

24 September 2018

SGH receives approval to convert TELYS4 into ordinary shares

- **TELYS4 holders provide overwhelming support for SGH's proposal to convert the TELYS4**
- **Current value represents a 27 per cent premium above pre-announcement TELYS4 price**
- **Successful monetisation achieved for TELYS4 holders as reflected by recent trading activity**
- **EPS accretion and increased free float achieved for all shareholders**

Seven Group Holdings ("SGH") (ASX Code: SVW) today announced that TELYS4 holders have voted in favour of amending the terms of the TELYS4 to allow a conversion into Ordinary Shares. Under SGH's proposed offer, TELYS4 holders will be issued with 4.60645 Ordinary Shares per TELYS4. At the current \$22.35 price of Ordinary Shares, the conversion value of \$102.95 represents a 27 per cent premium above the pre-announcement TELYS4 price of \$81.14.

The offer received overwhelming support at the meeting of TELYS4 holders held today, with 93 per cent of votes cast in favour of the proposal and 65 per cent of the register having voted. The conversion will benefit all SGH shareholders through: earnings per share accretion; increase in free float and market liquidity; increase in SGH's weighting in S&P / ASX indices and potential future inclusion in MSCI indices.

Support for SGH's proposal is also reflected by recent trading activity since the announcement of SGH's proposal on 22 August 2018. Average daily TELYS4 volume has increased by more than 50 times and 3.8 million TELYS4 have traded, representing 77 per cent of the total TEYLS4 on issue. The volume weighted average price (VWAP) of \$94.92, and the increase in price to as high as \$102.99 during this period, created an opportunity that many TELYS4 holders have successfully monetised.

Commenting on today's vote, Ryan Stokes, Managing Director and Chief Executive Officer of SGH said:

"The support from TELYS4 holders and the recent trading activity highlights the confidence of the market in SGH's ability to create value for shareholders. Unifying the capital structure, combined with the benefits of a greater free float and index inclusion, will benefit all shareholders through deeper market liquidity and EPS and cash flow accretion".

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Seven Group Holdings Limited 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 also owns Coates Hire, Australia's largest equipment hire business; and AllightSykes, a supplier of lighting towers, generators and pumps. The Group also has a 26 per cent shareholding in Beach Energy and has interests in oil and gas projects in Australia and the United States. In media, SGH has a 41 per cent shareholding in Seven West Media, Australia's largest multiple platform media company, including the Seven Network, The West and Pacific.

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