.9)	38%
Statutory NPAT	118.0	202.9	-42%

FINANCIALS SIGNIFICANT ITEMS

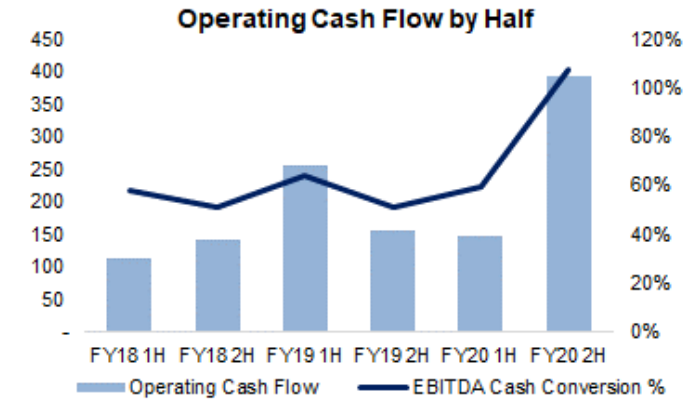
\$m	FY20	FY19
Share of results from equity accounted investees attributable to significant items – SWM and Beach	(71.1)	(179.3)
Impairment – SWM equity	(162.3)	(106.8)
Impairment of producing and development asset – Bivins Ranch	(116.7)	-
Restructuring and redundancy costs	(8.1)	-
Other items	-	28.9
Significant Items – EBIT	(358.2)	(257.2)
Net finance income	-	(1.0)
Tax benefit relating to significant items	2.4	0.3
Significant Items – NPAT	(355.8)	(257.9)
Statutory NPAT	118.0	202.9
NPAT excluding significant items	473.8	460.8

FINANCIALS EARNINGS SUMMARY

\$m	Total Group	WesTrac	Coates Hire	Allight Sykes	Energy	Media	Investments	Corporate
Trading revenue	4,562.6	3,491.8	974.7	89.0	3.2	-	3.9	-
Statutory EBIT	381.7	371.0	195.8	(3.7)	21.3	(196.7)	18.4	(24.4)
Add unfavourable significant items								
Impairment – SWM equity	162.3	-	-	-	-	162.3	-	-
Impairment – producing and development assets	116.7	-	-	-	116.7	-	-	-
Share of significant items from equity accounted investees	82.5	-	-	-	-	82.5	-	-
Restructuring and redundancy costs	8.1	-	7.9	0.2	-	-	-	-
Subtract favourable significant items								
Share of equity accounted investees significant items	(11.4)	-	-	-	(11.4)	-	-	-
Total significant items – EBIT	358.2	-	7.9	0.2	105.3	244.8	-	-
Underlying EBIT – FY20	739.9	371.0	203.7	(3.5)	126.6	48.1	18.4	(24.4)
Underlying EBIT – FY19	727.9	303.0	200.8	1.3	156.6	64.1	21.4	(19.3)
Year-on-year change	2%	22%	1%	n/a	-19%	-25%	-14%	26%

FINANCIALS CASH FLOW

\$m	FY20	FY19
Underlying EBIT	739.9	727.9
Add: depreciation and amortisation	264.7	271.9
Underlying EBITDA	1,004.6	999.8
Operating cash flow	539.6	468.2
Add: interest and other costs of finance paid (net)	134.4	143.5
Net income taxes paid	143.4	28.2
Add back: restructuring costs	8.1	-
Underlying operating cash flow	825.5	639.9
Underlying EBITDA cash conversion	82%	64%
Operating cash flow	539.6	468.2
Investing cash flow	(679.6)	(188.9)
Financing cash flow	177.6	(306.4)
Net (decrease) / increase in cash and cash equivalents	37.6	(27.1)
Opening net debt	1,997.6	2,036.1
Movement in net debt	366.7	(38.4)
Closing net debt	2,364.3	1,997.6



- Improvement in EBITDA cash flow conversion driven by ongoing performance of businesses and release of working capital in 2H
- Operating cash flow includes working capital investment of \$71m across the full year primarily in WesTrac inventory
- Investing cash flow includes: \$258m in net capex (\$225m Coates, \$24m WesTrac, \$10m energy/other), and \$431m in net investment outlay
- Financing cash flow includes \$384m debt drawn (net), partially offset by repayment of \$54m in lease liabilities, and ordinary dividend of \$143m

FINANCIALS BALANCE SHEET

\$m	As at 30 Jun 20	As at 30 Jun 19	Change %
Trade and other receivables	775.4	702.9	10%
Inventories	836.8	803.6	4%
Assets held for sale	4.7	2.1	124%
Investments	1,853.6	1,462.8	27%
Property, plant and equipment	981.9	910.3	8%
Oil and natural gas assets	347.9	454.2	-23%
Intangible assets	1,624.9	1,624.4	0%
Other assets	60.2	29.2	106%
Trade and other payables	(449.2)	(407.7)	10%
Provisions	(190.9)	(176.8)	8%
Deferred income	(216.0)	(130.1)	66%
Net tax assets (liabilities)	(296.9)	(318.2)	-7%
Derivative financial instruments	125.9	110.8	14%
Net lease liabilities	(227.0)	(202.1)	12%
Net debt (excluding leases)	(2,364.3)	(1,996.1)	18%
Total shareholders equity	2,867.0	2,869.3	0%

- Increase in trade receivables of \$73m reflects strong sales result in WesTrac during May / June
- \$71m invested in WesTrac parts exchange inventory, however, sale of new machine inventory in 2H resulted in net investment of \$30m in WesTrac
- Investment assets include Boral shares to 30 June, offset by reduction in carrying value of SWM investment
- PP&E increase of \$72m mainly relates to Coates Hire rental fleet
- Oil and natural gas assets reduction includes \$117m Bivins Ranch impairment
- Increase in deferred income of \$86m includes \$67m largely related to major fleet tenders awarded to WesTrac
- Reduction in net tax liabilities of \$21m mainly reflects payment of current tax liabilities within the year

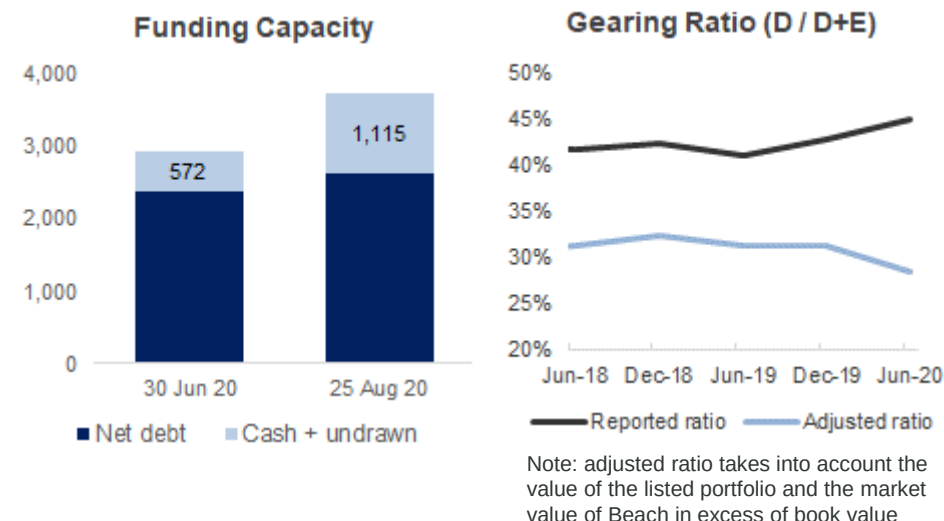
FINANCIALS CAPITAL MANAGEMENT

Additional funding capacity unlocked

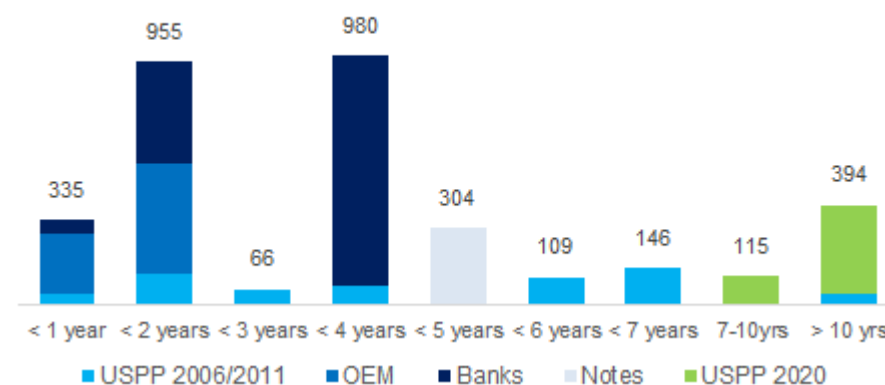
- US\$300m placement completed on 7 July 2020 in three tranches:
 - US\$75m, 7-year 3.31% fixed coupon (A\$115m at BBSW +3.2%)
 - A\$230m, 10-year, 4.265% fixed coupon
 - US\$75m, 12-year, 3.66% fixed coupon (A\$115m at BBSW +3.4%)
- Group has agreed new borrowing facilities post balance date, increasing available cash and undrawn facilities to \$1.1bn
- Demonstrates continued appetite for SGH credit
- Extended facility maturity and further diversification of the Group's funding base

Enhancing shareholder return

- Total shareholder return of 21% per annum over past three years
 - Ranked top quartile vs S&P / ASX100 ex. Financials
- Final dividend maintained at 21 cents given the opportunities to reinvest cash flow across our businesses



Facility Maturity (including USPP post 30 June)



Note: facility maturity chart excludes post balance date stock lending and note facilities

BUSINESS REVIEW

WESTRAC

Purpose: to be the customer's first choice in equipment solutions with zero harm safety culture and a focus on growth and sustained profitability



WESTRAC HIGHLIGHTS



Continued activity across all markets

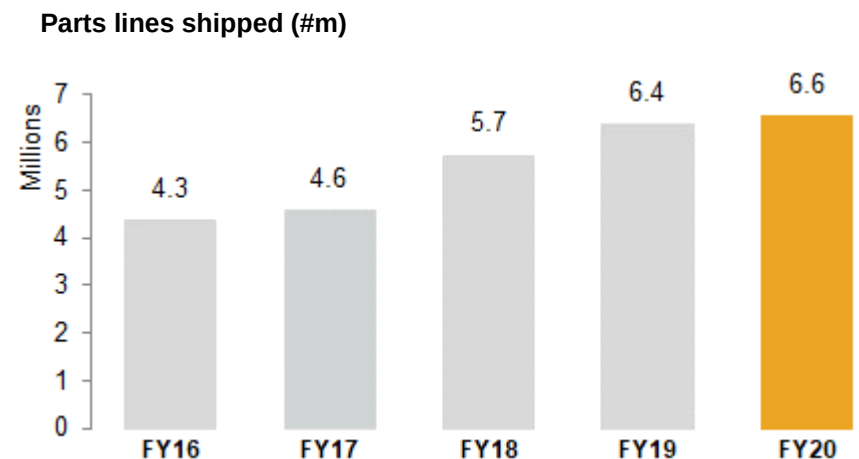
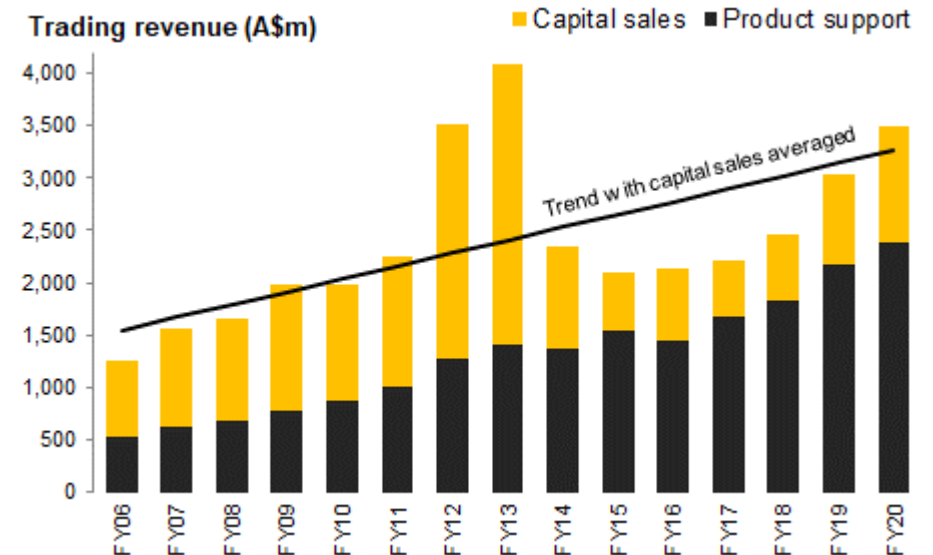
- Parts and service demand remains strong with record volume
- 6.6m parts lines shipped in WA and NSW
- Growth in product sales across mining, construction and government, with strong demand for mining trucks, dozers, wheel loaders and hydraulic mining shovels

Major projects underline WesTrac / CAT advantage

- Recently awarded FMG's Eliwana (haulage and ancillary) and Iron Bridge (haulage and ancillary) fleets
- Recently awarded Newmont's Boddington Gold autonomous haulage replacement, the first deployment of AHS in a gold mine
- Builds on increased committed sales from previously awarded Rio Tinto's Koodaideri project (haulage and ancillary) and BHP's South Flank project (ancillary)

Delivering customer value through solutions

- CAT AHS continues to be a differentiator providing customers with the opportunity to capture productivity improvements
- Strong demand for component rebuilds from major customers
- Both dealerships awarded Gold status in CAT's 2020 Parts Excellence Program, with WA achieving one of the highest scores of any CAT dealer



WESTRAC FINANCIALS

Revenue up 15% with growth seen across all major segments

- Product support revenue up \$227m or 10% with ongoing customer maintenance activity to meet production targets
- Product sales revenue up \$224m or 26% driven by project deliveries
 - Mining up 26%, construction up 19%, government up 25%
- EBIT growth of 22% on pcp delivering an additional \$68m in FY20

Further margin improvement

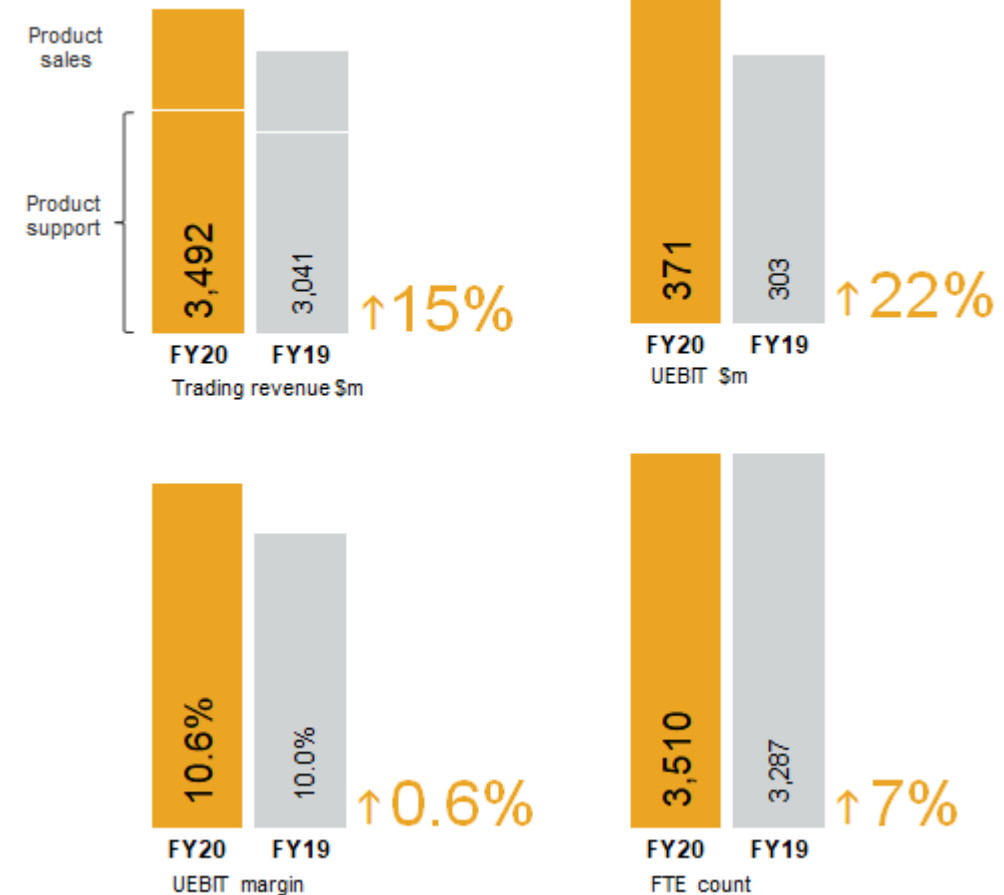
- EBIT margin improved by 0.6% to 10.6% reflecting disciplined operations and operating leverage

Reinvestment in the business

- Investment underway in Perth sites to expand capacity and support increased customer activity levels
- AHS training site at Collie operational, strong demand for courses

Capital replacement cycle

- Demand for new machines strengthening off a low base compared to historic levels with pipeline of orders from project awards



Note: UEBIT margin on trading revenue

WESTRAC AUTONOMOUS TECHNOLOGY



WesTrac is the market leader in autonomy

- Global leader in installation, commissioning and maintenance of AHS mining trucks
 - Over 400 CAT AHS trucks to be operational over the next few years
 - 88% of global CAT AHS mining truck fleet is located in WA
- Up to 30% productivity gain reported by miners using AHS
- Technology is transitioning from iron ore to other mining e.g. gold
- Investing in autonomous skills and capability through new site at Collie, WA

CAT autonomy is differentiated in the market

- CAT / WesTrac capability has been a factor in recent contract wins
- Supported by CAT's MineStar integrated mine operations and equipment management platform – focused on autonomous mining not just haulage
 - Ability to retro-fit existing mine haulage fleet and ability to install autonomous technology in ancillary equipment

Moving beyond trucks into dozers, drills, underground loaders

- Autonomous mining trucks have been operational since 2012 - technology is proven and now being extended to other uses
- 20x 793F AHS trucks, 4x autonomous blast drills, 4x 6060 hydraulic mining shovels with CAT MineStar Terrain technology, along with loaders, dozers, graders and water carts to be installed at Rio's Tinto's Koodaideri 'Mine of the Future' with potential for increased automation of heavy equipment



WesTrac AHS training site at Collie, WA

BUSINESS REVIEW

COATES HIRE

Purpose: to be the market leader in safe, smart and sustainable equipment solutions



COATES HIRE HIGHLIGHTS

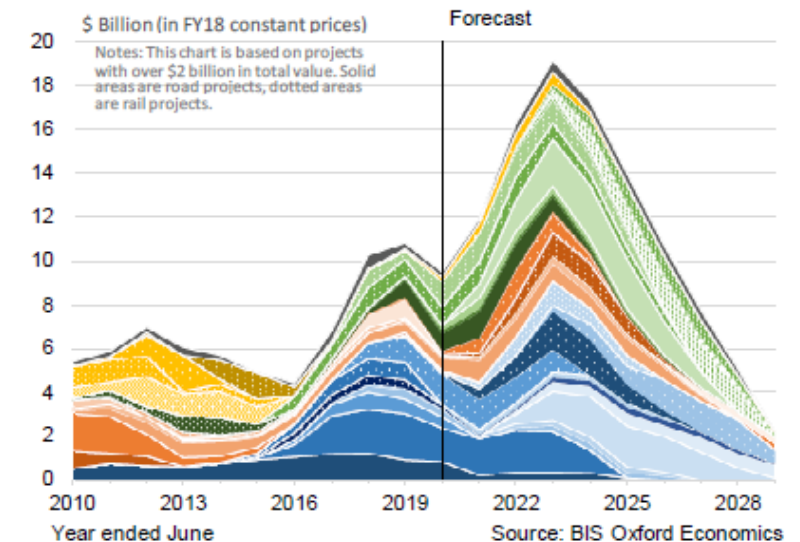
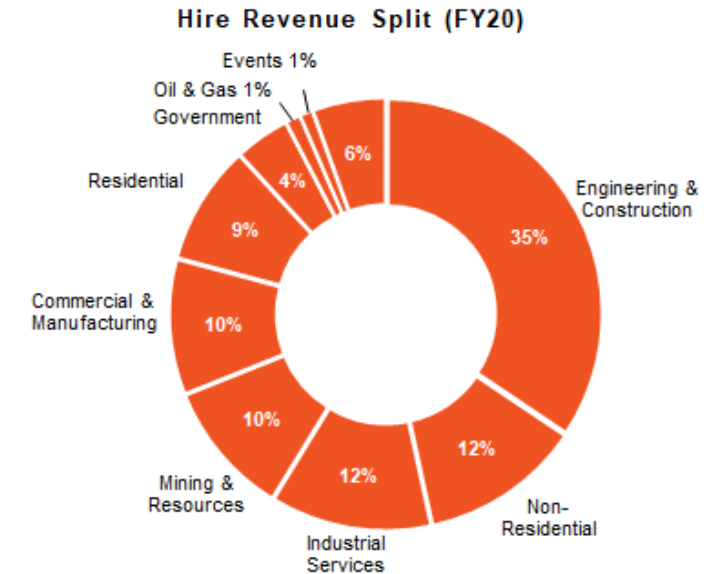
coateshire

Infrastructure activity continuing, growth in WA

- East Coast activity levels remain strong but slow or deferred starts to new projects
- WA strong growth in infrastructure and resource activity
- Governments are focused on accelerating “shovel-ready” projects
- Engineering & Construction demand remains strong and poised to benefit from expected acceleration of projects by Government
- Growth in Industrial Services driven by plant maintenance shutdowns

Readiness for change in market conditions

- Organisational restructure completed in May to improve the agility and responsiveness of the business
- Invested in new fleet during 1H, however this has slowed during 2H
- Building capability in specialised services and solutions through engineering and industrial shutdowns
- Winning major customers, particularly in WA through a number of customer tenders and projects
- Continued investment in digital capabilities including fleet management, pricing and online “hire now” customer offering



COATES HIRE FINANCIALS

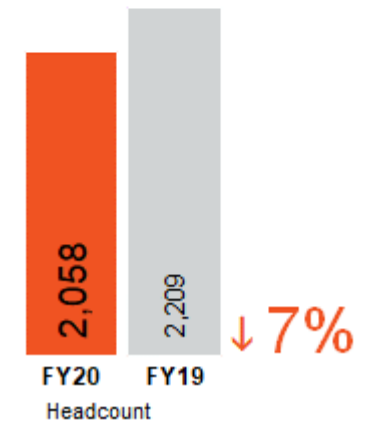
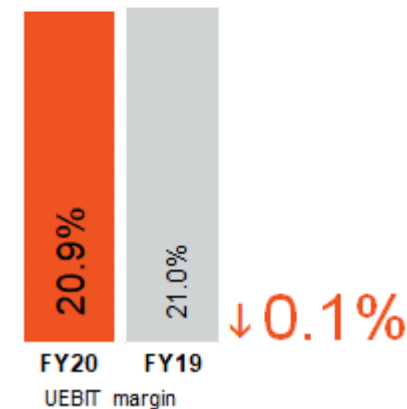
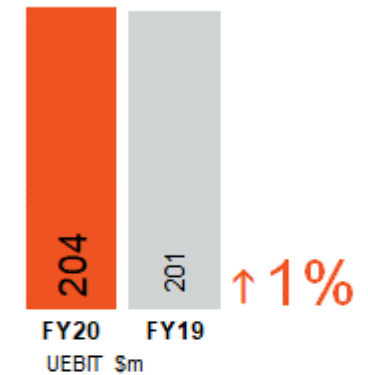
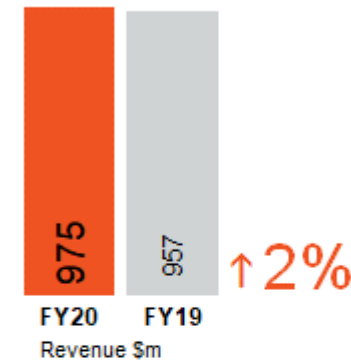
Revenue and EBIT growth achieved in an uncertain market

- Varying impact of COVID-19 across market segments
- Industrial Services revenue growth of 28% driven by major plant maintenance activities during the year
- Engineering Solutions revenue growth of 39%, representing a key area of opportunity to deliver additional customer value
- Strong result in WA with 19% revenue growth for the year
- Overall margin defended through operational discipline

Continuing to invest in growth areas and opportunities

- Growing specialist skills and capability in Engineering Solutions
- Digital to provide major improvements in website; internal adoption and upgrades of digital apps that drive productivity (myFleet)
- Capex guidance of approximately \$130-150m (net) in FY21 reflecting slowdown in rate of asset disposals and reinvestment
 - Profit on sale of assets remains high, demonstrating that Coates equipment is preferred in the second-hand market

coateshire



Note: UEBIT margin on trading revenue

COATES HIRE ENGINEERING SOLUTIONS

coateshire

Key growth area

- Coates Engineering Solutions can design, install and certify temporary works solutions for projects of all shapes and sizes
- Design and Installation
 - Structural Propping
 - Hydraulic Shoring
 - Sheet and Brace
 - Slide Rail and Standard Shoring Synchronous Hydraulic Jacking
- Water management
 - Water Treatment
 - Site De-Watering
 - Sewer and Water By-Pass
- Turnkey solutions that offer not only the engineering support and product solutions but also a team of qualified site engineers and skilled operators that can install the products safely and in line with project constraints
- Installation team can project manage from conceptual designs through to installation, inspection, maintenance & de-installation
- Ensures customers receive value and peace of mind from a single source solution, eliminating the need for multiple contractors on the project



The background image shows two male workers in an industrial setting. They are wearing orange high-visibility safety vests with reflective silver stripes, dark blue long-sleeved shirts, and white hard hats. Both are wearing safety glasses. They are working on a large, green-painted industrial vessel or pipe. One worker is holding a tool, possibly a wrench, near a flange. In the background, there are more industrial pipes, valves, and a pressure gauge with a scale showing '-100'. The image has a teal and white geometric overlay on the right side.

BUSINESS REVIEW

ENERGY

Portfolio of opportunities within Beach Energy and SGH Energy aimed at meeting the East Coast gas demand and new LNG export opportunities



ENERGY BEACH ENERGY

Robust operating result despite low oil price

- Production of 26.7 Mmboe, within 1% of guidance, driven by 27% increase in oil production and Black Watch 1 now adding 45 TJ/day
- Gas represents 55% of overall mix providing a stable contracted revenue base covering all operating costs

Prudent operational and financial management

- Rapid response to COVID-19 to ensure staff wellbeing, supply chain continuity, while also operating at 98% facility reliability
- Further reduction in field operating costs/boe targeted in FY21
- Net cash position of \$50m and available liquidity of \$500m

Investment focused on utilising infrastructure advantage

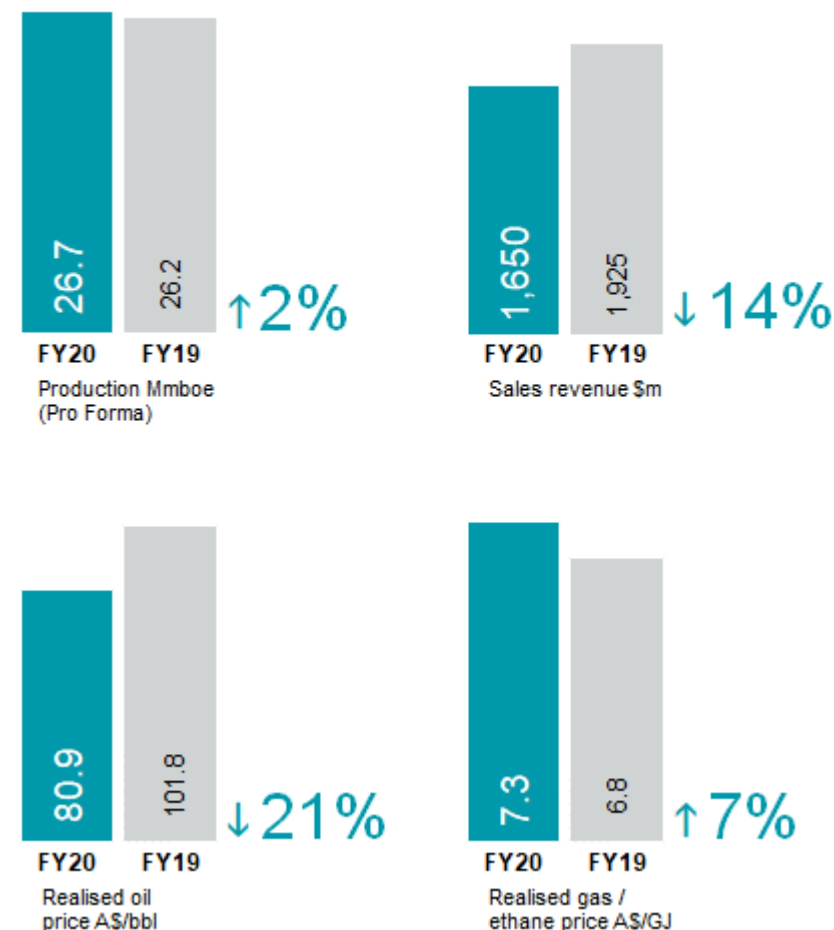
- Participation in 178 wells (up from 134 in FY19) at 81% success rate
- 2P reserves up 8% to 352 Mmboe with 13.2 year life; 214% organic reserves replacement in FY20

FY21 guidance

- Production of 26.0 to 28.5 MBoe; EBITDA of \$900m to \$1,000m
- Planned capex reduced by >30% to \$650 to \$750m with 40% of this to generate production volume in FY21

Five year outlook

- Targeting low risk delivery of 37 Mmboe in FY25 with upside
- Cumulative free cash flow of \$2.1bn over next five years





ENERGY BEACH GROWTH OPPORTUNITY

Positioned to invest through the cycle

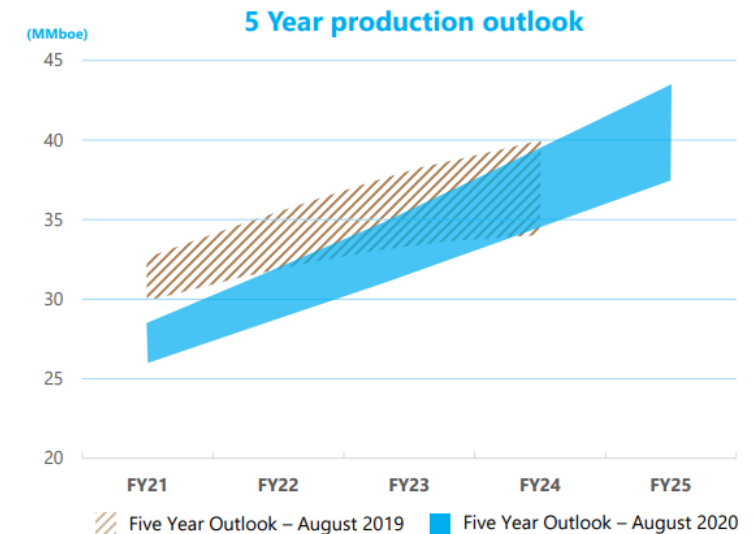
- Net cash position and contracted gas revenue positions Beach to withstand low oil prices and invest in its assets through the cycle
- Low proportion of committed capex gives flexibility in strategy execution
- Investment targeted close to existing infrastructure in order to enhance returns and accelerate timeframe to realise cash flow
- Targeting gas production growth with multiple options across existing hubs
- Confident in long term oil and gas market fundamentals

Victorian Otway Basin

- Strategically important source of gas for Beach and the East Coast market
 - Long life asset, mainly development drilling and low risk exploration, with objective to keep the Otway Gas Plant full with low cost gas
- Black Watch-1 – longest onshore well in Australia at 7,200m, connected May
- New rig contracts in place, offshore drilling to commence Dec 20 to Mar 21

Unlocking Perth Basin potential

- High quality, low cost asset close to infrastructure with multiple commercialisation options and two GSAs in place with Alinta
- Target FID of Waitsia Stage 2 in Dec 20 based on 250 TJ/day project
- Substantial exploration and appraisal potential - success with Beharra Springs Deep (Beach operated) supports further activity



Note: outlook based on assumptions set out in the Compliance Statement within Beach's FY20 results presentation dated 17 August 2020



ENERGY SGH ENERGY



Crux development update

- Crux remains an attractive world class LNG asset
- Pathway to infrastructure supplying backfill gas to Shell's existing Prelude FLNG project
- Due to market conditions, Final Investment Decision (FID) has been deferred by at least 12 months
 - Creates opportunity for Shell to identify additional cost savings
 - LNG price outlook from 2026 remains positive
- Crux divestment review has been put on hold until 2021

Longtom update

- East Coast supply continues to be constrained, positioning Longtom as a key source of potential supply
- APA discussions regarding Orbest gas plant capacity are ongoing
- NOPTA confirmation that production license remains in place

\$m	FY20	FY19
Sale of oil, gas and condensate	3.2	6.5
Beach share of associate NPAT	130.6	158.4
Underlying segment EBITDA	127.9	159.1
Underlying segment EBIT	126.6	156.6
Significant items (Bivins Ranch)	(116.7)	-
Significant items (Beach)	11.4	2.6
Statutory segment EBIT	21.3	159.2

Asset value / Ownership %	Book Value 30 Jun 20	Current Mkt Value
Beach Energy (28.5%)	\$880m	\$989m
Crux (15%)	\$236m	-
Longtom (100%)*	\$54m	-

Note: Longtom book value net of provision for abandonment

BUSINESS REVIEW

MEDIA

Seven Network provides leadership through its mass audience reach across free-to-air TV and digital



MEDIA HIGHLIGHTS

SWM navigating unpredictable advertising market conditions

- Metro FTA ad market declined 14.1% in FY20, -33.7% in 4Q
- 37.4% metro FTA share in FY20, impacted by limited sport and old entertainment lineup
- BVOD market grew 30.4% in FY20 with revenue share of 32.2%
- Underlying EBIT of \$98.7m, down 54%
- Soft ratings half but strong recovery in June from new content launch

Repositioning the business and accelerating transformation

- ~\$170m of annualised gross cost savings actioned (including annualised AFL saving); AFL renegotiation provides \$87m saving across 2020-22
- Asset sales to date have realised gross proceeds of \$150m
- Debt facility amended, providing certainty, flexibility and liquidity to execute transformation strategy

Improved contribution through other media investments

- Offshore media funds continue to realise portfolio investments and deliver returns, driven by growth in China's media, entertainment and consumer sectors
- Realised gains of \$30.5m in FY20
 - Net IRR to date in excess of SGH cost of capital
 - Outlook remains positive

\$m	FY20	FY19
Share of associate NPAT – SWM	17.6	48.8
Other media investments	30.5	15.3
Underlying segment EBIT	48.1	64.1
Significant items	(244.8)	(288.7)
Statutory segment EBIT	(196.7)	(224.6)



MEDIA CASE STUDY: SWM STRATEGY

Source: Seven Group Holdings FY20 Annual Report

Achievements in FY20

In progress

Content Led Growth

Winning demos, entertainment
and BVOD

- New content strategy led by Big Brother has significantly improved ratings and audience demographic
- Three new tent poles this year – Farmer Wants a Wife, Plate of Origin, SAS Australia
- Content spine retains dominant #1 position (Sunrise, The Morning Show, The Chase, Home & Away, Better Homes and Gardens, 7NEWS and 7Sport)
- BVOD leadership grown to a dominant No.1 position

- Four new tent poles commissioned (external) for 2021; Big Brother and Farmer Wants a Wife renewed
- Absolute focus on winning the week
 - P25-54, Total People and all platforms
 - Content spine maintains long-term dominance, News and Sport #1
- Shifting entertainment focus to be advertiser friendly with a richer demographic profile across all platforms

Transformation

Redefining for a sustainable
future media business

- ~\$170m of gross cost savings actioned (including annualised AFL saving)
- AFL renegotiated (\$87m saving across 2020-22) and extended to 2024
- Ending FY20 with lowest TV network cost base since 2007
- Lowest headcount since 2003, 20% reduction on FY19

- Further gross cost savings program of over \$30-50m underway
- WAN savings of \$21m actioned in FY20; accelerating transformation; strategic review underway
- Review of all sports rights contracts ongoing

Capital Structure & M&A

Deleveraging the business for
optionality

- \$150m proceeds from asset sales – Red Wave (\$28m), Pacific Magazines (\$40m), WA property (\$75m), Queensland property (\$7m)
- Amended debt facilities - \$450m maturity deferred to Jul 2022, new covenants in place to Dec 2021

- Divestment process underway
- TXA sale process proceeding via Goldman Sachs
- SWM Ventures sale process underway
- Seven Studios continue to explore options

BUSINESS REVIEW

INVESTMENTS

The listed portfolio provides a store of value and yield while also providing a platform for strategic investments

The property portfolio comprises legacy assets that will be realised over time



INVESTMENTS LISTED PORTFOLIO AND PROPERTY

Strategically investing in sectors we like

- Boral identified as a value opportunity within the industrials / infrastructure space aligning with SGH's focus areas
 - \$464m invested up to 30 June and \$652m invested to date
 - 16.3% interest disclosed to market on 14 July
- Lower realised dividend income during the year given prior sell-down of the portfolio
- Intention to further sell down over time to fund other opportunities

Property portfolio

- Property investments contributed \$9.7m to Group EBIT in FY20
- Kodo apartment development in Adelaide delivered by Flagship (46% SGH interest) was completed in July
- Focus on realising property assets through a pipeline of quality developments over the long-term

\$m	FY20	FY19
Revenue	3.9	2.1
Other income	14.1	22.3
Share of associate NPAT	3.8	(1.7)
Total revenue and other income	21.8	22.7
Segment EBITDA	18.4	21.4
Segment EBIT	18.4	21.4
Fair value movement of listed portfolio recognised in reserves	48.2	63.0

GROUP OUTLOOK

Focused on how we can
position the businesses to
best drive value and realise
their potential



OUTLOOK FY21

Business Outlook

Industrial Services businesses are resilient with continued activity in key markets

- Majority of WesTrac and Coates Hire customers operate in essential industries and activity levels remain strong
- Infrastructure activity accelerating as a form of government economic stimulus
- WesTrac has a good foundation through continued demand for support
- Coates Hire has responded to the market growth in WA while East Coast activity is flat but at a high base

East Coast gas demand has persisted

- High proportion of gas in Beach's production mix, sold under term contracts, provides protection for the business
- Beach remains disciplined while utilising balance sheet strength to invest in the right growth opportunities
- Deferral of discretionary capital expenditure to suit market conditions
- SGH Energy focused on progressing a pathway for Longtom while continuing to work towards Crux FID

SWM accelerating the turnaround strategy

- Refreshed content lineup in FY21 presents opportunity to capture stronger audience/revenue share
- Ongoing focus on content led growth and transformation will position SWM to capitalise on market recovery and industry consolidation

Group Outlook

Well positioned to navigate challenges

- Our three key focus areas in mining production, infrastructure investment and East Coast gas continue to provide attractive thematics over the medium to long term

Group EBIT guidance

- Industrial Services demand and activity is strong and we expect growth in this segment in FY21
- Contribution from Media and Energy segments is less certain
- FY21 guidance to be assessed at the time of the AGM in November

DISCLAIMER

Basis of preparation of slides

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Non-IFRS Financial Information

- SGH results comply with International Financial Reporting Standards (“IFRS”). The underlying segment performance is presented in Note 2 to the financial statements for the period and excludes Significant Items comprising impairment of equity accounted investees, investments and non-current assets, fair value movement of derivatives, net gains on sale of investments and equity accounted investees, restructuring and redundancy costs, share of results from equity accounted investees attributable to Significant Items, loss on sale of investments and derivative financial instruments, acquisition transaction costs, significant items in other income, remeasurement of tax exposures and unusual tax expense impacts. Significant Items are detailed in Note 3 to the financial statements and Slide 12 of this presentation.
- This presentation includes certain non-IFRS measures including Underlying Net Profit After Tax (excluding Significant Items), total revenue and other income, Segment EBIT margin and Segment EBITDA margin. These measures are used internally by management to assess the performance of the business, make decisions on the allocation of resources and assess operational management. Non-IFRS measures have not been subject to audit or review.

APPENDIX PRIOR YEAR RESTATEMENT

P&L \$m	FY19 Restated	FY19 Reported
Trading revenue and other income	4,345.9	4,347.7
Expenses (excluding depreciation, amortisation and interest)	(3,346.1)	(3,452.5)
Underlying EBITDA	999.8	895.2
Depreciation and amortisation	(271.9)	(200.1)
Underlying EBIT	727.9	695.1
Net finance costs	(160.7)	(102.8)
Underlying net profit before tax	567.2	592.3
Underlying tax expense	(106.4)	(113.4)
Underlying net profit after tax	460.8	478.9
Significant items (including tax impact)	(257.9)	(259.7)
Statutory net profit after tax	202.9	219.2

Balance Sheet (selected items) \$m	30 Jun 19 Restated	30 Jun 19 Reported
Trade and other receivables (current)	700.4	572.2
Inventories	803.6	931.8
Other assets (current)	29.2	32.1
Right of use asset (non-current)	658.5	-
Property, plant & equipment	910.3	911.9
Total assets	6,899.3	6,245.3
Lease liabilities (current)	47.5	-
Interest bearing liabilities (current)	30.3	31.8
Trade & other payables (current)	403.0	404.7
Employee benefits (current)	80.4	72.9
Lease liabilities (non-current)	813.1	-
Deferred tax liabilities	238.9	299.9
Employee benefits (non-current)	8.3	15.8
Total liabilities	4,030.0	3,233.6
Retained earnings	789.7	932.1
Total shareholders equity	2,869.3	3,011.7

SGH | Industrial Services, Media,
Energy and Investments