

Allens

Deutsche Bank Place
Corner Hunter and Phillip Streets
Sydney NSW 2000 Australia

T +61 2 9230 4000

F +61 2 9230 5333

www.allens.com.au

GPO Box 50
Sydney NSW 2001 Australia

ABN 47 702 595 758

Allens > < Linklaters

25 June 2021

The Manager
ASX Market Announcements Office
ASX Limited
Level 4
Exchange Centre
20 Bridge Street
Sydney NSW 2000

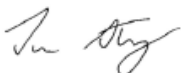
Dear Sir/Madam

**Takeover Offer by Network Investment Holdings Pty Limited in relation to Boral Limited –
Second Supplementary Bidder's Statement**

As you are aware, we act for Seven Group Holdings Limited (ACN 142 003 469) (ASX: SVW) and its wholly-owned subsidiary, Network Investment Holdings Pty Limited (ACN 078 448 512) (**NIH**), in relation to NIH's off-market takeover offer for all of the ordinary shares in Boral Limited (ACN 008 421 761) (ASX:BLD) (**Boral**).

On behalf of NIH, we enclose, in accordance with section 647(3)(a)(ii) of the Corporations Act (as modified by item 4(e) of ASIC Class Order CO 13/528), a copy of NIH's Second Supplementary Bidder's Statement dated 25 June 2021, which supplements the Bidder's Statement dated 10 May 2021 (as amended by NIH's First Supplementary Bidder's Statement dated 22 June 2021).

Yours sincerely



Tom Story

Partner

Allens

Tom.Story@allens.com.au

T +61 2 9230 4812

Encl

Second Supplementary Bidder's Statement

by **Network Investment Holdings Pty Limited** (ACN 078 448 512), a wholly owned subsidiary of **Seven Group Holdings Limited** (ACN 142 003 469) in relation to its off-market bid to purchase all of the ordinary shares in **Boral Limited** (ACN 008 421 761).

Please call the SGH Offer Information Line on 1300 080 794 (toll-free within Australia) or +61 2 8023 5468 (from outside Australia) if you require assistance. For legal reasons calls to these numbers will be recorded.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO HOW TO ACT, YOU SHOULD CONSULT YOUR FINANCIAL OR LEGAL ADVISER AS SOON AS POSSIBLE.

IMPORTANT INFORMATION

This document is the second supplementary bidder's statement (**Second Supplementary Bidder's Statement**) issued under section 643 of the *Corporations Act 2001* (Cth) (**Corporations Act**) by Network Investment Holdings Pty Limited (ACN 078 448 512) (**SGH Bidder**), a wholly owned subsidiary of Seven Group Holdings Limited (ACN 142 003 469) (**SGH**), to the Bidder's Statement dated 10 May 2021, as supplemented by the first supplementary bidder's statement dated 22 June 2021 (**Bidder's Statement**) in relation to SGH Bidder's off-market takeover bid for all of the ordinary shares in Boral Limited (ACN 008 421 761) (**Boral**) dated 25 May 2021 (**Offer**).

This Second Supplementary Bidder's Statement supplements, and is to be read together with, the Bidder's Statement. This Second Supplementary Bidder's Statement prevails to the extent of any inconsistency with the Bidder's Statement.

A copy of this Second Supplementary Bidder's Statement was lodged with ASIC and provided to ASX on 25 June 2021. Neither ASIC, ASX nor any of any of their respective officers takes any responsibility for the contents of this Second Supplementary Bidder's Statement.

Unless the context requires otherwise, defined terms in the Bidder's Statement have the same meaning in this Second Supplementary Bidder's Statement. The rules of interpretation in section 8 of the Bidder's Statement also apply to this Second Supplementary Bidder's Statement.

SUPPLEMENTARY INFORMATION

1 Summary Information

- SGH has announced on ASX an extension to the Offer Period as described below.
- If SGH Bidder receives acceptances under its Offer sufficient to increase its aggregate interest in Boral Shares to 29.5% or more prior to 5:00 p.m. on Friday, 2 July 2021, SGH Bidder will increase the consideration under its Offer to \$7.30 cash per Boral Share.
- Further, SGH Bidder will increase the consideration under its Offer to \$7.40 cash per Boral Share if it receives acceptances under its Offer sufficient to increase its aggregate interest in Boral Shares to 34.5% or more prior to Wednesday, 7 July 2021.
- SGH has established an acceptance facility in relation to the Offer, enabling Boral Shareholders to indicate their intention to accept the Offer subject to SGH Bidder increasing the consideration under its Offer to \$7.30.

2 Extension of Offer Period

On 25 June 2021, SGH Bidder announced an extension to the Offer Period under section 650C(1) of the Corporations Act. The Offer Period will end at 7.00pm (Sydney time) on 2 July 2021 (unless further extended in accordance with the Corporations Act).

SGH Bidder will not extend the Offer Period prior to the current scheduled end of the Offer Period, although the Offer Period may be automatically extended pursuant to the Corporations Act¹.

3 Conditional Increases to the Offer Price

3.1 First Conditional Increase

SGH Bidder is pleased to announce that if it receives acceptances under the Offer sufficient to increase its aggregate interest in Boral Shares by approximately 5% to 29.5% or more² prior to 5:00 p.m. on Friday, 2 July 2021, SGH Bidder will increase the consideration under the Offer to \$7.30 cash per Boral Share (the **First Conditional Increase**).

3.2 Second Conditional Increase

SGH Bidder is also pleased to announce that if it receives acceptances under the Offer sufficient to increase its aggregate interest in Boral Shares by approximately 10% to 34.5% or more prior to 5.00 p.m. on Wednesday, 7 July 2021, SGH Bidder will increase the consideration under the

¹ An automatic extension of the Offer Period will arise under section 624 of the Corporations Act if SGH Bidder's voting power in Boral increases to more than 50% or an increase in the consideration under the Offer occurs in the last 7 days of the Offer Period. If an automatic extension occurs, SGH Bidder reserves the right to subsequently extend the Offer.

² As at the date of this Second Supplementary Bidder's Statement, SGH Bidder has an interest in approximately 24.5% of Boral Shares on issue, comprised of:

- a) a holding of 244,934,437 Boral Shares;
- b) an interest in up to 36,769,613 Boral Shares, acquired under a physically settled equity swap ((a) and (b) together, the **Existing Interest**); and
- c) 1,005,499 Boral Shares that are the subject of acceptances under the Offer.

In calculating the 'aggregate interest' of SGH Bidder, the Existing Interest will be aggregated with all valid acceptances under the Offer and all acceptances submitted into the Facility that have not been validly withdrawn at the relevant time. The calculation will also take account of any increase in SGH Bidder's interest that arises as a consequence of Boral's on-market Share buy-back, should the buy-back continue.

Offer to \$7.40 cash per Boral Share (**Second Conditional Increase** and, together with the First Conditional Increase, the **Conditional Increases**).

3.3 'Last and final' Offer Price

Under no circumstances will SGH Bidder increase the consideration under the Offer to a price exceeding \$7.30 cash per Boral Share unless it receives acceptances under the Offer sufficient to increase its aggregate interest in Boral Shares to 34.5% or more.

Under no circumstances will SGH Bidder increase the consideration under the Offer to a price exceeding \$7.40 cash per Boral Share.

SGH Bidder confirms that SGH, SGH Bidder and their other related bodies corporate will not acquire an interest in any Boral Shares at a price that exceeds the final Offer price per Boral Share at any time during the 12 month period following the date of this Second Supplementary Bidder's Statement.

3.4 Important Information in relation to the Conditional Increases

Boral Shareholders should note the following in relation to the Conditional Increases:

- The Offer is unconditional and is scheduled to close at 7.00pm (Sydney time) on Friday, 2 July 2021.
- You should read this Second Supplementary Bidder's Statement in full before deciding whether and how to deal with your Boral Shares.
- If you accept into the Offer and SGH Bidder does not receive acceptances under its Offer sufficient to increase its aggregate interest in Boral Shares to 29.5% or more prior to 5.00pm (Sydney time) on Friday, 2 July 2021 (or otherwise effect the First Conditional Increase), then pursuant to the current terms of the Offer and this Second Supplementary Bidder's Statement, you will receive \$6.50 per Boral Share.
- If you accept into the Offer and SGH Bidder:
 - effects the First Conditional Increase; *but*
 - does not receive acceptances under its Offer sufficient to increase its aggregate interest in Boral Shares to 34.5% or more prior to 5.00pm (Sydney time) on Wednesday, 7 July 2021,then pursuant to the current terms of the Offer and this Second Supplementary Bidder's Statement you will receive \$7.30 per Boral Share.
- If any increase in the consideration under the Offer is effected prior to the scheduled end of the Offer Period, pursuant to the current terms of the Offer, this will result in the Offer Period being automatically extended for a further 14 days.
- All Boral Shareholders who accept, or have accepted, the Offer will receive the increased consideration under the Offer if the First Conditional Increase and/or the Second Conditional Increase is effected, regardless of when they accepted the Offer. This applies in relation to any increases in consideration effected under the Offer.
- If a Conditional Increase is effected, SGH Bidder will pay all Shareholders who have accepted the Offer consideration for their Accepted Shares (or, where necessary, an amount equal to the increase in consideration due to a Shareholder to reflect the Conditional Increase) no later than 7 Business Days after the date on which they become entitled to the Conditional Increase.

4 Acceptance Facility

4.1 Overview

SGH Bidder has established an acceptance facility that is open to all Boral Shareholders to facilitate the receipt of their acceptances of the Offer (**Facility**). The Facility enables Boral Shareholders to indicate their intention to accept the Offer without being obliged to do so until the First Conditional Increase is effective.

4.2 Operation of the Facility

The Facility is operated by Computershare Clearing Pty Limited ACN 063 826 228, an independent third party acceptance facility operator (**Facility Agent**). The Facility will be operated by the Facility Agent in accordance with the Facility terms of appointment (**Terms of Appointment**).

The Facility will operate as follows:

- (a) If you decide to participate in the Facility, you will provide to the Facility Agent a duly completed appointment of Facility Agent form (**Appointment Form**), together with:
 - (i) if you are the registered shareholder of your Boral Shares, a duly completed acceptance and transfer form for the Offer in respect of some or all your Boral Shares (**Acceptance Form**); or
 - (ii) if your Boral Shares are held by a custodian (such as a nominee) (**Custodian**), a duly completed and executed direction to your Custodian to accept the Offer in respect of some or all your Boral Shares (**Custodian Direction**),(collectively, the **Acceptance Instructions**).
- (b) The Facility Agent will hold the completed Acceptance Form and/or Custodian Direction in accordance with the terms set out in the Appointment Form.
- (c) SGH Bidder may deliver a letter to the Facility Agent (**Confirmation Letter**) confirming that SGH Bidder and its associates have obtained a relevant interest in at least 29.5% (or such less percentage at which SGH Bidder has announced on ASX an intention to effect the First Conditional Increase) of all Boral Shares on issue prior to 5.00pm (Sydney time) on Friday, 2 July 2021 (the **Offer Increase Condition**).
- (d) SGH Bidder will not provide the Confirmation Letter to the Facility Agent unless the Offer Increase Condition has been satisfied. For this purpose, SGH Bidder will be taken to have a relevant interest in the sum of:
 - (i) the number of Boral Shares in which SGH Bidder has a relevant interest, including for this purpose the maximum number of Boral Shares the subject of the physically settled equity swap transaction entered into with Macquarie Bank Ltd on 8 April 2021; and
 - (ii) the number of Boral Shares in respect of which Acceptance Instructions have been received under the Facility (as advised by the Facility Agent to SGH Bidder),

and it is noted that in calculating the percentage of Boral Shares in which SGH Bidder has a relevant interest, all Boral Shares notified by Boral to ASX as acquired under the on-market buy-back currently being undertaken by Boral will be deemed to have been cancelled.

- (e) Upon the Facility Agent receiving the Confirmation Letter from SGH Bidder, the Facility Agent will, as soon as is reasonably practicable, deliver (as appropriate):

- (i) the Acceptance Form to Boardroom Pty Limited (in the case of Issuer Sponsored Holdings) or to the relevant Controlling Participant (in the case of CHES Holdings); and/or
 - (ii) the Custodian Direction to the relevant Custodian(s).
- (f) You will retain all rights and control over your Boral Shares and, in particular, will be able to withdraw your Acceptance Form or Custodian Direction simply by submitting a withdrawal notice to the Facility Agent in writing (including by fax or email) (**Withdrawal Notice**). The Facility Agent must return the Acceptance Instructions to the Boral Shareholder promptly upon:
 - (i) receipt of a written request (by fax or email) from you at any time prior to the Facility Agent receiving the Confirmation Letter from SGH Bidder; or
 - (ii) SGH Bidder terminating its arrangements with the Facility Agent in respect of the Facility.

For the avoidance of doubt, if you decide to participate in the Facility (and comply with the steps contemplated in paragraph (a) above) after the time at which SGH Bidder has delivered the Confirmation Letter to the Facility Agent, you have no right to withdraw your Acceptance Form or Custodian Direction.

The Facility Agent will receive reasonable fees from SGH Bidder for acting as facility agent, and will not charge Boral Shareholders any fees for acting as facility agent.

4.3 Disclosure

SGH Bidder will treat any Boral Shares the subject of the Facility as shares over which it has a relevant interest for the purpose of the disclosure requirements in Chapter 6 of the Corporations Act and for continuous disclosure obligations generally.

By 8.30am (Sydney time) on each Business Day, the Facility Agent will inform SGH Bidder of the number of Boral Shares in respect of which Acceptance Instructions have been received as at 7.00pm (Sydney time) on the previous Business Day.

Following receipt of this information from the Facility Agent, SGH Bidder will disclose this information as required by the Corporations Act. When SGH Bidder discloses its voting power in that regard, it will do so in a way that distinguishes the Boral Shares that are the subject of the Facility.

4.4 Participating in the Facility

If a Boral Shareholder wishes to participate in the Facility, please provide to the Facility Agent:

- (a) a completed and executed Appointment Form; and
- (b) a completed and executed:
 - (i) Acceptance Form; and/or
 - (ii) in respect of Boral Shares held by a custodian, Custodian Directions (one copy for the Bidder and one copy for the Custodian).

A copy of the Appointment Form, Terms of Appointment, Acceptance Form, Custodian Directions and Withdrawal Notice will be provided to Boral Shareholders upon request. Any Boral Shareholder may request a copy of any of these documents from the Facility Agent by email at custodians@computershare.com.au. The documents will also be included in an SGH ASX announcement and available on SGH's website.

Boral Shareholders can provide their Appointment Form, together with their Acceptance Form or Custodian Direction, to the Facility Agent by post, fax or email. If these forms are provided to the Facility Agent by fax or email, please also courier the original documents to the Facility Agent

immediately upon sending the fax or email. The Facility Agent reserves the right to act on documents faxed or emailed to it.

4.5 Immediately Accepting the Offer (without participating in the Facility)

You may also immediately accept the Offer by lodging with SGH Bidder a complete and executed Acceptance Form, in the form attached to the original Bidder's Statement. Should the Offer Increase Condition be satisfied or waived, you will still be entitled to receive the First Conditional Increase.

4.6 Further information

If you have any questions in relation to the Facility or the related documents, please contact Computershare Clearing Pty Limited by email at custodians@computershare.com.au.

5 Financing

In the event that acceptances are received for all Shares on issue as at the date of this Second Supplementary Bidder's Statement (other than those Shares which SGH Bidder already owns, being 244,934,437 Shares), the aggregate amount of cash consideration that SGH Bidder would be required to pay would be, in relation to the First Conditional Increase, \$6,578,627,204 and, in relation to the Second Conditional Increase, \$6,665,745,083 (the **Maximum Offer Amount**).

There has been no change to SGH's financing arrangements in respect to the Offer as set out in section 4 of the Bidder's Statement, except that the Transaction Facility terms have been amended so as to increase the amount available to address the increase in consideration under the Offer should the Maximum Offer Amount be required to be funded. Accordingly, SGH will source the necessary funds to be made available to SGH Bidder to pay the Maximum Offer Amount (and costs associated with the Offer) from a combination of:

- (a) SGH Group's existing cash reserves;
- (b) committed and undrawn facilities under the SGH Corporate Loan Facility; and
- (c) facilities under the Transaction Facility,

each as described in more detail in section 4 of the Bidder's Statement.

The total amount available to SGH under the Transaction Facility and the SGH Corporate Loan Facility, subject to the terms of the Transaction Facility and the SGH Corporate Loan, together with SGH Group's existing cash reserves, exceeds the Maximum Offer Amount and all associated transaction costs.

6 On market transactions

In accordance with ASIC Market Integrity Rule 5.13.1 and 5.14.1, SGH Bidder confirms that it has appointed Barrenjoey Markets Pty Limited to purchase Boral Shares on SGH Bidder's behalf, on market during the Offer Period for prices at or below the Offer price.

7 Consent

The Facility Agent has given, and has not at the date of this Second Supplementary Bidder's Statement withdrawn, its written consent to being named in this Second Supplementary Bidder's Statement.

8 Approval of Second Supplementary Bidder's Statement

This Second Supplementary Bidder's Statement has been approved by a resolution of the directors of Network Investment Holdings Pty Limited.

Dated 25 June 2021

Signed on behalf of Network Investment Holdings Pty Limited:


Richard Richards
Director