

3 May 2022

Company Announcements Office
Australian Securities Exchange Limited
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SYDNEY NSW 2000

INVESTOR PRESENTATION

Please find attached an investor presentation to be given today by Mr Ryan Stokes AO, CEO and Managing Director of Seven Group Holdings Limited, at the Macquarie Australia Conference held at The Sheraton Grand Sydney Hyde Park.

This release has been authorised to be given to ASX by the CEO and Managing Director of Seven Group Holdings Limited.

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Seven Group Holdings Limited (SGH) is a leading Australian diversified operating and investment group with market leading businesses and investments in industrial services, media and energy. In industrial services, WesTrac Group is the sole authorised Caterpillar dealer in Western Australia, New South Wales and the Australian Capital Territory. WesTrac is one of Caterpillar's top dealers globally (by sales value). SGH owns Coates, Australia's largest nationwide industrial and general equipment hire business. SGH also has a 69.6% shareholding in Boral, a leading building products and construction materials group. In energy, SGH has a 30.0% shareholding in Beach Energy and has interests in oil and gas projects in Australia and the United States. In media, SGH has a 39.19% shareholding in Seven West Media, one of Australia's largest multiple platform media companies, including the Seven Network, 7plus and The West Australian.



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Presentation for the Macquarie Australian Equities Conference

SGH | Industrial Services, Media,
Energy and Investments

3 May 2022



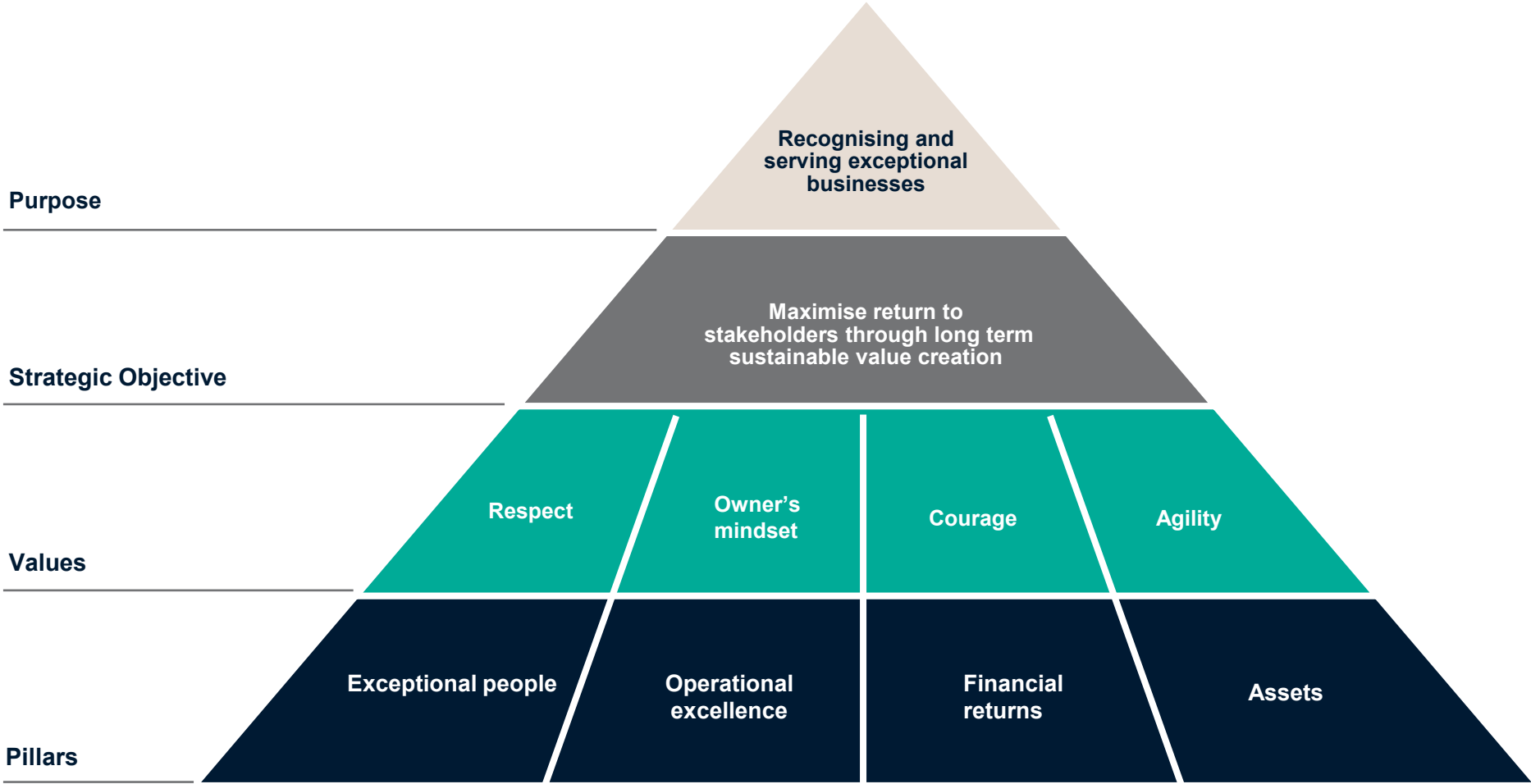
GROUP OVERVIEW BUSINESSES AND MARKETS

Industrials	Industrials	Industrials	Energy	Media
				
100%	100%	70%	Beach 30% SGHE 100%	39%
WesTrac is one of the largest CAT dealers globally (by sales) operating the WA and NSW/ACT territories	Coates is Australia's largest industrial and general equipment hire company providing end-to-end solutions	Boral is Australia's largest construction materials and building products supplier with operations in all states & territories	Beach Energy is a leading mid-cap E&P business and a key supplier to a growing East Coast gas market	Seven West Media is a leading diversified media company in Australia
28 sites	157 sites	367 sites	Onshore and offshore assets in multiple basins	Market leading in TV, publishing and digital
Focus on customers in direct mining, mining contractors, construction and infrastructure	Focus on large tier-one customers, mid-tier and trade, engineering and industrial solutions	Focus on infrastructure, non-residential and residential construction	Operated and non-operated interests including Crux LNG Project (15%)	Australia's #1 TV network and #1 BVOD service in 2021
~3,800 Employees	~2,000 Employees	~5,000 Employees	~700 (Beach) Employees	~2,000 Employees
Installed base delivering annuity income linked to production not commodity price with lowest quartile C1 costs customers	Largest fleet and network servicing asset light contractor's delivering infrastructure and construction pipeline	Privileged aggregate and cement delivers integrated position to support growth in construction and infrastructure	Reserves and midstream infrastructure servicing market imbalance in key gas markets supporting the energy transition	Ratings leadership with superior content and growing digital offering supports a rerate as a value opportunity
Core Plus				

SGH DISCIPLINED BUSINESS MODEL

Our Business Model

SGH is a leading Australian diversified operating and investment group with market leading businesses.



SGH DELIVERED DISCIPLINED VALUE CREATION 2012 - 2022



¹ \$385m equity raising

² \$350m convertible note issue

³ \$496 TELYS4 conversion

⁴ \$1.3bn corporate debt refinanced

⁵ \$400m new facilities

⁶ \$460m USPP issued

⁷ \$533m institutional placement + SPP

WESTRAC INVESTMENT THESIS



WESTRAC CORE PLUS

Privileged mining market exposure

- Two of the best performing CAT dealers globally with diversified mining and general construction market exposure
- Key role of dealer is service and support
- Listed CAT dealer multiples have expanded 3.1 turns over a decade, reflecting attractiveness of business model and exclusive distribution rights

Customer demand increasing

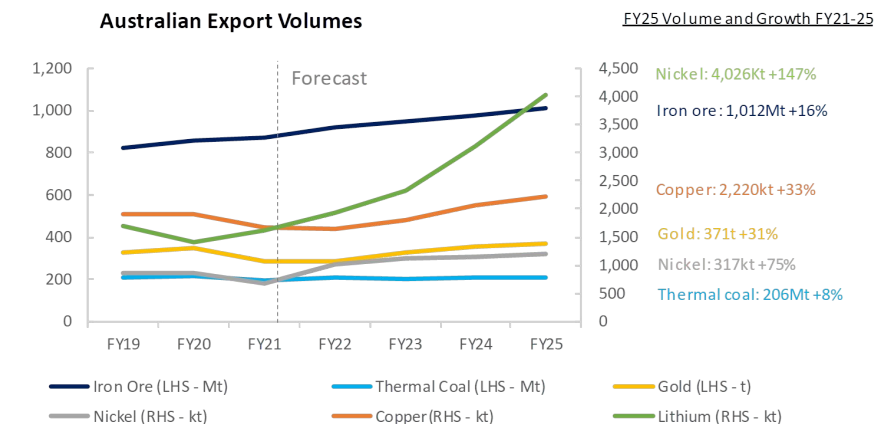
- Iron Ore, Coal, Copper, Zinc and Lithium support production super cycle with prices above long-term average coupled with growing global demand
- Ageing fleets require incremental maintenance to maintain productivity
- Significant mining and construction base supports predictable demand profile
- Miners deferring fleet reinvestment
- Parts exchange and full rebuilds growing to support extending fleet lives

Strong free cash flow generation through the cycle

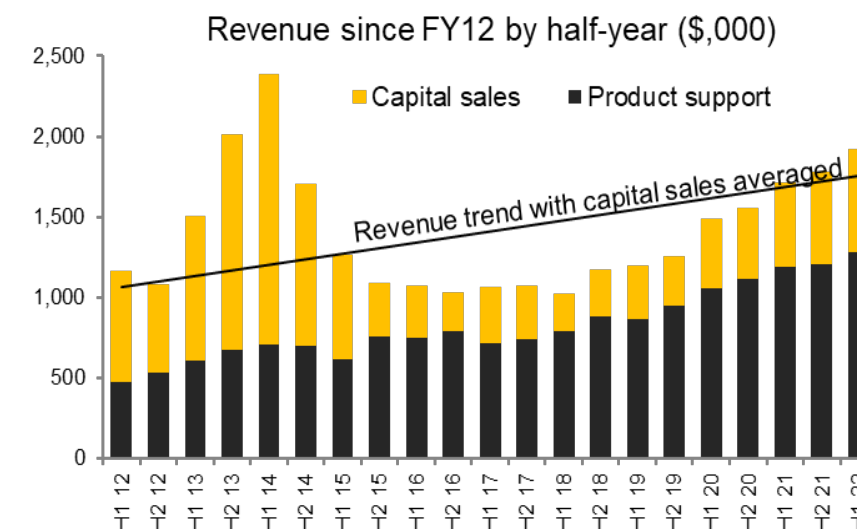
- EBITDA cash conversion of ~110% over the last decade
- ROFE in excess of >20%

Competitive advantages

- CAT AHS solution, OEM product development and support
- Strong global parts supply chain, facilities and staff



Source: Department of Industry, Science, Energy and Resources - Quarterly March 2022



WESTRAC FLEET AND TECHNOLOGY ADVANTAGE



Installed base and average age

- Large installed fleet base is supported by a strong customer value proposition:
 - Scale of operations providing effective and reliable service
 - Technology advantage of CAT equipment
 - After sales solutions such as component exchange
- Significant product support opportunity (6.5m parts lines shipped in FY21) created by the large installed base, high utilisation rates and increasing average machine age

Segment	Installed base	Average age	PINS Mkt Share
WA mining	5,368	10.91	54%
NSW / ACT mining	2,646	11.45	66%
WA non-mining	15,433	14.09	29%
NSW / ACT non-mining	18,591	13.07	17%

Autonomous Haulage Systems (AHS)

- Largest population of 377 AHS trucks in territory, which represents ~80% of the global CAT AHS population
- MineStar, CAT's AHS leading technology, is a differentiator:
 - Command for hauling have autonomously moved ~1.2 bn t of material in 2021 and more than 4bn t since 2013
 - Trucks equipped with CAT's AHS have travelled more than 147 million km with zero loss-time injuries
- These demonstrated capability have been a significant factor in recent contract awards on new fleets
- A recent five-year study by an AHS iron ore customers reported:
 - an 11% reduction in fuel usage delivering a 4300 tpy CO2 emissions reduction;
 - 11% increase in hourly production;
 - 50% higher maximum truck travel speed; and
 - 35% improved tyre life
- The world's first autonomous water truck has been deployed on a Cat 789D, which integrates truck, tank and water delivery

WESTRAC COMPONENT REBUILDS AND PEX



Valuable customer solutions

- WesTrac has grown additional revenue through its Component Rebuild Centre (CRC) and Parts Exchange Program (PEX)
- Delivers cost effective and time effective solutions for customers, enabling ageing fleets to continue to operate productively and integrating WesTrac into the customer value chain leveraging scale and differential labour markets
- Customers are extending fleet lives beyond 60K hrs, creating opportunities for up to 400 full frame truck rebuilds over the next 3 years

Component Rebuild Centre

- Strong revenue growth seen in component rebuilds (up 25% in 1H FY22) driven by the large installed base and high utilisation rates
- 37,797 components in stock, 22 major component types, servicing 28 major customers across 104 mine sites

Parts Exchange

- Customers send key components to be exchanged to WesTrac for rebuilding to “like new” condition
- WesTrac maintains a pool of reconditioned components ready to dispatch to customers seeking replacement - reduces the customer’s equipment downtime with time only incurred to remove and install and lowers cost for customers



Cat 3500 Series engine before strip



Cat 3500 Series engine rebuilt to new equivalent



Engine ready for shipment to customer

ZERO EMISSION FUTURE OPPORTUNITIES



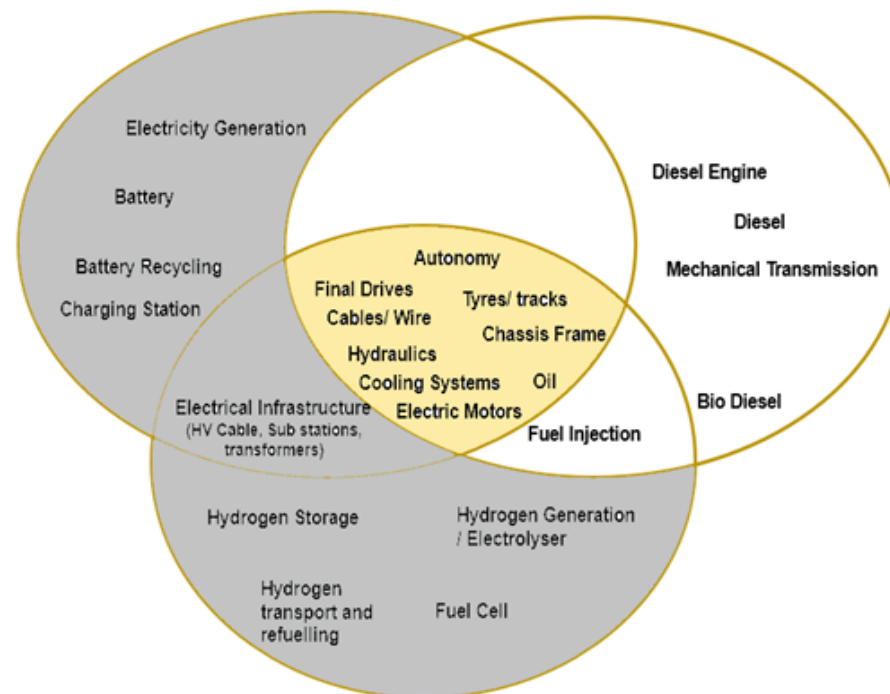
CAT ecosystem and technology well placed to continue to prosper through the energy transition

- Major miners are looking to decarbonise their mining fleets which will likely result in move away from mechanical drive diesel powered equipment to electric drive (ED) with options of being hydrogen or battery powered
- ED equipment likely to be more OEM centric, as power source likely to be manufacturer specific and require significant infrastructure and proprietary technology including AHS solutions to manage increasingly complex network optimization
- Working with CAT and customers to develop dynamic gas blending as interim solution as well as trolley assist
- CAT working with BHP, RIO, Newmont and Teck in Canada to deliver zero emission mining trucks

BATTERY

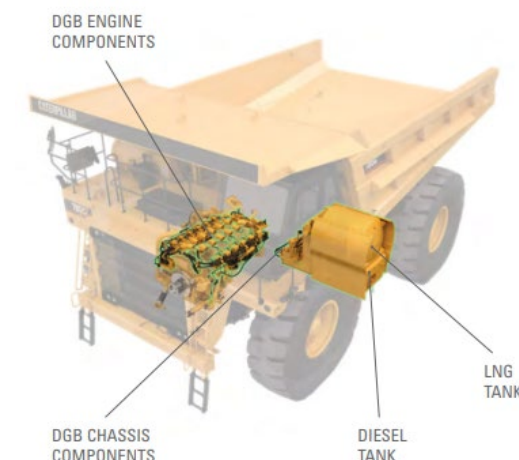


CAT introduces trolley assist systems for mining trucks



HYDROGEN

DIESEL ENGINE



CAT introduces dynamic gas blending for mining trucks

YELLOW = Retained Activity GREY = Growth Zone WHITE = Scaled down activity over the next 10 - 20 years

COATES INVESTMENT THESIS



COATES CORE PLUS

Leading market position with opportunity to grow share

- Coates has an unmatched range of equipment and solutions
- Diverse customer base generating > 35,000 hires per month
- Australia's largest fleet of general hire and specialist products
- Ability to support a further \$1bn investment over the next 5 yrs
- > 2,000 employees ensuring unparalleled customer delivery

Differentiated solutions led product offering

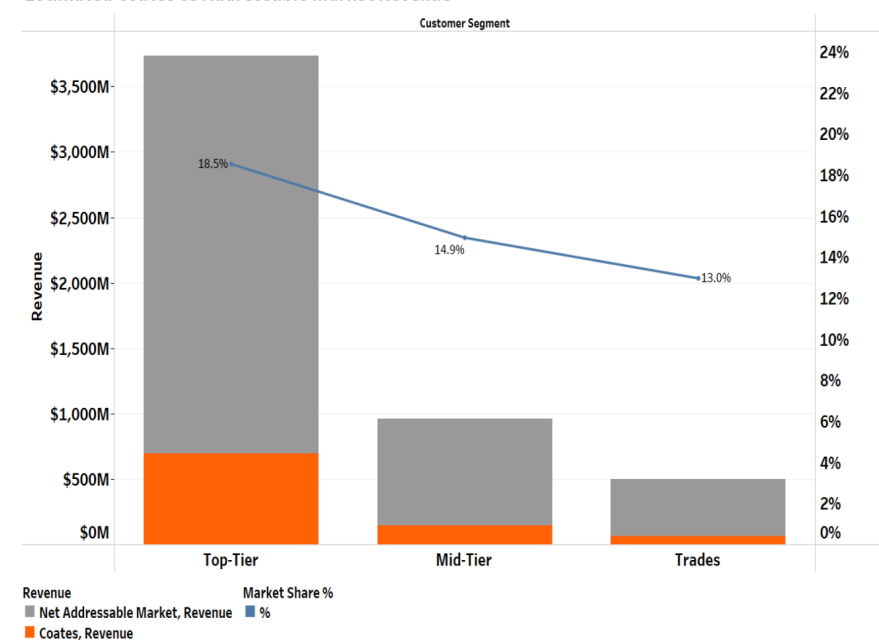
- Capable of supporting an evolving customer requirement, solutions focused as opposed to commoditised hire
- Changing customer demand for differentiated, technology and turnkey bespoke value propositions

Delivering a cost of capital return and strong FFO

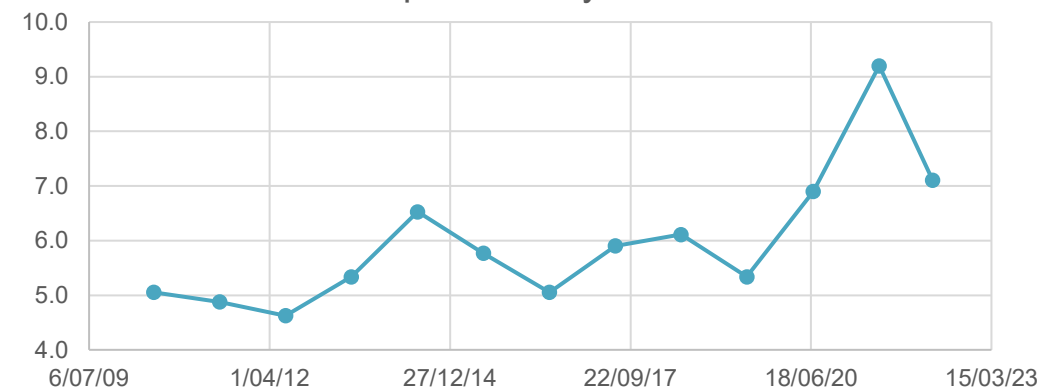
- Market leading margins through network performance investment, targeting improvement via operating leverage
- Listed rental multiples expanded 2.5 turns over a decade, reflecting rental penetration and a capital light contracting model making this now "core plus"
- EBITDA cash conversion of ~100% over the last decade
- ROFE in excess of 12%



Estimated Coates vs Addressable Market Revenue



EV / EBITDA Multiples for Key Listed Rental Peers



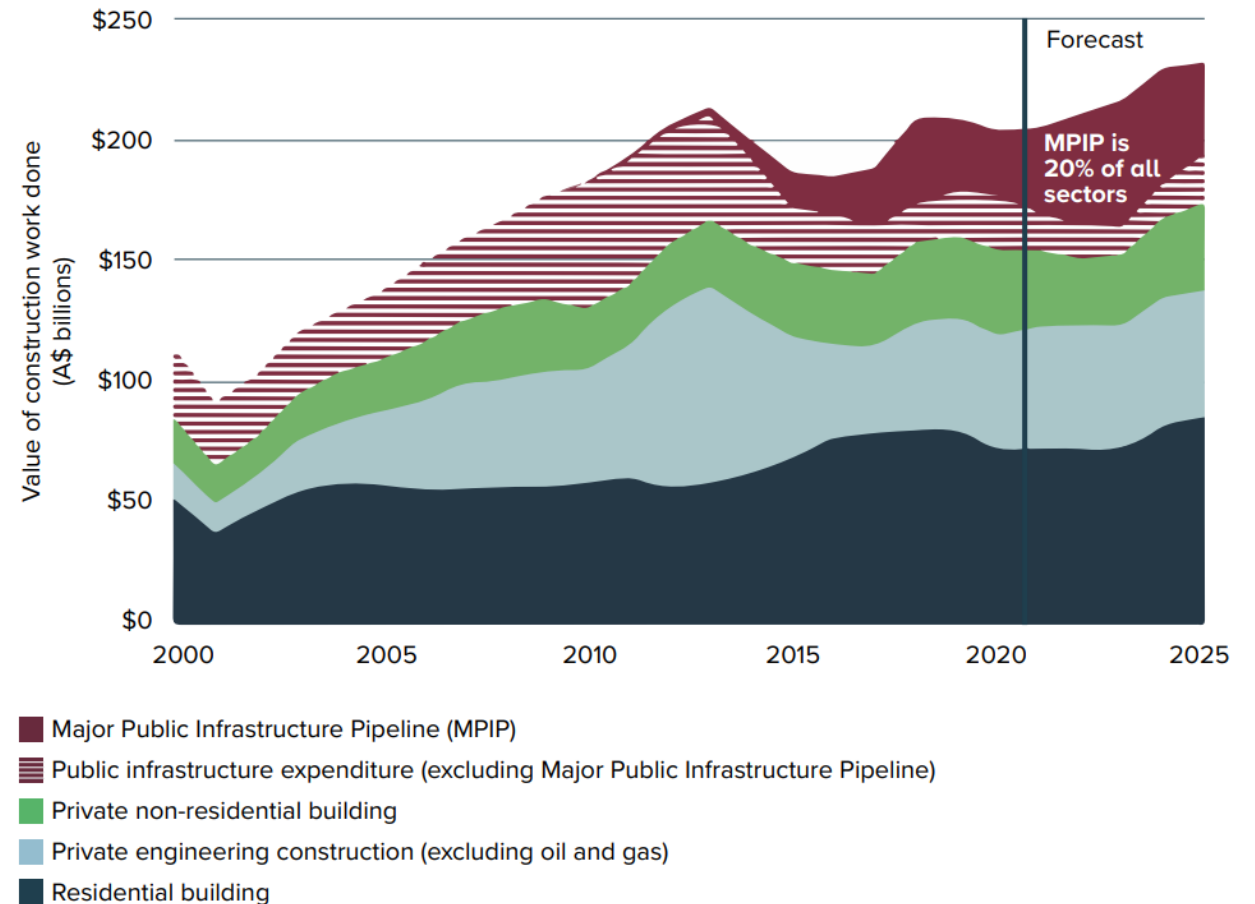
INDUSTRIAL SERVICES COATES OUTLOOK



Strong customer activity and market penetration

- Construction activity expected to grow strongly over the next five years to FY27
- Rebound in engineering construction activity coincides with an upswing in building activity, both driven by Government stimulus
- Supply constraints will likely extend the expected growth profile result in projects moving to the right
- The Infrastructure driven growth outlook generally flows directly to the demand for plant, a key input to construction project activity
- Growth in all three segments, top, mid-tier & trades
- Time utilisation now averaging over 60%
- \$1.1tn in activity / \$200bn in Government spend
- Coates major project exposure include:
 - WestConnex (NSW)
 - Sydney Metro (NSW)
 - Melbourne Metro Tunnel (VIC)
 - Inland Rail (National)
 - Bruce Highway Upgrade (QLD)
 - West Gate Tunnel (VIC)
 - Cross River Rail (QLD)

Infrastructure investment by sector



COATES FLEET ADVANTAGE & MARKET POSITION



Largest Fleet supporting customers delivering infrastructure

- \$1.8bn original cost of total fleet, difficult to replicate in inflationary environment
- TU > 61% for total fleet and 57% excluding site accommodation
- 10% growth in TU year on year and highest in the last 10 years
- Now targeting 65% to achieve global best practice
- Profitability, utilisation, disciplined capital allocation, standardised processes
- Expanding end-to-end solutions such as engineering, industrial and HVAC

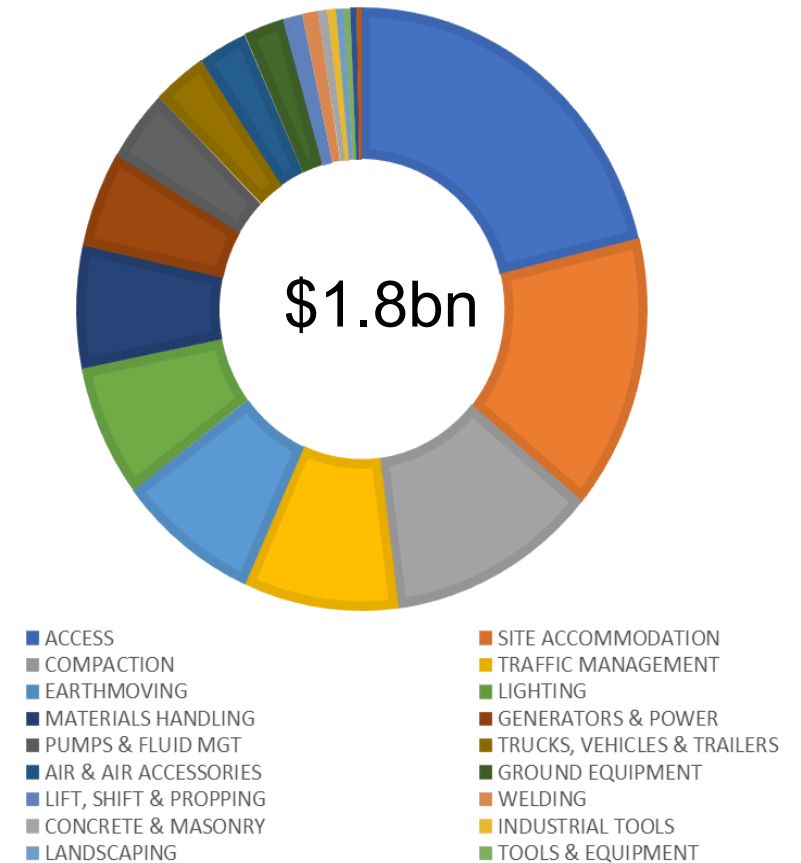
Leading market position

- Coates #1 has ~20% market share, Kennards #2 with ~6% and Onsite #3 with ~4% market share
- Network model of 160 branches is evolving to hub and spoke model to better support Tier 1 customers and lowering costs to serve
- Extending branch network by up to 300 Bunnings stores nationwide

Continued focus on product performance

- Bunnings partnership to drive cost effective expansion into the trades segment
- TU coupled with pricing discipline delivering improved operating leverage and financial returns which supports reinvestment to drive future growth

COATES FLEET BY ORIGINAL COST



COATES SOLUTIONS



Engineering Solutions



Industrial Solutions



Power and HVAC Solutions



Coates Technology

Coates Training

Growth strategy is to accelerate Coates' solutions offerings to deliver turnkey bespoke equipment solutions

- Provide a differentiated product offering expanding into higher margin value added services
- Coates Engineering Solutions offers comprehensive technical design, installation and all temporary works engineering solutions from structural propping, shoring and water treatment
- Coates Industrial Solutions provide onsite project facilities and tool stores through Coates Industrial Solutions to support customers shutdowns and maintenance
- Delivers enhanced EBIT% and ROC above traditional equipment hire

BORAL INVESTMENT THESIS



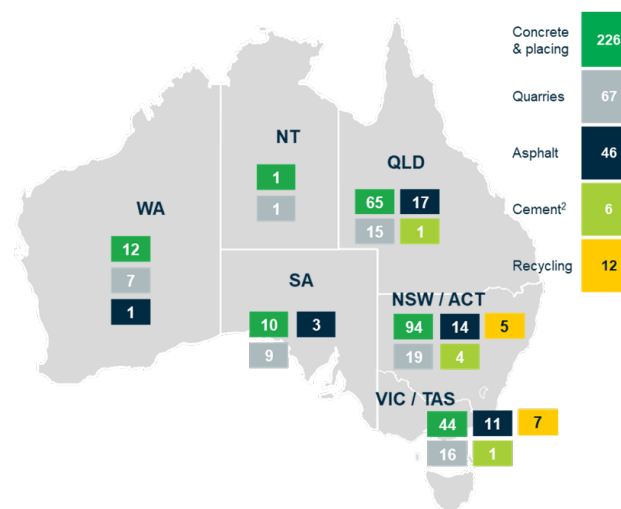
BORAL WHY WE WERE ATTRACTED



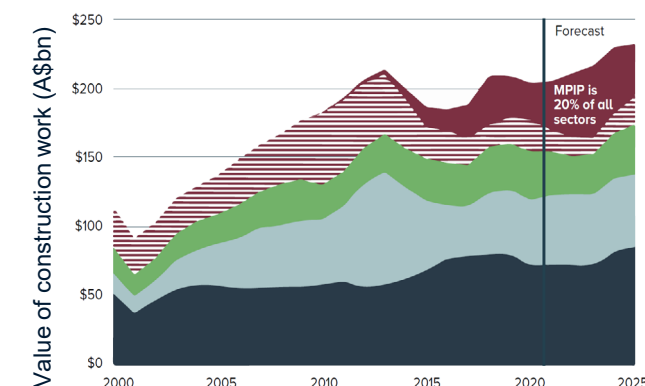
Boral's brand, integrated position, infrastructure and construction exposure will deliver returns comparative to global peers and makes it core plus, to achieve this positioning it requires turn around focus to capture value disconnect



Boral's construction materials network



Infrastructure Investment



- Great business requiring focus on disciplined execution
- Strong outlook in core activity presenting an opportunity
- Our shareholding is a commitment but needs to see material change

- Strong economic outlook
- Stable political environment
- Infrastructure investment activity
- Local competitive advantage
- Integrated position across core elements of the value chain

- \$1.1tn pipeline over next 5 years - only \$200bn is government
- Growing into recycling and waste
- Leading decarbonisation via low carbon concrete offering

BORAL PRIORITIES AND OPPORTUNITIES



SGH focused on executing its Boral value creation strategy

- \$4.7bn investment reduced to \$2.6bn post capital return
- Expectation that double-digit EBIT margins should be restored but will take longer than originally anticipated
- Activity levels expected to benefit from infrastructure expansion with weather events deferring rather than destroying demand

Focus on margin expansion and improving returns

- Cost focus post pivot back to Australia – relentless focus on performance and results
- Margins lag local and global peers
- Spans and layers review to increase agility and efficiency
- Effectively leverage scale and position
- Build resilience and agility back into Boral
- Implement supply chain & logistics opportunities focused on customer service improvements and cost reductions

Property

- Pivot on property to capitalise on potential value by moving to a retention and co-develop strategy for industrial property maturing over the longer term

Ultimate Objective

Revenue growth

Market share improvement

10 -12% EBIT Margins

+15% ROCE

Leverage scale

ENERGY INVESTMENT THESIS





ENERGY BEACH ENERGY (30%)

Benefits of Beach's diversified portfolio

- Six production hubs supplying three distinct gas markets
- Otway offshore development (G4 and G5) now delivering gas to market supporting higher winter demand
- Waitsia drilling commenced supporting Perth Basin LNG export

Leverage and free cash flow

- Net cash having invested \$1bn in development projects
- On completion of Perth Basin and Otway developments, Beach will generate material FFO supported by available franking

Major growth projects tracking on schedule and on budget

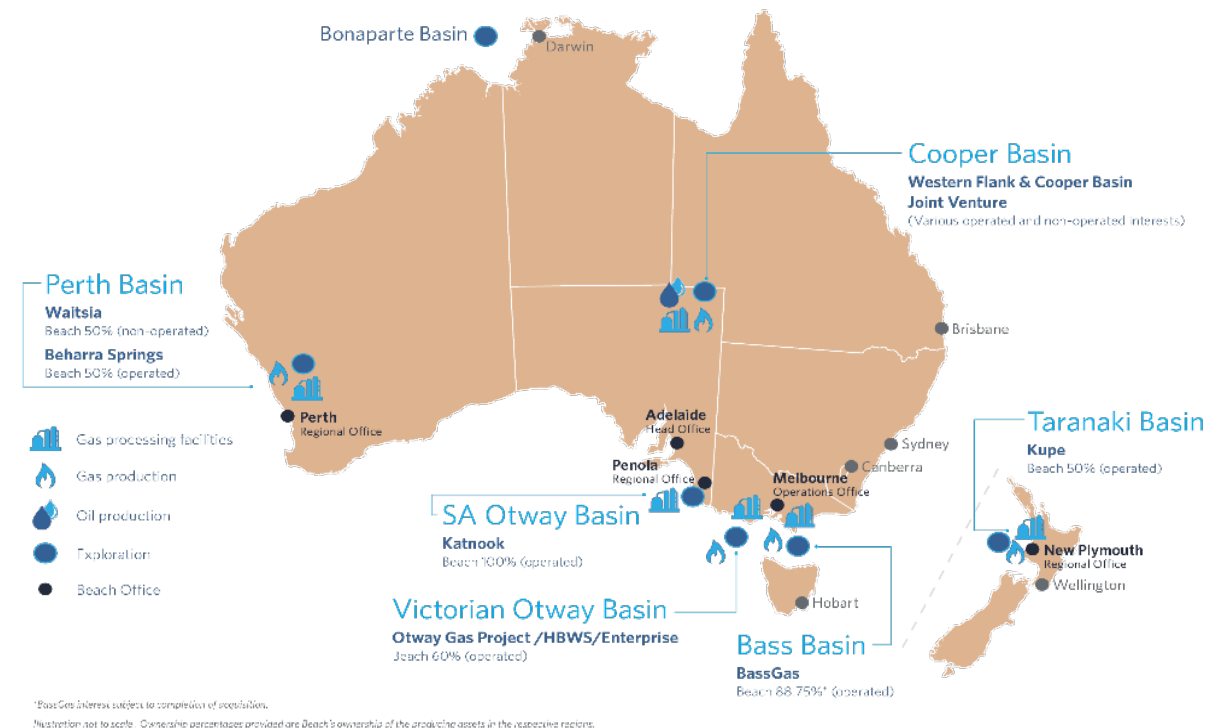
- Thylacine West 1 successfully drilled in the offshore Otway Basin with net pay above pre-drill estimates
- Waitsia Stage 2 development drilling commenced
- FID taken for the connection of Enterprise to the Otway Gas Plant

Western Flank performance

- Western Flank oil decline of <35% in FY22 now expected (previously 35% to 45%) due to refined reservoir management

FY24 Production Target

- Remain on schedule to deliver FY24 production target of 28 MMboe

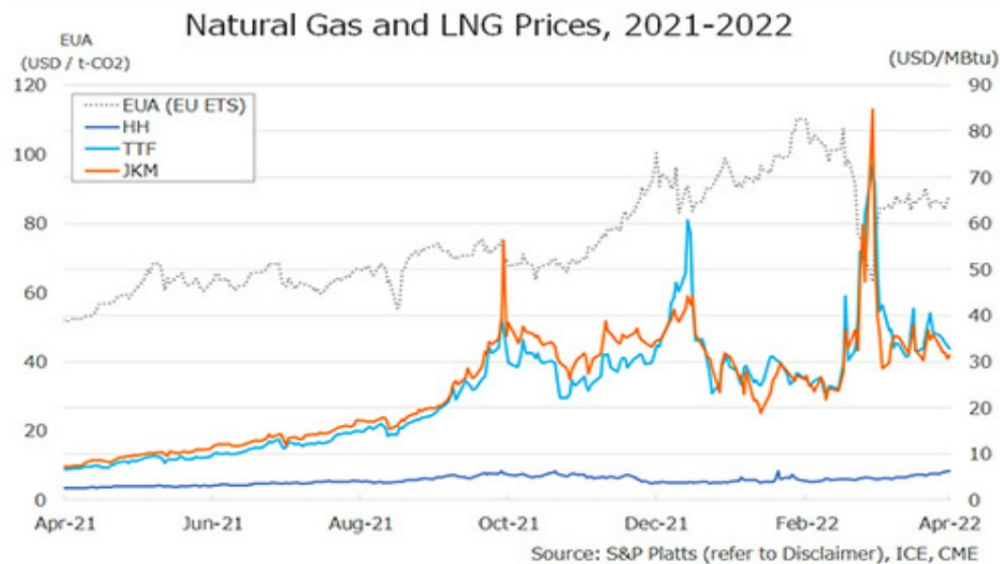




ENERGY SGH ENERGY

Crux (SGHE 15%)

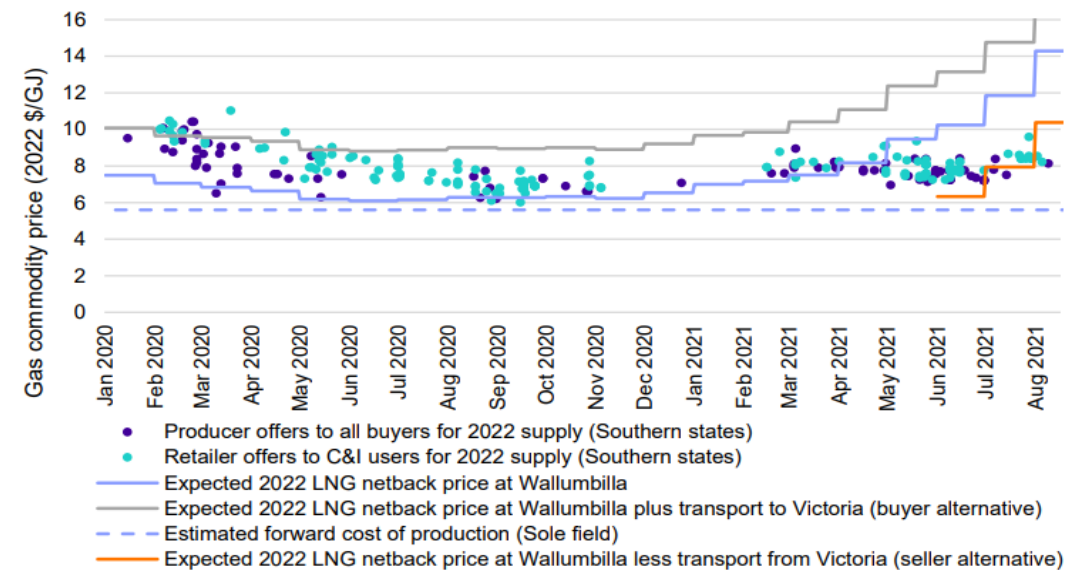
- World class LNG asset with pathway to market
- Important long-term backfill opportunity for the Shell-operated Prelude FLNG facility
- Moving to Detailed Engineering and Execution phases
- Global LNG supply constraints and growing LNG demand support strong spot prices and robust longer-term outlook
- Energy security should support improved valuation
- Started a sales process given Crux is expected to commence production at a time of LNG market shortage



Longtom (SGHE 100%)

- East Coast gas project with ~80PJ of resource
- Progressing access to infrastructure as key step to the south-eastern Australia gas market potential
- Gas would support supply into a market that has an increasing demand-supply gap

East Coast gas prices (2022\$/GJ) offered for 2022 supply against expectations of LNG netback





ENERGY ATTRACTIVE MARKET EXPOSURES

Underinvestment in new supply, strengthening demand and renewed energy security concerns

- Positive macroeconomic trend for energy, particularly gas as transitional energy source
- Global economy entering a period of higher growth and inflation making developed resources more valuable
- LNG demand driven from coal transition has driven spot LNG price irrespective of Ukraine
- Elevated energy security concerns in Asia and Europe will exacerbate imbalance
- Strong investor demand for Australian energy assets (Senex, Oil Search, BHPP)

Global Oil and Liquids



- Demand recovering
- Supply/demand imbalances
- Geopolitical events and energy security concerns driving near and medium-term outlook

Global LNG



- Geopolitical events and energy security driving near-term outlook
- Market tightness forecast 2022 to 2030 due to a lack of new supply

East Coast Gas



- Under-investment
- Linkage to global LNG market
- Spot and term contract pricing strengthening earlier than expected
- LNG import terminal delayed

West Coast Gas



- Decarbonisation of mining – replacing diesel with LNG/gas
- Tightening market with declining existing production strengthening pricing
- Multiple opportunities for incremental demand growth (petrochemical)

New Zealand Gas



- Gas a key component of the energy mix >30% used for power generation
- Limited supply and low volume hydro capacity
- Some parties suggest LNG imports will be required + coal imports to continue

SWM INVESTMENT THESIS



MEDIA SEVEN WEST MEDIA (38.9%)

Seven Network returned to #1 with content led growth

- #1 in metro broadcast with 40.3% revenue share (+3.7 points)
- 7plus the #1 BVOD channel with over 12.5m registered and verified users

Market conditions strengthening

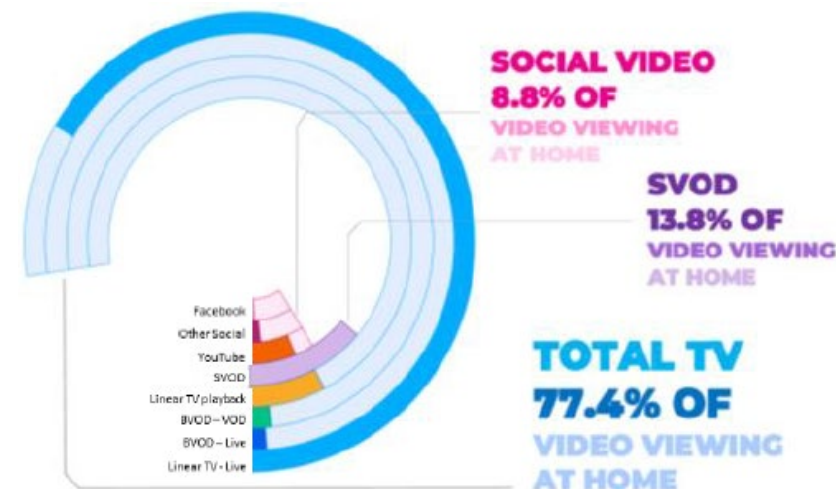
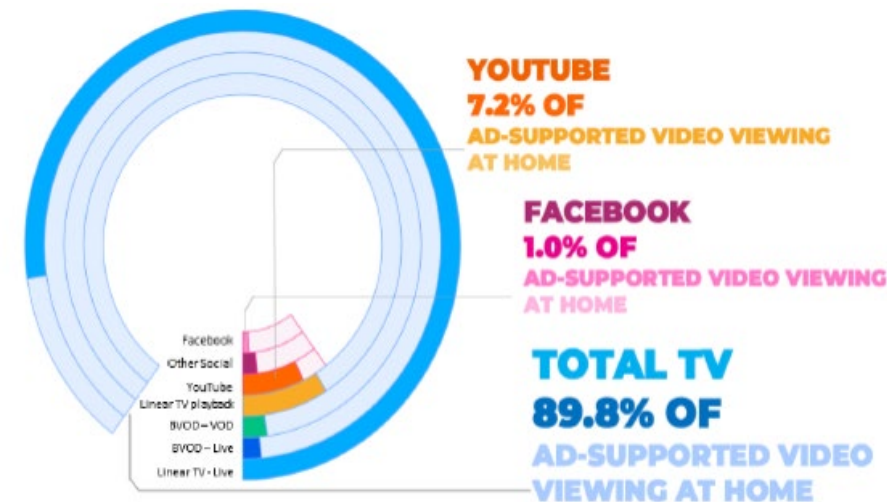
- Total TV revenue including broadcast, regional and BVOD recovered to 2015 levels
- Strong ad market growth; Metro TV +13%, regional +7.2%
- BVOD Revenue +58%, forecast to grow to \$900m by CY25 and SWM growing share
 - Total TV + 16.7% (Jul-Dec 21)
- Ratings and demographic improving off new tentpoles success
- Increasing share of BVOD advertising sold with data-led insights, underpinning yield
- Digital Platform deals: benefits accruing
- Balance sheet repair completed with leverage under 1X

Acquisition of Prime, the #1 TV network in regional Australia

- SWM now reach 91% of Australians, the largest broadcaster in the country
- Provides advertisers superior audience reach across metro and regional markets through integrated offering
- Cost synergies of \$5m to \$10m annualised and unquantified revenue synergies



Total ad supported in-home viewing : on any device



GROUP OUTLOOK



GROUP LEVERAGE

Strong credit support for the Group both domestically and from US Private Placement market

- Strong free cash flow generation and asset backing
- Ability to fund via alternative markets, structured swaps and scrip loans providing cost effective alternatives
- Efficient use of leverage with an all-in costs of debt sub 3.9% with 55% being fixed with average duration of 4.5 years
- Committed facilities providing liquidity buffer and optimal all-in borrowing cost
- Uncommitted facilities with high availability but low commitment fees

Boral deleveraging plan completed

- \$2.97bn bridge loan now fully repaid, ~8 months after Boral offer close
- Extinguishing legacy Boral facilities to reduce costs of carry
- Consolidated net debt (ex-lease liabilities) of ~\$4.2bn post Boral distribution and Fly Ash completion
- Group leverage net of listed investments is effectively zero, resulting in SGH holding WesTrac and Coates debt free
- Consolidated group leverage reverting to historical levels over the next 18 months

Positioning for future growth

- Focused on liberating working capital invested by WesTrac to support customers through supply chain disruption
- Bank support for further organic and inorganic growth opportunities

GROUP SUPPORTING CUSTOMER'S SUSTAINABILITY

WesTrac

- Parts exchange ensures reuse and mitigates waste
- Component model enables fleet lives to be extended whilst maintaining fleet uptime requiring smaller fleet to deliver production
- Rebuild assets effective doubling the useful life salvaging critical elements

Coates

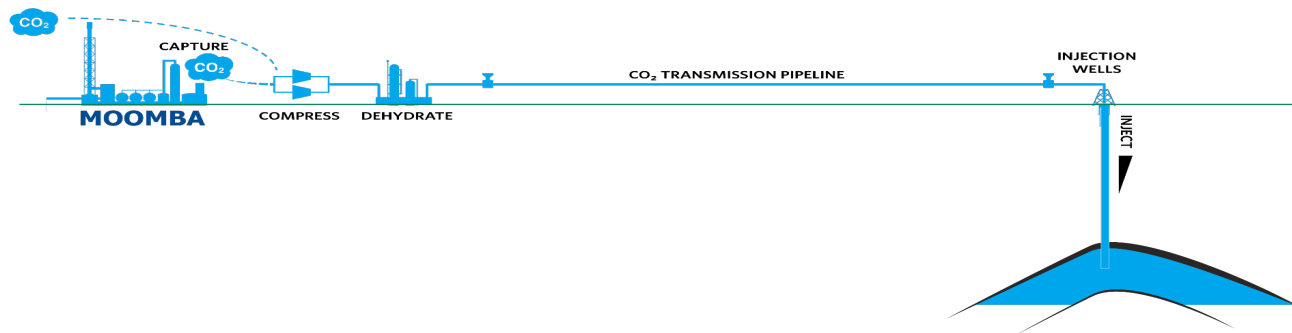
- Equipment rental contribution to circular economy – optimisation of total fleet
- Developing a range of greener choices across key rental classes (solar lighting)
- Telemetry is supporting customer lower their usage and omissions

Boral

- Leading industry Low Carbon Concrete (LCC) solution with proprietary technology
- Investing in chlorine bypass to reduced emissions by converting waste to energy
- Investing in recycling, earth exchange to support circular economy

Beach

- Investing in market leading carbon capture and storage project at Moomba



R2900 CPT Rebuild - Before and After -





GROUP OUTLOOK

No change to Group guidance up 8 to 10 per cent on FY21 pro-forma EBIT from continuing operations, excluding property

- **Strong underlying demand and activity across all sectors of the portfolio**
- **WesTrac** is expected to **deliver FY22 guidance of 'low single digit' EBIT growth on FY21**, despite supply chain pressures reflecting robust customer demand across all key sectors
- **Coates momentum accelerating** with project activity ramping up and TU above 61% supporting **FY22 revised EBIT guidance of 'low double digit'** being achieved
- **Boral's** second half of FY22 result has been impacted by wet weather and unmitigated increased costs
- **Beach** benefiting from improved commodity price **and bringing Otway development into production**
- **Advertising** market and ratings have strengthened since half year result **supporting Seven West Media's improved financial outlook for the second half**

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Basis of preparation of slides

- Abovementioned Guidance is subject to no material change to market conditions or disruptive weather events
- Included in this presentation is data prepared by the management of Seven Group Holdings Limited (“SGH”) and other associated entities and investments. This data is included for information purposes only and has not been subject to the same level of review by the company as the financial statements, so is merely provided for indicative purposes. The company and its employees do not warrant the data and disclaim any liability flowing from the use of this data by any party.
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- Period-on-period changes that are greater than 100%, less than (100)% or change between positive and negative are omitted for presentation purposes.