

## IMPORTANT NOTICE

**NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES. THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE ADDRESSEES OUTSIDE OF THE UNITED STATES.**

**IMPORTANT: You must read the following disclaimer before continuing.** The following disclaimer applies to the attached offering circular (the “Offering Circular”). You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached Offering Circular. In accessing the attached Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

**Confirmation of Your Representation:** The attached Offering Circular is being sent to you at your request and by accepting the e-mail and accessing the attached Offering Circular, you shall be deemed to represent to Merrill Lynch Equities (Australia) Limited in its capacity as sole bookrunner and underwriter (the “Sole Bookrunner”), Macquarie Capital (Australia) Limited and Merrill Lynch Equities (Australia) Limited in their capacity as co-managers (the “Co-Managers”) and Macquarie Capital (Australia) Limited in its capacity as structuring advisor (the “Structuring Advisor”, and together with the Sole Bookrunner and the Co-Managers, the “Managers”) that: (1) the e-mail address that you gave us and to which this e-mail has been delivered is not, and you are not located in the United States, its territories or possessions and to the extent you purchase securities defined herein, you will be doing so in an “offshore transaction” (as defined under Regulation S under the U.S. Securities Act of 1933, as amended (the “Securities Act”)); and (2) you consent to delivery of the attached Offering Circular and any amendments or supplements thereto by electronic transmission.

The attached Offering Circular has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Managers, the Note Trustee (as defined in the attached Offering Circular), the Security Trustee (as defined in the attached Offering Circular), the Agents (as defined in the attached Offering Circular) or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls the Managers, the Note Trustee, the Security Trustee or any of the Agents or their respective affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version. We will provide a hard copy version to you upon request.

**Restrictions:** The attached Offering Circular is being furnished in connection with an offering of securities in “offshore transactions” as defined in, and in compliance with Regulation S under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein. You are reminded that the information in the attached Offering Circular is not complete and may be changed.

**NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES AND THE ORDINARY SHARES TO BE DELIVERED UPON EXCHANGE OF THE NOTES (EACH AS DESCRIBED IN THE ATTACHED OFFERING CIRCULAR) HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE NOTES AND THE ORDINARY SHARES TO BE DELIVERED UPON EXCHANGE OF THE NOTES MAY NOT BE OFFERED OR SOLD, RESOLD, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.**

Nothing in this electronic transmission constitutes an offer to sell or a solicitation by or on behalf of either the Issuer (as defined in the attached Offering Circular) or the Managers of an offer to subscribe for or purchase any of the securities described therein in any jurisdiction where it is unlawful to do so, and access has been limited so that it shall not constitute in the United States “directed selling efforts” (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Managers or any of their affiliates is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Managers or such affiliates on behalf of the Issuer in such jurisdiction.

**Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to Prospective Investors:** Prospective investors should be aware that certain intermediaries in the context of the offering of the Notes, including certain Managers, are “capital market intermediaries” (together, the “CMIs”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “Code”). This notice to prospective investors is a summary of certain obligations the Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (together, the “OCs”) for the offering and are subject to additional requirements under the Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, the Chargor, the Company, a CMI or its group companies would be considered under the Code as having an association (an “Association”) with the Issuer, the Chargor, the Company, the CMI or the relevant group company. Prospective investors associated with the Issuer, the Chargor, the Company or any CMI (including its group companies) should specifically disclose this when placing an order for the Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Manager, such prospective investor should indicate when

placing an order if it is for a fund or portfolio where the Manager or its group company has more than 50% interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to the offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a “proprietary order”. If a prospective investor is otherwise affiliated with any Manager, such that its order may be considered to be a “proprietary order” (pursuant to the Code), such prospective investor should indicate to the relevant Manager when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a “proprietary order”. Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to the offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to the offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Managers and/or any other third parties as may be required by the Code, including to the Issuer, the Chargor, the Company, any OCs, relevant regulators and/or any other third parties as may be required by the Code, it being understood and agreed that such information shall only be used for the purpose of complying with the Code, during the bookbuilding process for the offering. Failure to provide such information may result in that order being rejected.

You are reminded that you have accessed the attached Offering Circular on the basis that you are a person into whose possession the attached Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you are not allowed to purchase any of the Notes.

**Actions that You May Not Take:** If you receive this document by e-mail, you should not reply by e-mail to this e-mail, and you may not purchase any Notes by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected.

**THE ATTACHED OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

**IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.**

You are responsible for protecting against viruses and other destructive items. If you receive this document by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

**Seven Group Holdings Limited**  
**(ABN 46 142 003 469)**

**AS\$250,000,000 4.625 per cent. Exchangeable Notes Due 2027**  
**Exchangeable by Industrial Investment Holdings Pty Limited (ABN 36 166 596 710) into**  
**Ordinary Shares of Boral Limited (ABN 13 008 421 761)**

**Issue Price: 100 per cent.**

The AS\$250,000,000 4.625 per cent. Exchangeable Notes due 2027 (the “Notes”) will be issued by Seven Group Holdings Limited (ABN 46 142 003 469) (“SGH” or the “Issuer”), a company incorporated under the laws of Australia and listed on the Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691) (the “ASX”, which shall also mean where the context requires it, the Australian Securities Exchange). The Notes will be issued in denominations of AS\$200,000 and integral multiples of AS\$100,000 in excess thereof. The Notes will constitute direct, unconditional and unsubordinated obligations of the Issuer, and shall at all times rank *pari passu*, without any preference among themselves.

The Notes will bear interest from and including the Closing Date (as defined below) at the rate of 4.625 per cent. per annum calculated by reference to the principal amount thereof and payable quarterly in equal instalments in arrear on 18 January, 18 April, 18 July and 18 October in each year (each an “Interest Payment Date”) commencing on the Interest Payment Date falling on 18 January 2023. All payments made by or on behalf of the Issuer in respect of the Notes will be made free from any restriction or condition and be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature (including any penalty or interest payable in connection with those amounts) imposed or levied by or on behalf of the Commonwealth of Australia or any political subdivision or any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is required to be made by law.

Unless previously purchased and cancelled or redeemed, each Noteholder has the right, subject to any applicable laws and regulations and in the manner as described in the terms and conditions of the Notes (the “Terms and Conditions of the Notes” and each, a “Condition”), to exchange a Note at any time during the Exchange Period (as defined in the Terms and Conditions of the Notes) for fully paid ordinary shares of Boral Limited (ABN 13 008 421 761) (“Boral” or the “Company”, and the fully paid ordinary shares of Boral, the “Ordinary Shares”) at an initial exchange price of AS\$3.77 per Ordinary Share, subject to adjustment in the circumstances described under “Terms and Conditions of the Notes – Exchange of Notes” (the “Exchange Price”). The Ordinary Shares are listed on the ASX. The closing price of the Ordinary Shares on the ASX on 6 October 2022 (being the latest practicable date prior to the announcement of the proposed issue of the Notes) was AS\$2.90 per Ordinary Share. The obligations of Industrial Investment Holdings Pty Limited (the “Chargor”) to deliver Ordinary Shares upon exchange of the Notes in accordance with the Terms and Conditions of the Notes are secured in favour of BTA Institutional Services Australia Limited (the “Security Trustee”) for the benefit of the Noteholders in the manner provided in Condition 2 (Security) and in the general security deed created by the Chargor in favour of the Security Trustee in respect of the Security Assets (as defined in the Terms and Conditions of the Notes) dated on or about the Closing Date (the “General Security Deed”). The Chargor will also enter into a security trust deed with the Security Trustee (the “Security Trust Deed”) and a tripartite deed with the Security Trustee and Macquarie Bank Limited (ABN 46 008 583 542) (the “Broker Participant”) in relation to control of the Ordinary Shares (the “Tripartite Deed”).

Unless previously purchased and cancelled, redeemed or exchanged as provided in the Terms and Conditions of the Notes, the Notes will be redeemed on 18 October 2027 (the “Final Maturity Date”) at their principal amount, together with accrued but unpaid interest to but excluding such date. Subject to and as provided in the Terms and Conditions of the Notes, the Issuer may redeem all but not some only of the Notes on any date at their principal amount, together with accrued but unpaid interest to but excluding the date fixed for redemption, if at any time prior to giving such notice of redemption 85 per cent. or more in principal amount of the Notes originally issued (including any further Notes issued pursuant to the Terms and Conditions of the Notes) has already been purchased and cancelled, redeemed or exchanged. The Notes may also be redeemed at the option of the holders at their principal amount, together with accrued but unpaid interest to but excluding the date fixed for redemption, on 18 October 2025 or upon the occurrence of a Relevant Event (as defined in the Terms and Conditions of the Notes). All but not some only of the Notes may be redeemed at the option of the Issuer at their principal amount, together with accrued but unpaid interest to but excluding the date fixed for redemption, in the event of certain changes relating to Australian taxation. See “Terms and Conditions of the Notes — Redemption and Purchase” of this Offering Circular.

For a more detailed description of the Notes, see “Terms and Conditions of the Notes” section of this Offering Circular.

**Investing in the Notes and the Ordinary Shares involves certain risks. See “Risk Factors” section of this Offering Circular for a discussion of certain factors to be considered in connection with an investment in the Notes.**

The Notes and the Ordinary Shares to be delivered upon exchange of the Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or the securities laws of any state or other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold within the United States. The Notes and the Ordinary Shares to be delivered upon exchange of the Notes are being offered and sold only outside the United States in reliance on Regulation S under the Securities Act. For a description of these and certain further restrictions on offers and sales of the Notes, the Ordinary Shares to be delivered upon exchange of the Notes and the distribution of this Offering Circular, see “Subscription and Sale” section of this Offering Circular.

Application has been made to the Singapore Exchange Securities Trading Limited (the “SGX-ST”) for the listing and quotation of the Notes on the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Offering Circular. Approval in-principle from, admission to the Official List, and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, its subsidiaries, its associated companies (if any), the Notes or the Ordinary Shares.

The Notes will be represented by beneficial interests in a global certificate (the “Global Certificate”) in registered form, without interest coupons attached, which will be registered in the name of a nominee of, and shall be deposited on or about 18 October 2022 (the “Closing Date”) with, a common depository for Euroclear Bank SA/NV (“Euroclear”) and Clearstream Banking S.A. (“Clearstream”). Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described in the Global Certificate, definitive certificates for the Notes will not be issued in exchange for interests in the Global Certificate.

**Sole Bookrunner**  
**BofA Securities**

**Co-Managers**

**BofA Securities**

**Macquarie Capital**

**Structuring Advisor**  
**Macquarie Capital**

The date of this Offering Circular is 7 October 2022

## IMPORTANT NOTICE

### About this document

This document (this “**Offering Circular**”) is issued by Seven Group Holdings Limited (ABN 46 142 003 469). Any offering of the Issuer’s A\$250,000,000 4.625 per cent. Exchangeable Notes due 2027 (the “**Notes**”) in Australia is made under this Offering Circular.

Any offering of Notes within Australia is open only to selected investors who are sophisticated or professional investors as respectively referred to in sections 708(8) and 708(11) of the Corporations Act 2001 (Cth) (“**Corporations Act**”).

Neither this Offering Circular nor any other disclosure document in relation to the Notes has been or will be lodged with the ASX or Australian Securities and Investments Commission (“**ASIC**”) and this Offering Circular is not, and does not purport to be, a prospectus, product disclosure document or other disclosure document as defined in the Corporations Act. This Offering Circular is not to be provided to any “retail client” as defined in section 761G of the Corporations Act. Neither the Issuer nor the Chargor is licensed to provide financial advice in respect of the Notes or the Ordinary Shares. Cooling off rights do not apply to the acquisition of the Notes or Ordinary Shares.

A person may not make or invite an offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia) or distribute or publish this Offering Circular or any other offering material or advertisement relating to the Notes in Australia unless the minimum aggregate consideration payable by each offeree is at least A\$500,000 calculated in accordance with both section 708(9) of the Corporations Act and regulation 7.1.18 of the Corporations Regulations 2001 (Cth) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 of the Corporations Act, and such action complies with all applicable laws, regulations and directives.

None of ASIC or the ASX or their respective officers takes any responsibility for the contents of this Offering Circular or the merits of the investment to which this Offering Circular relates. The fact that Boral is listed on the ASX and that the Ordinary Shares are quoted on the ASX is not to be taken in any way as an indication of the merits of the Ordinary Shares, the Notes, Boral or the Issuer.

In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Notes being offered, including the merits and risks involved. The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Offering Circular or confirmed the accuracy or determined the adequacy of the information contained in this Offering Circular. Any representation to the contrary is unlawful.

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference. See “*Incorporation by Reference*”. This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.

The Issuer has confirmed to Merrill Lynch Equities (Australia) Limited in its capacity as sole bookrunner and underwriter (the “**Sole Bookrunner**”), Macquarie Capital (Australia) Limited and Merrill Lynch Equities (Australia) Limited in their capacity as co-managers (the “**Co-Managers**”) and Macquarie Capital (Australia) Limited in its capacity as structuring advisor (the “**Structuring Advisor**”, and together with the Sole Bookrunner and the Co-Managers, the “**Managers**”) that this Offering Circular contains or incorporates by reference all information regarding the Issuer, Boral, the Chargor, the Issuer and its subsidiaries as a whole (the Issuer and its subsidiaries, including Boral and the Chargor, collectively, the “**Group**”), the Notes and the Ordinary Shares which is (in the context of the issue of the Notes and the Offering) material; such information

is true and accurate in all material respects and is not misleading or deceptive, or likely to mislead or deceive, in any material respect; any opinions, intentions and expectations expressed in this Offering Circular on the part of the Issuer and the Group are honestly held or made and will be based on reasonable assumptions and reasonable grounds; this Offering Circular does not omit to state any fact the omission of which would (in the context of the issue of the Notes and the Offering) make any statement in this Offering Circular misleading or deceptive, or likely to mislead or deceive, in any material respect; and all reasonable enquiries have been made to ascertain and to verify the accuracy of all such information and statements. This Offering Circular is based on information provided by the Issuer, and the Issuer accepts responsibility for the information contained in this Offering Circular. This Offering Circular should be read in its entirety. It contains general information only and does not take into account your specific objectives, financial situation, risk tolerance or needs. In the case of any doubt, investors should seek the advice of a financial or other professional adviser.

Boral was not involved in the preparation of this Offering Circular. Further, Boral has no obligation with respect to the Notes or amounts to be paid to the Noteholders, including any obligation to consider, for any reason, the Issuer's or Noteholders' needs or to make any disclosure to Noteholders. Subsequent disclosure or failure to disclose material events or information concerning Boral could affect the trading price of the Ordinary Shares (including Ordinary Shares deliverable upon exchange of the Notes) and therefore the trading price of the Notes. Boral will not receive any of the proceeds from the offering of the Notes and is not responsible for, and has not participated in, the determination of any matter involving the Notes, including the timing of, terms of, price for, or quantities of, the Notes.

None of the Issuer, any member of the Group, the Managers, The Bank of New York Mellon, London Branch (the "**Note Trustee**"), BTA Institutional Services Australia Limited (ABN 48 002 916 396) (the "**Security Trustee**") or the Agents (as defined in the Terms and Conditions of the Notes) or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them guarantees the success of the offering of the Notes (the "**Offering**") or any particular rate of capital or income return. Investment-type products are subject to investment risk, including possible loss of income and capital invested.

None of the Issuer, any member of the Group, the Managers, the Note Trustee, the Security Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them is providing investors with any legal, business or tax advice in this Offering Circular. Investors should consult their own advisers to assist them in making their investment decision and to advise themselves whether they are legally permitted to purchase the Notes. Investors must comply with all laws that apply to them in any place in which they buy, offer or sell any Notes or possess this Offering Circular. Investors must also obtain any consents or approvals that they need in order to purchase the Notes. None of the Issuer, any member of the Group, the Managers, the Note Trustee, the Security Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them are responsible for investors' compliance with any such legal requirements. The Issuer and the Chargor have not authorised the making or provision of any representation or information regarding the Issuer, the Chargor or the Notes other than as expressly contained in this Offering Circular or as approved in writing for such purpose by the Issuer. Any such representation or information should not be relied upon as having been authorised by the Issuer, any member of the Group, the Managers, the Note Trustee, the Security Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Note shall in any circumstance create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer or the Group since the date of this Offering Circular.

Furthermore, no comment is made or advice is given by any of the Issuer, any member of the Group, the Managers, the Note Trustee, the Security Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them, in respect of taxation matters relating to any Notes or the legality of the purchase of Notes by an investor under applicable or similar laws. The Managers, the Note Trustee, the Security Trustee and the Agents and each of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers and each person who controls any of them do not undertake to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Managers, the Note Trustee, the Security Trustee or any Agent or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them.

Concurrent with the Offering, Merrill Lynch Equities (Australia) Limited (in its capacity as sole dealer manager) is assisting the Issuer with the carrying out of a reverse bookbuilding process to receive indications of interest from holders of its existing 2.20 per cent. Convertible Notes due 2025 (ISIN: XS1785357739) (the “**2025 Convertible Notes**”) (of which A\$350,000,000 is outstanding as at 6 October 2022), willing to sell and for the Issuer to purchase for cash any of the 2025 Convertible Notes (the “**Concurrent Repurchase**”). The Issuer is not under any obligation to accept any offer of 2025 Convertible Notes for repurchase pursuant to the Concurrent Repurchase. Offers of 2025 Convertible Notes for repurchase may be rejected in the sole discretion of the Issuer for any reason and none of the Issuer or the sole dealer manager will be under any obligation to holders of the 2025 Convertible Notes to furnish any reason or justification for refusing to accept an offer of 2025 Convertible Notes for repurchase or the termination of the Concurrent Repurchase. The Concurrent Repurchase will be conducted concurrently with the Offering, and is expected to close on or about the Closing Date. The Issuer will retain absolute discretion on repurchase allocations and may preferentially allocate to those investors who participate in the Notes. The repurchase price will be a fixed price of 100% per A\$100,000 in principal amount of 2025 Convertible Notes. In addition to the repurchase price, the Issuer will pay in respect of any 2025 Convertible Notes accepted for purchase pursuant to the Concurrent Repurchase, a cash amount representing interest accrued but unpaid on the 2025 Convertible Notes from and including 5 September 2022 (being the immediately preceding interest payment date prior to the Concurrent Repurchase) to but excluding the currently contemplated settlement date of the Concurrent Repurchase (“**Accrued Interest**”).

Merrill Lynch Equities (Australia) Limited and/or their designated affiliates intend to execute a delta placement of 35,694,154 Ordinary Shares to facilitate some or all of the hedging activities by eligible investors in the Notes as it is customary for international exchangeable notes issues (“**Delta Placement**”). The manner of conducting the Delta Placement will be determined by Merrill Lynch Equities (Australia) Limited in consultation with the Issuer. The clearing price of the Delta Placement will be used as the reference price to determine the initial Exchange Price of the Notes. The Issuer will participate in the Delta Placement and (directly or indirectly) acquire at least a *pro rata* portion of the amount of Delta Placement (by reference to its existing 69.6 per cent. ownership interest in Boral), to the extent it has the capacity to do so under the “3% creep rule” in the Corporations Act. The Issuer will also backstop and (directly or indirectly) acquire up to 100 per cent. of the Delta Placement, up to 3 per cent. of Boral’s Ordinary Shares on issue (based on the total issued Ordinary Shares as at closing of the ASX on 6 October 2022 (i.e. 33,092,652 Ordinary Shares)).

Macquarie Bank Limited intends to initially make Ordinary Shares available up to the full number of underlying Ordinary Shares of the Notes, subject to agreeing terms with each borrower (“**Stock Borrow**”). To the extent the Stock Borrow made available by Macquarie Bank Limited or other market participants is insufficient at any point in time during the life of the Notes to cover the fully number of underlying Ordinary Shares of the Notes, the Issuer has committed to make Ordinary Shares available for up to the full number of underlying shares to the market for stock borrowing purposes (in aggregate with the number of Ordinary Shares made available for

stock borrowing purposes by Macquarie Bank Limited and other market participants), subject to certain exceptions.

The Managers and any of their respective affiliates acting as an investor for its own account or on the account of its customers or funds may participate in the Delta Placement or any stock borrowing transaction related to the Ordinary Shares and in that capacity may retain, purchase, sell, lend or borrow for its own account or on the account of its customers or funds such securities and any securities of the Issuer or the Company or related investments thereto and may retain, purchase, offer, sell, lend or borrow such securities or other investments otherwise than in connection with the Offering to facilitate the offering of the new Notes or otherwise, and such entities are not expected to disclose such transactions or arrangements otherwise than in accordance with any applicable legal or regulatory requirements.

Any offer, invitation to offer or agreement made in connection with the purchase or acquisition of the Notes or pursuant to this Offering Circular shall (without liability or responsibility on the part of the Issuer, any member of the Group, the Managers, the Note Trustee, the Security Trustee or the Agents (or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them)) lapse and cease to have any effect if (for any reason whatsoever) the Notes are not issued by the Issuer to the Managers.

In this Offering Circular, unless otherwise specified, references to “**A\$**” and “**Australian Dollars**” are to Australian Dollars and “**U.S.\$**” and “**U.S. Dollars**” are to United States Dollars.

The information on any websites referred to in this Offering Circular or any website directly or indirectly linked to such websites is not incorporated by reference into this Offering Circular and should not be relied on as authorised or confirmed by the Issuer, any member of the Group, the Managers, the Note Trustee, the Security Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them.

### **No representations or recommendations**

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the Offering and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer, the Managers, the Note Trustee, the Security Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them. Neither the delivery of this Offering Circular nor any sale made hereunder shall, under any circumstances, constitute an offer of, or an invitation by, or on behalf of, the Issuer, the Managers, the Note Trustee, the Security Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them to subscribe for, or purchase, any of the Notes. This Offering Circular does not constitute an offer, and may not be used for the purpose of an offer, to anyone in any jurisdiction or in any circumstances in which such an offer is not authorised or is unlawful.

None of the Managers, the Note Trustee, the Security Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them has separately verified the information contained in or incorporated in this Offering Circular. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Managers, the Note Trustee, the Security Trustee or any of the Agents or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them as to the accuracy or completeness of the information (including the financial information) contained or incorporated in this Offering Circular or any other information (including the financial information) provided by the Issuer or in connection with the Notes or their distribution. Nothing contained or incorporated in this Offering Circular is, or shall be relied upon as, a promise or representation by the Managers,

the Note Trustee, the Security Trustee or any of the Agents or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them.

This Offering Circular is not intended to provide the basis of any credit or other evaluation and nor should it be considered as a recommendation by the Issuer, the Managers, the Note Trustee, the Security Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them that any recipient of this Offering Circular should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigations as it deems necessary.

Advisers named in this Offering Circular have acted pursuant to the terms of their respective engagements, have not authorised or caused the issue of, and take no responsibility for, this Offering Circular and do not make, and should not be taken to have verified, any statement or information in this Offering Circular unless expressly stated otherwise.

### **Restrictions in certain jurisdictions**

This Offering Circular does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

Any purchase or acquisition of the Notes is in all respects conditional on the satisfaction of certain conditions set out in the Subscription Agreement (as defined herein) and the issue of the Notes by the Issuer to the Managers pursuant to the Subscription Agreement.

The distribution of this Offering Circular and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required to inform themselves about, and to observe, any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Offering Circular and other offering material relating to the Notes, see “*Subscription and Sale*” section of this Offering Circular.

The Notes and the Ordinary Shares to be delivered upon exchange of the Notes have not been, and will not be, registered under the Securities Act or with any regulatory authority of any state or other jurisdiction of the United States, and (subject to certain exceptions) may not be offered or sold within the United States. The Notes are being offered and sold outside of the United States in reliance on Regulation S.

Prospective investors of the Notes must comply with all laws that apply to them in any place in which they buy, offer or sell any Notes or possess this Offering Circular. Each prospective investor must also obtain any consents or approvals that they need in order to purchase any Notes. The Issuer, any member of the Group, the Managers, the Note Trustee, the Security Trustee and the Agents and each of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers and each person who controls any of them are not responsible for the compliance with relevant legal requirements by any prospective investors.

This Offering Circular is not intended to be used in connection with any offer for which disclosure is required for the purposes of Part 6D.2 or Chapter 7 of the Corporations Act and does not contain all the information that would be required if this Offering Circular was a prospectus, product disclosure document or other disclosure document as defined in the Corporations Act. Any offering of Notes in Australia is made under this Offering Circular and is open only to select investors who are sophisticated or professional investors within the meaning of sections 708(8) or 708(11) of the Corporations Act and who are not “retail clients” within the meaning of section 761G of the Corporations Act.

**PRIIPS REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise



made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of:

- (i) a retail client as defined in point (11) of Article 4(1) Directive 2014/65/EU (as amended, “**MiFID II**”); or
- (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**UK PRIIPS REGULATION / PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “**UK**”). For these purposes, a retail investor means a person who is one (or more) of:

- (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); or
- (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**SINGAPORE SFA PRODUCT CLASSIFICATION** – In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

IN CONNECTION WITH THE ISSUE OF THE NOTES, THE SOLE BOOKRUNNER, AS THE STABILISING MANAGER (THE “**STABILISING MANAGER**”) (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGER) MAY OUTSIDE AUSTRALIA (AND ON A MARKET OPERATED OUTSIDE AUSTRALIA), AND OTHERWISE SUBJECT TO ALL APPLICABLE LAWS, OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL (“**STABILISATION ACTION**”). HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE FINAL TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO

LATER THAN THE EARLIER OF 30 DAYS AFTER THE CLOSING DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISING MANAGER (OR PERSON(S) ACTING ON BEHALF OF THE STABILISING MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

### **Listing of the Notes on the SGX-ST**

Application has been made to the SGX-ST for the listing and quotation of the Notes on the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Offering Circular. Approval in-principle from, admission to the Official List of and the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, its subsidiaries, its associated companies (if any), the Notes or the Ordinary Shares. The Notes will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in foreign currencies) for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.

### **Further information on the Group**

The Issuer is a “disclosing entity” for the purposes of the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules of ASX (the “**ASX Listing Rules**”). Copies of documents regarding the Issuer lodged with ASIC or ASX may be obtained from ASIC or the ASX, respectively.

Seven West Media Limited (“**Seven West Media**”) (ASX ticker code: “SWM”), Beach Energy Limited (“**Beach Energy**”) (ASX ticker code: “BPT”) and Boral (ASX ticker code: “BLD”) are listed on the ASX and each is a “disclosing entity” for the purposes of the Corporations Act and subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. Copies of documents regarding Seven West Media, Beach Energy or Boral lodged with ASIC or ASX may be obtained from ASIC or the ASX, respectively.

### **Risk Factors**

Prospective investors of the Notes should carefully consider the risks and uncertainties described or referred to in this Offering Circular before making a decision to invest in the Notes. An investment in the Notes should be considered speculative due to various factors, including the nature of the Group’s business. See “*Cautionary Statement Regarding Forward-Looking Statements*” (below) and “*Risk Factors*” section of this Offering Circular.

## **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This document may contain forward-looking statements. Forward-looking statements can generally be identified by 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 and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of the Issuer or the Group, including the outlook for the financial reporting period for the twelve months ending 30 June 2023, statements about the future performance, plans, objectives and strategies of the Issuer’s or the Group’s businesses, statements about industry and market trends and statements about the outcome and effects of the Offering and the use of proceeds. Any forward looking statements contained in this document are not guarantees or predictions of future performance, are based on assumptions and contingencies that are subject to change without notice, and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of the Issuer and the Group, and may involve significant elements of subjective judgement and assumptions as to future events which may or may

not be correct. Refer to the 'Key Risks' section of this document for a summary of certain general, Group and Boral specific risk factors that may affect the Issuer, Boral and the Group.

These forward looking statements should not be relied upon as a representation or warranty, express or implied, as to future matters or an indication or guarantee of future performance. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors set out in this document. Investors should consider the forward looking statements contained in this document in light of those disclosures. Investors are strongly cautioned not to place undue reliance on forward looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19. The forward looking statements are based on information available to the Issuer as at the date of this document. Circumstances may change and the contents of this document may become outdated as a result.

Except as required by law or regulation (including the ASX Listing Rules), the Issuer undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Past performance is not a reliable indicator of future performance. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance and should only be viewed as historical data.

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## INCORPORATION BY REFERENCE

The following documents filed with ASIC and the ASX, respectively, are deemed to be incorporated by reference into, and to form part of, this Offering Circular:

- (i) the audited annual consolidated financial statements of the Group as at and for the financial years ended 30 June 2021 (“FY 2021”) and 30 June 2022 (“FY 2022”), including the directors’ remuneration report and the auditors’ report in respect of such financial statements; and
- (ii) the audited annual consolidated financial statements of Boral as at and for FY 2022, including the directors’ remuneration report and the auditors’ report in respect of such financial statements.

Each document incorporated herein by reference is current only as at the date of such document, and the incorporation by reference of such documents shall not create any implication that there has been no change in the financial condition or affairs of the Issuer and the Group, as the case may be, since the date thereof or that the information contained therein is current as at any time subsequent to its date. Any statement contained therein shall be deemed to be modified or superseded for the purposes of this Offering Circular to the extent that a subsequent statement contained in another incorporated document herein modifies or supersedes that statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes.

The making of a modifying or superseding statement is not to be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

Copies of:

- (a) the documents incorporated herein by reference; and
- (b) any other document used to notify the ASX of information relating to the Group under the continuous disclosure provisions of the ASX Listing Rules and the Corporations Act after the lodgement with ASIC of the annual report of the Group for FY 2022 and before the date of this Offering Circular,

may be obtained on request without charge from the Company Secretary at Level 30, 175 Elizabeth Street, Sydney NSW 2000, Australia, telephone +61 2 8777 7574. These documents are also available electronically on the website of the ASX, at [www.asx.com.au](http://www.asx.com.au) and the Issuer at [www.sevengroup.com.au](http://www.sevengroup.com.au).

Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

Prospective investors are advised to obtain and read the documents incorporated by reference herein before making their investment decision in relation to the Notes.

## THE OFFERING

*The following summary contains some basic information about the Notes and is qualified in its entirety by the remainder of this Offering Circular. Some of the terms described below are subject to important limitations and exceptions. Words and expressions defined in “Terms and Conditions of the Notes” and “Summary of Provisions Relating to the Notes in Global Form” shall have the same meanings in this summary. For a more complete description of the terms of the Notes, see “Terms and Conditions of the Notes”.*

<b>Issuer</b>	Seven Group Holdings Limited (ABN 46 142 003 469).
<b>Legal Entity Identifier</b>	254900DME8O9GCK94794.
<b>Chargor</b>	Industrial Investment Holdings Pty Ltd (ACN 166 596 710).
<b>Notes Issued</b>	A\$250,000,000 4.625 per cent. Exchangeable Notes due 2027 exchangeable into Ordinary Shares of Boral Limited (ABN 13 008 421 761).
<b>Issue Price</b>	100 per cent. of the principal amount of the Notes.
<b>Closing Date</b>	18 October 2022.
<b>Final Maturity Date</b>	18 October 2027.
<b>Form and Denomination</b>	The Notes will be issued in registered form in the specified denomination of A\$200,000 and integral multiples of A\$100,000 in excess thereof.
<b>Interest and Interest Payment Dates</b>	The Notes will bear interest from and including the Closing Date at the rate of 4.625 per cent. per annum calculated by reference to the principal amount thereof and payable quarterly in equal instalments in arrear on 18 January, 18 April, 18 July and 18 October in each year commencing on the Interest Payment Date falling on 18 January 2023.
<b>Status</b>	The Notes will constitute direct, unconditional and unsubordinated obligations of the Issuer, and shall at all times rank <i>pari passu</i> , without any preference among themselves.
<b>Security</b>	<p>The obligations of the Chargor to deliver Ordinary Shares upon exchange of the Notes will be secured in favour of the Security Trustee for the benefit of the Noteholders by charge over all of the assets of the Chargor, including its interest in the Ordinary Shares, which is contained in the General Security Deed.</p> <p>In connection with the above, the Chargor will on or about the Closing Date enter into:</p> <ul style="list-style-type: none"><li>(a) the Security Trust Deed with the Security Trustee;</li><li>(b) the General Security Deed with the Security Trustee in respect of the Security Assets; and</li><li>(c) the Tripartite Deed with the Security Trustee and the Broker Participant in relation to control of the Ordinary Shares.</li></ul> <p>Without prejudice to the ability of Noteholders to exercise their Exchange Right during the Acceleration Period pursuant to the Terms and Conditions of the Notes, the Security Interests shall</p>

become immediately enforceable on and at any time after the occurrence of any of the following events or circumstances which is continuing:

- (a) the Chargor fails to perform the Security Exchange Requirement and such failure is not remedied within 30 calendar days after the Chargor shall have received from the Note Trustee written notice of such default requiring it to be remedied, and provided it will not be an event of default under the General Security Deed if the failure is due to the actions or inaction of the Security Trustee;
- (b) a representation, warranty or statement by or on behalf of the Chargor in a Finance Document, or in a document provide under or in connection with a Finance Document, is not true in a material respect or is misleading when made or repeated and (unless the default is, in the opinion of the Security Trustee, incapable of remedy) is not remedied within 30 calendar days after the Chargor has received from the Security Trustee written notice of such default requiring it to be remedied;
- (c) the Chargor does not perform or comply with any one or more of its other obligations under or in respect of a Finance Document and (unless the default is, in the opinion of the Security Trustee, incapable of remedy) is not remedied within 30 calendar days after the Chargor has received from the Security Trustee written notice of such default requiring it to be remedied;
- (d) the issued share capital of the Chargor is no longer owned (directly or indirectly) by the Issuer;
- (e)
  - (i) (A) any other present or future indebtedness for borrowed money of the Chargor becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of an event of default (however described); or (B) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period; or
  - (ii) the Chargor fails to pay when due or, as the case may be, within any applicable grace period any amount payable by it under any present or future guarantee for, or indemnity in respect of, any indebtedness for borrowed money; or
  - (iii) any Security, present or future, created or assumed by the Chargor for any indebtedness for borrowed money (or any guarantee of, or indemnity in respect of, indebtedness for borrowed money) that has become payable becomes enforceable and steps are taken to enforce it (including the taking of possession or the

appointment of a receiver, administrative receiver, administrator manager, judicial manager, controller or other similar person);

- (f)
  - (i) a receiver, administrative receiver or similar officer is appointed to;
  - (ii) a Security becomes enforceable or is enforced over; or
  - (iii) a distress, attachment or other execution is levied or enforced or applied for over;

all or any of the assets and undertaking of the Chargor, which is not discharged, removed, stayed or paid within 10 calendar days;
- (g) an insolvency event occurs in respect of the Chargor which is not stayed, withdrawn or dismissed within 10 calendar days or otherwise permitted under a Finance Document;
- (h) a final judgment or judgments of a court or courts of competent jurisdiction for the payment of money aggregating in excess of A\$50,000,000 (or its equivalent in the relevant currency of payment) are rendered against the Chargor and which judgments are not bonded, discharged, satisfied or stayed pending appeal within 60 calendar days;
- (i) it is or will become unlawful for the Chargor to perform or comply with any one or more of its obligations under the Finance Documents;
- (j) anything analogous to anything referred to in paragraphs (f) to (i) inclusive, or which has substantially similar effect, occurs with respect to the Chargor under any overseas law or any law which commences or is amended after the date of the General Security Deed; or
- (k)
  - (i) all or any part of the General Security Deed, the Security Trust Deed or the Tripartite Deed is terminated or is or becomes void, illegal, invalid and unenforceable (other than in accordance with its terms or because the Secured Obligations have been discharged or as permitted under the Finance Documents);
  - (ii) a party to the General Security Deed, the Security Trust Deed or the Tripartite Deed becomes entitled to terminate, rescind or avoid all or part of a Finance Document to the General Security Deed, the Security Trust Deed or the Tripartite Deed (other than in accordance with its terms or because the Secured Obligations have been discharged or as permitted under the Finance Documents); or



- (iii) a party other than the Security Trustee or any other Beneficiary alleges or claims that an event described in sub-paragraph (i) has occurred or that it is entitled as described in sub-paragraph (ii).

“**Finance Document**” means the (i) General Security Deed; (ii) any security, guarantee or other document or agreement at any time created or entered into as security for any Secured Obligations; (iii) the Security Trust Deed; (iv) the Tripartite Deed; (v) any document or agreement defined as a Finance Document in the Security Trust Deed; or (vi) any document or agreement which the Chargor and the Security Trustee at any time agree is to be a Finance Document for the purposes of the General Security Deed.

“**Secured Obligations**” means the satisfaction of the Security Exchange Requirement and payment of any monetary amounts that may be payable by the Chargor under or in connection with a Finance Document.

“**Security Exchange Requirement**” means the obligation of the Chargor to transfer and deliver the Secured Property at the direction of a Noteholder in accordance with the Terms and Conditions of the Notes.

#### **Exchange Right**

Unless previously purchased and cancelled or redeemed, each Noteholder will have the right to exchange a Note for Ordinary Shares, subject to and as provided in the Terms and Conditions of the Notes at any time during the Exchange Period.

The number of Ordinary Shares to be transferred and delivered on exercise of an Exchange Right shall (subject to these Conditions) be determined by dividing the aggregate principal amount of the Notes to be exchanged by the Exchange Price in effect on the relevant Exchange Date.

#### **Initial Exchange Price**

A\$3.77 per Ordinary Share.

#### **Exchange Period**

Subject to and as provided in the Terms and Conditions of the Notes, the Exchange Right in respect of a Note may be exercised, at the option of the holder thereof, at any time subject to any applicable fiscal or other laws or regulations and as hereinafter provided in the following circumstances:

- (a) at any time where the Exchange Date falls during the period from (and including) 18 October 2023 to (but excluding) the earlier of:
  - (i) the date (inclusive) falling seven calendar days prior to the Final Maturity Date; and
  - (ii) if such Note is to be redeemed pursuant to Condition 8(b) (*Redemption at the Option of the Issuer*) or Condition 8(c) (*Redemption for Taxation Reasons*) prior to the Final Maturity Date, the date (inclusive)

falling seven calendar days prior to the date fixed for redemption thereof;

- (b) at any time:
- (i) following notice being given by the Issuer to Noteholders that such Note is to be redeemed pursuant to Condition 8(b) (*Redemption at the Option of the Issuer*) or Condition 8(c) (*Redemption for Taxation Reasons*) prior to the Final Maturity Date, provided that the relevant Exchange Date shall not fall later than the date (inclusive) falling seven calendar days prior to the date fixed for redemption thereof, unless there shall be default in making payment in respect of such Note on such date fixed for redemption, in which event the Exchange Right may be exercised up to the date (inclusive) on which the full amount of such payment becomes available for payment and notice of such availability has been duly given or, if earlier, the date (inclusive) falling seven calendar days prior to the Final Maturity Date;
  - (ii) in the case of any Cash Dividend where the Fair Market Value (on the date on which the terms of such Cash Dividend were first publicly announced by the Company) of such Cash Dividend per Ordinary Share is greater than 30 per cent. of the arithmetic mean of the Volume Weighted Average Price of an Ordinary Share on each Dealing Day during the 20 Dealing Day period ending on (and including) the Dealing Day immediately preceding such first public announcement as aforesaid, provided that the relevant Exchange Date falls in the period from (and including) the date on which such notification is made to (but excluding) the later of: (x) the ex-date in respect of such Cash Dividend and (y) the 10<sup>th</sup> business day following the date on which such notification is made;
  - (iii) in the case of a Relevant Event, provided that the relevant Exchange Date falls during the Relevant Event Period; or
  - (iv) in the case of an Event of Default (as defined in the Terms and Conditions of the Notes), provided that the relevant Exchange Date falls during the period from (and including) the date of the occurrence of the Event of Default up to (but excluding) the date which is 30 calendar days from the Acceleration Date, or if earlier the date the relevant Event of Default ceases to be continuing.

See "*Terms and Conditions of the Notes — Exchange of Notes — Exchange*".

**Final Redemption**

Unless previously purchased and cancelled, redeemed or exchanged as provided in the Terms and Conditions of the Notes, the Notes will be redeemed at their principal amount on the Final Maturity Date.

**Redemption at the Option of the Issuer**

The Issuer may redeem all but not some only of the Notes on any date at their principal amount, together with accrued but unpaid interest to but excluding the date fixed for redemption, if Exchange Rights shall have been exercised and/or purchases (and corresponding cancellations) and/or redemptions effected in respect of 85 per cent. or more in principal amount of the Notes. See *“Terms and Conditions of the Notes — Redemption and Purchase — Redemption at the Option of the Issuer”*.

**Redemption for Taxation Reasons**

The Issuer may redeem all but not some only of the Notes on any Date at their principal amount, together with accrued but unpaid interest to but excluding the date fixed for redemption, if the Issuer satisfies the Note Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay additional amounts in respect of payments on the Notes pursuant to Condition 10 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Commonwealth of Australia or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 7 October 2022 and the Issuer would still be obliged to pay such additional amounts after taking reasonable measures available to it.

If the Issuer gives notice of its election to redeem the Notes for such reason, each Noteholder will have the right to elect that his Note(s) shall not be redeemed and that the provisions of Condition 10 (*Taxation*) shall not apply in respect of any payment of interest to be made on such Note(s) which falls due after the date fixed for redemption.

See *“Terms and Conditions of the Notes — Redemption and Purchase — Redemption for Taxation Reasons”*.

**Redemption at the Option of Noteholders**

The Notes may be redeemed at the option of the Noteholders in respect of all or some only of that holder’s Notes on 18 October 2025 at their principal amount, together with interest accrued to but excluding such date. See *“Terms and Conditions of the Notes — Redemption and Purchase — Redemption at the Option of Noteholders”*.

**Redemption for a Relevant Event**

Following the occurrence of a Relevant Event, the holder of each Note will have the right at such holder’s option, to require the Issuer to redeem all or some only of that holder’s Notes at their principal amount, together with accrued interest to but excluding the date fixed for redemption.

A “**Relevant Event**” occurs when there is a Delisting (Company), a Free Float Event, a Company Change of Control or an Issuer Change of Control (each such term as defined in the Terms and Conditions of the Notes).

See “*Terms and Conditions of the Notes — Redemption and Purchase — Redemption for a Relevant Event*”.

**Withholding Taxes**

All payments made by on or behalf of the Issuer in respect of the Notes will be made free from any restriction or condition and be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature (including any penalty or interest payable in connection with those amounts) imposed or levied by or on behalf of the Commonwealth of Australia or any political subdivision or any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is required to be made by law. See “*Terms and Conditions of the Notes — Taxation*”.

**Negative Pledge**

The Notes will contain a negative pledge provision given by the Issuer in respect of itself and its Material Subsidiaries (excluding any Listed Subsidiaries) in respect of Relevant Indebtedness (other than a Permitted Security) as further described in Condition 3(a) (*Negative Pledge*). See “*Terms and Conditions of the Notes — Certain Covenants — Negative Pledge*”.

**Other Undertakings**

For a description of certain undertakings which will be made by the Issuer, see “*Terms and Conditions of the Notes — Undertakings*”.

**Events of Default**

The Notes will contain certain events of default provisions as further described in “*Terms and Conditions of the Notes — Events of Default*”.

**Cross Default**

The Notes will contain a cross default provision, applicable to the Issuer and to financial indebtedness guaranteed or secured by the Issuer only, subject to a threshold of A\$30,000,000 (or its equivalent in other currencies). See “*Terms and Conditions of the Notes — Events of Default*”.

**Governing Law**

The Trust Deed (as defined in the Terms and Conditions of the Notes) (“**Trust Deed**”), the Agency Agreement (as defined in the Terms and Conditions of the Notes) (“**Agency Agreement**”) and the Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law. The Security Trust Deed, the General Security Deed and the Tripartite Deed are governed by, and shall be construed in accordance with, the laws of New South Wales, Australia.

**Note Trustee**

The Bank of New York Mellon, London Branch.

<b>Security Trustee</b>	BTA Institutional Services Australia Limited (ABN 48 002 916 396).
<b>Principal Paying and Exchange Agent</b>	The Bank of New York Mellon, London Branch.
<b>Registrar and Transfer Agent</b>	The Bank of New York Mellon SA/NV, Dublin Branch.
<b>Clearing Systems</b>	The Notes will be represented initially by a Global Certificate, which will be registered in the name of a nominee of, and deposited on the Closing Date with, a common depository for Euroclear and Clearstream. Beneficial interests in the relevant Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described in the Global Certificate, definitive certificates for the Notes will not be issued in exchange for beneficial interests in the Global Certificate.
<b>Listing and Trading</b>	<p>Application has been made to the SGX-ST for the listing and quotation of the Notes on the Official List of the SGX-ST. The Notes will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in foreign currencies) for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.</p> <p>The Issuer has not applied to have the Notes admitted to dealing on the ASX.</p>
<b>Selling Restrictions</b>	There are restrictions on offers and sales of the Notes, <i>inter alia</i> , in the United States, the United Kingdom, Australia, Hong Kong, Singapore, the European Economic Area and Japan. See “ <i>Subscription and Sale</i> ” section of this Offering Circular.
<b>Lock-up</b>	The Issuer has agreed to certain restrictions on its ability and the ability of its subsidiaries to issue or dispose of Ordinary Shares or related securities during the period commencing on 7 October 2022 and ending 60 calendar days after the Closing Date (both days inclusive). See “ <i>Subscription and Sale — Lock-up</i> ” section of this Offering Circular.
<b>ISIN</b>	XS2531934847.
<b>Common Code</b>	253193484.
<b>Use of Proceeds</b>	The net proceeds will be used for the purposes as set out in “ <i>Use of Proceeds</i> ” section of this Offering Circular.
<b>Delta Placement</b>	<p>Merrill Lynch Equities (Australia) Limited and/or its designated affiliates intend to execute a Delta Placement of 35,694,154 Ordinary Shares to facilitate some or all of the hedging activity by eligible investors in the Notes as is customary for international exchangeable note issues.</p> <p>The manner of conducting the Delta Placement will be determined by Merrill Lynch Equities (Australia) Limited in consultation with the Issuer. The clearing price of the Delta</p>

Placement will be used as the reference price to determine the initial Exchange Price of the Notes.

#### **Purchase of Delta by Issuer**

The Issuer will participate in the Delta Placement and (directly or indirectly) acquire at least a *pro rata* portion of the amount of Delta Placement (by reference to its existing 69.6 per cent. ownership interest in Boral), to the extent it has the capacity to do so under the “3% creep rule” in the Corporations Act. The Issuer will also backstop and (directly or indirectly) acquire up to 100 per cent. of the Delta Placement, up to 3 per cent. of Boral’s Ordinary Shares on issue (based on the total issued Ordinary Shares as at closing of the ASX on 6 October 2022 (i.e. 33,092,652 Ordinary Shares)).

#### **Stock Borrow**

Macquarie Bank Limited intends to initially make Ordinary Shares available up to the full number of underlying Ordinary Shares of the Notes, subject to agreeing terms with each borrower. To the extent the stock borrow made available by Macquarie Bank Limited or other market participants is insufficient at any point in time during the life of the Notes to cover the fully number of underlying Ordinary Shares of the Notes, the Issuer has committed to make Ordinary Shares available for up to the full number of underlying shares to the market for stock borrowing purposes (in aggregate with the number of Ordinary Shares made available for stock borrowing purposes by Macquarie Bank Limited and other market participants), subject to this remaining (i) lawful in accordance with regulatory requirements and market rules, (ii) consistent with the Issuer’s financing facility requirements (with existing lending capacity expected to be sufficient but the Issuer to use best efforts to seek any financier consents which may be required from time to time), and (iii) there being no change in tax laws and interpretation which exposes the Issuer to additional tax liability in respect of such stock borrowing arrangements which cannot be mitigated by reasonable measures.

#### **Concurrent Repurchase**

Concurrent with the Offering, Merrill Lynch Equities (Australia) Limited (in its capacity as sole dealer manager) is assisting the Issuer with the carrying out of the Concurrent Repurchase, being a reverse bookbuilding process to receive indications of interest from holders of the 2025 Convertible Notes (of which A\$350,000,000 is outstanding as at 6 October 2022), willing to sell and for the Issuer to purchase for cash any of the 2025 Convertible Notes. The Issuer is not under any obligation to accept any offer of 2025 Convertible Notes for repurchase pursuant to the Concurrent Repurchase. Offers of 2025 Convertible Notes for repurchase may be rejected in the sole discretion of the Issuer for any reason and none of the Issuer or the sole dealer manager will be under any obligation to holders of the 2025 Convertible Notes to furnish any reason or justification

for refusing to accept an offer of 2025 Convertible Notes for repurchase or the termination of the Concurrent Repurchase.

The Concurrent Repurchase will be conducted concurrently with the Offering, and is expected to close on or about the Closing Date.

The Issuer will retain absolute discretion on repurchase allocations and may preferentially allocate to those investors who participate in the Notes. The repurchase price will be a fixed price of 100% per A\$100,000 in principal amount of 2025 Convertible Notes. In addition to the repurchase price, the Issuer will pay in respect of any 2025 Convertible Notes accepted for purchase pursuant to the Concurrent Repurchase, a cash amount representing the Accrued Interest.

The Concurrent Repurchase is not being made within the United States or to persons located or resident in the United States or persons acting on behalf of a beneficial owner of 2025 Convertible Notes located or resident in the United States or acting for the account or benefit of any person located or resident in the United States.

## MARKET PRICE INFORMATION – SGH

### Price of the Issuer’s ordinary shares

The Issuer’s ordinary shares have been listed on the ASX since 30 April 2010. The following table sets out the high and low closing prices, in Australian Dollars, of the Issuer’s ordinary shares on the ASX for the calendar year periods indicated.

<u>Period</u>	<u>High (A\$)</u>	<u>Low (A\$)</u>	<u>Total trading volume of the Issuer’s ordinary shares (000s)</u>
2022			
Fourth Quarter (to 6 October 2022)	18.37	16.98	1,713
Third Quarter .....	19.24	16.32	43,370
Second Quarter .....	21.79	15.82	46,027
First Quarter .....	22.87	20.94	37,458
2021			
Fourth Quarter .....	22.51	20.28	36,053
Third Quarter .....	24.33	20.14	70,323
Second Quarter .....	23.45	19.88	53,740
First Quarter .....	24.07	21.43	29,873
2020			
Fourth Quarter .....	23.65	17.82	35,351
Third Quarter .....	19.28	16.79	42,157
Second Quarter .....	17.95	11.00	50,461
First Quarter .....	21.91	9.49	63,868

*Source: Bloomberg L.P has published this trading data and has not consented to the use of the trading data in this Offering Circular.*

*Note: First Quarter is 1 January to 31 March; Second Quarter is 1 April to 30 June; Third Quarter is 1 July to 30 September; and Fourth Quarter is 1 October to 31 December.*



## MARKET PRICE INFORMATION – BORAL

### Price of Ordinary Shares

The Ordinary Shares have been listed on the ASX since 21 February 2000. The following table sets out the high and low closing prices, in Australian Dollars, of the Ordinary Shares on the ASX for the calendar year periods indicated.

<u>Period</u>	<u>High (A\$)</u>	<u>Low (A\$)</u>	<u>Total trading volume of the Ordinary Shares (000s)</u>
2022			
Fourth Quarter (to 6 October 2022)	2.94	2.66	7,576
Third Quarter .....	3.06	2.52	111,009
Second Quarter .....	3.60	2.59	180,008
First Quarter .....	6.53	3.26	186,517
2021			
Fourth Quarter .....	6.76	5.91	105,730
Third Quarter .....	7.41	5.79	568,269
Second Quarter .....	7.35	5.83	508,325
First Quarter .....	5.67	4.80	248,098
2020			
Fourth Quarter .....	5.20	4.56	397,131
Third Quarter .....	4.57	3.58	646,116
Second Quarter .....	3.84	2.20	1,089,006
First Quarter .....	5.20	1.79	700,434

*Source: Bloomberg L.P has published this trading data and has not consented to the use of the trading data in this Offering Circular.*

*Note: First Quarter is 1 January to 31 March; Second Quarter is 1 April to 30 June; Third Quarter is 1 July to 30 September; and Fourth Quarter is 1 October to 31 December.*

## DIVIDEND HISTORY – SGH

The following table sets forth the aggregate number of outstanding Issuer’s ordinary shares entitled to dividends and the cash dividends per Issuer’s ordinary share in respect of each of the years indicated.

For the year ended 30 June		
	Number of Issuer’s ordinary shares entitled to dividend	Cash dividends per Issuer’s ordinary share (A\$)
2020 – FY 2020 interim .....	339,357,656	0.21
2020 – FY 2020 final .....	339,357,656	0.21
2021 – FY 2021 interim .....	339,357,656	0.23
2021 – FY 2021 final .....	363,260,588	0.23
2022 – FY 2022 interim .....	363,260,588	0.23
2022 – FY 2022 final .....	363,260,588	0.23

*Note: FY is financial year ended 30 June*

## DIVIDEND HISTORY – BORAL

The following table sets forth the aggregate number of outstanding Ordinary Shares entitled to dividends and the cash dividends per Ordinary Share in respect of each of the years indicated.

	<b>For the year ended 30 June</b>	
	<b>Number of Ordinary Shares entitled to dividend</b>	<b>Cash dividends per Ordinary Share (A\$)</b>
2020 – FY 2020 interim .....	1,172,331,924	0.095
2020 – FY 2020 final .....	-	-
2021 – FY 2021 interim .....	-	-
2021 – FY 2021 final .....	-	-
2022 – FY 2022 interim .....	-	-
2022 – FY 2022 final .....	-	-
2022 – FY 2022 special .....	1,103,088,419	0.070
2022 – FY 2022 capital reduction .....	1,103,088,419	2.650

*Note: FY is financial year ended 30 June*

## RISK FACTORS

*There are numerous widespread risks associated with investing in any form of business and with investing in notes and the share market generally. There are also a range of specific risks associated with the Group's business and an investment in the Notes or the Ordinary Shares should be considered speculative. Many of these risk factors are largely beyond the control of the Issuer and its directors because of the nature and location of the existing and proposed business activities of the Issuer.*

*Investors should carefully consider the risks described below before making a decision to invest in the Notes. The risks described below do not necessarily comprise all those faced by the Issuer and are not intended to be presented in any assumed order of priority.*

*The investment referred to in this Offering Circular may not be suitable for all of its recipients. Investors are advised to examine the contents of this Offering Circular and to consult their professional advisers before making a decision to subscribe for Notes.*

## GENERAL INVESTMENT RISKS

### **Global economic developments and market conditions**

The Group's operational results may be adversely impacted by factors including significant changes in general economic conditions such as interest rates, inflation, deflation, currency fluctuations and general market levels. A number of factors affect the performance of stock markets, which could affect the price at which the Issuer's and Company's securities trade on the ASX and the price at which the Issuer's listed investment portfolio trades. Among other things, movements on international and domestic stock markets, interest rates, inflation and inflationary expectations, deflation and deflationary expectations, currency fluctuations, general economic outlook and overall economic conditions and investor sentiment, as well as government taxation and other policy changes may affect the demand for, and price of, the Ordinary Shares. Volatility in the Australian or international financial markets may influence the trading price of the Ordinary Shares on the ASX.

### **Global security environment and political risks**

An outbreak or a material escalation of hostilities including a declaration of war in major countries of the world or acts of terrorism may affect the global economic and commercial environment and in turn directly or indirectly affect the Group's future revenues, operating costs and share price.

## RISKS RELATING TO THE GROUP

### **Mining production**

Parts of the Group's business, especially WesTrac Pty Ltd and its operating subsidiaries ("**WesTrac**") (and to a lesser extent Coates Group Holdings Pty Limited and its operating subsidiaries ("**Coates**")), have an exposure to the Australian major miners who export significant quantities of iron ore and coal and who represent a large portion of WesTrac's annual revenue. The medium to long-term future of both iron ore and coal exports may be negatively impacted by changes in the Asian markets that are the traditional importers of the products, as they potentially adjust their consumption and preferred suppliers over time. In addition to changes in economic growth and development in China, the possible changes to environmental policy and the impact on thermal coal imports may negatively impact coal prices, which could adversely affect the Group's financial performance. Any increased political tensions between Australia and other foreign governments could negatively impact export volumes and therefore SGH's financial performance.

### **Contract risk**

The Group is subject to the risk that material contracts with suppliers, customers and others are terminated, expire, are not renewed or are renegotiated on less favourable terms to the Group. This may have an adverse impact on the Group's financial performance and position. The Group is party to agreements with service providers for a number of ongoing services, which if terminated might have significant financial and operational implications for the Group's businesses. The Group is also exposed to the risk that it does not manage, or that third party service providers do not manage, obligations in line with contractual or operational standards, which could result in financial losses as well as reputational damage to the Group. Such a risk is heightened by the difficulties caused by COVID-19.

### **Customer default**

Risk that customers may default due to bankruptcy or other reasons, including general economic downturn. Such risks have been manifested across the building and construction sector due to the adverse impacts of inflation impacting builders who have taken on fixed price construction risk. A customer's termination of, or default under, a contract could result in a loss of expected revenues and additional expenses. Accordingly, the termination of, or default under, a contract by any of the Group's customers could have an adverse effect on the Group's business, financial condition and results of operations.

### **Project activity**

Australian infrastructure policy has long been the foundation for economic growth through the development and ultimately investments of large-scale projects, e.g., Snowy Mountains Hydro Scheme. The current forecast for infrastructure across Australia, specifically the East Coast, is forecast to provide a significant stimulus to the economy over the next decade. WesTrac, Coates and Boral are exposed to the infrastructure activity and have factored the increases in activity into their strategic outlooks, any material change in this outlook could have an adverse effect on the Group's financial performance.

### **Commodity price risk**

The Group has an operating interest in oil and gas assets located in Australia and the United States of America. These investments expose the Group to commodity price risk from fluctuations in the prices of oil, natural gas and other condensates and natural gas liquids. The Group does not hedge its direct exposure to oil and gas commodity price risk as at the date of this Offering Circular.

### **WesTrac's dependence on Caterpillar**

WesTrac's predecessor companies have been associated with Caterpillar since 1925 and WesTrac's association with Caterpillar has been since 1990. As is customary in dealer agreements with Caterpillar, the WesTrac dealer agreements with Caterpillar can be terminated by either party upon 90-day notice at any time. The dealer agreements also contain provisions for automatic or accelerated termination in certain circumstances, including but not limited to material breach, insolvency events, and changes in control without Caterpillar's consent and are not exclusive. The Caterpillar dealer agreements are not, however, subject to periodic renewal requirements and are perpetual in nature (subject to the termination right noted above).

In the event Caterpillar terminates or appoints another dealer or deals directly in the territories in which WesTrac operates, it would have a material adverse effect on WesTrac's business, financial condition and results of operations as well as trigger accelerated prepayments across the SGH's key funding arrangements. In the event Caterpillar changes the scope of current or future activities which may be provided by WesTrac under the dealer agreements, it may have an adverse effect on WesTrac's business, financial condition and results of operations.

WesTrac is dependent on Caterpillar for timely supply of equipment and parts from their global manufacturing factories and distribution warehouses. During periods of intense demand or in the event of disruption to Caterpillar's business there may be delays in the supply of equipment and parts to WesTrac. In the event that Caterpillar is unable to supply its products in the quantities and timeframes required by WesTrac's customers, it may have a material adverse effect on WesTrac's business, financial condition and results of operations.

WesTrac is also dependent on Caterpillar to maintain product development and innovation to ensure that it has a quality product offering for its customers.

### **Global pandemic**

The Group's operating businesses are exposed both directly and indirectly to the risks associated with pandemics such as COVID-19 which has impacted certain underlying markets, customers, supply chain, and negatively impacted macroeconomic conditions and commodity prices. Uncertainty remains regarding the extent and duration of the COVID-19 pandemic, particularly from new variants, and the extent of Australian Commonwealth or State Government action to limit the spread of infection and support for businesses during the pandemic.

Key operational risks to the Group include the potential closure of locations such as branches and workshops, disruption to field services, disruption to the supply chain, closure of customer locations, and government mandated lockdown, as seen in the construction industry in Sydney and Melbourne during the first half of FY 2022. These risks may impact customer demand and the ability of WesTrac, Coates and Boral to schedule and complete the work required to provide equipment, services and products to customers on a timely basis. The ability of customers to pay for equipment, product and services within agreed terms may also be impacted, as may the solvency of a limited number of customers.

Both Australian and international economies have experienced, and continue to experience, challenging economic conditions as a result of the COVID-19 pandemic, including high inflation. Continued uncertainties related to the magnitude, duration and persistent effects of the COVID-19 pandemic may adversely affect the Group's businesses.

### **Management and personnel**

Loss of key management and other personnel, including board directors, may have a negative impact on the Group's businesses and the Group faces the risk that it cannot promptly or adequately replace key directors, management or personnel that leave the Group. Difficulties attracting and retaining skilled employees may also impair the Group's ability to conduct its business. A local or global shortage of suitably qualified and experienced technicians and operational staff could impact the ability of WesTrac, Coates and Boral to achieve their operational objectives and also result in an increase in operational costs through higher salaries required to attract and retain staff.

Many of the Group's businesses' employees, including permanent and casual employees, are covered by awards, enterprise bargaining agreements and other workplace agreements. These arrangements are complex and require interpretation, including in determining payments and accrual of employee benefits, are subject to change in interpretation, government regulation and periodically require renegotiation and renewal. These arrangements could result in issues which may lead to disruptions to operations and an increase in direct and in-direct labour costs, which may have negative impacts on the Group and the Group's financial performance. A shortage in the supply of experienced technical and operational staff could impact the ability of the Group's businesses to achieve its operational objectives and may also result in an increase in salaries which would increase the Group's operational costs.

### **Weather, environment and climate change**

Extreme weather is a risk for mining, quarry, oil and gas, construction and construction materials industries. Periods of extreme weather can interrupt the Group's production, operations, and ability to supply products to the market and limit customer's production and operations postponing demand. Prolonged periods of wet weather (including from La Nina weather events) can impact Boral's performance through lower productivity and loss of fixed cost recovery. Ultimately, such weather conditions may have a negative impact on the Group's financial performance.

The Group operates in industries that may have a negative impact on the environment, including in respect of land, air, and water pollution and greenhouse gas emissions. The Group is considering solutions to reduce its energy consumption and greenhouse gas emissions and is seeking to transition to a lower carbon economy including a commitment to net zero emissions by 2040 for WesTrac and Coates. Boral's pathway to net zero is dependent on further development and commercial viability of new and emerging technologies. There are risks that new technologies are not developed or are not viable and these strategies increase the Group's cost structure (including the cost of carbon offsets) or the Group is unable to satisfy the future regulatory requirements relating to these matters impacting the Group's social licence to operate. There is a risk that the Group incurs liability under applicable environmental regulations that could adversely impact the Group's financial and business performance. Customers are increasingly looking to lower their greenhouse gas emissions, which may result in increased electrification or use of alternative fuels (such as hydrogen) of mining fleet, reducing future demand for support (parts and service) of traditional diesel combustion engines or use of alternative construction materials, reducing future demand for aggregates, cement and concrete.

### **Manufacturing operations**

Boral's manufacturing operations and related services depend on critical plant. Any unanticipated failures, outages or force majeure events could lead to failure to meet financial performance.

Boral's performance is exposed to the ongoing inflationary impacts from rising input costs, including energy (as Boral experienced in recent times). Disruption in the supply of raw materials or other critical inputs for manufacturing as a result of force majeure type events could impact Boral's ability to manufacture products and meet market demand. Specific business interruption risks for Boral include plant and systems failure, weather, access to future reserves and resource supply constraints.

### **Infrastructure access**

The Group's energy assets and investments rely on access to infrastructure on commercially acceptable terms in order to supply oil and gas production to customers. Failure to secure and maintain access to infrastructure on such terms, or events that result in a significant disruption to access, could result in the loss of revenue, loss of investment income or require additional costs to restore or find alternative access.

### **Remediation and restoration costs**

The Group holds provisions for the future remediation and restoration costs of quarries and removal costs of offshore and oil and gas production facilities and pipelines at different stages of the development, construction and end of their economic lives. Most of these restoration and decommissioning events are many years in the future and the precise requirements that will have to be met when the restoration event occurs are uncertain. Decommissioning technologies and costs are constantly changing, as are political, environmental, safety and public expectations. The timing and amounts of future obligations are subject to significant uncertainty and estimation is required in determining the amounts of provisions to be recognised. The Group maintains a provision for remediation and restoration obligations representing the Group's best estimate based on current industry practice, current regulations, technology, price levels and

expected plans for end-of-life remediation. Changes to current industry practice could result in increased costs, which may have negative impacts on the Group and the Group's financial performance.

### **Crime, technology and cyber security**

The Group is subject to risk of misappropriation of assets and information by both individuals and organisations. The Group's rental activities necessitate the loss of physical control of assets increasing the risk of misappropriation.

The Group relies upon information technology systems and networks in connection with a variety of business activities. Information technology security threats from user error to cyber security attacks designed to gain unauthorised access to the Group's systems, networks and data, are increasing in frequency and sophistication.

The Group has experienced cyber security threats and vulnerabilities in the Group's systems and those of the Group's third-party providers, and the Group has experienced viruses and attacks targeting the Group's information technology systems and networks. Such prior events, to date, have not had a material impact on the Group's financial condition, results of operations or liquidity. However, the potential consequences of a future material cyber security attack include reputational damage, litigation with third parties, government enforcement actions, penalties, disruption to systems, unauthorised release of confidential or otherwise protected information, corruption of data and increased cyber security protection and remediation costs, which in turn could adversely affect the Group's competitiveness, results of operations and financial condition.

Due to the evolving nature of such security threats, the potential impact of any future incident cannot be predicted. Further, the amount of insurance coverage the Group maintains may be inadequate to cover claims or liabilities relating to a cyber security attack. In addition, data the Group collects, stores and processes are subject to a variety of laws and regulations which may carry significant potential penalties for non-compliance.

There are risks of loss to the Group's businesses arising from failed, corrupted, breached or inadequate information technology systems, including loss of confidentiality, integrity and availability of sensitive or critical data as well as business disruptions. Cyber security issues, including cyber-attacks, could result in financial loss, loss of information integrity, or breaches of the Group's obligations under applicable laws.

### **Reserve, exploration and production risk**

Quarry, oil and gas reserves and resources are estimated using subjective judgements and modelling based on available geological, technical, contractual, licence, permit and economic information. Estimates can change over time due to new information from drilling or production, changes in economic factors such as quarry product, oil and gas prices, regulation or other events.

Quarry, oil and gas reserves and resources are finite and are depleted on an ongoing basis through production, with replacement only possible through the discovery of new resources through successful exploration or the acquisition of resources. Exploration for quarry products and hydrocarbons is inherently risky and subject to geological interpretations and technological uncertainties. Failure to secure access to licenses and permits and sub-economic exploration results could lead to declining reserves and resources impacting long term growth.

Boral holds production rights to a number of quarries. SGH Energy Pty Limited and its subsidiaries (**SGH Energy**) holds production rights to a number of offshore oil and gas fields.

Any quarry, oil or gas project may be exposed to production decline or stoppage, which may be the result of facility shut-downs, mechanical or technical failure, climate-related events and other unforeseeable



events. A significant failure to maintain production could result in lower production forecasts, loss of revenue and additional operational costs to restore production.

### **Workplace safety and security**

Employee safety is a fundamental principle in all the Group's activities. However, the nature of the Group's operations involves a variety of risks which could result in accidents or environmental incidents, causing injuries or loss of life for its workforce, including staff and contractors, and the public, and could result in regulatory action, legal liability and damage to the Group's reputation.

Chain of responsibility legislation also extends the Group's obligations beyond existing operations to contractors and potentially their sub-contractors, over whom the Group has less control.

### **Government policy**

Changes in government, policies, taxation and other laws can have a significant influence on the outlook for the Group. In this regard, the Group has a strong exposure to both infrastructure and natural resources policy. In Australia, natural resources are regulated by State and Federal Governments in relation to exploration, development, production, exports, taxes and royalties, labour standards, occupational health, waste disposal, protection and rehabilitation of the environment, mine safety, toxic and radioactive substances, native title and a range of other matters. The Group faces the potential changes to permitted activity under pandemic related industry or geographic restrictions on activity.

In relation to the infrastructure industry, the Group is exposed to a variety of factors that may adversely affect its businesses or operations, regulation by various governmental authorities, service interruption due to environmental, operational or other mishaps; the imposition of special tariffs and changes in tax laws, regulatory policies and accounting standards; economic slowdowns or decreases in general economic activities; and general changes in market sentiment towards infrastructure assets.

### **Litigation**

The Group is subject to extensive laws, regulatory requirements and obligations, policy, industry codes and business and ethical standards. If the Group is found to have breached its compliance and legal obligations, it may be subject to regulatory action, including fines, penalties and requirements to pay compensation for damages as well as reputational damage. Any further changes to laws and regulation can adversely affect the Group's financial position and performance, including through increasing or imposing additional costs.

The Group is also exposed to the risk of legal proceedings, investigations and disputes in the ordinary course of its business. The Group may be involved in investigations, inquiries or disputes, debt recoveries, contractual claims with respect to its activities (including with suppliers, customers and joint venturers), employee claims, environmental claims, occupational health and safety claims, native title claims, pre-emptive right disputes, and land tenure and access disputes. The media industry in which Seven West Media operates involves particular risks associated with defamation litigation and litigation to protect media and intellectual property rights. There is a risk that the Group is required to pay amounts under such proceedings that are not covered by insurance or that provisions in financial statements for potential claims are ultimately inadequate. If this occurs, there may be an adverse effect on the Group's financial position.

### **Insurance**

Not all risks are insured or insurable and the Group's current insurance coverage could ultimately not be adequate for potential losses and liabilities. The Group may not be able to obtain adequate insurance in the future on commercially reasonable terms. The Group may be required to self-insure or to pay large

fees or large deductibles in order to obtain insurance. These risks could have an adverse effect on the Group's financial performance.

### **Investment related risks**

#### **Investment opportunities**

The Group may from time to time evaluate investment opportunities, including acquisitions, divestments, joint ventures and investments, with a view to determining whether those opportunities will enhance the Group's strategic position and financial performance. The financial performance of the Group will be affected by the recognition and availability of suitable investment opportunities in the future coupled with the operating performance of the existing businesses to support this growth. There is no guarantee that the Group will be able to identify and successfully implement future investment opportunities. Investment opportunities, certainty and timing (including the timelines of any public releases) of any such investment opportunities and the Group's ability to divest its existing investment are subject to market conditions and other factors outside of the control of the Group, including the actions and/or decisions of transaction counterparties and/or regulators. Any pursuit of such investment opportunities inherently involves transaction risks, including overvaluation of an acquisition or investment, under-valuation of a divestment and exposure to reputational damage. With the Group's ongoing focus on growth and diversification, the next opportunity to significantly add to the current businesses controlled by the Issuer will carry additional risk due to the size and potentially the nature of those businesses. Given the complexity of any transaction undertaken, the Group faces risks in undertaking sufficient due diligence and reaching a level of assurance as to the merits of acquiring the potential target. Due diligence may not reveal all material issues, which could impact on the returns from the investment. Integration or separation of an acquired or divested business, as the case may be, can also be complex and costly. If the Group does undertake further investments in the future, there are risks associated with the integration of any business into or separation of businesses within the Group, including potential delays and costs in implementing necessary changes, combining or separating relevant accounting and data processing systems, disruption to operations, as well as managing relevant relationships with employees, customers, regulators, counterparties, suppliers and other business partners, and failure to achieve potential synergy benefits. The Group may also have ongoing exposures to divested businesses, including through the provision of continued services and infrastructure or an agreement to retain certain liabilities of the divested businesses through warranties and indemnities, which may have an adverse impact on the Group's business and financial performance and position. Any of these risks and difficulties may ultimately have an adverse impact on the Group's financial performance and position. The Group may also be restricted by the terms of any confidentiality or similar agreement in connection with any opportunity being pursued from publicly disclosing details of such opportunity.

#### **Minority investments**

The Group holds investments in a number of ASX-listed, and unlisted, companies that it does not control, including Seven West Media and Beach Energy. Where the Group holds an investment and is limited in its ability to exert control over the investee entity, it may become subject to the operational control of others and the financial performance this may entail. Additionally, the Group will be exposed to the price, liquidity and other risks inherent in minority shareholdings, including the risk that distributions paid to security holders will be reduced, adversely impacting the yield of the broader portfolio. The Group may also not be able to achieve an easy or profitable exit from its investments. This could lead to a reduction in the financial performance or position of the Group. Listed equity markets fluctuate with time, and the price of shares in the Group's portfolio may rise or fall due to numerous factors, which may affect the market performance of the Group. These include changes in Australian and international stock markets

and investor sentiment, domestic and world economic conditions and outlook, inflation rates, interest rates, employment, taxation and changes to government policy, legislation or regulation. This could impact the financial performance of the Group.

### **Media investments**

The Group's investment in Seven West Media exposes it to the various risks facing the media industry. Viewer fragmentation in television and reduction in newspaper readership results in declines in advertising markets across key platforms. This could negatively impact the future level of profitability of the media sector and their free cash flow generation. Media reform, and potential for media consolidation transactions, may also impact on the Group's media investments.

### **Energy assets**

A sustained or long-term weakness in oil or gas prices may negatively impact the carrying value of the Group's oil and gas operations. In addition, the development timetable of the Group's energy assets is subject to the decision making of controlling and operating partners in relation to factors such as access to processing infrastructure, approval of drilling programs and finalisation of development concepts. If differences arise in the economic motivations of SGH Energy and its partners, the development timetables for each asset could be deferred, impacting the recoverable value of the Group's energy assets.

## **Funding, shareholding structure and accounting related risks**

### **Funding, access to capital markets and liquidity risk**

The Group relies in part on debt and debt-like instruments to fund its business operations. The Issuer and its subsidiaries will need to refinance debt and derivative facilities as they mature over time. The Group is exposed to adverse changes in global equity or credit market conditions. There is a risk that the Group could have difficulty obtaining financing on commercially reasonable terms if there was a material deterioration in the cash generation of the business operations, which may negatively impact the Group's ability to implement strategy or undertake investments, as well as potentially increasing the cost of funding.

The ability to refinance can be impacted by many factors outside of the Group's control, including global supply of credit, level of economic activity and credit defaults, perceptions of carbon intensity and credit providers' assessment of aggregated credit risk to the Group and its investments.

Liquidity risk arises from the possibility that the Group may not be able to settle or meet its obligations as they fall due. Failure to meet applicable covenants or undertakings in its financing arrangements could adversely impact the Group by accelerating payment obligations or requiring the renegotiation of existing financing.

### **Free float**

The Issuer is controlled by a majority shareholder and, as a result, has a limited free float which means that the Issuer's share price can be more volatile given comparatively lower average daily trading volumes.

### **Equity market risk**

The Group's listed and unlisted investments are subject to price, liquidity and other risks associated with any investment in such assets, including the risk that distributions paid to shareholders will be reduced.

The Group's financial performance may be impacted by fluctuations in the value of its listed and unlisted investments due to numerous factors. These include changes in Australian and international stock markets

and investor sentiment, domestic and world economic conditions and outlook, consumer and business sentiments, occupancy rates, inflation rates, interest rates, employment and taxation legislation and other changes to government policy, legislation or regulation

### **Interest rate risk**

The Group is exposed to the risk of an increase in net interest costs through the impact of adverse changes in market interest rates on the cost of debt.

### **Risks relating to accounting policies**

The Issuer, its subsidiaries and the companies in which it holds minority investments make judgments and estimates, in accordance with applicable accounting standards, that affect amounts reported in their financial statements or otherwise announced to the market.

In determining and applying accounting policies, judgement is often required in respect of items where the choice of a specific policy, accounting estimate or assumption to be followed could have a material impact.

There is a risk that these judgements and estimates may be incorrect or that over time the valuations of the assets and liabilities develop differently to the judgements or estimates, which could result in SGH having to write down the carrying value of its assets or otherwise adversely affect SGH's financial position. Accounting standards in the jurisdictions in which SGH operates may also change. This may affect the reported earnings of SGH and its financial position from time to time, potentially adversely.

### **Foreign exchange risk**

The Group is exposed to movements in foreign exchange rates. WesTrac, and to a lesser extent Coates and Boral, are exposed to foreign exchange risk through the purchase of plant and equipment, inventory and products denominated in foreign currency, principally U.S. Dollars. As part of its pricing of equipment globally, CAT periodically resets pricing for mining equipment and parts which are denominated in U.S. Dollars reflecting exchange rate movements and underlying inflation.

Movements in the pricing of equipment impacts WesTrac's cost of machines and may also affect the overall profit earned on the sale of equipment to customers which may be denominated in either Australian Dollars, U.S. Dollars or both.

Boral is exposed to foreign exchange risk through Boral's remaining international subsidiaries, and through imported products and acquisition of plant and equipment. Boral also hold US-denominated debt

Fluctuations in foreign exchange rates, including the A\$/U.S. Dollar exchange rate could have an adverse impact on the Group's business, financial condition and results of operations which are reported in Australian Dollars.

The revenue generated from the Group's energy assets is partly denominated in U.S. Dollars resulting in the risk of lower earnings for the Group upon conversion to Australian Dollars if there has been an adverse movement in the exchange rate. Furthermore, the capital development costs of these projects are substantially denominated in U.S. Dollars and unhedged, with SGH Energy relying on the natural hedge of the expected revenue flows also being U.S. Dollars denominated.

The Group may from time to time hold cash and investments, including investments in overseas equity funds, denominated in U.S. Dollars, exposing the Group to foreign exchange risk.

## **Tax**

The Group may be subject to reviews by taxation authorities from time to time in the ordinary course of business. These reviews may result in the taxation authorities taking a different view on the tax treatment of particular transactions from that of the Group, which could lead to additional tax liabilities.

## **RISKS RELATING TO BORAL**

In addition to the risks described above in the section “*Risks Relating to the Group*”, described below are risks specific to Boral.

### **Operational risks**

#### **Health Safety and environment**

Boral is exposed to risk of incidents occurring that may cause injury to Boral’s staff, contractors, or members of the community, or damage to the environment.

Boral manages or uses a fleet of about 3,500 on-road heavy vehicles, which are required to meet national heavy vehicle legislation. This exposes Boral to a risk of traffic accidents, and non-compliance with heavy vehicle laws.

Boral is also subject to environmental and/or development licences, consents and approvals, including an obligations to protect Aboriginal heritage sites and biodiversity and occupational health and safety obligations (including in relation to employees operating with appropriate protection in hazardous environments). Material breaches of these requirements may result in fines and/or loss of licence to operate through regulatory actions and/or court, tribunal or other ruling body decisions. In addition to impacting Boral people and communities, any incidents or material breaches of laws and regulations may also cause business interruption and adversely affect Boral’s reputation or financial performance.

As demonstrated by the COVID-19 pandemic, community and global health issues and responses can also impact Boral’s people, markets and operations.

#### **Workforce, culture and engagement**

Attracting and retaining great people and engaging Boral workforce underpins delivery of Boral’s strategic initiatives and business plans.

The availability of labour and ability to recruit and retain skilled labour is a key factor in maintaining production, and Boral’s ability to service customers. The current skilled labour constraints are increasing job vacancies and driving up costs.

As disclosed in the ASX release dated 16 September 2022, Vik Bansal will commence as CEO and Managing Director of Boral on 10 October 2022, earlier than the previously announced start date of on or before 5 December 2022. Vik Bansal is expected to drive a performance orientated culture with focus on productivity, safety, service, sustainability and simplification. The CEO change may result in a change in Boral’s financial performance and/or market expectations for Boral’s financial performance.

#### **Social, legal and compliance**

Failure to meet the increasing expectations of Boral’s stakeholders could impact future plans, reputation and Boral’s ability to operate.

Boral is subject to a broad range of laws, regulations and standards (and changes to any of these) in the jurisdictions in which it operates. Changes in laws and regulations, and non-compliance due to inadequate

processes, systems, people or conduct could lead to losses and liabilities, reputational damage and business interruption.

As at the date of this Offering Circular, Boral Limited continues to defend two shareholder class action proceedings filed against it in the Federal Court of Australia by Maurice Blackburn and Phi Finney McDonald. The proceedings allege disclosure breaches in relation to financial irregularities in Boral Limited's North American Windows business. In August 2021, the Federal Court of Australia determined the multiplicity of claims by:

- (i) allowing the class action filed by Maurice Blackburn to continue on an '*open class*' basis and the class action filed by Phi Finney McDonald to continue on a '*closed class*' basis; and
- (ii) managing these proceedings together.

Boral Limited has filed its defence to these proceedings. It is not possible to determine the ultimate impact, if any, of the proceedings on Boral Limited.

### **Manufacturing operations**

Boral's manufacturing operations and related services depend on critical plant. Any unanticipated failures, outages or *force majeure* events could lead to failure to meet financial performance.

Boral's performance is exposed to the ongoing inflationary impacts from rising input costs, including energy (as Boral experienced in recent times). Disruption in the supply of raw materials or other critical inputs for manufacturing as a result of force majeure type events could impact Boral's ability to manufacture products and meet market demand. Specific business interruption risks for Boral include plant and systems failure, weather, access to future reserves and resource supply constraints.

### **Weather and physical climate impacts**

Extreme weather is an inherent risk for the construction materials industry. Periods of inclement or extreme weather can interrupt production and Boral's operations, impact Boral's ability to supply products to the market and limit customers' ability to construct, reducing or postponing demand.

Prolonged periods of wet weather (including those resulting from La Nina weather events) can impact Boral's performance through deferred sales volumes, loss of fixed cost recovery and higher costs of overtime to catch up on customer demand.

Ultimately, these weather conditions can have a negative impact on Boral's financial performance, as occurred earlier in 2022.

There are physical and transition risks associated with climate change.

### **Supply chain and cost management**

Boral has a risk that its business is exposed to inflationary and market cost increases above expected levels and/or Boral is not able to achieve planned cost reductions or price increases to offset cost inflationary increases.

Disruption in the supply of raw materials or other critical inputs from force majeure type events could impact Boral's ability to manufacture products and meet market demand.

### **Competition and customer**

Boral operates in competitive markets against domestic suppliers and, in some cases, imported product suppliers. The competitive environment can be significantly affected by local market forces, such as new

entrants, production capacity utilisation, disruptive product innovation, customer strategies and preferences, and changes in construction methods and materials. This impacts demand for Boral products.

There is also a risk that Boral is not able to maintain pricing and/or achieve announced price increases to offset inflationary costs due to competitor actions and market pressures. Further, Boral is exposed to the risk that customers do not perform their obligations in line with contractual or operational standards, which could result in financial losses or reputational damage for Boral. Should any of these downside risks (including budget risk) materialise for Boral, the Group's actual budget for any financial year may depart from market expectation.

### **Transition to low-carbon economy**

The transition to a low-carbon economy with heightened focus on carbon emissions is likely to result in changing customer preferences, and a shift to less carbon-intensive construction materials.

Governments are also expected to increase actions to achieve carbon reduction targets. This may result in an effective price on carbon emissions, increasing the cost of production and negatively impacting earnings.

### **Market and industry**

Boral business performance is closely tied to demand in the end-market segments in which it operates, and across Boral's regions of operation. These markets are cyclical and affected by various macroeconomic, demographic and regulatory factors, and the allocation and timing of government funding for public infrastructure and other building programs.

Changes in macroeconomic, demographic and regulatory factors, including increases in interest rates, have the potential to impact market sentiment in the end-markets Boral operates in. These can impact commercial, industrial and residential property prices, construction volumes and activity, infrastructure pipelines and the financial performance position of industry participants, including Boral or its customers and suppliers.

For major projects, particularly infrastructure, Boral's business is impacted by delays in delivery schedules or changes to scopes of work.

Boral's ability to compete effectively on an integrated basis across its regions of operation requires it to maintain its strategic operational properties and secure positions in areas of future growth.

### **Financial and capital management**

Maintaining an optimal capital structure and taking a disciplined approach to allocating capital is key to delivering returns above Boral's cost of capital through the cycle.

Managing Boral liquidity and funding requirements is essential to the financial health of Boral's business.

Boral is exposed to movements in foreign exchange rates through imported products and supply of plant and equipment, and Boral's purchase of energy, which is linked to US-denominated market prices.

### **Operations and technology**

Boral's manufacturing operations and related services depend on critical plant. Any unanticipated failures, outages or force majeure events could lead to failure to meet financial performance.

Boral's operations, operational efficiency, and financial and commercial systems depend on Boral's information technology (IT) systems, capabilities and assets. Ongoing investment in IT is required to adequately support the business, including to improve operational efficiency and customer service, and reduce costs.

Cybersecurity breaches or ransomware attacks on information systems or plant operating technologies could result in the loss of sensitive data, breach of customer data privacy, or widespread business interruptions, and associated reputational damage.

## **RISKS RELATING TO THE NOTES**

### **The payment obligations of the Issuer under the Notes will be unsecured**

The Notes will constitute direct, unconditional and unsubordinated obligations of the Issuer, and shall at all times rank *pari passu*, without any preference among themselves. The payment obligations of the Issuer under the Notes will rank at least equally with all its other existing and future unsecured and unsubordinated obligations, save for such obligations that may be preferred by provisions of law that are mandatory and of general application.

The Security Interests which will be created by the Chargor in favour of the Security Trustee for the benefit of the Secured Parties under the General Security Deed will only secure the obligations of the Chargor to transfer and deliver Ordinary Shares on exercise of the Noteholders' Exchange Rights in accordance with the Terms and Conditions of the Notes. The Issuer will not be a party to the General Security Deed, and the General Security Deed will not secure any obligations of the Issuer in respect of the Notes.

The repayment of the Notes may be compromised if:

- the Group (or any member of it) enters into bankruptcy, liquidation, rehabilitation or other winding-up proceedings;
- there is a default in payment under the Group's future secured indebtedness or other unsecured indebtedness; or
- there is an acceleration of any of the Group's indebtedness.

If any of the above events occur, the Group's assets may not be sufficient to pay amounts due on the Notes.

In addition, there is secured and unsecured debt incurred by members of the Group. Holders of such secured and unsecured debt and any future secured and unsecured indebtedness will have claims that are prior to a holder's claim as Noteholders, in the case of a secured creditor to the Issuer to the extent of the value of the assets securing such indebtedness and, in the case of creditors of other Group members, to the extent the Noteholders are structurally subordinated to those creditors. Other than in respect of the Chargor's obligation to deliver Ordinary Shares upon exchange of the notes, the Notes will not be secured by any of the Issuer or Group's assets. As a result, in the event of any distribution or payment of the Group's assets in any foreclosure, dissolution, winding-up, liquidation, reorganisation, or other bankruptcy proceeding, holders of any current or future secured indebtedness of the Issuer and secured and unsecured indebtedness of other Group members will have prior claim to those of the Issuer's assets that constitute their collateral or the assets of the relevant Group member against which they have a claim for repayment. Noteholders will participate rateably with all holders of the Issuer's unsecured indebtedness that is deemed to be of the same class as the Notes, and potentially with all of the Issuer's other general creditors, based upon the respective amounts owed to each holder or creditor, in the Issuer's remaining assets. In any of the foregoing events, there can be no assurance to the investor that there will be sufficient assets to pay amounts due on the Notes. As a result, Noteholders may receive less, rateably, than holders of any current or future secured indebtedness.

### **Interest payments are not guaranteed**

The Issuer expects to make interest payments using available cash balances and cash flow from its investments. The Issuer's ability to generate cash flows from its investments will depend substantially on



the portfolio companies' financial performance and dividend payments. The Issuer cannot guarantee that the interest payments on the Notes will be paid when due and these interest payments are not guaranteed by the Issuer, the Note Trustee, the Security Trustee, the Managers, the Agents or any other entity.

**Certain initial investors or a single initial investor may purchase a significant portion of the Notes and may potentially be able to exercise certain rights and powers on their own**

Certain initial investors or a single initial investor may purchase a significant portion of the aggregate principal amount of the Notes in this offering. Any Noteholder holding a significant percentage of the aggregate principal amount of the Notes will be able to exercise certain rights and powers and will have significant influence on matters voted on by Noteholders. For example, Noteholders holding or representing in the aggregate more than 50.00 per cent. of the Notes would form a quorum for the purposes of passing an Extraordinary Resolution (as defined in the Trust Deed), while Noteholders holding or representing in the aggregate not less than 75.00 per cent. in principal amount of the Notes would form a quorum for the purposes of voting on reserved matters, including the modification of the maturity of the Notes or the reduction or cancellation of the principal amount of, or interest on, the Notes.

In addition, as the passing of Extraordinary Resolutions at meetings of Noteholders will require a majority of not less than 75.00 per cent. of votes cast (subject to certain reserved matters as specified in the Terms and Conditions of the Notes and the Trust Deed), any Noteholder of a significant percentage of the Notes, even if less than a majority, will on its own be able to take certain actions that would be binding on all Noteholders. For example, Noteholders holding more than 25.00 per cent. of the principal amount of Notes represented at a meeting of Noteholders will be able to block the passing of Extraordinary Resolutions.

Additionally, the existence of any such significant Noteholder may reduce the liquidity of the Notes in the secondary trading market.

**The Notes are complex instruments and may not be a suitable investment for all investors**

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. Furthermore, each potential investor in the Notes should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Offering Circular;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes including where the currency for payment is different from the potential investor's currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not invest in the Notes unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

### **The market price of the Notes may fluctuate**

The market price of the Notes may fluctuate due to various factors, including investor perceptions, Australian and worldwide economic conditions, better rates of return on other securities, interest rates, inflation rates, movements in foreign exchange rates, impacts of regulatory change, changes in the laws relating to the availability of franking, movements in the market price of Ordinary Shares or senior or subordinated debt, the Issuer's financial performance and position, as a result of information disclosed to the market by the Issuer in order to comply with its continuous disclosure requirements and other factors that may affect that performance and position, and political, economic, financial and any other factors that can affect the capital markets generally. The market price of Ordinary Shares may fluctuate for similar reasons. The Notes may trade at a market price below the face value. There is no guarantee that the Notes will remain continuously quoted on the SGX-ST or that the Ordinary Shares will remain continuously quoted on the ASX.

In recent years, markets have sometimes been volatile. In particular, since March 2020 global financial markets have become more volatile due to the impact of the COVID-19 pandemic. This volatility has also been contributed to by the Russia / Ukraine conflict that started in February 2022. The expected duration and magnitude of the COVID-19 pandemic and the Russia / Ukraine conflict and their full economic impact remain unclear. Volatility risk is the potential for fluctuations in the price of securities, sometimes markedly and over a short period. You should carefully consider the impact of volatility risk on the potential market price of the Notes and the Ordinary Shares before deciding whether to make an investment in the Notes.

Noteholders who wish to sell or otherwise transfer their Notes may incur loss if the Notes trade at a market price below the amount for which the Notes were acquired by those Noteholders.

### **The security over the Security Assets granted by the Chargor pursuant to the General Security Deed may be subject to limitations on enforcement in certain limited circumstances**

The Chargor is party to a financing agreement as a guarantor and obligor. Under that financing agreement, in addition to giving a guarantee of the outstanding debt under the facilities, the Chargor gives representations and warranties to the financiers and is subject to a number of undertakings and restrictions.

If an event of default occurs under that financing agreement, the financiers under that arrangement may require the outstanding balance of the loans to be repaid and may make an unsecured claim against the Chargor to repay the full amount owing. An event of default may occur for reasons outside of the control of the Chargor and if the debt is not repaid when required, this may result in the Chargor becoming insolvent, which would trigger an Event of Default under the Transaction Documents.

The impact of an insolvency of the Chargor on the Noteholders will be mitigated to a large extent by the Chargor granting security over all of its assets to secure the Exchange Obligation, including over the Security Assets.

The security over the Security Assets to be granted by the Chargor pursuant to the General Security Deed may be subject to limitations on enforcement in certain limited circumstances. For example:

- the enforceability of any document is subject to various limitations affecting the enforcement of contractual obligations generally, including (but not limited to) statutes of limitations, laws relating to administration, liquidation, insolvency and receivership, laws relating to the enforcement of security interests, defences and the fact that equitable remedies will only be granted by a court in its discretion;

- the enforceability of any document is subject to general law and statutory duties, obligations, prohibitions and limitations affecting the enforceability of, and exercise of rights under, security interests and related documents generally, including under the Corporations Act, certain notice requirements, grace periods and rights to remedy defaults conferred by statute and limitations on the transfer of shares in a company or units in a trust that may be contained in its constitution or that apply during liquidation, provisional liquidation and administration;
- certain provisions of a document may be unenforceable, or may be enforceable only to the extent that a court determines in its discretion, including (but not limited to) provisions which provide for or require the payment of default interest, severability of provisions, an indemnity for legal costs incurred by an unsuccessful litigant, written amendments and waivers or a prohibition on assignment of a right to payment or other dealing with property;
- a document or a transaction connected with a document may be voidable at the option of a party, or may be set aside by a court on application by a party, or a party may be entitled to rescind a document, and amounts paid or property transferred under it may be recovered by that party, if that party entered into the document or transaction as a result of a mistake, if the document relates to the provision of a financial service (within the meaning of the Corporations Act) by another party who requires but does not hold an Australian financial services licence, or if that party's entry into the document or a transaction in connection with it constitutes an "insolvent transaction" or an "unfair loan" or an "unreasonable director-related transaction" within the meaning of sections 588FC or 588FD or 588FDA respectively of the Corporations Act and the party is subsequently wound up; and
- (i) if a security is expressed to operate as an assignment, transfer or mortgage of any Security Assets it will take effect as an equitable mortgage only unless any steps necessary to transfer legal title to the Security Assets are taken, (ii) a fixed charge over an asset may only constitute a floating charge, (iii) the General Security Deed may not be admitted in evidence to establish an interest in certain types of intellectual property, (iv) the security may not be effective in relation to licences or certain other rights arising under statute because such right may not constitute property or may require the consent of an authority in order to be dealt with, (v) certain rights are not assignable, (vi) a security interest over a right or an interest in property that arises under a contract or other instrument may not be, and in certain cases clearly will not be, effective if the grant of the security interest, (vii) a security interest will not arise in any Personal Property (as that term is defined in the Personal Property Securities Act 2009 (Cth) ('PPSA')) until the relevant security provider has rights in the Personal Property (as that term is defined in the PPSA) and (viii) the security may not have the priority or validity as against any third party.

### **Lack of a public market for the Notes**

The Notes will be a new issue of securities for which there is currently no established trading market when issued, and there can be no assurance regarding the future development of the market for the Notes or the ability of the Noteholders, or the price at which the Noteholders may be able, to sell their Notes. Application has been made for the listing and quotation of the Notes on the Official List of the SGX-ST. However, there can be no assurance that such listing application will be approved or that, if approved, the Issuer will be able to maintain such a listing or that, if listed, a trading market will develop for the Notes on the SGX-ST. The liquidity of any market which develops will depend upon the number of Noteholders, the market for similar securities, the interest of securities dealers in making a market in the Notes and other factors. A liquid trading market may not develop for the Notes. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them

with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have an adverse effect on the market value of Notes.

If an active trading market were to develop, the Notes could trade at a price that may be lower than the initial offering price of the Notes. Whether or not the Notes will trade at lower prices depends on many factors, including:

- prevailing interest rates and the market for similar securities;
- general economic, market and political conditions;
- the Group's and Boral's financial condition, financial performance and future prospects as well as the market price and volatility of the ordinary shares of both the Issuer and Boral;
- the publication of earnings estimates or other research reports and speculation in the press or investment community in relation to the Issuer or the Group or Boral; and
- changes in the industry and competition affecting the Group or Boral.

### **Market price and liquidity of Ordinary Shares**

The Notes may be exchanged for Ordinary Shares as described in “*The Offering*” of this Offering Circular and the Terms and Conditions of the Notes, but there is no guarantee that this will necessarily occur. Exchange may be disadvantageous in light of market conditions or not suit the individual circumstances and preferences of Noteholders.

Where the Notes are exchanged for Ordinary Shares, there may be no liquid market for Ordinary Shares at the time of exchange, or the market for Ordinary Shares may be less liquid than that for comparable securities issued by other entities at the time of exchange.

The market price of Ordinary Shares may go up or down due to various factors, including Australian equity markets, recommendations by brokers and analysts, investor perceptions, interest rates and inflation, Australian and worldwide economic conditions (including, but not limited to, the impact of and continued uncertainty surrounding the COVID-19 pandemic), changes in government, fiscal and monetary policy, global and geo-political events, hostilities, international conflict and acts of terrorism, Boral's financial performance and position, impacts of regulatory change, as a result of information disclosed to the market by Boral in order to comply with its continuous disclosure requirements and other factors that may affect that performance and position, and may also be affected by the actual or prospective exchange of the Notes. The value of Ordinary Shares received upon exchange of a Note may be less than the face value of the Note. Holders receiving Ordinary Shares on exchange may not be able to sell those Ordinary Shares at the price on which the exchange calculation was based, or at all.

Certain events and conditions may affect the ability of Noteholders to trade or dispose of Ordinary Shares transferred on exchange. For example, the willingness or ability of Boral and the ASX to process the transfer of Ordinary Shares, any suspension of trading of Ordinary Shares, any disruption to the market for Ordinary Shares or to capital markets generally, the availability of purchasers for Ordinary Shares and any costs or practicalities associated with trading or disposing of Ordinary Shares at that time.

The Ordinary Shares held by a Noteholder as a result of any exchange will continue to rank equally with other existing Ordinary Shares. Accordingly, the ongoing value of any Ordinary Shares received upon exchange will depend upon the market price of Ordinary Shares after the date on which the Notes are exchanged. That market price is also subject to the factors outlined above and may also be volatile.

### **Dividends may not be paid on Ordinary Shares**

Payment of any dividends on Ordinary Shares transferred on exchange of the Notes (where that dividend is declared prior to transfer) is at the discretion of directors of Boral. Noteholders whose Notes are exchanged for Ordinary Shares after the record date for a dividend in respect of Ordinary Shares will have no entitlement to that dividend.

Directors of Boral may only declare or determine a dividend if there are funds legally available to pay dividends. The amount of future dividends on Ordinary Shares actually paid will be determined by the board of directors of Boral having regard, amongst other things, to Boral's operating results, financial position, available franking credits and any covenant restrictions or consent requirements under any third party finance facilities. A change in dividend policy or dividend levels of Boral may impact the market value of the Notes.

The Notes will not be entitled to participate in any dividends on the Ordinary Shares.

In addition, the Exchange Price will be adjusted for certain events – see further “— *Risks relating to the Notes — Noteholders have limited anti-dilution protection*”.

### **Noteholders will bear the risk of fluctuation in the price of the Ordinary Shares**

Despite the Notes being financial obligations of SGH, the trading price of the Ordinary Shares will directly affect the trading price of the Notes. It is impossible to predict whether the price of the Ordinary Shares will rise or fall. This may result in greater volatility in the market price of the Notes than would be expected for non-convertible or non-exchangeable debt securities. The market price of a publicly traded stock of a third party entity (here, Boral) is affected by many variables not directly related to the success or the performance of Boral.

There are various risks associated with investing in any form of business and with investing in the stock market generally. The value or trading price of the Ordinary Shares will depend upon the general stock market and economic conditions as well as other factors including, but not limited to, Boral's credit quality, operating results, economic and financial prospects and other factors. The trading share price of the Ordinary Shares may be affected by the general activities of the ASX. The ASX has experienced fluctuations in prices and volumes of trading of securities. The ASX 200 has experienced fluctuations in prices and volumes of trading of securities. For example, the daily closing value of the Ordinary Shares ranged from A\$2.52 to A\$3.06 per share during the period from 30 June 2022 to 6 October 2022. In addition, the price of the Ordinary Shares is also subject to varied and often unpredictable influences on the market for equities, including, but not limited to:

- general economic conditions and movements in Australian and international stock markets, including the performance of the Australian Dollar, the U.S. Dollar and commodities on world markets;
- inflation rates, foreign exchange rates and interest rates;
- changes to government policy, legislation or regulation (including taxes);
- industrial disputes; and
- general operational and business risks.

There is no guarantee of profitability, dividends, return of capital, or the price at which the Ordinary Shares will trade on the ASX after exchange of the Notes. The past performance of the Ordinary Shares is not a reliable indicator of future performance as the trading price of shares can fluctuate. There can be no certainty as to the effect, if any, that future issues or sales of the Ordinary Shares, or the availability of

such Ordinary Shares for future issue or sale, will have on the market price of the Ordinary Shares prevailing from time to time and therefore on the price of the Notes. Sales of a substantial number of the Ordinary Shares in the public market, or a perception in the market that such sales could occur, could adversely affect the prevailing market price of the Ordinary Shares. The results of operations, financial condition, prospects and business strategy of Boral could affect the value of the Ordinary Shares. As disclosed in the ASX release dated 16 September 2022, Vik Bansal will commence as CEO and Managing Director of Boral on 10 October 2022. As a result of the change in leadership, there may be a revaluation in the current strategy of Boral which may result in the restructuring of Boral's operating model and further cost reduction in Boral's corporate department. The trading price of the Ordinary Shares will be influenced by the operational results of Boral (which in turn are subject to the various risks the businesses and operations of Boral are subject to, which may or may not be described herein) and by other factors such as changes in the regulatory environment that may affect the markets in which Boral operates and the capital markets in general. Corporate events such as share sales, reorganizations, takeovers or share buy-backs may also adversely affect the value of the Ordinary Shares. Any decline in the price of the Ordinary Shares would adversely affect the market price of the Notes. Such decline may also adversely affect the value of financial assets of Boral.

#### **Noteholders have limited anti-dilution protection**

The Exchange Price will be adjusted in the event that there is a consolidation, reclassification, redesignation or subdivision in relation to the Ordinary Shares which alters the number of Ordinary Shares on issue, or if Boral undertakes rights offerings and equity issuances at a price per Ordinary Share less than 95 per cent. of the then Current Market Price (as defined in the Terms and Conditions of the Notes) per Ordinary Share, where other analogous dilutive events occur, but only in the circumstances and only to the extent provided in the "*Terms and Conditions of the Notes — Exchange of Notes — Exchange — Adjustment of Exchange Price*". There is no requirement that there should be an adjustment for every corporate or other event that may affect the value of the Ordinary Shares. Such events, should they occur, may adversely affect the value of the Ordinary Shares and, therefore, where no adjustment is required to be made, may adversely affect the value of the Notes.

#### **The Issuer and the Chargor have not made searches and investigations relating to the Ordinary Shares**

The Issuer and the Chargor have not made or caused to be made, and may not make or cause to be made on its behalf all the enquiries, searches and investigations which a prudent purchaser of assets such as the beneficial ownership of the Ordinary Shares would make and the Managers, the Note Trustee, the Security Trustee and the Agents have made no such enquiries, searches or investigations.

#### **There are limitations on the ability or eligibility of Noteholders to exercise exchange rights**

Pursuant to the Terms and Condition of the Notes, the Exchange Right in respect of a Note may be exercised on or after 12 months after the Closing Date, subject certain limited exceptions described in "*Terms and Conditions of the Notes — Exchange*". If any Noteholder exercises its Exchange Right prior to 28 November 2022, it will also, as a pre-condition to receiving Ordinary Shares, be required to certify in the Exchange Notice, among other things, that it or, if it is a broker-dealer acting on behalf of a customer, such customer:

- will, on exchange, become the beneficial owner of the Ordinary Shares; and
- is located outside the United States (within the meaning of Regulation S under the U.S. Securities Act of 1933, as amended).

Further, a Noteholder may not exercise its Exchange Right in circumstances where the relevant Exchange Date would fall during the period commencing on the Record Date (as defined in the Terms and Conditions of the Notes) in respect of any payment of interest on the Notes and ending on the relevant Interest Payment Date (both days inclusive).

**There is an absence of covenant protection for the Notes**

Other than as described therein, the Trust Deed will not limit the Issuer's ability to incur additional debt or liabilities (including secured indebtedness). The Trust Deed will not contain any provision specifically intended to protect holders of the Notes in the event of a future leveraged transaction by the Issuer (other than secured capital markets transactions in the circumstances described in the Terms and Conditions of the Notes).

The Issuer may in future incur further indebtedness and other liabilities. The Issuer has provided, and may in the future provide, guarantees and/or indemnities in respect of such liabilities.

**Although the Exchange Price may decrease if a Noteholder exercises its right to exchange its Notes during a Company Relevant Event Period, the decrease may not adequately compensate a Noteholder for the option value that such Noteholder may lose as a result of such Company Relevant Event**

If a Company Relevant Event occurs and a Noteholder exercises its right to require exchange of its Notes during the Company Relevant Event Period for such Company Relevant Event, the Issuer will decrease the Exchange Price applicable to such Noteholder's Notes. The amount by which the Issuer will decrease the Exchange Price during a Company Relevant Event Period will be determined based on the number of days from and including the date the Company Relevant Event occurs to the day before the Final Maturity Date. Although the adjustment to the Exchange Price is intended to compensate such Noteholder for the option value that such Noteholder will lose as a result of a Company Relevant Event, the decrease in the Exchange Price is based on a pre-set formula that does not account for many of the factors that will determine the amount of option value that such Noteholder will lose upon the occurrence of a Company Relevant Event. For example, although the formula that determines the decrease in the Exchange Price generally accounts for any time value the Noteholder may lose, the formula does not account for any change in the volatility of the Ordinary Shares that may occur upon a Company Relevant Event or whether the market price of the Ordinary Shares at the time the Company Relevant Event occurs is near the Exchange Price of the Notes.

**The Issuer may be unable to redeem or repay the Notes when due**

In the event the Ordinary Shares cease to be listed on the ASX, a Noteholder may require the Issuer to redeem all of such Noteholder's Notes. The Issuer may also be required to redeem all or some only of such Noteholder's Notes following the occurrence of a change of control with respect to the Issuer or Boral. Following acceleration of the Notes upon the occurrence of an Event of Default, the Issuer will be required to pay all amounts then due in accordance with the Terms and Conditions of the Notes. Unless previously purchased and cancelled, redeemed or exchanged, the Issuer will be required to redeem the Notes at their principal amount on the Final Maturity Date. The Issuer may not be able to redeem all or any of such Notes or pay all or any amounts due under the Notes if the Issuer does not have sufficient cash flows to do so. The Issuer cannot assure the Noteholders that, if required, it would have sufficient cash or other financial resources or would be able to arrange financing to redeem the Notes in cash.

**Notes will carry no rights with respect to Ordinary Shares on account of holding Notes**

Unless and until the Noteholders acquire the Ordinary Shares upon exchange of the Notes, the Noteholders will have no rights with respect to the Ordinary Shares on account of holding Notes, including any voting

rights or rights to receive any regular dividends or other distributions with respect to the Ordinary Shares, save as set out in the Terms and Conditions of the Notes. Upon exchange of the Notes, these Noteholders will be entitled to exercise the rights of holders of the Ordinary Shares only as to actions for which the applicable record date occurs after the date of exchange.

**Short selling or hedging of the Ordinary Shares by investors in the Notes could materially and adversely affect the market price of the Ordinary Shares**

The issuance of the Notes may result in downward pressure on the market price of the Ordinary Shares. Many investors in exchangeable notes seek to hedge their exposure in the underlying equity securities, often through short selling the underlying equity securities or similar transactions or engaging in stock borrowing arrangements of the Ordinary Shares currently on issue. Any short selling or similar hedging activity could place significant downward pressure on the market price of the Ordinary Shares, thereby having a material adverse effect on the market value of the Ordinary Shares as well as on the trading price of the Notes. There can also be no assurance that there would be Ordinary Shares available for such stock borrowing arrangements when required by the Noteholders.

**Future issuances of Ordinary Shares or equity-related securities may depress the trading price of the Ordinary Shares**

Any issuance of Boral's equity securities after the offer of the Notes could dilute the interest of the existing shareholders and could substantially decrease the trading price of the Ordinary Shares. Boral may issue equity securities in the future for a number of reasons, including to finance its operations and business strategy (including in connection with acquisitions, strategic collaborations or other transactions), to adjust its ratio of debt to equity, to satisfy its obligations upon the exercise of outstanding warrants, options or other convertible notes or for other reasons. The issuance of a substantial number of Ordinary Shares or other equity-related securities in the public market (or the perception that such sales may occur) could depress the market price of the Ordinary Shares and impair Boral's ability to raise capital through the issuance of additional equity securities. There is no restriction on Boral's ability to issue unsecured notes or on the ability of any of Boral's shareholders to dispose of, encumber or pledge the Ordinary Shares, and there can be no assurance that the Issuer will not issue further unsecured notes or that Boral's shareholders will not dispose of, encumber or pledge the Ordinary Shares. The Issuer cannot predict the effect that future issuances of the Ordinary Shares or other equity-related securities in Boral would have on the market price of the Ordinary Shares. In addition, the price of the Ordinary Shares could be affected by possible sales of the Ordinary Shares by investors who view the Notes as a more attractive means of obtaining equity participation in Boral and by hedging or engaging in arbitrage trading activity involving the Notes.

**The Note Trustee and/or the Security Trustee may request Noteholders to provide an indemnity and/or security and/or prefunding to its satisfaction**

In certain circumstances (including without limitation the giving of notice to the Issuer pursuant to Condition 11 (*Events of Default*) of the Terms and Conditions of the Notes and the taking of steps and/or actions and/or the instituting of any enforcement proceedings pursuant to Condition 16 (*Enforcement*) of the Terms and Conditions of the Notes), each of the Note Trustee and/or the Security Trustee, as the case may be, may (at its sole discretion) request Noteholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes any steps and/or actions or institutes any such proceedings on behalf of Noteholders. The Note Trustee and/or the Security Trustee, as the case may be, shall not be obliged to take any such steps and/or actions and/or to institute any such proceedings if not indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such actions can be taken.



The Note Trustee and/or the Security Trustee may not be able to take steps and/or actions and/or to institute any such proceeding, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the Trust Deed or the Terms and Conditions of the Notes and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the Trust Deed and the Terms and Conditions of the Notes and applicable laws and regulations, it will be for the Noteholders to take such steps and/or actions and/or institute any such proceedings directly.

### **Modifications and waivers**

The Trust Deed will contain provisions for calling meetings of the Noteholders to consider matters affecting their interests generally. These provisions will permit majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or participate in the electronic consent or written resolution and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes will also provide that the Note Trustee may, without the consent of Noteholders, agree to:

- any modification of any of the provisions of the Transaction Documents (as defined in the Terms and Conditions of the Notes), any deed or agreement supplemental to the Transaction Documents, the Notes or the Terms and Conditions of the Notes which in the Note Trustee's opinion is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law, and
- any other modification to the Transaction Documents, any deed or agreement supplemental to the Transaction Documents, the Notes or the Conditions (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Transaction Documents, any deed or agreement supplemental to the Transaction Documents, the Note or the Conditions which is, in the opinion of the Note Trustee, not materially prejudicial to the interests of the Noteholders.

The Note Trustee may (but shall not be obliged to), without the consent of the Noteholders, determine any Event of Default or a Potential Event of Default (as defined in the Terms and Conditions) should not be treated as such, provided that in the opinion of the Note Trustee, the interests of Noteholders will not be materially prejudiced thereby. Any such modification, authorisation, waiver or determination shall be binding on the Noteholders and, unless the Note Trustee otherwise agrees, shall be notified by the Issuer to the Noteholders promptly in accordance with Condition 18 (*Notices*) and to the Note Trustee, the Security Trustee and the Principal Paying and Exchange Agent in writing. The agreement between the Note Trustee and the Security Trustee may be subject to any condition that the relevant Trustee requires including but not limited to obtaining, at the expense of the Issuer, an opinion of any investment bank or legal or other expert and being indemnified and/or secured and/or pre-funded to its satisfaction.

### **The insolvency laws of Australia and other local insolvency laws may differ from those of another jurisdiction with which the Noteholders are familiar**

As each of the Issuer and Boral is incorporated under the laws of Australia, any insolvency proceedings relating to the Issuer or Boral would involve Australian insolvency laws. The procedural and substantive provisions of Australian insolvency law may differ from comparable provisions of the insolvency laws of jurisdictions with which the Noteholders are familiar.

### **The Issuer may issue additional Notes in the future**

The Issuer may, from time to time, and without prior consultation with or consent from the Noteholders, create and issue further notes, bonds or debentures having the same terms and conditions in all respects as

the outstanding Notes (or in all respects except for the issue date, the first payment of interest on them and the first date on which Exchange Rights may be exercised) and so that such further issue shall be consolidated and form a single series with the outstanding Notes or otherwise raise additional capital through such means and in such manner as it may consider necessary. There can be no assurance that such future issuance or capital raising activity will not adversely affect the market price of the Notes.

### **Developments in other markets may adversely affect the market price of the Notes or the Ordinary Shares**

The market price of the Notes or the Ordinary Shares may be adversely affected by declines in the international financial markets and world economic conditions. The market for the Notes and the Ordinary Shares is, to varying degrees, influenced by economic and market conditions in other markets. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries. Since the sub-prime mortgage crisis in 2008, the international financial markets have experienced significant volatility due to global events such as the COVID-19 pandemic and the Russian / Ukraine conflict. If such volatility occurs in the international financial markets in the future, the market price of the Notes and the Ordinary Shares could be adversely affected.

### **The Notes will be subject to changes of law**

The Terms and Conditions of the Notes will be governed by English law. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the Notes. The Issuer must also comply with various legal requirements including requirements imposed by securities laws and company laws in Australia and Singapore. Should any of those laws change over time, the legal requirements to which the Issuer may be subject could differ materially from current requirements.

### **Noteholders may be adversely affected by changes in taxation laws**

Changes in taxation laws in the jurisdictions in which the Group or Boral operates or in which Noteholders reside may adversely affect the tax treatment of an investment in the Notes or the Ordinary Shares or the holding, disposal, redemption or exchange of the Notes or the Ordinary Shares. Noteholders should consult their tax advisors or relevant professionals if they are in any doubt as to the tax treatment of an investment in the Notes or the Ordinary Shares or the holding, disposal, redemption or exchange of the Notes or the Ordinary Shares.

### **Legal investment considerations may restrict certain investments**

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent:

- the Notes are legal investments for it;
- the Notes can be used as collateral for various types of borrowing; and
- other restrictions apply to its purchase or pledge of the Notes.

Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk based capital or similar rules.

### **Regulatory actions may adversely affect the trading price and liquidity of the Notes**

Investors in, and potential purchasers of, the Notes may employ, or seek to employ, an exchangeable arbitrage strategy with respect to the Notes. Investors that employ an exchangeable arbitrage strategy with

respect to the Notes that do not rely solely on derivative hedging arrangements such as swaps, typically implement the strategy by selling short the securities underlying the Notes. As a result, any specific rules regulating short selling of securities or other regulatory action that interferes with the ability of investors in, or potential purchasers of, the Notes to effect short sales in the Ordinary Shares could adversely affect the ability of such investors in, or potential purchasers of, the Notes to conduct the exchangeable arbitrage strategy with respect to the Notes. This could, in turn, adversely affect the trading price and liquidity of the Notes.

**Securities law restrictions on the resale and exchange of the Notes and the resale of Ordinary Shares deliverable upon their exchange may impact the Noteholder's ability to sell the Notes**

The Notes and the Ordinary Shares to be transferred or delivered upon exchange of the Notes have not been and will not be registered under the Securities Act or any state securities laws of any U.S. state. Unless and until they are registered, the Notes and any Ordinary Shares deliverable upon exchange of the Notes may not be offered, sold or resold except pursuant to an exemption from registration under the Securities Act and applicable state laws or in a transaction not subject to such laws. The Issuer is not required to register the Notes or any Ordinary Shares to be delivered upon exchange of the Notes under the Terms and Conditions of the Notes. Hence, future resales of the Notes and the Ordinary Shares to be delivered upon exchange of the Notes may only be made pursuant to an exemption from registration under the Securities Act and applicable state laws or in a transaction not subject to such laws.

**The liquidity and price of the Notes and the Ordinary Shares following this offering may be volatile**

The price and trading volume of the Notes and the Ordinary Shares may be highly volatile. Factors such as variations in the revenues, earnings and cash flows of the Group or Boral (as applicable) and proposals of new investments, strategic alliances and/or acquisitions, interest rates and fluctuations in prices for comparable companies could cause the price of the Notes or the Ordinary Shares to change. Any such developments may result in large and sudden changes in the volume and price at which the Notes or the Ordinary Shares will trade. There can be no assurance that these developments will not occur in the future.

**The Notes will initially be represented by a Global Certificate and holders of a beneficial interest in the Global Certificate must rely on the procedures of the relevant Clearing System(s)**

The Notes will initially be represented by a Global Certificate. Such Global Certificate will be deposited with a common depository for Euroclear and Clearstream (each of Euroclear and Clearstream, a “**Clearing System**”). Except in the circumstances described in the Global Certificate, investors will not be entitled to receive definitive Certificates in respect of their individual holdings of Notes. The relevant Clearing System(s) will maintain records of the beneficial interests in the Global Certificate. While the Notes are represented by the Global Certificate, investors will be able to trade their beneficial interests only through the Clearing Systems.

While the Notes are represented by the Global Certificate, the Issuer will discharge its payment obligations under the Notes by making payments to the common depository for Euroclear and Clearstream for distribution to their account holders. A holder of a beneficial interest in the Global Certificate must rely on the procedures of the relevant Clearing System to receive payments under the Notes. None of the Issuer, the Note Trustee, the Security Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, associates, agents or advisers or any person who controls any of them has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

**Noteholders may be adversely affected by certain exchange rate risks and exchange controls**

The Issuer will make payments to Noteholders in Australian Dollars. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Australian Dollar. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Australian Dollar or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls that could adversely affect an applicable exchange rate. An appreciation in the value of the Investor's Currency relative to the Australian Dollar would decrease:

- the Investor's Currency-equivalent yield on the Notes;
- the Investor's Currency-equivalent value of the amounts payable on the Notes; and
- the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose exchange controls that could adversely affect the availability of a specified foreign currency at the time of payment of amounts on a Note. As a result, the payments received by investors may be adversely affected.

**There is no obligation on the part of Boral in respect of the Notes**

Boral was not involved in the preparation of this Offering Circular. Further, Boral has no obligation with respect to the Notes or amounts to be paid to the Noteholders, including any obligation to consider, for any reason, the Issuer's or Noteholders' needs or to make any disclosure to Noteholders. Subsequent disclosure or failure to disclose material events or information concerning Boral could affect the trading price of the Ordinary Shares (including Ordinary Shares deliverable upon exchange of the Notes and therefore the trading price of the Notes). Boral will not receive any of the proceeds from the offering of the Notes and is not responsible for, and has not participated in, the determination of any matter involving the Notes, including the timing of, terms of, price for, or quantities of, the Notes.

**The risks described above do not necessarily comprise all those faced by the Group and are not intended to be presented in any assumed order of priority.**

The investment referred to in this Offering Circular may not be suitable for all of its recipients. Investors are accordingly advised to consult an investment adviser before making a decision to subscribe for Notes.

## **USE OF PROCEEDS**

The estimated net proceeds from the issue of the Notes will be, after deduction of commissions, professional fees and other administrative expenses, approximately A\$245.3 million. The net proceeds from the issue of the Notes will be used to fund the Concurrent Repurchase and, and with any surplus to be used for general corporate purposes.

## CAPITALISATION AND INDEBTEDNESS

### Capitalisation and Indebtedness of the Group

The following table sets forth the indebtedness and capitalisation of the Group extracted from the audited annual consolidated financial statements of the Group as at and for the financial year ended 30 June 2022 adjusted for events subsequent to 30 June 2022 as indicated below. These adjustments show:

- the impact on indebtedness and capitalisation of the Notes at the Closing Date; and
- the funding of the Concurrent Repurchase and use of any surplus for the Group's general corporate purposes as described in the "Use of Proceeds" section of this Offering Circular.

This table should be read in conjunction with the consolidated audited financial statements of the Group and related notes incorporated by reference in this Offering Circular.

A\$ m	Actual	Adjustments				<i>Pro forma</i>
	As at 30 June 2022	Issuance of Notes	Transaction costs	Fund the Concurrent Repurchase and the Group's general corporate purposes	Delta Placement	As at 30 June 2022
Current borrowings	1,365.0	-	-	(105.2)	96.0	1,355.7
Non-current borrowings	4,297.6	216.3	(4.1)	0.8	-	4,510.6
<b>Total indebtedness</b>	<b>5,662.6</b>	<b>216.3</b>	<b>(4.1)</b>	<b>(104.5)</b>	<b>96.0</b>	<b>5,866.3</b>
<b>Equity</b>						
Contributed equity	3,410.5	33.7	(0.6)	(11.4)	-	3,432.1
Reserves	(1,495.8)	-	-	-	(25.4)	(1,521.2)
Retained earnings	1,634.8	-	-	1.9	-	1,636.7
<b>Total equity</b>	<b>3,549.5</b>	<b>33.7</b>	<b>(0.6)</b>	<b>(9.5)</b>	<b>(25.4)</b>	<b>3,547.6</b>
<b>Total capitalisation</b>	<b>9,212.1</b>	<b>250.0</b>	<b>(4.7)</b>	<b>(114.0)</b>	<b>70.5</b>	<b>9,413.9</b>

The following adjustments and assumptions have been made in the preparation of the Capitalisation and Indebtedness of the Group table above:

- the table has not been audited and has been prepared using Australian equivalents to International Financial Reporting Standards and reflects the accounting policies of the Issuer; and

- the adjustments for the issuance of the Notes reflects provisional accounting adjustments. Actual results may change between the date of this Offering Circular and the completion of the Offering.

#### **Pro forma transactions**

- The *pro forma* adjustments reflect the issue of Notes with a combined face value of A\$250 million less estimated costs of the Offering of A\$4.7 million; and
- the table is based on the assumption that the net proceeds of the Notes will be used to fund the Concurrent Repurchase, with any surplus to be used for the Group's general corporate purposes.

#### **Share options on issue**

Boral has no outstanding options granted over unissued shares of Boral.

#### **Share rights**

As at 30 June 2022, there are a total of 9,835,236 outstanding performance rights (to an equivalent number of Ordinary Shares) issued under the Company's Equity Incentive Plan. The Company may from time to time issue additional performance rights (or other equity incentive instruments which entitle their holder to Ordinary Shares) to employees of the Company and its subsidiaries.

#### **Effects of the Notes on the Issuer**

Apart from the Concurrent Repurchase, on 12 July 2022, Boral repurchased for cash US\$300 million of its outstanding US\$500 million principal 3.75 per cent Guaranteed Senior Notes due 2028 under a tender offer to holders, and on 21 September 2022 WesTrac Holdings Pty Limited amended and extended syndicated loan facility Tranche B to A\$950 million due in September 2027, and the issue of the Notes, there has been no significant change to the total capitalisation and indebtedness of the Group since 30 June 2022.

A table outlining the anticipated impact of the Concurrent Repurchase on the Issuer's ordinary share capital is set out below.

	<b>Total</b>
Number of 2025 Convertible Notes to be repurchased and cancelled	1,142
Number of 2025 Convertible Notes outstanding following completion of the Concurrent Repurchase	2,358
Possible issue of Issuer ordinary shares under 2025 Convertible Notes that are not repurchased under the Concurrent Repurchase <sup>(1)</sup>	9,841,402

(1) Numbers are approximate only. The final number of shares issued may be impacted by any adjustments to the conversion price under the terms of the 2025 Convertible Notes issue. Further, the Issuer may elect to conduct further repurchases of the 2025 Convertible Notes following the Concurrent Repurchase that would have the impact of reducing this number.

#### **Effects of the Notes on the Issuer's shareholding in Boral**

Upon exchange of the Notes in accordance with the Terms and Conditions of the Notes, Ordinary Shares will be transferred and delivered to the relevant Noteholder.

As at 6 October 2022, the Issuer, through its subsidiaries, holds, or holds economic interests in, 767,758,044 Ordinary Shares.

Concurrent with the Offering, the Issuer intends to through its participation in the Delta Placement (directly or indirectly) acquire up to an additional 33,092,652 Ordinary Shares (being the approximate maximum number of Ordinary Shares the Issuer expects to have the capacity to acquire under item 9 of section 611 of the Corporations Act).<sup>(2)</sup>

In the event of a full exchange of the Notes issued under this Offering Circular:

- there would be no change to the ordinary share capital of either the Issuer or Boral; and
  - the number of Ordinary Shares in Boral held by the Chargor may decrease by up to 66,312,997 <sup>(3)</sup>.
- (2) Item 9 of Section 611 of the Corporations Act permits a person to acquire a relevant interest in a company's voting shares if (a) throughout the 6 months before the acquisition that person, or any other person, has had voting power in the company of at least 19%; and (b) as a result of the acquisition, none of the persons referred to in paragraph (a) would have voting power in the company more than 3 percentage points higher than they had 6 months before the acquisition.
- (3) The number of Ordinary Shares in Boral potentially transferred and delivered upon exchange of the Notes is approximate only. The final number of Ordinary Shares in Boral transferred and delivered may be impacted by any adjustments to the Exchange Price in accordance with the Terms and Conditions of the Notes.








## BUSINESS – SEVEN GROUP HOLDINGS LIMITED

### OVERVIEW

SGH is a diversified operating and investment group with businesses and investments in industrial services, energy and media sectors. In the Industrial Services division, WesTrac is the authorised Caterpillar dealer in Western Australia, New South Wales and the Australian Capital Territory in Australia. WesTrac is one of Caterpillar's top dealers globally. SGH also owns Coates, Australia's largest nationwide industrial and general equipment hire business. Also within Industrial Services is a 69.6 per cent. shareholding in Boral, a leading construction materials group. Within its Energy division, SGH holds a 30.0 per cent. shareholding in Beach Energy, an oil and gas exploration and production company listed on the ASX, and has interests in oil and gas projects in Australia and the United States. In Media, SGH has a 38.9 per cent. shareholding in Seven West Media, one of Australia's largest multiple platform media companies, including the Seven Network, 7plus and The West Australian, listed on the ASX.

The following table sets out the structure of the Group as at 30 June 2022.

Industrials	Industrials	Industrials	Energy	Media
				
<b>100%</b>	<b>100%</b>	<b>70%</b>	<b>Beach 30% SGHE 100%</b>	<b>39%</b>
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
<b>28 sites</b>	<b>150 sites</b>	<b>356 sites</b>	<b>Onshore and offshore assets in multiple basins</b>	<b>Market leading in TV, publishing and digital</b>
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 (15.5%)	Australia's #1 TV network and #1 BVOD service in 2021
<b>~3,950 Employees</b>	<b>~2,050 Employees</b>	<b>~4,800 Employees</b>	<b>~750 (Beach) Employees</b>	<b>~2,300 Employees</b>
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

SGH is listed on the ASX under the ticker code "SVW", had a market capitalisation at 6 October 2022 of approximately A\$6.7 billion and employs approximately 13,500 people.

SGH is a "disclosing entity" for the purposes of the Corporations Act and subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. Copies of documents regarding SGH lodged with ASIC or ASX, respectively, may be obtained from, or inspected at, any ASIC office or the ASX, respectively.

## Key milestones

An overview of SGH's key recent milestones are set out below:

<u>Year</u>	<u>Events</u>
2022	<p>Boral completed sale of its interest in the USG Joint Venture and its buildings products and fly ash businesses in North America realising A\$4.1 billion in net proceeds. This provided the capital to support its A\$3 billion capital return to shareholders (69.6 per cent. to SGH).</p> <p>A\$3 billion bridge finance to assist funding of Boral stake repaid within nine months.</p> <p>SGH raised additional borrowings of A\$905 million U.S. Private Placements through Coates.</p>
2021	<p>SGH completed A\$500 million fully underwritten placement of ordinary shares to reduce net debt, restore balance sheet flexibility and increase free float.</p> <p>SGH acquired a 69.6 per cent. interest in Boral through an off market takeover, establishing a \$6.2 billion acquisition facility for the purpose of funding the Boral takeover offer.</p> <p>SGH acquired an additional 1.5% in Beach Energy, increasing its stake to 30%.</p>
2018	<p>SGH completed the issue of a seven-year A\$350 million convertible bond to enhance its funding base and reduce its borrowing costs.</p> <p>SGH invested an additional A\$111.4 million in Beach Energy in November 2018. SGH's position in Beach increases to 28.57 per cent..</p>
2017	<p>SGH completed A\$375 million fully underwritten placement of ordinary shares to increase free float and balance sheet flexibility.</p> <p>SGH sold WesTrac China to Lei Shing Hong Machinery Limited for a total consideration of A\$540 million.</p> <p>SGH announced acquisition of the remaining 53.3 per cent. of Coates Group Holdings Pty Ltd, moving to 100 per cent. ownership of Coates Hire.</p>
2016	<p>Merger between Beach Energy and Drillsearch was completed in March 2016, creating Australia's leading mid-cap oil and gas company. The Group held a 22.9 per cent. holding in Beach Energy at calendar year end.</p>
2015	<p>Becoming a substantial holder (19.9 per cent. interests) for Drillsearch Energy and Beach Energy.</p>

2014	Creation of SGH Energy following the acquisition of Nexus Energy (“Nexus”) which was aggregated with the Bivins Ranch investment. SGH acquired Nexus for total consideration of A\$236 million excluding acquired cash and future contracted obligations.
2013	SGH exited Consolidated Media Holdings Limited investment. The Group received total proceeds of approximately A\$491 million and recognised a net gain on sale of approximately A\$50 million in respect of the transaction.

#### Key Statistics:

Item	Statistic as at 30 June 2022
Total Assets (A\$ million)	13,593.4
Total Revenue (A\$ million)	8,013.4
Market Capitalisation: (A\$ billion)	6.7 (6 October 2022)
Free float	Approximately 42.92 per cent.
Largest Shareholder	Entities associated with Mr. Kerry Stokes AO (approximately 57.08 per cent.)
ASX ticker code	SVW (ordinary shares)
Year Listed	2010
Key Market Sectors	Mining, Infrastructure, Construction, Energy and Media
Employees	Approximately 13,500
Countries	Australia, Indonesia, the United Arab Emirates, New Zealand, and the United States of America

#### Recent developments

##### *Concurrent Repurchase*

Concurrent with the Offering, Merrill Lynch Equities (Australia) Limited (in its capacity as sole dealer manager) are assisting the Issuer with the carrying out of the Concurrent Repurchase, being a reverse bookbuilding process to receive indications of interest from holders of the 2025 Convertible Notes (of which A\$350,000,000 is outstanding as at 6 October 2022), willing to sell and for the Issuer to purchase for cash any of the 2025 Convertible Notes. The Issuer is not under any obligation to accept any offer of 2025 Convertible Notes for repurchase pursuant to the Concurrent Repurchase. The Concurrent Repurchase will be conducted concurrently with the Offering, and is expected to close on or about the Closing Date. Following settlement of the Concurrent Repurchase, the 2025 Convertible Notes repurchased by the Issuer will be cancelled.

##### *Publication of SGH’s audited consolidated financial statements as at and for the financial year ended 30 June 2022*

SGH reported its full year earnings as at and for the financial year ended 30 June 2022 in the Seven Group Holdings 2022 Annual Report as released on 24 August 2022.

SGH delivered a positive result for the year, achieved through strong performances from the majority of its businesses. Against a backdrop of robust customer demand, WesTrac and Coates delivered resilient earnings, which coupled with strength at Beach and SWM, ultimately resulted in solid earnings growth for the Group.

For the financial year ended 30 June 2022, Group revenue was A\$8,013.4 million, with net profit after tax of A\$607.4 million.

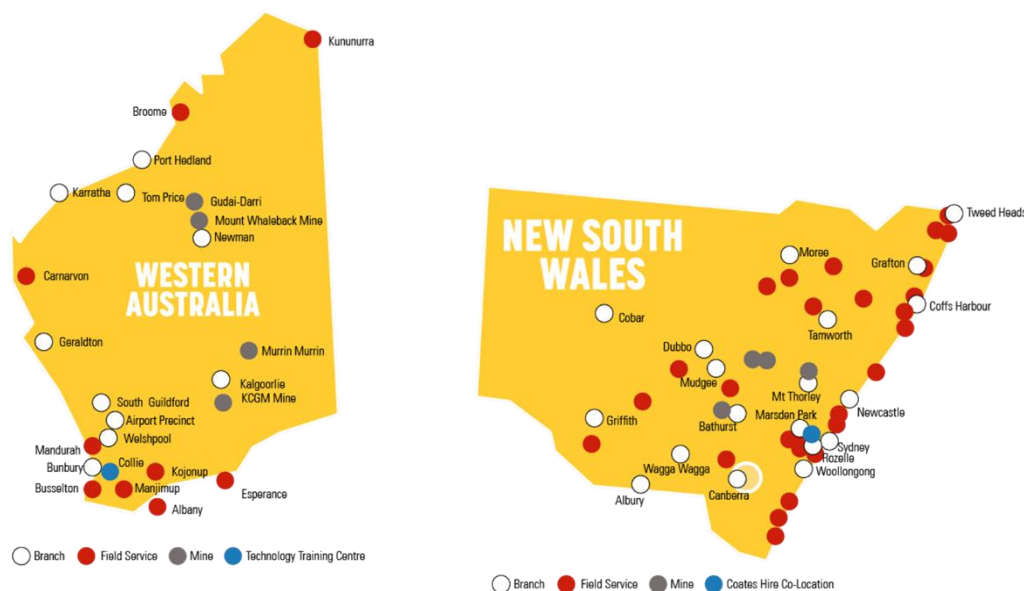
### *Crux stake sales process*

As previously disclosed to ASX, SGH is undertaking a sale process in respect of its 15.5% stake in the Crux LNG development project. There is no guarantee that any such sale will occur.

## **KEY BUSINESSES**

### **WesTrac**

WesTrac specialises in the supply and maintenance of Caterpillar mining and industrial equipment employing approximately 3,950 employees. It services the mining, construction and transport industries of Western Australia (“WA”), New South Wales (“NSW”) and Australian Capital Territory (“ACT”), where it has operated as the authorised Caterpillar dealer since 1990 (WA) and 2004 (NSW/ACT).

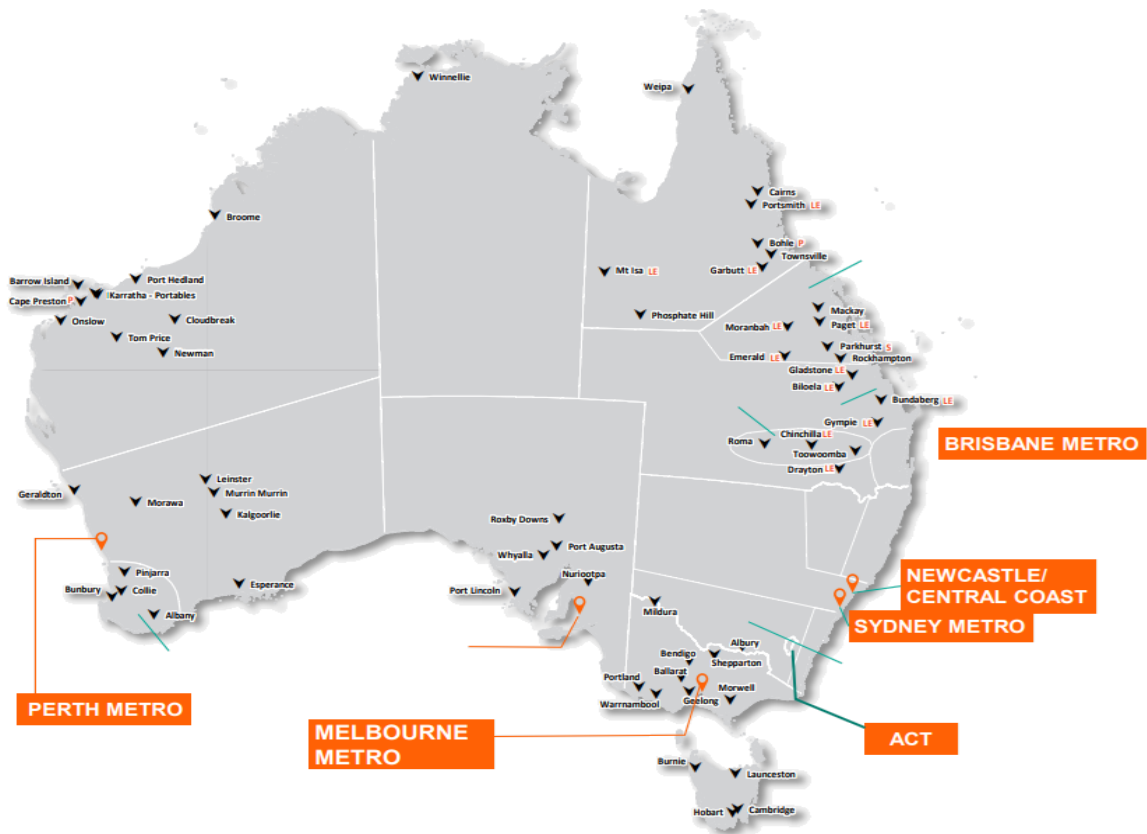


Its dealership territories in WA and NSW have different end markets. In WA, mining support is predominantly related to iron ore, with increasing customers in gold, nickel and lithium, whereas in NSW the focus is on thermal coal. NSW also has a greater exposure to infrastructure and construction markets.

The business model of WesTrac is to provide a total equipment management solution to customers extending beyond the sale of equipment. The revenue cycle starts with the sale of equipment and is followed by the servicing of equipment and sale of replacement parts. The sale of new equipment leads to a recurring revenue stream over the life of the equipment in the form of higher margin service and parts revenues. WesTrac has an exposure to the Australian major miners who export significant quantities of iron ore and coal and who represent a large portion of WesTrac’s annual revenue.

## Coates

Coates provides a broad product and service offering to its c.14,000 customers via a national footprint of over 150 branches, more than one million pieces of equipment and over 2,000 highly skilled employees. The strength and diversification of the fleet both geographically and by segment sets Coates apart from its competitors. This product and service offering includes end-to-end solutions for equipment hire, temporary works, traffic management, water management, industrial shutdowns, maintenance, training services and events to a diverse range of end markets including engineering, mining and resources, manufacturing, construction, infrastructure, government and major events.



Equipment solutions are provided across 20 product categories: Access Equipment; Air & Air Accessories; Compaction; Concrete & Masonry; Earthmoving; Floor and Cleaning Equipment; Generators and Power Distribution; Ground Equipment; Industrial Tools & Equipment; Ladders & Scaffold; Landscaping; Lift, Shift & Propping; Lighting; Materials Handling; Pumps & Fluid Management; Site Accommodation; Tools & Equipment; Traffic Management; Trucks, Vehicles & Trailers; and Welding.

## Boral

SGH has a 69.6 per cent. shareholding in Boral as at 30 June 2022.

Boral released its financial report for the year ended 30 June 2022 on 23 August 2022. Boral is a “disclosing entity” for the purposes of the Corporations Act and subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. Copies of documents regarding Boral lodged with ASIC or ASX, respectively, may be obtained from, or inspected at, any ASIC office or the ASX, respectively.

Additional information on Boral is included from page 51.

## **Beach Energy**

As at 30 June 2022, SGH has a 30.0 per cent. interest in Beach Energy, an oil and gas exploration and production company listed on the ASX (ticker code: “BPT”) with a market capitalisation of A\$3.6 billion as at 6 October 2022 and has two representatives on its Board of Directors.

Beach Energy’s core operations are in South Australia’s Cooper Basin, with an operated oil business on the Western Flank of the Cooper Basin and an active operated drilling program focused on key Western Flank play fairways. Beach Energy also has a major gas business comprising operated and non-operated assets. In addition to the Cooper Basin, Beach Energy has permits in other basins in Australia and New Zealand and continues to pursue growth opportunities within Australia and internationally. Beach Energy released its full-year financial report for the year ended 30 June 2022 on 15 August 2022.

Beach Energy acquired the assets of Lattice Energy Limited in a A\$1.498 billion transaction (after adjustments) which significantly changed its scale and profile from a single basin producer to a multi-basin on shore and offshore producer with a significant presence across Australia and New Zealand.

Beach Energy is a “disclosing entity” for the purposes of the Corporations Act and subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. Copies of documents regarding Beach Energy lodged with ASIC or ASX, respectively, may be obtained from, or inspected at, any ASIC office or the ASX, respectively.

## **Seven West Media**

The Group holds a 38.9 per cent. interest in Seven West Media, a multiplatform media company in television, content production, digital, newspaper publishing listed on the ASX (ticker code: “SWM”). Seven West Media had a market capitalisation of A\$747 million at 6 October 2022. Seven West Media is Australia’s #1 commercial broadcast company. It is home to the country’s largest and #1 total television network, #1 broadcast video on demand service and the fastest-growing news, print and digital brands in the country. It’s media business include the Seven Network and its affiliate channels 7two, 7mate, 7flix; broadcast video on demand platform 7plus; 7NEWS.com.au; The West Australian; thewest.com.au; The Sunday Times; PerthNow Local, with 10 titles across Perth; Perthnow.com.au and 19 regional newspaper publications in WA.

Seven West Media is a “disclosing entity” for the purposes of the Corporations Act and subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. Copies of documents regarding Seven West Media lodged with ASIC or ASX may be obtained from, or inspected at, any ASIC office or the ASX, respectively.

## BUSINESS – BORAL

### OVERVIEW

Boral is the largest integrated construction materials company in Australia, producing and selling a broad range of construction materials, including quarry products, cement, concrete, asphalt and recycled materials. Boral provide construction material products and solutions to customers to build homes, high-rise commercial and civic buildings, and infrastructure, including roads and highways in every state and territory across Australia.

Boral is listed on the ASX under the ticker code “BLD”, had a market capitalisation at 6 October 2022 of approximately A\$3.2 billion and employs approximately 4,800 people. Boral files periodic reports and other information with the ASX, including financial reports and annual reports.

### Upstream and downstream operations

#### Cement

Boral’s cement operations manufacture and import clinker, grind clinker into cement, and supply supplementary cementitious materials. Boral’s 1.5 million–tonne clinker manufacturing plant is at Berrima, NSW.

#### Quarries (including Recycling)

Boral’s hard rock and sand quarries supply about 30 million tonnes of materials annually to its Concrete and Asphalt operations and customers. Boral’s Recycling operations process more than 2.2 million tonnes of construction and demolition waste for reuse, helping supplement quarries’ materials supply and supporting circular construction annually.

#### Bitumen

Boral’s 50 per cent.-owned Bitumen Importers Australia joint venture supplies about 40 per cent. of Asphalt’s operations bitumen needs.

#### Concrete and Placing

Boral supplies 6–7 million m<sup>3</sup> of concrete annually, including advanced and lower carbon solutions, and are one of the largest concrete placing and pumping companies in NSW.

#### Asphalt

Boral produce and supply more than 2 million tonnes of asphalt annually, and spray seal and technical materials for the surfacing and maintenance of infrastructure networks.

### **Boral’s network<sup>1</sup>**

Boral has ~4,749 employees<sup>2</sup>, ~4,400 contractors<sup>3</sup>, ~3,500 heavy road vehicles<sup>3</sup> and ~14,000 customers and operates 356 operating sites across Australia.

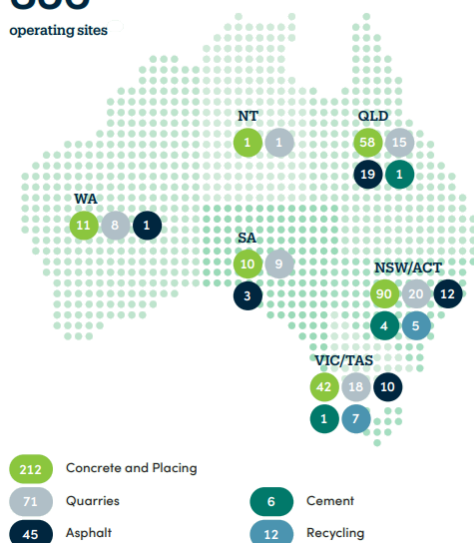
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<sup>1</sup> Includes transport, fly ash and research and development sites. Concrete site definition has been revised, with restated comparable number of Concrete and Placing sites in FY 2021 of 213.

<sup>2</sup> Full-time equivalent for continuing operations

<sup>3</sup> Managed or used by Boral

**356**  
operating sites



Boral also has a property segment that aims to maximise the long-term value of the portfolio of surplus property and operating footprint. Boral has ~30 surplus property assets, totalling ~3,800 hectares and valued at over \$1.0 billion<sup>4</sup>.

### Key milestones

An overview of Boral’s key recent milestones are set out below:

Year	Events
2022	<p>Boral completed sale of its interest in the USG Joint Venture and its North American buildings products and fly ash businesses realising A\$4.1 billion in net proceeds. This provided the capital to support its A\$3 billion capital return to shareholders.</p> <p>Boral announced that Vik Bansal will replace Zlatko Todorcevski as CEO and Managing Director of Boral from 10 October 2022.</p>

<sup>4</sup> On a net present value basis, using discount rate of 9%, with future cash flows estimated based on a combination of contractual terms, comparable property prices and management’s estimate of timing realisation, and excluding existing landfill operation. Based on management’s estimates that may change due to a variety of factors. Those factors may include general economic conditions, prevailing interest rates, a downturn in local property markets or property markets in general, changes in property income, or regulatory change affecting the value of the sites



2021	<p>SGH launched off-market takeover offer for Boral Ltd, acquiring a 69.6 per cent. interest in Boral. Following this, announced sales of its:</p> <ul style="list-style-type: none"> <li>• 50 per cent. owned Meridian Brick business in North America to Wienerberger for US\$250 million (Boral’s share being US\$125 million).</li> <li>• North American Building Products business to Westlake Chemical Corporation for US\$2.15 billion.</li> <li>• 50 per cent. share in USG Boral joint venture to Gebr Knauf KG (“<b>Knauf</b>”) for US\$1.015 billion.</li> </ul>
2020	<p>Zlatko Todorcevski appointed as Chief Executive Officer (“<b>CEO</b>”) &amp; Managing Director of Boral.</p>
2019	<p>Entered into an agreement with Knauf to form an expanded 50:50 plasterboard joint venture in Asia and for Boral to return to 100 per cent. ownership of USG Boral Australia &amp; New Zealand (“<b>NZ</b>”).</p> <p>Sale of Midland Brick to a Western Australian consortium, including ~800 hectares of associated landholdings, for A\$86 million.</p>
2018	<p>Sale of U.S. Block business to Quikrete Holdings for US\$156 million.</p> <p>Sale of its Concrete &amp; Quarries business in Denver, Colorado to Brannan Sand and Gravel Company for US\$127 million.</p> <p>Priced a US\$300 million U.S. Private Placement (“<b>USPP</b>”) senior, unsecured note issue.</p>
2017	<p>Priced a dual tranche of US\$450 million guaranteed senior notes due 2022 and US\$500 million guaranteed senior notes due 2028.</p> <p>Completed acquisition of Headwaters Incorporated for an enterprise value of US\$2.6 billion. Headwater and Boral USA come together as Boral North America,</p>
2016	<p>Completed Institutional Placement and Institutional Entitlement Offer to raise approximately A\$2.1 billion to support the acquisition of Headwaters Inc.</p> <p>Sale of its 40 per cent. interest in Boral CSR Bricks joint venture to CSR Limited for a total cash consideration of A\$133.9 million.</p>
2015	<p>CSR and Boral announced formation of their Australian east coast bricks joint venture. Reflecting the relative valuation of the two businesses, the joint venture is owned 60 per cent. by CSR and 40 per cent. by Boral, and includes operations in New South Wales, Victoria, Queensland, South Australia, Tasmania and the ACT.</p>

	Announced on-market share buyback program for up to 5 per cent. of the Company's issued capital (approximately 39 million ordinary shares).
2014	Agreed terms for a US\$200 million USPP senior, unsecured note issue.
2013	<p>Boral and USG Corporation formed Plasterboard and Ceiling Joint Venture in Asia, Australasia and the Middle East.</p> <p>Boral combined Construction Materials and Cement divisions into an integrated Australian division.</p> <p>Successfully priced a new seven-year bond issue in the Swiss Franc market to raise CHF150 million.</p>

#### Key Statistics:

Item	Statistic as at 30 June 2022
Total Assets (A\$ million)	4,400.9
Total Revenue (A\$ million)	2,955.9
Market Capitalisation: (A\$ billion)	3.2 (6 October 2022)
Free float:	Approximately 30.4 per cent.
Largest Shareholder	Entities associated with SGH (approximately 69.6 per cent.)
ASX ticker code	BLD (ordinary shares)
Year Listed	2000
Key Market Sectors	Construction materials
Employees	Approximately 4,749
Countries	Australia

#### Recent developments

*Publication of Boral's audited consolidated financial statements as at and for the financial year ended 30 June 2022*

Boral reported its full year earnings as at and for the financial year ended 30 June 2022 in the Boral 2022 Annual Report released on 23 August 2022.

As noted above, for the financial year ended 30 June 2022, Boral completed the strategic realignment of its portfolio to focus on its core Australian construction materials business. However, Boral's continuing operations faced a number of challenges that significantly impacted earnings. These included government-mandated construction shutdowns linked to COVID-19; extended periods of exceptional rainfall across key regions, particularly in NSW and Queensland; and sharp rises in energy prices, which have also driven broader inflationary costs.

For the financial year ended 30 June 2022, revenue was \$2,956 million, while EBIT for continuing operations, excluding Property, was \$107 million – down 32 per cent. on the prior year as a result of the challenges noted above (EBIT for continuing and discontinued operations excluding significant items was \$263 million).

In FY22 Boral continued to focus on its transformation program, launched in the financial year ended 30 June 2021 to deliver target earnings benefits of \$200–\$250 million after inflation by 2025. Boral has also announced a new property framework to deliver increased recurring income and optimise the value of its property portfolio in the long term.

*Announcement of new CEO*

On 8 June 2022, Boral announced that Vik Bansal will replace Zlatko Todorcevski as CEO and Managing Director of Boral from 5 December 2022. Subsequently on 16 September 2022, Boral announced Vik Bansal would commence on 10 October. 2022. Vik is a seasoned leader with deep strategic and operational experience and a track record of instilling discipline and efficiency in complex businesses.

## **DIRECTORS AND MANAGEMENT – SGH**

### **BOARD OF DIRECTORS**

Brief profiles of the directors of SGH as at the date of this Offering Circular are as follows:

#### **Terry James Davis**

Chairman of SGH since 17 November 2021. Director of SGH since 1 June 2010.

Member of the Independent & Related Party Committee and member of the Remuneration & Nomination Committee. Group Managing Director, Coca-Cola Amatil Limited from November 2001 to March 2014. Director of St. George Bank Limited from December 2004 to December 2008. Over fifteen years' experience in the global wine industry including Managing Director of Beringer Blass (the wine division of Foster's Group Limited) and Managing Director of Cellarmaster Wines Group between 1987 and 1997. Council Member of the University of New South Wales Council from June 2006 to June 2014.

#### **Ryan Kerry Stokes**

Mr Ryan Stokes AO is Managing Director & Chief Executive Officer of Seven Group Holdings and has been an Executive Director of the Company since February 2010. He was previously Chief Operating Officer of SGH from August 2012 until June 2015.

Mr Stokes is Chairman of WesTrac and Chairman of Coates. Mr Stokes is Chairman of Boral and a Director since September 2020. Mr Stokes has been a Director of Seven West Media since August 2012. He was appointed a Director of Beach Energy in July 2016 and became an alternate Director of Beach Energy in November 2021.

Mr Stokes was appointed Chairman of the National Gallery of Australia in July 2018. He is also a member of the IOC Olympic Education Commission. Mr Stokes was Chairman of the National Library of Australia from 2012 to 2018. He was a member of the Prime Ministerial Advisory Council on Veterans' Mental Health established from 2014 to 2019. Mr Stokes holds a BCom from Curtin University and is a Fellow of the Australian Institute of Management (FAIM). Mr Stokes was appointed an Officer in the General Division of the Order of Australia in the Queen's Birthday honours announced on 8 June 2020.

#### **Annabelle Chaplain**

Director of SGH since 24 November 2015.

Chair of the Audit & Risk Committee; member of the Remuneration & Nomination Committee and member of the Independent & Related Party Committee. Ms Chaplain brings to Seven Group Holdings extensive experience in financial services and mining, engineering and infrastructure services.

Ms Chaplain is the Chairman of Canstar Pty Ltd, MFF Capital Investments Ltd since August 2019 and a Non-Executive Director of Super Retail Group Ltd since March 2020. Previously she was Chairman of Queensland Airports Ltd and a Non-Executive Director of a number of companies including Downer Group, Coal and Allied Industries and Credible Labs Inc. In the public sector she has previously served as a member of the Board of Taxation and as a Director of EFIC. Since April 2017, Ms Chaplain has served as a Director of the Australian Ballet and was also the Chair of St Margaret's Anglican Girls School from 2011–2014 and the inaugural chair of the St Margaret's Foundation and NED, The Australian Youth Orchestra, 2007–2011.

Ms Chaplain is a Fellow of the AICD. She holds an MBA from the University of Melbourne, a BA majoring in Economics and Mandarin from Griffith University and a diploma from the SIA. In 2016, she was awarded an honorary doctorate by Griffith University in recognition of her service to banking, finance and the community.

Ms Chaplain was appointed a Member in the General Division of the Order of Australia in the Australia Day honours on 26 January 2020.

**Rachel Argaman (Herman)**

Director of SGH since 7 February 2022.

Member of the Remuneration & Nomination Committee. Ms Argaman brings a wealth of operational experience and proven leadership skills and capability across a number of sectors. Ms Argaman has been the Chief Executive Officer of Opal HealthCare, Australia's largest private residential aged care provider, since August 2018. Prior to this she held executive roles at TFE Hotels, as Chief Executive Officer for 11 years, Charter Training Group and Imperial Car Rental.

As the Chief Executive Officer of Opal Healthcare, Ms Argaman has worked to create a customer and purpose led organisational culture that focuses on the delivery of strong social and commercial outcomes to enable the provision of the infrastructure to support Australia's aging population live well. She has also led the business through its response to the COVID-19 pandemic and the Royal Commission into Aged Care, Quality and Safety. Ms Argaman holds a Bachelor of Arts (Hons) and MBA in Services Industries Management from the University of the Witwatersrand.

**Christopher John Mackay**

Director of SGH since 1 June 2010.

Member of the Audit & Risk Committee and member of the Independent & Related Party Committee. Managing Director of MFF Capital Investments Limited since 1 October 2013. Former Chairman of Magellan Financial Group Limited. Mr Mackay co-founded Magellan after retiring as Chairman of the investment bank UBS Australasia in 2006, having previously been its Chief Executive Officer.

Considerable experience in business management, capital allocation, risk management and investment. A former investment banker and corporate and banking lawyer, with broad experience in the financial and corporate sectors over many years. A Director of Consolidated Media Holdings Limited from March 2006 until November 2012, when the company was taken over by News Corporation. Mr Mackay was a member of the Federal Treasurer's Financial Sector Advisory Council and the Business Council of Australia, and a Director of the International Banks & Securities Association.

**David Ian McEvoy**

Director of SGH since 27 May 2015.

Member of the Audit & Risk Committee and member of the Independent & Related Party Committee. Mr McEvoy has been engaged in the upstream oil and gas industry for over 40 years, in a variety of technical, senior executive and non-executive director roles. He was employed for almost 34 years with ExxonMobil including his executive career as Vice President, Business Development, ExxonMobil. Mr McEvoy graduated from the University of NSW with a degree in Science and a graduate diploma in Applied Geophysics. Mr McEvoy is a former Non-Executive Director of AWE Limited (2006 – 2018), Woodside Petroleum Limited (2005 – 2017), Acer Energy (formerly Innamincka Petroleum Limited) and Po Valley Energy Ltd.

**Katherine Farrar**

Director of SGH since 18 February 2019.

Chair of the Remuneration & Nomination Committee, member of the Audit & Risk Committee and member of the Independent & Related Party Committee. Ms Farrar was appointed as Brighter Super's Chief Executive Officer in April 2018. Ms Farrar led the growth of Brighter Super's predecessor fund from \$10B to now over \$30B, through the merger of LGIASuper and Energy Super and the acquisition of Suncorp Super for the

financial year ended 30 June 2021. Ms Farrar remains responsible for delivering exceptional experiences and outcomes to all of Brighter Super's members, through change and transformation that builds on Brighter Super's proud heritage.

Ms Farrar has 35 years' experience in leadership roles across the finance and energy sectors. Her previous roles include Managing Director of QEnergy, Chief Operating Officer at Ergon Energy Retail, and senior positions at Morgans Stockbroking, Barclays de Zoete Wedd, and Suncorp Investment Management. Prior to joining LGIA Super, she was a Junior Partner (equivalent) at McKinsey & Company. Ms Farrar has a Bachelor of Music (Honours) Degree and a Master degree in Econometrics and Finance. She is also a graduate of INSEAD's Advanced Management Programme.

### **The Hon. Warwick Leslie Smith AO**

Director of SGH since 12 September 2014.

Member of the Audit & Risk Committee and member of the Remuneration & Nomination Committee. Mr Smith has been Chairman of Advisory Board Australian Capital Equity since November 2006. Mr Smith also holds the position of Chairman at Ord Minnett; Director of Estia Health Limited between 2017 – 2022. He is Executive Chairman of AL Capital and Aqualand Australia and Director of Global Strategy, Shanghai Shenlong Investment Group Limited.

He has served as Chairman of the Australia-China Council for over eight years and was the Founding Chair of the National Foundation of Australia-China Relations. He is Chairman of the Global Engagement Committee of the Business Council of Australia of which he is a member. Mr Smith is a former Senior Managing Director of the Australia New Zealand Banking Group Limited (ANZ), of which he was also Chairman of New South Wales & Australia Capital Territory, Chairman ANZ Thailand and Chairman and Director, ANZ Greater China. Formerly Executive Director with Macquarie Bank, Chairman of E\*TRADE Ltd and the Australian Sports Commission. He was a Federal Government Minister with a parliamentary career spanning 15 years. He was also Australia's first Telecommunications Ombudsman. Mr Smith has also received a Centenary Medal and was twice awarded the Order of Australia.

### **Richard Anders Uechtritz**

Director of SGH since 1 June 2010.

Member of the Remuneration & Nomination Committee and Chairman of the Independent & Related Party Committee. Chief Executive Officer and Director of JB Hi-Fi Limited from June 2000 to May 2010. Mr Uechtritz has been a Director of JB Hi-Fi since May 2011. Over thirty years' experience in retailing. Co-founder of Rabbit Photo and Smith's Kodak Express. Director of Kodak (Australasia) Proprietary Limited from July 1998 to July 2000.

## **KEY MANAGEMENT – GROUP**

### **Richard Richards – Chief Financial Officer**

*B.Com/Law (Hons), LLM (Hons), MAppFin (Hons), CA and Admitted Solicitor*

Mr Richard Richards has been Chief Financial Officer of SGH since October 2013. He is a Director of SGH Energy and is a Director and Chair of the Audit and Risk Committee of WesTrac and Coates. He is a Director of Boral and is a member of their Audit and Risk and Safety Committees, he is also a Director of Beach and is a member of their Audit and Risk, Safety and Remuneration Committees and he is also a Director of Flagship Property Holdings.

Mr Richards joined SGH from the diverse industrial group, Downer EDI, where he was Deputy Chief Financial Officer responsible for group finance across the company for three years. Prior to joining Downer EDI, Mr

Richards was CFO for the Family Operations of LFG, the private investment and philanthropic vehicle of the Lowy Family for two years. Prior to that, Mr Richards held senior finance roles at Qantas for over 10 years. Mr Richards is a former Director and the Chair of Audit and Risk Management Committee of KU – established in 1895 as the Kindergarten Union of New South Wales, KU is one of the most respected childcare providers in Australia. He was also a member of the Marcia Burgess Foundation Committee.

#### **James Goth – Chief Operating Officer**

*B.Econ (Hons), LL.B (Hons), MBA*

Mr James Goth joined SGH in March 2020 as Chief Operating Officer for the Group, working across the portfolio of businesses within SGH. He is a Director of WesTrac, Coates, and SGH Energy. As COO of SGH, Mr Goth's focus is on driving the operational and financial performance of the businesses across the SGH portfolio, driving the development and delivery of key strategic initiatives and sustainability, as well as supporting Group-level relationships with key partners and customers.

Mr Goth joined SGH from Woolworths Group, where he was CEO of Woolworths Petrol. At Woolworths Mr Goth also held the positions of Chief Strategy Officer and Director of Corporate Development with a remit across strategic partnerships and mergers and acquisitions. Prior to that, Mr Goth was a Partner and MD at the Boston Consulting Group, where he led the Sydney office and consulted to public and private corporations across a range of industries including transport, retail and financial services. Mr Goth has also held Board positions at Quantum and ActionAid Australia.

#### **Gitanjali Bhalla – Chief People Officer**

*BA, LL.B. (Hons), MIB, MAICD*

Ms Gitanjali Bhalla joined SGH in 2017 and is Chief People Officer responsible for the People, Culture and Safety functions across the Group. Ms Bhalla is also a Director of WesTrac and Coates. Ms Bhalla has more than 22 years' experience in professional services and corporate roles, delivering people strategy and business transformational change across a number of sectors and countries. Ms Bhalla partners with business leaders to deliver innovative and commercially focused solutions, to increase leadership capability, capacity and employee performance, thereby elevating the standards of excellence and operational discipline across the Group's diverse businesses.

Prior to joining SGH, Ms Bhalla spent a number of years in professional services Firms, including Ernst & Young, consulting to private equity and ASX listed companies in Australia and overseas, before holding global senior human resources, corporate services and business transformation roles at UGL and Cushman & Wakefield. Ms Bhalla is an Ambassador for Good Return, a not for profit organisation committed to empowering women through microfinance. Ms Bhalla is also a Board member of Carriageworks, a leading contemporary multi arts organisation.

### **KEY MANAGEMENT – OPERATIONS**

#### **Jarvas Croome – Chief Executive Officer of WesTrac**

*B.Eng. (Mechanical) (Hons), B.Comm. (Management), CPEng*

Mr Jarvas Croome has been Chief Executive Officer of WesTrac since March 2014. Mr Croome is a Director of WesTrac and Allight. Mr Croome joined WesTrac from Woodside Energy (USA) where he was the President of the U.S. organisation based in Houston TX. Prior to that time, he had held various executive management roles at Woodside Energy in Australia including Vice President Australian Business Unit and Vice President for Technical Services. Prior to Woodside, he had worked as a global Product and Sales manager for Shell Australia and a subsea engineer with Kvaerner RJ Brown.

He holds Chartered Professional Engineering (CPEng) status with Engineers Australia and has been previously registered on the National Professional Engineers Register. Mr Croome plays an active role in his local community and is on the board for Motivation Foundation, a not-for-profit organisation.

**Adrian Howard – Chief Executive of WesTrac (NSW/ACT)**

*B.Comm, CA, GAICD*

Mr Adrian Howard was appointed Chief Executive of WesTrac in NSW and the ACT in July 2021 following six years working with the company. Over that time, Mr Howard's areas of responsibility included strategic growth, and customer and operational excellence. He worked in a range of executive positions including Chief Operating Officer.

Prior to joining WesTrac, Mr Howard worked in senior management roles across various sectors including manufacturing, distribution, logistics, construction and mining. His previous experience included time with Patrick and OneSteel Limited (now InfraBuild), with roles in general management, strategy, business development and finance.

**Murray Vitlich – Chief Executive Officer of Coates**

*B.Bus. (Econ & Fin)*

Mr Murray Vitlich joined SGH in June 2017 as Chief Operating Officer for the Group, working across the portfolio of industrial businesses within SGH. In July 2019, Mr Vitlich was appointed Acting Chief Executive Officer, Coates and was formally awarded the role of Chief Executive Officer, Coates. He is a Director of Coates and was formerly a Director of SGH Energy and AllightSykes. Prior to joining SGH, Mr Vitlich previously held senior operational roles at Asciano, UGL and Wesfarmers.

**Margaret Hall – Chief Executive Officer of SGH Energy**

*B.Eng. (Met) (Hons), GAICD, MIEAust, SPE*

Ms Margaret Hall was appointed Chief Executive Officer of SGH Energy in September 2015 and is also a Director of SGH Energy. The CEO role holds responsibility for delivering value from the SGH Energy oil and gas assets within Australia and the USA as well as driving growth of this business segment for the parent company.

Ms Hall has over 29 years of experience in the oil and gas industry, spanning both super-major and independent companies. From 2011 to 2014, she held senior management roles in Nexus Energy with responsibilities covering Development, Production Operations, Engineering, Exploration, Health, Safety and Environment. This was preceded by 19 years with ExxonMobil in Australia, across production and development in the Victorian Gippsland Basin and Joint Ventures across Australia. Ms Hall has been a Director of Beach Energy Limited since November 2021.

**Zlatko Todorovski – Chief Executive Officer of Boral – until 10 October 2022**

*B.Comm, MBA*

Mr Zlatko Todorovski commenced as Chief Executive of Boral in July 2020. Prior to Boral, Mr Todorovski was on the Board of Adelaide Brighton Limited, where he served as both Chairman, and Deputy Chairman and Lead Independent Director. Mr Todorovski started his career in the downstream building products arm of BHP Steel and held a number of executive roles with BHP's Petroleum business before being appointed the Chief Financial Officer (CFO) for Energy at BHP. He later joined Oil Search Limited as CFO and was also previously the CFO of Brambles Limited.



Mr Todorcevski holds a Bachelor of Commerce and MBA from the University of Wollongong. He is also a Fellow of CPA Australia, a Fellow of FINSIA, a Fellow of the Governance Institute of Australia and a Member of AICD.

**Vik Bansal – Chief Executive Officer of Boral – from 10 October 2022**

Vik Bansal has 30 years' experience in senior leadership roles at complex, industrial organisations. He has a proven track record of leading businesses through significant growth, transition and improvement initiatives to transform performance and boost innovation. He is currently CEO of InfraBuild and from 2015 to 2021 he was CEO of ASX-listed waste management business Cleanaway. Mr Bansal is currently Chairman of LGI Pty Ltd and has volunteered as a director for organisations including the National Waste & Recycling Industry Council, Waste Management & Resource Recovery and Disability Services Australia. Mr Bansal is a Fellow of both the Institute of Engineers Australia and the Australian Institute of Company Directors. He is an Electrical Engineer, has an MBA and has completed the Advanced Management Program from INSEAD. He has also completed a Master of Laws in Enterprise Governance.

**Warren Coatsworth – Company Secretary & Legal Counsel**

*BA, LLB (Hons), LLM, FCSA*

Mr Warren Coatsworth has been Company Secretary & Legal Counsel of Seven Group Holdings since April 2010. Mr Coatsworth is a solicitor holding a current practising certificate with degrees in Arts and Law (Hons) from the University of Sydney. He holds a Master of Laws in Media and Technology Law from the University of New South Wales as well as a Graduate Diploma in Applied Corporate Governance. He is a qualified Chartered Company Secretary and a Fellow and member of the Governance Institute of Australia.

He has an extensive experience as Legal Counsel at the Seven Network advising broadly across the company; and was formerly a solicitor at Clayton Utz. Mr Coatsworth was included on Doyle's Guide list of Leading In-House Technology, Media & Telecommunications Lawyers in Australia for 2016 and 2017. Mr Coatsworth has held the role of Company Secretary of Seven West Media since April 2013 and Seven Network since 2005.

## **DIRECTORS AND MANAGEMENT – BORAL**

### **BOARD OF DIRECTORS**

Brief profiles of the directors of Boral as at the date of this Offering Circular are as follow:

#### **Ryan Stokes**

Non-executive Director from September 2020, Chairman from July 2021.

Mr Ryan Stokes is the Managing Director and Chief Executive Officer of SGH. He has been an executive director of SGH since February 2010 and CEO since 2015. Mr Stokes is Chairman of Coates Hire and an alternate Director of WesTrac, Beach Energy and Seven West Media. Mr Stokes is Chair of the National Gallery of Australia and an Officer of the Order of Australia. Mr Stokes is also a member of the International Olympic Committee Education Commission. Mr Stokes' previous roles include Chairman of the National Library of Australia, member of the Prime Ministerial Advisory Council on Veterans' Mental Health, and Founding Chair of Headspace. Mr Stokes holds a commerce degree from Curtin University and is a Fellow of the Australian Institute of Management.

#### **Zlatko Todorcevski - until 10 October 2022**

CEO & Managing Director from July 2020. As announced in September 2022, Vik Bansal will replace Zlatko Todorcevski as CEO & Managing Director on 10 October 2022.

Mr Zlatko Todorcevski's 30-year executive career spans the oil and gas, logistics and steel building products sectors. Prior to joining Boral, Mr Todorcevski was on the Board of Adbri Ltd, where he served as both Chairman, and Deputy Chairman and lead independent Director. Mr Todorcevski started his career in the downstream building products arm of BHP Steel and held a number of executive roles with BHP's Petroleum business before being appointed the Chief Financial Officer (CFO) for Energy at BHP. Mr Todorcevski later joined Oil Search Ltd as CFO with responsibility for all finance activities, strategy and planning, legal, IT and company secretarial functions. Mr Todorcevski was also previously the CFO of Brambles Ltd. At Brambles, he led the \$3 billion demerger of Recall Holdings, multiple global acquisitions and divestments, and a major cross company transformation program.

Mr Todorcevski holds a Bachelor of Commerce and Master of Business Administration from the University of Wollongong. He is also a Fellow of CPA Australia, a Fellow of FINSIA, a Fellow of the Governance Institute of Australia and a Member of the Australian Institute of Company Directors.

#### **Vik Bansal – from 10 October 2022**

Vik Bansal has 30 years' experience in senior leadership roles at complex, industrial organisations. He has a proven track record of leading businesses through significant growth, transition and improvement initiatives to transform performance and boost innovation. He is currently CEO of InfraBuild and from 2015 to 2021 he was CEO of ASX-listed waste management business Cleanaway. Mr Bansal is currently Chairman of LGI Pty Ltd and has volunteered as a director for organisations including the National Waste & Recycling Industry Council, Waste Management & Resource Recovery and Disability Services Australia. Mr Bansal is a Fellow of both the Institute of Engineers Australia and the Australian Institute of Company Directors. He is an Electrical Engineer, has an MBA and has completed the Advanced Management Program from INSEAD. He has also completed a Master of Laws in Enterprise Governance.

#### **Rob Sindel**

Lead Independent Director from September 2020.

Mr Rob Sindel is Chairman of Orora Ltd, and a Director of Mirvac Group. Mr Sindel was formerly the Managing Director and Chief Executive Officer of CSR Ltd for eight years from 2011 until 2019. Mr Sindel brings to the Board extensive experience obtained from executive management and leadership positions, principally from his 30-year career in construction materials and building products, both in Australia and the United Kingdom. Mr Sindel has insights in manufacturing, sales and marketing in B2B environments, and strategic management. Mr Sindel also has a deep understanding of how to successfully navigate through market cycles. Mr Sindel holds an engineering degree and a Master of Business Administration. He is a graduate of the Australian Institute of Company Directors, and a Fellow of the Institution of Engineers Australia.

### **Paul Rayner**

Independent non-executive Director from September 2008.

Mr Paul Rayner is the Chairman of Treasury Wine Estates Ltd and a Director of the Murdoch Children's Research Institute. Mr Rayner was previously a Director of Qantas Airways Ltd and Centrica plc (a UK-listed company). Mr Rayner brings to the Board extensive experience relevant to Boral. Mr Rayner has worked in the fields of finance, corporate transactions and general management in the consumer goods, manufacturing and resources industries. Mr Rayner's last executive role was Finance Director of British American Tobacco plc, based in London from January 2002 to 2008. Mr Rayner holds an economics degree from the University of Tasmania and a Master of Business Administration from Monash University.

### **Karen Moses**

Independent non-executive Director from March 2016.

Ms Karen Moses is a Director of Orica Ltd, Charter Hall Group, Snowy Hydro and Sydney Symphony Ltd, and a Fellow of the University of Sydney Senate. Ms Moses was previously a Director of SAS Trustee Corporation, Australia Pacific LNG Pty Ltd, Origin Energy Ltd, Contact Energy Ltd, Energia Andina S.A., Australian Energy Market Operator Ltd, VENCORP and Energy, Water Ombudsman (Victoria) Ltd and the Sydney Dance Company.

Ms Moses has more than 30 years' experience in the energy industry spanning oil, gas, electricity and coal and upstream production, and supply and downstream marketing operations. This experience has been gained both within Australia and overseas. Ms Moses holds a Bachelor of Economics and a Diploma of Education from the University of Sydney.

### **Richard Richards**

Non-executive Director from July 2021.

Mr Richard Richards is the CFO of SGH and is responsible for finance across the diversified conglomerate (including equipment manufacture, sales and service, equipment hire, investments, property, media, and oil and gas). Mr Richards is a Director of WesTrac, AllightSykes, SGH Energy, Coates Hire, where he is Chair of the Audit & Risk Committee, and Beach Energy, where he is a member of the Audit & Risk Committee. Mr Richards joined SGH from the diverse industrial group, Downer EDI, where he was Deputy CFO responsible for group finance across the company for three years.

Prior to joining Downer EDI, Mr Richards was CFO for the Family Operations of LFG, the private investment and philanthropic vehicle of the Lowy family for two years. Prior to that, Mr Richards held senior finance roles at Qantas for more than 10 years. Mr Richards has a Bachelor of Commerce/Laws (Hons) from Bond University, a Master of Laws from the University of Sydney and a Master of Applied Finance from Macquarie University. Mr Richards is a Chartered Accountant and admitted as a solicitor in NSW.

### **Mark Johnson**

Independent non-executive Director from December 2021.

Mr Mark Johnson is an experienced non-executive Director and serves as Chairman of the Hospitals Contribution Fund of Australia Ltd (HCF) and is an independent Director of Goodman Group and Metcash Limited as at the date of this Offering Circular. Mr Johnson is also a Councillor at UNSW Sydney and a Director of a number of private companies. Mr Johnson was previously Chairman and a Director of G8 Education Ltd and an independent Director of Coca-Cola Amatil Ltd and Westfield Corporation Ltd.

Mr Johnson previously held several senior leadership roles during his more than 20 years as a senior partner at PricewaterhouseCoopers (PwC), including as CEO of PwC Australia from 2008 to 2012, Deputy Chairman PwC Asia and a member of PwC's Global Strategy Council. Mr Johnson is a Fellow of Chartered Accountants Australia and New Zealand and the Australian Institute of Company Directors, and is a Certified Practising Accountant Australia. Mr Johnson holds a Bachelor of Commerce from UNSW.

### **Jacqueline Chow**

Independent non-executive Director from March 2022.

Ms Jacqueline Chow is a non-executive Director of Coles Group Ltd, Charter Hall Ltd and nib Holdings Ltd as at the date of this Offering Circular. Ms Chow previously consulted to McKinsey as a Senior Advisor in their Transformation Group. Ms Chow has more than 20 years' corporate experience in executive and non-executive positions in general management, strategy, marketing and technology across a range of sectors, including industrial, retail, telecommunications and financial services.

Ms Chow previously held senior positions at Fonterra, where she was Chief Operating Officer, Global Consumer and Food Service, and prior to that at Accenture, the Kellogg Company, and Campbell's. Through these roles, Ms Chow has significant experience in innovation, digital platforms and technology, and driving transformation and cultural change. Ms Chow holds a Master of Business Administration (Dean's Distinguished Service Award) from the Kellogg School of Management at Northwestern University and a Bachelor of Science (Hons) from the UNSW.

## **EXECUTIVE LEADERSHIP TEAM**

### **Jared Gashel - Acting Chief Financial Officer**

Mr Jared Gashel was appointed Acting Chief Financial Officer in April 2022. Immediately prior to his appointment, Mr Gashel was Boral's Executive General Manager of Finance and Property. Mr Gashel has extensive financial experience across three continents and has worked in multiple industries. Prior to joining Boral, Mr Gashel served as Finance Director for an international education provider and was Head of Group Accounting and Financial Reporting at a multinational packaging company based in Switzerland. Earlier in his career, Mr Gashel worked with KPMG for more than a decade, specialising in advisory and capital markets. Mr Gashel holds a Bachelor of Science in Accounting and Finance from Westminister College in Pennsylvania, USA.

### **Rebelle Moriarty - Chief People and Culture Officer**

Ms Rebelle Moriarty joined Boral as Chief People and Culture Officer on 31 May 2021. Ms Moriarty developed her early career in BHP and BlueScope Steel, before assuming her role as Vice President Human Resources (HR) for its Asian operations. In the past decade, Ms Moriarty has held head of HR roles in ASX-listed Alesco Corporation and Coffey International. From 2016, Ms Moriarty was Executive General Manager People and Capability at infrastructure services provider Ventia. Ms Moriarty holds a Bachelor of Arts (Industrial Relations) with Honours, a Master of Labour Law and Relations, and a Graduate Certificate in Leadership and

Coaching. Ms Moriarty is a certified executive coach, a graduate of the Australian Institute of Company Directors and a Member of the Australian Human Resources Institute.

#### **Amy Jackson – Chief Legal Officer and Company Secretary**

Ms Amy Jackson joined Boral in 2010, holding senior roles in the Boral Legal team before being appointed Deputy Group General Counsel in 2019. Ms Jackson was appointed to the role of Chief Legal Officer in February 2021. Ms Jackson has broad experience across corporate, commercial and compliance matters. Prior to joining Boral, Ms Jackson was part of the Corporate M&A team at Freehills (now Herbert Smith Freehills). Ms Jackson holds a Bachelor of Laws (Honours) and a Bachelor of Economics (Social Science) from the University of Sydney, and a Graduate Diploma of Applied Corporate Governance from the Governance Institute of Australia.

#### **Lloyd Wallace - Acting Executive General Manager, Concrete and Quarries**

Mr Lloyd Wallace has been with Boral for more than 15 years and is Executive General Manager, Concrete and Quarries. Mr Wallace specialises in strategic planning and change management and has held several senior leadership roles across general management, mining, capital projects, sales, production and logistics. Mr Wallace is a highly respected leader across Boral's operations and has played a critical role in improving process and safety at sites. Mr Wallace has a Bachelor of Engineering and a Master of Business Administration from Harvard Business School and is a graduate of the Australian Institute of Company Directors.

#### **Rajeev Ramankutty – Executive General Manager, Cement**

Mr Rajeev Ramankutty joined Boral in 2019 as Executive General Manager, Cement. Mr Ramankutty is an experienced operational leader, having managed projects and organisations in Australia, the UK and the Philippines. Prior to joining Boral, Mr Ramankutty was General Manager at Sunstate Cement and also held several senior leadership roles across operations and logistics at Lafarge and Blue Circle Industries. Mr Ramankutty has a Bachelor of Technology (Chemical Engineering) and a Master of Business Administration from the University of South Australia, where he was the recipient of the Alex Ramsay Prize.

#### **Rob McGuire - Executive General Manager, Asphalt**

Mr Rob McGuire has been in senior leadership roles with Boral for more than 20 years and is Executive General Manager, Asphalt. Mr McGuire is an experienced leader, specialising in contract management, large infrastructure projects, technical services, and safety, having managed large operations in Australia and New Zealand. Prior to Boral, Mr McGuire worked with the NZ Ministry of Works and Development, Emoleum (Australia) Pty Limited, and Birt and Associates. Mr McGuire has a Master of Technology (Pavement Engineering) and an Associate Diploma of Engineering (Civil). Mr McGuire is also a construction materials assessor with the National Association of Testing Authorities, quality assurance auditor with Batalas and is a graduate of the Australian Institute of Company Directors.

#### **James Campbell - Executive General Manager, Supply Chain and Logistics**

Mr James Campbell joined Boral in 2019 and is Executive General Manager, Supply Chain and Logistics. Prior to Boral, Mr Campbell served in the Australian Army for 23 years. Mr Campbell was deployed four times to Afghanistan and Timor-Leste. Mr Campbell is an experienced leader in logistics, operations and training. Mr Campbell has a Master of Engineering in Integrated Logistics Management from RMIT, a Master of Strategy and Military Studies from ANU and is a graduate of the Australian Institute of Company Directors. In 2018, Mr Campbell was awarded the Conspicuous Service Cross in the Australia Day Honours list.

#### **Ashleigh O'Brien - Executive General Manager, Sales and Marketing**

Ms Ashleigh O'Brien joined Boral in 2021 as Executive General Manager, Sales and Marketing. Ms O'Brien has extensive experience in leading a broad range of functions, spanning sales and marketing, operations,

innovation, HR, safety and technical. Prior to joining Boral, Ms O'Brien held several senior functional and line management roles in CSR and Rondo and was also non-executive Director for Think Brick Australia and the Australian Roofing Tile Association. Ms O'Brien has a Master in Business Administration, a Master of Business Marketing and a Bachelor of Arts in Communications and Media from the University of Western Sydney and is a graduate of the Australian Institute of Company Directors.

**Andrew Legge - Executive General Manager, Major Projects**

Mr Andrew Legge has worked for Boral for more than 14 years in several senior leadership positions and is Executive General Manager, Major Projects. Mr Legge specialises in project and contract management and during his time at Boral has played a critical role in managing projects, including Snowy Hydro 2.0, NorthConnex, Sydney Metro City to Southwest, and Northern Road Upgrade. Prior to joining Boral, Mr Legge worked in senior leadership roles at the City of Sydney, Leighton Contractors and Chiyoda in Russia. Mr Legge holds a Bachelor of Civil Engineering, a Master of Engineering Science as well as a Master of Business Administration.

## TERMS AND CONDITIONS OF THE NOTES

*The following, subject to completion and amendment, and save for the paragraphs in italics, is the text of the Terms and Conditions of the Notes. If the Notes were to be issued in definitive form, the terms and conditions set out on the reverse of each of such Notes (as the case may be) would be as follows. While the Notes are represented by a Global Certificate, they will be governed by the same terms and conditions except to the extent that such terms and conditions are appropriate only to securities in definitive form or are expressly varied by the terms of such Global Certificate.*

The issue of the A\$250,000,000 4.625 per cent. Exchangeable Notes due 2027 (the “**Notes**”, which expression shall, unless otherwise indicated, include any further Notes issued pursuant to Condition 19 and consolidated and forming a single series with the Notes) was (save in respect of any such further Notes) authorised by resolutions of the board of directors of Seven Group Holdings Limited (ABN 46 142 003 469) (the “**Issuer**”) passed on 26 September 2022 and 30 September 2022. The Notes are constituted by a trust deed dated 18 October 2022 (as amended and/or supplemented from time to time, the “**Trust Deed**”) between the Issuer, Industrial Investment Holdings Pty Ltd (ACN 166 596 710) (the “**Chargor**”), The Bank of New York Mellon, London Branch as trustee for the holders (as defined below) of the Notes (the “**Note Trustee**”, which expression shall include all persons for the time being appointed as the note trustee or note trustees under the Trust Deed) and BTA Institutional Services Australia Limited (ABN 48 002 916 396) as security trustee for itself and the other Secured Parties (as defined below) (the “**Security Trustee**”, which expression shall include all persons for the time being appointed as the security trustee or security trustees under the Security Trust Deed (as defined below), and collectively with the Note Trustee, the “**Trustees**” and each a “**Trustee**”). The statements set out in these terms and conditions (these “**Conditions**”) are summaries of, and are subject to, the detailed provisions of the Trust Deed. The Noteholders (as defined below) are entitled to the benefit of, and are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and to have notice of those provisions applicable to them which are contained in the paying, transfer and exchange agency agreement dated 18 October 2022 (as amended and/or supplemented from time to time, the “**Agency Agreement**”) relating to the Notes between the Issuer, the Chargor, the Note Trustee, The Bank of New York Mellon, London Branch in its capacity as principal paying and exchange agent (the “**Principal Paying and Exchange Agent**”, which expression shall include any successor as principal paying and exchange agent under the Agency Agreement) and The Bank of New York Mellon SA/NV, Dublin Branch in its capacities as registrar (the “**Registrar**”, which expression shall include any successor as registrar under the Agency Agreement) and as transfer agent (the “**Transfer Agent**”, which expression shall include any successor as transfer agent or any additional transfer agent under the Agency Agreement). The Principal Paying and Exchange Agent together with any other paying agents and exchange agents for the time being appointed under the Agency Agreement are referred to below as the “**Paying Agents** and the “**Exchange Agents**”, respectively, which expressions shall include their successors as Paying Agents and Exchange Agents, respectively, under the Agency Agreement.

The Chargor has also entered into:

- (a) an Australian law governed security trust deed with the Security Trustee (the “**Security Trust Deed**”);
- (b) an Australian law governed general security deed in favour of the Security Trustee (the “**General Security Deed**”) in respect of the Security Assets (as defined below); and
- (c) an Australian law governed tripartite deed between the Chargor, the Security Trustee and Macquarie Bank Limited (ABN 46 008 583 542) (the “**Broker Participant**”) in relation to control of the Ordinary Shares (the “**Tripartite Deed**”).

Copies of the Trust Deed, the Agency Agreement, the Security Trust Deed, the General Security Deed and the Tripartite Deed (collectively, the “**Transaction Documents**”) are available for inspection at all reasonable times during its usual business hours (being between 9:00 a.m. and 3:00 p.m. on a business day) at the principal office for the time being of the Note Trustee (being at the Closing Date at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom and at the specified office of the Principal Paying and Exchange Agent) following prior written request and proof of holding and identity to the satisfaction of the Note Trustee or, as the case may be, the Principal Paying and Exchange Agent.

Capitalised terms used but not defined in these Conditions shall have the meanings attributed to them in the Trust Deed unless the context otherwise requires or unless otherwise stated.

## 1 Form, Denomination, Title and Status

### (a) Form and Denomination

The Notes are in registered form, serially numbered, in principal amounts of A\$200,000 and integral multiples of A\$100,000 in excess thereof (“**authorised denominations**”). A note certificate (each a “**Certificate**”) will be issued to each Noteholder in respect of its registered holding of Notes.

*Upon issue, the Notes will be represented by the Global Certificate deposited with a common depositary for, and representing Notes registered in the name of a nominee of, Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”). The Conditions are modified by certain provisions contained in the Global Certificate. Except in the limited circumstances described in the Global Certificate, owners of interests in the Notes represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of Notes. The Notes are not issuable in bearer form. See “The Global Certificate”.*

### (b) Title

Title to the Notes will pass by transfer and registration in the Register as described in Condition 5. The holder (as defined below) of any Note will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or its theft or loss (or that of the related Certificate, as appropriate) or anything written on it or on the Certificate representing it (other than a duly executed form of transfer thereof)) and no person will be liable for so treating the holder.

### (c) Status

The Notes constitute direct, unconditional and unsubordinated obligations of the Issuer. The Notes shall at all times rank *pari passu*, without any preference among themselves. The payment obligations of the Issuer under the Notes rank at least equally with all its other existing and future unsecured and unsubordinated obligations, save for such obligations that may be preferred by provisions of law that are mandatory and of general application.

## 2 Security

### (a) Security

The obligations of the Chargor to deliver Ordinary Shares upon exchange of the Notes in accordance with Condition 7 are secured in favour of the Security Trustee for the benefit of the Noteholders by a charge over all of the assets of the Chargor, including its interest in the Ordinary Shares, which is contained in the General Security Deed.



Perfection of the Security Interest in accordance with Australian law requires that the Chargor procure that the relevant Ordinary Shares are held on the CHESS Subregister by a sponsor participant, and that the Broker Participant, the Chargor and the Security Trustee enter into the Tripartite Deed. Definitions in the ASX Settlement Operating Rules apply in this paragraph unless the context requires otherwise.

(b) *Further Security*

The Chargor shall ensure that it at all times has sufficient right, title and interest in Ordinary Shares to satisfy the exchange obligations in accordance with Condition 7, and that such Ordinary Shares will be subject to the security interest granted by the Chargor under the General Security Deed.

Upon the occurrence of any adjustment to the Exchange Price pursuant to Condition 7(b), the Chargor shall ensure that the number of Ordinary Shares being secured pursuant to the Security Interests shall be promptly increased, such that the number of Ordinary Shares at such time being secured pursuant to the Security Interests are equal to the total number Ordinary Shares exchangeable with reference to the then prevailing Exchange Price. The Issuer shall ensure that the Chargor has arrangements in place which enable the Chargor to perform this obligation.

(c) *Covenants*

So long as any Note remains outstanding the Chargor will, and the Issuer will procure that the Chargor will:

- (i) not create or permit to subsist any mortgage, charge, pledge, lien, encumbrance or other Security securing any obligation of any person or any other agreement or arrangement having a like or similar effect upon all or any of the Security Assets; or
- (ii) not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, loan, grant any option over, transfer, assign, redeem or otherwise dispose of any Security Asset (including any of its rights in respect thereof) except for a Permitted Share Dealing; or
- (iii) ensure that any sponsorship agreements in relation to Ordinary Shares that are Security Assets continue and will not amend or vary any sponsorship agreements in relation to those Ordinary Shares unless the Note Trustee acting on the instructions of the Noteholders by Extraordinary Resolution consents in writing and a replacement sponsorship agreement and tripartite deed between the Chargor, the Security Trustee and the relevant broker participant on terms acceptable to the Note Trustee and the Security Trustee, each acting on the instructions of the Noteholders by Extraordinary Resolution, is entered into.

Definitions in the ASX Settlement Operating Rules apply in paragraph (iii) of this Condition 2(c), unless the context requires otherwise.

(d) *Release of Security Assets*

- (i) Without limiting any other provision of the Transaction Documents in relation to the release of Security Assets:
  - (A) if the Chargor or the Issuer wishes to undertake a Permitted Share Dealing, the Issuer agrees to give a notice to the Note Trustee and the Security Trustee. The Security Trustee shall assume, without further enquiry and without liability to Noteholders, the Issuer, the Chargor, any other Secured Party or any other person, that any disposal of Security Assets requested by the Issuer or the Chargor is a Permitted Share Dealing and is permitted as such under the Transaction Documents; and

- (B) the Noteholders and each other Secured Party irrevocably consent:
- (1) to an Exchange Right Dealing; and
  - (2) other than in circumstances where an Event of Default has occurred, to a Permitted Share Dealing,

and provide instructions to the Security Trustee, to execute such instruments and perform such acts as may be necessary to facilitate an Exchange Right Dealing (by such time and in such manner as to allow for the Chargor to meet its obligations under Condition 7(h) to deliver Ordinary Shares to the relevant Noteholder (that has exercised its Exchange Rights) on the relevant Exchange Date) or Permitted Share Dealing by the Chargor without the consent of the Noteholders or any other Secured Party, upon request by the Issuer, including:

- (I) executing a deed of release releasing the relevant Security Assets from the General Security Deed; and
  - (II) instructing the Broker Participant to act on the instructions of the Chargor in relation to the Permitted Share Dealing or Exchange Right Dealing (as applicable).
- (ii) At any time after the end of the Acceleration Period, the Chargor or the Issuer may provide a notice to the Security Trustee with a copy to the Note Trustee requesting the release of the Security Interests in respect of all Secured Assets which are not exchanged in accordance with Condition 7 during the Acceleration Period. If the Chargor or the Issuer provides a notice in accordance with this Condition 2(d)(ii), the Noteholders and each other Secured Party irrevocably consent to the release of the Security Interests and provide instructions to the Security Trustee, to as soon as reasonably practicable execute such instruments and perform such acts as may be necessary to facilitate a release of the Security Assets.

*(e) Enforcement*

- (i) Without prejudice to the ability of any Noteholder to exercise its Exchange Right during the Acceleration Period pursuant to Condition 11, the Security Interests shall become immediately enforceable on and at any time after the occurrence of an Event of Default (as defined in the General Security Deed) which is continuing.
- (ii) If the Security Interests have become enforceable in accordance with Condition 2(e)(i), the Security Trustee may at its discretion and, if so requested in writing by Noteholders holding at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution, shall (in each case without further notice or formality and subject to being indemnified and/or secured and/or pre-funded to its satisfaction) enforce all or any of the Security Interests subject as provided below. The Security Trustee shall act on the first such request or direction received pursuant to this Condition 2(e)(ii) (subject to it being indemnified and/or secured and/or pre-funded to its satisfaction) and shall have no personal liability to the Issuer, the Chargor, any Noteholder, any other Secured Party or any other person for doing so. To do this, the Security Trustee may at its discretion appoint a Receiver, a delegate and/or a sub-delegate and/or take possession of and/or realise all or any part of the Security Assets and/or take action or proceedings against the Chargor, in respect of all or any part of the Security Assets, and any person liable, in respect of any rights in relation to the Transaction Documents and take any step, action or proceedings provided for in or pursuant, and/or in each case subject, to the Transaction Documents, but without any liability to the Issuer, the Chargor, any Noteholder, any other Secured Party or any other person as to the consequences of such step, action or proceedings

and without having regard to the effect of such action or proceedings on the Issuer, the Chargor, any individual Noteholder, any other Secured Party or any other person, and provided that the Security Trustee shall not be required to take any action, step or proceedings that would involve any personal liability or exposure, whether financial or otherwise, without first being indemnified and/or secured and/or pre-funded to its satisfaction.

- (iii) Notwithstanding anything to the contrary in any Transaction Document, the Security Trustee shall not be obliged to enforce any Security Interest unless such step of enforcement is explicitly required under in this Condition 2(e) and the conditions in Condition 16 are met, and the Security Trustee shall have no responsibility or liability to the Issuer, the Chargor, any Noteholder, any other Secured Party or any other person for not doing so. The Security Trustee shall also not be liable or responsible to any person for:
  - (A) taking any action or step to enforce or recover any Security Asset, or any asset representing or converted from any Security Asset, from the Chargor or any other person other than taking such action or step for enforcement as it thinks fit and as provided for in the Transaction Documents; or
  - (B) failure to enforce or recover any Security Asset where the relevant Event of Default (as defined in the General Security Deed) is subsequently cured or waived.

### 3 Certain Covenants

(a) *Negative Pledge*

So long as any of the Notes remain outstanding (as defined in the Trust Deed), the Issuer will not create or permit to subsist, and will ensure that none of its Material Subsidiaries (excluding any Listed Subsidiaries) will create or permit to subsist, any Security upon the whole or any part of its present or future property or assets (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee of or indemnity in respect of any Relevant Indebtedness (other than a Permitted Security) unless in any such case, before or at the same time as the creation of the Security, any and all action necessary shall have been taken to ensure that:

- (i) all amounts payable by the Issuer under the Notes and the Trust Deed are secured equally and rateably with the Relevant Indebtedness or guarantee or indemnity, as the case may be; or
- (ii) such other Security or guarantee or indemnity or other arrangement (whether or not including the giving of a Security) is provided in respect of all amounts payable by the Issuer under the Notes and the Trust Deed as shall be approved by an Extraordinary Resolution of the Noteholders.

(b) *Shareholding of the Chargor*

So long as any Note remains outstanding (as defined in the Trust Deed), the Issuer shall ensure that all of the issued share capital of the Chargor will be directly or indirectly wholly-owned by the Issuer.

### 4 Definitions

In these Conditions, unless otherwise provided:

“**Acceleration Date**” has the meaning provided in Condition 11;

“**Acceleration Period**” has the meaning provided in Condition 11;

“**Additional Ordinary Shares**” has the meaning provided in Condition 7(c);

“**Alternative Stock Exchange**” means at any time, in the case of the Ordinary Shares, if they are not at that time listed and traded on the ASX, the principal stock exchange or securities market on which the Ordinary Shares are then listed or quoted or dealt in;

“**Associate**” has the meaning it has in section 128F(9) of the Income Tax Assessment Act 1936 of the Commonwealth of Australia;

“**ASX**” means ASX Limited (ABN 98 008 624 691) or the market operated by it, as the context requires;

“**ASX Listing Rules**” means the listing rules of the ASX as waived or modified by the ASX in respect of any of the Issuer, the Company, the Notes or the Ordinary Shares in any particular case;

“**ASX Settlement**” means ASX Settlement Pty Ltd (ABN 49 008 504 532);

“**ASX Settlement Rules**” means the ASX Settlement Operating Rules published by ASX Settlement and any other operating rules, procedures, direction, decisions, requirements, customs, usages and practices of ASX Settlement, as amended from time to time;

“**Auditors**” means the auditors for the time being of the Issuer or, if they are unable or unwilling to carry out any action requested of them under the Trust Deed or the Notes, such other firm of accountants as may be nominated by the Issuer and notified in writing to the Note Trustee for the purpose;

“**Australian Dollars**”, “**Australian cents**” and “**AS**” means the lawful currency of the Commonwealth of Australia;

“**business day**” means, in relation to any place, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in that place;

“**Cash Dividend**” means:

- (a) any Dividend which is to be paid or made in cash (in whatever currency), but other than falling within paragraph (b) of the definition of “Spin-Off” and
- (b) any Dividend determined to be a Cash Dividend pursuant to paragraph (a) of the definition of “Dividend”, and for the avoidance of doubt, a Dividend falling within paragraph (c) or (d) of the definition of “Dividend” shall be treated as being a Non-Cash Dividend;

“**Closing Date**” means 18 October 2022;

“**Closing Price**” means, in respect of an Ordinary Share or any Security, Spin-Off Security, option, warrant or other rights or assets on any Dealing Day, the closing price on the Relevant Stock Exchange on such Dealing Day of an Ordinary Share or, as the case may be, such Security, Spin-Off Security, option, warrant or other right or asset published by or derived from Bloomberg page HP (or any successor page) (setting Last Price, or any other successor setting and using values not adjusted for any event occurring after such Dealing Day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such Ordinary Share, Security, Spin-Off Security, option, warrant or other right or asset (all as determined by an Independent Adviser) (and for the avoidance of doubt such Bloomberg page for the Ordinary Shares as at the Closing Date is “BLD AU Equity HP”), if available or, in any other case, such other source (if any) as shall be determined in good faith to be appropriate by an Independent Adviser on such Dealing Day and translated, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such Dealing Day, provided that if on any such Dealing Day (for the purpose of this definition, the “**Original Date**”) such price is not available or cannot otherwise be determined as provided above, the Closing Price of an Ordinary Share, Spin-off Security, Security, option, warrant, or other right or asset, as the case may be, in respect of such Dealing Day shall be the Closing Price, determined as

provided above, on the immediately preceding Dealing Day on which the same can be so determined, and further provided that if such immediately preceding Dealing Day falls prior to the fifth day before the Original Date, an Independent Adviser shall determine the Closing Price in respect of the Original Date in good faith, all as determined by an Independent Adviser;

“**Company**” means Boral Limited (ABN 13 008 421 761);

“**Company Change of Control**” means:

- (a) a takeover bid is made to acquire the issued ordinary share capital of the Company other than any shares owned by the bidder and its associates;
- (b) a scheme of arrangement is proposed by the Company (other than an Exempt Newco Scheme in relation to the Company); or
- (c) the Company consolidates with or merges into or sells or transfers all or substantially all of the assets of the Company to any other person or persons acting together (unless the consolidation, merger, sale or transfer will not result in the other person or persons acquiring Control over the Company or the successor entity),

where in each case the offeror in respect of that transaction is neither the Issuer nor an associate (as defined in the Corporations Act) of the Issuer, and that transaction has become unconditional in all respects and more than 50 per cent. of the Voting Rights of the issued share capital of the Company have or will (following and as a result of that transaction) become unconditionally vested in the offeror together with its associates;

“**Control**” means:

- (a) the ownership or control, either directly or indirectly, of more than 50 per cent. of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of a company or business entity; or
- (b) control within the meaning of section 50AA of the Corporations Act;

a “**Company Relevant Event**” occurs when:

- (a) there is a Company Change of Control; or
- (b) there is a Free Float Event;

“**Company Relevant Event Period**” has the meaning provided in Condition 7(b)(x);

“**Corporations Act**” means the Corporations Act 2001 of Australia;

“**Current Market Price**” means, in respect of an Ordinary Share at a particular date, the average of the daily Volume Weighted Average Price of an Ordinary Share on each of the five consecutive Dealing Days ending on the Dealing Day immediately preceding such date, provided that:

- (a) for the purposes of determining the Current Market Price pursuant to Conditions 7(b)(iv) or 7(b)(vi) in circumstances where the relevant event relates to an issue of Ordinary Shares, if at any time during the said five dealing-day period (which may be on each of such five Dealing Days) the Volume Weighted Average Price shall have been based on a price ex-Dividend (or ex- any other entitlement) and/or during some other part of that period (which may be on each of such five Dealing Days) the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement), in any such case which has been declared or announced, then:

- (1) if the Ordinary Shares to be issued or transferred and delivered do not rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price cum-Dividend (or cum- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Effective Date relating to such Dividend or entitlement (or, where on each of the said five Dealing Days the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum-any other entitlement), as at the date of first public announcement of such Dividend or entitlement), in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit; or
  - (2) if the Ordinary Shares to be issued or transferred and delivered (if applicable) do rank for the Dividend or entitlement in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price ex-Dividend (or ex- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Effective Date relating to such Dividend (or entitlement), in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit;
- (b) for the purposes of any calculation or determination required to be made pursuant to paragraphs (a)(1) or (a)(2) of the definition of “Dividend”, if on any of the said five Dealing Days the Volume Weighted Average Price shall have been based on a price cum the relevant Dividend or capitalisation giving rise to the requirement to make such calculation or determination, the Volume Weighted Average Price on any such Dealing Day shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of the relevant Cash Dividend, determined on a gross basis and disregarding any withholding or deduction require to be made for or on account of tax, and disregarding any associated tax credit; and
- (c) for any other purpose, if any day during the said five-Dealing-Day period was the Effective Date in relation to any Dividend (or any other entitlement) the Volume Weighted Average Prices that shall have been based on a price cum- such Dividend (or cum- such entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Effective Date relating to such Dividend or entitlement;

“**Dealing Day**” means a day on which the Relevant Stock Exchange is open for business and on which Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights or assets (as the case may be) may be dealt in (other than a day on which the Relevant Stock Exchange is scheduled to or does close prior to its regular closing time);

a “**Delisting (Company)**” occurs when the Ordinary Shares:

- (a) cease to be listed or admitted to trading on the Relevant Stock Exchange; or
- (b) are suspended from trading for a period of more than 15 consecutive Dealing Days;

“**Dividend**” means any dividend or distribution to Shareholders whether of cash, assets or other property, and however described and whether payable out of share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to Shareholders upon or in connection with a reduction in capital (and for these purposes a distribution of assets includes without limitation

an issue of Ordinary Shares, or other Securities credited as fully or partly paid up by way of capitalisation of profits or reserves) provided that:

(a) where:

(1) a Dividend in cash is announced which is to be, or may at the election of a Shareholder or Shareholders be, satisfied by the issue or delivery of Ordinary Shares or other property or assets, or where an issue of Ordinary Shares to Shareholders by way of a capitalisation of profits or reserves (including any share premium account or capital redemption reserve) is announced which is to be, or may at the election of a Shareholder or Shareholders be, satisfied by the payment of cash, then the Dividend or capitalisation in question shall be treated as a Cash Dividend of an amount equal to the greater of:

(i) the Fair Market Value of such cash amount (in the case of an issue of Ordinary Shares pursuant to the DRP, provided that the discount per Ordinary Share as determined and announced by the Company at which Ordinary Shares may be issued pursuant to the DRP in respect of such Dividend is equal to or less than 5 per cent.); and

(ii)

(A) other than in the case of a DRP where the discount per Ordinary Share as determined and announced by the Company exceeds 5 per cent., the Current Market Price of such Ordinary Shares or, as the case may be, the Fair Market Value of such other property or assets in any such case (as at the first date on which the Ordinary Shares are traded ex- the relevant Dividend or capitalisation (as the case may be) or if later, the date on which the number of Ordinary Shares (or amount of such other property or assets, as the case may be) which may be issued or transferred and delivered is determined), save that where a Dividend in cash is announced which may at the election of a Shareholder or Shareholders be satisfied by the issue or delivery of Ordinary Shares or an issue of Ordinary Shares to Shareholders by way of capitalisation of profits or reserves is announced which may at the election of a Shareholder or Shareholders be satisfied by the payment of cash where the number of Ordinary Shares which may be issued or delivered is to be determined at a date or during a period following such announcement and is to be determined by reference to a publicly available formula based on the Closing Price or volume weighted average price or any like or similar pricing benchmark of the Ordinary Shares, without factoring in any discount to such price or benchmark, then such Dividend shall be treated as a Cash Dividend in an amount equal to the Fair Market Value of such cash amount on such date as such cash amount is determined as aforesaid; or

(B) in the case of a DRP where the discount per Ordinary Share as determined and announced by the Company exceeds 5 per cent., the Fair Market Value of such cash amount and the difference between the Current Market Price (as at the settlement date of the DRP) of an Ordinary Share and the price per Share of the DRP (which shall be a Dividend and adjusted for pursuant to Condition 7(b)(iii) on the date of settlement of the DRP); or

(2) there shall be any issue of Ordinary Shares to Shareholders by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) where (other than in circumstances subject to proviso (1) above) such issue is or is expressed to be in lieu of a Dividend (whether or not a Cash Dividend equivalent or amount is announced) or a Dividend in

cash that is to be satisfied (other than in circumstances subject to proviso (1) above) by the issue or delivery of Ordinary Shares or other property or assets, the capitalisation or Dividend in question shall be treated as a Cash Dividend of an amount equal to the Current Market Price of such Ordinary Shares or, as the case may be, the Fair Market Value of such other property or assets as at the first date on which the Ordinary Shares are traded ex- the relevant capitalisation or, as the case may be, ex- the relevant Dividend on the Relevant Stock Exchange (or, if later, the date on which the number of Ordinary Shares or amount of such other property or assets, as the case may be, is determined), save that where a Dividend in cash is announced which is to be satisfied by the issue or delivery of Ordinary Shares where the number of Ordinary Shares to be issued or delivered is to be determined at a date or during a period following such announcement and is to be determined by reference to a publicly available formula based on the Closing Price or volume weighted average price or any like or similar pricing benchmark of the Ordinary Shares, without factoring in any discount to such price or benchmark, then such Dividend shall be treated as a Cash Dividend in an amount equal to the Fair Market Value of such cash amount on such date as such cash amount is determined as aforesaid;

- (b) any issue of Ordinary Shares falling within Conditions 7(b)(i) or 7(b)(ii) shall be disregarded;
- (c) a purchase or redemption or buy back of share capital of the Company by the Company or any of its Subsidiary shall not constitute a Dividend unless, in the case of a purchase or redemption or buy back of Ordinary Shares by or on behalf of the Company or its Subsidiaries, the weighted average price per Ordinary Share (before expenses) on any one day (a “**Specified Share Day**”) in respect of such purchases or redemptions or buy backs (translated, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such day) exceeds by more than 5 per cent. the average of the daily Volume Weighted Average Price of:
  - (1) an Ordinary Share on the Relevant Stock Exchange (as published by or derived from the Relevant Stock Exchange) on the five Dealing Days on which sales in Ordinary Shares were recorded immediately preceding the Specified Share Day; or
  - (2) where an announcement (excluding, for the avoidance of doubt for these purposes, any general authority for such purchases, redemptions or buy backs approved by a general meeting of Shareholders or any notice convening such a meeting of Shareholders) has been made of the intention to purchase, redeem or buy back Ordinary Shares at some future date at a specified price or where a tender offer is made, on the five Dealing Days on which sales in Ordinary Shares were recorded immediately preceding the date of such announcement or the date of first public announcement of such tender offer (and regardless whether or not a price per Ordinary Share, a minimum price per Ordinary Share or a price range or a formula for the determination thereof is or is not announced at such time), as the case may be, in which case such purchase, redemption or buy back shall be deemed to constitute a Dividend in the Relevant Currency to the extent that the aggregate price paid (before expenses) in respect of such Ordinary Shares purchased, redeemed or bought back by the Company or, as the case may be, any of its Subsidiaries (translated where appropriate into the Relevant Currency as provided above) exceeds the product of:
    - (i) 105 per cent. of the average of the daily Volume Weighted Average Price of an Ordinary Share determined as aforesaid; and
    - (ii) the number of Ordinary Shares so purchased, redeemed or bought back;
- (d) if the Company or any of its Subsidiaries shall purchase, redeem or buy back any depositary or other receipts or certificates representing Ordinary Shares, the provisions of paragraph (c) of the proviso to



this definition shall be applied in respect thereof in such manner and with such modifications (if any) as shall be determined in good faith by an Independent Adviser;

- (e) where a dividend or distribution is paid or made to Shareholders pursuant to any plan implemented by the Company for the purpose of enabling Shareholders to elect, or which may require Shareholders, to receive dividends or distributions in respect of the Ordinary Shares held by them from a person other than, or in addition to the Company, such dividend or distribution shall for the purposes of these Conditions be treated as a dividend or distribution made or paid to Shareholders by the Company, and the foregoing provisions of this definition and the provisions of these Conditions shall be construed accordingly;
- (f) provided that where a Dividend in cash is declared which provides for payment by the Company to Shareholders in the Relevant Currency or an amount in cash is or may be paid in the Relevant Currency, whether at the option of Shareholders or otherwise, it shall be treated as a Cash Dividend in the amount of such Relevant Currency or, as the case may be, an amount in such Relevant Currency, and in any other case it shall be treated as a Cash Dividend or, as the case may be, an amount in cash in the currency in which it is payable by the Company; and
- (g) a dividend or distribution that is a Spin-Off shall be deemed to be a Dividend paid or made by the Company,

and any such determination shall be made on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit;

“**DRP**” means a Dividend Reinvestment Plan of the Company;

“**equity share capital**” means, in relation to any entity, its issued share capital excluding any part of that capital which, neither as regards dividends nor as regards capital, carries any right to participate beyond a specified amount in a distribution;

“**Exchange Date**” has the meaning provided in Condition 7(h);

“**Exchange Notice**” has the meaning provided in Condition 7(h);

“**Exchange Period**” has the meaning provided in Condition 7(a)(i);

“**Exchange Price**” has the meaning provided in Condition 7(a)(i);

“**Exchange Right**” has the meaning provided in Condition 7(a)(i);

“**Exchange Right Dealing**” means a disposal of Ordinary Shares required to be made by the Chargor in accordance with Conditions 7(a)(i), 7(h) and 11 following exercise of the Exchange Right by a Noteholder in accordance with those Conditions;

“**Exempt Newco Scheme**” means a Newco Scheme where immediately after completion of the relevant Scheme of Arrangement the ordinary shares or units or equivalent of Newco (or depositary or other receipts or certificates representing ordinary shares or units or equivalent of Newco) are:

- (a) admitted to trading on the Relevant Stock Exchange; or
- (b) admitted to listing on such other regulated, regularly operating, recognised stock exchange or securities market as the Issuer or the Company (as the case may be) or Newco may determine;

“**Existing Major Shareholder**” means Mr. Kerry Stokes, entities controlled by Mr. Kerry Stokes (as at the date of the Trust Deed or from time to time), or any of his and their respective associates (as defined in the Corporations Act);

“**Extraordinary Resolution**” has the meaning given to that term in the Trust Deed;

“**Event of Default**” has the meaning provided in Condition 11;

“**Fair Market Value**” means, with respect to any property on any date, the fair market value of that property as determined in good faith by an Independent Adviser provided, that:

- (a) the Fair Market Value of a Cash Dividend shall be the amount of such Cash Dividend;
- (b) the Fair Market Value of any other cash amount shall be the amount of such cash;
- (c) where Spin-Off Securities, Securities, options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by an Independent Adviser), the fair market value:
  - (i) of such Spin-Off Securities or Securities shall equal the arithmetic mean of the daily Volume Weighted Average Prices of such Spin-Off Securities or Securities; and
  - (ii) of such options, warrants or other rights shall equal the arithmetic mean of the daily Closing Prices of such options, warrants or other rights,

in the case of both (i) and (ii) during the period of five Dealing Days on the relevant market commencing on such date (or, if later, the first such Dealing Day such Spin-Off Securities, Securities, options, warrants or other rights are publicly traded);

- (d) where Spin-Off Securities, Securities, options, warrants or other rights are not publicly traded (as aforesaid), the Fair Market Value of such Spin-Off Securities, Securities, options, warrants or other rights shall be determined in good faith by an Independent Adviser, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Ordinary Share, the dividend yield of an Ordinary Share, the volatility of such market price, prevailing interest rates and the terms of such Spin-Off Securities, Securities, options, warrants or other rights, including as to the expiry date and exercise price (if any) thereof;
- (e) in the case of (a) above translated into the Relevant Currency (if declared or paid or payable in a currency other than the Relevant Currency) at the rate of exchange used to determine the amount payable to Shareholders who were paid or are to be paid or are entitled to be paid the Cash Dividend in the Relevant Currency; and in any other case, translated into the Relevant Currency (if expressed in a currency other than the Relevant Currency) at the Prevailing Rate on that date; and
- (f) in the case of (a) and (b) above disregarding any withholding or deduction required to be made on account of tax and any associated tax credit;

“**Final Maturity Date**” means 18 October 2027;

a “**Free Float Event**” shall occur if the Issuer has voting power of more than 85 per cent. in the Company;

“**indebtedness for borrowed money**” means any present or future indebtedness (whether being principal, interest or other amounts) for or in respect of:

- (a) money borrowed or raised;
- (b) liabilities under or in respect of any acceptance or acceptance credit; or
- (c) any notes, bonds, debentures, debenture stock, loan stock, certificates of deposit, commercial paper or other securities offered, issued or distributed whether by way of public offer, private placing, acquisition consideration or otherwise and whether issued for cash or in whole or in part for a consideration other than cash;

**“Independent Adviser”** means an independent adviser with appropriate expertise appointed by the Issuer at its own expense and notified in writing to the Note Trustee or, if the Issuer fails to make such appointment and such failure continues for a period of 30 calendar days (as determined by the Note Trustee in its sole discretion) and the Note Trustee is indemnified and/or secured and/or prefunded to its satisfaction against the costs, fees and expenses of and other amounts payable to such adviser and otherwise in connection with the making of such appointment, appointed by the Note Trustee acting on the instructions of the Noteholders given by Extraordinary Resolution (without liability to Noteholders, the Issuer, the Chargor, any other Secured Party or any other person for so doing) following notification to the Issuer, which appointment shall be deemed for all purposes to be made by the Issuer;

**“Interest Payment Date”** has the meaning provided in Condition 6(a);

**“Issuer Change of Control”** means:

- (a) a takeover bid is made to acquire the issued ordinary share capital of the Issuer other than any shares owned by the bidder and its associates;
- (b) a scheme of arrangement is proposed by the Issuer (other than an Exempt Newco Scheme in relation to the Issuer); or
- (c) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the assets of the Issuer to any other person or persons acting together (unless the consolidation, merger, sale or transfer will not result in the other person or persons acquiring Control over the Issuer or the successor entity),

where in each case the offeror in respect of that transaction is not an Existing Major Shareholder, and that transaction has become unconditional in all respects and more than 50 per cent. of the Voting Rights of the issued share capital of the Issuer have or will (following and as a result of that transaction) become unconditionally vested in the offeror together with its associates;

**“Listed Subsidiary”** means any Material Subsidiary of the Issuer which is listed on any stock exchange or securities market, and including their respective subsidiaries;

**“Material Subsidiary”** means any Subsidiary of the Issuer:

- (a) whose profits before taxation (**“pre-tax profit”**) (consolidated in the case of a Subsidiary which itself has Subsidiaries) attributable to the Issuer, as shown by its latest audited profit and loss account, are at least 5 per cent. of the consolidated pre-tax profit as shown by the latest published audited consolidated profit and loss account of the Issuer and its consolidated Subsidiaries, including, for the avoidance of doubt, the Issuer and its consolidated Subsidiaries' share of profits of Subsidiaries not consolidated and of associated entities and after adjustments for minority interests; or
- (b) whose gross assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) attributable to the Issuer, as shown by its latest audited balance sheet, are at least 5 per cent. of the consolidated gross assets of the Issuer and its Subsidiaries as shown by the latest published audited consolidated balance sheet of the Issuer and its consolidated Subsidiaries, including the investment of the Issuer and its consolidated Subsidiaries in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of the Issuer and of associated companies and after adjustment for minority interests;

provided that, in relation to paragraphs (a) and (b) above of this definition:

- (i) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of the Issuer relate, the reference to the then latest consolidated audited accounts of the Issuer and its consolidated Subsidiaries for the purposes of the calculation above shall, until consolidated audited accounts

of the Issuer for the financial period in which the relevant corporation or other business entity becomes a Subsidiary are published be deemed to be a reference to the then latest consolidated audited accounts of the Issuer and its Subsidiaries adjusted to consolidate the latest audited accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary in such accounts;

- (ii) if at any relevant time in relation to the Issuer or any Subsidiary which itself has Subsidiaries no consolidated accounts are prepared and audited, pre-tax profit or gross assets of the Issuer and/or any such Subsidiary shall be determined on the basis of *pro forma* consolidated accounts prepared for this purpose by the Issuer for the purposes of preparing a certificate thereon to the Note Trustee; and
  - (iii) if the accounts of any Subsidiary (not being a Subsidiary referred to in proviso (a) above) of this definition) are not consolidated with those of the Issuer, then the determination of whether or not such Subsidiary is a Material Subsidiary shall be based on a *pro forma* consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of the Issuer; or
- (c) to which is transferred all or substantially all of the business, undertaking and assets of another Subsidiary which immediately prior to such transfer is a Material Subsidiary, whereupon (A) the transferor Material Subsidiary shall immediately cease to be a Material Subsidiary and (B) the transferee Subsidiary shall immediately become a Material Subsidiary, provided that on or after the date on which the relevant financial statements for the financial period current at the date of such transfer are published, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Material Subsidiary shall be determined pursuant to the provisions of the paragraphs above of this definition.

A certificate prepared and signed by a Director of the Issuer who is also an Authorised Signatory of the Issuer, stating that in his or her opinion, a Subsidiary is or is not, or was or was not, a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties;

“**Newco Scheme**” means a scheme of arrangement or analogous proceeding (a “**Scheme of Arrangement**”) which effects the interposition of a limited liability company or trust (“**Newco**”) between the shareholders of the Issuer or the Company (as applicable) immediately prior to the Scheme of Arrangement (the “**Existing Shareholders**”) and the Issuer or the Company (as applicable); provided that:

- (a) only ordinary shares or units or equivalent of Newco or depositary or other receipts or certificates representing ordinary shares or units or equivalent are issued to Existing Shareholders;
- (b) immediately after completion of the Scheme of Arrangement the only holders of ordinary shares, units or equivalent of Newco or, as the case may be, the only holders of depositary or other receipts or certificates representing ordinary shares or units or equivalent of Newco are Existing Shareholders holding in the same proportions as immediately prior to completion of the Scheme of Arrangement;
- (c) immediately after completion of the Scheme of Arrangement, Newco is (or one or more wholly-owned Subsidiaries of Newco are) the only shareholder of the Issuer or the Company (as applicable);
- (d) all Subsidiaries of the Issuer or the Company (as applicable) immediately prior to the Scheme of Arrangement (other than Newco, if Newco is then a Subsidiary of the Issuer or the Company (as applicable)) are Subsidiaries of the Issuer or the Company (as applicable) (or of Newco) immediately after completion of the Scheme of Arrangement; and
- (e) immediately after completion of the Scheme of Arrangement the Issuer or the Company (as applicable) (or Newco) holds, directly or indirectly, the same percentage of the ordinary share capital and equity

share capital of those Subsidiaries as was held by the Issuer or the Company (as applicable) immediately prior to the Scheme of Arrangement;

“**Non-Cash Dividend**” means any Dividend which is not a Cash Dividend, and shall include a Spin-Off;

“**Noteholder**” and “**holder**” mean the person in whose name a Note is registered in the Register (as defined in Condition 5(a));

“**Offshore Associate**” means an Associate of the Issuer:

- (a) which is a non-resident of Australia and does not receive payment in respect of Notes that the Associate acquired in carrying on a business in Australia at or through a permanent establishment of the Associate in Australia; or
- (b) which is a resident of Australia and which receives payment in respect of Notes that the Associate acquired in carrying on a business in a country outside Australia at or through a permanent establishment of the Associate in that country,

and which, in either case, is not receiving payment in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered managed investment scheme;

“**Optional Put Exercise Notice**” has the meaning provided in Condition 8(e);

“**Optional Redemption Date**” has the meaning provided in Condition 8(b);

“**Optional Redemption Notice**” has the meaning provided in Condition 8(b);

“**Ordinary Shares**” means fully paid ordinary shares in the capital of the Company;

“**Permitted Security**” means a Security in respect of property or assets of the Issuer or a Subsidiary of the Issuer, which:

- (a) existed at the Closing Date and was not created in contemplation of the issue of Notes; or
- (b) existed before the relevant entity became a Subsidiary of the Issuer and was not created in contemplation of such entity becoming a Subsidiary of the Issuer and provided that the principal amount of such Relevant Indebtedness is not increased;

a “**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity);

“**Permitted Share Dealing**” means, at any time, a disposal of Ordinary Shares by the Chargor if at that time the number of Ordinary Shares held by the Chargor is more than sufficient to satisfy the maximum number of Ordinary Shares that the Chargor could be called upon to transfer and deliver to Noteholders under Condition 7(h) if an Exchange Notice was delivered by all Noteholders (the “**Maximum Required Shares**”), having regard to any adjustments to the Exchange Price which have occurred in accordance with Condition 7(b), provided:

- (a) the number of Ordinary Shares which are subject to the disposal does not exceed the difference between the number of Ordinary Shares held by the Chargor and the Maximum Required Shares; and
- (b) no Event of Default is subsisting,

at that time;

**“Prevailing Rate”** means, in respect of a pair of currencies on any day, the spot rate of exchange between the relevant currencies prevailing as at or about 12.00 noon (Sydney time) on that date as appearing on or derived from the Relevant Page or if such a rate cannot be determined at such time, the rate prevailing as at or about 12 noon (Sydney time) on the immediately preceding day on which such rate can be so determined or if such rate cannot be so determined by reference to the Relevant Page, the rate determined in such other manner as an Independent Adviser shall consider in good faith appropriate;

**“Record Date”** has the meaning provided in Condition 9(c);

**“Reference Date”**, in relation to a Retroactive Adjustment, means the date as of which the relevant Retroactive Adjustment takes effect or if that is not a Dealing Day, the next following Dealing Day;

**“Reference Shares”** means, in respect of the exercise of Exchange Rights by a Noteholder, the number of Ordinary Shares (rounded down, if necessary, to the nearest whole number) determined in good faith by the Issuer by dividing the aggregate principal amount of the Notes the subject of the relevant exercise of Exchange Rights by the Exchange Price in effect on the relevant Exchange Date;

**“Relevant Currency”** means Australian Dollars or, if at the relevant time or for the purposes of the relevant calculation or determination, the ASX is not the Relevant Stock Exchange, the currency in which the Ordinary Shares are quoted or traded on the Relevant Stock Exchange;

**“Relevant Date”** means, in respect of any Note, whichever is the later of;

- (a) the date on which payment in respect of it first becomes due; and
- (b) if any amount of the money payable is improperly withheld or refused the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given by the Issuer to the Noteholders in accordance with Condition 18 that, upon further presentation of the Note, where required pursuant to these Conditions, being made, such payment will be made, provided that such payment is in fact made as provided in these Conditions;

a **“Relevant Event”** occurs when:

- (a) there is a Delisting (Company);
- (b) there is a Company Relevant Event; or
- (c) there is an Issuer Change of Control;

**“Relevant Event Notice”** has the meaning provided in Condition 7(g);

**“Relevant Event Period”** has the meaning provided in Condition 8(f);

**“Relevant Event Redemption Notice”** has the meaning provided in Condition 8(f);

**“Relevant Event Redemption Date”** has the meaning provided in Condition 8(f);

**“Relevant Indebtedness”** means any present or future indebtedness (whether being principal, premium, interest or other amounts) in the form of or evidenced by notes, bonds, debentures, debenture stock, loan stock or other securities, whether issued for cash or in whole or in part for a consideration other than cash, and which (in any case) are or are capable of being quoted, listed or ordinarily dealt in or traded on any recognised listing authority, stock exchange, securities quotation system or over-the-counter or other securities market;

**“Relevant Page”** means the relevant page on Bloomberg or, if there is no such page, on Reuters or such other information service provider that displays the relevant information;

**“Relevant Stock Exchange”** means:

- (a) in the case of Ordinary Shares, the ASX or, if at the relevant time the Ordinary Shares are not at that time listed and admitted to trading on the ASX, the Alternative Stock Exchange; and
- (b) in the case of Securities (other than Ordinary Shares), Spin-Off Securities, options, warrants or other rights or assets, the principal stock exchange or securities market on which such Securities (other than Ordinary Shares), Spin-Off Securities, options, warrants or other rights or assets are then listed, admitted to trading or quoted or dealt in;

“**Retroactive Adjustment**” has the meaning provided in Condition 7(c);

“**Secured Party**” means

- (a) the Security Trustee;
- (b) the Note Trustee;
- (c) any Noteholder;
- (d) each other Beneficiary (as defined in the Security Trust Deed); and
- (e) any receiver and manager or other receiver appointed in respect of all or any part of the Security Assets (together, a “**Receiver**”) in accordance with the Transaction Documents;

“**Securities**” means any securities including, without limitation, Ordinary Shares, or options, warrants or other rights to subscribe for or purchase or acquire Ordinary Shares;

“**Security**” means a mortgage, charge, pledge, lien, assignment by way of security or other form of encumbrance or security interest (including any security interest arising under sections 12(1) or 12(2) of the Personal Property Securities Act 2009 of Australia) securing any obligation of any person or any other agreement or arrangement having a similar effect;

“**Security Assets**” means the assets which from time to time are, or expressed to be, the subject of the Security Interests or any part of those assets;

“**Security Interests**” means all or any of the Security created or expressed to be created in favour of the Security Trustee by or pursuant to the General Security Deed;

“**Shareholders**” means the holders of Ordinary Shares;

“**Specified Date**” has the meaning provided in Conditions 7(b)(iv), 7(b)(vi), 7(b)(vii) and 7(b)(viii);

“**Spin-Off**” means:

- (a) a distribution of Spin-Off Securities by the Company to Shareholders as a class; or
- (b) any issue, transfer or delivery of any property or assets (including cash or shares or securities of or in or issued or allotted by any entity) by any entity (other than the Company) to Shareholders as a class, pursuant to any arrangements with the Company or any of its Subsidiaries;

“**Spin-Off Securities**” means equity share capital of an entity other than the Company or options, warrants or other rights to subscribe for or purchase equity share capital of an entity other than the Company;

“**Subsidiary**”, in respect of the Issuer or the Company, means any entity which is a subsidiary of the Issuer or the Company, as the case may be, within the meaning of Part 1.2 Division 6 of the Corporations Act or is a subsidiary of or otherwise controlled by the Issuer or the Company, as the case may be, within the meaning of any approved accounting standard applicable to the Issuer or the Company, as the case may be;

“**Tax Redemption Date**” has the meaning provided in Condition 8(c);

“**Tax Redemption Notice**” has the meaning provided in Condition 8(c);

“**Volume Weighted Average Price**” means, in respect of an Ordinary Share, Security or, as the case may be, a Spin-Off Security, option, warrant or other right or asset on any Dealing Day, the volume-weighted average price of an Ordinary Share, Security or, as the case may be, a Spin-Off Security published by or derived (in the case of an Ordinary Share) from Bloomberg page HP (or any successor page) (setting Weighted Average Line, or any other successor setting and using values not adjusted for any event occurring after such dealing day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) for such Ordinary Share, Security, Spin-Off Security, option, warrant or other right or asset in respect of the Relevant Stock Exchange for such Ordinary Share, Security, Spin-Off Security, option, warrant or other right or asset (and for the avoidance of doubt such Bloomberg page for the Ordinary Shares where the Relevant Stock Exchange is the ASX shall be “BLD AU Equity HP”), if any or, in any such case, such other source as shall be determined in good faith to be appropriate by an Independent Adviser on such dealing day, provided that if on any such dealing day such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of an Ordinary Share, Security, Spin-Off Security, option, warrant or other right or asset in respect of such dealing day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding Dealing Day on which the same can be so determined, all determined by an Independent Adviser in such manner as it might otherwise determine in good faith to be appropriate;

“**voting power**” has the meaning given to that term in the Corporations Act; and

“**Voting Rights**” means the right generally to vote at a general meeting of shareholders of the Issuer or, as the case may be, the Company (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the occurrence of any contingency).

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

References to any issue or offer or grant to Shareholders or Existing Shareholders “**as a class**” or “**by way of rights**” shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders or Existing Shareholders, as the case may be, other than Shareholders or Existing Shareholders, as the case may be, to whom, by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

In making any calculation or determination of Closing Price, Current Market Price or Volume Weighted Average Price, such adjustments (if any) shall be made as an Independent Adviser considers in good faith appropriate to reflect any consolidation or sub-division of the Ordinary Shares or any issue of Ordinary Shares by way of capitalisation of profits or reserves, or any like or similar event.

For the purposes of Conditions 7(a), 7(b), 7(c), 7(h), 7(i) and 12 only:

- (a) references to the “**issue**” of Ordinary Shares or Ordinary Shares being “**issued**” shall include the transfer and/or delivery of Ordinary Shares, whether newly issued and allotted or previously existing or held by or on behalf of the Company or any of its Subsidiaries; and
- (b) Ordinary Shares held by or on behalf of the Company or any of its Subsidiaries (and which, in the case of Conditions 7(b)(iv) and 7(b)(vi), do not rank for the relevant right or other entitlement) shall not be considered as or treated as “**in issue**” or “**issued**” or entitled to receive the relevant Dividend, right or other entitlement.



## 5 Registration and Transfer of Notes

### (a) Registration

The Issuer will cause a register (the “**Register**”) to be kept at the specified office of the Registrar outside the United Kingdom on which will be entered the names and addresses of the holders of the Notes and the particulars of the Notes held by them and of all transfers, redemptions and exchanges of Notes.

### (b) Transfer

Notes may, subject to the terms of the Agency Agreement and to Conditions 5(c) and 5(d), be transferred in whole or in part in an authorised denomination by lodging the relevant Certificate evidencing such Notes (with the form of application for transfer in respect thereof duly executed and duly stamped where applicable) at the specified office of the Registrar or any Transfer Agent.

No transfer of a Note will be valid unless and until entered on the Register. A Note may be registered only in the name of, and transferred only to, a named person (or persons, not exceeding four in number).

The Registrar will, within seven business days in the place of the specified office of the Registrar, of any duly made application for the transfer of a Note register the relevant transfer and deliver a new Certificate to the transferee (and, in the case of a transfer of part only of a Note, deliver a Certificate for the untransferred balance to the transferor) at the specified office of the Registrar or (at the risk and, if mailed at the request of the transferee or, as the case may be, the transferor otherwise than by ordinary mail, at the expense of the transferee or, as the case may be, the transferor) mail the Certificate by uninsured mail to such address as the transferee or, as the case may be, the transferor may request in writing.

### (c) Formalities Free of Charge

Such transfer will be effected without charge subject to:

- (i) the person making such application for transfer paying or procuring the payment of any taxes, duties and other governmental charges in connection therewith;
- (ii) the Registrar being satisfied with the documents of title and/or identity of the person making the application; and
- (iii) compliance with the regulations referred to it in Condition 5(e).

### (d) Closed Periods

Neither the Issuer nor the Registrar will be required to register the transfer of any Note (or part thereof):

- (i) during the period of 15 days ending on and including the day immediately prior to the Final Maturity Date or any earlier date fixed for redemption of the Notes pursuant to Condition 8(b) or Condition 8(c);
- (ii) in respect of which an Exchange Notice has been delivered in accordance with Condition 7(h);
- (iii) in respect of which a holder shall have exercised its option to require the Issuer to redeem pursuant to Condition 8(e) or Condition 8(f); or
- (iv) during the period of 15 days ending on (and including) any Record Date (as defined in Condition 9(c)) in respect of any payment of interest on the Notes.

(e) *Regulations*

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning registration and transfer of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written agreement of the Note Trustee and the Registrar, and by the Registrar, with the prior written agreement of the Note Trustee. A copy of the current Regulations will be made available by the Registrar at its specified office for inspection by any Noteholder at all reasonable times during usual business hours (being between 9:00 a.m. and 3:00 p.m. on any business day in the location of the specified office of the Registrar) following prior written request and proof of holding and identity to the satisfaction of the Registrar.

(f) *Restrictions on transfer*

Notes may only be transferred if the offer or invitation giving rise to the transfer:

- (i) (where received in Australia) does not constitute an offer or invitation for which disclosure is required to be made to investors under Part 6D.2 of the Corporations Act;
- (ii) (where received in Australia) is not made to a person who is a “retail client” within the meaning of Section 761G of the Corporations Act; and
- (iii) complies with any applicable law or directive of the jurisdiction where transfer takes place.

## 6 Interest

(a) *Interest Rate*

The Notes bear interest from and including the Closing Date at the rate of 4.625 per cent. per annum (the “**Interest Rate**”) calculated by reference to the principal amount thereof and payable quarterly in equal instalments in arrear on 18 January, 18 April, 18 July and 18 October in each year (each an “**Interest Payment Date**”) commencing on the Interest Payment Date falling on 18 January 2023.

If interest is required to be calculated for a period other than an Interest Period (as defined below), it will be calculated (and rounded to the nearest whole multiple of A\$0.01, with A\$0.005 being rounded upwards) per each A\$100,000 in principal amount of the Notes on the basis of a 360 day year consisting of 12 months of 30 days each, and in the case of an incomplete month, the number of days elapsed.

“**Interest Period**” means the period beginning on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

(b) *Accrual of Interest*

Each Note will cease to bear interest:

- (i) where the Exchange Right shall have been exercised by a Noteholder, from the Interest Payment Date immediately preceding the relevant Exchange Date or, if none, the Closing Date (subject in any such case as provided in Condition 7(j)); or
- (ii) where such Note is redeemed or repaid pursuant to Condition 8 or Condition 11, from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue from the due date for redemption or repayment at the rate specified in Condition 9(f) (both before and after judgment) until whichever is the earlier of:

- (A) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant holder; and
- (B) the day falling seven days after the Note Trustee or the Principal Paying and Exchange Agent has notified Noteholders of receipt of all sums due in respect of all the Notes up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

## 7 Exchange of Notes

### (a) Exchange

- (i) **Exchange Period and Exchange Price:** Each Note shall entitle the holder to exchange such Note for Ordinary Shares, subject to and as provided in these Conditions (a “**Exchange Right**”).

The number of Ordinary Shares to be transferred and delivered on exercise of an Exchange Right shall (subject to these Conditions) be determined by dividing the aggregate principal amount of the Notes to be exchanged by the exchange price (the “**Exchange Price**”) in effect on the relevant Exchange Date.

The initial Exchange Price is A\$3.77 per Ordinary Share but will be subject to adjustment in the manner provided in Condition 7(b).

A Noteholder may exercise the Exchange Right in respect of a Note by delivering the Certificate evidencing such Note together with a duly completed Exchange Notice to the specified office of any Exchange Agent in accordance with Condition 7(h) whereupon the Chargor shall (subject as provided in these Conditions) transfer and deliver to or as directed by the relevant Noteholder of Ordinary Shares credited as paid up in full as provided in this Condition 7.

Subject to, and as provided in, these Conditions, the Exchange Right in respect of a Note may be exercised, at the option of the holder thereof, at any time subject to any applicable fiscal or other laws or regulations and as hereinafter provided in the following circumstances:

- (A) at any time where the Exchange Date falls during the period from (and including) 18 October 2023 to (but excluding) the earlier of:
  - (1) the date (inclusive) falling seven calendar days prior to the Final Maturity Date; and
  - (2) if such Note is to be redeemed pursuant to Condition 8(b) or Condition 8(c) prior to the Final Maturity Date, the date (inclusive) falling seven calendar days prior to the date fixed for redemption thereof;
- (B) at any time:
  - (1) following notice being given by the Issuer to Noteholders in accordance with Condition 18 that such Note is to be redeemed pursuant to Condition 8(b) or Condition 8(c) prior to the Final Maturity Date, provided that the relevant Exchange Date shall not fall later than the date (inclusive) falling seven calendar days prior to the date fixed for redemption thereof, unless there shall be default in making payment in respect of such Note on such date fixed for redemption, in which event the Exchange Right may be exercised up to the date (inclusive) on which the full amount of such payment becomes available for payment and notice of such availability has been duly given in accordance with Condition 18 or, if

earlier, the date (inclusive) falling seven calendar days prior to the Final Maturity Date;

- (2) in the case of any Cash Dividend where the Fair Market Value (on the date on which the terms of such Cash Dividend were first publicly announced by the Company) of such Cash Dividend per Ordinary Share is greater than 30 per cent. of the arithmetic mean of the Volume Weighted Average Price of an Ordinary Share on each Dealing Day during the 20 Dealing Day period ending on (and including) the Dealing Day immediately preceding such first public announcement as aforesaid, as notified by the Issuer to the Noteholders in accordance with Condition 18 no later than the third business day following the first date on which such Fair Market Value as aforesaid is determined pursuant to the definition thereof (or, where such Fair Market Value is determined pursuant to paragraph (d) of the definition thereof, no later than the 10<sup>th</sup> business day following the date of such first public announcement as aforesaid), provided that the relevant Exchange Date falls in the period from (and including) the date on which such notification is made to (but excluding) the later of: (x) the ex-date in respect of such Cash Dividend and (y) the 10<sup>th</sup> business day following the date on which such notification is made;
- (3) in the case of a Relevant Event, provided that the relevant Exchange Date falls during the Relevant Event Period; or
- (4) in the case of an Event of Default, provided that the relevant Exchange Date falls during the period from (and including) the date of the occurrence of the Event of Default up to (but excluding) the date which is 30 calendar days from the Acceleration Date, or if earlier the date the relevant Event of Default ceases to be continuing,

provided that, in each case, if such final date for the exercise of Exchange Rights is not a business day at the place aforesaid, then the period for exercise of Exchange Rights by Noteholders shall end on the immediately preceding business day at the place aforesaid. The period during which Exchange Rights may (subject as provided below) be exercised by a Noteholder is referred to as the “**Exchange Period**”.

Notwithstanding the foregoing, Noteholders exercising the Exchange Right prior to 28 November 2022 shall, as a pre-condition to receiving Ordinary Shares, be required to certify in the Exchange Notice, among other things, that it or, if it is a broker-dealer acting on behalf of a customer, such customer:

- (A) will, on exchange, become the beneficial owner of the Ordinary Shares; and
- (B) is located outside the United States (within the meaning of Regulation S under the U.S. Securities Act of 1933, as amended).

Exchange Rights in respect of a Note may not be exercised following the giving of a notice by the holder thereof pursuant to Condition 8(e) or Condition 8(f).

Save in the circumstances provided in Condition 7(j) in respect of any notice given by the Issuer pursuant to Conditions 8(b) or 8(c), Exchange Rights may not be exercised by a Noteholder in circumstances where the relevant Exchange Date would fall during the period commencing on the Record Date in respect of any payment of interest on the Notes and ending on the relevant Interest Payment Date (both days inclusive) (“**Closed Period (Exchange)**”).

Exchange Rights may only be exercised in respect of an authorised denomination.

The Chargor will on exercise of Exchange Rights transfer and deliver the relevant Ordinary Shares to the holder of the Notes completing the relevant Exchange Notice or its nominee. Such Ordinary Shares (other than Additional Ordinary Shares) will be deemed to be transferred and delivered as of the relevant Exchange Date. Any Additional Ordinary Shares to be transferred and delivered pursuant to Condition 7(c) will be deemed to be transferred and delivered as of the Reference Date.

- (ii) **Fractions:** Fractions of Ordinary Shares will not be transferred and delivered on exchange or pursuant to Condition 7(c) and no cash payment or other adjustment will be made in lieu thereof. However, if the Exchange Right in respect of more than one Note is exercised at any one time such that Ordinary Shares to be delivered on exchange or pursuant to Condition 7(c) are to be registered in the same name, the number of such Ordinary Shares to be transferred and delivered in respect thereof shall be calculated on the basis of the aggregate principal amount of such Notes being so exchanged and rounded down to the nearest whole number of Ordinary Shares.

(b) *Adjustment of Exchange Price*

Upon the happening of any of the events described below, the Exchange Price shall be adjusted as follows:

- (i) If and whenever there shall be a consolidation, reclassification, redesignation or subdivision in relation to the Ordinary Shares which alters the number of Ordinary Shares in issue, the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to such consolidation, reclassification, redesignation or subdivision by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate number of Ordinary Shares in issue immediately before such consolidation, reclassification, redesignation or subdivision, as the case may be; and

B is the aggregate number of Ordinary Shares in issue immediately after, and as a result of, such consolidation, reclassification, redesignation or subdivision, as the case may be.

Such adjustment shall become effective on the date on which the consolidation, reclassification, redesignation or subdivision, as the case may be, takes effect.

- (ii) If and whenever the Company shall issue any Ordinary Shares to Shareholders credited as fully paid by way of capitalisation of profits or reserves (including any amount of any share premium account or capital redemption reserve) other than where it is determined to constitute a Dividend, the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to such issue by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate number of Ordinary Shares in issue immediately before such issue; and

B is the aggregate number of Ordinary Shares in issue immediately after such issue.

Such adjustment shall become effective on the date of issue of such Ordinary Shares.

- (iii) If and whenever the Company shall pay or make any Dividend to the Shareholders, the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the Effective Date; and
- B is the portion of the Fair Market Value of the aggregate Dividend attributable to one Ordinary Share, with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Ordinary Shares entitled to receive the relevant Dividend (or, in the case of a purchase, redemption or buy back of Ordinary Shares or any depositary or other receipts or certificates representing Ordinary Shares by or on behalf of the Company or any of its Subsidiaries, by the number of Ordinary Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Ordinary Shares, or any Ordinary Shares represented by depositary or other receipts or certificates, purchased, redeemed or bought back).

Such adjustment shall become effective on the Effective Date or, if later, the first date upon which the Fair Market Value of the relevant Dividend is capable of being determined as provided herein.

“**Effective Date**” means, in respect of this Condition 7(b)(iii), the first date on which the Ordinary Shares are traded ex-the relevant Dividend on the Relevant Stock Exchange or, in the case of a purchase, redemption or buy back of Ordinary Shares or any depositary or other receipts or certificates representing Ordinary Shares, the date on which such purchase, redemption or buy back is made or in the case of a Spin-Off, the first date on which the Ordinary Shares are traded ex- the relevant Spin-Off on the Relevant Stock Exchange.

For the purposes of the above, Fair Market Value shall (subject as provided in paragraph (a) of the definition of “Dividend” and in the definition of “Fair Market Value”) be determined as at the Effective Date.

In making any calculations for the purposes of this Condition 7(b)(iii), such adjustments (if any) shall be made as an Independent Adviser may determine in good faith to be appropriate to reflect (A) any consolidation or sub-division of any Ordinary Shares or the issue of Ordinary Shares by way of capitalisation of profits or reserves (or any like or similar event) or any increase in the number of Ordinary Shares in issue in relation to the Relevant Period in question, or (B) any adjustment to the Exchange Price made in the Relevant Period in question.

“**Relevant Period**” means the period of 12 months commencing on, and including, the Closing Date and ending on, but excluding, the date falling 12 months after the Closing Date, and each successive period commencing on, and including, the last day of the preceding Relevant Period and ending on, but excluding, the date falling 12 months thereafter, provided that the final Relevant Period shall commence on (and include) the fourth anniversary of the Closing Date and end on, but exclude, the Final Maturity Date.

- (iv) If and whenever the Company or any of its Subsidiaries or (at the direction or request or pursuant to any arrangements with the Company or any of its Subsidiaries) any other company, person or

entity shall issue any Ordinary Shares to Shareholders as a class by way of rights, or shall issue or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase or otherwise acquire Ordinary Shares or any Securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire any Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued), in each case at a price per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the terms of the issue or grant, the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue on the Effective Date;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares issued by way of rights or for the Securities issued by way of rights and upon exercise of rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, Ordinary Shares, or for the options or warrants or other rights issued by way of rights and for the total number of Ordinary Shares deliverable on the exercise thereof, would purchase at such Current Market Price per Ordinary Share; and
- C is the number of Ordinary Shares to be issued or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase (or other rights of acquisition) in respect thereof at the initial conversion, exchange, subscription, purchase or acquisition price or rate;

provided that if at the first date on which the Ordinary Shares are traded ex-rights, ex-options or ex-warrants on the Relevant Stock Exchange (as used in this Condition 7(b)(iv), the “**Specified Date**”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this Condition 7(b)(iv), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date (or, if later, the Dealing Day following the record date or other due date for establishment of the entitlement of Shareholders to participate in the relevant issue or grant).

“**Effective Date**” means, in respect of this Condition 7(b)(iv), the first date on which the Ordinary Shares are traded ex-rights, ex-options or ex-warrants on the Relevant Stock Exchange.

- (v) If and whenever the Company or any of its Subsidiaries or (at the direction or request or pursuant to any arrangements with the Company or any of its Subsidiaries) any other company, person or entity shall issue any Securities (other than Ordinary Shares or options, warrants or other rights

to subscribe for, purchase or otherwise acquire any Ordinary Shares or Securities which by their terms carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or rights to otherwise acquire, Ordinary Shares) to Shareholders as a class by way of rights or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for, purchase or otherwise acquire any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Ordinary Shares or Securities which by their terms carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or rights to otherwise acquire, Ordinary Shares), the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price of one Ordinary Share on the Effective Date; and

B is the Fair Market Value on the Effective Date of the portion of the rights attributable to one Ordinary Share.

Such adjustment shall become effective on the Effective Date (or, if later, the Dealing Day following the record date or other due date for establishment of the entitlement of Shareholders to participate in the relevant issue or grant).

“**Effective Date**” means, in respect of this Condition 7(b)(v), the first date on which the Ordinary Shares are traded ex- the relevant Securities or ex-rights, ex-options or ex-warrants on the Relevant Stock Exchange.

- (vi) If and whenever the Company shall issue wholly for cash or for no consideration (otherwise than as mentioned in Condition 7(b)(iv) above and save in relation to an issue of Ordinary Shares pursuant to the DRP where the Exchange Price has been adjusted for pursuant to Condition 7(b)(iii)), any Ordinary Shares (other than Ordinary Shares issued on exchange of the Notes (which term shall for this purpose include any further Notes issued pursuant to Condition 19) or on the exercise of any rights of conversion into, or exchange or subscription for or purchase of or rights to otherwise acquire, Ordinary Shares) and other than where it is determined to constitute a Dividend pursuant to paragraph (a) of the definition of “Dividend” or if and whenever the Company or any of its Subsidiaries or (at the direction or request or pursuant to any arrangements with the Company or any of its Subsidiaries) any other company, person or entity shall issue or grant (otherwise than as mentioned in Condition 7(b)(iv) above) wholly for cash or for no consideration any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares (other than the Notes, which term shall for this purpose include any further Notes issued pursuant to Condition 19), in each case at a price per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the terms of such issue or grant, the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:



- A is the number of Ordinary Shares in issue immediately before the issue of such Ordinary Shares or the grant of such options, warrants or rights;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the issue of such Ordinary Shares or, as the case may be, for the Ordinary Shares to be issued or otherwise made available upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price per Ordinary Share; and
- C is the number of Ordinary Shares to be issued pursuant to such issue of such Ordinary Shares or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights;

provided that if at the time of issue or grant of such options, warrants or rights (as used in this Condition 7(b)(vi), the “**Specified Date**”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this Condition 7(b)(vi), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 7(b)(vi), the date of issue of such Ordinary Shares or, as the case may be, the issue or grant of such options, warrants or rights.

- (vii) If and whenever the Company or any of its Subsidiaries or (at the direction or request of or pursuant to any arrangements with the Company or any of its Subsidiaries) any other company, person or entity (otherwise than as mentioned in Conditions 7(b)(iv), 7(b)(v) or 7(b)(vi) above and save in relation to an issue of Ordinary Shares pursuant to the DRP where the Exchange Price has been adjusted for pursuant to Condition 7(b)(iii)) shall issue wholly for cash or for no consideration any Securities (other than the Notes which term shall for this purpose exclude any further Notes issued pursuant to Condition 19), which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, purchase of, or rights to otherwise acquire, Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued) or Securities which by their terms might be reclassified or redesignated as Ordinary Shares and the consideration per Ordinary Share receivable upon conversion, exchange, subscription, purchase, acquisition reclassification or redesignation is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the terms of issue of such Securities (or the terms of such grant), the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue on the date immediately before such issue or grant (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for Ordinary Shares which have been issued, purchased or acquired by the Company or any of its Subsidiaries (or at the direction or request or

pursuant to any arrangements with the Company or any of its Subsidiaries) for the purposes of or in connection with such issue, less the number of such Ordinary Shares so issued, purchased or acquired);

B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to such Securities or, as the case may be, for the Ordinary Shares to be issued or to arise from any such reclassification or redesignation would purchase at such Current Market Price per Ordinary Share; and

C is the maximum number of Ordinary Shares to be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such right of subscription, purchase or acquisition attached thereto at the initial conversion, exchange, subscription, purchase or acquisition price or rate or, as the case may be, the maximum number of Ordinary Shares which may be issued or arise from any such reclassification or redesignation,

provided that if at the time of issue of the relevant Securities or date of grant of such rights (as used in this Condition 7(b)(vii), the “**Specified Date**”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or, as the case may be, such Securities are reclassified or redesignated or at such other time as may be provided), then for the purposes of this Condition 7(b)(vii), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition, reclassification or, as the case may be, redesignation had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 7(b)(vii), the date of issue of such Securities or, as the case may be, the grant of such rights.

(viii) If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any Securities (other than the Notes which shall for this purpose include any further Notes issued pursuant to Condition 19) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Ordinary Shares (other than in accordance with the terms (including terms as to adjustment) applicable to such Securities upon issue) so that following such modification the consideration per Ordinary Share receivable has been reduced and is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the proposals for such modification, the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue immediately before such modification (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for, or purchase or acquisition of, Ordinary Shares which have been issued, purchased or acquired by the Company or any of its Subsidiaries (or at the direction or request or pursuant to any arrangements with the Company or any of its Subsidiaries) for the purposes of or in connection with such Securities, less the number of such Ordinary Shares so issued, purchased or acquired);
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to the Securities so modified would purchase at such Current Market Price per Ordinary Share on the date of such first public announcement or, if lower, the existing conversion, exchange, subscription, purchase or acquisition price of such Securities; and
- C is the maximum number of Ordinary Shares which may be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such rights of subscription, purchase or acquisition attached thereto at the modified conversion, exchange, subscription, purchase or acquisition price or rate but giving credit in such manner as an Independent Adviser shall consider appropriate for any previous adjustment under this Condition 7(b)(viii) or under Condition 7(b)(vii) above,

provided that if at the time of such modification (as used in this Condition 7(b)(viii), the “**Specified Date**”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or at such other time as may be provided) then for the purposes of this Condition 7(b)(viii), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 7(b)(viii), the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such Securities.

- (ix) Subject to Condition 7(e), if and whenever the Company or any of its Subsidiaries or (at the direction or request of or pursuant to any arrangements with the Company or any of its Subsidiaries) any other company, person or entity shall offer any Ordinary Shares or Securities of the Company in connection with which Shareholders as a class are entitled to participate in arrangements whereby such Ordinary Shares or Securities may be acquired by them (except where the Exchange Price falls to be adjusted under Conditions 7(b)(ii), 7(b)(iii), 7(b)(iv), 7(b)(v), 7(b)(vi) or 7(b)(vii) above or 7(b)(x) below (or, where applicable, would fall to be so adjusted if the relevant issue or grant was at less than 95 per cent. of the Current Market Price per Ordinary Share on the relevant day)) the Exchange Price shall be adjusted by multiplying the Exchange Price in force immediately before the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the Effective Date; and
- B is the Fair Market Value on the Effective Date of the portion of the relevant offer attributable to one Ordinary Share.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 7(b)(ix), the first date on which the Ordinary Shares are traded ex-rights on the Relevant Stock Exchange.

- (x) If a Company Relevant Event shall occur, the Issuer shall deliver a Relevant Event Notice in accordance with Condition 7(g). Following the giving of a Relevant Event Notice in relation to a Company Relevant Event, upon any exercise of Exchange Rights where the Exchange Date falls during the period (the “**Company Relevant Event Period**”) commencing on the occurrence of the Company Relevant Event and ending 30 calendar days following the occurrence of such Company Relevant Event or, if later, 30 calendar days following the date on which a Relevant Event Notice as required by Condition 7(g) is given, the Exchange Price (the “**Company Relevant Event Exchange Price**”) shall be as determined pursuant to the following formula:

$$NEP = OEP / (1 + (EP \times c/t))$$

where:

- NEP = means the Company Relevant Event Exchange Price
- OEP = means the Exchange Price in effect on the relevant Exchange Date, disregarding the application of this Condition 7(b)(x)
- EP = means 30.000 per cent. (expressed as a fraction)
- c = means the number of days from and including the date the Company Relevant Event occurs to but excluding the Final Maturity Date
- t = means the number of days from and including the Closing Date to but excluding the Final Maturity Date

- (xi) If the Issuer determines that an adjustment should be made to the Exchange Price as a result of one or more circumstances not referred to above in this Condition 7(b), the Issuer shall, at its own expense and acting reasonably, request an Independent Adviser to determine as soon as practicable what adjustment (if any) to the Exchange Price is fair and reasonable to take account thereof and the date on which such adjustment should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that an adjustment shall only be made pursuant to this Condition 7(b)(xi) if such Independent Adviser is so requested to make such a determination not more than 21 days after the date on which the relevant circumstance arises and if the adjustment would result in a reduction to the Exchange Price.

Notwithstanding the foregoing provisions, where:

- (A) the events or circumstances giving rise to any adjustment pursuant to this Condition 7(b) have already resulted or will result in an adjustment to the Exchange Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Exchange Price or where more than one event which gives rise to an adjustment to the Exchange Price occurs within such a short period of time that, in the opinion of the Issuer, a modification to the operation of the adjustment

provisions is required to give the intended result, such modification shall be made to the operation of the adjustment provisions as may be advised by an Independent Adviser to be in its opinion appropriate to give the intended result; and

- (B) such modification shall be made to the operation of these Conditions as may be advised by an Independent Adviser to be in its opinion appropriate:
  - (1) to ensure that an adjustment to the Exchange Price or the economic effect thereof shall not be taken into account more than once; and
  - (2) to ensure that the economic effect of a Dividend is not taken into account more than once.

Each of the Issuer and the Chargor has undertaken that it will not take any corporate or other action which is equivalent to Conditions 7(b)(i) to 7(b)(x) (both inclusive) that would cause the Exchange Price of the Notes to be adjusted in a manner that contravenes the Corporations Act or the ASX Listing Rules.

For the purpose of any calculation of the consideration receivable or price pursuant to Conditions 7(b)(iv), 7(b)(vi), 7(b)(vii) and 7(b)(viii), the following provisions shall apply:

- (A) the aggregate consideration receivable or price for Ordinary Shares issued for cash shall be the amount of such cash;
- (B)
  - (1) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the conversion or exchange of any Securities shall be the consideration or price received or receivable for any such Securities and
  - (2) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the exercise of rights of subscription attached to any Securities or upon the exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price received or receivable for such Securities or, as the case may be, for such options, warrants or rights which are attributed by the Issuer to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as at as at the relevant Effective Date referred to in Condition 7(b)(iv) or the relevant date of the first public announcement as referred to in Conditions 7(b)(vi), 7(b)(vii) or 7(b)(viii), as the case may be, plus in the case of each of (1) and (2) above, the additional minimum consideration receivable or price (if any) upon the conversion or exchange of such Securities, or upon the exercise of such rights of subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights and
  - (3) the consideration receivable or price per Ordinary Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such Securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price referred to in (1) or (2) above (as the case may be) divided by the number of Ordinary Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate;
- (C) if the consideration or price determined pursuant to (a) or (b) above (or any component thereof) shall be expressed in a currency other than the Relevant Currency it shall be converted into the Relevant Currency at the Prevailing Rate on the relevant Effective Date (in the case of paragraph

- (a) above or for the purposes of Condition 7(b)(iv)) or the relevant date of first public announcement (for the purposes of Conditions 7(b)(vi), 7(b)(vii) or 7(b)(viii));
- (D) in determining consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Ordinary Shares or Securities or options, warrants or rights, or otherwise in connection therewith; and
- (E) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Issuer or another entity.

(c) *Retroactive Adjustments*

If the Exchange Date in relation to the exchange of any Note shall be after the record date in respect of any consolidation, reclassification, redesignation or sub-division as is mentioned in Condition 7(b)(i), or after the record date or other due date for the establishment of entitlement for any such issue, distribution, grant or offer (as the case may be) as is mentioned in Conditions 7(b)(ii), 7(b)(iii), 7(b)(iv), 7(b)(v) or 7(b)(ix), or after the date of the first public announcement of the terms of any such issue or grant as is mentioned in Conditions 7(b)(vi) and 7(b)(vii) or of the terms of any such modification as is mentioned in Condition 7(b)(viii), but before the relevant adjustment to the Exchange Price becomes effective under Condition 7(b) (such adjustment, a “**Retroactive Adjustment**”), then the Chargor shall (conditional upon the relevant adjustment becoming effective) transfer and deliver to the exchanging Noteholder, in accordance with the instructions contained in the Exchange Notice, such additional number of Ordinary Shares (if any) as determined by an Independent Adviser (the “**Additional Ordinary Shares**”) as, together with the Ordinary Shares to be transferred and delivered on exchange of the relevant Note (together with any fraction of an Ordinary Share not so transferred or delivered), is equal to the number of Ordinary Shares which would have been required to be delivered on exchange of such Note as if the relevant adjustment to the Exchange Price had in fact been made and become effective immediately prior to the relevant Exchange Date.

(d) *Decision of an Independent Adviser*

If any doubt shall arise as to whether an adjustment falls to be made to the Exchange Price or as to the appropriate adjustment to the Exchange Price or as to the occurrence of a Company Relevant Event, the Issuer shall consult an Independent Adviser and the written opinion of such Independent Adviser acting in good faith in respect of such adjustment to the Exchange Price shall be conclusive and binding on all parties, save in the case of manifest or proven error.

(e) *Employees Incentive Schemes*

No adjustment will be made to the Exchange Price where Ordinary Shares or other Securities (including rights, warrants and options) are issued, transferred, offered, exercised, allotted, purchased, appropriated, modified or granted pursuant to any Employee Share Scheme.

“**Employee Share Scheme**” means any scheme (from time to time) approved by the Company (where such approval is required by law, regulation or the ASX Listing Rules) and in compliance with the requirements of the ASX Listing Rules (or if applicable, the Alternative Stock Exchange) pursuant to which Ordinary Shares or other securities or instruments (including rights, warrants, awards or options) are or may be issued, transferred, offered, exercised, allotted, purchased, appropriated, modified or granted to, or for the benefit of, employees or former employees (including directors holding or formerly holding executive office or the personal service company of any such person) of the Company, its Subsidiaries and/or affiliated companies, or spouses or persons related to such employees or former

employees or eligible participants of such scheme or to a trustee or trustees to be held for the benefit of any such person or any amendment or successor plan thereto.

(f) *Rounding Down and Notice of Adjustment to the Exchange Price*

On any adjustment to the Exchange Price, the resultant Exchange Price, if not an integral multiple of A\$0.001, shall be rounded down to the nearest whole multiple of A\$0.001. No adjustment shall be made to the Exchange Price where such adjustment (rounded down if applicable) would be less than one per cent. of the Exchange Price then in effect. Any adjustment not required to be made, and/or any amount by which the Exchange Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

Notice of any adjustments to the Exchange Price shall be given by the Issuer to Noteholders in accordance with Condition 18 and to the Note Trustee and the Principal Paying and Exchange Agent in writing promptly after the determination thereof.

The Exchange Price shall not in any event be reduced so that on exchange of the Notes, Ordinary Shares would fall to be issued in circumstances not permitted by applicable laws or regulations.

Each of the Issuer and the Chargor undertakes that it shall not take any action, and shall procure that no action is taken, that would otherwise result in an adjustment to the Exchange Price to below such nominal value or any minimum level permitted by applicable laws or regulations or that would otherwise result in the inability of the Chargor to transfer and deliver Ordinary Shares on exchange or result in Ordinary Shares being required to be transferred and delivered in circumstances not permitted by applicable laws or regulations.

No adjustment involving an increase in the Exchange Price will be made, except in the case of a consolidation of the Ordinary Shares as referred to in Condition 7(b)(i) above. The Issuer may at any time and for a specified period only, following notice being given to the Note Trustee and the Principal Paying and Exchange Agent in writing and to Noteholders in accordance with Condition 18, reduce the Exchange Price.

(g) *Relevant Event Notice*

Within five calendar days following the occurrence of a Relevant Event, the Issuer shall give notice thereof to the Note Trustee and the Principal Paying and Exchange Agent in writing and to the Noteholders in accordance with Condition 18 (a “**Relevant Event Notice**”). Such notice shall contain a statement informing Noteholders of their entitlement to exercise their Exchange Rights as provided in these Conditions and their entitlement to require the Issuer to redeem their Notes as provided in Condition 8(f).

The Relevant Event Notice shall also specify:

- (i) all information material to Noteholders concerning the Relevant Event;
- (ii) the Exchange Price immediately prior to the occurrence of the Relevant Event and the Company Relevant Event Exchange Price applicable pursuant to Condition 7(b)(x) during the Company Relevant Event Period (on the basis of the Exchange Price in effect immediately prior to the occurrence of the Company Relevant Event);
- (iii) the Closing Price of the Ordinary Shares as derived from the Relevant Stock Exchange as at the latest practicable date prior to the publication of the Relevant Event Notice;

- (iv) the Relevant Event Redemption Date, the last day of the Company Relevant Event Period and the last day of the Relevant Event Period;
- (v) details of the right of the Issuer to redeem any Notes which shall not previously have been exchanged or redeemed pursuant to Condition 8(f); and
- (vi) such other information relating to the Relevant Event as the Note Trustee may require.

None of the Trustees or the Agents shall be required to take any steps to ascertain whether a Relevant Event or any event which could lead to a Relevant Event has occurred or may occur and none of them will be responsible or liable to Noteholders or any other person for any loss arising from any failure by it to do so.

(h) *Procedure for exercise of Exchange Rights*

Exchange Rights may be exercised by a Noteholder during the Exchange Period by delivering the relevant Note to the specified office of the Principal Paying and Exchange Agent or any other Exchange Agent, during its usual business hours (being between 9:00 a.m. and 3:00 p.m. on a business day in the place of its specified office), accompanied by a duly completed and signed notice of exchange in the form (for the time being current) obtainable from any Exchange Agent (an “**Exchange Notice**”). Exchange Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Exchange Agent to whom the relevant Exchange Notice is delivered is located. If such delivery is made after 3:00 p.m. (local time) or on a day which is not a business day in the place of the specified office of the relevant Exchange Agent, such delivery shall be deemed for all purposes of these Conditions to have been made on the next following such business day.

Any determination as to whether any Exchange Notice has been duly completed and properly delivered shall be made by the relevant Exchange Agent and shall, save in the case of manifest or proven error, be conclusive and binding on the Issuer, the Chargor, the Trustees, the other Exchange Agents and the relevant Noteholder.

Exchange Rights may only be exercised in respect of an authorised denomination. Where Exchange Rights are exercised in respect of part only of a Note, the old Certificate evidencing such Note shall be cancelled and a new Certificate evidencing such Note and appropriate entries made in the Register for the balance thereof shall be issued in lieu thereof without charge but upon payment by the holder of any taxes, duties and other governmental charges payable in connection therewith and the Registrar will within seven business days, in the place of the specified office of the Registrar, following the relevant Exchange Date deliver the new Certificate evidencing such Note to the Noteholder at the specified office of the Registrar or (at the risk and, if mailed at the request of the Noteholder otherwise than by ordinary mail, at the expense of the Noteholder) mail the Certificate evidencing such new Note by uninsured mail to such address as the Noteholder may request.

An Exchange Notice, once delivered, shall be irrevocable.

The exchange date in respect of a Note (the “**Exchange Date**”) shall be the second Sydney business day following the date of the delivery of the Notes and the duly completed Exchange Notice as provided in this Condition 7(h).

A Noteholder exercising an Exchange Right:

- (i) shall, subject to Condition 7(h)(ii) and Condition 10 below, be responsible for paying directly to the relevant authorities any taxes and capital, stamp, issue and registration and transfer taxes and duties arising on exchange and such Noteholder shall be responsible for paying all, if any, taxes



arising by reference to any disposal or deemed disposal of a Note or interest therein in connection with such exchange; but

- (ii) shall not be responsible for any taxes or capital, stamp, issue and registration and transfer taxes and duties payable in Australia (or any province, state or territory thereof) in respect of the transfer and delivery of any Ordinary Shares by the Chargor on such exchange (including any Additional Ordinary Shares), which shall be paid by the Chargor directly to the relevant authorities. If the Chargor fails to pay any taxes and capital, stamp, issue and registration and transfer taxes and duties payable for which it is responsible as provided above, the relevant holder shall be entitled to tender and pay the same and the Issuer, as a separate and independent stipulation, covenants to reimburse and indemnify each Noteholder in respect of any payment thereof and any interest and penalties payable in respect thereof.

For the avoidance of doubt, none of the Agents or the Trustees shall be responsible for determining whether such taxes or capital, stamp, issue and registration and transfer taxes and duties are payable or the amount thereof and none of them shall be responsible or liable to any person to pay any such taxes or capital, stamp, issue and registration and transfer taxes and duties or for any failure by the Issuer, the Chargor or any Noteholder to pay such taxes or capital, stamp, issue and registration and transfer taxes and duties.

On the Exchange Date, the Chargor, acting as principal, shall deliver (or procure the delivery, as the case may be) to each relevant Noteholder that has exercised its Exchange Rights (or to such other person as such Noteholder may direct in the Exchange Notice, provided that such person is a person to whom a transfer of the Notes could be made in compliance with Condition 5) the number of Ordinary Shares for its Notes calculated in accordance with these Conditions.

Ordinary Shares transferred and delivered by the Chargor on exercise of Exchange Rights (including any Additional Ordinary Shares, if any) will be transferred and delivered, at the option of the Noteholder exercising its Exchange Right as specified in the Exchange Notice, either:

- (A) in uncertificated form through the securities trading system known as the Clearing House Electronic Sub-register System operated by ASX Settlement Pty Ltd (“**CHES**S”) (or any successor licensed clearance and settlement facility applicable to the Ordinary Shares), or
- (B) in uncertificated form through the Company’s share registry provider,

and in the case of (A), the Ordinary Shares will be credited to the CHES S account specified in the Exchange Notice, or in the case of (B) the Ordinary Shares will be credited to an account with the share registry provider in the name of the Noteholder or its nominee as specified in the relevant Exchange Notice, in each case by a date which is generally expected to be not later than four Sydney business days after the relevant Exchange Date.

If Ordinary Shares are transferred or delivered on exchange within 12 months of the date of issue of the Notes, the Issuer shall, and shall procure that the Company will, contemporaneously with or within five business days after the transfer and delivery of those Ordinary Shares, lodge a cleansing statement in accordance with section 708A(6) of the Corporations Act (as modified by ASIC Corporations (Sale Offers By Controllers) Instrument 2016/81) on ASX.

Each of the Issuer and the Chargor represents and warrants to the person to whom the Ordinary Shares in question are delivered on Exchange (“**Recipient**”) that:

- (1) the Ordinary Shares transferred and delivered by the Chargor on exchange are transferred and delivered solely for the purpose of satisfying the Chargor’s contractual obligations under the

terms of the Notes and not for the purpose of the person to whom those Ordinary Shares are transferred and delivered, selling or transferring the Ordinary Shares or granting, issuing or transferring an interest in, or options over, them;

- (2) the Ordinary Shares transferred and delivered by the Chargor on exchange of Notes are freely tradable in the ordinary course on the ASX or the Alternative Stock Exchange (as applicable); and
- (3) an offer for sale of the Ordinary Shares transferred or delivered by the Chargor on exchange for sale within 12 months after their transfer or delivery will not contravene section 707 of the Corporations Act nor require disclosure under Part 6D.2 of the Corporations Act.

(i) *Ordinary Shares*

Ordinary Shares (including any Additional Ordinary Shares, if any) transferred and delivered by the Chargor upon exchange of the Notes will be fully paid and will in all respects rank *pari passu* with the fully paid Ordinary Shares in issue on the relevant Exchange Date or, in the case of Additional Ordinary Shares, on the relevant Reference Date, and the relevant holder shall be entitled to all rights, distributions or payments the record date or other due date for the establishment of entitlement for which falls on or after the relevant Exchange Date, or as the case may be, the relevant Reference Date, except in any such case for any right excluded by mandatory provisions of applicable law or as otherwise may be provided in these Conditions. Such Ordinary Shares or, as the case may be, Additional Ordinary Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the record date or other due date for the establishment of entitlement for which falls prior to the relevant Exchange Date or, as the case may be, the relevant Reference Date.

(j) *Interest on Exchange*

Save as provided below, no payment or adjustment shall be made on exercise of Exchange Rights for any interest which otherwise would have accrued on the relevant Notes since the last Interest Payment Date preceding the Exchange Date relating to such Notes (or, if such Exchange Date falls before the first Interest Payment Date, since the Closing Date).

If any notice requiring the redemption of any Notes is given pursuant to Conditions 8(b) or 8(c) on or after the 15<sup>th</sup> calendar day prior to a record date or other due date for establishment of entitlement which has occurred since the last Interest Payment Date (or in the case of the first Interest Period, since the Closing Date) and where such notice specifies a date for redemption falling on or prior to the date which is 14 days after the Interest Payment Date next following such record date or other due date for establishment of entitlement, interest shall accrue at the applicable Interest Rate on Notes in respect of which Exchange Rights shall have been exercised and in respect of which the Exchange Date falls after such record date and on or prior to the Interest Payment Date next following such record date or other due date for establishment of entitlement and on or prior to the Interest Payment Date next following such record date in respect of such Dividend or distribution, in each case from and including the preceding Interest Payment Date (or, if such Exchange Date falls before the first Interest Payment Date, from the Closing Date) to but excluding such Exchange Date. The Issuer shall pay any such interest by not later than 14 days after the relevant Exchange Date by transfer to, an Australian Dollar account with a bank in Sydney in accordance with instructions given by the relevant Noteholder in the relevant Exchange Notice.

(k) *No duty to Monitor*

Neither the Trustees nor the Agents shall be under any duty to monitor whether any event or circumstance has happened or exists which may require an adjustment to be made to the Exchange Price and none of

them will be responsible or liable to the Noteholders or any other person for any loss arising from any failure by it to do so.

Neither the Trustees nor the Agents shall be under any duty to determine, calculate or verify the Exchange Price and/or any adjustments to it and/or any determinations, advice or opinions made or given in connection with the Exchange Price and/or any adjustments to it, and none of them will be responsible or liable to the Noteholders or any other person for any loss arising from any failure by it to do so.

## 8 Redemption and Purchase

### (a) *Final Redemption*

Unless previously purchased and cancelled, redeemed or exchanged as herein provided, the Notes will be redeemed at their principal amount on the Final Maturity Date. The Notes may only be redeemed at the option of the Issuer prior to the Final Maturity Date in accordance with Conditions 8(b) or 8(c).

### (b) *Redemption at the Option of the Issuer*

On giving not less than 30 nor more than 60 calendar days' notice (an "**Optional Redemption Notice**") to the Noteholders in accordance with Condition 18 and to the Note Trustee and the Principal Paying and Exchange Agent in writing (which notice shall be irrevocable), the Issuer may redeem all but not some only of the Notes on any date (an "**Optional Redemption Date**") specified in the Optional Redemption Notice at their principal amount, together with accrued but unpaid interest to but excluding such date if, at any time prior to the date the relevant Optional Redemption Notice is given, Exchange Rights shall have been exercised and/or purchases (and corresponding cancellations) and/or redemptions effected in respect of 85 per cent. or more in principal amount of the Notes originally issued (which shall for this purpose include any further Notes issued pursuant to Condition 19 and consolidated and forming a single series with the Notes).

### (c) *Redemption for Taxation Reasons*

At any time the Issuer may, having given not less than 30 nor more than 60 calendar days' notice (a "**Tax Redemption Notice**") to the Noteholders in accordance with Condition 18 and to the Note Trustee and the Principal Paying and Exchange Agent in writing (which notice shall be irrevocable) redeem (subject to the last paragraph of this Condition 8(c)) all but not some only, of the Notes on the date (the "**Tax Redemption Date**") specified in the Tax Redemption Notice at their principal amount, together with accrued but unpaid interest to but excluding such date, if:

- (i) the Issuer satisfies the Note Trustee immediately prior to the giving of such notice that the Issuer has or will become obliged to pay additional amounts in respect of payments on the Notes pursuant to Condition 10 as a result of any change in, or amendment to, the laws or regulations of the Commonwealth of Australia or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 7 October 2022; and
- (ii) the Issuer would still be obliged to pay such additional amounts after taking reasonable measures available to it,

provided that no such Tax Redemption Notice shall be given earlier than 90 calendar days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any Tax Redemption Notice pursuant to this Condition 8(c), the Issuer shall deliver to the Note Trustee (x) a certificate signed by two Directors of

the Issuer, each of whom are also Authorised Signatories of the Issuer, stating that the Issuer would still be obliged to pay such additional amounts after taking reasonable measures available to it and (y) an opinion of independent legal or tax advisers of recognised international standing, addressed to and in a form satisfactory to the Note Trustee, to the effect that such change or amendment has occurred and that the Issuer has or will be obliged to pay such additional amounts as a result thereof (irrespective of whether such amendment or change is then effective) and the Note Trustee may accept without any liability to any person for so doing such certificate and opinion as sufficient evidence of the matters set out in (i) and (ii) above of this Condition 8(b), in which event the same shall be conclusive and binding on the Noteholders.

On the Tax Redemption Date, the Issuer shall (subject to the next following paragraph) redeem the Notes at their principal amount, together with accrued interest to but excluding such date.

If the Issuer gives a Tax Redemption Notice, each Noteholder will have the right to elect that the holder's Note(s) shall not be redeemed and that the provisions of Condition 10 shall not apply in respect of any payment of interest to be made on such Note(s) which falls due after the relevant Tax Redemption Date whereupon no additional amounts shall be payable in respect thereof pursuant to Condition 10 and payment of all amounts of interest on the Notes shall be made subject to the deduction or withholding of the taxation required to be withheld or deducted by the Commonwealth of Australia or any political subdivision or any authority thereof or therein having power to tax. To exercise such right, the holder of the relevant Note must complete, sign and deposit at the specified office of the Principal Paying and Exchange Agent or any other Paying Agent a duly completed and signed notice of election, in the form for the time being current, obtainable from the specified office of the Principal Paying and Exchange Agent or any other Paying Agent together with the relevant Certificate evidencing such Notes on or before the day falling 10 calendar days prior to the Tax Redemption Date.

*(d) Optional Redemption Notices and Tax Redemption Notices*

The Issuer shall not give an Optional Redemption Notice or a Tax Redemption Notice at any time:

- (i) during a Relevant Event Period; or
- (ii) which specifies a date for redemption falling in a Relevant Event Period or the period of 21 calendar days following the end of a Relevant Event Period (whether or not the relevant notice was given prior to or during such Relevant Event Period), and any such Optional Redemption Notice or Tax Redemption Notice shall be invalid and of no effect (whether or not given prior to the relevant Relevant Event Period) and the relevant redemption shall not be made.

Any Optional Redemption Notice or Tax Redemption Notice shall be irrevocable. Any such notice shall specify:

- (A) the Optional Redemption Date or, as the case may be, the Tax Redemption Date which shall be a London and Sydney business day;
- (B) the Exchange Price, the aggregate principal amount of the Notes outstanding and the Closing Price of the Ordinary Shares, in each case as at the latest practicable date prior to the publication of the Optional Redemption Notice or, as the case may be, the Tax Redemption Notice; and
- (C) the last day on which Exchange Rights may be exercised by Noteholders.

*(e) Redemption at the Option of Noteholders*

The Issuer will, at the option of the holder of any Note redeem all or some only of such holder's Notes on 18 October 2025 (the "**Put Option Date**") at their principal amount, together with interest accrued

to but excluding the Put Option Date. To exercise such option, the holder must deposit at the specified office of the Principal Paying and Exchange Agent or any other Paying Agent a duly completed and signed put notice in the form for the time being current, obtainable from the specified office of the Principal Paying and Exchange Agent (the “**Optional Put Exercise Notice**”) or any other Paying Agent, together with the Certificate evidencing the Notes to be redeemed not more than 60 calendar days and not less than 30 calendar days prior to the Put Option Date. An Optional Put Exercise Notice, once delivered, shall be irrevocable and may not be withdrawn without the Issuer’s consent and the Issuer shall redeem the Notes the subject of an Optional Put Exercise Notice on the Put Option Date.

Payment in respect of any such Note shall be made by transfer to an Australian Dollar account with a bank in Sydney as specified by the relevant Noteholder in the relevant Optional Put Exercise Notice.

(f) *Redemption for a Relevant Event*

Following the occurrence of a Relevant Event, the holder of each Note will have the right at such holder’s option to require the Issuer to redeem all or some only of that holder’s Notes on the Relevant Event Redemption Date (as defined below) at their principal amount, together with accrued interest to but excluding the Relevant Event Redemption Date. To exercise such right, the holder of the relevant Note must complete, sign and deposit at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of any Paying Agent (a “**Relevant Event Redemption Notice**”) together with the Certificate evidencing the Notes to be redeemed by not later than 60 calendar days following a Relevant Event, or, if later, 60 calendar days following the date upon which notice thereof is given to Noteholders by the Issuer in accordance with Condition 18 (such period of 60 calendar days, the “**Relevant Event Period**”). The “**Relevant Event Redemption Date**” shall be the 14<sup>th</sup> day after the expiry of the Relevant Event Period.

A Relevant Event Redemption Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Notes the subject of Relevant Event Redemption Notices delivered as aforesaid on the Relevant Event Redemption Date.

The Issuer shall give notice to the Noteholders in accordance with Condition 7(g).

None of the Trustees or the Agents shall be required to take any steps to ascertain whether a Relevant Event or any event which could lead to the occurrence of a Relevant Event has occurred or may occur and none of them shall be liable to Noteholders or any other person for any loss arising from any failure to do so.

(g) *Purchase*

Subject to the requirements (if any) of any stock exchange on which the Notes may be admitted to listing and trading at the relevant time and subject to compliance with applicable laws and regulations, the Issuer or any Subsidiary of the Issuer may at any time purchase some or all of the Notes in the open market, by private contract or otherwise at any price. The Notes so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for certain purposes, including without limitation for the purpose of calculating quorums at meetings of the Noteholders or for the purposes of Condition 11, Condition 15(a) and Condition 16.

(h) *Cancellation*

All Notes which are redeemed or in respect of which Exchange Rights are exercised will be cancelled and may not be reissued or resold. Notes purchased by the Issuer or any of its Subsidiaries shall be

surrendered to the Principal Paying and Exchange Agent for cancellation and may not be reissued or re-sold.

(i) *Multiple Notices*

If more than one notice of redemption is given pursuant to this Condition 8, the first of such notices to be given shall prevail, save that a notice of redemption given by a Noteholder pursuant to Condition 8(f) shall prevail over any other notice of redemption given pursuant to this Condition 8, whether given before, after or at the same time as any notice of redemption under Condition 8(f).

## 9 Payments

(a) *Principal*

Payment of principal in respect of the Notes and accrued interest payable on a redemption of the Notes other than on an Interest Payment Date will be made to the persons shown in the Register at the close of business on the Record Date.

(b) *Interest and other Amounts*

(i) Payments of interest due on an Interest Payment Date, which shall be for value on such Interest Payment Date, (or, if such Interest Payment Date is not a business day (as defined below in Condition 9(g)), for value on the first following day which is a business day) will be made to the persons shown in the Register at close of business on the Record Date.

(ii) Payments of all amounts other than as provided in Conditions 9(a) and 9(b)(i) will be made as provided in these Conditions.

(c) *Record Date*

“**Record Date**” means the seventh business day, in the place of the specified office of the Registrar, before the due date for the relevant payment.

*All payments in respect of Notes represented by the Global Certificate will be made to, or to the order of, the person whose name is entered in the Register at the close of business on the Clearing System Business Day immediately prior to the date of payment, where “Clearing System Business Day” means Monday to Friday inclusive except 25 December and 1 January.*

(d) *Payments*

Each payment in respect of the Notes pursuant to Conditions 9(a) and 9(b) will be made by transfer to an Australian Dollar account with a bank in Sydney, details of which appear on the Register at the close of business on the relevant Record Date.

(e) *Payments subject to fiscal laws*

All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations but without prejudice to Condition 10. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(f) *Default Interest and Delay in Payment*

If the Issuer fails to pay any sum in respect of the Notes when the same becomes due and payable under these Conditions (including as provided in Condition 6(b)), interest shall accrue on the overdue sum at the rate of 6.625 per cent. per annum from the due date. Such default interest shall accrue on the basis of the actual number of days elapsed and a 360-day year.

Noteholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due:

- (i) as a result of the due date not being a business day;
- (ii) if the Noteholder is late in surrendering the relevant Note; or
- (iii) if the Noteholder does not provide the necessary account details for payment in accordance with these Conditions.

(g) *Business Days*

In this Condition 9, “**business day**” means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business, in

- (i) Sydney;
- (ii) in the place of the specified office of the Principal Paying and Exchange Agent; and
- (iii) (where such surrender is required by these Conditions) in the place of the specified office of the Registrar or relevant Paying Agent, to whom the relevant Certificate evidencing such Note is presented or surrendered.

(h) *Paying Agents, Transfer Agents and Exchange Agents, etc.*

The initial Principal Paying and Exchange Agent, the initial Transfer Agent and the initial Registrar and their initial specified offices are listed below. The Issuer reserves the right under the Agency Agreement at any time, with the prior written approval of the Note Trustee, to vary or terminate the appointment of the Registrar or any other Agent and to appoint another Registrar or any additional or other Agents or another Registrar, provided that it will:

- (i) maintain a Principal Paying and Exchange Agent and a Transfer Agent;
- (ii) so long as the Notes are listed on the Singapore Exchange Securities Trading Limited and the rules of that exchange so require, a Paying Agent having a specified office in Singapore where the Notes may be presented or surrendered for payment or redemption, in the event that the Global Certificate is exchanged for individual definitive Certificates; and
- (iii) maintain a Registrar with a specified office outside the United Kingdom.

Notice of any change in the Registrar or any other Agents or their specified offices will promptly be given by the Issuer to the Noteholders in accordance with Condition 18 and to the Note Trustee and the other Agents in writing.

(i) *Fractions*

When making payments to Noteholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

## 10 Taxation

All payments made by or on behalf of the Issuer in respect of the Notes will be made free from any restriction or condition and be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature (including any penalty or interest payable in connection with those amounts) imposed or levied by or on behalf of the Commonwealth of Australia or any

political subdivision or any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is required to be made by law.

In the event that any such withholding or deduction is required to be made, the Issuer will pay such additional amounts as will result in the receipt by the Noteholders of the amounts which would otherwise have been receivable had no such withholding or deduction been required, except that no such additional amount shall be payable on any Note:

- (a) to a holder (or to a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Note by reason of the holder having some connection with the Commonwealth of Australia (and where the withholding or deduction is required on account of the Noteholder failing to provide their tax file number or Australian business number to the Issuer) otherwise than merely by holding the Note or by the receipt of amounts in respect of the Note; or
- (b) in respect of which the Certificate representing such Note is presented or surrendered more than 30 days after the relevant date except to the extent that the holder would have been entitled to such additional amount on presenting or surrendering the relevant Certificate for payment on the last day of such period of 30 days; or
- (c) to, or to a third party on behalf of, a holder who is liable for such taxes, duties, assessments or governmental charges by reason of the holder being an Offshore Associate.

References in these Conditions and the Trust Deed to principal and interest shall be deemed also to refer to any additional amounts which may be payable under this Condition 10 or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

This Condition 10 shall not apply in respect of payments on any Notes which are the subject of an election by the relevant Noteholder pursuant to the last paragraph of Condition 8(c).

None of the Trustees and the Agents shall be responsible for paying any tax, duty, charge, withholding or other payment referred to in this Condition 10 or for determining whether such amounts are payable or the amount thereof, and none of them shall be responsible or liable for any failure by the Issuer, the Chargor, any Noteholder, any other Secured Party or any other person to pay such tax, duty, charge, withholding or other payment in any jurisdiction or to provide any notice or information to any Trustee, any Agent or any other person or to make any representation that would permit, enable or facilitate the payment of any principal, premium (if any), interest or other amount under or in respect of the Notes without deduction or withholding for or on account of any tax, duty, charge, withholding or other payment imposed by or in any jurisdiction.

## 11 Events of Default

The Note Trustee at its discretion may, and if so requested in writing by the holders of at least twenty five per cent. in aggregate principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified and/or pre-funded and/or secured to its satisfaction), give notice to the Issuer that the Notes are, and they shall accordingly thereby immediately become, due and repayable at their principal amount together with accrued interest if any of the following events (each an “**Event of Default**”) shall have occurred and is continuing:

- (a) if:
  - (i) the Issuer fails to pay when due:
    - (A) any principal payable in respect of the Notes and such failure continues for a period of seven days or



- (B) any interest payable in respect of the Notes and such failure continues for a period of 14 days; or
- (ii) the Chargor fails to deliver Ordinary Shares to satisfy an Exchange Right exercised pursuant to Condition 7 and such failure continues for a period of 14 days; or
- (b) the Issuer or the Chargor does not perform or comply with any one or more of its other obligations under or in respect of the Notes and/or any of the Transaction Documents and (unless the default is in the opinion of the Note Trustee incapable of remedy) such default is not remedied within 30 calendar days after the Issuer or the Chargor shall have received from the Note Trustee written notice of such default requiring it to be remedied; or
- (c) the Issuer no longer directly or indirectly wholly owns all of the issued share capital of the Chargor; or
- (d)
  - (i) any other present or future indebtedness for borrowed money of the Issuer becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of an event of default (however described); or
  - (ii) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period; or
  - (iii) the Issuer fails to pay when due or, as the case may be, within any applicable grace period any amount payable by it under any present or future guarantee for, or indemnity in respect of, any indebtedness for borrowed money; or
  - (iv) any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer for any indebtedness for borrowed money (or any guarantee of, or indemnity in respect of, indebtedness for borrowed money) that has become payable becomes enforceable and steps are taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator manager, judicial manager, controller or other similar person),

and the aggregate amount of the indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 11(d) have occurred equals or exceeds A\$30,000,000 (or its equivalent in other currencies); or
- (e) a distress, attachment, execution, seizure before judgment or other legal process is levied or enforced on or against all or any material part of the property, assets or revenues of the Issuer, the Chargor or any Material Subsidiary of the Issuer which is not discharged, removed, stayed or paid within 60 days; or
- (f) the Issuer, the Chargor or any Material Subsidiary of the Issuer:
  - (i) is (or is deemed by law or a court to be) or states that it is insolvent or unable to pay its debts when they fall due;
  - (ii) stops, suspends or threatens to stop or suspend payment of its debts generally; or
  - (iii) makes or enters into a general assignment or an arrangement or composition or compromise with or for the benefit of its creditors (other than in connection with a reconstruction, amalgamation, reorganisation, merger or consolidation permitted under Condition 11(f)); or
- (g) an administrator (as defined in the Corporations Act) or liquidator or a like or similar officer is appointed in respect of the Issuer, the Chargor or any Material Subsidiary of the Issuer or a court order is made or

a resolution passed for the winding-up or dissolution of the Issuer, the Chargor or any Material Subsidiary of the Issuer (which is not stayed, withdrawn or dismissed within 60 days), or the Issuer, the Chargor or any Material Subsidiary of the Issuer ceases or threatens to cease to carry on business, except in any such case for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation:

- (i) on terms approved by the Note Trustee acting on an Extraordinary Resolution of the Noteholders; or
  - (ii) in the case of a Material Subsidiary of the Issuer, where that Material Subsidiary is solvent or its undertaking and assets are transferred to or otherwise vested in the Issuer or another Subsidiary of the Issuer; or
- (h) a final judgment or judgments of a court or courts of competent jurisdiction for the payment of money aggregating in excess of A\$50,000,000 (or its equivalent in the relevant currency of payment) are rendered against the Issuer, the Chargor or any Material Subsidiary of the Issuer and which judgments are not bonded, discharged, satisfied or stayed pending appeal within 60 days after the Latest Date, or are not discharged within 60 days after the later of the expiration of such stay and the Latest Date; or
- (i) it is or will become unlawful for the Issuer or the Chargor to perform or comply with any one or more of its obligations under any of the Notes, the Transaction Documents; or
- (j) any event occurs which under the laws of any relevant jurisdiction has an analogous or substantially similar effect to any of the events referred to in Condition 11(d) to Condition 11(f) (both inclusive).

“**Latest Date**” means the latest of:

- (i) the entry of such judgment;
- (ii) if such judgment specifies a date by which it must be satisfied, the date so specified; and
- (iii) the time allowed or specified under applicable law for such judgment to be bonded, discharged or stayed pending appeal.

If the Notes have become due and payable pursuant to this Condition 11, notwithstanding receipt of any payment after the acceleration of the Notes and provided that no Exchange Notice has been delivered pursuant to Condition 7(a), a Noteholder may exercise its Exchange Right by depositing an Exchange Notice with an Exchange Agent during the period from (and including) the date of a notice of acceleration given by the Note Trustee to the Issuer with respect to an event specified in this Condition 11 (“**Acceleration Date**”) (at which time the Issuer will notify the Noteholders of the number of Ordinary Shares per Note to be delivered upon exchange, assuming all the then outstanding Notes are exchanged) to (and including) the earlier of:

- (a) the close of business on the date which is 30 calendar days from the Acceleration Date; and
- (b) the close of business on the date upon which the full amount of the moneys payable in respect of such Note has been duly received by the Principal Paying and Exchange Agent or the Note Trustee and notice of such receipt has been duly given,

(such period, the “**Acceleration Period**”).

If any exchanging Noteholder deposits an Exchange Notice pursuant to this Condition 11 on the business day prior to, or during, a Closed Period (Exchange), that Noteholder’s Exchange Right shall continue until the business day following the last day of the Closed Period (Exchange), which shall be deemed the Exchange Date, for the purposes of such Noteholder’s exercise of its Exchange Right pursuant to this Condition 11.

If the Exchange Right attached to any Note is exercised pursuant to this Condition 11, the Chargor will deliver Ordinary Shares (which number will be disclosed to such Noteholder as soon as practicable after the Exchange Notice is given) in accordance with these Conditions.

The Issuer has undertaken in the Trust Deed to deliver to the Trustees annually, and also within 14 days of any request therefor from a Trustee, a certificate of the Issuer that, to the best of the knowledge, information and belief of the Issuer:

- (1) there has not occurred an Event of Default or Potential Event of Default since the date of the last such certificate (for in the case of the first such certificate, the Closing Date) or, if such event has occurred, giving details of the same; and
- (2) each of the Issuer and the Chargor has complied with all their respective obligations under the Transaction Documents or, if such non-compliance has occurred, giving details of the same.

The Trustees will be entitled to rely conclusively on any such certificate and shall not be obliged to independently monitor whether or not an Event of Default, a Potential Event of Default or a breach of obligation has occurred or may occur, and the Trustees shall not be liable to Noteholders or any other person for not so doing.

## 12 Undertakings

Whilst any Exchange Right remains exercisable, the Issuer will, save with the approval of an Extraordinary Resolution or with the prior written approval of the Note Trustee where, in the opinion of the Note Trustee, it is not materially prejudicial to the interests of the Noteholders to give such approval:

- (a) if any offer is made to all (or as nearly as may be practicable all) Shareholders (or all (or as nearly as may be practicable all) Shareholders other than the offeror and/or any associate (as defined in sections 11 and 12 of the Corporations Act)) to acquire the whole or any part of the issued Ordinary Shares, or if any person proposes a scheme with regard to such acquisition (other than a Newco Scheme in relation to the Company), give notice of such offer or scheme to the Noteholders, the Note Trustee and the Principal Paying and Exchange Agent at the same time as any notice thereof is sent to the Shareholders (or as soon as practicable thereafter) that details concerning such offer or scheme may be obtained from the specified office of the Principal Paying and Exchange Agent and, where such an offer or scheme has been recommended by the board of directors of the Company, or where such an offer has become or been declared unconditional in all respects or such scheme has become effective, use all reasonable endeavours to procure that a like offer or scheme is extended to the holders of any Ordinary Shares issued during the period of the offer or scheme arising out of the exercise of the Exchange Rights by the Noteholders;
- (b) in the event of a Newco Scheme in relation to the Company take (or shall procure that there is taken) all necessary action to ensure that immediately after completion of the Scheme of Arrangement:
  - (i) such amendments are made to these Conditions and the Trust Deed as are necessary to ensure that the Notes may be converted into or exchanged for ordinary shares or units or the equivalent in Newco *mutatis mutandis* in accordance with and subject to these Conditions and the Trust Deed and the Trust Deed and these Conditions provide at least the same powers, protections, rights and benefits to the Trustees and the Noteholders following the implementation of such Newco Scheme as they provided to the Trustees and the Noteholders prior to the implementation of the Newco Scheme, *mutatis mutandis*; and
  - (ii) the ordinary shares or units or the equivalent of Newco are:

- (A) admitted to listing on the Relevant Stock Exchange; or
  - (B) admitted to listing on another regulated, regularly operating, recognised stock exchange or securities market;
- (c) in the event of a Newco Scheme in relation to the Issuer take (or shall procure that there is taken) all necessary action to ensure that immediately after completion of the Scheme of Arrangement, Newco is substituted under the Notes and the Trust Deed as principal obligor in place of the Issuer (with the Issuer providing a guarantee) subject to and as provided in the Trust Deed; and
- (d) not change the jurisdiction in which it is domiciled or resident or to whose taxing authority it is subject generally unless it would not thereafter be required pursuant to then current laws and regulations to withhold or deduct for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of such jurisdiction or any political subdivision thereof or therein having power to tax in respect of any payment on or in respect of the Notes.

The Trustees shall not be obliged to independently monitor compliance by the Issuer with the undertakings set forth in this Condition 12, nor be liable to Noteholders or any other person for not so doing.

### **13 Prescription**

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of such payment.

Claims in respect of any other amounts payable in respect of the Notes shall be prescribed and become void unless made within 10 years following the due date for payment thereof.

### **14 Replacement of Notes**

If any Certificate evidencing a Note is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Registrar or any Transfer Agent subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence and indemnity and/or security as the Issuer, the Registrar or the relevant Transfer Agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

### **15 Meetings of Noteholders, Modification and Waiver, Substitution**

#### *(a) Meetings of Noteholders*

The Trust Deed contains provisions for convening meetings of Noteholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Transaction Documents. Such a meeting may be convened by the Issuer or the Note Trustee and shall be convened by the Note Trustee if requested in writing by Noteholders holding not less than 10 per cent. in aggregate principal amount of the Notes for the time being outstanding and subject to it being indemnified and/or secured and/or pre-funded to its satisfaction against any costs and expenses. The quorum for any meeting convened to consider an Extraordinary Resolution will be one or more persons holding or representing more than 50 per cent., in aggregate principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the principal amount of the Notes so held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*:

- (i) to modify the maturity of the Notes or the dates on which interest is payable in respect of the Notes;
- (ii) to reduce or cancel the principal amount of, or interest on, the Notes or to reduce the amount payable on redemption of the Notes or modify or cancel the Exchange Rights;
- (iii) to increase the Exchange Price other than in accordance with these Conditions;
- (iv) to change the currency of any payment in respect of the Notes;
- (v) to terminate or modify the Security Trust Deed, the General Security Deed or the Tripartite Deed (subject to any modification pursuant to Condition 15(b));
- (vi) to modify Condition 2 (or the corresponding provisions of the General Security Deed described therein), or otherwise release any Security Interests to the extent not expressly contemplated in these Conditions or the General Security Deed;
- (vii) to change the governing law of the Notes or any of the Transaction Documents (other than in the case of a substitution of the Issuer (or any previous substitute or substitutes) under Condition 15(c)); or
- (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution,

in which case the necessary quorum will be one or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 50 per cent., in aggregate principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed). An Extraordinary Resolution is a resolution in respect of which not less than 75 per cent. of the votes cast shall have been in favour at a meeting of Noteholders duly convened and held in accordance with the Trust Deed.

The Trust Deed provides that:

- (A) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. of the aggregate principal amount of Notes outstanding (a “**Written Resolution**”); or
- (B) where the Certificates are held by or on behalf of a clearing system or clearing systems, consents given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. of the aggregate principal amount of the Notes outstanding (an “**Electronic Consent**”),

shall, in any such case, be effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such Written Resolution may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders. Such Written Resolution and/or Electronic Consent will be binding on all Noteholders whether or not they participated in such Written Resolution or Electronic Consent and whether or not they voted in favour of the relevant resolution.

No consent or approval of Noteholders shall be required in connection with any modification relating to a Newco Scheme in relation to the Issuer or the Company.

(b) *Modification and Waiver*

The Note Trustee may (but shall not be obliged to) agree (and may direct the Security Trustee to agree), without the consent of the Noteholders, to:

- (i) any modification of any of the provisions of the Transaction Documents, any deed or agreement supplemental to the Transaction Documents, the Notes or these Conditions which in the Note Trustee's opinion is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law, and
- (ii) any other modification to the Transaction Documents, any deed or agreement supplemental to the Transaction Documents, the Notes or these Conditions (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Transaction Documents, any deed or agreement supplemental to the Transaction Documents, the Note or these Conditions which is, in the opinion of the Note Trustee, not materially prejudicial to the interests of the Noteholders.

The Note Trustee may (but shall not be obliged to), without the consent of the Noteholders, determine any Event of Default or a Potential Event of Default should not be treated as such, provided that in the opinion of the Note Trustee, the interests of Noteholders will not be materially prejudiced thereby. Any such modification, authorisation, waiver or determination shall be binding on the Noteholders and, unless the Note Trustee otherwise agrees, shall be notified by the Issuer to the Noteholders promptly in accordance with Condition 18 and to the Trustees and the Principal Paying and Exchange Agent in writing. The Note Trustee's agreement may be subject to any condition that the Note Trustee requires including but not limited to obtaining, at the expense of the Issuer, an opinion of any investment bank or legal or other expert and being indemnified and/or secured and/or pre-funded to its satisfaction.

(c) *Substitution*

The Note Trustee may (but shall not be obliged to), without the consent of the Noteholders, agree (and may direct the Security Trustee to agree) with the Issuer to the substitution in place of the Issuer (or any previous substitute or substitutes under this Condition 15(c)) as the principal debtor under the Notes and the Trust Deed of any Subsidiary of the Issuer subject to:

- (i) the Notes being unconditionally and irrevocably guaranteed by the Issuer; and
- (ii) the Notes continuing to be exchangeable into Ordinary Shares as provided in these Conditions *mutatis mutandis* as provided in these Conditions, with such amendments as the Note Trustee shall consider appropriate provided that in any such case:
  - (A) the Note Trustee is satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution, and
  - (B) certain other conditions set out in the Trust Deed are complied with.

Any such substitution shall be binding on the Noteholders and shall be notified by the Issuer promptly to the Noteholders in accordance with Condition 18 and to the Trustees and the Principal Paying and Exchange Agent in writing.

(d) *Entitlement of the Trustees*

In connection with the exercise of its functions, rights, powers and discretions (including but not limited to those referred to in this Condition 15), each of the Trustees shall have regard to the interests of the Noteholders as a class and, in particular but without limitation, shall not have regard to the consequences

of the exercise of its functions, rights, powers or discretions for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and the Trustees shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Trustees or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

## **16 Enforcement**

Each Trustee may at any time, at its discretion and without notice, take such steps and/or actions and/or institute such proceedings against the Issuer and/or the Chargor as it may think fit to enforce the provisions of the Transaction Documents and the Notes, but it shall not be bound to take any such steps, actions or proceedings or any other action in relation to the Transaction Documents or the Notes unless:

- (a) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by the holders of at least twenty five per cent. in aggregate principal amount of the Notes then outstanding; and
- (b) it shall have been indemnified and/or pre-funded and/or secured to its satisfaction.

No Noteholder shall be entitled to proceed directly against the Issuer or the Chargor unless the relevant Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

## **17 The Trustees**

The Trust Deed and the other Transaction Documents contain provisions for the indemnification of the Trustees and for their relief from responsibility, including relieving them from taking any steps, actions or proceedings unless indemnified and/or pre-funded and/or secured to their satisfaction. The Trustees are entitled to enter into business transactions with the Issuer, the Chargor and any entity related (directly or indirectly) to the Issuer and/or the Chargor without accounting for any profit.

The Trustees may rely without liability to Noteholders, the Issuer, the Chargor or any other person on any report, information, confirmation or certificate from or any opinion or advice of any accountants (including the Auditors), lawyers, financial advisers, investment bank or other expert, whether or not addressed to the relevant Trustee and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the relevant Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustees may accept and shall be entitled to rely on any such report, information, confirmation, certificate, opinion or advice, in which case such report, information, confirmation, certificate, opinion or advice shall be binding on the Issuer, the Chargor and the Noteholders.

None of the Trustees and the Agents shall be responsible for the performance (whether financial or otherwise) or failure to perform by the Issuer, the Chargor, the Independent Adviser or any other person appointed by any of them in relation to the Notes, the Security Interests or Security Assets (including, for the avoidance of doubt, any related rights in connection therewith), the Ordinary Shares (and the delivery or failure to deliver thereof) and/or the Transaction Documents, or the duties and obligations on their part expressed in respect of the same, and, unless it has express written notice from the Issuer or the Chargor to the contrary, each of the Trustees and the Agents shall be entitled to assume that the same are being duly performed. None of the Trustees and the Agents shall be liable to the Issuer, the Chargor, any Noteholder, any other Secured Party or any other person for any action taken by any Trustee or any Agent in accordance with the instructions of the Noteholders. The Trustees and the Agents may rely on any direction, request or resolution of Noteholders given by holders of the requisite principal amount of Notes outstanding or passed in accordance with the Trust Deed, whether at a meeting of Noteholders convened and held in accordance with the Trust Deed or otherwise. None of the Trustees

and the Agents shall have any obligation to monitor whether any Event of Default, any Relevant Event or any other event or circumstance under these Conditions (or any event or circumstance which could lead to the occurrence of any of the aforesaid) has occurred or may occur, and none of them shall be liable to the Issuer, the Chargor, any Noteholder, any other Secured Party or any other person for not doing so.

Whenever any Trustee is required or entitled by the terms of any Transaction Document or by law to exercise any discretion or power, take any action, make any decision or give any direction, such Trustee is entitled, prior to its exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction, to seek directions or clarifications of any direction from the Noteholders by way of an Extraordinary Resolution and to be indemnified and/or secured and/or pre-funded to its satisfaction, and such Trustee is not responsible for any loss or liability incurred by the Issuer, the Chargor, any Noteholder, any other Secured Party or any other person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction where any Trustee is seeking such directions or clarifications or in the event that no such directions or clarifications are received or an indemnity, security or pre-funding is not provided to the Trustees to their respective satisfaction. The Trustees shall not be liable to the Issuer, the Chargor, any Noteholder, any other Secured Party or any other person for any action taken by any of them in accordance with the instructions of the Noteholders. None of the Trustees and the Agents shall be under any obligation to monitor compliance with the provisions of any Transaction Document or these Conditions.

Each Noteholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, solvency, creditworthiness, condition, affairs, status and nature of the Issuer, the Chargor, the Company and their respective Subsidiaries and any security or guarantee arrangement in connection with the Notes. None of the Trustees and the Agents shall at any time have any responsibility or liability to the Issuer, the Chargor, any Noteholder, any other Secured Party or any other person for the same and each Noteholder shall not rely on any Trustee or any Agent in respect thereof.

## **18 Notices**

All notices required to be given regarding the Notes pursuant to these Conditions will be valid if published through the electronic communication system of Bloomberg. The Issuer shall also ensure that all such notices are duly published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed and/or admitted to trading. Any such notice shall be deemed to have been given on the date of such notice. If publication as provided above is not practicable, notice will be given by publication in a newspaper of general circulation in

- (a) Asia (which is expected to be the *Asian Wall Street Journal*); and
- (b) Europe (which is expected to be the *Financial Times*).

*So long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to the Noteholders shall be validly given by the delivery of the relevant notice to Euroclear or Clearstream or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions.*

## **19 Further Issues**

The Issuer may from time to time without the consent of the Noteholders create and issue further notes either having the same terms and conditions in all respects as the outstanding Notes or in all respects except for the



issue date, the first payment of interest on them and the first date on which Exchange Rights may be exercised and so that such further issue shall be consolidated and form a single series with the outstanding Notes. Any further notes consolidated and forming a single series with the outstanding Notes constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed.

## **20 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 (United Kingdom).

## **21 Governing Law and Jurisdiction**

### *(a) Governing Law*

The Trust Deed, the Agency Agreement and the Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

The Security Trust Deed, the General Security Deed and the Tripartite Deed are governed by, and shall be construed in accordance with, the laws of New South Wales, Australia.

### *(b) Jurisdiction*

The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed, the Agency Agreement or the Notes and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed, the Agency Agreement or the Notes may be brought in such courts.

The courts of New South Wales, Australia are to have jurisdiction to settle any disputes which may arise out of or in connection with the Security Trust Deed, the General Security Deed and the Tripartite Deed and accordingly any legal action or proceedings arising out of or in connection with the Security Trust Deed, the General Security Deed or the Tripartite Deed may be brought in such courts.

Each of the Issuer and the Chargor has in the Transaction Documents to which it is a party irrevocably submitted to the jurisdiction of such courts and has waived any objection to proceedings in such courts whether on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum. This submission is made for the benefit of the Trustees and each of the Noteholders and shall not limit the right of any of them to take proceedings in any other court of competent jurisdiction nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction (whether concurrently or not).

### *(c) Agent for Service of Process in England*

Each of the Issuer and the Chargor has irrevocably appointed Law Debenture Corporate Services Limited of 8<sup>th</sup> Floor, 100 Bishopsgate, London EC2N 4AG, United Kingdom, as their respective agent in England to receive service of process in any proceedings in England. Nothing herein or in the Trust Deed shall affect the right to serve process in any other manner permitted by law.



## SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM

*The following is a summary of expected provisions of the Trust Deed in respect of the Global Certificate. The final provisions of the Trust Deed may differ from the expected provisions summarised below.*

### **Initial Issue of Notes**

Upon the initial registration of the Global Certificate representing the Notes in the name of a nominee of, and delivery of such Global Certificate to, a common depository for Euroclear and Clearstream, Euroclear or Clearstream will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

### **Relationship of Accountholders with Clearing Systems**

Each of the persons shown in the records of Euroclear and Clearstream as the holder of a Note represented by the Global Certificate must look solely to Euroclear or Clearstream (as the case may be) for his share of each payment made by the Issuer to the holder of the underlying Note and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear and Clearstream. Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by the Global Certificate and such obligations of the Issuer will be discharged by payment to the holder of the underlying Note, as the case may be, in respect of each amount so paid.

### **Exchange of Notes Represented by the Global Certificate**

Owners of beneficial interests in the Notes in respect of which the Global Certificate is issued will be entitled to have title to the Notes registered in their names and to receive individual Certificates if either Euroclear or Clearstream (or any other clearing system as shall have been designated by the Issuer and approved by the Note Trustee on behalf of which the Notes evidenced by the Global Certificate may be held) is closed for business for a continuous period of 14 days or more (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

On or after the day falling not less than 60 days after that on which the notice requiring exchange is given and on which the banks are open for business in the city in which the specified office of the Registrar is located (“**Exchange Date**”), the Issuer will deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Certificates, printed in accordance with any applicable legal and stock exchange requirements and in, or substantially in, the form set out in the Trust Deed. Such Certificates will be registered in the name of the accountholders with the Registrar, and the Registrar shall alter the entries in the Register in respect of the Notes accordingly.

### **Exchange Rights**

Subject to the requirements of Euroclear and Clearstream, the Exchange Rights attaching to the Notes represented by the Global Certificate may be exercised by the presentation of one or more Exchange Notices (as defined in the Terms and Conditions of the Notes) duly completed by or on behalf of a holder of a book-entry interest in such Note together with the Global Certificate to the Principal Paying and Exchange Agent or such other Exchange Agent as shall have been notified to the holder of the Global Certificate for such purpose for annotation and the principal amount of the Notes will be reduced in the Register accordingly. An Exchange Notice may not specify Euroclear or Clearstream, or the common depository who holds the Notes on their behalf, as the person to whom any Ordinary Shares are to be transferred or delivered, pursuant to such Exchange Notice. The provisions of Condition 7 (*Exchange of Notes*) of the Terms and Conditions of the Notes will otherwise apply.

### **Redemption at the Option of the Issuer**

The option of the Issuer provided for in Conditions 8(b) (*Redemption at the Option of the Issuer*) and 8(c) (*Redemption for Taxation Reasons*) of the Terms and Conditions of the Notes shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in, and containing the information required by those Conditions of the Terms and Conditions of the Notes.

### **Tax Election Option of the Noteholders**

The option of the Noteholders provided for in Condition 8(c) (*Redemption for Taxation Reasons*) of the Terms and Conditions of the Notes may be exercised by the Noteholders giving notice to the Principal Paying and Exchange Agent or any other Paying Agent within the time limits relating to the deposit of Notes in Condition 8(c) (*Redemption for Taxation Reasons*) of the Terms and Conditions of the Notes and substantially in the form of the Noteholders Tax Election Notice as set out in the Agency Agreement.

### **Redemption at Option of the Noteholders**

The Noteholders' put options in Conditions 8(e) (*Redemption at the Option of Noteholders*) and 8(f) (*Redemption for a Relevant Event*) in the Terms and Conditions of the Notes may be exercised by the holder of the Global Certificate giving notice to the Principal Paying and Exchange Agent or any other Paying Agent of the principal amount of Notes in respect of which the option is exercised and presenting the Global Certificate for endorsement or exercise within the time limits specified in such Conditions and the principal amount of the Notes will be reduced in the Register accordingly.

### **Trustees' Powers**

In considering the interests of Noteholders each of the Trustees may, to the extent it considers it appropriate to do so in the circumstances, (a) have regard to such information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in respect of Notes and (b) consider such interests on the basis that such accountholders were the holders of the Notes represented by the Global Certificate.

### **Enforcement**

For the purposes of enforcement of the provisions of the Trust Deed against the Trustees, the persons named in a certificate of the holder of the Notes represented by the Global Certificate shall be recognised as the beneficiaries of the trusts set out in the Trust Deed to the extent of the principal amount of their interest in the Notes set out in the certificate of the holder as if they were themselves the holders of Notes in such principal amounts.

### **Payments**

Payments of principal in respect of Notes represented by the Global Certificate will be made against presentation and, if no further payment falls to be made in respect of the Notes, surrender of the Global Certificate to or to the order of the Principal Paying and Exchange Agent or such other Paying Agent as shall have been notified to the holder of the Global Certificate for such purpose.

Each payment will be made to, or to the order of, the person whose name is entered in the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

### **Notices**

So long as Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream, notices to the holders of such Notes may be given by delivery of the relevant notice to the relevant clearing system for communication by it to entitled accountholders in substitution for

notification, as required by the Terms and Conditions of the Notes, except that the Issuer shall also ensure that all notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed and/or admitted to trading.

### **Prescription**

Claims against the Issuer in respect of principal and interest on the Notes while the Notes are represented by the Global Certificate shall be prescribed and become void after a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in the Terms and Conditions of the Notes) in respect of such payment and thereafter any sums payable in respect of the Notes shall be forfeited and revert to the Issuer.

Claims in respect of any other amounts payable in respect of the Notes shall be prescribed and become void unless made within 10 years following the due date for payment thereof.

### **Redemption or Purchase and Cancellation**

Cancellation or reduction in the principal amount of any Notes represented by the Global Certificate to be cancelled following its redemption, exchange or purchase will be effected by the reduction in the principal amount of the Notes in the Register.

### **Meetings**

At any meeting of Noteholders, the holder of the Global Certificate will be treated as having one vote in respect of each A\$100,000 in principal amount of Notes.

The Note Trustee may allow to attend and speak (but not to vote) at any meeting of Noteholders any accountholder (or the representative of any such person) of a clearing system with an interest in the Notes represented by the Global Certificate on confirmation of entitlement and proof of his identity.

## RIGHTS AND LIABILITIES OF ORDINARY SHARES

*The following is a summary (though not an exhaustive or definitive statement) of the rights attaching to fully paid Ordinary Shares as set out in Boral's constitution (the "**Constitution**"). The rights attaching to Ordinary Shares are in certain circumstances regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and general law. The Constitution may be amended from time to time.*

Full details of the rights attaching to the Ordinary Shares are set out in the Constitution, a copy of which can be inspected online on the website of Boral, at <https://www.boral.com/about-boral/corporate-governance> and on the website of the ASX, at [www.asx.com.au](http://www.asx.com.au).

<b>Voting</b>	<p>Subject to the Constitution and to any rights or restrictions attached to any shares, at meetings of Boral's shareholders:</p> <ul style="list-style-type: none"> <li>• each shareholder is entitled to attend and, unless excluded by a regulatory requirement such as the ASX or Corporations Act voting exclusions, to vote at general meetings of Boral;</li> <li>• on a show of hands, every shareholder present in person or by proxy, attorney or representative that is entitled to vote has one vote; and</li> <li>• on a poll, every shareholder present in person or by proxy, attorney or representative that is entitled to vote has one vote for each Ordinary Share that person holds or represents (as the case may be).</li> </ul>
<b>General meetings and notices</b>	<p>Each shareholder who is entitled to vote at a general meeting is entitled to receive notice of that general meeting of Boral.</p>
<b>Dividends</b>	<p>Subject to any rights or restrictions attaching to a class of shares, Boral may pay dividends as its directors resolve but only out of the profits of Boral or as otherwise permitted by law.</p> <p>Subject to law, the directors of Boral may determine that a dividend is payable on shares and:</p> <ul style="list-style-type: none"> <li>• the amount of the dividend;</li> <li>• whether the dividend is franked, the franking percentage and the franking class;</li> <li>• the time for determining entitlements to the dividend;</li> <li>• the time for payment of the dividend; and</li> <li>• the method of payment of the dividend.</li> </ul> <p>The directors of Boral may determine that dividends be paid on shares of one class but not another class, and at different rates for different classes of shares. Boral is not required to pay any interest on a dividend. These powers extend to interim and final dividends, and payment of a dividend does not require confirmation by a general meeting of Boral.</p>
<b>Issue of further shares</b>	<p>Subject to law, the Constitution, the ASX Listing Rules and rights or restrictions attached to a class of shares, Boral may by resolution of its directors issue and allot unissued shares and grant options over unissued shares, on any terms, at any time and for any consideration, as the directors of Boral resolve.</p>

<b>Transfer of Ordinary Shares</b>	<p>Subject to the Constitution, the Corporations Act and any restrictions attached to a share, the Ordinary Shares are freely transferable. The directors of Boral may refuse to register a transfer of Ordinary Shares in certain circumstances, including if:</p> <ul style="list-style-type: none"> <li>• the law permits or requires the registration of the transfer to be refused; or</li> <li>• the transfer is not in the form required under the Constitution.</li> </ul>
<b>Winding up</b>	<p>Subject to any rights or restrictions attached to a class of shares and the terms of issue of any shares, if Boral is wound up, the liquidator may (with the sanction of a special resolution) divide among Boral's shareholders the whole or any part of the property of Boral and may determine how the division is to be carried out as between the shareholders or different classes of shareholders.</p>
<b>Alteration of capital</b>	<p>Subject to law, Boral may reduce its share capital and buy-back its shares on any terms and at any time</p>
<b>Variation of rights</b>	<p>Subject to the Corporations Act and terms of issue of shares in a particular class, Boral may vary or cancel rights attached to any shares in that class with the consent in writing of the holders of at least 75 per cent. of the issued shares of that class, or with the sanction of a special resolution of the holders of the shares in that class.</p>
<b>Amendment to the Constitution</b>	<p>The Constitution can only be amended by special resolution passed by at least 75 per cent. of Boral's shareholders present (including by proxy) and voting at a general meeting of Boral.</p>

## TAXATION

*The following summary of certain tax consequences of the purchase, ownership and disposition of Notes and Ordinary Shares is based upon applicable laws, regulations, rulings and decisions in effect as at the date of this Offering Circular, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes or Ordinary Shares and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of Notes should consult their own tax advisers concerning the tax consequences of the purchase, ownership and disposition of Notes and Ordinary Shares. Prospective investors should consult their professional advisers on the possible tax consequences of buying, holding or selling any Notes under the laws of their country of citizenship, residence or domicile.*

### AUSTRALIAN TAXATION

#### INTRODUCTION

##### *Scope*

Provided below is a general summary of the material Australian income tax and capital gains tax (“CGT”) consequences arising in accordance with the Income Tax Assessment Act 1936 (“**Tax Act 1936**”) and the Income Tax Assessment Act 1997 (“**Tax Act 1997**”) (collectively the “**Tax Acts**”) and any relevant regulations, rulings, or judicial or administrative interpretations as at the date of this Offering Circular in relation to an investment in the Notes by a purchaser of the Notes (“**Noteholder**”). This summary also includes commentary on the Australian Goods and Services Tax (“**GST**”) and stamp duty consequences of issue, redemption, transfer or exchange of the Notes.

This is not intended to be nor should it be construed to be legal or tax advice to any particular investor. Prospective investors should contact their tax advisers for specific advice relating to their particular circumstances, in particular in relation to local taxes in their home jurisdictions.

##### **Payments under the Notes**

For Australian tax law purposes, the Notes should be characterised as debt interests in the Issuer. This is because the Issuer is under an effectively non-contingent obligation to pay the Noteholders (in the form of interest and the redemption price) an amount of money at least equal to the issue price for the Notes.

For Australian tax law purposes, payments made under the Notes (prior to any exercise of the Exchange Right) should constitute interest or amounts in the nature of interest in the hands of the Noteholders.

#### NON-RESIDENT INVESTORS

##### *Scope*

The following paragraphs deal with the income tax consequences to a Noteholder who:

- is not a resident of Australia for tax purposes;
- does not carry on business in Australia or have a permanent establishment or fixed base in Australia;
- purchased the Notes in accordance with the offer detailed in this Offering Circular; and
- holds any Ordinary Shares obtained from the exercise of Exchange Rights on capital account.



This summary is based on the assumption that the issue of the Notes by the Issuer “satisfies the public offer test” in accordance with subsection 128F(3) of the Tax Act 1936.

### **Australian Withholding Tax —Exemption**

Payments of interest or amounts in the nature of interest to a Noteholder will be subject to a 10 per cent. interest withholding tax unless either the exemption provided by section 128F of the Tax Act 1936 applies or an exemption is available under a tax treaty. If an exemption does apply to a Noteholder in relation to the Notes, there will be no Australian interest withholding tax on payments of interest or amounts in the nature of interest under the Notes to the Noteholders.

The Issuer intends to issue the Notes in a manner which will satisfy the public offer test and which otherwise meets all relevant legislative requirements of section 128F of the Tax Act 1936. If that is done, then based on the current legislation and administrative policy of the Australian Taxation Office (“ATO”), the exemption should be available. Noteholders should seek their own advice as to whether the issue of the Notes satisfies the public offer test and whether the exemption provided by section 128F is available.

### **Tax Treaty - Withholding Tax Relief**

If the exemption in section 128F of the Tax Act 1936 is not available in respect of the Notes, a Noteholder may be eligible for relief from interest withholding tax under a tax treaty between Australia and the Noteholder’s country of residence.

The Australian Government has executed tax treaties with various countries (eligible countries) which provide for certain exemptions from interest withholding tax where the interest is derived by:

- governments of the eligible country and certain governmental authorities and agencies in the eligible country; or
- a “financial institution” which is a resident of an eligible country and which is unrelated to and dealing wholly independently with the Issuer. The term “financial institution” for these purposes is typically defined to mean a bank or other enterprise substantially deriving its profits by raising debt finance in the financial markets or by taking deposits at interest and using those funds in carrying on a business of providing finance. (However, interest under a back-to-back loan or an economically equivalent arrangement will not qualify for this exemption.)

The availability of a Treaty exemption from interest withholding tax may depend upon the law of a foreign country. If the exemption in section 128F of the Tax Act 1936 is not available, Noteholders should seek their own advice as to whether they can benefit from a treaty exemption from interest withholding tax.

### **Profits or Gains on Disposal (including Exchange) or Redemption of the Notes**

#### ***General***

A profit or gain derived from the disposal (including on exercise of Exchange Rights to receive Ordinary Shares in Boral) or redemption of the Notes will comprise assessable income and will be subject to Australian tax if such profit or gain has an Australian source (as described under “Australian Source” below).

#### ***Australian Source***

Whether a profit or gain on a disposal (including on exercise of Exchange Rights to receive Ordinary Shares in Boral) or redemption of the Notes has an Australian source is a question of fact that will be determined on the basis of all of the relevant circumstances existing at the time of the disposal (including on exercise of Exchange Rights to receive Ordinary Shares in Boral) or redemption.

There is a substantial body of case law as well as ATO guidance on the concept of Australian source for income tax purposes. Prospective non-resident Noteholders should seek independent advice on this matter.

### ***Taxation of Financial Arrangements (TOFA)***

The Australian income tax regime contains rules which govern the taxation of gains and losses from “financial arrangements”. A Note is likely to satisfy the definition of a financial arrangement under the TOFA rules. However, the TOFA rules should not apply to a Note held by a Noteholder that is:

- an individual;
- a superannuation entity, management investment scheme or an entity substantially similar to a managed investment scheme under foreign law with assets of less than A\$100 million;
- certain financial entities with an aggregated turnover of less than A\$20 million; and
- other entities with an aggregated turnover of less than A\$100 million, financial assets of less than A\$100 million and assets of less than A\$300 million,

unless a Noteholder makes an election for the TOFA rules to apply to all of their financial arrangements.

If the TOFA rules apply, the timing of the recognition of any gain in assessable income could be different and the nature of the gains would be revenue rather than capital. The application of the TOFA rules to any given Noteholder will depend upon their particular facts and circumstances. Accordingly, Noteholders should obtain their own advice in relation to the potential applicability of the TOFA regime in light of their own individual facts and circumstances.

The TOFA regime does not override the interest withholding tax exemption available under section 128F of the Tax Act 1936.

### ***Tax Treaty - disposal (including exchange) or redemption***

If the profit or gain on disposal (including on exercise of Exchange Rights to receive Ordinary Shares in Boral) or redemption of a Note is deemed to have an Australian source, a Noteholder may qualify for relief from Australian tax on such profit or gain under a tax treaty between Australia and the Noteholder’s country of residence. Prospective Noteholders should seek independent advice regarding their entitlement to benefits under a tax treaty.

### ***CGT – Taxable Australian Real Property (TARP)***

A capital gain will be made to the extent that the capital proceeds from a CGT event that happens to a CGT asset exceeds the cost base of the CGT asset. Both the Notes and the Ordinary Shares of Boral satisfy the definition of CGT asset. A capital loss will be made to the extent that the capital proceeds from a CGT event that happens to a CGT asset are less than the reduced cost base of the CGT asset. A capital loss is only available to offset capital gains (not any other form of income or gain).

A capital gain may be made on the exercise of Exchange Rights or any subsequent disposal of Ordinary Shares. The Australian CGT rules apply, before any treaty relief, to capital gains from the disposal of an interest (which may include shares and rights to acquire shares) in “land rich” companies, notwithstanding the capital gain may otherwise represent ordinary income which is treated as not Australian sourced.

A capital gain or loss made from the disposal (including exchange) of the Notes (which have an Exchange Right) or the Ordinary Shares arising from the exchange of the Notes should be disregarded unless, very broadly, the market value of the TARP assets of the Company and its associates is greater than 50 per cent. of its total assets. TARP assets for these purposes include Australian land (including a lease of land) and

mining, quarrying and prospecting rights. Even if the TARP assets of the Company are greater than 50 per cent. of its total assets, the CGT rules should only apply if a non-resident holds 10 per cent. or more of the shares, or rights to acquire shares, in Boral either at the time of disposal or throughout a 12-month period in the 24 months prior to disposal.

### ***Dividends***

Following exchange of the Notes into Ordinary Shares, Noteholders may be subject to income tax on any dividends received in limited circumstances. The Australian tax regime has an imputation system where tax paid at the company level is imputed to shareholders in determining the taxation consequences of dividends paid by the company. A dividend will be treated as “franked” where the dividend is paid out of profits of the company that have already been subject to tax.

The Noteholders that become holders of Ordinary Shares would be subject to Australian dividend withholding tax at a rate of 30 per cent. to the extent that the dividends paid by the Company on its Ordinary Shares are unfranked (the rate of withholding tax may be reduced under a tax treaty between the Noteholder’s country of tax residency and Australia). However, the Noteholders would not be subject to Australian dividend withholding tax or other Australian income tax in relation to fully franked dividends paid on the Ordinary Shares.

## **RESIDENT INVESTORS**

### ***Scope***

The following paragraphs summarise the income tax consequences for a Noteholder who:

- is a resident of Australia (excluding temporary residents) for income tax purposes or is a non-resident who carries on business in Australia at or through a permanent establishment or fixed place in Australia and the holding of the Notes is connected with such place of business;
- purchased the Notes in accordance with the offer detailed in this Offering Circular; and
- holds any Ordinary Shares obtained from the exercise of Exchange Rights on capital account.

### ***TOFA***

Noteholders will need to consider the potential impact of the application of the taxation of financial arrangements rules referred to above to gains and losses from the Notes. The application of the TOFA rules to any given Noteholder will depend upon their particular facts and circumstances. Accordingly, Noteholders should obtain their own advice in relation to the potential applicability of the TOFA regime in light of their own individual facts and circumstances.

### ***Interest***

Interest income paid under the Notes will be included in a Noteholder’s assessable income in the income year that the interest is derived.

The Issuer will be obliged under the law to withhold 47 per cent. of the interest payable on the Notes, unless Noteholders provide the Issuer with their Tax File Number (TFN) / Australian Business Number (ABN), or provide proof of an exemption from TFN withholding tax. Any amount so withheld will be remitted to the ATO and will be creditable in the Noteholder’s tax return.

## **Profits or Gains on Disposal (including Exchange) or Redemption of the Notes**

### ***General***

A profit or gain derived from the disposal or a redemption of the Notes will be included in a Noteholder's assessable income. To the extent that a gain from the disposal or redemption of the Notes is included in assessable income, any capital gain arising from the disposal or redemption of the Notes should be reduced.

### ***Exchange of Notes into Ordinary Shares***

A Noteholder will be entitled to exercise Exchange Rights and receive Ordinary Shares of Boral upon surrendering the relevant Note to the Issuer.

The exchange of the Notes into Ordinary Shares of Boral may result in a taxable gain or profit for the Noteholder, to the extent that the market value of the Ordinary Shares received for the exchange exceeds the cost of the Notes. Where a gain or profit from the exchange of the Notes is included in assessable income, for example under the traditional security or TOFA rules, any capital gain arising from the exchange of the Notes should be reduced or disregarded.

### ***Ordinary Shares***

The Ordinary Shares transferred and delivered to a Noteholder on an exercise of the Exchange Rights will be CGT assets. The cost base of the Ordinary Shares for CGT purposes is likely to be the market value of the Notes exchanged at the time of exchange plus any amounts paid to acquire the Ordinary Shares. A subsequent disposal of Ordinary Shares by a Noteholder may give rise to ordinary income or capital gains on disposal.

CGT concessions may be available for certain shareholders who dispose of their Ordinary Shares.

### ***Dividends***

Dividends paid by the Company in respect of Ordinary Shares will be included in a shareholder's assessable income. Subject to the holder satisfying any relevant qualification rules, to the extent that those dividends are franked, a shareholder will generally be required to include in assessable income a 'gross-up' for the amount of the franking credit attached to the dividend and will generally receive a tax offset equal to that gross-up amount against their tax liability. Most companies cannot receive a cash payment for any excess tax offset in this regard whereas other taxpayers such as individuals and complying superannuation funds may be entitled to a cash payment for excess franking tax offsets.

A withholding of 47 per cent. will apply in respect of any unfranked dividends where holders of Ordinary Shares have not quoted their TFN/ABN. Any amount so withheld will be remitted to the ATO and will be creditable in the holder's tax return.

## **GOODS AND SERVICES TAX ("GST")**

GST should not be payable by the Noteholders in respect of the issue or redemption of Notes by the Issuer, the transfer of the Notes, or the exchange of Notes into Ordinary Shares. This will be the case irrespective of whether investors are resident or non-resident.

## **STAMP DUTY**

The issue or transfer of the Notes should not be subject to stamp duty in any Australian jurisdiction.

If the Notes are exchanged for Ordinary Shares in the Company, the exchange should not be subject to stamp duty except in certain circumstances. In the event that the Ordinary Shares remain quoted on the

ASX at the Final Maturity Date, if the Company is a “landholder” in any State and the exchange results in any person and its defined associates holding an interest of 90 per cent. or more in the Company, stamp duty may be payable. In the event that the Ordinary Shares are not quoted on the ASX at the Final Maturity Date, if the Company is a “landholder” in any State and the exchange results in any person and its defined associates holding an interest of 50 per cent. or more in the Company, stamp duty may be payable.

**GENERAL**

Prospective Noteholders should seek independent advice on the taxation consequences arising in relation to the above matters.

## SUBSCRIPTION AND SALE

This section summarises the Subscription Agreement entered into by the Issuer and the Managers. It also sets out restrictions on the Offering in various jurisdictions.

### SUBSCRIPTION AGREEMENT

The Managers have entered into a subscription agreement dated 7 October 2022 with the Issuer (the “**Subscription Agreement**”). Upon the terms and subject to the conditions contained therein, the Sole Bookrunner has agreed to subscribe or procure subscribers for the aggregate principal amount of the Notes at the Issue Price.

#### *Fees and expenses*

The Issuer has agreed to pay certain underwriting fees to the Sole Bookrunner, to pay certain transaction fees to the Managers and to reimburse the Managers for certain of their expenses incurred in connection with the issue of the Notes. The Managers are entitled in certain circumstances to terminate the Subscription Agreement prior to the closing of the issue of the Notes.

#### *Representations and warranties*

The Issuer makes various representations and warranties including but not limited to representations and warranties in relation to this Offering Circular, compliance with the Corporations Act, the ASX Listing Rules and the constitutional documents of the Issuer. The Issuer also represents and warrants that it has the full corporate power and capacity to create and issue the Notes, and to enter into and comply with the terms of the Subscription Agreement, the Trust Deed, the Agency Agreement, the General Security Deed, the Security Trust Security Deed and the Tripartite Deed.

#### *Lock-up*

The Issuer has undertaken that neither it nor any person acting on its behalf will:

- (a) issue, offer, sell, pledge, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any shares or securities of the same class as the Notes or the Ordinary Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Notes, the Ordinary Shares or securities of the same class as the Notes, the Ordinary Shares or other instruments representing interests in the Notes, the Ordinary Shares or other securities of the same class as them;
- (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Ordinary Shares;
- (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Ordinary Shares or other securities, in cash or otherwise, or;
- (d) announce or otherwise make public an intention to do any of the foregoing,

in any such case, without prior written consent of the Managers (such consent not to be unreasonably withheld or delayed) between the date of the Subscription Agreement and the date which is 60 calendar days after the Closing Date (both dates inclusive), except for:

- (i) as permitted in accordance with the Conditions, including, without limitation, the transfer of the Ordinary Shares in accordance with the General Security Deed, the Security Trust Deed and the Tripartite Deed or as to be delivered on exchange of the Notes; and
- (ii) under the Company's employee incentive schemes publicly disclosed as at the date of the Subscription Agreement (including the Company's Equity Incentive Plan, Short Term Incentive (STI) plan and Long Term Incentive (LTI) plan as outlined and referred to in the Company's 2022 Annual Report and 2021 Notice of Annual General Meeting), or to the incoming Chief Executive Officer and Managing Director of the Company or any entity related to him as part of his remuneration; and
- (iii) any such derivative or other transaction in connection with any of:
  - (A) the Issuer's intention to, subject to applicable law and regulation and its financing facilities, enter into arrangements regarding the provision of a stock lending facility in connection with the offering;
  - (B) the Delta Placement and the participation of the Issuer or any other member of the Group in the Delta Placement;
  - (C) the physically settled swap transaction entered into between WesTrac and Macquarie Bank Limited, in respect of Ordinary Shares; or
  - (D) the creation and/or perfection of the Security under the General Security Deed, the Security Trust Deed and the Tripartite Deed.

#### ***Other activities***

Each of the Managers, together with their respective affiliates, is a full service securities firm and is engaged in various activities, including securities trading, research, investment management, principal investment, financing and brokerage activities and financial planning and benefits counselling for both companies and individuals. Each of the Managers and their respective affiliates may receive and retain fees, profits and other financial benefits in connection with those activities.

The Sole Bookrunner or its respective affiliates have also assisted with the Delta Placement and the Concurrent Repurchase of the 2025 Convertible Notes. Macquarie Bank Limited has assisted with the Stock Borrow. The Managers will receive commissions or fees in relation to the Delta Placement, the Stock Borrow (in the case of Macquarie Bank Limited) and the Concurrent Repurchase, as the case may be.

The transactions associated with the Delta Placement may, together with any Notes and other shares in the Issuer acquired by a Manager or its respective affiliates in connection with its ordinary course sales and trading, principal investing and other activities, result in that Manager or its respective affiliates having a substantial exposure to the Issuer.

The Managers or their affiliates may purchase the Notes for its or their own account and enter into transactions, including:

- credit derivatives, such as asset swaps, repackaging and credit default swaps relating to the Notes, the 2025 Convertible Notes and/or other securities; or
- equity derivatives and stock loan transactions relating to the Ordinary Shares at the same time as the offer and sale of the Notes and/or the Concurrent Repurchase or in secondary market transactions.

Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Notes to which this Offering Circular relates (notwithstanding that such selected

counterparties may also be purchasers of the Notes). A portion of the Notes may be allocated to the Managers or their respective affiliates for the purpose of facilitating market making activities.

In addition:

- in connection with the Concurrent Repurchase, the Managers and any of their respective subsidiaries and affiliates, acting as an investor for its own account or on behalf of other parties, may retain or sell the 2025 Convertible Notes, the shares of the Issuer or any other securities of the Issuer or related investments, and may offer or sell such securities or other investments otherwise than in connection with the Concurrent Repurchase; and
- in connection with the Offering, in addition to acquiring Notes under the Offering and/or acquiring or selling Ordinary Shares under the Delta Placement, the Managers and/or any of their respective affiliates may, for their own account, enter into convertible asset swaps, credit derivatives or other derivative transactions relating to the Notes and/or the underlying Ordinary Shares at the same time as the offer and sales of the Notes, Ordinary Shares and/or other secondary market transactions. As a result of such transactions, each Manager and/or its respective affiliates may hold long or short positions in such Notes and/or derivatives or physical holdings in the underlying Ordinary Shares. Disclosure may not be made of any such positions. The Managers and/or their respective affiliates may purchase Notes for principal investment purposes and not with a view to distribution. The amount of any such purchases will be determined at the time of pricing of the Notes and will be subject to total demand received and final allocations. Any of these transactions contemplated could impact the market price of the Notes or the Ordinary Shares.

The Managers and any of their respective affiliates acting as an investor for its own account or on the account of its customers or funds may participate in the Delta Placement or any stock borrowing transaction related to the Ordinary Shares and in that capacity may retain, purchase, sell, lend or borrow for its own account or on the account of its customers or funds such securities and any securities of the Issuer or the Company or related investments thereto and may retain, purchase, offer, sell, lend or borrow such securities or other investments otherwise than in connection with the Offering to facilitate the offering of the new Notes or otherwise, and such entities are not expected to disclose such transactions or arrangements otherwise than in accordance with any applicable legal or regulatory requirements. Accordingly, references herein to the offering of the Notes and/or the Ordinary Shares should be read as including any offering of the Notes and/or the Ordinary Shares to the Managers and each of their affiliates, or affiliates of the Issuer as investors for their own account. If such transactions occur, the trading price and liquidity of the Notes and/or the Ordinary Shares may be impacted.

Furthermore, it is possible that a significant proportion of the Notes may be initially allocated to, and subsequently held by, a limited number of investors. If this is the case, the trading price and liquidity of trading in the Notes may be constrained. The Issuer and the Managers are under no obligation to disclose the extent of the distribution of the Notes amongst individual investors, otherwise than in accordance with any applicable legal or regulatory requirements.

In the ordinary course of their various business activities, the Managers and their respective affiliates may at any time for their own account (as principal and in arm's length commercial transactions) and for the account of their customers, make or hold long or short positions and investments as well as actively trade or otherwise effect transactions in debt, equity and other securities (or related derivative securities), including but not limited to the Notes, and financial products (including bank loans, credit default swaps and other obligations) of the Issuer, the Company and their respective affiliates and stakeholders as well as of other entities and persons and their affiliates which may or may not be involved in or affected by the transactions arising from or relating to the Offering or otherwise have relationships with the Issuer, the Company and their respective affiliates and stakeholders and may owe duties to other persons which may conflict with the interests of the Issuer. The



Managers do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulator obligation to do so. The Managers and their respective affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Notes, Ordinary Shares or other financial instruments of the Issuer, and may recommend to their clients that they acquire long and/or short positions in the Notes, Ordinary Shares or other financial instruments of the Issuer.

## **NOTICE TO CAPITAL MARKET INTERMEDIARIES (“CMIs”) AND PROSPECTIVE INVESTORS PURSUANT TO PARAGRAPH 21 OF THE HONG KONG SFC CODE OF CONDUCT – IMPORTANT NOTICE TO CMIS (INCLUDING PRIVATE BANKS)**

This notice to CMIs (including private banks) is a summary of certain obligations the Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as “overall coordinators” (together, the “OCs”) for the offering and are subject to additional requirements under the Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, the Chargor, the Company, a CMI or its group companies would be considered under the Code as having an Association with the Issuer, the Chargor, the Company, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer, the Chargor, the Company or any CMI (including its group companies) and inform the Managers accordingly.

CMIs are informed that the marketing and investor targeting strategy for the offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions set out elsewhere in this Offering Circular.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the Notes (except for omnibus orders where underlying investor information should be provided to the OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place “X-orders” into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer, the Chargor, the Company. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the Notes.

The Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Managers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Notes, private banks should disclose, at the same time, if such order is placed other than on a “principal” basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a “principal” basis. Otherwise, such order may be considered to be an omnibus order pursuant to the Code. Private

Banks should be aware that placing an order on a “principal” basis may require the Managers to apply the “proprietary orders” requirements of the Code to such order and will require the Managers to apply the “rebates” requirements of the Code (if applicable) to such order.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) are requested to provide certain underlying investor information, in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). CMIs (including private banks) should contact the Managers to obtain details on what underlying investor information is required. To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to the OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to the OCs. By submitting an order and providing such information to the OCs, each CMI (including private banks) further warrants that each of them and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by the OCs and/or any other third parties as may be required by the Code, including to the Issuer, the Chargor, the Company, relevant regulators and/or any other third parties as may be required by the Code, for the purpose of complying with the Code, during the bookbuilding process for the offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the offering. The Managers may be asked to demonstrate compliance with their obligations under the Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Manager with such evidence within the timeline requested.

## **SELLING RESTRICTIONS**

### **General**

Under the terms of the Subscription Agreement neither the Issuer nor the Managers makes any representation that any action will be taken in any jurisdiction by the Managers or the Issuer that would permit a public offering of the Notes, or possession or distribution of this Offering Circular or any other offering or publicity material relating to the Notes (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. Each of the Managers has agreed in the Subscription Agreement that it will comply (to the best of its knowledge and belief) in all material respects with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Notes or has in its possession or distributes this Offering Circular or any other such material, in all cases at its own expense.

### **United States**

The Notes and the Ordinary Shares to be delivered upon exchange of the Notes have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. The Notes are being offered and sold outside of the United States in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes or the Ordinary Shares to be delivered upon exchange of the Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

### **Prohibition of sales to EEA Retail Investors**

Each of the Managers has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
- (b) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

## **United Kingdom**

### *Prohibition of sales to UK retail investors*

Each of the Managers has represented, warranted and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the UK. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

- (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
- (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

### *Other regulatory restrictions*

Each of the Managers has represented, warranted and agreed that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

## **Australia**

No prospectus, product disclosure document or other disclosure document as that term is defined in the Corporations Act has been or will be lodged with ASIC in relation to the Notes. Accordingly, each of the Managers has represented, warranted and agreed that it has not and will not offer, or invite applications for the issue of any Notes or offer any Notes for issue or sale in Australia (including an offer or invitation which is received by that person in Australia) or distribute or publish and will not distribute or publish this Offering Circular or any other advertisement in relation to any Notes in Australia, unless:

- (a) the offer or invitation does not constitute an offer or invitation for which disclosure is required to be made to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
- (b) the offer or invitation is made to sophisticated or professional investors within the meaning of sections 708(8) or 708(11) of the Corporations Act;
- (c) the offer or invitation is not made to a person who is a “retail client” within the meaning of section 761G of the Corporations Act; and
- (d) such action complies with applicable laws and directives in Australia.

## **Hong Kong**

Each of the Managers has represented and agreed that:

- (e) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (f) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

### **Singapore**

Each of the Managers has acknowledged that this Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (the “MAS”). Accordingly, each of the Managers has represented, warranted and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other documents or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly to any person in Singapore other than:

- (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA;
- (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or
- (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (ii) where no consideration is or will be given for the transfer;

- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities- based Derivatives Contracts) Regulations 2018.

*Singapore SFA Product Classification:* In connection with Section 309B of the SFA and the CMP Regulations 2018, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each of the Managers has represented, warranted and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws, regulations and ministerial guidelines of Japan.

## ADDITIONAL INFORMATION

### OWNERSHIP RESTRICTIONS

#### Foreign Acquisitions and Takeovers Act

Australia has a foreign investment approval regime, set out primarily in the Australian Foreign Acquisitions and Takeovers Act 1975 (Cth) (the “**FATA**”), which requires certain types of proposed direct or indirect acquisitions by foreign persons of interests in Australian companies and unit trusts, of interests in Australian businesses and interests in Australian land, and of interests in ‘national security businesses’ and ‘national security land’ to be notified to the Treasurer of the Commonwealth of Australia (the “**Treasurer**”) and not to be undertaken unless and until a no objection notification is received from the Treasurer (or his or her delegate). A no objection notification is commonly referred to as ‘FIRB approval’. ‘FIRB’ stands for Foreign Investment Review Board, which examines foreign investment proposals and advises the Treasurer on the national interest and national security implications of proposed acquisitions. An acquisition which requires FIRB approval may be the subject of a divestment order by the Treasurer unless the process of notification and issuance of a FIRB approval has occurred. Criminal offences and civil penalties can apply to failing to give notification of certain acquisitions, undertaking certain acquisitions without FIRB approval or contravening a condition in a FIRB approval.

In addition, the FATA denotes that an entity is considered an “**Australian land entity**” where interests in Australian land account for more than 50.00 per cent. of the entity’s total assets by value.

The FATA generally requires (with the sanction of penalties) that prior notice be given to the Treasurer and a no objection notification obtained (or a statutory period has expired without the Treasurer objecting) in respect of the acquisition by a “foreign person” of certain interests in Boral which trigger specified percentage thresholds and monetary thresholds and gives the Treasurer power to make an order prohibiting such an acquisition where it is proposed or to make a divestment order where such an acquisition has occurred and the proposal or acquisition is considered contrary to Australia’s national interest (which includes an assessment of any national security concerns). For instance, if:

- a foreign person (alone or together with its associates) acquires an interest in 20 per cent. or more of the Ordinary Shares, votes or potential votes (including through acquisition or exchange of Notes) of Boral and where the relevant monetary threshold is met;
- Boral is an Australian land entity for the purposes of the FATA, and a foreign person (alone or together with its associates) acquires an interest in 10 per. cent or more of the Ordinary Shares, votes or potential votes (including through acquisition or exchange of Notes) of Boral and where the relevant monetary threshold is met; or
- a ‘foreign government investor’ (alone or together with its associates) would have an interest in 10.00 per cent. or more (or any control element) of the Ordinary Shares, votes or potential votes (including through acquisition or exchange of Notes) of Boral, irrespective of value (noting that the relevant monetary threshold in such a situation is nil),

such acquisition or transaction may be required to be notified to the Treasurer and not to be undertaken unless and until FIRB approval is received.

The position under Australia’s foreign investment legislation is that exchangeable notes – and any other options or right to receive or be transferred equity securities– are treated as though they have been exchanged into or for those securities and investors are deemed to have acquired those securities at the time the exchangeable

notes are issued to them. This is the case even if the exchange of the notes is contingent on certain events or triggers occurring in the future, or otherwise subject to conditions.

The above summary does not purport to be a definitive statement of the FATA nor of its potential application to the acquisition and/or exchange of Notes. In particular, the above summary does not address the possibility of the voluntary FIRB approval rules being triggered where there is not a mandatory FIRB approval requirement (for example, if Boral's business fell within the scope of FIRB's sectoral guidance for which voluntary notification is encouraged, investors should consider whether an application for FIRB approval should be sought on the grounds the investment constitutes a reviewable national security action). Investors requiring further information as to whether they need or should consider seeking FIRB approval in respect of a proposed acquisition of Notes should consult their professional advisers.

### **Takeover Restrictions**

The acquisition of interests in Boral is also regulated by the takeover provisions of Chapter 6 of the Corporations Act. These provisions prohibit (with the sanctions of penalties) the acquisition of relevant interests in the Ordinary Shares, if as a result of the acquisition the acquirer's (or another party's) "voting power" in Boral would increase to above 20 per cent., or would increase from a starting point that is above 20 per cent. and below 90 per cent.. That prohibition is subject to a number of exceptions, including for acquisitions pursuant to a regulated takeover bid. Chapter 6C of the Corporations Act also contains provisions requiring market disclosure of relevant interests (and changes in relevant interests) in the Ordinary Shares by persons holding "voting power" in Boral of 5 per cent. or more.

The Constitution of Boral also prohibits Boral from registering a transfer of Ordinary Shares giving effect to a takeover contract for a proportional takeover bid to take effect unless and until it is approved by the shareholders of Boral in accordance with the procedure set out in the Constitution.

Investors requiring further information relating to takeover restrictions and requirements regarding market disclosure of relevant interests should consult their professional advisers as these matters may be applicable to any acquisition of Notes or physical settlement on exchange of the Notes.

### **ASX CONFIRMATION**

The Issuer has received confirmation from the ASX that the Notes are debt securities for ASX Listing Rules purposes.

### **INTERESTS OF DIRECTORS**

Other than as set out below or elsewhere in this Offering Circular, no director has, or has had within the two years prior to the release of this Offering Circular, any interest in:

- the promotion or formation of the Issuer;
- property acquired or proposed to be acquired by the Issuer in connection with its formation or promotion of the offer under this Offering Circular; or
- the offer under this Offering Circular,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director:

- to induce him or her to become, or to qualify him or her as, a director; or

- for services rendered by him or her in connection with the formation or promotion of the Issuer or the offer under this Offering Circular.

Details of the interests in the securities of the Directors of the Issuer are disclosed in the Issuer's most recently annual report dated 24 August 2022, as updated in the Issuer's Appendix 3Y filings lodged with the ASX since that date.

Details on the Directors' remuneration are also contained in the most recently lodged annual report for the Issuer dated 24 August 2022.

The information described above can be obtained from the Issuer, ASIC or ASX respectively, as set out in the "Important Notice".

## **AUTHORISATIONS AND CONSENTS**

### **Consents**

The persons stated on page 143 of this Offering Circular (except for the Issuer, the Note Trustee, the Security Trustee, the Registrar, the Principal Paying and Exchange Agent) have given and have not, before the date of this Offering Circular, withdrawn their written consent to be named in this Offering Circular in the form and context in which they are named. Each of these persons (except for the Issuer):

- does not make, or purport to make, any statement in this Offering Circular, and is not aware of any statement in this Offering Circular which purports to be based on a statement made by them; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Offering Circular other than a reference to its name.

This Offering Circular contains statements made by, or statements said to be based on statements made by:

- Seven Group Holdings Limited as Issuer; and
- Deloitte Touche Tohmatsu as auditors to the Issuer and Boral.

Each of Seven Group Holdings Limited as Issuer and Deloitte Touche Tohmatsu as auditors to the Issuer has consented to the inclusion of each statement it has made in the form and context in which the statement appears in this Offering Circular, has consented to the references to those statements in the form and context in which they are included in this Offering Circular and has not withdrawn those consents as at the date of this Offering Circular.

### **Directors' authorisations**

This Offering Circular is issued by the Issuer.

Third parties named in this Offering Circular, and not specifically referred to above as having given their consent, have not consented to the inclusion of their names in this Offering Circular, or to any statement attributed to them, or statement upon which a statement has been based. The Issuer assumes responsibility for the reference to those entities and statements which include those references.



## GENERAL INFORMATION

1. The Issuer's and the Chargor's respective registered offices and principal places of business is located at Level 30, 175 Liverpool Street, Sydney NSW 2000, Australia.
2. The Principal Paying and Exchange Agent for the Notes will be The Bank of New York Mellon, London Branch at its specified office located at 160 Queen Victoria Street, London, EC4V 4LA, United Kingdom. The Registrar and the Transfer Agent for the Notes is The Bank of New York Mellon SA/NV, Dublin Branch at its specified office located at Riverside Two, Sir John Rogerson's Quay Grand Canal Dock Dublin 2, Ireland.
3. The issue of the Notes and the terms of the Offering were approved by resolutions of the Board of Directors of the Issuer passed on 26 September 2022 and 30 September 2022. The obligation of the Chargor to deliver the Ordinary Shares upon exchange of the Notes and the creation of the Security Interests were approved by resolution of the Board of Directors of the Chargor passed on 26 September 2022.
4. Copies of the constitutive documents of the Issuer and the Chargor (subject to the Issuer or, as the case may be, the Chargor providing a copy of the same and of any amendment thereto made after the date of this Offering Circular to the Principal Paying and Exchange Agent) and copies of the Trust Deed, the Agency Agreement, the Security Trust Deed, the General Security Deed and the Tripartite Deed (in each case, upon execution and subject in the case of each document other than the Agency Agreement to the Issuer or, as the case may be, the Chargor providing a copy of the same and of any amendment thereto made after the date of this Offering Circular to the Principal Paying and Exchange Agent) will be available for inspection, and the published financial statements of the Group or Boral (in each case, subject to the Issuer providing copies of the same to the Principal Paying and Exchange Agent) will be available for collection at the specified office of the Principal Paying and Exchange Agent at all reasonable times during normal business hours following prior written request and satisfactory proof of holding, so long as any of the Notes is outstanding.
5. The Notes have been accepted for clearance through Euroclear and Clearstream. The International Securities Identification Number for the Notes is XS2531934847. The Common Code for the Notes is 253193484.
6. The Legal Entity Identifier of the Issuer is 254900DME8O9GCK94794.
7. The Issuer has obtained all consents, approvals and authorisations in Australia and Singapore required to be obtained by it in connection with the issue and performance of the Notes and the performance of its obligations under the Transaction Documents to which it is a party. The Chargor has obtained all consents, approvals and authorisations in Australia and Singapore required to be obtained by it in connection with the performance of its obligations under the Notes and the Transaction Documents to which it is a party.
8. Other than as expressly stated in this Offering Circular, there has been no significant change in the financial or trading position of the Issuer or the Group since 30 June 2022 and no material adverse change in the financial position or prospects of the Issuer or the Group since 30 June 2022.
9. Neither the Issuer nor any of its subsidiaries involved in any litigation or arbitration proceedings or any regulatory investigations relating to claims or amounts which are material in the context of the issue of the Notes nor, so far as the Issuer is aware, is any such litigation or arbitration pending or threatened.
10. The audited annual consolidated financial statements of the Group for the financial years ended and as at 30 June 2021 and 2022, which are deemed to be incorporated by reference in this Offering Circular,

have been audited by Deloitte Touche Tohmatsu, as the independent auditors to the Issuer, as stated in their reports appearing therein.

11. The audited annual consolidated financial statements of Boral for the financial year ended and as at 30 June 2022, which are deemed to be incorporated by reference in this Offering Circular, have been audited by Deloitte Touche Tohmatsu, as the independent auditors to Boral, as stated in their reports appearing therein.
12. Application has been made to the SGX-ST for the listing and quotation of the Notes on the Official List of the SGX-ST.

The Notes will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.

So long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer shall appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that the Global Certificate is exchanged for individual definitive Notes. In addition, in the event that the Global Certificate is exchanged for individual definitive Notes, an announcement of such exchange will be made by the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the individual definitive Notes, including details of the paying agent in Singapore.

**ISSUER**

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**SECURITY TRUSTEE**

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