

19 April 2021**Seven Group Holdings Limited ("SGH") announces fully underwritten \$500 million equity raising to provide balance sheet flexibility off strong operating performance**

Subsequent to its strong financial results for the half-year ended 31 December 2020 (1H FY21), SGH announces it is conducting a fully underwritten \$500 million placement of ordinary shares ("**New Shares**") to institutions and sophisticated investors ("**Placement**") and a non-underwritten Share Purchase Plan ("**SPP**") to raise approximately \$50 million⁽¹⁾ (together, "**Equity Raising**").

Underwritten Equity Raising

The Equity Raising is being undertaken in order to:

- Reduce overall net debt from \$2.6 billion to \$2.1 billion and facilitate the retirement of more costly OEM facilities
- Restore balance sheet flexibility to enable SGH to support portfolio growth opportunities across key verticals (including wholly owned businesses and strategic investments) following the recent \$1,072 million investment to acquire 22.98 per cent of Boral
- Improve liquidity by increasing SGH's free float from 38.8 per cent to 42.5⁽²⁾ per cent, enhancing SGH's ability to deliver shareholder value
- Facilitate continued discipline in SGH's approach to capital allocation, balancing strategic investments, opportunistic acquisitions and its track-record of maintaining and growing dividend payments over time.

Ryan Stokes, Managing Director & Chief Executive Officer said:

"This equity raising is an important step for SGH to strengthen our balance sheet and provide flexibility for future growth. As our track record demonstrates, we maintain a disciplined approach to investment and capital allocation for the long-term benefit of our shareholders.

"Today's raising follows positive investor feedback and reflects a desire to see a continued increase in free float. In the context of a strong 1HFY21 result from our operating businesses, which continue to benefit from a focus on customers, operating efficiency, and margins. SGH is pleased to offer new and existing shareholders the opportunity to participate in the equity raising."

Placement

The Placement will comprise the issue of approximately 22.2 million fully paid ordinary shares at an issue price of \$22.50 to certain institutional and sophisticated investors in Australia and internationally to raise approximately \$500 million before costs. The New Shares issued under the Placement will be issued pursuant to the Company's available capacity under ASX Listing Rule 7.1.

The issue price of \$22.50 represents a 4.0 per cent discount to the closing price of \$23.43 on 16 April 2021. The Placement is being conducted today, with SGH shares in trading halt until the outcome of the Placement is announced. Settlement of the Placement is scheduled to occur on 22 April 2021, with New Shares expected to commence trading on the following business day, 23 April 2021. The New Shares issued under the Placement will rank equally with existing shares in SGH.

Share Purchase Plan

Following the completion of the Placement, SGH intends to undertake a non-underwritten SPP to raise approximately \$50 million subject to the SGH Board's right to scale. The SPP will provide eligible retail shareholders in Australia and New Zealand with the opportunity to participate in the Equity Raising at the lower of:

- the Placement price of \$22.50; and
- a 2.5 per cent discount to the VWAP during the last five days of the SPP offer period.

Eligible shareholders in Australia and New Zealand who are registered as SGH shareholders as at 7.00pm (AEST) on 16 April 2021 will be invited to subscribe for up to a maximum of \$30,000 of additional New Shares per eligible shareholder, free of brokerage.

SGH may (at its absolute discretion) elect to scale back the maximum amount per shareholder if total demand exceeds \$50 million. However, if total demand exceeds \$50 million, SGH may (at its absolute discretion) decide to increase the cap to reduce or eliminate the need for scale back.

The SPP is subject to the terms set out in the SPP offer booklet, which is expected to be lodged with ASX and sent to eligible retail shareholders following the opening of the SPP offer on 27 April 2021.

As with the New Shares issued under the Placement, the New Shares issued under the SPP will rank equally with existing ordinary SGH shares.

Important dates

Placement conducted	19 April 2021
Settlement of New Shares issued under the Placement	22 April 2021
Allotment and trading of New Shares issued under the Placement	23 April 2021

Additional Information

Further details of the Equity Raising, including applicable dates are set out in the accompanying Investor Presentation also provided to the ASX this morning. The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the Placement and SPP.

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

For more information:

Media contacts and details: Lauren Thompson +61 438 954 729 / Courtney Howe +61 404 310 364

Important Notice

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction in which such an offer or solicitation would be illegal. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares to be offered and sold in the Placement may not be offered or sold, directly or indirectly, to, persons in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities law of any state or other jurisdiction of the United States. The New Shares to be offered and sold in the SPP may not be offered and sold to any person in the United States or to any person that is acting for the account or benefit of a person in the United States.

This announcement may not be released or distributed in the United States.

This announcement contains certain "forward-looking statements". Forward-looking statements can generally be identified by the use of forward-looking words such as 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target', 'outlook', 'guidance', 'potential' and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, statements relating to estimates, the timing and outcome of the Placement and SPP, the use of proceeds, and the future performance of SGH following the Placement and SPP. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

The forward-looking statements contained in this announcement are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of SGH, its directors and management, and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward-looking statements are based on information available to SGH as at the date of this announcement. To the maximum extent permitted by law, SGH and its directors, officers, employees, advisers, agents and intermediaries disclaim any obligations or undertakings to release any updates or revisions to the information to reflect any changes in expectations or assumptions.

Nothing contained in this document shall form the basis of any contract or commitment, or constitute investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action taken on the basis of the information.

¹ SGH reserves the right to accept or scale back SPP applications at its discretion, which may result in the SPP raising more or less than this amount.

² Assuming only the proceeds of the \$500 million Placement, and excluding any shares issued under the SPP.