ASX Release

12 August 2025

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

2025 ANNUAL REPORT

SGH Ltd (ASX:SGH) attaches the Annual Report for the year ended 30 June 2025.

This announcement has been authorised for release to the ASX by the Board of SGH Ltd.

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SGH Ltd (ASX:SGH) is an Australian diversified operating company, with market leading businesses across industrial services, energy and media. SGH owns WesTrac, Boral and Coates. WesTrac is the sole authorised Caterpillar dealer in WA and NSW/ACT. Boral is Australia's leading integrated construction materials business. Coates is Australia's largest equipment hire business. SGH has a ~30% shareholding in Beach Energy, and wholly owns SGH Energy. SGH has a ~40% shareholding in Seven West Media.

Annual Report 2025

SGH


WesTrac CAT
BORAL

SGH Limited is a leading Australian diversified operating company. Through disciplined execution and a focus on performance and long-term value creation, our market-leading businesses in industrial services, energy and media continue to deliver strong results and support the sectors that power Australia's prosperity.

Contents

Performance Highlights

SGH delivered strong FY25 earnings growth, cash generation, and deleveraging, supported by disciplined capital allocation and execution of the SGH Way operating model.

Revenue ($bn)

$10.7bn

↑ 1%

10-year EBIT CAGR

20%

EBIT ($m)

$1,537m

↑ 8%

Underlying EPS ($)

$2.27

↓ 2%

"The efficacy of our operating model and 4C drivers was highlighted in FY25 by significant TSR outperformance, with SGH delivering a 46% total return compared to just 15% for the ASX100."

Ryan Stokes AO —
Managing Director & CEO

Five year results $m	FY25	FY24	FY23	FY22	FY21
Revenue	**10,743.5**	10,605.2	9,626.5	8,965.7	4,838.7
Underlying results[(a)]					
EBITDA	**2,046.3**	1,929.9	1,688.5	1,465.0	1,052.4
EBIT	**1,537.4**	1,419.2	1,186.5	987.1	792.1
Profit before tax	**1,221.0**	1,125.7	903.1	733.5	634.2
Underlying EPS ($)	**2.27**	2.31	1.80	1.52	1.46
Statutory results					
Profit before tax	**811.0**	765.8	855.3	773.5	762.7
Profit after tax	**526.9**	522.1	646.5	607.4	634.6
Reported EPS ($)	**1.29**	1.26	1.64	1.54	1.84
Operating cash flow per share[(b)] ($)	**3.49**	2.19	3.29	1.41	1.81
Free cash flow per share[(c)] ($)	**1.70**	0.47	1.73	(0.28)	1.31
Full year fully franked ordinary dividend paid per share ($)	**0.60**	0.46	0.46	0.46	0.44

(a) Underlying results comprise statutory results adjusted for significant items and are separately disclosed in Note 3: Significant items of the Financial Report to assist users in understanding the financial performance of SGH. Underlying results are reconciled to statutory performance on page 44. They are a non-IFRS measure and have not been audited or reviewed.

(b) Operating cash flow per share is calculated by dividing the operating cash flow of SGH by the weighted average number of ordinary shares outstanding during the year.

(c) Free cash flow per share is operating cash flow less net capital expenditure, divided by the weighted average number of ordinary shares outstanding during the year.

Chairman's Letter

On behalf of the Board, I am pleased to present the FY25 Annual Report for SGH. The business has delivered another year of strong performance, meeting our financial and operational guidance. The achievement of these targets in variable market conditions reflects the quality and resilience of SGH, driven by our consistent and disciplined capital allocation.

Dear SGH Shareholders,

When I reflect on SGH's journey over the past decade, it is clear that the disciplined application of our operating and capital allocation models has transformed the business. Ten years ago, SGH was a small-cap investment company with a collection of assets and minority interests, and 10,000 largely domestic shareholders. Today, it is an ASX100 diversified industrial company with market-leading businesses and over 45,000 shareholders globally. Our market capitalisation has grown from less than $2 billion to over $21 billion, underpinned by a clear operating model and value accretive M&A that has driven earnings growth and superior shareholder returns. It is pleasing to see this reflected in increasing investor confidence and subsequent share price appreciation.

This growth has not occurred by chance; it is the targeted outcome of disciplined execution of our capital allocation model, with a clear focus on sustainable value creation. At a high level, the Board and management consistently apply simple but powerful hurdles when allocating capital:

- Does this align with our sector focus of industrials and energy?
- Are there positive long-duration demand thematics?
- Can we add value through active ownership, operational improvement and capital discipline?
- Does it have privileged assets that provide a competitive advantage and is the scale meaningful?
- Can it generate long-term returns greater than our cost of capital and strong cash flow?

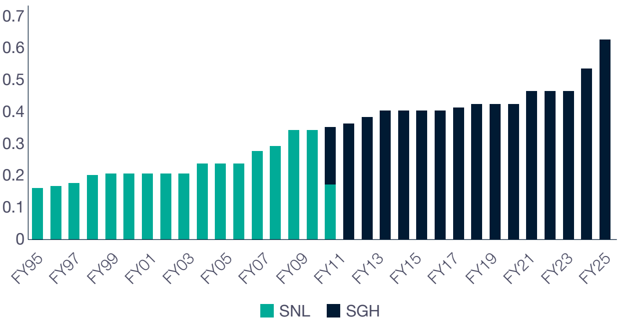
This approach has guided SGH's investment decisions, from building WesTrac into a leading global Caterpillar dealer, to acquiring and turning around Coates, and most recently Boral. Each of these businesses illustrates how our model works in practice.

Boral is a strong example of our ability to identify value and unlock potential through disciplined execution. When we first invested in Boral, we saw a quality construction materials business with strong market positions, but clear opportunities for improvement. The Boral performance journey has included a combination of governance and remuneration alignment, leadership change, and a focus on core operating fundamentals. This has delivered significant improvements in earnings, margins and cash flow, highlighted by EBIT margin expansion from 3% to 13% since SGH acquired control of the business. The Boral transaction and turnaround is a clear demonstration of how disciplined capital allocation and strong operational leadership can deliver sustainable value creation.

These principles have delivered tangible long-term shareholder outcomes. Over the past 10 years, SGH has achieved a compound annual EBIT growth rate of 20% and delivered Total Shareholder Returns of more than 1,000%, significantly outperforming the ASX100 at 135%. This track record of consistent delivery highlights the effectiveness of our model and the merits of our disciplined approach.

In line with our strong result, we declared a fully franked final dividend of 32 cents per share, taking the total FY25 dividend to 62 cents per share, up 17% on last year. This growth reflects our confidence in SGH's ongoing cash generation and our ambition to reward shareholders through not just TSR outperformance, but stable and growing dividends over time.

SGH and Predecessor Dividend History ($/share)



As the Board looks forward, we are confident in the long-term growth prospects for SGH. Our businesses have been deliberately aligned with sectors that benefit from structural demand tailwinds. In mining production, we continue to see stable and growing export volumes in WesTrac's key bulk-commodity exposures, and strong reinvestment in fleet renewal and services. In infrastructure and construction, the long-term pipeline remains robust and is replenishing year-on-year, with over $1.7 trillion in committed projects and significant housing requirements to meet national supply targets. In transitional energy, our interests in Beach Energy and SGH Energy position us to benefit from tightening domestic gas markets and increasing global LNG demand as the energy transition gathers pace.

These market tailwinds are important, but it is SGH's disciplined approach that will continue to set us apart. We are not passive owners. We maintain a clear focus on effective capital allocation, strong governance and active oversight to ensure the business is well positioned to identify and capture opportunities and manage risks as they arise. The Board remains confident in the strength of SGH's strategy, the capability of our experienced management team, and the depth of talent across SGH to deliver on our long-term objectives.

An important element of this continued strength is our deliberate focus on Board capability and renewal, balanced with the depth of experience needed to oversee a complex portfolio of businesses. To complement this experience with fresh perspectives, I am pleased to note that Vik Bansal, who has played an instrumental role as CEO of Boral in supporting its turnaround, is expected to join the SGH Board in the second half of FY26. Vik's deep operational experience, industry knowledge and leadership capability will further strengthen the Board's mix of skills and insights as we continue to focus on long-term value creation.

One of the qualities that sets SGH apart is our unique combination of being founder-led, while maintaining strong and contemporary corporate governance. This reflects a deep respect for the benefits that robust governance brings, from driving operational performance to supporting better access to capital markets. It underpins our objective of delivering the best outcomes for shareholders through sustainable long-term value creation.

Equally, we recognise this objective is supported by a clear commitment to sustainability and responsible stewardship. This year, we continued to progress our decarbonisation initiatives and climate transition planning. SGH is committed to achieving our decarbonisation ambitions, supported by practical investments in lower-emission technologies, efficiency improvements and process innovation across our businesses. We acknowledge that the journey to net zero requires collaboration, clear frameworks and transparent progress, and the Board remains focused on ensuring that SGH's sustainability commitments support both resilience and long-term shareholder value. I encourage you to read more about our sustainability progress and initiatives in the FY25 Sustainability Report, located on pages 29 to 43 of this document.

Looking forward, SGH is well positioned to continue delivering for shareholders. From the Board's perspective, the strategy is clear: drive operational performance through disciplined execution, deploy surplus capital where it delivers superior returns, and maintain a disciplined approach to growth and risk. As we execute this strategy, we remain focused on delivering stable and growing dividends, supporting long-term total shareholder returns, and continuing to deliver financial and operational outperformance.

I would like to take this opportunity to thank my fellow Board members for their insight, guidance and commitment, our MD&CEO and executive team for their disciplined leadership, and our people across our businesses for their dedication and focus on execution. Our results are a testament to their hard work and professionalism.

Finally, I wish to thank you, our shareholders, for your continued trust and support. We remain committed to building on our achievements, creating sustainable long-term value, and delivering another decade of strong performance.

Yours sincerely,

Terry Davis
Chairman

Managing Director & CEO's Letter

The SGH Way operating model, supported by our 4C Drivers, establishes a strong foundation and scalable framework to deliver through-the-cycle outperformance, leading customer outcomes and value-accretive growth. Its effectiveness in FY25 is highlighted by SGH's significant TSR outperformance, delivering a 46% total return compared to just 15% for the ASX100.

Dear SGH Shareholders,

We are pleased with the performance and outcomes delivered in FY25. The strong financial result was in line with our guidance, and reflects our continued focus on disciplined execution across our businesses. In addition to the financial result, the year saw the completion of the Boral remainder acquisition and continued progress on its performance journey. This key strategic milestone further supports SGH's transformation into a leading industrial services company.

People and Safety

The safety and wellbeing of our people remains our highest priority. While we continued to make progress in improving our safety performance in FY25, tragically, there were two fatalities involving one Boral employee and one a transport contractor for Coates. We extend our deepest condolences to the families, friends and colleagues affected. These incidents underscore the importance of our ambition to achieve zero harm, and reinforce the need for continuous improvement in safety outcomes across the business.

Operationally, SGH's safety performance improved in FY25, with a 38% reduction in LTIFR to 0.8 and a 31% reduction in TRIFR to 3.1. These outcomes reflect our collective commitment to injury prevention, visible leadership, and embedding a culture of accountability at all levels of the organisation.

The SGH Way Operating Model

As SGH continues to grow, the importance of a clear and scalable operating model grows with it. In FY25 we formalised this into the SGH Way, a disciplined operating model that guides our approach to long-term value creation, anchored in execution, accountability and strategic clarity. The SGH Way shapes our investment focus, the businesses we operate, and the way we lead and develop our people.

Fundamentally, the model defines how we deliver sustainable value creation and TSR outperformance. It brings together our purpose, focus and execution approach in a single consistent framework. It starts with clear outcomes, targeting top-decile TSR and sustainable value creation, delivered through disciplined capital allocation and execution across four pillars: People, Operations, Assets and Financials.

The model outlines our strategy and preference to own privileged, high-quality assets, maintain strong accountability, and relentlessly drive performance. It also defines what the model looks like in action, prioritising execution, growth, pace, and efficiency, and promoting a front-line focused workforce, clear delineation between SGH and our business units, and continuous improvement.

The operating model is supported by our 4C Drivers: Cadence, Capital, Culture, and Capability, which embed discipline and foster alignment from management through to the front line.

- **Cadence:** ensures that structured reporting, governance and performance oversight remain consistent and clear, so expectations are visible and actions are timely.
- **Capital:** disciplined capital allocation via our framework is a unique strength of our diversified operating business, driving TSR outperformance.
- **Culture:** reinforces our purpose, objective, and values, along with emphasising an owner's mindset across the organisation, promoting accountability for outcomes at all levels.
- **Capability:** reflects our focus on attracting and developing the technical and leadership skills that set our businesses apart; and the competitive advantage created by our disciplined operations, privileged assets, and financial strength.

Capital Allocation Framework

Given the diverse nature of SGH, our clear and disciplined capital allocation framework is fundamental to how we deliver sustainable growth.

We focus incremental capital investment where we see the greatest potential for risk-adjusted return. This is consistent for our existing businesses and for new opportunities. All our businesses receive sufficient capital to invest and grow, but each must justify that investment against clear return criteria to ensure the best use of capital.

When considering new opportunities, we look for sectors with long-duration demand, businesses with privileged assets, meaningful scale, and a clear value disconnect with a performance gap we can close. Our investment focus remains on the industrial and energy sectors in Australia.

Our capital structure is managed to balance agility and flexibility with resilience. We use financial leverage effectively to maximise returns on equity and enhance earnings per share. Strong free cash flow supports this approach, allowing us to invest and deleverage rapidly as needed, while maintaining stable and growing dividends and pursuing opportunities that deliver long-term growth.

The SGH Way operating model, supported by our 4C Drivers, establishes a strong foundation and scalable framework to deliver through-the-cycle outperformance, leading customer outcomes and value-accretive growth. Its effectiveness in FY25 is highlighted by SGH's significant TSR outperformance, delivering a 46% total return compared to just 15% for the ASX100.

Financial Results

The FY25 financial result reflects the quality of SGH's market-leading businesses, supported by the SGH Way operating model. Revenue increased by 1% to $10.7 billion, with EBIT rising 8% to $1.5 billion. Our focus on operating leverage saw revenue translated into stronger earnings with 93 basis points of EBIT margin expansion to 14%. This margin improvement was supported by effective cost management at Boral and Coates, and continued pricing traction across Boral's product suite. The earnings uplift was largely driven by a $97 million, or 26%, increase in EBIT at Boral, and a $15 million, or 2%, increase at WesTrac.

A key tenant of the SGH model is strong operating cash flow. When coupled with our disciplined capital allocation framework, this enables SGH to drive EPS and TSR growth. In FY25, operating cash flow grew by 49% to $1.95 billion, with all Industrial Services businesses delivering EBITDA cash conversion above 90%. This strong cash performance supported deleveraging to below our FY25 target of 2x, which was achieved while also funding the catch-up capital investment within Boral.

Underlying net profit after tax rose 9% to $924 million, while statutory NPAT increased by 5% to $486 million. The Board declared a final dividend of 32 cents per share, fully franked, bringing total FY25 dividends to 62 cents per share, up 17%, consistent with our approach to deliver stable and growing dividends over time.

Priorities and Focus

While we are proud of what has been achieved in FY25 and over the past decade, our focus remains firmly on the future. We continue to drive performance and disciplined execution across SGH, unlocking value in our existing businesses while pursuing new opportunities that align with our investment criteria. This approach supports the SGH flywheel of success.

To ensure we maintain operational momentum in FY26, we are enhancing our focus on operational excellence across the business. Four aspects will underpin this effort:

- **Operating Cadence:** A consistent and disciplined operating rhythm, enabled by structure, reporting, and analytics. Balanced scorecards are now in place across our business units, tracking performance across people, operations, assets and financials to ensure alignment with our broader strategic objectives.
- **Sales Effectiveness:** We are enhancing our capabilities to build deeper customer relationships, improve pipeline coverage and conversion, and strengthen competitiveness. Through greater participation, clearer accountability and targeted KPIs, we are aiming to improve win rates and support profitable growth in key markets.
- **Operating Leverage:** We continue to adopt an Owner's Mindset in managing costs and driving productivity. Key focus areas include operations planning, cost variabilisation and optimisation, asset utilisation, and digital enablement. Our goal is to deliver higher margins and improved returns through efficient and flexible operations.
- **Innovation:** We remain focused on delivering tangible efficiency gains and improved customer outcomes through innovation. We are prioritising practical initiatives that remove cost, reduce complexity, and enhance productivity, such as automation of manual processes, application of AI tools, and targeted improvements across our supply chains. Investment will be directed to areas with clear operational impact, supported by a disciplined approach to execution and validation.

Together, these focus areas will support SGH's ability to deliver superior operational, financial, and customer outcomes.

Closing

The strong FY25 performance was delivered through the capability and commitment of the entire SGH team. I want to thank our more than 14,000 people for their continued hard work, dedication, and contribution to supporting our customers and delivering this result. I also acknowledge the leadership and executive teams across SGH and our businesses for their commitment to the SGH Way and their disciplined execution every day.

I would like to acknowledge and thank the Board for its ongoing guidance and stewardship of SGH. Finally, thank you to our shareholders for your continued investment in SGH. We remain focused on delivering long-term value and rewarding your support with continued TSR outperformance and growth.

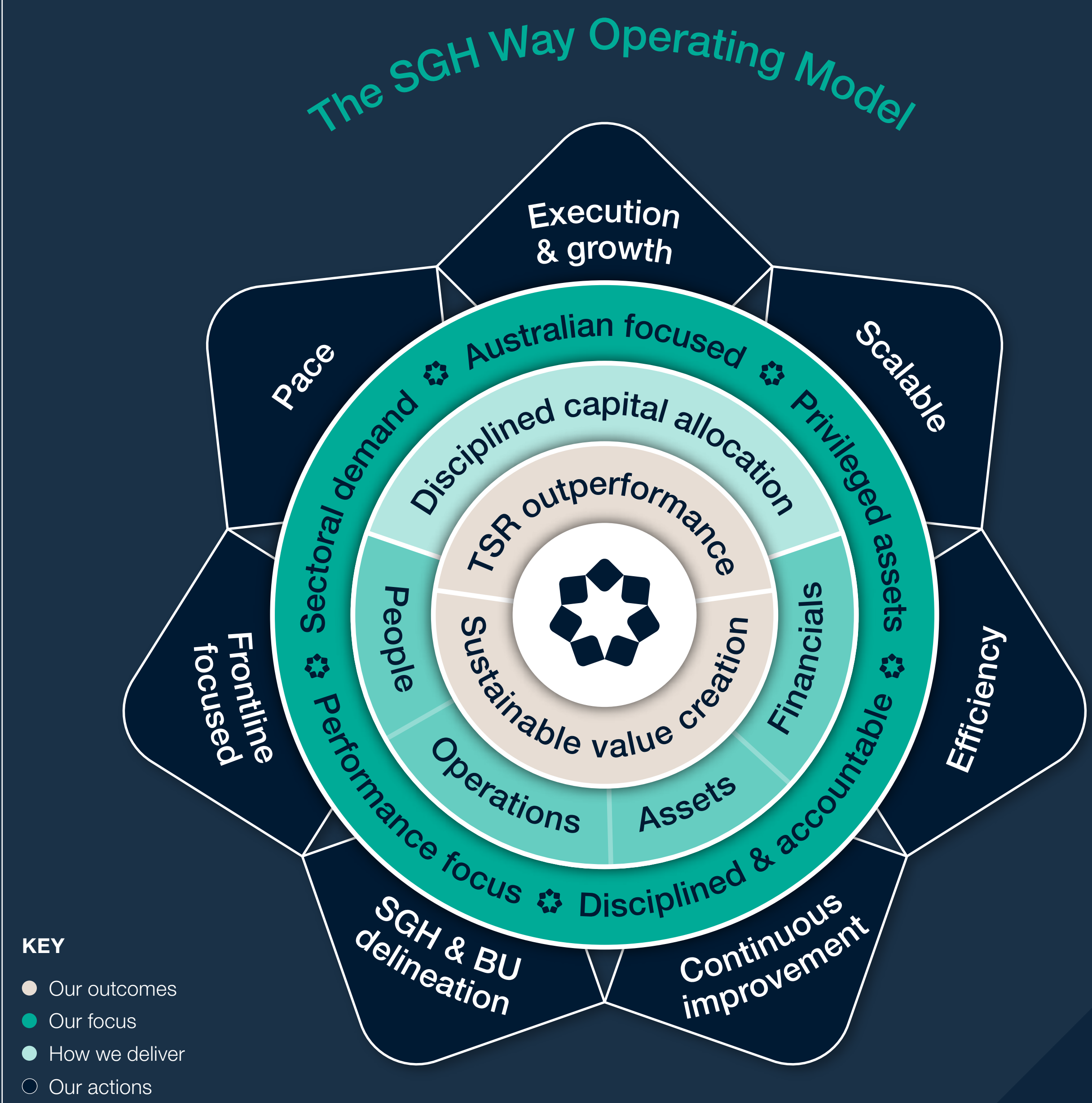
Yours sincerely,

Ryan Stokes AO
Managing Director & CEO

Our Strategy and Value Creation

The SGH Way is our disciplined operating model focused on efficient capital allocation, execution, and accountability. It drives long-term sustainable value creation and TSR outperformance through a clear, scalable framework aligned to our Purpose, Objectives, and Values.

The SGH Way serves as the formal framework for how we operate. It sets out the principles, structures, and expectations that guide leadership and execution across the business. The model is supported by four key drivers: Cadence, Culture, Capital, and Capability, which provide a competitive advantage and underpin performance across SGH. Together, they promote financial discipline, continuous improvement, and high-performance leadership, while embedding consistent standards and best practice throughout the organisation. This structured approach ensures clarity, alignment, and accountability across all levels of the business, and provides a scalable foundation for growth.



SGH's 4C Drivers

Cadence
Clear, timely performance oversight and governance.

Capital
Disciplined framework focused on achieving highest risk-adjusted returns, with clear and consistent return criteria.

Culture
Fosters accountability and owner's mindset at all levels.

Capability
Technical and leadership depth, and privileged asset base that underpins SGH's competitive advantage.

Industrial Services

EBIT

$1,396m ↑ 6%

WesTrac 100% Owned

BORAL 100% Owned

Coates 100% Owned

Energy

EBIT

$132m ↑ 34%

SGH | Energy 100% Owned

beach 30% Owned

Media

EBIT

$42m ↑ 66%

7West 40% Owned

CMC capital partners

WesTrac

Revenue ($m)
$6,100m
↑ 4%

EBIT ($m)
$639m
↑ 2%

WesTrac is the authorised Caterpillar® dealer for Western Australia, New South Wales, and the ACT. As one of the largest and highest performing Caterpillar® dealerships globally, WesTrac works closely with customers across mining and construction to deliver industry-leading machinery and whole-of-life support.

WesTrac – Kalgoorlie, WA

WesTrac offerings include new and used equipment sales, parts, servicing, technology solutions, and rebuilds, enabling customers to maintain high asset availability and optimise total cost of ownership.

People

The capability of WesTrac's team continues to differentiate the business. During FY25, WesTrac expanded its pipeline of technical talent, attracting and retaining skilled labour through local and international recruitment. The company also invested in internal talent, with over 420 apprentices in training and more than 50 employees completing dual trades or technical upgrades.

WesTrac's apprenticeship, trainee and technician programs continue to deliver strong outcomes. In FY25, WesTrac WA was named Large Employer of the Year at the WA Training Awards, and received national and global recognition for excellence in workforce development. Notably, WesTrac technicians also won key awards at the Caterpillar Global Dealer Technician Challenge and Dealer Top Apprentice Program.

Safety is a key focus for WesTrac, and both regions delivered improvements across key safety metrics. In WA, the Built to Last wellbeing program was rolled out to over 2,000 team members, reinforcing psychosocial health and embedding critical risk controls. WesTrac recorded its lowest ever Total Recordable Injury Frequency Rate (TRIFR) of 3.3 in FY25, and the WA business completed a record 16-month period without a Lost Time Injury (LTI).

In NSW, a detailed review at the start of the year identified safety leadership, hand injuries and vehicle interactions as key focus areas. In response, WesTrac launched campaign-style safety interventions, improved PPE standards, and delivered tailored safety training to more than 270 staff. These efforts contributed to historically low injury rates that have set a new benchmark for the business.

Operations and Customer Solutions

The ability to deliver exceptional customer service and outcomes is central to WesTrac's value proposition. In FY25, the business continued to deliver efficient, whole of life solutions, supporting customers and their focus on productivity and efficiency.

During the year WesTrac delivered the first 794 "Ultra-Class" diesel electric mining trucks into NSW. WesTrac also delivered additional 797 trucks into the NSW market, the 797 are the largest mechanical drive mining truck in the Caterpillar portfolio.

In WA, WesTrac has commenced deliveries of the Caterpillar 793NG Next Gen productivity-class mining trucks. Recent deliveries include 62 units of the 793, as well as new fleets of 785 and 789 Next Gen machines. These trucks feature more than 30 improvements focused on connectivity, operator environment, productivity and maximum load, maintenance, and control systems.

To support customers seeking alternatives to new fleet investment, WesTrac has expanded its rebuild capability through the Run Life Extension Project. This program extends the service life of older 793 machines, providing a cost-effective solution for customers evaluating automation and electrification options.

WesTrac also enhanced its digital service offerings across both states. Online tools and predictive algorithms are providing greater visibility into customer requirements and supporting accurate, timely parts delivery. These initiatives reflect WesTrac's continued commitment to delivering reliable, technology-enabled support to its customer base.

Assets and Technology

WesTrac continues to lead the industry in automation, electrification and digital enablement. The WesTrac Technology Training Centre in Collie has become a regional centre of excellence for Autonomous Haulage System (AHS) training, with growing global interest in its programs. Over the year, the Collie site welcomed Caterpillar commercial and training representatives from across Asia-Pacific, reflecting the site's status as a benchmark for AHS training and knowledge transfer.

Electrification capability also expanded during FY25. The Battery 793XE pilot trucks were assembled at WesTrac's Guildford facility and commissioned at the Collie centre, with extensive readiness training delivered to support customer deployment.

Significant investment in facilities was made to support future growth. In WA, WesTrac upgraded its Parts Distribution Centre with high-precision turret trucks, reducing aisle width and enabling a 25 per cent increase in racking space within the same footprint.

WesTrac continued to enhance workshop throughput and productivity using analytics and AI-enabled scheduling tools. These digital systems supported improved workshop velocity and technician utilisation, reducing machine build times and increasing rebuild throughput.

FY25 Performance

WesTrac delivered robust performance in FY25, with revenue of $6.1 billion up 4 per cent, and EBIT of $639 million up 2 per cent, overcoming the impact of FX-related parts pricing headwinds. Capital sales rose 12 per cent year on year, driven by fleet replacement and expansion activity among major customers in both WA and NSW. This included the ongoing rollout of large mining trucks and the delivery of advanced Next Gen fleets across several major sites.

Services revenue was largely flat, despite lower average parts pricing. The result reflects the strength of WesTrac's services business, which has delivered a 10 per cent compound annual growth rate over the past decade.

EBIT margins were maintained above per cent, with a focus on cost control, workforce efficiency and disciplined execution ensuring WesTrac continues to deliver globally competitive margins.

Market and Outlook

WesTrac's privileged position and customer relationships across both mining and construction sectors continues to support its growth outlook. In resources, long-term commodity demand, particularly for iron ore, coal and gold, underpins customer activity. While new capital investment is being balanced by greater focus on asset productivity, WesTrac remains well placed to support both replacement and rebuild strategies as the installed machine base ages.

In construction, the significant national infrastructure pipeline continues to drive demand for equipment and services. WesTrac is also benefiting from new product releases from Caterpillar, which offer technology and productivity advantages for C&I customers.

Customer relationships, trusted service, and the productivity of WesTrac's installed machine base will continue to underpin its leading Caterpillar dealer performance. WesTrac enters FY26 with a strong committed capital order book and rebuild pipeline, and its continued investment into people, systems and capacity position it to capture the robust market opportunity.

BORAL

Revenue ($m)
$3,603m
↑ 1%

EBIT ($m)
$468m
↑ 26%

Boral is Australia's largest integrated construction materials company, with a national network of more than 360 sites, including 76 quarries and 209 batch plants. Its network of vertically integrated, privileged assets underpins the reliable supply of quarry products, cement, asphalt, concrete, and recycling supporting customers to deliver essential infrastructure, commercial, and housing projects across Australia.

Boral – Enfield, NSW

People
Boral's operating model is aligned with SGH, fostering a performance culture with a strong accountability framework. At Boral, this is driven through a focus on the STAAR values (Safety, Teamwork, Ambition, Accountability, and Respect), which remain central to how it operates.

In FY25, Boral expanded its learning programs, supporting stronger engagement within the business. Improvement across employee surveys and increased participation in training initiatives in FY25 reflect the success of these initiatives.

Boral's enhanced corporate culture and working environment were highlighted by improved operational safety outcomes, with a 34 per cent reduction in the TRIFR to 2.9. While this represents meaningful progress, we were deeply saddened by the tragic death of a Boral employee during the year. This incident is a stark reminder of the importance of safety in everything we do, and Zero Harm remains our overarching ambition.

Environment
Boral continues to invest in decarbonisation and the circular economy as part of its long-term sustainability strategy. In FY25, the company increased the use of alternative fuels at its Berrima cement facility in New South Wales, reaching 50 per cent usage of solid waste-derived fuels, up from 30 per cent in the prior year. This was enabled by the commissioning of a state-of-the-art chlorine bypass system and supports both emissions reduction and cost efficiency.

The transition away from coal as a primary fuel source for kiln operations is a material enabler of lower Scope 1 emissions. The alternative fuels program also diverts large volumes of waste that would otherwise end up in landfill, contributing to both environmental and commercial outcomes.

Boral's Recycling business continues to grow, supported by targeted investments in recovery infrastructure and operational processes. In FY25, the company increased recovery rates for concrete and asphalt waste, with internal capture and reuse playing a larger role in meeting sustainability objectives and reducing input costs.

Markets
Strong demand from infrastructure customers supported pricing traction and higher concrete volumes, which partially offset lower quarry volumes associated with softer residential construction and roading activity.

Investment in major transport and energy infrastructure continued to drive resilient customer activity in metropolitan areas, with the sector operating at or near capacity. Forward project pipelines remain solid, supported by Federal and State funding commitments.

Residential construction activity moderated during the year, reflecting subdued approvals and commencements. However, residential fundamentals remain supportive, and an 11 per cent QoQ increase in housing starts to March Q2025 indicates progress towards a recovery in activity.

Boral continues to improve its responsiveness to changing market conditions through enhancements to its go-to-market strategy. In FY25, this included the decentralisation of customer service and allocations functions, increasing the responsiveness from customer service, operations and sales teams. The business also delivered measurable improvements in customer outcomes, with grade of service increasing by 5 per cent to 85 per cent, and concrete DOT lifting 13 per cent to 86 per cent. These improvements support faster decision-making, improved service reliability, and closer alignment with customer requirements, positioning Boral to respond effectively to market dynamics in FY26.

Assets
Boral's vertically integrated asset base is one of its key competitive advantages. The business continues to invest in improving utilisation and productivity across both fixed and mobile assets, guided by the SCROA framework of Safe, Compliant, Reliable, and Optimised Assets.

Boral invested $70 million into its heavy mobile equipment (HME) fleet in FY25. The investment is expected to drive better performance, lower maintenance requirements, and increased efficiency across production and quarry operations.

Strategic asset acquisitions were completed during the year, including Sand Supplies and the Wallan concrete plant in Victoria, strengthening the network and extending customer reach.

Boral's property portfolio remains an important source of long-term value. As sites transition to non-operational, or surplus, they provide opportunities for co-development and leasing in the industrial property market. The business is actively evaluating options to unlock this value through strategic partnerships.

FY25 Performance
Boral delivered significant earnings growth in FY25, reflecting the continued execution of its "Good to Great" strategy. Revenue grew by 1 per cent to $3.6 billion, while EBIT increased by 26 per cent to a record $468 million. Full year EBIT margin expanded to 13.0 per cent, progressing toward the mid-teens margin ambition. This uplift in profitability demonstrates the potential of Boral and the benefits of disciplined execution, with commercial focus, cost control, and operational improvement driving stronger conversion of revenue into earnings.

Price discipline across all product lines contributed to the margin expansion, supported by a more responsive and market-led approach to pricing, customer engagement, and service delivery.

Operational performance also improved over the year, with gains in productivity, plant reliability, and asset utilisation. Enhanced scheduling, tighter cost control, and better deployment of mobile assets enabled further margin expansion. These outcomes reflect the benefits of disciplined execution across the People, Environment, Markets, Assets, Financials (PEMAF) framework, which continues to guide Boral's approach to performance improvement.

Outlook
Boral expects a continuation of operating momentum and market opportunities into FY26. The business remains focused on delivering its "Good to Great" strategy, with disciplined execution across pricing, cost management, and operational performance. Boral's more agile and customer-focused go-to-market approach will be key to capturing the expected opportunities across both the residential and infrastructure pipelines.

There is also further scope to build on the margin gains achieved in FY25 through ongoing cost initiatives, and investment across the integrated network to drive efficiency and asset utilisation.

Boral's clear operational strategy, privileged asset base, and disciplined investment approach position it to deliver improved customer outcomes and drive further growth in FY26.

Coates

Revenue ($m)
$1,041m
↓ 9%

EBIT ($m)
$290m
↓ 11%

Coates is Australia's largest industrial and general equipment hire company. The business provides equipment and end-to-end solutions to customers across infrastructure, construction, resources, agriculture, and other key sectors, supported by a $1.85 billion hire fleet and a national network of more than 140 branches.

Coates – Moorebank, NSW

People

Coates' people remain central to the delivery of its strategy. In FY25, the business strengthened capability, enhanced its safety culture, and lifted workforce engagement to support both performance and long-term growth.

FY25 marked the transition from Team25 to the new Grow30 strategy, with a focus on frontline empowerment, clear accountability and capability uplift. New sector-based business development roles and national leadership across key solutions offerings are being introduced to better align teams with customer needs and regional opportunities.

Tragically, there was one fatality during the year involving a transport contractor. Our thoughts go out to family and friends that have been impacted. Coates' operational safety outcomes improved in FY25, with TRIFR down 36.5 per cent to 2.6 and LTIFR down 60.9 per cent to 0.4. While these results reflect continued investment in leadership training, hazard control frameworks, and health and wellbeing initiatives, the events of the year highlight the importance of the constant vigilance required to achieve zero harm.

Operations

While operating conditions were mixed through the year, Coates' market-leading position and depth of relationships with customers enabled delivery of a resilient result. The business continued to drive operating efficiencies in FY25 through its established cadence and continuous improvement mindset.

The ongoing rollout of the hub-and-spoke branch model delivered further benefits in FY25, including a 30 basis point reduction in R&M as a percentage of revenue to 17.5 per cent. The model also contributed to a year-on-year improvement in redline (equipment unavailable for hire), which fell to 16.1 per cent, and supported better transport efficiency, with Delivered In Full On Time (DIFOT) improving to 95 per cent.

The business also continued to enhance its differentiated service model through various initiatives including Customer360, CX standards, and sales effectiveness. These efforts are helping to build a more consistent and responsive customer experience, supported by better visibility and accountability across the network.

Assets

Coates' market-leading $1.85 billion fleet is a key competitive advantage. In FY25, the business maintained a strong focus on capital efficiency while investing in fleet categories aligned to long-term sector growth.

Time Utilisation of 59.4 per cent was broadly in line with the target of 60 per cent, supported by active fleet management and improved disposal outcomes. While revenue softened, Coates delivered improved EBITDA margin and protected returns through fleet optimisation and disciplined capital allocation.

Specialist fleet investment is underway in renewables, utilities, defence, and transitional energy as part of the Grow30 strategy. These areas align with national infrastructure priorities and are expected to drive sustained demand over the medium term.

Coates also progressed its network optimisation agenda, with targeted branch consolidation in metropolitan areas helping to redirect resources to higher-opportunity regions. These changes are designed to lift delivery efficiency, improve cost-to-serve, and support regional growth priorities.

The asset strategy will continue to evolve in FY26, with planned investment to support integrated site services, improve equipment efficiency, and meet growing customer expectations for safe, sustainable, and digitally enabled solutions.

FY25 Performance

Coates delivered resilient financial results in FY25, reflecting the operational discipline and agility built over the past decade through continuous improvement and disciplined capital allocation.

Coates continued to deliver efficiency gains in FY25, supporting margins and operating performance. Revenue of $1.04 billion contracted 9 per cent, primarily due to softer activity in Victoria and select resources segments. Despite this, EBIT margin remained globally competitive at 27.8 per cent, supporting delivery of $290 million EBIT.

Cost savings were realised through more efficient R&M spend, improved transport efficiency, and a more efficient workforce structure. Coates also delivered a strong cash result, with EBITDA cash conversion of 94 per cent supporting $458 million in operating cash flows.

Over the past decade, Coates has delivered an EBIT compound annual growth rate of 13 per cent through varying market cycles. This CAGR, and the strong margin and cash result delivered in FY25 highlight the efficacy and resilience of the Coates operating model.

Grow30 Strategy

FY26 marks the shift of Grow30 from planning to execution. This five-year strategy builds on the foundation laid under Team25, with a sharper focus on targeted growth, improved execution, and greater customer value.

Four major initiatives support the strategy:

- **Industry Growth:** Sector-based business development leads are now embedded across key verticals including renewables, utilities, defence, mining, and residential construction. This structure supports deeper customer engagement and builds specialist sector capability within the business.
- **Solutions Elevation:** Portable Buildings and Traffic are transitioning to nationally managed offerings focused on integrated site services. These solutions are being repositioned to reduce site complexity and improve efficiency for customers.
- **Targeted Regional Expansion:** Regional plans developed in FY25 are being implemented across the business. These plans reflect detailed market analysis and guide fleet mix, resourcing, and customer engagement to better match local opportunities.
- **Sales Process Uplift:** Stronger sales execution across the business supported by enhanced systems to improve customer visibility, service consistency, and commercial discipline across the sales process.

These initiatives are supported by enterprise-wide transformation programs including Digital Customer Experience (Phase 2), Data & Analytics Enablement, and Core30 operating model standardisation. Together, they enhance the way Coates operates and delivers value.

Market and Outlook

While national engineering activity has eased from recent peaks, the medium-term pipeline remains substantial. Activity is increasingly concentrated towards electricity infrastructure, energy transition, and social housing, and Coates is responding to these evolving dynamics to ensure it captures the market opportunities they present.

Residential construction is showing early signs of recovery, with dwelling commencements rising 11 per cent to March 2025. Mining remains resilient, particularly in Western Australia and Queensland, supported by ongoing demand in iron ore, coal and copper.

Customers are increasingly placing value on partners who can offer integrated and efficient solutions. This thematic was evident in FY25 with a 35 per cent expansion of Power and HVAC earnings. These integrated offerings are increasingly embedded into customer operations, making them less cyclical than traditional dry hire.

FY25 demonstrated the resilience of the Coates business. The efficiency and cost discipline delivered in response to variable conditions have positioned Coates to benefit from operating leverage as customer activity returns in FY26 and beyond.

Energy

EBIT ($m)

$132m

↑ 34%

SGH continues to invest in transitional energy, with a focus on gas. Structural undersupply is emerging across domestic and global markets, as gas is becoming increasingly critical to firm renewables. Our investments in Beach, Crux and Longtom are well positioned to meet this demand.

Beach – Cooper Basin, SA

SGH continues to invest into transitional energy, with a focus on gas, based on our conviction in its long-duration demand tailwinds. We see structural undersupply emerging on both the east and west coasts, and global LNG markets, driven by underinvestment in new supply and increasing demand associated with the transition to renewables. As more variable generation enters power grids, gas will become increasingly critical as a source of firming energy to maintain reliability. Our energy investments, comprising our 30% stake in Beach Energy, 15.5% interest in the Crux LNG backfill project, and 100% interest in the Longtom east coast gas resource, are well positioned to benefit from these dynamics while contributing to a more stable and sustainable energy system.

Beach Energy (30%)

Beach has made strong progress in executing its refreshed strategy, which is centred on three core pillars: Core Hubs, High Margins, and Sustainable Growth. The strategy provides a clear roadmap to position Beach as Australia's leading domestic energy supplier, with a focus on long-life gas assets, low-cost operations, and enhanced margins. In FY25, this was reflected in improved operational performance, a refined focus on priority basins, and delivery of material cost reductions. The business is now better positioned to scale production, improve capital efficiency, and pursue value-accretive growth.

Beach delivered robust operational and financial results in FY25. The year saw improvements in both margin and production volumes, underpinned by structural cost savings and disciplined and execution. Total production rose 9 per cent to 19.7 MMboe, and sales revenue increased 13% to $2.0 billion. Underlying EBITDA grew 20 per cent to $1.1 billion, while underlying NPAT rose 32 per cent to $451 million. Free cash flow generation increased four-fold to $657 million, supporting a strengthened balance sheet and record dividend.

Safety performance was strong, with Beach achieving its best safety result in over a decade. The reset of the business structure and leadership team contributed to improved execution and lower unit costs, with field operating costs reduced by 18 per cent and sustaining capital expenditure down 20 per cent.

Beach delivered significant operational progress across its core basins in FY25. In the Otway, production increased by 64% to 6.8 MMboe, driven by the connection of the Enterprise and Thylacine West wells, which saw well deliverability returned above the plant nameplate capacity of 205TJ/d. Beach also took delivery of the Transocean Equinox rig as part of a multi operator rig line, which will support a multi-year drilling and abandonment program across the Otway and Bass basins.

In the Perth Basin, the Waitsia Gas Plant reached mechanical completion, with commissioning supported by the secondment of over 20 senior Beach personnel. The plant is expected to deliver first sales gas in Q1 FY26. The business demonstrated commercial agility through the execution of five value-accretive LNG swap cargoes via the North West Shelf, generating $352 million in revenue under the existing Waitsia LNG SPA.

Cooper Basin JV production of 6.0 MMboe accounted for 30 per cent of Beach's output. The business was impacted by flooding and planned maintenance in the Moomba North and Big Lake fields, though production remained resilient. The Moomba CCS project was commissioned in September 2024 and has since stored over one million tonnes of CO_2, reinforcing Beach's role in enabling Australia's decarbonisation pathway.

Western Flank production declined 33 per cent to 2.3 MMboe, impacted by flooding and natural field decline. Beach has refreshed its oil exploration prospect inventory in the project to support future drilling.

In the Bass Basin, a low-cost well intervention program drove a 91 per cent increase in production to 1.4 MMboe.

At Kupe in New Zealand, production of 1.6 MMboe was slightly lower year-on-year, with the asset remaining free cash flow generative through disciplined cost management and high customer nominations.

On 31 July 2025, as part of Beach Energy's annual reserves assessment process, Beach recognised net revisions to 2P reserves of 12.8MMboe which was mainly attributable to outcomes from the Beharra Springs Deep 3 development well and smaller revisions to Otway and Cooper Basin. As a consequence of these revisions, coupled with the fall in global commodity prices and higher capital expenditure for future development activities, Beach recognised a total pre-tax impairment charge of $667.9 million against petroleum assets. A further $6.1 million of impairment was recorded against goodwill (total pre-tax impairment charge of $674.0 million, $473.6 million after tax). As an adjusting event, this impairment charge has been equity accounted in SGH Financial Statements for the year ended 30 June 2025 and reported as a Significant Item.

Looking ahead, FY26 will be a pivotal year for Beach. Key priorities include completing and ramping up the Waitsia Gas Plant, supporting flood recovery in the Cooper and Western Flank regions, and progressing the offshore Victorian drilling campaign. The business will also continue to supply 100 per cent of its Otway, Bass and Cooper Basin gas to the East Coast market, reinforcing its role as a critical domestic gas supplier.

Policy settings are becoming more constructive, with the Federal Government's Future Gas Strategy and other recent initiatives creating a more supportive environment for new supply. Continued momentum will be critical to unlock the investment needed to bring domestic projects online to underpin Australia's long-term energy security and supply.

Beach enters FY26 with a strengthened balance sheet, a lower cost structure, and a more focused portfolio. The strategic reset has positioned the business to deliver value-accretive growth and respond with agility to market volatility. With privileged infrastructure, strong customer demand, and a clear execution agenda, Beach is well placed to deliver sustainable value for shareholders.

FY25 saw continued progress across SGH Energy's two key gas projects, Crux and Longtom, with development milestones achieved and commercial planning underway.

Crux LNG Backfill Project, Offshore WA

At Crux, SGH holds a 15.5 per cent interest in the Shell-operated LNG backfill project for Prelude. Development progressed through several key milestones in FY25, including drilling of all five wells, installation of the 160 km pipeline, and fabrication of the platform substructure, which is now in transit to the project location.

SGH's share of capital expenditure for the year was $238 million. First gas remains targeted for calendar year 2027, with marketing of SGH's share of LNG expected to commence in 2026. The project remains well positioned to meet growing demand in global LNG markets, supported by tight supply conditions and ongoing energy transition dynamics.

Longtom Gas Field, Offshore Vic

At Longtom, SGH holds a 100 per cent interest in the field and associated infrastructure in the Gippsland Basin, offshore Victoria. The resource was independently verified at ~87PJ in 2024. SGH is working with Amplitude Energy to progress commercialisation pathways for the project to deliver additional supply through existing infrastructure into the tightening East Coast gas market.

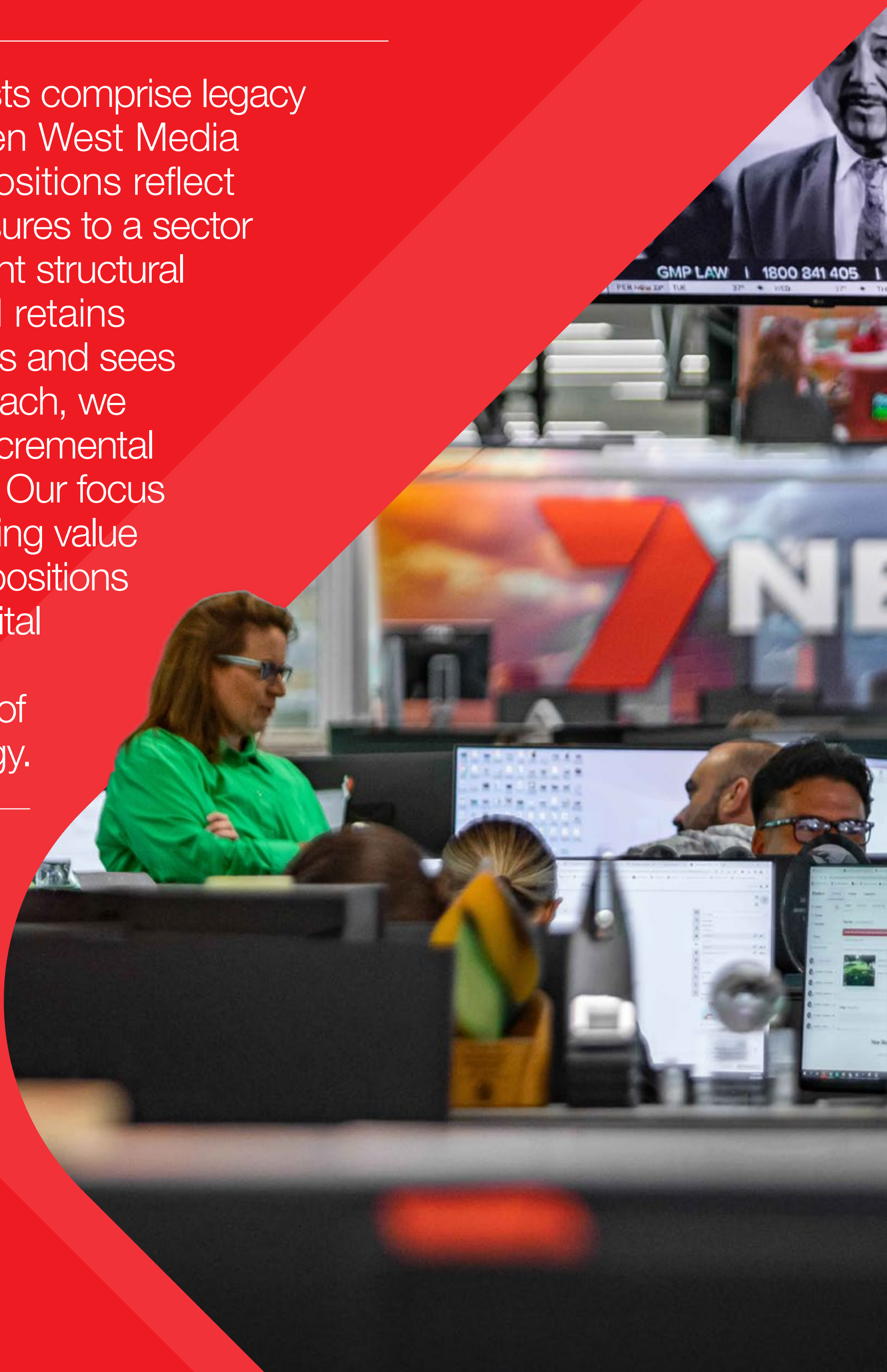
Media

EBIT ($m)

$42m

↑ **66%**

SGH's media interests comprise legacy investments in Seven West Media and CMC. These positions reflect long-standing exposures to a sector undergoing significant structural change. While SGH retains these media holdings and sees underlying value in each, we no longer allocate incremental capital to the sector. Our focus remains on maximising value from these existing positions while prioritising capital deployment toward our core exposures of industrials and energy.



Seven West Media – WA

SGH's media interests comprise legacy investments in Seven West Media (SWM) and China Media Capital (CMC). These positions reflect long-standing exposures to a sector undergoing significant structural change. While SGH retains these holdings and sees underlying value in each, consistent with our disciplined capital management framework, we have not allocated capital toward media in over ten years. Our focus remains on maximising value from these existing positions while prioritising capital deployment toward our core exposures of industrials and energy.

Seven West Media (40%)

SWM delivered a ratings leadership in FY25, navigating a softer advertising market while growing its audience, expanding its national footprint, and accelerating digital transformation. The business remains focused on building a stronger, more integrated media company, leveraging its market-leading broadcast, digital, and publishing platforms.

The Seven Network retained its position as the number one network nationally for the fifth consecutive year. Strong audience engagement across key entertainment and sport programming supported gains in ratings. This ratings strength translated into clear commercial leadership, with SWM's total television advertising market share above 40 per cent for the year, including a record 41.5 per cent in the first half, the highest ever for a non-Olympics broadcaster in an Olympic half.

While Group revenue declined 4 per cent to $1.35 billion and EBITDA fell 15 per cent to $159 million, this reflected market-wide advertising softness rather than any loss of audience or capability. Importantly, the cost efficiencies delivered through the June 2024 strategy refresh supported a 3 per cent reduction in operating expenses and helped protect margins.

NPAT of $54 million was down 30 per cent, while OCF lifted slightly to $62 million, reflecting disciplined cost control, and lower tax and interest payments. SWM's balance sheet provides flexibility to participate in further market consolidation opportunities, with net debt of $287 million and leverage of 1.8x.

Digital Momentum and Innovation

Digital performance was a key highlight in FY25. 7plus maintained its strong growth trajectory, supported by streaming rights for AFL and Cricket. Summer audiences rose 79 per cent year-on-year, with 347,000 new users registering. SWM also launched a "7plus First" content strategy, securing new international partnerships and strengthening the platform's exclusive offering.

Investment in innovation continued with the launch of the 7plus AI Factory, a new capability designed to enhance targeting, engagement, and monetisation. These initiatives supported increased digital revenue and helped deliver more effective outcomes for advertisers. Strong growth in BVOD and VOD audiences is expected to support further momentum in FY26.

Publishing and Regional Expansion

In publishing, The West Australian retained its leadership as the most-read major metropolitan masthead, with readership across print and digital reaching 4.7 million. This performance was supported by The Nightly, SWM's digital masthead, which grew its audience by 31 per cent to 3.2 million monthly readers.

WAN revenue declined 2 per cent to $169 million, in line with trends across the sector. This was offset by a per cent% reduction in operating costs and a 15 per cent increase in circulation and digital revenue.

SWM completed the acquisition of Southern Cross Media's regional television assets on 30 June. The transaction included licences and infrastructure across Tasmania, Darwin, Spencer Gulf, Mt Isa and other remote areas, making SWM the largest regional commercial broadcaster in Australia. The $3.8 million investment is expected to be earnings accretive from FY26 and extends SWM's reach to near full national coverage.

Operational Delivery and Strategic Growth

SWM continued to invest in technology and operational efficiency. The Project Phoenix integrated total TV trading/management system went live in FY25. It enables the optimisation of advertising across linear and digital platforms and is central to future growth and monetisation.

Seven West Ventures added new investments in Willed Technologies and CarExpert Enterprises, reflecting a focused strategy to back scalable, digital-first businesses aligned with SWM's media footprint. These ventures are aimed to diversify revenue and create long-term value.

SWM also opened a new digital-focused broadcast facility in Melbourne, supporting its broader digital strategy. The facility enhances local production capability and strengthens the business's leadership in national sports coverage.

China Media Capital (CMC)

SGH's investment in CMC continues to perform well. Since committing US$100 million to Fund-1, SGH has received US$122 million in cumulative capital returns and realisations as at 30 June 2025. In FY25, $19 million was realised, with further realisations expected in FY26. Fund-1 has delivered a gross IRR of 20.6% and a MOIC of 2.46 times.

Seven West Media – WA

People

SGH’s performance and earnings growth is a testament to the extraordinary dedication and hard work of our People.

SGH’s operating model, the SGH Way, reflects our ongoing focus on driving a high-performance culture and sustainable value creation for shareholders. The operating model is underpinned by the disciplined execution of our strategy, and is guided by SGH’s Purpose, Objectives and Values. The SGH Way is integral to ensuring our business operations are scalable, efficient, front-line focused and instil a continuous improvement mindset where pace, execution and growth are key enablers of success.

In FY25, more than 18 per cent of the workforce chose to participate in SGH’s salary sacrifice Employee Share Purchase Plans, a strong demonstration of employee confidence in SGH’s strategic direction and performance momentum.

FY25 marked a transformative period with the successful integration of Boral. We effectively addressed critical talent shortages and capability gaps in pivotal business areas, while simultaneously building organisational resilience. Our strategic focus on succession planning and leadership development delivered a number of internal promotions to key roles thereby retaining high calibre talent, preserving institutional knowledge and accelerating performance momentum across all business units. The focused investment on developing our frontline workforce also ensured we were able to deliver strong business growth and customer outcomes, reinforcing SGH’s performance expectations, customer focus and consistent operating rhythms across our businesses.

Concurrently, our commitment to fostering diversity and inclusion delivered tangible progress against our measurable objectives in FY25, with targeted initiatives resulting in substantial improvements in female representation throughout the organisation, building a workplace that better reflects the communities we serve.

WesTrac – Apprentice Program

People & Safety

Our People are our greatest asset, and their safety is our number one priority.

SGH employs more than 11,000 team members across Australia in its industrial businesses. Their safety and wellbeing are paramount as we continue to deliver value for our customers and shareholders.

Our industrial businesses made significant inroads across key operational safety metrics in FY25, including an overall reduction of 38 per cent in the twelve-month rolling LTIFR from 1.3 to 0.8 and a 31 per cent reduction in TRIFR from 4.5 to 3.1.

Despite these improvements, there is more to be done. Tragically, there was a fatality at Boral's Victorian operations in March 2025 and a contractor fatality on a Coates worksite in South Australia in June 2025. We extend our heartfelt condolences to the families, friends and colleagues affected by these tragic losses. These events serve as a profound reminder that keeping our team members safe is a shared responsibility and requires relentless vigilance and an unwavering commitment to continuous safety improvement and awareness at every level of the organisation.

Embedding Safety First Workforce

SGH continued to embed our zero-harm safety mindset and operational focus across the workforce and contractors, through ongoing investments in training, induction programs, targeted safety campaigns, and technology-enabled solutions. We strive to set and achieve the highest safety standards possible, driving continuous improvements in injury prevention, severity and frequency reduction.

During the year, a comprehensive review of safety policies and procedures was carried out to reflect recent amendments to Workplace Health & Safety laws, with appropriate training and awareness sessions conducted across all businesses. Detailed reviews and analysis of safety incident and injury data, including actual serious harm incidents, potential serious harm incidents, Chain of Responsibility and psychosocial incidents and hazards, were also carried out to identify learnings and ensure timely implementation of corrective actions and root cause remediations.

SGH's robust approach to injury investigations and root cause analysis provides invaluable insights to support data-driven safety management solutions and process improvements, including reinforcing individual and collective workforce accountability for safety across WesTrac, Boral and Coates.

Coates – Ingleburn, NSW

Safety Outcomes and Key Initiatives

WesTrac recorded LTIFR of 0.2 and TRIFR of 3.3, representing 33 per cent and 34 per cent reduction on the prior year, respectively. The safety focus across both WesTrac dealerships in FY25 built upon the foundations laid in prior years, with a continued emphasis on safety culture, critical risk controls, psychosocial wellbeing and hazard management.

In WesTrac WA, the "Built To Last" psychosocial wellbeing program was delivered to more than 2,000 leaders and team members over the course of the year, reinforcing the importance of safety leadership and culture. The technology and AI enabled pilot program with Soter Analytics, to improve task performance, reduced the incidence of musculoskeletal injuries and will be implemented across the business in FY26. In addition to a focus on critical risk management, these measures have led to a decrease in the overall number of injuries, as well as their severity.

At WesTrac NSW/ACT, the "Hand and Finger" campaign, improved personal protective equipment standards led to a reduction in hand injuries by over 50 per cent. The Buddy Program led to a reduction of injuries for new starters. Both dealerships recorded historically low injury rates in FY25, setting a new benchmark for the business.

Boral recorded LTIFR and TRIFR in FY25 of 1.4 and 2.9 respectively with improvements of 36 per cent improvement in both metrics over the previous year. The refresh of Boral's Life Saving Rules and consequence management have reinforced safety standards and culture.

Key initiatives during the year included a focus on safety controls and risk reduction with a strong emphasis on visible leadership. Boral has also incorporated site safety reviews as part of its ongoing cadence to ensure consistent application and adherence to safety standards with safety educational sessions for leaders and frontline workers.

Contractor safety management, including induction and onboarding, remain a key area of focus which will continue into FY26. Additional initiatives included enhancing dust control measures through the Dust Framework, which further highlights Boral's commitment to ensuring team safety and upholding responsible regulatory compliance.

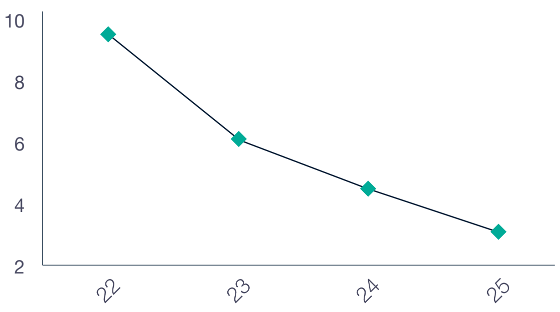
Coates recorded LTIFR of 0.4 and TRIFR of 2.6, representing a 60 per cent and 37 per cent reduction on the prior year. Falls, Trips and Slips reduced by 27 per cent year-on-year through injury prevention initiatives such as Risk Awareness Focus and the Critical Risk controls for Working at Heights implemented throughout the year.

The focus on Coates safety culture is at the centre of the refreshed Life Saving Commitments program and Critical Risks and Hazard Control Procedures across operations. These campaigns are designed to reinforce individuals' responsibilities regarding safety behaviours, proactive identification and management of risks and create stronger alignment on safety expectations at Coates.

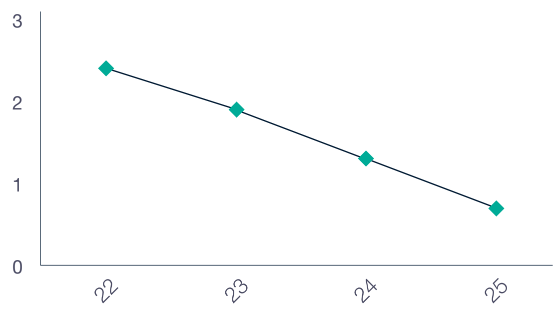
Safety compliance and awareness programs were also extended to contractors through consultation and communication forums, implemented in FY25 to improve contractor safety compliance and injury prevention.

Improvement in Safety Lag Indicators

Rolling 12 Month TRIFR



Rolling 12 Month LTIFR



	TRIFR[1]		LTIFR[2]	
	FY25	FY24	FY25	FY24
WesTrac	3.3	5.0	0.2	0.3
Boral	2.9	4.5	1.4	2.2
Coates	2.6	4.1	0.4	1.0
SGH Total	3.1	4.5	0.8	1.3

1. Total recordable injury frequency rate (TRIFR) = number of work-related recordable injuries per million hours worked.
2. Lost time injury frequency rate (LTIFR) = number of work-related injuries that resulted in time lost from work per million hours worked.

Boral – Peppertree, NSW

Work-Related Injuries

WesTrac	FY25	FY24	FY23
Workers covered by OHS management system[1]	100% of 4,450 employees	100% of 4,373 employees	100% of 4,449 employees
Lost time injuries	2†	3†	4†
Lost time injury frequency rate[2,5]	0.2†	0.3†	0.4†
Recordable injuries[3,5]	35†	53*	47†
Recordable injuries frequency rate[2,5]	3.30†	5.00*	5.00
Fatalities	–†	–†	–†
Cases of work-related ill health[4]	111	120	83
Exposure hours (employees and contractors)	10,482,297†	10,703,795*	9,669,235†

Note: these measures align to GRI 403-9 a) i, iii, iv, v (2018).

1. OHS management system covers all employees as identified in the table above as well as all contractors that supplement the workforce on company locations under direct supervision.
2. Rates have been calculated based on 1,000,000 hours worked. Rates include both employees and contractors.
3. The main types of recordable work–related injury are: body stressing, falls, trips, slips and hitting objects with parts of body.
4. Workers' compensation claims lodged during the period.
5. During the period, contractors comprised 0% of Lost Time Injuries and 5.71% of Total Reportable Injuries at WesTrac. The contractor Lost Time Injury Frequency Rate for FY25 was 0.0 and the contractor Total Recordable Injury Frequency Rate was 0.19.

† Bureau Veritas–assured metric. * Restated for subsequent reclassification of injuries and exposure hours.

Boral	FY25	FY24	FY23
Workers covered by OHS management system[1]	100% of 8,653 employees and contractors	100% of 7,432 employees and contractors	100% of 7,920 employees and contractors
Lost time injuries	21†	33†	47
Lost time injury frequency rate[2,5]	1.4†	2.2†	3.0
Recordable injuries[3,5]	45†	66†	112
Recordable injuries frequency rate[2,5]	2.94†	4.47†	7.24
Fatalities	1†	–†	–
Cases of work-related ill health[4]	254	300	–
Exposure hours (employees and contractors)	15,308,545†	14,759,552†	15,465,442

Note: these measures align to GRI 403-9 a) i, iii, iv, v (2018).

1. OHS management system covers all employees as identified in the table above as well as all contractors that supplement the workforce on company locations under direct supervision.
2. Rates have been calculated based on 1,000,000 hours worked. Rates include both employees and contractors.
3. The main types of recordable work–related injury are: body stressing, and slips, trips and falls.
4. Workers compensation claims lodged during the period.
5. During the period, contractors comprised 48% of Lost Time Injuries and 40% of Total Reportable Injuries at Boral. The contractor Lost Time Injury Frequency rate for FY25 was 1.67 and the contractor Total Recordable Injury Frequency Rate was 3.01.

† Bureau Veritas–assured metric.

Coates	FY25	FY24	FY23
Workers covered by OHS management system[1]	100% of 1,795 employees	100% of 1,926 employees	100% of 2,098 employees
Lost time injuries	2†	6†	10†
Lost time injury frequency rate[2,5]	0.4†	1.0†	1.7†
Recordable injuries[3,5]	13†	24†	30†
Recordable injuries frequency rate[2,5]	2.60†	4.10†	5.12†
Fatalities	1†	–†	–†
Cases of work-related ill health[4]	61	42	61
Exposure hours (employees and contractors)	5,004,953	5,832,483†	5,857,132†

Note: these measures align to GRI 403-9 a) i, iii, iv, v (2018).

1. OHS management system covers all employees as identified in the table above as well as all contractors that supplement the workforce on company locations under direct supervision.
2. Rates have been calculated based on 1,000,000 hours worked. Rates include both employees and contractors.
3. The main types of recordable work–related injury are: body stressing, falls, trips, slips and hitting objects with a part of body.
4. Workers compensation claims lodged during the period.
5. During the period, contractors comprised 50% of Lost Time Injuries and 62% of Total Reportable Injuries at Coates. The contractor Lost Time Injury Frequency Rate for FY25 was 0.54 and the contractor Total Recordable Injury Frequency Rate was 4.35.

† Bureau Veritas–assured metric.

Attraction, Engagement & Talent Retention

During the year, each business implemented customised talent management strategies to strengthen our competitive positioning, address skill shortages and build sustainable pathways for employee development and career progression. Targeted initiatives included enhancing the employee value proposition and offering meaningful growth opportunities for high potential and performing talent. The focus on key talent attraction and retention measures delivered improvements across the workforce, especially for frontline team members. Engagement survey participation and satisfaction scores also improved significantly, along with female representation.

WesTrac's focus on building its skilled labour pipeline through domestic and international campaigns made substantial inroads in addressing skill gaps. International hires were provided with structured onboarding and settlement programs, to help with their relocation. WesTrac continues to develop electrification capability, ensuring developments are in line with product release and legislative requirements. WesTrac also recorded improvements in employee engagement supported by a combination of targeted regional recruitment campaigns and a revitalised employee value proposition, 'Made for More', that better reflects the unique strengths and opportunities of a WesTrac career. In parallel, voluntary turnover improved, indicating growing employee satisfaction and the effectiveness of retention initiatives across the business.

Boral's reset of its performance culture and execution focus continues to deliver strong operational performance across key metrics. The Boral executive team is well embedded in the operating cadence with strong levels of workforce engagement. 92 per cent of the workforce participated in the 2025 engagement survey, with solid results in areas aligned with the Boral Way and Boral's "Good to Great" cultural transformation journey.

Coates has made significant progress in strengthening its employment offering and employee experience balancing productivity and cost containment. International recruitment helped close the critical skills gap with 18 mechanics joining the Coates teams predominantly in rural Queensland and Western Australia. These team members received practical help with their relocation and provided support with building local community connections. Coates' performance framework continues to focus on driving sales effectiveness and execution, elevating capability and customer centricity. This, coupled with targeted organisational reviews to tightly manage costs, has ensured continued performance and productivity improvements. Coates also launched its refreshed employee value proposition, "We've got your Back", signifying Coates' commitment to supporting their employees and customers. Coates' annual Engagement Survey improved, with a 90 per cent participation rate.

Diversity, Equity & Inclusion

SGH is an inclusive employer and aspires towards 25 per cent female representation across our operations. Comprehensive programs, including targeted recruitment, leadership development, and cultural transformation plans, have helped accelerate female participation across our workforce. Our multi-faceted approach to diversity equity and inclusion, includes dedicated mentoring programs that support career advancement, flexible work arrangements that accommodate diverse needs, and partnerships with educational institutions to build early career pathways.

We have eliminated gender pay gaps for like-for-like roles through regular pay equity reviews, launched specialised training programs for non-traditional roles, and invested in inclusive leadership development for senior management. Enhanced engagement scores among female employees validate the effectiveness of our approach, while improved retention rates demonstrate the sustainable impact of creating an inclusive workplace culture that attracts and develops top talent regardless of gender.

In FY25, we achieved 19 per cent female participation across our industrial businesses, representing significant progress in traditionally male-dominated sectors.

WesTrac achieved 21 per cent female participation, including a notable 11 per cent representation in trade roles, a strong outcome in a traditionally male-dominated sector. Key initiatives included flexible working, paid parental leave policies and development programs targeted at women. The Women in Leadership mentoring program supported 60 employees in career acceleration, while comprehensive pay equity reviews confirmed WesTrac's commitment to gender pay parity for like-for-like roles. These initiatives strengthened talent retention and engagement.

Boral increased female representation across its workforce to 15.6 per cent, while continuing to invest in programs designed to expand female participation in leadership roles. Examples include the inaugural Women Leading Program, which equips female leaders with advanced capabilities, and the Pathway to Allyship initiative, that enhances inclusive leadership across Boral. Targeted recruitment campaigns, including the Plant Operator and Asphalt Crew Programs, engaged women across Victoria, Queensland and Western Australia, creating dedicated pathways into operational roles. Brand-building activities at educational and career expositions also strengthened Boral's talent pipeline and market positioning.

Coates delivered exceptional results, achieving female workforce participation of 24.7 per cent, with a substantial growth in women in leadership roles. The Leadership, Excellence and Performance (LEAP) leadership program graduated a further 25 women with a continued 30 per cent promotion success rate, demonstrating clear career progression pathways. Female employee engagement also showed marked improvements.

Progress on Gender Diversity

	2025		2024	
Level	Number of Women	Proportion of Women	Number of Women	Proportion of Women
Board	3 of 9	33.3%	3 of 9	33.3%
Senior Managers / Managers	181 of 979	18.7%	188 of 1,066	17.6%
Whole of organisation	2,178 of 11,006	19.0%	1,917 of 10,558	18.2%

Partnering with Indigenous Communities

SGH's businesses make a meaningful contribution and provide opportunities to Indigenous people in the communities where we operate. This includes employing and developing Indigenous team members, increasing business spend with Indigenous suppliers, and partnering with organisations that foster long-term opportunity and community-led outcomes.

WesTrac had 2.3 per cent Indigenous employment in FY25 and expanded its school-based apprenticeship program for Indigenous students. The $6.2 million in Indigenous business spend and company-wide cultural learning programs demonstrate both economic and cultural commitment. WesTrac continued its partnership with the Carey Bindjareb organisation in FY25, supporting its program at Karnet Prison Farm by providing used Caterpillar equipment for skills development. Participants gained hands-on training that simulates real-world operations, undertook site tours, and worked toward civil and mining industry qualifications.

Boral's Indigenous workforce participation reached 5.8 per cent in FY25. Boral invested significantly in cultural education, with over 320 employees completing Cross-Cultural Awareness Programs and leaders undertaking specialised cultural heritage training. Boral also demonstrated strong economic engagement with Indigenous communities, including more than $10 million in spend with Indigenous businesses and active membership with Supply Nation.

Coates achieved 4.5 per cent Indigenous workforce participation and procured over $7 million in goods and services from more than 100 Indigenous suppliers. Through its partnership with the Clontarf Foundation, Coates employees volunteered over 1,500 hours supporting employment forums and work experience opportunities. The launch of its Innovate 2.0 Reconciliation Action Plan in May 2025, reaffirmed Coates' commitment to long-term Indigenous partnerships and reconciliation.

Coates – Perth Branch

Building Capability with Front-Line Focused Training

In FY25, SGH invested over $11 million in leadership, customer and front-line focused technical and operational training initiatives, lifting capability across the workforce. Through strategic partnerships with educational institutions and industry bodies, our apprentice programs continue to attract high-calibre candidates, with diversity initiatives delivering increased female participation across traditionally male-dominated trades. Customer excellence and sales capability uplift, remains a strategic priority, directly supporting revenue growth and market expansion objectives.

WesTrac delivered over 52,000 hours of training across the two dealerships, graduating 150 apprentices and significantly expanding its digital learning programs, which saw a 40 per cent increase in uptake. These initiatives reinforced WesTrac's commitment to hands-on skill-building and technical excellence. WesTrac WA was recognised for its efforts, receiving the Silver Award for Large Employer of the Year at the National Training Awards after winning their state category. Individual excellence was also celebrated, with Field Service Technician Leon Archibald winning first place in the Caterpillar Global Dealer Technician qualifiers and qualifying for the world championship in Spain.

Boral continued to build workforce capability, delivering over 25,000 hours of training in FY25. It delivered comprehensive capability development and compliance training across the business. Strategic leadership initiatives included the Leading the Boral Way program and the Commercial and Financial Skills Program for senior leaders. Operational excellence was strengthened through extensive competency-based training, directly supporting enhanced safety performance and operational efficiency across all sites.

Coates maintained strategic focus on capability development through targeted investment and systematic program delivery. The award-winning Equipped for Leadership: Branch Manager program successfully graduated its final cohort before strategic repositioning to broaden front-line leadership development. Integration of leadership and learning teams created enhanced focus on strategic capability development aligned with the Grow30 strategy, ensuring training investments directly support business growth objectives.

Diversity

WesTrac

WesTrac	FY25†	FY24†	FY23†
Ratio of basic salary and remuneration of women to men	Basic salary 85.0% Remuneration 70.3%	Basic salary 84.7% Remuneration 70.9%	Basic salary 85.9% Remuneration 70.1%
Ratio for managers[1]	Basic salary 90.1% Remuneration 89.3%	Basic salary 87.2% Remuneration 84.3%	Basic salary 87.7% Remuneration 81.2%
Ratio for non–managers	Basic salary 85.9% Remuneration 69.8%	Basic salary 84.4% Remuneration 69.4%	Basic salary 85.5% Remuneration 68.7%
Ratio for metro[2]	Basic salary 86.3% Remuneration 72.6%	Basic salary 86.8% Remuneration 73.3%	Basic salary 87.9% Remuneration 72.7%
Ratio for regional	Basic salary 81.9% Remuneration 67.7%	Basic salary 79.1% Remuneration 67.8%	Basic salary 79.8% Remuneration 66.8%
Percentage of workforce who are women	21.1%	20.3%	18.8%
% for managers	16.4%	19.9%	18.6%
% for non–managers	21.3%	20.4%	18.8%

Note: these measures align to GRI 405-2a (2016).

1. Manager in line with Workplace and Gender Equality Agency (WGEA) definition.
2. Metro is defined as the greater metropolitan areas of State capital cities, with Regional being all other areas.

† Bureau Veritas–assured the remuneration related ratios.

The above tables include all employees within WesTrac, with the majority in the non-manager, metro and regional categories employed under Enterprise/Collective Agreements, which do not always provide a direct opportunity to address gender pay gaps from a Basic salary perspective. In addition, the payment of overtime for technical and trade roles, which tend to have a high representation of males, also has an impact on the Remuneration ratios in the non-manager, metro and regional categories.

Boral

Boral	FY25†	FY24†	FY23†
Ratio of basic salary and remuneration of women to men	Basic salary 100.3% Remuneration 86.1%	Basic salary 101.3% Remuneration 84.9%	Basic salary 101.5% Remuneration 87.9%
Ratio for managers[1]	Basic salary 106.2% Remuneration 103.3%	Basic salary 105.8% Remuneration 99.4%	Basic salary 107.0% Remuneration 106.7%
Ratio for non–managers	Basic salary 103.1% Remuneration 86.4%	Basic salary 101.7% Remuneration 83.1%	Basic salary 100.0% Remuneration 84.4%
Ratio for metro[2]	Basic salary 99.0% Remuneration 83.4%	Basic salary 100.3% Remuneration 82.7%	Basic salary 101.1% Remuneration 86.3%
Ratio for regional	Basic salary 92.4% Remuneration 83.6%	Basic salary 91.3% Remuneration 82.1%	Basic salary 86.2% Remuneration 80.3%
Percentage of workforce who are women	15.6%	15.0%	14.5%
% for managers	10.9%	13.0%	13.9%
% for non–managers	16.1%	15.3%	14.6%

Note: these measures align to GRI 405-2a (2016).

1. Manager in line with Workplace and Gender Equality Agency (WGEA) definition.
2. Metro is defined as the greater metropolitan areas of State capital cities, with Regional being all other areas.

† Bureau Veritas–assured the remuneration related ratios.

The above tables include all employees within Boral, with the majority in the non-manager, metro and regional categories employed under Enterprise/Collective Agreements, which do not always provide a direct opportunity to address gender pay gaps from a Basic salary perspective. In addition, the payment of overtime for technical and trade roles, which tend to have a high representation of males, also has an impact on the Remuneration ratios in the non-manager, metro and regional categories.

Diversity continued

Coates	FY25†	FY24†	FY23†
Ratio of basic salary and remuneration of women to men	Basic salary 99.0% Remuneration 87.5%	Basic salary 102.7% Remuneration 84.5%	Basic salary 103.3% Remuneration 85.4%
Ratio for managers[1]	Basic salary 89.8% Remuneration 87.4%	Basic salary 92.9% Remuneration 89.0%	Basic salary 94.3% Remuneration 89.0%
Ratio for non–managers	Basic salary 101.5% Remuneration 86.3%	Basic salary 106.3% Remuneration 82.7%	Basic salary 106.5% Remuneration 84.4%
Ratio for metro[2]	Basic salary 97.7% Remuneration 89.6%	Basic salary 100.4% Remuneration 86.6%	Basic salary 101.6 Remuneration 88.0%
Ratio for regional	Basic salary 96.7% Remuneration 81.0%	Basic salary 101.2% Remuneration 77.1%	Basic salary 99.0% Remuneration 77.1%
Percentage of workforce who are women	24.7%	23.4%	21.8%
% for managers	20.9%	17.3%	15.1%
% for non–managers	24.3%	23.7%	22.4%

Note: these measures align to GRI 405-2a (2016).
1. Manager in line with Workplace and Gender Equality Agency (WGEA) definition.
2. Metro is defined as the greater metropolitan areas of State capital cities, with Regional being all other areas.

† Bureau Veritas–assured the remuneration related ratios.

The above tables include all employees within Coates, with the majority in the non-manager, metro and regional categories employed under Enterprise/Collective Agreements, which do not always provide a direct opportunity to address gender pay gaps from a Basic salary perspective.
In addition, the payment of overtime for technical and trade roles, which tend to have a high representation of males, also has an impact on the Remuneration ratios in the non-manager, metro and regional categories.

Employment

	FY25†		FY24†		FY23†	
WesTrac	New Employee Hires	Terminations[3]	New Employee Hires	Terminations[3]	New Employee Hires	Terminations[3]
Number	992	893	1,141	952	1,348	1,057
Rate[1]	22.3%	20.1%	26.6%	22.2%	32.8%	25.7%
Male – Number	684	645	811	726	985	848
Male – Rate	19.4%	18.3%	23.5%	21.0%	29.3%	25.2%
Female – Number	307	247	328	223	354	209
Female – Rate	33.3%	26.8%	39.2%	26.7%	48.2%	28.4%
Metro[2] – Number	670	591	795	615	1,025	735
Metro – Rate	23.7%	20.9%	29.2%	22.6%	36.0%	25.8%
Regional – Number	322	302	346	337	323	322
Regional – Rate	19.9%	18.7%	22.1%	21.5%	25.6%	25.6%
<30 years old – Number	401	284	466	298	545	293
<30 years old – Rate	37.9%	26.9%	44.6%	28.5%	55.6%	29.9%
30–50 years old – Number	513	483	586	534	653	601
30–50 years old – Rate	20.0%	18.8%	24.0%	21.8%	27.5%	25.3%
>50 years old – Number	78	126	89	120	150	163
>50 years old – Rate	9.5%	15.3%	11.1%	14.9%	20.0%	21.7%

Note: these measures align to GRI 401-1 (2016).
1. All new hire and termination rates have been calculated based on an average headcount over the reporting period for the relevant population.
2. Metro is defined as the greater metropolitan areas of State capital cities, with Regional being all other areas.
3. Termination numbers and rates include turnover of fixed-term employees and contractors.

† Bureau Veritas–assured metric.

Boral	FY25† New Employee Hires	FY25† Terminations[3]	FY24† New Employee Hires	FY24† Terminations[3]	FY23 New Employee Hires	FY23 Terminations[3]
Number	1,106	1,038	1,025	1,210	1,134	1,192
Rate[1]	24.0%	22.5%	22.0%	25.9%	24.5%	26.1%
Male – Number	857	855	806	1,000	899	944
Male – Rate	21.9%	21.8%	20.1%	25.0%	22.7%	23.8%
Female – Number	249	183	219	210	235	248
Female – Rate	35.7%	26.2%	33.1%	31.8%	35.5%	37.5%
Metro[2] – Number	673	663	628	762	709	759
Metro – Rate	24.3%	23.9%	22.1%	26.9%	25.5%	27.3%
Regional – Number	433	375	397	448	425	433
Regional – Rate	23.5%	20.4%	21.7%	24.4%	23.0%	23.5%
<30 years old – Number	285	190	247	213	296	204
<30 years old – Rate	49.0%	32.7%	40.8%	35.2%	50.6%	34.9%
30–50 years old – Number	589	508	560	626	583	583
30–50 years old – Rate	26.2%	22.6%	24.8%	27.7%	26.1%	26.1%
>50 years old – Number	232	340	218	371	255	405
>50 years old – Rate	13.0%	19.1%	12.1%	20.6%	14.2%	22.5%

Note: these measures align to GRI 401-1 (2016).

1. All new hire and termination rates have been calculated based on an average headcount over the reporting period for the relevant population.
2. Metro is defined as the greater metropolitan areas of State capital cities, with Regional being all other areas.
3. Termination numbers and rates include turnover of fixed term employees.

† Bureau Veritas–assured metric.

Coates	FY25† New Employee Hires	FY25† Terminations[3]	FY24† New Employee Hires	FY24† Terminations[3]	FY23† New Employee Hires	FY23† Terminations[3]
Number	320	459	364	534	671	534
Rate[1]	17.4%	24.9%	18.4%	26.9%	32.8%	26.1%
Male – Number	221	351	251	418	466	408
Male – Rate	15.8%	25.1%	16.4%	27.3%	29.2%	25.6%
Female – Number	99	108	113	116	205	126
Female – Rate	22.3%	24.3%	25.1%	25.7%	47.5%	29.2%
Metro[2] – Number	153	267	219	303	423	320
Metro – Rate	13.7%	24.3%	18.0%	24.9%	33.8%	25.6%
Regional – Number	167	192	145	231	248	214
Regional – Rate	23.1%	26.5%	19.0%	30.3%	31.2%	26.9%
<30 years old – Number	73	67	99	102	194	111
<30 years old – Rate	30.4%	27.9%	36.3%	37.4%	67.1%	38.4%
30–50 years old – Number	190	236	199	287	362	280
30–50 years old – Rate	18.9%	23.5%	18.5%	26.7%	32.8%	25.4%
>50 years old – Number	57	156	66	145	115	143
>50 years old – Rate	9.5%	26.0%	10.4%	22.9%	17.6%	21.9%

Note: these measures align to GRI 401-1 (2016).

1. All new hire and termination rates have been calculated based on an average headcount over the reporting period for the relevant population.
2. Metro is defined as the greater metropolitan areas of State capital cities, with Regional being all other areas.
3. Termination numbers and rates include turnover of fixed-term employees and contractors.

† Bureau Veritas–assured metric.

Sustainability

At SGH, we recognise the meaningful impact and long-term value our business can contribute to sustainability, the circular economy and communities in which we operate.

Our intent is to ensure that environmental stewardship, social responsibility, and sound governance principles form an integral part of our strategy and day-to-day operations. We are focused on proactively addressing the material issues that matter most to our stakeholders. By continuously evolving our approach and collaborating with our people, partners, and communities, we strive to create lasting positive impact and deliver long-term value for our stakeholders.

Approach and Coverage

Sustainability considerations are embedded in our business strategy, risk management, and culture. Our approach is focused on our wholly-owned and operated businesses and designed to deliver long-term value for our customers, people, shareholders and the communities in which we operate.

Since 2021, our business has reported on 10 material issues identified by our stakeholders where we could have the most impact and/or mattered most to our key stakeholders. Our material issues align with over twenty of the UN Sustainable Development Goal indicators, and cover twelve of the seventeen Sustainable Development Goals.

Our business deals with these material issues through four key elements of our sustainability framework:

- **People**
- **Circular Economy**
- **Local Operations**
- **Climate Resilience**

Following the integration of Boral into SGH in FY25, we announced our SGH decarbonisation ambition and FY30 targets at our 2024 AGM. Further details of these are included in this report.

For ESG information regarding the businesses where SGH holds a material stake but does not control – Beach Energy and Seven West Media – further information can be found in the Sustainability Reports available on their respective company websites.

The previous section provides a comprehensive overview of our approach and performance concerning safety and people. The following pages provide more detail about the Circular Economy, Local Operations, Climate Resilience and our Emissions and Climate Change Disclosure.

Additional information regarding SGH's sustainability strategy and actions is also available on SGH's website and the websites of WesTrac, Boral and Coates.

UN Sustainable Development Goals

This Sustainability Report focuses on the businesses SGH wholly owns and controls.

WesTrac – Tomago, NSW

People

Safety

To be recognised by our teams, customers and regulators for safety excellence

At SGH, safety is core to our approach to business. We place great value on preventative and protective measures that support our people. We recognise the need to protect the physical and mental wellbeing of our people in the workplace, and our approach to physical health and safety and mental health and wellbeing reflects this.

Employment

To be an employer of choice across all categories of employment, known for fairness, empathy, development and contribution

Our workforce contains a vibrant mix of skills and capabilities. Our people have the right to freedom of association and collective bargaining, and we maintain constructive relationships with multiple unions that participate in the sectors we operate in. Our SGH Employee Share Purchase Plan, launched in FY21, provides employees the opportunity to share in the value that they help generate for shareholders.

Diversity

To ensure we have a diverse and inclusive workforce that increasingly reflects the communities in which we operate

SGH is committed to supporting open and inclusive workplaces that embrace and promote diversity and equal opportunity. SGH considers building a diverse and inclusive workforce a key enabler for delivering superior returns to all stakeholders across the business.

Training

To engage, educate, develop and inspire our people

SGH remains committed to investing in leadership development and specialist training to improve the technical and leadership capability of our people. We have a particular focus on programs such as training, apprenticeships, and trade upgrades to ensure we have access to the skilled labour we need in order to serve our customers. WesTrac, Boral and Coates are Registered Training Organisations.

Indigenous Inclusion

To make a meaningful contribution by providing opportunities to Indigenous peoples in the communities in which we operate

SGH recognises Aboriginal and Torres Strait Islanders as the traditional landowners of Australia, and we acknowledge that listening to Indigenous voices strengthens our ability to positively contribute to the full realisation of the rights of First Nations peoples.

Circular Economy

Materials

To be a leading Australian corporate contributor to the circular economy

WesTrac, Boral and Coates play a key role in the 'circular economy' – promoting the efficient use of resources, reducing waste and environmental impact for our customers and communities in which we operate.

Technology & Innovation

To bring the benefits of technology and innovation, including digital, to our teams and customers

Technology and innovation remain key to the success of our businesses, our customers' businesses and the Australian economy. SGH continues to equip our businesses with the know-how, capital and incentives to continuously search for ways to adopt and leverage new technology driving efficiency for both our operations and our customers.

Local Operations

Local Environment

To reduce our operational impacts on the land, water and the local environment in the communities in which we operate

Since FY23, all of SGH's wholly owned businesses have actively pursued Local Environment targets and in particular had action plans that are aligned with the Australian government's National Waste Policy and focused on reducing portable water usage in our operations. We expanded the key material issue in FY24 to also focus on the local environment in which our businesses operate and interact.

Local Communities

To be an engaged and constructive participant in the communities in which we operate

We operate and serve our customers both in capital cities and in remote and regional areas across Australia. Wherever we operate in local communities, our teams aim to be actively involved in those communities. As an organisation, SGH's commitment to making a positive contribution to all these communities is resolute, and we have a proud history of providing assistance and support to communities across Australia, particularly in times of need.

Climate Resilience

Energy & Emissions

To play our part in each of our sectors in meeting the Paris Agreement's goal to limit global temperature rises to well below 2°C

Across our businesses, we continue to look for opportunities to provide solutions for our customers and play a role in their decarbonisation journey. We are offering fleets and developing products that can deliver both commercially viable solutions and reduce emissions, and see further opportunities in this area. We recognise the great challenge and opportunity that a lower carbon economy presents, and will be working in FY26 to continue this journey of decarbonisation with our business and customers.

Circular Economy

Materials	**To be a leading Australian corporate contributor to the circular economy**
Technology & Innovation	**To bring the benefits of technology and innovation, including digital, to our teams and customers**

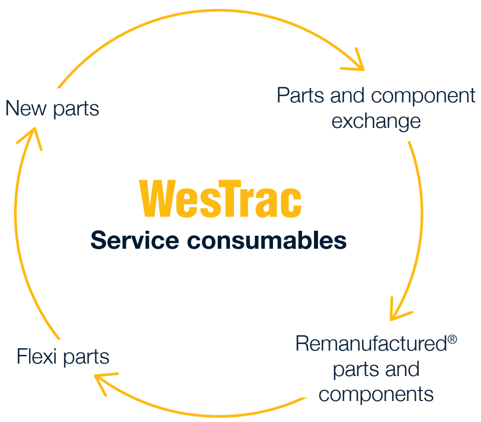
SGH has embraced both technology and process improvements to enhance sustainability across our operations. Our approach emphasises reducing waste, maximising resource efficiency, and extending the lifecycle of products and delivering technology to improve safety outcomes. Through technology, SGH enables smarter maintenance processes, extends equipment lifecycles, and supports the creation of innovative materials that reduce carbon footprints.

WesTrac

WesTrac plays a vital role in the circular economy through the remanufacturing of parts and rebuilding machinery. These activities provide our customers with cost-effective and sustainable solutions.

Through FY25, WesTrac has seen more customers choosing to rebuild and extend the life of their aging machinery. Customers value WesTrac's expertise and Caterpillar equipment for this process. Recently, many have opted for fleet upgrades due to mine life approvals, but there is now a trend toward rebuilds amid stable productivity outputs of large load and haul fleets. With viable decarbonisation technology still pending and steady production volumes continuing, customers are likely to continue extending fleet lives where economically feasible. As customers work to decarbonise and prepare for electrification, WesTrac used this opportunity to bridge the gap and promote a circular economy approach through expanding and improving our remanufacturing capabilities.

WesTrac WA's Rebuilds team was selected to undertake a world first Run Life Extension Project to revitalise old 793F machines through comprehensive rebuilds, including chassis changeouts and updates. These rebuilds extend the life of aging fleets with high use hours of 70,000 hours or more, preventing the machines from being retired and providing a viable option to our customers from acquiring new machines. The project's success and lessons learnt has strengthened WesTrac's reputation as a leader in this space.



Boral

As a leader in sustainable material solutions, Boral continues to focus on expanding the integration of recycled materials into its product offerings. Through the Circular Materials Solutions initiative, Boral addresses construction and demolition waste through cutting-edge designs to enhance sustainability outcomes.

Most demolition waste such as brick, concrete, and steel are not at the end of their lifecycle as a material, so there is a significant opportunity to recycle. Similarly, excavation waste materials such as sand, stone, and fill can be reclaimed, blended, or repurposed. In a seamless process, demolition and excavation waste is collected from site and transported to a local Boral Recycling centre where it is processed and recycled for use in new, more sustainable building materials.

In FY25, Boral Recycling processed in excess of 2.5 million tonnes of material (an increase of 8 per cent year-on-year), for direct sale to external customers, as well as for use in Boral's Quarries, Asphalt and Concrete operations. Boral's Recycling business sorts, crushes, blends and sells recycled materials including crushed concrete, bricks, glass and soils (from sandstone or excavated sand). These recycled materials are used for road base and similar products and are ingredients in concrete and asphalt mixes.

In FY25, Boral advanced the implementation of our innovative crumb rubber asphalt surfacing, initially trialled in FY24, which incorporates recycled end-of-life industrial tyres sourced from our own quarrying operations.

Additionally, Boral advanced its trials of recarbonated recycled concrete aggregates in concrete. Concrete mixes incorporating a 50 per cent replacement of coarse aggregates with recarbonated recycled concrete aggregates were successfully developed and placed. These aggregates were produced at Boral's recently commissioned carbon capture, utilisation and storage (CCUS) facility in Berrima.

CAT – Dynamic Energy Transfer Truck

WesTrac – South Guildford, WA

Coates

Through maximising equipment utilisation and extending product lifecycles, Coates actively supports efforts to reduce waste and optimise resource use throughout Australia. Coates' rental solutions alleviate the need for new purchases, contributing to the environmental goals of both SGH and its customers.

Coates has 140 years of expertise in introducing new technology to the Australian market to benefit customers, helping them through cost efficient equipment solutions. In FY25, Coates has enabled lower emissions technology to reach customers through electric, solar and hybrid equipment. There has been a focus on improving the performance of these products, as the market adjusts to broader change to advance the decarbonisation of construction and infrastructure delivery.

Coates continues to work closely with customers to understand their hire and solutions needs and innovate products to meet this changing landscape.

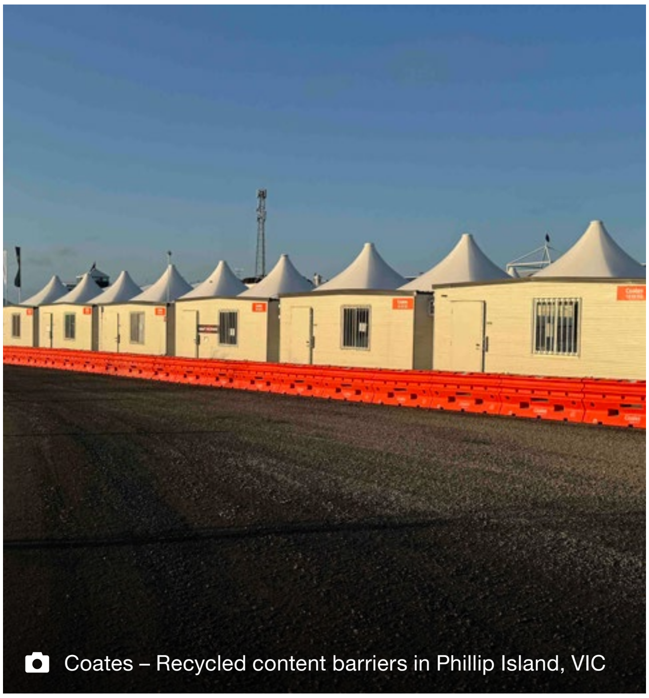
In FY25, Coates contributed a significant role in the circular economy through providing the following:

- $1.9 billion in available assets for hire and re-use in the Australian economy;
- Completed over 500,000 maintenance events annually to preserve and reuse this asset base;
- Recovered more than 1,000 tonnes of metals for recycling; and
- Recycled 3,779 barriers (189 tonnes) as input to new recycled content plastic barriers.

Coates has now recycled over 11,000 end-of-life plastic barriers since commencement of the program in 2022. In FY25, all new plastic barriers included 10 per cent recycled content which was derived from old recycled Coates barriers.

Key Statistics and Achievements

Business	Key Achievement	Statistics
WesTrac	Remanufactured and rebuilt machinery	80,457 remanufactured parts, 14,876 component rebuilds, 353 machine rebuilds in FY25
Boral	Circular materials solutions	8 per cent increase in volume of materials recycled at operations
Coates	182 million days of hire equipment in FY25	Completed over 500,000 maintenance events annually to preserve and reuse this asset base



Coates – Recycled content barriers in Phillip Island, VIC

Local Operations

Local Environment	**To reduce our operational impacts on the land, water and the local environment in the communities in which we operate**
Local Communities	**To be an engaged and constructive participant in the communities in which we operate**

SGH continues to promote and pursue local environmental initiatives aligned with the Australian Government's National Waste Policy and targeting a reduction in portable water usage in our operations. Through Boral, we also play a broader role in managing and preserving local ecosystems in our operations, with active rehabilitation of quarries and management of offset sites, in accordance with plans developed for each site.

We operate and serve our customers both in capital cities and in remote and regional areas across Australia. As an organisation, SGH continues to make a positive contribution to communities and local economies, with a proud history of providing assistance and support across Australia.

WesTrac

In FY25, WesTrac demonstrated progress in environmental sustainability initiatives, earning recognition as a finalist for the Waste Sorted Awards for its Parts Distribution Centre recycling efforts. This achievement highlights WesTrac's commitment to innovative waste management practices and delivery. The incorporation of DocuSign into WesTrac processes has resulted in significant waste reduction, including the avoidance of 850,600 sheets of paper being used in the operations, the equivalent of 92 trees, and conserving 341,300 litres of water. These measures have collectively contributed to reducing WesTrac's carbon footprint by 3.26 t CO_2e. WesTrac also introduced battery recycling programs and continues to look for areas to further improve with findings from the FY25 Waste Audit actively being implemented.

WesTrac has continued its long association with Telethon in Perth, donating a monetary contribution for every new Caterpiller® 301.5 Mini Excavator and Caterpiller® 216B3 Skid Steer Loader sold with a trailer at the Perth Tradie Expo. WesTrac participated for the sixth year in the MACA Ride for Cancer with a team of 39 riders.

In NSW, WesTrac established a committee dedicated to Charity and Community requests. There is an ongoing focus on supporting their local communities, including the Container Refund Scheme, collecting cans and bottles for the Meadowie Scouts. WesTrac has also supported Lifeline Australia and local charities including the Jupiter Foundation for youth mental health, Ronald McDonald House, and the Westpac Rescue Helicopter.

Boral

Boral recognises the importance of effective stakeholder engagement and communication between each of its operations and the stakeholders associated with them and gives our staff the chance to give back to the local community where they live.

Boral uses a risk-based approach in determining its community activities, taking into account a range of social, geographical, environmental and legislative considerations. A profile is constructed for each site which then forms the basis of a community plan tailored to the site's context.

During FY25, through its community investment and partnership framework, Boral has contributed to several important community-led organisations and initiatives including equipment for Bungonia Rural Fire Service, restoration and ongoing upkeep of Berrima Remembrance Grove project, donations of koala fodder to Australia Zoo, sponsorship of Seaham junior netball club and Townsville NAIDOC.

Boral continues to drive improvements in recycling via diversion of waste from landfill. In FY25, Boral diverted over 99 per cent of operational waste from landfill. Boral is also playing an integral role in diverting a significant amount of construction and demolition waste generated by customers.

Boral uses water to manufacture concrete and cement; for dust suppression, particularly in the Quarries and Recycling businesses; and for cleaning and sanitation across operating sites. Boral uses recycled water in its production processes across many of its businesses, including Concrete, Quarries, Recycling and Asphalt. While some sites use 100 per cent recycled water for production processes, this proportion varies across operations. Wash water, and first-flush storm water at concrete plants are regularly recycled back into the production process. Boral continues to focus on increasing the use of recycled water in the production process.

Boral is managing biodiversity offset sites at Coolumburra, NSW as well as Narangba and Ormeau in Queensland. The 960-hectare offset site at Coolumburra supports five native vegetation community types that provide a habitat for two threatened species, the koala and large-eared pied bat.

Boral remains committed to advancing sustainability and community engagement by enhancing recycling processes, minimising landfill waste, and supporting the circular economy through the re-use of construction and demolition materials.

Boral – Enfield, NSW

Coates

Coates made significant contributions to community engagement, philanthropy, and sustainability in FY25. Through the Coates Foundation and charity partners, it has dedicated over 2,000 volunteering hours, and actively supported initiatives such as the Mission Australia Christmas Appeal and the Cancer Council Relay for Life. Coates also demonstrated a strong commitment to philanthropy by providing event hire equipment to the Humpty Dumpty Foundation, donating an additional monetary contribution in paediatric medical care equipment nationwide, and significant fundraising through the Channel 7 Perth Telethon. Coates WA Team also participated in the MACA Cancer 200 Ride, raising funds and in-kind support for the Harry Perkins Cancer Research Institute.

Coates has continued its strong partnership with the Clontarf Foundation with Coates employees having now dedicated 1,500+ hours engaging with Clontarf academies and students. This includes providing work visits and work experience at our branches, attending Clontarf employment forums and Awards nights as well as some Coates staff visiting Clontarf academies or attending training sessions in their own time.

In terms of mental health and well-being, Coates continued its valuable partnership with TIACS to enhance access to mental health support for blue-collar workers and their communities. Through strategic sponsorships, such as partnerships with NRL, Penrith Panthers JRL, AFL Talent League, Newcastle Jets FC, Perth Glory Liberty A-League, and Supercars, Coates engaged regional communities while supporting youth and Indigenous engagement.

On the environmental front, Coates invested in infrastructure improvements, including washbay facilities designed to minimise environmental impacts, and implemented waste reduction initiatives that focused on diverting landfill waste and optimising recycling processes. The organisation also contributed to environmental conservation by assisting customers with services such as traffic control, water management, sewage management, and specialised lighting to reduce impacts on local ecosystems.

> “SGH employs more than 11,000 team members across Australia, with an important role to play in supporting local employment, communities and the environment.”

Coates – Moorebank, NSW

Waste & Water

WesTrac	FY25†	FY24[1]†	FY23[1]†
Total waste generated – non-hazardous (t)	11,504	11,606	11,884
Total waste generated – hazardous (t)	4,438	4,473	4,338
Total waste generated (t)	**15,942**	**16,079**	**16,222**
Total waste diverted from disposal – non-hazardous (t)	8,463	8,119	8,418
Total waste diverted from disposal – hazardous (t)	3,587	3,554	3,497
Total waste diverted from disposal (t)	**12,050**	**11,673**	**11,915**
% waste diverted from disposal – non-hazardous	74%	70%	71%
% waste diverted from disposal – hazardous	81%	79%	80%
% waste diverted from disposal	**76%**	**73%**	**73%**
Total water withdrawn from municipal water suppliers and utilities (ML)	96.0	101.3	91.8
Total water withdrawn from other sources (ML)	13.4	13.3	12.4
Total water withdrawn (ML)	**109.4**	**114.6**	**104.2**

Note: these metrics align to GRI 306-3, 306-4a (2020) and 303-3a (2018). Estimates have been used for some categories and time periods.

1. Data has been compiled from waste transfer notes from WesTrac's main contracted waste collector, as well as specifically sourced data for additional waste relating to e-waste and metal.
2. Prior years in some instances may have been updated to reflect changes in methodologies when collecting data. Changes do not have a material impact.

† Bureau Veritas–assured metric.

Boral	FY25[1]†	FY24[1,2,3]†	FY23[1]
Total waste generated – non-hazardous (t)	657,069	595,851	243,495
Total waste generated – hazardous (t)	3,379	2,236	2,586
Total waste generated (t)	**660,448**	**598,086**	**246,081**
Total waste diverted from disposal – non-hazardous (t)	653,964	591,558	239,833
Total waste diverted from disposal – hazardous (t)	3,354	2,217	2,557
Total waste diverted from disposal (t)	**657,318**	**593,775**	**242,390**
% waste diverted from disposal – non-hazardous	100%	100%	99%
% waste diverted from disposal – hazardous	99%	99%	99%
% waste diverted from disposal	**100%**	**99%**	**99%**
Total water withdrawn from municipal water suppliers and utilities (GL)	1.3	1.1	1.2
Total water withdrawn from other sources (GL)	0.6	0.3	–
Total water withdrawn (GL)	**1.9**	**1.4**	**1.2**

Note: these metrics align to GRI 306-3, 306-4a (2020) and 303-3a (2018). Estimates have been used for some categories and time periods.

1. Waste diversion metrics have been rounded to zero decimal places for presentation purposes.
2. Reported data includes some estimations and minor exclusions due to data availability, which do not materially impact the disclosure.
3. Non-hazardous waste diverted from disposal excludes asphalt recycled at Boral's asphalt plants, however includes asphalt recycled at Boral's Recycling sites.

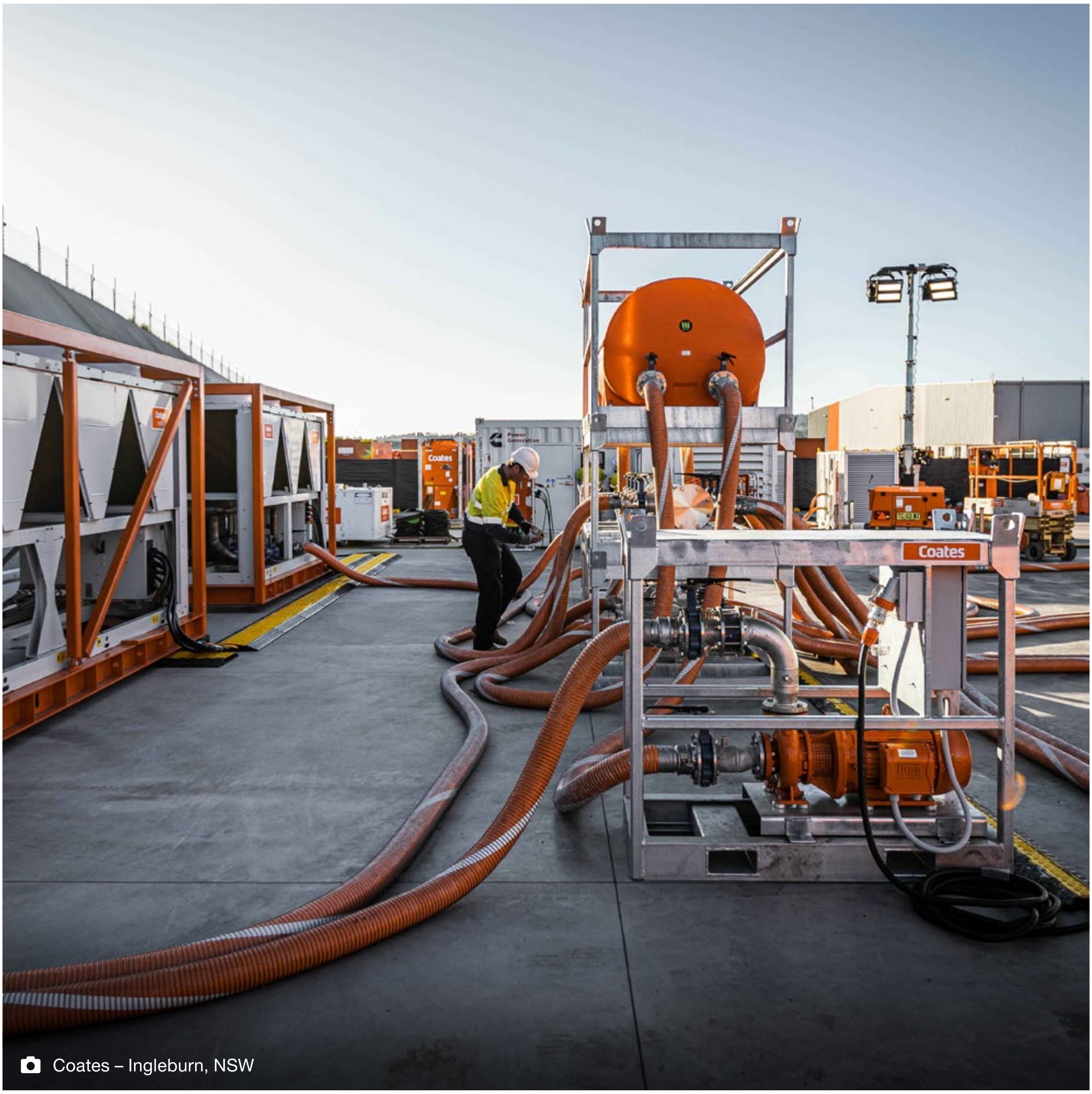
† Bureau Veritas–assured metric.

Coates	FY25[1]†	FY24[1]†	FY23[1]†
Total waste generated – non-hazardous (t)	4,603	4,102	4,509
Total waste generated – hazardous (t)	1,651	1,282	1,229
Total waste generated (t)	**6,254**	**5,384**	**5,738**
Total waste diverted from disposal – non-hazardous (t)	2,947	2,071	2,443
Total waste diverted from disposal – hazardous (t)	1,538	1,024	1,082
Total waste diverted from disposal (t)	**4,485**	**3,094**	**3,525**
% waste diverted from disposal – non-hazardous	64%	50%	54%
% waste diverted from disposal – hazardous	93%	80%	88%
% waste diverted from disposal	**72%**	**57%**	**61%**
Total water withdrawn from municipal water suppliers and utilities (ML)	95.2	97.2	89.1
Total water withdrawn from other sources (ML)	–	–	–
Total water withdrawn (ML)	**95.2**	**97.2**	**89.1**

Note: these metrics align to GRI 306-3, 306-4a (2020) and 303-3a (2018).

1. Data includes some estimations and minor exclusions due to data availability, which do not materially impact the disclosure.

† Bureau Veritas–assured metric.



Coates – Ingleburn, NSW

Climate Resilience

Energy & Emissions

To play our part in each of our sectors in meeting the Paris Agreement's goal to limit global temperature rises to well below 2°C

WesTrac – Solar Installation, Tomago NSW

With the finalisation of the Boral acquisition on 4 July 2024, we have now completed a review and alignment of our decarbonisation targets as contemplated in the FY24 Annual Report.

In reviewing the SGH framework, the following principles were applied:

– Ensure alignment of business unit targets with commercially viable decarbonisation pathways relative to their operations;
– Re-aligning targets and tracking progress against measure of carbon reduction against a unit of production/economic activity, with dollar revenue a better reflection of the progress and growth ambitions of our operations; and
– Consideration of the recently introduced mandatory sustainability reporting and disclosure legislative and regulatory requirements for Australian corporations.

Our belief is that for sustainability to be truly effective and lasting, it must be considered across three dimensions – environmental, social, and commercial. We assess each initiative and option based on this assessment and believe that to truly deliver sustainable outcomes, it must deliver across all three.

Since the initial roadmaps were developed that underpinned the commitments made in 2021, technological advancements and cost of adoption has not progressed as quickly as anticipated whilst the regulatory environment governing the requirements for emission reporting has evolved.

WesTrac, Boral and Coates all reviewed and refreshed their decarbonisation roadmaps during FY25. Considerations included performance to date against the original roadmaps and outlook based on the latest available information and technology. We also considered the risk and additional opportunities that may be considered over time with technological advancement but have not factored this into our base assumptions.

Following these reviews and the integration of Boral into the SGH framework, the following revised targets and ambitions were announced at the 2024 SGH AGM:

– The aspiration to play our part in each of our sectors in meeting the Paris Agreement's goal to limit global temperature rises to below 2 degrees Celsius;
– SGH ambition of Net-Zero by 2050; and
– Boral, WesTrac and Coates intensity reduction targets for FY30 from FY20, with Boral targeting a 30 per cent and WesTrac and Coates targeting a 40 per cent reduction in their Scope 1 and Scope 2 carbon intensity measures as a function of revenue.

Businesses also factored in our customers' current and future requirements in shaping our business strategy, risk and opportunities. These considerations include the demand for, and requirements around, lower carbon concrete at Boral, equipment selection and requirements at Coates and the support and timing of the electrification journey in the mining industry for WesTrac.

SGH Total Emissions	FY25
Scope 1 emissions (kt CO_2e)	**1,170**
Scope 2 emissions (kt CO_2e)	**258**
Total Scope 1 and 2 emissions (kt CO_2e)	**1,428**
Energy consumed (TJ)	**9,825**

SGH's total emissions include contributions from its major subsidiaries as well as other controlled entities of SGH Energy, Sitech, Allight, and Hushpak.

WesTrac

WesTrac achieved a 7.4 per cent reduction in Scope 1 and 2 emissions in FY25. These emissions primarily result from grid electricity consumed in our operations and the fossil fuel consumption in the testing of equipment. WesTrac remains focused on reducing grid based electricity consumption across WA and NSW. Significantly, a 1,663kW solar PV system was recently commissioned at Tomago NSW, with an expectation that approximately 88 per cent of the estimated 2.3MWh annual solar production will be utilised on-site, with excess production likely to generate LGCs.

WesTrac has also increased the number of hybrid fleet vehicles during FY25 and several other energy efficiency opportunities are currently in the process of being rolled out, including a site-wide LED lighting upgrade at Tomago NSW.

Work is also underway to assess the Scope 3 emissions for WesTrac, working with suppliers and customers to track, measure and report emissions. The WesTrac electrification unit has assembled two 793XE Battery Electric Trucks in Australia. Caterpillar's Dynamic Energy Transfer (DET) system works for both diesel-electric and battery-electric large mining trucks. The rail system is a highly deployable, mobile solution that can be tailored to customers' specific site layouts, including high-speed and curved haul roads, enabling higher productivity, improving operational efficiency and machine uptime. The innovative DET system provides the industry with options to support both near-term and long-term sustainability strategies.

Boral – Peppertree, NSW

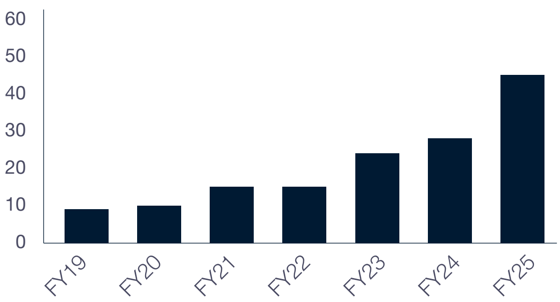
Boral

Decarbonising operations and supporting customers in their decarbonisation journey through lower carbon products is a key priority for Boral.

Boral is currently delivering key decarbonisation projects including alternative fuels and kiln feed optimisation projects to reduce Scope 1 emissions. Boral's 'Alternative Fuels' program is focused on transitioning cement manufacturing operations from coal as the primary source of thermal energy to alternative fuels. Boral has adopted an ambitious target to achieve 60 per cent of Boral's cement kiln's thermal energy from alternative fuels.

In FY25, Boral successfully trialed an alternative fuel replacement ratio of approximately 50 per cent, representing a significant increase from 30 per cent in FY24. Following the demonstrated feasibility of achieving 45 per cent alternative fuel replacement, Boral will prioritise the development of the necessary infrastructure to sustainably maintain and further enhance this replacement level. This was achieved through the use of approximately 112 kilotonnes of waste-derived, lower-carbon alternative fuels, up from 72 kilotonnes in FY24. Utilising this significant volume of waste-derived fuels, including construction wood waste and end-of-life tyres, enables significant reductions in carbon emissions, while also diverting substantial amounts of waste from landfill.

Alternative fuel use rates at Berrima, NSW



In FY25, Boral secured $24.5 million in funding from the Australian Government to support its kiln feed optimisation project at Berrima Cement Works. This grant will complement Boral's investment in a specialised grinding circuit and associated infrastructure. The integration of this new circuit will enable Boral to increase the proportion of alternative raw materials in kiln feed from 9 per cent to 23 per cent, thereby reducing limestone consumption and the related process emissions.

Boral has taken a major step in its transition to renewable electricity usage through a solar PPA which commenced in FY25. This agreement will provide up to 60 GWh pa of renewable electricity.

Boral continues to advocate for the potential of recarbonation. In FY25, Boral commissioned a recarbonation-based demonstration CCUS pilot plant at its Berrima Cement Works facility. This pilot plant will be utilised to further validate the feasibility of concrete recarbonation and its integration within a CCUS process.

As highlighted in the Sixth Assessment Report of the United Nations Intergovernmental Panel on Climate Change (IPCC), carbon emissions from concrete and cement manufacturing are partially reabsorbed by concrete over the lifecycle of buildings and infrastructure. Studies estimate that CO_2 uptake through concrete recarbonation could offset between 20 per cent and 55 per cent of the process CO_2 emissions generated during cement production. Boral believes that broader recognition of the recarbonation process remains a significant opportunity for Boral.

Boral is prioritising lower carbon concrete innovation, development and availability. Boral's lower carbon concrete combines distinctive proprietary binder ingredient ZEP technology with expertise in concrete mix design to replace the cement used in concrete with Supplementary Cementitious Materials (SCMs). SCMs are typically ground granulated blast-furnace slag and fly ash, which are by-products of steel manufacturing and coal-fired power generation, respectively. In FY25, lower carbon concrete represented approximately 30 per cent of concrete sales volume for the year.

In FY25, Boral made significant progress in the development of its high-SCM premium products through extensive research and development, achieving cement replacement levels of up to 70 per cent for specific applications. This represents a substantial increase from the previous 50 per cent replacement ratio for standard Envisia® and Envirocrete® Plus products.

Coates – Hybrid Power System, Ingleburn NSW

Coates

In FY25, Coates achieved a 10 per cent reduction in Scope 1 and 2 emissions. Emissions primarily result from fossil fuel consumption by our internal heavy and light vehicle fleet, and the use of grid electricity.

A key milestone in FY25 was a 16 per cent year-on-year reduction in grid electricity consumption, achieved through renewable generation from rooftop solar now at over 25 per cent of our 145 branches, and the integration of our pilot site battery energy storage systems to further leverage behind-the-meter generation.

Coates' branch rooftop solar rollout program delivered a substantial reduction in grid electricity consumption – approximately 1.1 GW – and approximately 740 tonnes of Scope 2 emissions annually. This initiative is central to our energy roadmap to meet our internal decarbonisation targets.

Coates also made significant progress in reducing emissions from our light vehicle fleet, cutting liquid fuel use by 10 per cent, resulting in emissions reduction of 1,000 tonnes through fleet size rationalization by approximately 20 per cent and replacing older light vehicles with fuel-efficient hybrids and battery electric vehicles, increasing the share of low-emissions vehicles to 3 per cent of the vehicle fleet.

Our support of the decarbonisation transition extends beyond our own footprint. We are supporting customers to reduce their construction and project emissions and energy costs through access to low and zero-emissions hire equipment, which includes elevated work platforms, lighting, materials handling, traffic and hybrid power solutions.

Coates offers rental hybrid generation solutions to our customers who require off-grid power supply, providing 9,600 days of 'hybrid power' to off-grid and remote projects in FY25.

Emissions and Climate Change Disclosure

Governance

The Board of Directors maintains oversight of climate and sustainability matters, including impact on our strategy, risk identification and management, and external reporting.

The Audit & Risk Committee (ARC) is responsible for satisfying itself that a sound system of risk oversight and management exists, and that internal controls are effective, in relation to climate change risks.

Management is responsible for reviewing and monitoring, and reporting to the Board on, matters including:

- SGH's performance in relation to sustainability and climate-related matters, assessed by reference to agreed targets and measures;
- The effectiveness of SGH's policies, systems and governance structure in identifying and managing sustainability and climate-related risks that are material to SGH;
- The coordination and review of climate-related risks, strategy, and reporting;
- The development of targets and implementation of initiatives regarding SGH's material sustainability issues, including emissions reduction;
- The policies and systems for ensuring compliance with applicable legal and regulatory requirements associated with sustainability and climate-related matters; and
- SGH's reporting on sustainability and climate-related matters.

In performing the above role and reporting to the Board of Directors, management is supported by the internal Boards of our operating businesses, which are comprised primarily of members of the SGH Executive Management team. Each operating business Board is responsible for satisfying itself that a sound system of risk oversight and management exists, and that internal controls are effective, in relation to risks including climate change risks. These Boards meet at least six times a year and receive annual reports on business-wide risks.

Strategy

SGH's operating model and diverse portfolio allows us to be flexible and agile to redeploy assets as markets change, to mitigate and manage our exposure to climate risks, and to maximise any business opportunities that climate change presents.

As part of SGH's annual strategic planning process, each business reviews and renews its assessment of business risks including the potential impacts of climate change on its business. At the Corporate level, an exercise is undertaken that includes a consideration of potential technological and regulatory changes on our portfolio of businesses and investments, and identification of potential future opportunities for these operations.

WesTrac and Coates undertook economic modelling of carbon price scenarios in FY23. The exercise tested scenarios where various levels of carbon price were imposed on a widespread basis.

Through this process, each business has now estimated its upstream emissions, carbon intensity relative to its peers and end market, and the likely commercial outcomes as a result of end-user elasticity.

Risk Management

SGH's overall approach to risk management is described in the Corporate Governance Overview of this Annual Report.

Climate-related risks are factored into our risk management approach as one of many fundamental source categories of risk alongside technological, operational, regulatory, social and geopolitical. SGH continued the practice introduced in FY21 of using the TCFD classification of climate-related risks to ensure comprehensiveness in our approach to this source of risk.

Boral – Enfield, NSW

Core Elements of Recommended Climate-Related Financial Disclosures

Governance
The organisation's governance around climate-related risks and opportunities.

Strategy
The actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

Risk Management
The processes used by the organisation to identify, assess, and manage climate-related risks.

Metrics and Targets
The metrics and targets used to assess and manage relevant climate-related risks and opportunities.

Metrics and Targets

SGH accepts the IPCC assessment of the science related to climate change and commits to play a leading role in each of our sectors in meeting the Paris Agreement's goal to limit global temperature rises to well below 2°C by the end of this century.

Following the integration of Boral into SGH, we announced the following revised targets and ambitions at the 2024 SGH AGM:

- The Aspiration remains to play our part in each of our sectors in meeting the Paris Agreement's goal to limit global temperature rises to below 2 degrees Celsius;
- Ambition of Net-Zero by 2050; and
- Boral, WesTrac and Coates intensity reduction targets for FY30 from a FY20 base year, with Boral targeting a 30 per cent reduction and WesTrac and Coates targeting a 40 per cent reduction in their Scope 1 and Scope 2 carbon intensity measures as a function of revenue.

Targeting emissions intensity reductions from FY20 base year

WesTrac	40% ↓ Reduction by FY30
Boral	30% ↓ Reduction by FY30
Coates	40% ↓ Reduction by FY30

Physical climate risks: Exposure assessment

In FY22, SGH worked closely with Katestone, a leading meteorological advisory provider, to understand the extent to which our operating locations might be subject to increased hazards from future weather events related to physical climate change. The study applied climate modelling of the worst-case RCP 8.5 scenario through to 2050 across the 12 Australian regions that WesTrac and Coates operate in.

Four climate-related hazards were modelled in each region: extreme heat; extreme rainfall/flooding; bushfire; and cyclones. Trigger parameters for each hazard were defined which are relevant and appropriate for WesTrac and Coates' businesses.

The study found, amongst other things, that over the projected period:

- 7 of our 12 regions will experience significant rises of 50 per cent or more in extreme rainfall events;
- 5 of our 12 regions will experience significant rises of 50 per cent or more in bushfire hazards; and
- 2 of our 12 regions will experience significant rises of 50 per cent or more in extreme heat events.

These results have been used in each business to guide analysis of exposure and vulnerability at sites with material exposure to increased hazard prevalence in the ordinary course of business. In FY26, SGH will be reviewing this work in accordance with the relevant legislation and regulations governed by AASB S2: Climate Related Disclosures. The insights will be used as inputs into our businesses' operational decisions and into their planning and risk processes in FY26.

Emissions & Energy

WesTrac	FY25[1†]	FY24[2†]	FY23[†]
Scope 1 emissions (t CO_2e)	9,270	10,483	9,599
Scope 2 emissions (t CO_2e)	14,438	15,115	14,321
Total Scope 1 and 2 emissions (t CO_2e)	23,707	25,598	23,920
Energy consumed (GJ)	221,784	238,165	221,312

Note: these metrics align to GRI 305-1a, 305-2a and 302-1e (2016) and the *National Greenhouse and Energy Reporting Act 2007*.

1. FY25 includes a small amount of estimated data due to the timing of this report. Figures will be finalised prior to submission to the Clean Energy Regulator. Changes are not expected to have a material impact.
2. FY24 data has been updated to include full 12 months of data aligned to Clean Energy Regulator submission.

† Bureau Veritas–assured metric.

Boral	FY25[1†]	FY24[†]	FY23
Scope 1 emissions (t CO_2e)	1,148,271	1,278,488	1,343,807
Scope 2 emissions (t CO_2e)	240,079	259,519	273,828
Total Scope 1 and 2 emissions (t CO_2e)	1,388,350	1,538,007	1,617,635
Energy consumed (GJ)	9,399,510	10,145,049	10,484,781

Note: these metrics align to GRI 305-1a, 305-2a and 302-1e (2016) and the *National Greenhouse and Energy Reporting Act 2007*.

1. FY25 includes a small amount of estimated data due to the timing of this report. Figures will be finalised prior to submission to the Clean Energy Regulator. Changes are not expected to have a material impact.

† Bureau Veritas–assured metric.

Coates	FY25[1†]	FY24[2]	FY23[†]
Scope 1 emissions (t CO_2e)	10,738	11,837	12,713
Scope 2 emissions (t CO_2e)	3,443	4,000	4,736
Total Scope 1 and 2 emissions (t CO_2e)	14,181	15,837	17,449
Energy consumed (GJ)	179,837	197,806	214,078

Note: these metrics align to GRI 305-1a, 305-2a and 302-1e (2016) and the National Greenhouse and Energy Reporting Act 2007.

1. FY25 includes a small amount of estimated data due to the timing of this report. Figures will be finalised prior to submission to the Clean Energy Regulator. Changes are not expected to have a material impact.
2. FY24 data has been updated to include full 12 months of data aligned to Clean Energy Regulator submission.

† Bureau Veritas–assured metric.

Assurance Statement

INDEPENDENT ASSURANCE STATEMENT

To the Stakeholders of SGH Ltd ("SGH")

Limited Assurance Conclusion
Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe the selected GRI disclosures ("Subject Matter Information"), including associated methods, assumptions, and estimation uncertainty, presented in FY25 SGH Annual Report ("the Report"), are not fairly presented and prepared, in all material respects, in accordance with the Reporting Criteria, within the scope of our limited assurance engagement (as outlined below).

Scope of the Assurance Engagement
The scope of assurance was limited to the Subject Matter Information, as presented in the table below and within the Report, applicable to SGH's entities including Coates Group Holdings Pty Ltd ("Coates"), WesTrac Pty Ltd ("WesTrac") and Boral Limited ("Boral") for the period of 1st July 2024 to 30th June 2025.

Subject Matter Information	Reporting Criteria
Work-Related Injuries	GRI 403–9 a. i. iii. iv. v. (2018)
Ratio of Basic Salary and Remuneration of Women to Men	GRI 405-2 a. (2016)
New Employee Hires and Employee Turnover	GRI 401-1 (2016)
Energy Consumption within the Organisation*	GRI 302-1 e. (2016) and the *National Greenhouse and Energy Reporting Act 2007*
Direct (Scope 1) GHG Emissions*	GRI 305-1 a. (2016) and the *National Greenhouse and Energy Reporting Act 2007*
Energy Indirect (Scope 2) GHG Emissions*	GRI 305-2 a. (2016) and the *National Greenhouse and Energy Reporting Act 2007*
Waste Generated and Waste Diverted from Disposal	GRI 306-3 (2020) and GRI 306-4 a. (2020)
Water Withdrawal	GRI 303-3 a. (2018)

Note*: In addition to each entity's individual energy and GHG emissions disclosures, SGH's total energy consumption and emissions reporting includes other controlled entities as presented in the Report (p.37).

Our assurance engagement does not extend to any other information included in the Report or information from earlier periods. We have not performed any procedures on the excluded information and, therefore, do not express any conclusion on it.

SGH's Responsibilities
Management of SGH was responsible for:
- Selecting and establishing suitable reporting criteria for preparing the Subject Matter Information subject to assurance.
- Preparing and presenting the Subject Matter Information in accordance with the Reporting Criteria.
- Designing, implementing, and maintaining internal controls relevant to the preparation of the Subject Matter Information that is free from material misstatement whether due to fraud or error.
- Advising us of any known or suspected issues related to the Subject Matter Information.

Inherent Uncertainty in preparing GHG disclosures
The GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Responsibilities
Bureau Veritas Australia Pty Ltd ("Bureau Veritas") was responsible for:
- Planning and performing the engagement to obtain the intended level of assurance about whether the Subject Matter Information is free from material misstatement, whether due to fraud or error.
- Forming an independent conclusion based on the procedures performed and evidence obtained.
- Reporting our conclusion to the Directors of SGH.

Bureau Veritas was not involved in the drafting of the report and our independence has not been compromised.

INDEPENDENT ASSURANCE STATEMENT

Summary of Work Performed

Our limited assurance engagement on the Subject Matter Information was conducted in accordance with ISAE 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, ISAE 3410 *Assurance Engagements on Greenhouse Gas Statements* issued by the International Auditing and Assurance Standards Board (IAASB) and informed by Bureau Veritas' standard procedures and guidelines for external verification and assurance of ESG Information and Sustainability Reports.

Our work was planned and executed in a manner designed to produce the intended level of assurance and to provide a sound basis for our conclusions.

The procedures we performed were based on our professional judgement and included enquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. In undertaking our assurance engagement, our procedures comprised:

- Review of the suitability and application of the Reporting Criteria used as the basis for preparing the Subject Matter Information.
- Enquiries of SGH representatives to gain an understanding and evaluate implementation of processes, systems and internal controls to collect, aggregate, calculate, analyse and report the Subject Matter Information.
- Enquiries of personnel responsible for the performance of the processes and preparation of the Subject Matter Information.
- Review of documentary evidence produced by SGH representatives.
- Comprehensive performance data testing, involving source verification as well as mathematical accuracy of the calculations pertaining to the Subject Matter Information.
- Assessment of whether the methods for developing estimates are appropriate and had been consistently applied.
- Review of the presentation and disclosure of the Subject Matter Information within the Report.
- Request of Management Representation Letter on key assertions.

The scope of a limited assurance engagement is significantly narrower than a reasonable assurance engagement. This includes fewer risk assessment procedures, a more limited understanding of internal controls, and less extensive responsive testing. Consequently, the level of assurance obtained in a limited engagement is substantially lower than a reasonable assurance. Even a reasonable assurance engagement, while providing a high level of assurance, does not guarantee the detection of all material misstatements, should they exist.

Inherent Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined reporting period.
- Statements of commitment to, or intention to undertake future actions by SGH.
- Statements of position, opinion, belief and/or aspiration by SGH.
- Financial data audited by an external third party.
- Other sites and/or activities not included in the scope.

This independent assurance statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

Statement of Independence, Impartiality, Competence

Bureau Veritas is a global leader in Testing, Inspection and Certification ("TIC") services whose mission is to support its clients complying with regulations, managing risks and improving performance to meet the challenges of quality, health, safety, hygiene, environmental protection and social responsibility. Leveraging its renowned expertise, as well as its impartiality, integrity and independence, Bureau Veritas has helped build trust between companies, public authorities and consumers for nearly 200 years (https://group.bureauveritas.com/).

Bureau Veritas operates a quality management system across its activities and has implemented a robust Code of Ethics to maintain high ethical standards among its personnel and business partners in their day-to-day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with SGH, its Directors or Managers beyond that required of this assignment. We have conducted this assurance engagement independently and there has been no conflict of interest.

The assurance team was selected based on its extensive industry sector knowledge and experience in conducting independent verification, validation and assurance of Environmental Social and Governance (ESG) information and associated systems and processes.

Bureau Veritas Australia Pty Ltd
16th July 2025

Bureau Veritas

Jeremy Leu
General Manager, Perth, Australia

Operating and Financial Review

SGH has delivered significant earnings growth and strategic progress, with a strong Industrial Services result, achieved through enhanced operating leverage and financial agility.

Revenue

$10.7bn

↑ 1%

UEBIT

$1,537.4m

↑ 8%

Financial Performance

	Underlying trading performance[a]		Significant items[b]		Statutory results	
	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m
Continuing operations						
Revenue	10.743.5	10,605.2	–	12.3	10,743.5	10,617.5
Other income	61.9	35.1	15.0	–	76.9	35.1
Share of results from equity accounted investees	183.2	157.5	(164.5)	(275.5)	18.7	(118.2)
Net gain on disposal of controlled entities	–	–	–	76.3	–	76.3
Impairment of equity accounted investee	–	–	(266.9)	(135.3)	(266.9)	(135.3)
Expenses excluding depreciation and amortisation	(8,942.3)	(8,867.9)	(26.3)	(34.1)	(8,968.6)	(8,902.0)
Profit before depreciation, amortisation, net finance expense and income tax	**2,046.3**	**1,929.9**	**(442.7)**	**(356.5)**	**1,603.6**	**1,573.4**
Depreciation and amortisation	(508.9)	(510.7)	5.2	5.3	(503.7)	(505.4)
Profit before net finance expense and income tax	**1,537.4**	**1,419.2**	**(437.5)**	**(351.2)**	**1,099.9**	**1,068.0**
Net finance expense	(316.4)	(293.5)	(9.3)	(8.7)	(325.7)	(302.2)
Profit before income tax	**1,221.0**	**1,125.7**	**(446.8)**	**(359.9)**	**774.2**	**765.8**
Income tax (expense)/benefit	(293.3)	(211.6)	9.2	(32.1)	(284.1)	(243.7)
Profit for the year	**927.7**	**914.1**	**(437.6)**	**(392.0)**	**490.1**	**522.1**
Discontinued operations	**–**	**–**	**36.8**	**–**	**36.8**	**–**
Profit for the year – continuing and discontinued operations	**927.7**	**914.1**	**(400.8)**	**(392.0)**	**526.9**	**522.1**

(a) Underlying trading performance is comprised of reported results adjusted for significant items. This is separately disclosed and reconciled to statutory performance to assist users in understanding the financial performance of SGH. Underlying trading performance measures are non-International Financial Reporting Standards (IFRS) measures and have not been subject to audit or review.

(b) Detailed information regarding the composition of significant items is provided in Note 3: Significant Items of the Financial Report.

SGH has delivered Underlying EBIT of $1,537.4 million for the year ended 30 June 2025, up 8.3 per cent on prior year, driven by the disciplined operating model enabling operating leverage effectively supporting the performance of the Industrial Services businesses.

Revenue was up 1.3 per cent to $10,743.5 million, reflecting the continued high level of customer demand in mining, construction and infrastructure, notwithstanding mixed market conditions, particularly in Victoria. The focus on operational excellence has expanded EBIT margin, improving by 91 basis points to 14.3 per cent.

SGH's strong operating cash flow has supported investment in growth, through completion of the Boral acquisition on 4 July 2024 and subsequent deleverage throughout the year, and net capital expenditure of $724.1 million to drive future earnings growth. The Adjusted Net Debt to EBITDA ratio reduced to below 2.0 times, in line with guidance, and positions SGH for the next leg of growth investment.

Underlying net profit after tax of $927.7 million was up 1.5 per cent. Statutory net profit after tax of $490.1 million was down 6.1 per cent. Refer to page 44 for a reconciliation of statutory to underlying results.

The statutory result was impacted by Significant Items before tax of $446.8 million, including $148.4 million relating to SGH's share of Beach's impairment of Cooper Basin and Perth Basin and $16.2 million related to SGH's share of Seven West Media's significant items. Impairment of SGH's investments in Beach Energy and Seven West Media were $243.0 million and $23.9 million, respectively, based on mark-to-market to the relevant prevailing share prices.

Significant items relating to Boral include $15.0 million in option fee income relating to landfill site access in Melbourne and property related net costs of $9.8 million. Other significant items before tax provide a net expense of $11.3 million, including Coates transformation and restructuring costs, provisions for remediation of non-current assets and fair value adjustments arising from the acquisition of Boral and other items.

Significant items in net finance expense total $9.3 million. Significant Items related to tax provide a net benefit of $9.2 million. Significant Items relating to discontinued operations provided a net benefit after tax of $36.8 million, mainly related to deferred proceeds from the sale of Boral's US assets, net of environmental and legal provisions, resulting in total significant items expense of $400.8 million after tax.

The margin expansion delivered in FY25 and stable outlook for core sector exposures supports an expectation of low to mid single-digit EBIT growth in FY26.

All commentary below relates to underlying results from continuing operations unless otherwise stated.

Industrial Services

Industrial Services revenue of $10,742.8 million was up 1.8 per cent and EBIT of $1,396.5 million was up 5.7 per cent. Industrial Services represents 90.8 per cent of SGH EBIT, highlighting SGH as one of Australia's leading and best performing industrial businesses.

WesTrac EBIT of $638.6 million increased by 2.4 per cent. Revenue was up 3.8 per cent to $6,099.6 million, driven by strong capital sales, offsetting parts price headwinds. Customer demand remains high, particularly for parts and exchange components, as mining customers seek to maximise production levels from ageing fleet. EBIT margin contracted by 23 basis points to 10.5 per cent, impacted by parts price reductions, partially offset through cost control and operational efficiencies.

Industrial Services EBIT of $1,396.4 million was up 5.7 per cent and contributes 90.8 per cent of SGH EBIT

In FY26, with several major miners guiding towards production growth, strong customer demand is expected to provide opportunities for WesTrac in parts, component and machine rebuilds and new equipment. Whilst WesTrac is working with CAT and key customers to test battery electric mining trucks in territory, the complexity of mine site electrification powered by renewable energy is likely to see the miners defer their decisions on electrified fleet replacement by opting to extend the life of existing equipment. WesTrac is well positioned to meet both the demand to service and support ageing fleet, and ultimately, replacement with full electric or hybrid electric fleet.

Boral EBIT of $468.3 million was up 26.0 per cent whilst EBIT margin expanded by 250 basis points to 13.0 per cent, delivering continued strong earnings growth though pricing traction and operational efficiency. Revenue of $3,602.5 million was up 1.3 per cent, with resilient demand from engineering complemented by price realisation of 2 to 4 per cent across all product lines. In FY26, Boral will continue to drive operating leverage and go-to-market improvement as customer activity returns, particularly through higher anticipated residential construction activity supported by government housing programs and moderating interest rates.

WesTrac – Reid Road, WA

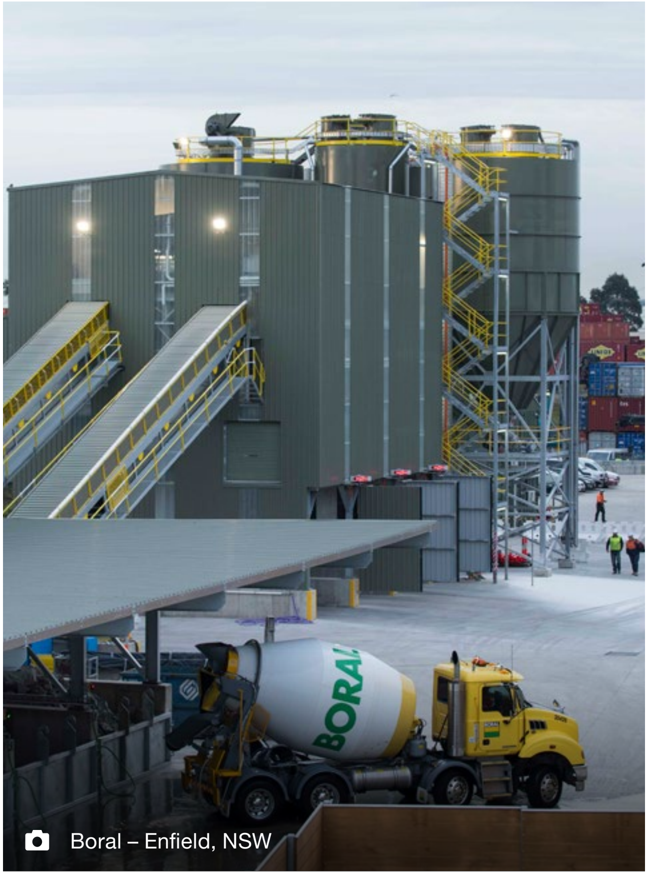
Operating and Financial Review continued

Coates EBIT of $289.5 million was down 11.4 per cent on revenue of $1,040.7 million. EBIT margin declined by 78 basis points to 27.8 per cent, reflecting weaker trading, principally in Victoria, and slower project activity. Coates' management is focused on continuing to optimise the business through branch network rationalisation and cost reduction initiatives in order to navigate the near-term market conditions. Improving customer experience and sales effectiveness will also position Coates for opportunities from the positive medium to long-term macro outlook including the level of customer activity required to address the housing undersupply and deliver the $1.7 trillion infrastructure and construction pipeline, with Coates well placed with its $1.9 billion original cost fleet to meet customer demand.

Equity Accounted Investees

SGH's share of results from equity accounted investees of $183.2 million was up 16.3 per cent. Beach Energy's contribution of $135.2 million was up 31.9 per cent, driven by operating cost reductions, higher production volume through Otway expansion, higher realised A$ oil price and strong East Coast gas prices. In FY26, Beach expects Waitsia first gas sales during Q1 FY26 and production ramp up to support a production guidance range of 19.7 to 22.0 MMboe, whilst capital expenditure is expected to be $675 to $775 million, up to 45 per cent of which is growth, including the Equinox rig campaign in the Otway Basin.

Seven West Media's contribution of $21.9 million was down 31.2 per cent, reflecting the impact of cost-of-living pressures on consumer spending, seen through a weaker advertising market. Seven West Media maintained its market share leadership and is well positioned to leverage its strong sports and content inventory to drive viewership and revenue growth in its digital business. In FY26, Seven West Media will be focused on driving shareholder value through digital performance, targeted cost savings and other industry initiatives to deliver earnings growth.



Boral – Enfield, NSW

Revenue and Other Income

Revenue of $10,743.5 million was up 1.3 per cent from $10,605.2 million in the prior year. Achieving revenue growth in mixed market conditions underscores the inherent quality of our Industrial Services businesses and their value-enhancing customer offerings.

WesTrac continues to benefit from strong customer demand for new equipment in both mining and construction sectors, combined with robust demand for parts, rebuilds and service for the large installed based across WA and NSW dealerships. Demand for new machines was driven by mine fleet expansion and replacement projects for major customers, particularly mining trucks, wheel dozers and wheel loaders. Total product sales of $2,194.1 million was up 12.6 per cent. Demand for parts and services was largely flat, with robust volume offset by lower parts pricing, resulting in product support sales decline of 0.4 per cent to $3,856.7 million. Customer demand for parts exchange components remained strong and represented 12.0 per cent of WesTrac's revenue.

Boral has seen resilient demand across its end markets, particularly in engineering, which has offset the mixed conditions seen in road construction and residential activity. Continued price realisation of 2 to 4 per cent was achieved across all product lines, offsetting a slight overall decline in volumes, with growth in concrete and cement offset by weaker quarry and asphalt volumes. This resulted in building material sales of $3,222.0 million, down 1.6 per cent. The outlook across Boral's end customer markets remains steady, supported by major project activity in metro NSW and Victoria, with further upside on residential housing activity given the recent strength in housing approvals and commencements.

Coates generated equipment hire revenue of $1,038.3 million, down 8.3 per cent, reflecting a challenging market, particularly in Victoria and South Australia through slower activity on major projects. Activity in NSW, Queensland and WA was comparatively robust. Coates was able to capitalise on strong demand for HVAC, materials handling, pumps and fluid management which have been focus areas for Coates to drive market share growth. Coates management has responded to the current market conditions through branch rationalisation, including closure or merger of four branches, in order to preserve margins whilst setting up for market recovery, particularly in the residential construction sector.

Oil and gas revenue of $0.7 million was down $2.0 million reflecting the sale of Bivins Ranch in 1H FY25.

Other income of $61.9 million was up $26.8 million including realised profits from investments in China Media.

Expenses

Total expenses excluding depreciation and amortisation increased by 0.8 per cent to $8,942.3 million. On a statutory basis, expenses totalled $8,968.9 million after including $26.3 million in significant items, including restructuring and redundancy costs, remediation costs provided for non-current assets and fair value adjustments relating to the Boral acquisition and derivative movements.

Materials cost of inventory sold and used in product sales and support increased by 3.9 per cent to $4,412.4 million, mainly relating to the higher cost of machines to support WesTrac's increase in sales. Materials cost of inventory sold and used in building materials, rendering of services and contracting by Boral increased by 0.7 per cent to $2,316.1 million, lower than the increase in revenue, reflecting cost discipline, improved cost recovery, reduced subcontractor cartage and other operational efficiencies.

The cost of repairs, maintenance and consumables used in equipment hire of $110.4 million was down 16.6 per cent, reflecting the ongoing operational efficiencies being delivered by Coates through its hub and spoke transformation and optimisation of repairs and maintenance, combined with the lower activity during the year.

Employee benefits expenditure increased by 1.2 per cent to $1,217.8 million, reflecting the higher level of activity across the Industrial Services businesses. The focus on operating cadence has unlocked productivity gains, allowing wage cost inflation to be substantially mitigated. Labour availability has continued to improve and voluntary staff turnover has reduced during the period, further driving workforce productivity. On a statutory basis, employee benefits expenditure was $1,221.3 million, including redundancy costs related to restructuring in Coates.

Other expenses reduced by 10.0 per cent to $885.6 million, reflecting reductions in SG&A expenses across Boral, WesTrac and Coates. On a statutory basis, other expenses were $908.4 million which includes costs relating to property sales, restructuring costs and fair value adjustments primarily relating to the initial Boral acquisition.

Depreciation and amortisation reduced by 0.4 per cent to $508.9 million, partly reflecting lower outlay on new fleet within Coates during the year.

Net finance expense increased by 7.8 per cent to $316.4 million, reflecting the higher debt level following completion of the Boral acquisition, partially offset by lower interest rates on floating debt. Statutory net finance expense was $325.7 million, after unwinding of discounts on provisions recognised on the acquisition of Boral and fair value movements in relation to cash-settled equity awards.

Coates – Moorebank, NSW

Statement of Financial Position

At 30 June 2025, SGH held $176.6 million in cash and cash equivalents, down from $654.3 million. The reduction includes payment of the remaining cash component of the Boral acquisition, repayment of the acquisition debt facility and payment of transaction costs. This is partly offset by surplus cash generated by the Industrial Services businesses.

Current trade and other receivables including contract assets remained relatively stable, increasing by $11.8 million to $1,534.9 million. Provisions for expected credit losses on trade receivables reduced by $0.9 million to $29.7 million. On the higher trading revenue during the period, this effectively represents an improvement in customer collections and lower exposure to customer bad debts reflecting SGH's combination of blue-chip customer base together with a highly diversified mix of end markets.

Current inventory reduced by $129.6 million to $1,861.4 million, including $149.7 million reduction in new machines, $63.4 million reduction in parts and $71.6 million increase in exchange components held by WesTrac. WesTrac continues to focus on optimising its inventory turn rates whilst ensuring customer experience is maintained or improved through high parts availability and delivery.

Other current assets reduced by $71.9 million to $79.1 million, principally due to a reduction in WesTrac's machines in transit.

Assets classified as held for sale increased by $0.4 million to $7.7 million. These assets relate to equipment held by Coates and approved for disposal.

Non-current receivables reduced by $1.0 million to $2.5 million, reflecting impairment of loans from equity accounted investees of Boral.

Non-current inventory of $386.9 million relates to the fair value of non-current land development projects recognised via purchase price accounting on acquisition of Boral.

Investments accounted for using the equity method had a carrying value of $1,025.8 million at 30 June 2025, down by $299.7 million. The reduction includes the impact of SGH's share of Beach's impairment of production and exploration assets, SGH's share of Seven West Media's impairment of its investment in View Media Group and impairment of SGH's carrying value of the investments in Beach and Seven West Media.

Other financial assets reduced by $3.2 million to $62.9 million based on a revaluation of the unlisted investment in China Media. Net mark-to-market movements in the unlisted investment portfolio and realised gain or loss has been recognised in the fair value reserve consistent with the requirements of AASB 9: Financial Instruments.

Property, plant and equipment increased by $125.4 million to $3,767.5 million. The increase includes $81.8 million in quarry and cement acquisitions by Boral and $70.0 million in heavy mobile equipment.

WesTrac has invested in various expansion and robotics projects to drive operational efficiency and capacity. Coates had net reductions to its rental fleet, with original cost of its equipment of $1.9 billion. Right of use assets reduced by $5.8 million to $700.9 million principally reflecting depreciation in excess of lease asset additions.

Operating and Financial Review continued

Producing and development assets increased by $254.6 million to $882.3 million through the significant progress made on Crux development, including five production wells drilled, pipelay between Crux and Prelude completed, substructure fabricated and in transit to site during July, along with platform facilities nearing completion. The carrying value of Crux increases to $762.7 million. The carrying value of Longtom was unchanged at $119.6 million, noting that costs for joint engineering studies underway with Amplitude Energy on production restart and processing were expensed during the year.

Intangible assets reduced by $2.6 million to $2,217.8 million principally through amortisation of capitalised software and R&D costs.

Current trade and other payables reduced by $258.3 million to $1,201.4 million. The movement includes payments of $334.8 million relating to the cash and scrip consideration paid to complete the compulsory acquisition of Boral in early July 2024. Partly offsetting this is higher trade payables in WesTrac and Boral to reflect their stronger levels of trading.

Deferred income of $364.3 million reduced by $155.0 million, reflecting the level of new machine deliveries completed by WesTrac during the year.

Current provisions reduced by $35.4 million to $152.2 million and non-current provisions increased by $65.1 million to $504.5 million. The decrease in current provisions principally relates to stamp duty on the full acquisition of Boral. The non-current increase principally relates to onerous contracts for Boral property. Other movements include a $14.8 million reduction in Boral's provisions following satisfactory resolution of various claims.

Net debt and capital management

Current and non-current interest bearing loans and borrowings totalling $4,358.9 million reduced by $627.6 million during the year. The current portion of interest bearing loans and borrowings reduced to $458.2 million, principally reflecting the repayment of the Boral acquisitions facility, partly offset by US$300 million in USPP maturities now due in the next 12 months within Boral and WesTrac.

Net debt at 30 June 2025 was $4,182.3 million, a reduction of $149.9 million during the year. SGH had access to cash and undrawn borrowing facilities of $1,892.3 million.

Approximately 69 per cent (2024: 48 per cent) of SGH's drawn debt is fixed or effectively hedged. The increase on prior year reflects interest rate swaps totalling $600 million entered into during the year. The average effective borrowing cost is 5.4 per cent (2024: 5.7 per cent). The weighted average facility maturity is 4.3 years (2024: 4.5 years) for drawn facilities.

During the year, SGH established an inaugural six-year $600 million Asian Term Loan (ATL) facility with funds utilised to repay the $700 million Bridge Facility that facilitated the full acquisition of Boral. SGH also refinanced Tranche B and C of the corporate syndicated facility at improved margins and extended the maturities to February 2030 and February 2032 respectively. There are no corporate debt maturities until FY29. The final Convertible Note of $0.1 million was repaid in March 2025. This simplified SGH's funding base with the Convertible, Exchangeable and Boral equity swap having been settled.

The net amount of derivative financial instrument assets and liabilities of $94.2 million increased by $14.6 million. The current asset portion of $60.9 million reflects in-the-money cross currency interest rate swaps set to expire during FY26, including swaps that commenced in 2011 at an AUD/USD exchange rate of 1.0265.

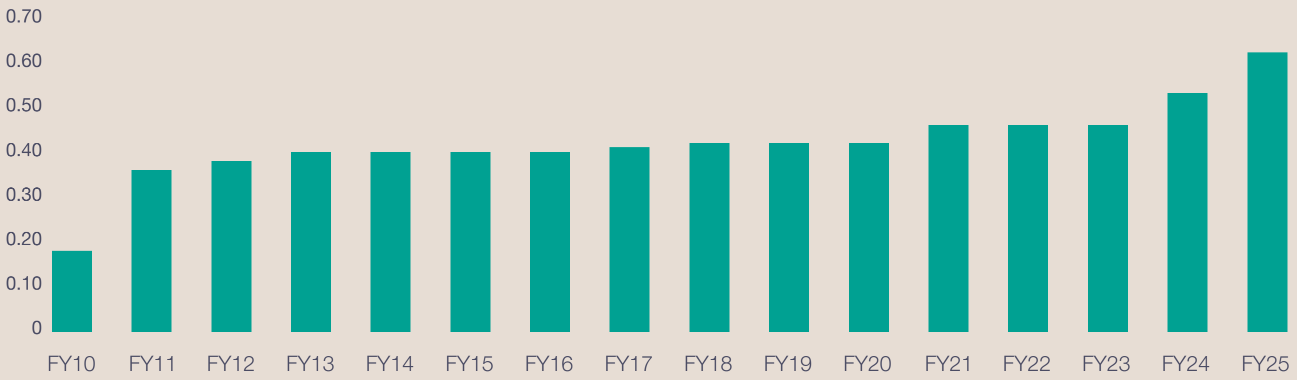
Contributed equity increased by $257.3 million to $5,019.7 million reflecting 6.6 million ordinary shares issued in July as the final scrip consideration to complete the Boral acquisition. These were partly offset by a reduction of $9.3 million in treasury shares representing shares vested to employees, offset by on-market purchases to satisfy future executive share plan obligations.

Reserves of $2,889.8 million compare to $3,031.3 million in the prior year. The movement of $141.5 million includes $172.6 million in the acquisition reserve relating to completion of the Boral acquisition. This includes the value of scrip issued and other transaction costs incurred for the acquisition of minority interests in Boral, more than offset by tax benefits of $262.1 million related to the deferred tax asset arising upon completion of the acquisition and entry of Boral into the SGH tax consolidated group. Other movements in reserves include $16.0 million in the cash flow hedge reserve and $0.1 million in the foreign currency translation reserve, $19.9 million in the equity benefits reserve and $4.7 million in the fair value through OCI reserve. Non-controlling interests increased by $1.5 million to $29.9 million reflecting the non-controlling interests in entities controlled by WesTrac.

Cash Flow Statement

Operating cash flow of $1,417.2 million was up by $609.0 million from the prior year. This reflects a return to a high level of underlying operating cash flow conversion of 95.3 per cent in line with historical average. This follows the inventory investment made in the prior year to support customer demand which is now being realised. Dividends and distributions from equity accounted investees of $50.0 million primarily included dividends from Beach, together with dividends received by WesTrac and Boral from their equity accounted investees.

Ordinary dividend per share history
$/share



Net interest and other costs of finance paid of $316.6 million increased by $62.0 million, mainly reflecting the higher average debt level following the Boral acquisition.

Income taxes of $202.8 million reduced by $32.9 million, including US and Australian tax refunds received by Boral.

Net capital expenditure (excluding intangibles) of $722.2 million increased by $90.5 million, mainly reflecting the progress in Crux development activities and quarry acquisitions by Boral. Other investing cash inflow of $44.5 million includes $30.4 million in deferred proceeds from the sale of Boral's US assets and $15.2 million in capital distributions from China Media.

Net financing cash outflows of $1,217.3 million included $677.2 million in net repayment of borrowings, $181.6 million paid during the year for the acquisition of non-controlling interests in Boral and $244.2 million in SGH ordinary dividends paid. Other financial cash flows included repayment of lease liabilities and purchase of treasury shares to meet employee incentive obligations.

Whilst SGH does not disclose a formal dividend policy, decisions regarding future dividend payout ratios and franking levels are made with reference to SGH's medium term underlying profitability, Australian tax payable position, total number of ordinary shares on issue, capital management strategy and alternative investment opportunities available. Within these constraints, SGH aims to maintain dividends per share through the cycle with a view to increasing the dividend over the long-term. SGH's FY25 interim dividend of 30.0 cps during the year and a final dividend of 32.0 cps is proposed, both fully franked.

WesTrac – Kalgoorlie, WA

Risk Factors

The business activities of SGH are subject to various risk factors that may impact its future performance and financial position.

These risks are both specific to SGH's activities as well as general commercial and economic risks. Such risks may, either individually or in combination, affect the future operating and financial performance of SGH and the value of its shares.

Risk Management Framework

The Board has established a risk management framework to actively identify, monitor and manage risks across SGH. The framework is administered by the Audit & Risk Committee (ARC), which is responsible for assisting the Board to identify and manage financial and non financial risks. The Committee's responsibilities are set out under "Principle 7– Recognise and Manage Risk" in the Corporate Governance Statement available on the Company's website.

The Committee maintains a Strategic Risk Assessment register at an SGH level, which are established in collaboration with subject matter experts throughout SGH's businesses who identify and assess the relevant risk factors. The Committee evaluates the potential consequence and likelihood of each risk occurring and ranks these accordingly. Risk controls including policies and procedures are established for each risk factor, and the responsibility to manage, monitor and report these risks is delegated to the CEO of each business and appropriately skilled senior management. External advisors are engaged to assist in this process where required.

Similar risk management processes are undertaken at WesTrac, Boral and Coates with each subsidiary presenting to the SGH ARC their consolidated risk register at least annually. The material issues are then also carried up into the SGH risk register with mitigation strategies and are reported to the ARC semi annually. Risks are also considered throughout the Board's strategic planning process annually, particularly as they relate to SGH's portfolio construction.

The composition of the Board has been specifically considered to ensure that relevant expertise is represented at the Board having regard to SGH's material risks. Page 62 sets out the relevant skills matrix.

Risks that are identified as material to SGH are summarised below. This information should not be regarded as an exhaustive list of all risks that affect SGH, furthermore, the items have not been prioritised.

Material Business Risk

Commodity Price Risk

SGH has an operating interest in oil and gas assets located in Australia. These investments expose SGH to commodity price risk from fluctuations in the prices of oil, natural gas and other condensates and natural gas liquids. SGH does not currently hedge its direct exposure to oil and gas commodity price risk.

The prices of oil and natural gas can be volatile as a result of many factors outside of SGH's control, including global supply and demand, the level of economic activity in key markets, regional political developments and military conflicts in oil and gas producing regions, as seen with the impact of the Ukraine and Middle Eastern Conflicts and resulting sanctions imposed, the price and availability of new technology and the cost of alternative sources of energy.

A material and/or prolonged decline in the realised prices of oil and gas may have a material adverse impact on the financial results and future prospects of SGH and/or the ability to fund future exploration, appraisal and development activities. In addition, a prolonged decline in oil or gas prices may also negatively impact the carrying value of SGH's oil and gas investments, joint ventures and operations.

Boral is directly exposed to commodity price risk on coal and gas whilst also being indirectly exposed to commodity price risk from prices of coal and gas that impact energy costs, as inputs to lime, cement and asphalt manufacturing operations. Boral partially hedges its exposure to coal and diesel fuel commodity price risk and enters into derivative energy contracts to partially hedge exposure to energy costs including a solar generated power purchase agreement.

SGH is exposed to increase in oil price on fuels that impact transport costs, both as a direct cost of owned vehicles and as an input cost for transport contractors and manufactured products.

SGH is indirectly exposed to adverse movements in the prices of iron ore, gold, copper, lithium, thermal coal, nickel and other commodities through customers that operate in these sectors. The profitability of these customers, the majority of whom are in the lowest quartile of the global production cost curve, is a driver of the level of demand for the equipment, parts and service that is supplied by WesTrac and Coates.

Competition

The markets in which SGH's industrial services businesses operate are competitive. In some instances, customers have alternative sources of supply, including imported supply, therefore requiring competitive pricing and high customer service levels to retain market share. The competitive environment can be significantly affected by local market forces, such as new entrants, production capacity, utilisation, disruptive product innovation, customer strategies, new energy trends and customer preferences, and changes in mining and construction methods and construction materials. This requires our businesses to continually evolve their product and service offerings.

Our businesses continue to invest in data, digital and e-commerce capabilities to enhance our understanding of customers and provide more timely, personalised and engaging experiences. We also monitor local and global trends and responding with relevant new customer propositions. An increase in competition could result in a loss of market share or decrease in prices that could impact SGH's future profitability.

Boral has specific competition risks in relation to customer concentration, production innovation and product substitution. Many of the products sold by Boral are commodities that face strong volume and price competition, with pricing impacted by macroeconomic conditions, the competitive environment, degree of utilisation of production capacity and the specifics of product demand, among other factors. In addition, competitors are increasingly innovative and cost competitive, and products may face competition from substitute products over time, including new products that Boral does not currently produce.

Any significant shift in demand preferences to these alternative products could adversely impact market share. Boral may also experience downward pricing pressure across its different markets and may not always be able to raise prices to offset increased operating expenses and inflationary pressures.

WesTrac and Coates face competition from both domestic and international competitors as it relates to their services and products offered. WesTrac has exposure to changes in customer behaviours and preferences for both new and emerging technology and competing products supplied by alternative OEMs. WesTrac has a reliance on Caterpillar technology and pricing to be competitive to maintain market share and volumes. Pricing pressure from competitors remains a key risk along with further potential impacts relating to international tariffs. WesTrac is also exposed to customers seeking to move maintenance activities in-house, or run fleets to failure rather than complete recommended servicing models. This requires WesTrac to continue to evolve and deliver efficiencies in its operations to remain competitive in order to enhance the value proposition and provide a competitive offering to customers.

Contract Risk

SGH 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. This may have an adverse impact on SGH's financial performance and position. SGH is party to agreements with service providers for a number of ongoing services, which if terminated, might have significant financial and operational implications for SGH's businesses. SGH 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.

In some instances, business projects may have work delivery challenges that manifest in actual costs increasing from earlier estimates. Coates' Engineering Solutions and Boral's contracting business have normal contractor's liability in relation to projects and may have normal design liability for projects where design is specifically contracted. These liabilities may include litigation against Coates or Boral. SGH may also provide performance guarantees and indemnities for projects and the value of these guarantees and indemnities are indeterminable in amount.

Crime, Technology and Cyber Security

SGH is subject to risk of fraud, misappropriation of assets or information by individuals or organisations. SGH has controls in place to mitigate these risks, including system controls, segregation of duties, review procedures, bi-annual Financial and Corporate Governance Self-Assessment attestation process, whistleblower reporting, internal and external audit.

SGH's rental activities necessitate the transfer of physical control of assets, increasing the risk of misappropriation, mitigated where possible by identity checks and obtaining security deposits before hire and on certain high value serialised equipment GPS tracking devices. SGH secures assets within its control at locations using a variety of physical measures including locks, alarms, fencing, closed circuit television and security guards.

SGH 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 our systems, networks and data, are increasing in frequency and sophistication. SGH secures business and customer information using information technology security measures, including encryption, multi factor authentication and independent security penetration testing.

SGH has experienced cyber security threats and vulnerabilities in its systems and those of third party providers, and has experienced viruses and attacks targeting information technology systems and networks. Such prior events, to date, have not had a material impact on SGH's financial condition, results of operations or liquidity. 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 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 SGH's businesses maintain may be inadequate to cover claims or liabilities relating to a cyber security attack. In addition, the data SGH collects, stores and processes is subject to a variety of laws and regulations which may carry significant potential penalties for non-compliance. SGH's businesses are increasingly exposed to risks arising from failed cloud-based services, where providers fail to ensure continuity of services. Continuity plans are in place for critical systems but may not fully mitigate this risk.

Customer Default

SGH's businesses have large and diversified customer bases and are not reliant on any single customer. However, there is the risk that customers may default due to bankruptcy or other reasons, including general economic downturn. Such risks have 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 SGH's customers could have an adverse effect on SGH's business, financial condition and results of operations.

Equity Market Risk

SGH'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.

SGH'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, inflation rates, interest rates, employment impairment of assets or fair value movements, taxation legislation and other changes to government policy, legislation or regulation.

Foreign Exchange Risk

SGH is exposed to movements in foreign exchange rates. WesTrac, and to a lesser extent Boral, Coates and SGH Energy, are exposed to foreign exchange risk through the purchase of plant and equipment, inventory and products effectively denominated in foreign currency, principally US Dollars. As part of its pricing of parts and equipment globally, Caterpillar periodically resets pricing to reflect exchange rate movements, transport costs and underlying inflation, impacting the market value of inventory.

Risk Factors continued

Movements in the pricing of parts and equipment impacts WesTrac's revenue and may also affect the overall margin earned on the sale of inventory to customers which may be denominated in either Australian or US Dollars.

Boral is exposed to foreign exchange risk through imported products and acquisition of plant and equipment.

The revenue generated and capital development costs associated with SGH's energy assets is partly denominated in US Dollars. SGH does not currently hedge the expected revenues or capital development costs, resulting in the risk of lower earnings and/or higher costs for SGH upon conversion to Australian Dollars if there has been an adverse movement in the exchange rate.

Fluctuations in foreign exchange rates, including the AUD/USD exchange rate could have an adverse impact on SGHs business, financial condition and results of operations which are reported in Australian Dollars. SGH may from time to time hold cash and investments, including investments in overseas equity funds, denominated in US Dollars, exposing SGH to foreign exchange risk.

Funding, Access to Capital Markets and Liquidity Risk

SGH utilises debt and debt like instruments to fund its business operations and enhance its return on equity. SGH and its subsidiaries will need to refinance debt and derivative facilities as they mature over time and is exposed to adverse changes in global equity or credit market conditions. There is a risk that SGH 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 SGH'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 SGH'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 SGH and its investments.

Liquidity risk arises from the possibility that SGH may be unable to settle or meet its obligations as they fall due. Failure to meet applicable covenants or undertakings in its financing arrangements could adversely impact SGH by accelerating payment obligations or requiring the renegotiation of existing financing. SGH manages this risk by maintaining sufficient cash balances, liquid securities and committed undrawn bank facilities from a variety of lenders to ensure these obligations can be met.

SGH also has policies in place to minimise and manage its exposure to counterparty credit and duration risk.

Government Policy

Changes in government, policies, taxation and other laws, and government intervention in domestic markets such as gas price caps, can influence the outlook for SGH. In this regard, SGH has an indirect exposure to infrastructure investment, natural resources and environmental 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, right to negotiate, indigenous heritage and a range of other matters.

In regard to the infrastructure investment, SGH is indirectly 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; and general changes in market sentiment towards investing in infrastructure assets.

The environment is regulated in Australia by Local, State and Federal governments in relation to activities impacting the natural environment, including development conditions and approvals, restrictions on operations and amount of carbon emissions that may adversely impact SGH's businesses or operations or those of its customers.

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 setting binding targets and increasing actions to achieve carbon reduction. This may result in a broader based price on carbon emissions, increasing the cost of production and negatively impacting earnings of SGH.

Inflation Risk

SGH is exposed to the risk of a significant increase in input costs, both direct and indirect, through the impact of periods of sustained high inflation. SGH seeks to recover increased input costs from inflation by prices charged to customers for goods and services and there is a risk some increased input costs are unable to be passed on, adversely impacting SGH's margins.

Central bank measures to mitigate high inflation by increasing interest rates may result in reduction in economic activity and consumer demand that may adversely impact SGH's market outlook.

Interest Rate Risk

SGH 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. SGH's policy is to hedge a portion of this risk by utilising a mixture of fixed and floating rate debt facilities and through the use of derivatives including interest rate swaps and options.

Investment Risk

Investment Opportunities

The future growth prospects of SGH may be affected by the recognition and availability of suitable investment opportunities coupled with the operating performance of the existing businesses to support this incremental deployment of capital. There is no guarantee that SGH will be able to identify and successfully implement future investment opportunities. Investment opportunities, and SGH's ability to divest its existing investment are subject to market conditions and other factors outside of the control of SGH. With the ongoing focus on growth, the next opportunity to significantly add to the current businesses controlled by SGH will carry additional risk due to the size and potentially the nature of those businesses. Given the complexity of any transaction undertaken, SGH 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 the returns from the investment. If SGH does undertake further investments in the future, there are risks associated with the integration of any business into SGH, including potential delays and costs in implementing necessary changes and integrating various operations, and failure to achieve potential synergy benefits.

Minority Investments

SGH holds investments in a number of companies that it does not control, including listed, unlisted, and joint venture companies. Where SGH 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, SGH 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. SGH may be unable to achieve an easy or profitable exit from its investments. This could lead to a reduction in the financial performance of SGH. Listed equity markets fluctuate over time, and the price of shares in SGH's portfolio may rise or fall due to numerous factors, which may affect the market performance of SGH. 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.

Media Investments

SGH's investment in Seven West Media exposes it to the various risks facing the media industry. Seven West Media competes for audience share and advertising revenues with all forms of media such as free to air television, newspapers, magazines, radio, outdoor advertising, pay television, direct mail, cinema and the internet, including Subscription Video On Demand (SVOD), Transactional Video On Demand (TVOD), Advertising Video On Demand (AVOD), Broadcast Video On Demand (BVOD), short form video, social media and search.

The Australian media industry is highly concentrated and competitive, with a number of operators competing for market share and advertising revenue through the same or alternative products. The actions of an existing competitor, the entry of new competitors into the market, the introduction of new forms of media, or changes to Government regulation such as anti-syphoning, may result in audience fragmentation in television, BVOD and/or a reduction in newspaper readership, resulting in advertising revenue declines and lower profitability for Seven West Media. Third party appropriation of content and other intellectual property without compensation may also impact the financial performance of the business.

Media reform may provide an opportunity to mitigate these factors.

Seven West Media has implemented changes to its operating model and management structure to address cultural concerns, drive a performance focused organisation and help deliver on its refreshed strategy.

Energy Assets

The development timetable of SGH's energy assets is subject to the decision making of controlling and operating partners in relation to factors such as environmental and regulatory approval, economic access to processing infrastructure, approval of drilling programs, finalisation of development concepts, development schedule and cost, operating costs, approach to carbon emissions reduction or offset, and weather.

Failure to secure and maintain access to processing infrastructure on reasonable terms, or events that result in a significant disruption to access, could result in the loss of revenue, delay in development timetable, loss of investment income or require additional costs to restore or find alternative access.

Contracts to access processing may involve take or pay arrangements that could also result in costs where production is either not supplied or not supplied in sufficient volumes.

Failure of SGH Energy's Joint Venture Partners to meet financial and other obligations may have an adverse impact on SGH Energy's business. SGH Energy works closely with its Joint Venture Partners to minimise joint venture misalignment.

Management and Personnel

Loss of key management and other personnel, including Board directors, may have a negative impact on SGH's businesses and SGH faces the risk that it cannot promptly or adequately replace key directors, management or personnel that leave SGH. Difficulties attracting and retaining skilled employees may also impair SGH's ability to conduct and grow its business.

A local or global shortage of suitably qualified and experienced technicians and operational staff could impact the ability of WesTrac, Boral and Coats 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 SGH's 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 indirect labour costs, which may have negative impacts on SGH and SGH's financial performance.

Manufacturing and Service Operations

WesTrac and Boral's manufacturing and service operations depend on critical plant and facilities. Any unanticipated failures, outages or force majeure events could lead to failure to meet financial performance that both businesses partially mitigate via business interruption insurance on key assets. Boral's performance is exposed to inflationary impacts from rising input costs, including energy. 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, severe weather, access to future reserves and resource supply constraints.

Mining Production

Parts of SGH's business, especially WesTrac, and to a lesser extent Coates, have an exposure to the Australian major miners who export significant quantities of both 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 Asian markets that are the traditional importers of these 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 impact the financial performance of SGH. Any increased political tensions between Australia and other foreign Governments could negatively impact export volumes and therefore SGH's financial performance.

Risk Factors continued

Network Optimisation
Any deterioration across SGH in branch network quality due to outdated infrastructure, insufficient maintenance, increased scale and complexity or changing geographic coverage, may result in increased operational costs, longer response times, and diminished customer satisfaction. This may limit the ability to leverage fixed costs effectively across operations putting pressure on SGH's operating margin.

Project and Construction Activity
Australian infrastructure policy has long been the foundation for economic growth through the development of large scale projects, e.g., Snowy Mountains Hydro Scheme. The current forecast for infrastructure and housing development across Australia is forecast to provide a significant stimulus to the economy over the next decade. WesTrac, Coates and Boral are exposed to infrastructure and construction activity and have factored the increases in activity into their strategic outlooks. Any material change in this outlook as a result of changes in Government policy could have an adverse effect on SGH's financial performance.

Property Portfolio
SGH's property strategy involves managing a diverse portfolio of property. Fluctuations in property values due to economic cycles, interest rates, and general market dynamics may impact financial performance and asset management strategies across SGH. Regulatory changes, including zoning laws and environmental policies, may restrict strategic decision making and increase operational costs. Operational disruptions such as natural disasters or infrastructure failures could also damage properties, leading to downtime, repair costs, and potential insurance claims. SGH, in certain instances, also relies on third party developers to develop, sell and lease out properties across the portfolio, and as a result may be impacted by the performance and success of the developer.

Remediation and Restoration Costs
SGH holds provisions for the future remediation and restoration costs of quarries and removal costs of offshore oil and gas production facilities and pipelines, which are at different stages of development, construction and economic life. Most of these restoration and decommissioning events are many years in the future and the precise requirements to be met when the restoration event occurs are uncertain. Differences in actual requirements to assumptions made may result in additional costs. 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. SGH maintains a provision for remediation and restoration obligations representing SGH'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 SGH's financial performance.

Reputational Risk
Reputational risk is the risk of failure to meet stakeholder expectations as a result of an event, behaviour, action or inaction, either by SGH itself, our employees or those with whom we are associated, that may cause stakeholders to form a negative view of SGH is fundamentally a by product of another business risk such as decarbonisation, ethics, security or tax.

The governance of reputational risk is integrated into SGH's broader risk governance framework. The Business Units manage risk as an intrinsic part of their daily operations and are committed to conducting activities in a way that generates sustainable growth while enhancing the reputation of SGH.

There is an ongoing focus on continued investment in cyber security, ongoing investment in sustainable water sources, dust and wastewater management and meaningful focus on Indigenous employment.

There may also be reputational risks associated with exposure to fossil fuels and emissions intensive businesses or businesses which decarbonise slowly, which is potentially offset by the opportunity to build a more climate positive brand to better align with consumer preferences, while also engaging with customers on relevant concepts.

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, technological improvements, 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 via 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 licences and permits and sub economic exploration results could lead to declining reserves and resources impacting long term growth.

SGH Energy holds production rights to a number of onshore and offshore oil and gas fields. Oil and gas facilities are exposed to the risk of loss of containment of hydrocarbons, which could result in disruption to production, loss of revenue and clean up costs. SGH Energy has insurance policies in place to minimise any losses incurred as a result of loss of containment.

Boral holds production rights to a number of quarries. Quarry production may result in disturbance to the environment, including ground stability, air quality, indigenous cultural artifacts and noise. 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.

Supply Chain and Logistics
Key operational risks to SGH as a result of force majeure events include the potential closure of locations such as branches and workshops, disruption to field services, disruption to the supply chain (including rail infrastructure), closure of customer locations, and changes to government legislation and regulation. 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, products and services within agreed terms may also be impacted, as may the solvency of a limited number of customers which would in turn impact the financial performance of SGH.

SGH and its operating businesses have Business Continuity Plans and material business interruption insurance and maintain a level of crisis liquidity for force majeure events. Failure to forecast, anticipate or react to material events in a timely manner may lead to loss of competitive position, inadequate fleet and inventory mix and impact SGH's financial performance.

Should supply chains be impacted due to unforeseen events or inadequate planning and management, SGH may experience increased inventory levels in WesTrac, including increased orders of long lead time parts and new equipment where increased lead times necessitated going on risk to enable WesTrac to meet expected customer demands. Coates may also experience extended equipment delivery times and be required to slow its fleet disposals to ensure they have sufficient rental fleet to meet current customer demand.

Tax Risks

SGH 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 SGH, which could lead to additional tax liabilities.

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 SGH'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 can impact Boral's performance through lower productivity and loss of fixed cost recovery.

SGH 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. SGH is investing in solutions to reduce its energy consumption and greenhouse gas emissions and is seeking to transition to a lower carbon economy including an aspiration to net zero emissions.

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 unviable, or changes in regulation may increase SGH's cost structure, including the cost of carbon offsets, or result in SGH being unable to satisfy future regulatory requirements relating to these matters. The factors may impact SGH's social licence to operate.

There is a risk that changes to applicable environmental regulations can have direct impact, such as recent change to the Safeguard Mechanism and carbon emissions baseline and applicability of Trade Exposed Baselines Adjustments, or indirect impact, such as policy impacting the availability or cost of carbon offsets, on SGH's businesses that could adversely impact SGH's financial and business performance. Customers are increasingly looking to lower their greenhouse gas emissions. In mining, this may result in increased electrification or use of alternative fuels to power mining fleet, reducing future parts and service demand to support traditional diesel combustion engines. In construction, this may lead to use of alternative construction materials, reducing future demand for aggregates, cement and concrete.

Strategic, regulatory and operational risks and opportunities associated with climate change are incorporated into SGH policy, strategy and risk management processes and practices. SGH actively monitors current and potential areas of climate change risk and takes actions to prevent and/or mitigate any impacts on its objectives and activities including setting of targets to reduce carbon emissions. Reduction of waste and emissions is an integral part of delivery of cost efficiencies and forms part of SGH's routine operations.

WesTrac Dependence on Caterpillar

WesTrac's predecessor companies have been associated with Caterpillar since the 1940s 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, such as material breach, insolvency events, and changes in control without Caterpillar 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 SGH's key funding arrangements. In the event Caterpillar changes the scope of current or future activities able to 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.

Workplace Safety and Security

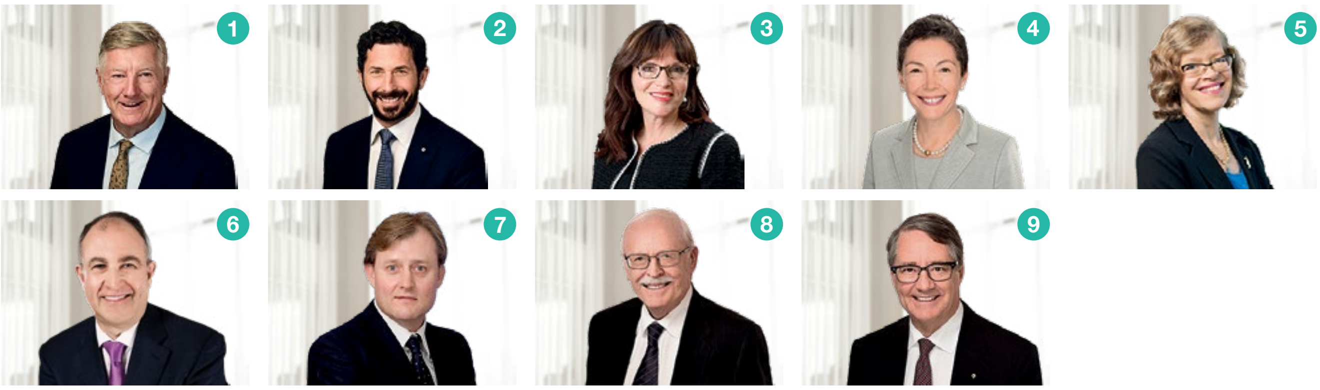
Employee safety is a fundamental principle in all SGH's activities and is committed to providing a safe work environment aiming for zero harm through a comprehensive risk management approach. However, the nature of SGH's operations involves a variety of risks which could result in accidents or environmental 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 SGH's reputation. SGH has sought to mitigate these risks by assessing, understanding and mitigating the risk factors in each of its operating businesses by implementing safety rules and safety commitments which provide direction and guidance on these critical risks and by introducing engineering controls where practical and training staff to protect them whilst working.

SGH is committed to providing a safe workplace and maintains comprehensive workplace safety policies and systems which are overseen by health and safety specialists within the human resources departments and dedicated risk, safety and security teams within each business. SGH's commitment extends to psychological safety, promoting a culture of care and vigilance against physical and psychosocial hazards.

Chain of responsibility also extends SGH's obligations beyond existing operations to contractors and potentially their sub contractors, over whom SGH has less control. There are strategies to manage this risk within each operating business.

Procedures relating to security at SGH's business sites are prioritised and are subject to review and continuous improvement.

Board of Directors



1. Terry Davis

Chairman of SGH Limited
Since 17 November 2021
Director
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.

2. Ryan Stokes AO

Managing Director & Chief Executive Officer of SGH Limited
Since 16 February 2010

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

Mr Stokes is Chairman of WesTrac, Chairman of Coates and a Director of Seven West Media since August 2012. He is Chairman of Boral and a Director since September 2020. He is Chairman of Beach Energy and a Director since July 2016. He has extensive experience leading large private and public organisations, including experience with corporate transactions, operational discipline and performance.

Mr Stokes is Chief Executive Officer of Australian Capital Equity Pty Limited (ACE). ACE is a private company holding a major interest in SGH. 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 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 on 8 June 2020.

3. Rachel Argaman (Herman) OAM

Director of SGH Limited
Since 7 February 2022

Member of the Remuneration & Nomination Committee and member of the Independent & Related Party 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.

4. Annabelle Chaplain AM

Director of SGH Limited
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 SGH extensive experience in financial services and mining, engineering and infrastructure services.

Ms Chaplain has been the Chairman of 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. She is a Director of the Australian Ballet and the Society of the Sacred Advent Schools Pty Ltd.

Ms Chaplain holds an MBA from the University of Melbourne, a BA majoring in Economics and Mandarin from Griffith University and a diploma from the SIA. A fellow of the AICD, she also holds an honorary doctorate from 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.

5. Katherine Farrar
Director of SGH Limited
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 has led the growth of Brighter Super from $10B with 70,000 members to now almost $36B with 280,000 members through the merger of LGIAsuper and Energy Super and the industry first acquisition of retail fund Suncorp Super in FY21.

Ms Farrar has 35 years' experience in leadership roles across the finance and energy sectors. Her previous roles include Managing Director of business energy retailer 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 Brighter Super, she was a Junior Partner (equivalent) at McKinsey & Company.

Ms Farrar has a Bachelor of Music (Honours) Degree and a Masters degree in Econometrics and Finance. She is also a graduate of INSEAD's Advanced Management Programme.

6. Mark Johnson
Director of SGH Limited
Since 26 September 2024

Member of the Audit & Risk Committee and member of the Independent & Related Party Committee.

Mr Johnson is a Non-Executive Director of Goodman Group, Aurecon Limited, Metcash Limited and Sydney Airport Limited. He is a Councillor at UNSW Sydney and the Chairman of the Hospitals Contribution Fund of Australia.

Mr Johnson is a trained accountant and spent 30 years at PricewaterhouseCoopers (PwC) where he was CEO from 2008 to 2012 as well as holding positions as Asian Deputy-Chairman and as a member of PwC's global strategy council.

He was Chairman and a director of G8 Education Limited and was formerly an independent director of Coca-Cola Amatil Limited, Westfield Corporation Limited and Boral Limited (December 2021 to July 2024).

Mr Johnson holds a Bachelor of Commerce (UNSW) degree and is a Fellow of Chartered Accountants Australia and New Zealand, Certified Practicing Accountant Australia and Fellow of the Australian Institute of Company Directors.

7. Christopher Mackay
Director of SGH Limited
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.

8. David McEvoy
Director of SGH Limited
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 concluding his executive career as Vice President, Business Development, ExxonMobil Exploration Company.

Mr McEvoy graduated from the University of New South Wales with a degree in Science and a graduate diploma in Applied Geophysics.

Mr McEvoy is a former Non-Executive Director of AWE Limited (2006 to 2018), Woodside Petroleum Limited (Sep 2005 to May 2017), Acer Energy (formerly Innamincka Petroleum Limited) and Po Valley Energy Ltd.

9. The Hon. Warwick Smith AO
Director of SGH Limited
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; Wollar Solar Finance and Aqualand Group. Mr Smith is also a Director of Jemena Energy and Hive & Wellness (Capilano).

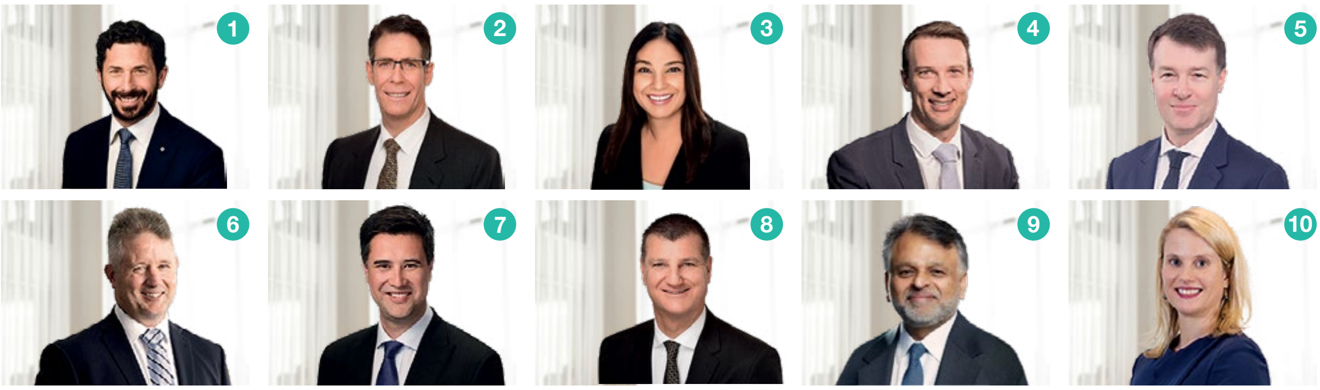
He was previously Chairman of the Australia-China Council and was the Founding Chair of the National Foundation of Australia-China Relations. He is a former Chairman of the Global Engagement Committee of the Business Council of Australia of which he is an Honorary Lifetime Member.

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 & Australian Capital Territory, Chairman ANZ Thailand, Chairman and Director, ANZ Greater China and immediate past Chair of the National Museum of Australia.

Formerly Executive Director with Macquarie Bank, former Director of Estia Health Limited, former Director of Marinus Link Pty Ltd, former Chairman of E*TRADE Ltd and the Australian Sports Commission. Mr Smith 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.

Executive Management



1. Ryan Stokes AO

Managing Director & Chief Executive Officer – SGH

B.Com, FAIM

Mr Ryan Stokes AO is Managing Director & Chief Executive Officer of SGH 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, Chairman of Coates, Chairman of Boral, Chairman of Beach Energy and a Director of Seven West Media. He has extensive experience leading large private and public organisations, including experience with corporate transactions, operational discipline and performance.

Mr Stokes has been involved with WesTrac since 2000, has extensive experience in China with prior operations of WesTrac and other interests, was a Director of Seven Network Limited from 2005 and Executive Director and then Chairman of Pacific Magazines from 2004 until 2008. He was previously a Director of Yahoo7 from its inception in 2006 until 2013.

Mr Stokes is Chief Executive Officer of Australian Capital Equity Pty Limited (ACE). ACE is a private company holding a major interest in SGH. Mr Stokes is Chairman of the National Gallery of Australia.

Mr Stokes was Chairman of the National Library of Australia. He was a member of the Prime Ministerial Advisory Council on Veterans' Mental Health and was a member of the IOC Olympic Education Commission.

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 on 8 June 2020.

2. Richard Richards

Chief Financial Officer – SGH

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 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 and Technical Committees and he is also a Director of Flagship Property Holdings. Mr Richards is also a Director of Chris O'Brien Lifehouse, a world class not-for-profit integrated cancer treatment hospital, and Chair of their Audit and Risk Committee.

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 both a Chartered Accountant and admitted solicitor with over 30 years of experience in driving business performance and complex financial structures, corporate governance, risk management and audit.

3. Gitanjali Bhalla

Chief People Officer – SGH

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

Ms Gitanjali Bhalla joined SGH in October 2017 and is Chief People Officer leading human resources, culture and safety transformation while unlocking organisational performance through people. She serves as a Director of WesTrac, Boral and Coates.

With distinctive expertise spanning legal, tax, consulting and corporate services, Ms Bhalla brings a unique strategic perspective to large-scale strategic business transformation and operational excellence across diverse industries in Australia and internationally. She spent over twelve years at the professional services firms of Andersen and Ernst & Young before senior executive roles including Chief Administration Officer at UGL and global positions at Cushman & Wakefield.

Ms Bhalla also serves on the boards of Carriageworks and the Australian Cancer Research Foundation.

4. Robert Cotterill

Chief Operating Officer – SGH

B.Eng, M.Com

Mr Rob Cotterill joined SGH in March 2024 as Chief Operating Officer, working across the portfolio of industrial and energy businesses within SGH. He is also a Director of WesTrac, Boral and Coates.

Prior to SGH, Mr Cotterill held various positions within the CIMIC Group since 2007, overseeing numerous business strategies, M&A transactions and integrations of large organisations. His most recent position was the EGM Strategy, Mergers & Acquisitions at CIMIC from 2019 to March 2024, and was a member the CIMIC Group Executive Leadership Team.

During his time at CIMIC, Mr Cotterill held various board director roles overseeing the operational performance and strategic direction of subsidiary businesses, including Director roles at Ventia – ASX:VNT from 2015 to 2022, Thiess from 2020 to 2024, Nextgen from 2015 to 2016 and Metronode from 2015–2016.

He holds a Bachelor of Engineering (Hons) and Masters of Commerce from the University of NSW.

5. Warren Coatsworth

Company Secretary & Legal Counsel – SGH

BA, LLB (Hons), LLM, FCSA

Mr Warren Coatsworth has been Company Secretary & Legal Counsel of SGH 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 has held the role of Company Secretary of Seven West Media since April 2013 and Seven Network since 2005.

6. Jarvas Croome

Chief Executive Officer – 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 US 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.

7. Adrian Howard

Chief Executive – WesTrac (NSW/ACT)

B.Comm, CA, GAICD

Mr Adrian Howard joined WesTrac in April 2015 and held a range of executive positions including Chief Operating Officer before being appointed Chief Executive of WesTrac NSW / ACT in July 2021. Mr Howard is a Director of WesTrac and the Chair of Energy Power Systems Australia. During Mr Howard's tenure he has also held the positions of the Chair of Sitech Solutions and the Chair of the Skyes Group.

Mr Howard has over 25 years experience working in various industries including finance, manufacturing, distribution and logistics. His previous experience includes senior leadership roles with Patrick and OneSteel Limited, occupying roles in general management, operations, strategy, business development and finance. Mr Howard has strong experience nationally and internationally across multiple industrial and commercial markets, with significant experience in operational excellence, strategic growth and leadership in complex environments.

Mr Howard is a Chartered Accountant and holds a Bachelor of Commerce from the University of Newcastle.

8. Murray Vitlich

Chief Executive Officer – 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, WesTrac and AllightSykes.

Prior to joining SGH, Mr Vitlich held senior executive operational roles at Asciano Limited, where he was initially the Director, Business Development & Strategy before being made the Managing Director of Patrick Ltd, one of Australia's leading stevedoring and terminal operators with terminal operations in Australia's four largest ports, coupled with stevedoring and logistics operations across Australia and New Zealand.

From 2007 to 2008, Mr Vitlich was the Chief Operating Officer at UGL Limited and spent 15 years with Wesfarmers Limited, an Australian based diversified conglomerate where he worked in a variety of operational areas including railroads, forestry and hardware retailing, as well as spending time in Wesfarmers Business Development group covering corporate strategy and mergers & acquisitions.

9. Vik Bansal

Chief Executive Officer – Boral

B.Sc (Eng) (Hons), PG Dip Eng, MBA, AMP, LLM

Mr Vik Bansal commenced as Chief Executive of Boral in October 2022.

Prior to joining Boral, Mr Bansal was CEO & MD of InfraBuild, Australia's largest vertically integrated steel manufacturer servicing the construction and infrastructure segment. Mr Bansal is Non Executive Chairman of LGI Pty Ltd, a clean energy company based in Brisbane. He is also a Non-Executive director of Brambles Limited. Mr Bansal has been appointed as Non-Executive director of Washington Soul Patts and Orica Limited, effective 15 August 2025. He is expected to take over as Chairman of Orica Limited following its AGM in December 2025. Mr Bansal was Group CEO & MD of Cleanaway waste management from 2015 to 2021. During his tenure, Cleanaway market cap increased five times, earnings more than doubled, and the company consistently delivered in the top quartile of TSR.

He is an Electrical Engineer and has an MBA and AMP from INSEAD and has completed a Master of Laws in Enterprise Governance.

10. Margaret Hall

Chief Executive Officer – 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 as well as driving growth of this business segment for the parent company.

Ms Hall has over 32 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 was a Director of Beach from November 2021 to July 2023, and from then became an Alternate Director.

Corporate Governance Overview

For the year ended 30 June 2025

This Corporate Governance Overview outlines SGH's main corporate governance practices that were in place throughout the financial year.

SGH Limited's (the Company's or SGH's) full 2025 Corporate Governance Statement, which sets out SGH's compliance with the 4th edition of the ASX Corporate Governance Council Corporate Governance Principles and Recommendations (ASX Recommendations) is available in the "Corporate Governance" section of SGH's website at www.sghl.com.au/who-we-are/corporate-governance. Board and Committee Charters and a number of the corporate governance policies referred to in the 2025 Corporate Governance Statement are also available at the above link.

Role and Responsibilities of the Board

The Board is empowered to manage the business of SGH subject to the Corporations Act and SGH's Constitution. The Board is responsible for the overall corporate governance of SGH and has adopted a Board Charter, which is available on SGH's website. The Board Charter sets out the role and responsibilities of the Board as well as those functions delegated to Management.

Delegation to Management

Subject to oversight by the Board and the exercise by the Board of functions which it is required to carry out under SGH's Constitution, Board Charter and the law, it is the role of management to carry out functions that are expressly delegated to Management by the Board, as well as those functions not specifically reserved to the Board, as it considers appropriate, including those functions and affairs which pertain to the day-to-day management of the operations and administration of SGH.

Management must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively, including information concerning SGH's compliance with material legal and regulatory requirements and any conduct that is materially inconsistent with the values or Code of Conduct of SGH.

Board Composition

SGH's Constitution provides for a minimum of three Directors and a maximum of 12 Directors on the Board. As at the date of this statement, the Board comprises nine Directors, including eight Non-Executive Directors.

The Independent Directors in office are:

- Mr Terry Davis, Board Chairman;
- Ms Rachel Argaman (Herman) OAM, Director;
- Ms Annabelle Chaplain AM, Director;
- Ms Kate Farrar, Director;
- Mr Mark Johnson, Director;
- Mr David McEvoy, Director; and
- Mr Christopher Mackay, Director.

The Non-Independent Directors in office are:

- Mr Ryan Stokes AO, MD&CEO; and
- The Hon. Warwick Smith AO, Director.

The qualifications, experience, expertise and period in office of each Director of SGH at the date of this report are disclosed in the Board of Directors section of this Annual Report on pages 56 and 57.

Chairman

The roles of the Chairman and MD&CEO are separate.

Mr Terry Davis is the Independent Non-Executive Chairman of SGH. The Chairman is responsible for leading the Board, facilitating the effective contribution of all Directors and promoting constructive and respectful relations between Directors and between the Board and Management.

SGH's strategic objective of maximising returns to stakeholders through sustainable value creation, is supported by execution across four key pillars: People, Operations, Assets and Financial.

Board Independence

The Board comprises a majority of Independent Directors with seven Independent Directors and two Non-Independent Directors. In determining whether a Director is independent, the Board conducts regular assessments and has regard to whether a Director is considered to be one who:

- is a substantial shareholder of SGH or an officer of, or otherwise associated directly with, or represents or has been within the last three years an officer or employee of, a substantial shareholder of SGH;
- receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, SGH;
- is, or has previously been, employed in an executive capacity by SGH or another SGH entity, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- has within the last three years been a principal of a material professional advisor of, or a material consultant to, SGH or another SGH entity, or an employee materially associated with the service provider;
- is a material supplier or customer of SGH or other SGH entity, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has been a director of the entity for such a period that their independence from Management and substantial holders may have been compromised; or
- has a material contractual relationship with SGH or another SGH entity other than as a Director.

The Board determines the materiality of a relationship on the basis of fees paid or monies received or paid to either a Director or an entity which falls within the independence criteria above.

If an amount received or paid may impact the Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) of SGH in the previous financial year by more than five per cent, then a relationship will be considered material.

Due to his position as Managing Director & Chief Executive Officer, Mr Ryan Stokes AO is not considered to be independent.

The Hon. Warwick Smith AO is not considered to be independent as he is the chairman of the advisory board of Australian Capital Equity Group of companies, the entities deemed to be controlled by Mr Kerry Stokes AC and which are associated with SGH's major shareholder.

In the Board's view, the Independent Directors referred to above are free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Directors' ability to act with a view to the best interests of SGH.

The Board believes the management of SGH benefits from, and it is in the interests of shareholders for Directors on the Board to have a mix of tenures as currently represented by Directors on the Board, such that some Directors have served on the Board for a longer period and have a deeper understanding of SGH and its operations, and new Directors bring fresh ideas and perspectives.

While the Board does not consider that independence can be assessed with reference to an arbitrary and set period of time, the Board has specifically considered the independence of longer-serving Non-Executive Directors during the financial year. The Board determined that these Directors are independent and their periods of tenure do not interfere with the capacity of each of these Directors to bring independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole.

The Board also considers that given SGH has diverse operations within a diversified industrials business that have grown considerably over time, SGH's performance and shareholders benefit from having an appropriate number of longer-serving Directors with detailed knowledge of the history and experience of SGH's operations as part of the overall composition of Directors on the Board.

As part of succession planning on the Board, the Board's management of tenure of Directors on the Board also aims to achieve a period of knowledge transfer between longer-serving and more recently appointed Directors, prior to the rotation of longer-serving Non-Executive Directors from the Board.

Appointment of Directors

The policy and procedure for the selection and appointment of new Directors is set out in an attachment to the Board Charter. Appointed Directors receive a formal letter of appointment which set out the terms of their appointment. The date at which each Director was appointed to the Board is announced to the ASX and is provided in this Annual Report on pages 56 and 57.

Directors appointed to fill casual vacancies hold office until the next Annual General Meeting and are then eligible for election by shareholders. In addition, each Director must stand for re-election at the third Annual General Meeting of SGH since they were last elected. The Notice of Meeting for the Annual General Meeting discloses material information about Directors seeking election or re-election, including appropriate biographical details, qualifications and other key current directorships.

SGH's Purpose and Strategic Objective

The Board has approved SGH's purpose as "Recognising and serving exceptional businesses". SGH's purpose is an aspirational reason for being that inspires a call to action for our people, operating businesses and stakeholders.

"Recognising" refers to the potential of our assets and people, understanding the impact our actions and behaviours have, harnessing collective capability across SGH to realise future opportunities and ensuring operating businesses are accountable for delivering results. "Serving" refers to our individual and collective contributions, being valued by our people, customers and suppliers and facilitating problem solving opportunities across the business and outside SGH. "Exceptional businesses" applies to our investments, our substantive holdings and to our customers who are critical to SGH's success.

The Board and Management believe that fulfilling SGH's purpose will create more value for SGH's operating businesses and will achieve SGH's strategic objective which is "Maximising returns to stakeholders through long-term sustainable value creation." SGH will deliver its strategic objective and create stakeholder value through successful execution across the following four key pillars: People, Operations, Assets and Financial.

SGH's operating model and cadence support how SGH drives and delivers performance, setting clear expectations for our people and leaders through key performance measures and processes to hold the business to account on that performance from the top to the frontline. SGH's operating model also emphasises the requirement for discipline and accountable execution, providing clear delineation of Business Unit and SGH responsibilities, with decision-making frontline focused, avoiding top-heavy structures wherever possible.

Corporate Governance Overview continued

Board Skills Matrix

The Board has developed a Board Skills Matrix set out below which is reviewed and updated each year to reflect the desired skills and experience required to be able to deliver the strategic objective of SGH. The Board believes that these skills and experiences are well represented by its current composition which provides a mix of Directors with specialised knowledge relating to particular industries in which SGH's businesses operate as well as general corporate, executive and Director experience which are appropriate for SGH. The table also outlines percentage of current Directors possessing those skills and experience on a weighted average basis.

Skills and Experience	Percentage
Executive leadership Significant business experience and success at a senior executive level.	100%
Financial analysis, risk management and reporting Executive or equivalent experience in financial accounting and reporting, corporate finance and internal financial controls and an ability to probe the adequacies of financial and risk controls.	87%
Industrial services Executive or Board level experience in the industrial services industry, including aspects such as mining, infrastructure, construction/building materials and in-depth knowledge of the legislative and regulatory framework governing this industry.	80%
Media industry Executive or Board level experience in the media industry, including in-depth knowledge of the legislative and regulatory framework governing this industry.	63%
Energy, oil and gas Executive or Board level experience in the energy, oil and gas industry, including in-depth knowledge of the legislative and regulatory framework governing this industry.	77%
Information technology & cyber security Executive or Board level experience in the strategic use and governance of information management, information technology, cyber security as well as the oversight of implementation of major technology projects.	83%
Strategy and corporate activity Track record in identifying, developing and implementing a successful strategy, including appropriately probing and challenging Management on the delivery of strategic objectives and developing an asset or investment over the long-term.	100%
Corporate governance, regulatory, sustainability and community engagement Commitment to the highest standards of corporate governance (including sustainability and community and stakeholder relations) and Executive or Board experience with an organisation that is subject to rigorous governance and regulatory standards.	97%
People, culture and safety Board remuneration committee membership or Executive experience relating to human resource management, workplace health and safety, including incentive arrangements and the legislative framework governing employees and remuneration.	93%
Customer value proposition Experience in entities where the profitability and success is driven to a large degree, by the strong customer experience, effective pricing and price realisation, and superior customer value proposition.	93%

Board Committees

The Board is assisted in carrying out its responsibilities by the Audit & Risk Committee, the Remuneration & Nomination Committee and the Independent & Related Party Committee.

Each Committee has its own written Charter which is reviewed on an annual basis. The Charter of each Committee is available on SGH's website.

The Directors' Report on page 67 sets out the number of Board and Committee meetings held during the 2025 financial year under the heading "Meetings of Directors" as well as the attendance of Directors at those meetings.

Audit & Risk Committee

The Audit & Risk Committee comprises the following members, all of whom are Independent Directors except for The Hon. Warwick Smith AO:

- Ms Annabelle Chaplain AM (Chair);
- Ms Kate Farrar;
- Mr Mark Johnson;
- Mr Chris Mackay;
- Mr David McEvoy; and
- The Hon. Warwick Smith AO.

Mr Johnson was appointed to the Committee on 26 September 2024.

Ms Chaplain possesses extensive professional experience on Audit and Risk Committees of substantial Australian listed companies and her career includes senior roles in investment banking, financial services, mining, engineering and major infrastructure services companies. Ms Farrar brings significant finance, investment and management and board experience to the Committee. Mr Johnson is a trained accountant and spent 30 years at PricewaterhouseCoopers (PwC) where he was CEO from 2008 to 2012 as well as holding positions as Asian Deputy-Chairman and as a member of PwC's global strategy council. Mr Johnson holds a Bachelor of Commerce (UNSW) degree and is a Fellow of Chartered Accountants Australia and New Zealand and Certified Practicing Accountant Australia. Mr Mackay, a former investment banker and corporate and banking lawyer, has financial expertise and considerable experience in business management, capital allocation, risk management and investment. Mr McEvoy brings significant board experience and expertise in accounting matters and operations, including relating to the oil and gas industries as well as extensive risk management experience. Over the course of a highly distinguished career, Mr Smith AO has held a variety of senior roles in finance, banking and government and is considered to possess financial expertise. For further details, see the biographical details of the Committee members at pages 56 and 57.

Having regard to the experience of the Committee members, including the accounting skills and qualifications Mr Johnson's appointment has brought to the Committee, the Board is confident of the Committee's Chairman's and Committee's strong capability to perceptively review financial statements and engage constructively with SGH's External and Internal Auditors to ensure compliance with relevant reporting obligations and for the Committee to together satisfy any guidelines concerning audit and financial expertise on the Committee.

Remuneration & Nomination Committee

The Remuneration & Nomination Committee comprises the following members, all of whom are Independent Directors except for The Hon. Warwick Smith AO:

- Ms Kate Farrar (Chair);
- Ms Rachel Argaman (Herman) OAM;
- Ms Annabelle Chaplain AM;
- Mr Terry Davis; and
- The Hon. Warwick Smith AO.

Mr Richard Uechtritz was a member of the Committee until his retirement as a Director on 14 November 2024.

Attendance at Committee meetings by Management is at the invitation of the Committee. Directors who are non-Committee members may also attend any meeting of the Committee by invitation.

Independent & Related Party Committee

The Independent Directors (identified on page 60 are members of the Independent & Related Party Committee (IRPC), which has Mr Terry Davis as its Chairman.

Mr Johnson was appointed to the Committee on 26 September 2024. Mr Richard Uechtritz was Chairman and member of the Committee until his retirement as a Director on 14 November 2024.

The Committee provides a forum for the review of material transactions between SGH and its related parties, including transactions with Australian Capital Equity Pty Limited and interests associated with Mr Kerry Stokes AC.

Review of related party transactions by the Committee occurs without Non-Independent Directors present.

During the year, the IRPC reviewed the Committee's function and SGH's governance requirements with regards to interests associated with entities controlled by Mr Kerry Stokes AC, noting that:

- Since SGH's inception the IRPC has overseen the majority of SGH's complex related party transactions, being collapsed or externalised to unrelated third parties, with only a number of branch and residential property leases, on arm's length terms, with entities controlled by Mr Kerry Stokes AC remaining. This has principally involved the conclusion of legacy service arrangements or the transfer of property interests and leases relating to several key business sites to third parties.
- The IRPC was established when SGH's Executive Chairman of the Board was Mr Kerry Stokes AC, a non-independent Director. As such, the IRPC provided a forum to meet without non independent Directors present. Following the retirement of Mr Kerry Stokes AC from the Board in November 2021 and the appointment of Independent Director, Mr Terry Davis, as Board Chairman, the Board has strong majority Independent representation and is compliant with the recommendations of ASX Corporate Governance Principles with regard to the composition of the Board and appointment of an Independent Chair.
- The Board has in place a SGH Related Party Transaction Policy (RPT Policy) which sets out processes and procedures for considering related party transactions whereby any such proposed transaction with interests associated with SGH's major shareholder is referred to the Committee for consideration.

Having regard to the foregoing matters, meetings of IRPC are convened from time to time, as required, to review any proposed related party transactions with interests associated with SGH's major shareholder in accordance with the RPT Policy.

It is also noted that as a result of securities issued by SGH as consideration for the acquisition of Boral Limited shares and securities issued by SGH pursuant to the conversion of convertible securities, the interests associated with Mr Kerry Stokes AC have been diluted to 50.93 per cent.(1)

In view of the expected infrequency of such transactions, the IRPC and the Board decided that from August 2022 IRPC members do not receive separate IRPC fees.

Board, Committee and Director Performance Evaluation

During the financial year, Directors completed a Board Evaluation questionnaire concerning Board, Committee and Director, including Chairman, performance from which aggregated data and responses were provided to the Chairman and then presented to the Board for discussion and feedback.

The aggregated questionnaire results also provide the basis of individual discussions between Directors and the Chairman. The Chairman and each Board member consider the performance of that Board member in relation to the expectations for that Board member and consider any opportunities for enhancing future performance.

During the reporting period, performance evaluations of the Board, its Committees and individual Directors were carried out in accordance with this process.

Assessment of Management Performance

The performance of the MD&CEO is formally reviewed by the Board against the achievement of strategic and budgetary objectives in respect of SGH's operations and investments whilst also having regard for his personal performance in the leadership of SGH. The Board's review is carried out annually in regard to certain goals against which he is assessed, and throughout the year in regard to others, and forms the basis of the determination of the MD&CEO's performance-based remuneration.

The performance of SGH's senior executives are reviewed on an annual basis in a formal and documented interview process with either the MD&CEO or the particular executive's immediate supervisor, who evaluates performance against agreed performance goals and assessment criteria in relation to the senior executive's duties and material areas of responsibility, including management of relevant Business Units within budget, motivation and development of staff and achievement of, and contribution to, SGH's objectives. A performance evaluation of the MD&CEO and other senior executives took place during the year in accordance with this process.

Governance and SGH Subsidiary Operating Businesses

SGH's key operating businesses (subsidiaries), WesTrac, Boral, Coates and SGH Energy are each subject to the additional oversight of separate management committees which function as subsidiary 'boards' with the rigour and formality of a board structure involving regular meetings and reporting.

These 'boards' each consist of SGH Executives, including the MD&CEO, CFO, COO, Chief People Officer and the subsidiary Chief Executive and provide a forum to review the operations of the business and to hold each subsidiary accountable.

(1) See Notice of Change of Interests of Substantial Holder lodged with the ASX on 4 July 2024.

Corporate Governance Overview continued

The subsidiary business Chief Executive has overall operational accountability for their individual businesses including performance and day-to-day management, while SGH's corporate office resources provide central oversight of strategy, finance and accounting, legal and human resources.

The subsidiary operating business 'boards' are supplemented by specialised operating business committees which assist in relation to the oversight of key aspects of the business, such as finance, health and safety, remuneration and/or project management, as required.

Each of SGH's key operating businesses reports to SGH's Board through regular comprehensive 'vertical' business board reports as well as through aggregated 'horizontal' Group-level reviews, including finance, health and safety, risk, human capital management, strategy, technology and customer relations. This management structure enables SGH to set minimum SGH standards, disseminate and reinforce SGH culture, implement compliance controls and procedures across SGH and ensure SGH's businesses maintain focus on shareholder returns. It also appropriately safeguards and reinforces SGH's processes in relation to integrity in corporate reporting, management of SGH's disclosure obligations and SGH's ability to manage risk.

Core Values

In accordance with its Charter, the Board has reviewed and approved SGH's core values below which function as guiding principles and expectations for behaviour and the culture the Board and Management are seeking to embed across all of SGH.

- Respect
- Owner's Mindset
- Courage
- Agility

Diversity and Inclusion

The Board is committed to supporting open and inclusive workplaces that embrace and promote diversity and equal opportunity. SGH is an Equal Opportunity employer and actively invests in programs to build capability and foster a positive and inclusive culture. The Board values diversity, including in relation to age, gender, cultural background and ethnicity and recognises the benefits it can bring to the organisation. The Board has adopted a Diversity and Equal Employment Opportunity Policy, which is available on SGH's website, that sets out the Board's commitment to working towards achieving an inclusive and respectful environment. Refer to pages 20 to 30 of this Annual Report for reporting on the Diversity and Equal Employment Opportunity Policy and the measurable objectives and initiatives relating thereto.

Female Directors comprise 33 per cent of the Board. The Board will continue to review its composition to ensure that it remains appropriate for SGH, including with regard to gender diversity, as it manages succession on the Board.

The key accountabilities for the Board and Executive Team, to support this agenda are outlined below:

Board

- Sets objective and works to ensure that organisational behaviour is consistent with an inclusive workplace that embraces diversity.

Management

- Sets objectives and demonstrates behaviour consistent with an inclusive workplace that embraces diversity.
- Adheres to the minimum standards of behaviour outlined in the Code of Conduct and Diversity and Equal Employment Opportunity Policy.
- Reports unacceptable behaviour and appropriately deals with any complaints made.

Please refer to pages 20 to 28 of this Annual Report for reporting on SGH's people, diversity, equality and inclusion initiatives. SGH's Workplace Gender Equality Act Public Reports for 2024–2025 are available on its website, which contains SGH's Gender Equality Indicators, in the 'Corporate Governance' section of its website.

Code of Conduct and other SGH Policies

The Board regularly reviews and approves the Code of Conduct, including for Directors, available on SGH's website, which establishes guidelines for their conduct in matters such as ethical standards and the disclosure and management of conflicts of interests.

The Board has implemented a number of other policies and procedures to maintain confidence in SGH's integrity and promote ethical behaviour and responsible decision-making, including the following policies which are available on SGH's website:

Continuous Disclosure policy;

- Share Trading policy;
- Whistleblower policy;
- Fraud and Corruption policy;
- Modern Slavery statement;
- Diversity and Equal Employment Opportunity policy; and
- Workplace Health and Safety policy.

Communications with Security Holders

As disclosed in the Continuous Disclosure policy and Communications policy, which are available on SGH's website, the Board aims to ensure that security holders are informed of all major developments affecting SGH's state of affairs and that there is effective two-way communication with security holders. Shareholders are encouraged to participate in general meetings and are invited to put questions to the Chairman of the Board in that forum.

Security holders are given the option to receive communications from, and to send communications to, SGH and SGH's Share Registry electronically, to the extent possible. It is SGH's policy that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

SGH's website www.sghl.com.au provides various information about SGH.

Risk Oversight and Management

The Board requires Management to design and implement a risk management and internal control system to manage SGH's material business risks and report to it on the management of those risks. During the reporting period, Management reported to the Board as to the effectiveness of SGH's management of its material business risks.

Internal Control Framework and Risk Management Policy

Throughout the financial year, SGH's Internal Audit and Process Improvement function evaluated the effectiveness of SGH's governance, risk management and internal control processes by conducting detailed reviews in the areas of accounting, technology, information and business processes and operations. The Audit & Risk Committee reviewed and approved the Internal Audit plan, its resourcing and monitored its independence and performance.

During the year, the Board approved an Internal Audit Charter which is available on SGH's website.

External Internal Audit specialists have been appointed to conduct SGH's Internal Audit reviews under in-house oversight. The Board considers that this appointment provides an enhanced level of capability and technical depth which serves to embed a stronger risk and compliance culture across the organisation, whilst drawing on best practice and knowledge across operational and emerging issues. Additionally, efficiencies are gained by the externally resourced Internal Audit function working closely with SGH's external auditor, Deloitte, to ensure audit efforts are not duplicated and Internal Audit work can be relied upon.

SGH's Risk Management Policy is available on SGH's website.

Material Risks

Under the risk framework described above, SGH has identified investment, financial, operational, environmental and social risks which it manages and mitigates. Each of the foregoing material business risks is monitored and managed by appropriate senior management within SGH who are delegated responsibility to manage or escalate issues to SGH's senior executive team. Where appropriate, external advisers are engaged to assist in managing the risk. More detail concerning these risks, and how SGH manages these risks is set out in the Operating and Financial Review and Risk Factors of this Annual Report on pages 44 to 55 and SGH's commentary on its environmental compliance and human capital related initiatives as well as its community engagement on pages 20 to 43 of this Annual Report.

Environment and Sustainability

SGH is mindful of climate change and managing the environmental impact of its operations. Environmental risks are considered as part of SGH's risk assessment processes. During the year, the Board reviewed and approved SGH's governance framework for oversight of climate-related risks and opportunities and reporting. Refer to pages 29 to 43 of this Annual Report for SGH's sustainability and climate change-related commentary, including information on SGH's environmental practices and efforts to minimise the environmental footprint of its businesses.

External Audit Function

The Audit & Risk Committee meets periodically with the External Auditor without Management being present. Each reporting period, the External Auditor provides an independence declaration in relation to the audit. Additionally, the Audit & Risk Committee provides advice to the Board in respect of whether the provision of non-audit services by the External Auditor are compatible with the general standard of independence of auditors imposed by the Corporations Act.

SGH's External Auditor attends all Annual General Meetings and is available to answer shareholders' questions about the conduct of the audit and the preparation and content of the Auditor's report.

Declarations by the MD&CEO and CFO

Before the Board approves the financial statements for each of the half-year and full year, it receives from the MD&CEO and the CFO a written declaration that, in their opinion, the financial records of SGH have been properly maintained and the financial statements are prepared in accordance with the relevant accounting standards and present a true and fair view of the financial position and performance of the consolidated group. These declarations also confirm that these opinions have been formed on the basis of a sound system of risk management and internal compliance and control which is operating effectively.

The required declarations from the Chief Executive Officer and Chief Financial Officer have been given to the Board for the half-year ended 31 December 2024 and financial year ended 30 June 2025.

Verification of Integrity of Periodic Corporate Reports

Corporate reports which are not audited or reviewed by the external auditor are prepared by Executive Management by reference to company records and systems, with external professional assistance where appropriate. Such reports, as are included in the non-audited sections of this Annual Report, are submitted to a Committee or the Board for consideration.

Remuneration

The Directors consider that the attraction, retention and motivation of its Directors and senior executives is of critical importance in securing the future growth of SGH, its profits, share price and shareholder returns. The aggregate remuneration for Non-Executive Directors is approved by shareholders. Fees for Directors are set out in the Remuneration Report on pages 69 to 91.

The objective of the remuneration process for Executive Directors and senior executives is to ensure that remuneration packages properly reflect the duties and responsibilities of employees and that remuneration is at an appropriate but competitive market rate which enables SGH to attract, retain and motivate people of the highest quality and best skills from the industries in which SGH operates.

This policy provides for the MD&CEO to consider the remuneration packages paid within the industry and the impact these people are expected to have on the operational and financial performance of SGH.

Remuneration matters concerning WesTrac, Boral and Coates Executives who are Key Management Personnel (KMP) of SGH are brought to the Remuneration & Nomination Committee for its consideration. Otherwise, WesTrac, Boral and Coates' remuneration arrangements and approvals are generally overseen by their respective Subsidiary Boards and Executive Committees within a budget approved by the Board and reported to the Remuneration & Nomination Committee.

Hedging Policy

SGH's Share Trading policy prohibits employees, Directors and KMP from dealing in SGH's securities, if the dealing is prohibited under the Corporations Act. Therefore, in accordance with this policy, all KMP are prohibited from entering into arrangements which operate to limit the executives' economic risk in connection with SGH securities which are unvested or remain subject to a holding lock. The ability to deal with unvested rights is restricted in the Employee Share Option Plan and LTI Plan rules, which apply to any options over shares in SGH which may be granted from time to time.

This Corporate Governance Overview and the Corporate Governance Statement, which is available on SGH's ASX platform and the "Corporate Governance" section of SGH's website at www.sghl.com.au/who-we-are/corporate-governance, have been approved by the Board and are current as at 12 August 2025.

Directors' Report

For the year ended 30 June 2025

The Directors present their report together with the consolidated financial statements of SGH, consisting of SGH Limited and the entities it controlled at the end of, or during, the year ended 30 June 2025 and the auditor's report thereon.

Board

The following persons were Board members of SGH Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Terry James Davis (Chairman)
- Ryan Kerry Stokes AO (Managing Director & Chief Executive Officer)
- Rachel Helen Argaman (Herman) OAM
- Sally Annabelle Chaplain AM
- Katherine Leigh Farrar
- Mark Graham Johnson (appointed 26 September 2024)
- Christopher John Mackay
- David Ian McEvoy
- The Hon. Warwick Leslie Smith AO
- Richard Anders Uechtritz (retired 14 November 2024)

Particulars of their qualifications, experience, special responsibilities and any directorships of other listed companies held within the last three years are set out in this Annual Report under the headings "Board of Directors" and "Corporate Governance Statement" on pages 56 to 57 and from page 60 and form part of this report.

Mr Warren Walter Coatsworth has been Company Secretary of SGH since 28 April 2010 and has been Company Secretary of Seven West Media Limited since April 2013. 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 Masters of Law 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. Mr Coatsworth has extensive experience as Corporate Counsel at the Seven Network advising broadly across the company and was formerly a solicitor at Clayton Utz.

Principal Activities

The principal activities of SGH during the financial year were those of a diversified operating and investment group; with interests in heavy equipment sales and service, equipment hire, construction materials, media, broadcasting and energy assets.

Business Strategies, Prospects and Likely Developments

Information on SGH's operations and the results of those operations, financial position, business strategies and prospects for future financial years has been included in the Operating and Financial Review (OFR) on pages 44 to 49.

The OFR also refers to likely developments in SGH's operations in future financial years and the expected results of those operations. Information in the OFR is provided to enable shareholders to make an informed assessment about the operations, financial position, business strategies and prospects for future financial years of SGH.

Significant Changes in the State of Affairs

In the opinion of the Directors there were no significant changes in the state of affairs of SGH that occurred during the financial year.

Matters Subsequent to the End of the Financial Year

On 1 July 2025, SGH announced thar Mr Vik Bansal, Chief Executive Officer & Managing Director (MD&CEO) of Boral, will step down from his current role in early 2026. At the conclusion of his role as Boral MD&CEO, Mr Bansal will be appointed to the SGH Board as a Non-Executive Director.

On 3 August 2025, as part of Beach Energy's annual reserves assessment process, Beach recognised net revisions to 2P reserves of 12.8MMboe which was mainly attributable to outcomes from the Beharra Springs Deep 3 development well and smaller revisions to Otway and Cooper Basin. As a consequence of these revisions, coupled with the fall in global commodity prices and higher capital expenditure for future development activities, Beach recognised a total pre-tax impairment charge of $667.9 million against petroleum assets. A further $6.1 million of impairment was recorded against goodwill, resulting in a total pre-tax impairment charge of $674.0 million ($473.6 million post tax). As an adjusting event, SGH's share of this impairment charge has been equity accounted in the Consolidated Statement of Financial Position for the year ended 30 June 2025 and reported as a Significant item.

Subsequent to year end, there has been movement in the share prices of listed investments. The value of SGH's investments have varied from what is presented in this financial report. Refer to Note 28: Events subsequent to balance date for further detail.

Except for the above, in the opinion of the Directors no other matters or circumstances have arisen since 30 June 2025 that have significantly affected or may significantly affect:

(a) SGH's operations in future financial years; or

(b) the results of those operations in future financial years; or

(c) SGH's state of affairs in future financial years.

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2025, and the number of those meetings attended by each Director, were:

	Board		Audit & Risk		Remuneration & Nomination		Independent & Related Party	
Director	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
Terry James Davis	10	10	6	6	5	5	3	3
Ryan Kerry Stokes AO	10	10	8	8	5	5	–	–
Rachel Helen Argaman (Herman) OAM	10	10	4	4	5	5	3	2
Sally Annabelle Chaplain AM	10	10	8	8	5	5	3	3
Katherine Leigh Farrar	10	10	8	7	5	5	3	3
Mark Graham Johnson	8	8	5	5	2	2	2	2
Christopher John Mackay	10	10	8	8	–	–	3	3
David Ian McEvoy	10	10	8	8	–	–	3	3
The Hon. Warwick Leslie Smith AO	10	10	8	8	5	4	–	–
Richard Anders Uechtritz	4	4	–	–	2	2	1	1

(a) The number of meetings held during the year when the person was a Board or Committee member.

(b) The number of meetings attended. Please note Directors may attend meetings of Committees of which they are not a formal member, and in these instances, their attendance is also included in the above. A Director may also have been absent from a meeting, or part thereof, if there was a conflict of interest.

Dividends – Ordinary Shares

Since the start of the financial year, a final fully franked dividend for the 2024 financial period of 30.0 cents per share, amounting to $122.1 million, was paid on 2 September 2024.

Since the start of the financial year, an interim fully franked dividend for the 2025 financial year of 30.0 cents per share, amounting to $122.1 million, was paid on 10 April 2025.

A final fully franked dividend for the 2025 financial year of 32.0 cents per share, amounting to $130.2 million will be paid on 10 October 2025, based on the number of issued shares at the date of this report.

Environmental Disclosure

In respect of the environmental regulations under any laws of the States, Territories and Commonwealth of Australia, the significant regulations that apply to the media operations of the entities the Company holds investments in are those guidelines and standards issued by the Australian Communications and Media Authority.

It is the Directors' understanding that SGH is fully compliant with the provisions of these guidelines and standards. Various State Environmental Protection Authorities have issued licenses to the Company under the laws of the respective States. All requirements and conditions of these licenses have been complied with to the satisfaction of the issuing authority.

The Company assesses SGH as part of its compliance with the National Greenhouse and Energy Reporting Act and will be reporting relevant emissions and energy usage and production for SGH for the financial year to the Clean Energy Regulator.

SGH is also subject to significant environmental regulations in respect of resources exploration, development and production activities. SGH is committed to undertaking all of its exploration, development and production activities in an environmentally responsible manner. The Board believes that SGH has adequate systems in place for the management of its environmental requirements and is not aware of any significant breach of those environmental requirements as they apply to the resources operations of SGH.

There are no other particular and significant environmental regulations under a law of the Commonwealth or of a State or Territory applying to SGH.

Directors' Report continued

Directors' Interests in Securities

The relevant interest of each Director in ordinary shares, options, performance rights or share rights issued by the companies within SGH at the date of this report is as follows:

Directors' holdings of SGH Ltd securities

	Ordinary Shares	Options over Ordinary Shares	Performance Rights	Share Rights
Terry James Davis	104,000	Nil	Nil	Nil
Ryan Kerry Stokes AO	676,847	Nil	Nil	31,240
Rachel Helen Argaman (Herman) OAM	47,500	Nil	Nil	Nil
Sally Annabelle Chaplain AM	35,860	Nil	Nil	Nil
Katherine Leigh Farrar	17,587	Nil	Nil	Nil
Mark Graham Johnson	5,000	Nil	Nil	Nil
Christopher John Mackay	11,521	Nil	Nil	Nil
David Ian McEvoy	32,860	Nil	Nil	Nil
The Hon. Warwick Leslie Smith AO	55,109	Nil	Nil	Nil
Richard Anders Uechtritz[a]	335,063	Nil	Nil	Nil

(a) Mr Uechtritz retired on 14 November 2024.

Options or Performance Rights granted over Ordinary Shares in SGH

On 13 August 2025, 182,222 deferred share rights will vest to Executives under the Company's FY24 STI Plan.

An award of 79,242 deferred share rights was made to KMP Executives on 1 July 2025 under the Company's FY25 STI Plan.

Award	Grant date	Expiry	Number
2023 LTI Plan[a]	1 Jul 22	1 Sep 25	483,574
2024 LTI Plan	1 Jul 23	1 Sep 26	338,682
2024 Equity LTI Plan	4 Jun 24	1 Sep 26	91,336
2025 SGH Equity Retention Plan	4 Jun 24	1 Sep 26	59,525
2024 Equity LTI Plan	28 Jun 24	1 Sep 26	38,495
2025 SGH Equity Retention Plan	28 Jun 24	1 Sep 26	28,028
2025 LTI Plan	1 Jul 24	1 Sep 27	514,277
2026 LTI Plan	1 Jul 25	1 Sep 28	403,424
Total			**1,957,341**

(a) All performance rights granted under the 2023 LTI Plan will vest following testing of the performance hurdle.

These rights do not carry an entitlement to participate in any share issue. Rights were granted for nil consideration. No other options or rights have vested or been exercised during or since the end of the financial year, nor have they expired.

Convertible Notes

The Company issued 3,500 Convertible Notes (Notes) in March 2018. The Notes were listed on the Singapore Stock Exchange. The final Note was settled in March 2025 at its face value of $100,000.

Remuneration Report

Year ended 30 June 2025

Message from the Chair of the Remuneration & Nomination Committee

Dear Shareholders,

On behalf of the Board and the Remuneration & Nomination Committee (RNC or the Committee), I am pleased to present the Remuneration Report for the financial year ended 30 June 2025 (FY25). This report outlines SGH's remuneration framework and provides insight into the policies, practices, and outcomes for our Key Management Personnel (KMP) Executives and Non-Executive Directors (NEDs).

I would also like to acknowledge the retirement of Mr Richard Uechtritz from the SGH Board after more than 14 years of service since SGH's formation. We sincerely thank Richard for his outstanding contribution. We also welcome Mr Mark Johnson (former Boral NED and Audit & Risk Chair) to the SGH Board, IRPC, and ARC. His deep commercial, financial and governance expertise is a valued addition to SGH.

FY25 Performance Year

The safety and wellbeing of our people is our absolute priority. We are deeply saddened by the tragic loss of two team members during the year, an employee from our Boral business in March 2025 and a transport contractor at one of our Coates sites in South Australia in June 2025. We extend our heartfelt condolences to their families, friends and colleagues. These events have had a profound impact across all our businesses and reinforce our commitment to continuous improvement to safety practices as we work toward our goal of ensuring every team member returns home safely each day.

FY25 marks a year of continued transformation and performance momentum. The full integration of Boral into SGH's industrial portfolio has delivered strong strategic and financial benefits including enhanced operational alignment, cost synergies, and a step-change in performance. These efforts are already reflected in Boral's above-target Earnings Before Interest and Tax (EBIT) contribution and in SGH's financial and operating results.

SGH achieved another record year, with EBIT rising to $1.54 billion and continued earnings growth across our industrial services, energy, and building materials businesses. Prudent capital management lowered Net Debt to EBITDA to below 2 times, and Return on Capital Employed (ROCE) remained above target at 15.2%. This strong performance is a direct result of disciplined execution against our strategic priorities, delivering value, driving cost efficiency, and maintaining capital discipline.

FY25 Remuneration Outcomes

Under the FY25 STI plan, overall Executive KMP outcomes ranged between 45% and 141% of their target STI. These outcomes represent the differentiated performance for SGH and individual business units and the alignment with our pay-for-performance remuneration principles. The outcomes also reflect the delivery against key strategic, customer and people and sustainability measures. The Committee also considered FY25 STI outcomes in the context of the workplace fatalities at Boral and Coates. While investigations into the fatality at Coates are underway, the Board determined that Executives will not receive the safety-related STI components for Boral and Coates.

The FY23 Long Term Incentive (LTI) award vested in full, reflecting SGH's top-quartile performance in Relative Total Shareholder Return (rTSR). SGH ranked in the 97th percentile of the relevant comparator group of ASX 100 companies over the three-year performance period, underscoring the strength of SGH's long-term performance and the effectiveness of the executive remuneration framework in aligning executive rewards with shareholder value creation.

Detailed disclosures on performance and remuneration outcomes under the STI and LTI are provided in Sections 3, 4 and 6 of this report.

Governance and Shareholder Engagement

As we look ahead to FY26, we remain focused on maintaining a remuneration framework that attracts, motivates, and retains the exceptional leadership required to deliver on SGH's strategic objectives while creating sustainable value for all stakeholders. We will continue to evolve our practices in response to regulatory developments, market conditions, and shareholder feedback, ensuring our approach remains aligned with contemporary governance standards and our commercial objectives. We are committed to active engagement with shareholders and value the feedback we receive.

Thank you for your continued support of SGH.

Kate Farrar
RNC Chair

Remuneration Report continued

Remuneration Report – Audited

The Remuneration Report for the year ended 30 June 2025 (FY25) outlines the remuneration arrangements of the Company and SGH in accordance with the Corporations Act 2001 (Cth) (Corporations Act) applicable accounting standards. This information has been audited as required by section 308(3C) of the Corporations Act.

The Remuneration Report is presented under the following main headings:

1. **Introduction**
2. **Remuneration Governance**
3. **Summary of SGH Performance and FY25 Incentive Outcomes**
4. **FY25 KMP Executive Remuneration Framework**
5. **Chairman and NED Remuneration Framework**
6. **Link Between Remuneration and SGH Performance**
7. **Summary of Executive Contracts**
8. **KMP Equity Holdings**
9. **KMP Related Party Transactions**
10. **Remuneration in Detail**

1. Introduction

The Remuneration Report outlines key aspects of SGH's remuneration policy and framework and provides details of remuneration awarded to KMP during FY25.

KMP includes Executive Directors, NEDs and certain senior executives of SGH who have authority and responsibility for planning, directing and controlling the activities of SGH (SGH Executives). Executive Directors and SGH Executives are hereafter collectively referred to in this report as KMP Executives.

SGH's KMP for FY25 are listed in the table below.

KMP	Title	FY25 Status	KMP Status
Executive Director			
Ryan Kerry Stokes AO	SGH Managing Director & Chief Executive Officer (MD&CEO)	Full Year	Current
Non-Executive Directors			
Terry James Davis	Non-Executive Chairman/Director	Full Year	Current
Rachel Helen Argaman (Herman) OAM	Director	Full Year	Current
Sally Annabelle Chaplain AM	Director	Full Year	Current
Katherine Leigh Farrar	Director	Full Year	Current
Christopher John Mackay	Director	Full Year	Current
David Ian McEvoy	Director	Full Year	Current
Warwick Leslie Smith AO	Director	Full Year	Current
Mark Graham Johnson[(a)]	Director	Part Year	Current
SGH Executives			
Vik Bansal	Boral CEO & Managing Director (Boral CEO)	Full Year	Current
Gitanjali Bhalla	Chief People Officer	Full Year	Current
Robert Brian Cotterill	Chief Operating Officer	Full Year	Current
Jarvas Ernest Croome	Chief Executive Officer, WesTrac	Full Year	Current
Richard Joseph Richards	Chief Financial Officer (CFO)	Full Year	Current
Murray John Vitlich	Chief Executive Officer, Coates	Full Year	Current
Former Non-Executive Director			
Richard Anders Uechtritz[(b)]	Director	–	Former

(a) On 26 September 2024, Mr Mark G Johnson commenced as Non-Executive Director.
(b) On 14 November 2024, Mr Richard A Uechtritz ceased as Non-Executive Director.

2. Remuneration Governance

Role of the Remuneration & Nomination Committee

The role and responsibilities of the RNC are explained in detail in the Corporate Governance Statement available on the Company's website at www.sghl.com.au. The key responsibilities of the RNC are summarised below and include the following:

- To make recommendations to the Board in relation to the remuneration of the MD&CEO and NEDs, as necessary, or as requested by the Board;
- Review and make recommendations to the Board on all proposed equity offers and grants made pursuant to the Company's equity plans and the overall functioning of the equity plans; and
- Review and advise on senior management remuneration, diversity and inclusion strategies, succession planning and employee development policies, as requested by the Board or the MD&CEO.

Engagement of remuneration advisors

During FY25, no remuneration advisors were engaged by the Company to make any remuneration recommendations relating to KMP as defined by the Corporations Act.

Remuneration Report approval at the 2024 Annual General Meeting

The FY24 Remuneration Report received positive shareholder support at the 2024 AGM, with 98.47 per cent of votes in favour of adoption.

3. Summary of SGH Performance and FY25 Incentive Outcomes

SGH delivered a strong FY25 financial result driven by the disciplined execution and delivery of our strategy, and profit growth from our Industrial Services businesses and customer focus. Targets set at the commencement of the period were met, and exceeded in some cases, opening the STI gateway with differentiated incentives being awarded to KMP Executives and other senior managers across SGH and its business units based on business unit and individual performance. Keeping our team members safe when they come to work is our primary objective. Tragically we lost a team member at Boral and a transport contractor at Coates in the last 12 months. Investigations into the Coates incident are ongoing, however, in recognition of the gravity of the events, the safety component of the STI outcomes for the Coates and Boral CEOs and SGH executives have been forgone.

Key Highlights

Strong performance outcomes

- Successful integration of Boral, realising above target growth from synergies and strong execution focus.
- SGH delivered top decile TSR with earnings growth, cash conversion and deleveraging targets achieved in FY25.
- Revenue of $10.7 billion up 1.3% on close and continued customer engagement.
- EBIT of $1.54 billion up 8.3% vs FY24, with EBIT margin of 14.3% up 93bps reflecting strong cost discipline, asset utilisation and pricing traction.
- Operating cashflow of $1.95 billion which is 49% up on FY24.
- Fully franked ordinary dividend declared of 32 cents per share.
- Total Shareholder Return of 46.3% for FY25.
- Leverage below 2.0 times down from 2.2 times at the end of FY24.

Relentless focus on our customers

- Market share gains from deliberate focus and investment in improved sales capability and customer experience.
- EBIT margins continue to grow across industrial businesses through a mixture of optimal product mix and pricing discipline.
- Customer centricity at the heart of operating model design and improvements, including to systems and processes.

People, Sustainability and Safety

- Female participation and engagement improvements following the effective implementation of a number of key employee attraction and retention initiatives during the year. Female representation increased to 19% (vs 18.2% in the prior year) with stronger engagement survey participation (>90%) and results across all business units.
- Increased employee equity plan participation reflecting alignment with SGH's strategic direction and performance momentum. Key programs enhancing sales capability, execution and customer focus delivering improvements.
- Critical skills and chargeable role recruitment and workforce optimisation, with productivity initiatives supporting disciplined cost management and EBIT margin growth.
- Talent management, including executive succession strategies to manage key transitions and coverage across all key roles successfully delivered.
- ESG targets set with initiatives delivering positive results including increasing alternative fuel sourcing and the development of lower carbon product offerings.
- Lost Time Injury Frequency Rate (LTIFR) reduced 38%, from 1.3 to 0.8 and Total Recordable Injury Frequency Rate (TRIFR) reduced 31%, from 4.5 to 3.1 for FY25.

These results, underpinned by disciplined capital management, highlight the resilience of SGH's operating businesses and the strength of its leadership team in sustaining momentum and delivering strong, sustainable, and commercially focused returns.

Remuneration Report continued

Linking FY25 Incentive Outcomes to SGH Performance

SGH's reward structure comprises a significant component of KMP Executive remuneration tied to financial performance outcomes. Under the STI plan, award outcomes are adjusted for SGH and Business Unit performance outcomes and differentiated for each individual using a balanced scorecard approach. Key Performance Indicators (KPI) and Performance Measures used in the STI and LTI plan are approved by the Board and aligned with SGH's Strategy as outlined below:

Performance Measure	STI	LTI	Alignment to strategy
EBIT	✓		Underlying EBIT (EBIT) measures the underlying profitability and performance.
Cash Flow	✓		Cash Flow is a key measure of SGH's ability to generate cash to fund organic and acquisitive growth and provide returns to our shareholders via dividends and share buybacks.
ROCE	✓		ROCE is a key measure of SGH's ability to create value through appropriate return on investments and capital employed.
rTSR		✓	rTSR is a key measure of SGH's returns to shareholders through business cycles.
Earnings Per Share (EPS)		✓	Underlying Adjusted EPS measures the after-tax earnings attributable to shareholders after adjusting for significant items not reflective of the ongoing earnings potential of the company.
Strategic Objectives	✓		Strategic objectives at the SGH and business unit level enable a focus on specific factors aligned with SGH's short and medium-term strategic objectives that promote long-term performance.
People	✓		People objectives take into account progress against clearly defined executive succession depth and capability objectives, performance intervention and transformation objectives, development of key talent, robust industrial relations management, engagement, and progress against measurable diversity and inclusion objectives.
Safety and Sustainability	✓		Safety and Sustainability objectives are included in driving progress against the Material Issues identified in the SGH Sustainability Strategy as well as a Safety-First working environment.

Incentive Outcomes

FY25 STI

Based on performance for FY25, incentive outcomes for KMP Executives ranged from 45% to 141% of target, differentiated for executive performance against key financial, strategic and operational objectives. Further details on STI outcomes are included at Section 6.

FY23 LTI Vesting

Under the FY23 LTI plan, the rTSR performance hurdle was tested at the end of the three-year performance period ended 30 June 2025. The Company's rTSR was ranked above the 75th percentile of the comparator peer group resulting in full vesting of the FY23 LTI award. Further details on the LTI outcomes are included at Section 6.

Boral CEO's equity arrangements following acquisition

Following SGH's compulsory acquisition of Boral in FY24, and as reflected in the 2024 Remuneration Report, the Boral CEO was issued two new SGH equity awards in lieu of the lapsed portion of the FY23 Boral LTI and FY24 Boral LTI respectively:

- In respect of the lapsed portion of the FY23 Boral LTI, 28,028 Equity Retention Rights that convert to fully paid SGH ordinary shares on 1 July 2026 were issued. The vesting of these rights is subject to a continued employment condition with the SGH Group, including no notice of separation up to and including 1 July 2026.
- In respect of the lapsed portion of the FY24 Boral LTI, 38,495 performance rights were issued that convert to SGH ordinary shares in August 2026, subject to the satisfactory achievement of two equally weighted rTSR and EPS hurdles, measured on a consistent basis with the FY24 SGH LTI plan.

During FY25, and to encourage retention of the Boral CEO over the transition period, an equity retention award equivalent to 150% of the Boral's CEO's Fixed Remuneration was awarded in July 2024. In accordance with the terms of this award, 60,144 Equity Retention Rights convert to SGH ordinary shares subject to continued employment with the SGH Group, including no notice of termination up to and including 1 July 2027.

Further details of these awards are included in Section 4 and 8 of this report.

4. FY25 KMP Executive Remuneration Framework

SGH's executive remuneration structure is designed to attract and retain high performing individuals and align executive reward to SGH's business objectives, creating long-term value. SGH seeks to operate a reward framework where the majority of pay is at risk, reflecting the commitment to pay for sustainable performance and value creation to shareholders.

Remuneration Principles

Delivering a Compelling Remuneration Strategy that aligns with Shareholders

Market competitive remuneration which enables SGH to **attract, retain and motivate** the best leadership talent.

Remuneration structures aligned with **shareholder value** through implementation of business strategy and delivering results.

Targeted goals that **drive high performance** and establish a clear link between executive remuneration and performance.

Remuneration structures that appropriately **balance short-term delivery and long-term sustainability**.

Remuneration Framework

KMP Executive remuneration framework consists of both fixed and variable components, with the variable portion contingent upon meeting financial and non-financial performance measures. This approach ensures that executives are appropriately rewarded based on their position, responsibilities, and performance within SGH, while also aligning with shareholder interests.

FY25 KMP REMUNERATION

	Guaranteed Remuneration	Performance Assessed Remuneration	
	Fixed Annual Remuneration (FAR)	**STI**	**LTI**
MD&CEO	$1,900,000	$2,850,000 (Maximum 150% of FAR)	$2,850,000 (Maximum 150% of FAR)
% of Total Reward at Maximum	**25%**	**37.5%**	**37.5%**
Other SGH Executives	($650,000–$1,500,000) (Market benchmarked and aligned)	($864,500–$2,250,000) (Maximum 133-150% of FAR)	($650,000–$1,500,000) (100% of FAR)
Average % of Total Reward at Maximum	**30%**	**41%**	**30%**
Delivery	**Cash & Superannuation**	**50% Cash/50% Deferred equity vesting after one year**	**100% Performance Equity Rights measured over three years**
Structure	**Base Pay and Superannuation** Consists of base salary, superannuation and any salary sacrificed benefits. Reflects the role scope and individual's capability and is set in the context of internal relativities and external market data. SGH follows a policy of benchmarking against a peer group consisting of Australian listed companies that closely resemble SGH in terms of financial and qualitative metrics such as market capitalisation, portfolio composition, and the complexity, diversity, and breadth of the sectors in which SGH operates.	**STI plan gateway is 90% of EBIT** Target STI opportunity of 100% for the MD&CEO and other executives. KPIs are set at the start of the financial year and weighted between financial metrics, delivery against strategic initiatives and people, sustainability and safety metrics.	**Three-year measurement across two hurdles** LTI opportunity of 150% of fixed pay for the MD&CEO and 100% of fixed pay for other executives. Performance Equity Rights issued at the start of the performance year with two equal measures of rTSR and EPS use to measure performance over the three-year measurement period.

Minimum Shareholding Guidelines

To further align Executive KMP interests with shareholders, minimum shareholding guidelines are in place that provide for up to 100% of FAR to be accumulated in equity over five years.

Remuneration Report continued

Remuneration mix

The ratio between fixed and variable remuneration further incentivises KMP Executives to focus on SGH's short and long-term performance. In reviewing remuneration for KMP Executives, the Board has remained cognisant of shareholder feedback and of the remuneration mix for similar companies, with a greater focus on "at risk" reward that provides a strong link between shareholder experience and KMP Executive remuneration outcomes.

Total Remuneration Mix

Fixed/At Risk	At Target	At Maximum STI
MD&CEO	29%/71%	25%/75%
CFO & Boral CEO	33%/67%	29%/71%
Other SGH Executives	33%/67%	30%/70%

As outlined in last year's report, the Board conducted a comprehensive review of executive remuneration structures in connection with the Boral acquisition and broader market benchmarking. As a result, changes were implemented to increase the proportion of performance-based, or at-risk, remuneration for SGH executives.

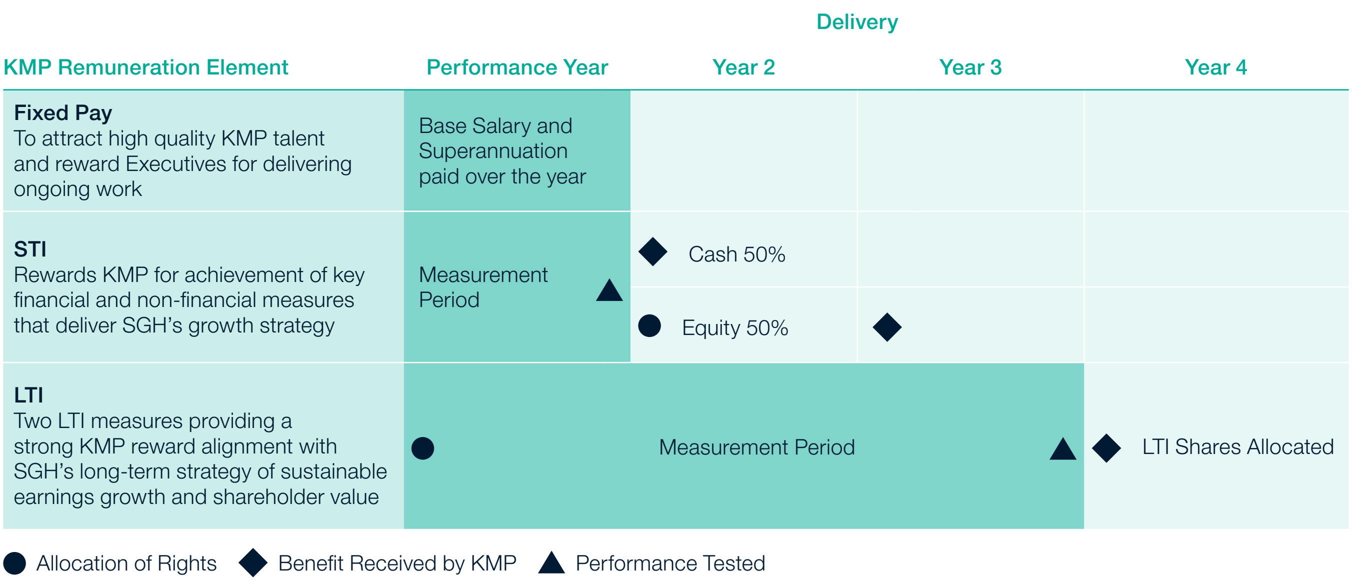
Effective from FY25, 75% of the MD&CEO's remuneration, and on average 70% of other SGH executives are now performance-based and directly linked to the achievement of key short-term and long-term performance outcomes. Additionally, over 70% of this performance-based reward opportunity is delivered in the form of equity, strengthening the alignment between executive and shareholder interests.

The diagram below shows the mix of cash and equity for at risk remuneration (STI and LTI).

Timing of Remuneration Outcomes

The amount an Executive KMP may earn in one financial year may not become available until a later date and may be subject to further conditions including additional performance measures and continued employment. For example, under the STI plan equity awards are deferred for one year and LTI awards have a three-year performance period.

The diagram below shows the maximum potential timing of remuneration outcomes with a significant component deferred up to three years for KMP Executives.



STI and LTI Plans

The Board considers the design of SGH's STI and LTI plans on an annual basis to ensure they remain effective and aligned to SGH's performance and reward objectives. Further details on the STI and LTI are set out below:

STI Plan

KMP Executives participate in SGH's STI plan, which provides the opportunity to receive an annual incentive subject to the achievement of annual financial targets, strategic and operational measures and safety, people and sustainability objectives.

The plan is designed to reward financial performance and to differentiate outcomes based on individual performance. In addition, 50% of any STI awards are delivered as deferred equity to further align participant and shareholder interests. The deferral also provides a mechanism for claw-back in the event of serious misconduct or other reasons determined by the Board.

Financial Gateway

Before any awards accrue under the STI, a minimum level of financial performance above the 'gateway' must be achieved across SGH. This gateway helps to clearly align the interests of shareholders and executives by limiting STI awards where minimum financial performance by SGH is not achieved.

The financial gateway applied is SGH underlying EBIT compared to target in accordance with the table below. SGH EBIT is SGH's audited statutory profit before significant items, net finance costs and income tax. If SGH does not achieve at least 90% of EBIT, no STI awards become available, and any outcomes are subject to the discretion of the Board.

MD&CEO, SGH CFO & Boral CEO					
% of SGH EBIT Achieved	<90	90–<95	95–<100	100–120	120+
Potential % of On-Target STI Achieved	0	25–50	50–100	100–150	150
Other Executive KMP					
% of SGH EBIT Achieved	<90	90–<95	95–<100	100–120	120+
Potential % of On-Target STI Achieved	0	25–50	50–100	100–133	133

STI Key Performance Indicators (KPIs)

Target Setting

The performance KPIs of each KMP Executive are set and measured using a balanced scorecard approach, based on measurable and quantifiable targets. The KPIs for each KMP Executive are reviewed by the RNC and approved prior to the commencement of the new financial year. KPIs are set to be challenging and to focus management on strategic business objectives that ultimately create shareholder value. KPIs include financial, strategic and non-financial measures such as people and sustainability. Measures are differentially weighted to reflect the focus of each KMP.

Financial KPIs are utilised as they represent value creation and reflect SGH's core financial metrics.

Strategic KPIs are set to drive portfolio optimisation, operational efficiencies, deliver key customer/project wins and sales effectiveness targets. They also include digital, transformation initiatives and value accretive growth opportunities.

People, Sustainability & Safety KPIs consider progress against defined leadership succession, workforce planning and culture and engagement objectives. They also measure progress against diversity, turnover, critical skills and productivity targets. Sustainability measures consider progress against the Material Issues identified in the sustainability strategy appropriate to each KMP Executive. Safety targets are based on improvements in lead and lag indicators and fostering a Safety-First culture through a number of targeted safety initiatives.

Performance Assessment

The Committee assesses the performance of the MD&CEO and makes a recommendation on the STI award to the Board for its consideration, and if thought fit, approval. The MD&CEO assesses the performance of other KMP Executives against targets and recommends STI awards for each to the Committee for consideration and, if thought fit, approval. The MD&CEO assesses the performance of other KMP Executives against targets and recommends STI awards for each to the RNC for consideration and, if thought fit, approval.

Target performance is set to ensure alignment with the Board approved budget for the financial year. The potential to receive an above-target STI award, up to the maximum, is activated by financial outperformance at the SGH or Business Unit level.

STI awards are further calibrated based on individual contribution to business performance and the delivery of strategic priorities. STI awards are not provided in circumstances where individual performance is unsatisfactory, or the financial performance gateway is not met.

The Board retains discretion to determine whether STI awards are appropriate based on the overall performance of the KMP Executive and SGH, considering other factors such as conduct, risk and behaviors that are aligned to SGH's Values.

Remuneration Report continued

STI Deferred Equity Award

The STI is designed so that 50% of any awards accrued under the STI is delivered as cash and the remaining 50% is delivered as deferred share rights subject to retention and claw back provisions. Equity awards are deferred for one year. Further details on the deferred share rights under the STI plan are set out below.

STI – Deferred Share Rights

Who will participate?	All KMP Executives will have 50% of their STI award deferred into share rights.
What will be granted?	Subject to the achievement of KPIs for the relevant financial year, 50% of STI awards will be delivered as share rights which will be granted for nil consideration. For SGH Executives, each right entitles the participant to one ordinary share in the Company after a one-year deferral period.
How many shares rights will be granted?	The number of share rights granted to each participating KMP Executive is equivalent to 50% of their STI award divided by the five-day SGH VWAP (Volume Weighted Average Price) to 30 June prior to the commencement of the vesting period. The SGH VWAP is adjusted for the value of expected dividends foregone over the vesting period.
What will be the vesting performance measures?	The share rights granted under the STI plan are subject to continuous employment up to and including 30 June 2026 (with respect to the FY25 award). Rights vest and convert to shares on or around 15 August 2026 following SGH's FY26 results release to the market.
Do the share rights carry dividend or voting rights?	The share rights do not carry dividend or voting rights.
What happens in the event of a change in control?	In the event of a change of control of the Company, any unvested deferred share rights will vest. The Board will have discretion to determine whether, and the extent to which, another treatment for some or all of the awards to lapse or vest, occurs.
What happens if the participant ceases employment?	If the participant ceases employment with the Company due to termination for cause or gross misconduct, or other reasons determined by the Board all unvested share rights will lapse. If the participant ceases employment other than for the reasons outlined above the share rights may not lapse, unless the Board determines otherwise.
Vesting period	Deferred Share Rights issued under the STI will convert to ordinary shares following SGH's results release for the following financial year (on or around 15 August).

LTI Plan

The purpose of the LTI plan is to drive sustained performance and long-term shareholder value creation, encourage retention of KMP Executives, and ensure alignment of executive remuneration outcomes with shareholder interests. LTI awards are structured as rights to acquire ordinary shares in the Company at no cost to the participant and are subject to a rTSR hurdle measured against S&P/ASX100 companies (excluding financial services companies) and an EPS hurdle. Once granted, awards only vest if the performance hurdles over a three-year performance period are met. For the FY25 award, the three-year performance period commenced on 1 July 2024 and will conclude on 30 June 2027. Any vested awards will be converted to ordinary shares following SGH's FY27 Results release to the market (on or around 15 August 2027).

Second LTI performance hurdle

Two hurdles, EPS and TSR will continue to be applied. Having two LTI measures provides a strong alignment with SGH's strategy to drive sustainable earnings growth and shareholder value over the long-term. EPS hurdles are determined with reference to the Board approved business plan with commensurate levels of stretch included. Performance will be assessed based on the aggregate EPS performance, adjusted for significant and other non-recurring items as determined by the Board, over three years and compared to aggregate target EPS performance for the three-year performance period. In setting the annual EPS targets, the Board considers a range of factors, including market expectations, and ensuring a suitable balance to ensure targets are reasonable but sufficiently stretching to promote innovation, acceptable risk taking and superior levels of performance delivery, as well as being adequately motivating for participants in the plan.

LTI Award (Performance Rights)

The table below sets out the key features of the SGH LTI Plan.

What will be granted?	Performance rights are granted for nil consideration. Each right entitles the participant to one ordinary share in the Company, with vesting subject to the achievement of the performance hurdles.
How many performance rights will be granted?	The value of LTI granted annually is: MD&CEO – 150% of FAR, Other KMP Executives – 100% of FAR. The number of performance rights granted to each KMP Executive is equivalent to the value of the LTI grant divided by the five-day VWAP to 30 June prior to the commencement of the performance period. SGH awards are adjusted for foregone dividends. 50% of the performance rights granted under the LTI plan will be dependent on a rTSR measure and the other 50% are subject to an EPS measure.
What will be the vesting performance measures?	rTSR provides an indicator of shareholder value creation by comparing the Company's return to shareholders relative to other companies of similar size. TSR provides an external, market-based hurdle and creates alignment of executive remuneration outcomes to shareholder returns. Participants will not derive any benefit from this portion of the grant unless the Company's performance is at or above the 51st percentile of the comparator group.

Why was the TSR performance hurdle chosen, and how is performance measured?

The comparator group chosen for assessing the Company's rTSR consists of constituents of the S&P/ASX100 (excluding financial services companies). This comparator group was selected as it represents a broad base of companies against which investors may benchmark their investment.

The comparator group is defined at the start of the performance period. The composition of the comparator group may change as a result of corporate events, such as mergers, acquisitions, de-listings etc. The Board has agreed guidelines for adjusting the comparator group following such events and has the discretion to determine any adjustment to the comparator group. The percentage of TSR performance rights that vest (if any) at the end of the performance period will be based on the following schedule:

Proportion of TSR performance comparator group companies	Company's TSR ranking relative to rights that vest
Equal to or above 75th percentile	100%
Between the 51st and up to 75th percentiles	50% vesting on a straight-line basis to 100%
Below 51st percentile	Nil

Why was the EPS performance hurdle chosen, and how is performance measured?

EPS reflects after-tax earnings attributable to shareholders, adjusted to exclude Significant Items that do not represent the ongoing earnings potential of the Company. It is calculated by dividing the underlying net profit or loss (excluding Significant Items) attributable to the Company by the adjusted weighted average number of ordinary shares on issue during the reporting period. The Board retains discretion to make further adjustments for abnormal or non-recurring items where appropriate.

For each year of the three-year Performance Period, the Board will determine EPS performance hurdles:

- Threshold EPS is based on the Board-approved Budgeted EPS for the relevant year.
- Stretch EPS is set at Threshold EPS plus 5%, or as otherwise determined by the Board.

These EPS targets are established at the beginning of each year to reflect the Board's expectations for performance. At the end of the three-year period, vesting of EPS Performance Rights (if any) will be based on the Company's aggregate EPS across the Performance Period (i.e. Year 1 + Year 2 + Year 3) measured against the aggregate Threshold and Stretch EPS targets.

Aggregate EPS over the three-year Performance Period	EPS Performance Rights that vest (%)
Equal to or above the aggregate Stretch EPS	100%
Between the aggregate Threshold EPS and the aggregate Stretch EPS	Straight-line vesting between 50% and 100%
At the aggregate Threshold EPS	50%
Less than the aggregate Threshold EPS	Nil

When will performance be tested?

Awards are subject to a three-year performance period, commencing at the start of the financial year to which the award relates. For the FY25 award, the performance period runs from 1 July 2024 to 30 June 2027. Following the finalisation of SGH's FY27 results in August 2027, the Board will assess performance outcomes to determine the extent to which awards vest.

Upon vesting, the Board retains discretion to either issue new shares or acquire shares on-market. Any performance rights that do not vest at the conclusion of the performance period will lapse, with no opportunity for retesting.

For Mr Ryan Stokes AO, who holds a relevant interest exceeding 10% of the Company's issued share capital—any vested LTI awards will be cash-settled in accordance with governance protocols.

Do the performance rights carry dividend or voting rights?

Performance rights do not carry dividend or voting rights.

What happens in the event of a change in control?

In the event of a change of control of the Company the Board will have discretion to determine whether, and the extent to which, unvested performance rights vest. The Board will consider when making its decision the extent to which performance hurdles have been achieved to the date of the event.

What happens if the participant ceases employment?

The LTI will only deliver benefits to participants if shareholder returns are achieved and the KMP Executive remains employed by the Company over the three-year performance period. If the participant ceases employment with the Company due to termination for cause or gross misconduct, or other reasons determined by the Board all unvested performance rights will lapse. If the participant ceases employment other than for the reasons outlined above the performance rights will not lapse, unless the Board determines otherwise.

Remuneration Report continued

It is important to note that LTI awards will only deliver benefits to participants if shareholder returns and EPS targets are achieved and the KMP Executive remains employed by the Company over the three-year performance period. In addition, although awards may not vest (as performance hurdles are not achieved), accounting standards require the expense relating to equity instruments (such as the performance rights allocated under the LTI plan) to be reflected over the performance period, notwithstanding, executives may never receive any actual value from such a grant.

Prior LTI grants

Performance rights awarded at the commencement of the performance period to eligible KMP for prior years:

SGH LTI awards

Grant	Performance Measures	Performance Period	Vest Date	Vesting Outcome
FY23	TSR	1 Jul 22 to 30 Jun 25	2025 (3 years)	100%
FY24	TSR and EPS	1 Jul 23 to 30 Jun 26	2026 (3 years)	In progress
FY25	TSR and EPS	1 Jul 24 to 30 Jun 27	2027 (3 years)	In progress

SGH LTI awards issued to the Boral CEO in lieu of lapsed Boral LTI awards on compulsory acquisition

Grant	Performance Measures	Performance Period	Vest Date	Vesting Outcome
FY25 SGH Equity Award (in lieu of the one-third lapsed portion of the Boral FY23 LTI).	Boral CEO's continued employment with SGH over a two-year period, including no notice of termination up to and including 1 July 2026.	1 Jul 24 to 30 Jun 26	2026	In progress
FY24 SGH Equity Award (in lieu of the two thirds lapsed portion of the Boral FY24 LTI).	TSR and EPS. Testing of hurdles is aligned with the FY24 SGH LTI Award in August 2026.	1 Jul 24 to 30 Jun 26	2026	In progress

SGH MD&CEO Remuneration Arrangements

For FY25, there were no changes to the MD&CEO's FAR of $1,900,000. The Board approved an increase to the MD&CEO's Maximum STI Opportunity from 133% to 150% of FAR and an increase to his LTI Opportunity from 100% to 150% of FAR. The MD&CEO's remuneration is aligned with SGH's benchmarking approach to position total reward for KMP Executives principally within a competitive range of peer group companies, of comparable size and complexity which included S&P/ASX 100 (excluding financial services) listed entities. The peer group also considers market capitalisation i.e., ASX100 companies, the portfolio construct and the complexity, diversity and breadth of the sectors in which SGH operates.

Although the MD&CEO participates in the LTI plan on the same terms and conditions as the other KMP Executives, his award is cash settled. This is because tax deferral on equity incentive plans is not permitted where an executive has an interest in shares in the Company which represents more than 10% of the Company's issued share capital. As such, an approach to achieving an equivalent outcome to other executives participating in the plan is to cash-settle the rights using the same terms and conditions as for the performance rights that are equity-settled under the LTI plan. As Mr Ryan Stokes AO has an interest in shares in the Company, which represents more than 10% of the Company's issued share capital, should the LTI award rights vest, they will be cash-settled.

Impact of accounting for cash-settled awards

Accounting Standard AASB 2: Share Based Payments require the fair value of cash-settled equity plans to be re-measured each year, unlike equity-settled plans where the fair value is calculated at the start of the performance period. The fair value is re-measured taking into consideration a number of inputs including share price from date of grant. The re-measurement of the fair value of the cash-settled equity for Mr Ryan Stokes AO has resulted in an increase of $7,094,726 over the year due to the increase in share price in FY25 from $37.68 at 1 July 2024 to $54.07 at 30 June 2025. If the awards had been equity-settled, the total remuneration reflected in the remuneration tables at 10.B would have been $5,620,494 as compared to $12,715,220 as currently stated in the table.

Minimum Shareholding Guidelines for KMP Executives

To drive a stronger alignment of executive interests with those of shareholders, and to foster an increased focus on building long-term shareholder value, SGH has in place minimum shareholding requirements for KMP Executives. During the year, the Board revised the minimum shareholding requirements to bring forward the timing of when KMP Executives are required to hold a minimum level of shareholding such that after five years, executives are required to hold 100% of their FAR in SGH equity. As of 30 June 2025, all KMP Executives were in compliance given time in role. Shareholding details for each KMP are included at Section 8.

5. Chairman and NED Remuneration Framework

NED Fee Pool

The current NED fee pool of $2.8 million per annum was approved by shareholders at the 2022 AGM. To reflect the increased scale and complexity of SGH's operations and recent market benchmarking of NED fees, shareholder approval will be sought to increase this fee pool to $3.0 million at the 2025 AGM.

Chairman and NED fees

The Chairman receives a fixed Director's fee which is paid in the form of cash and statutory superannuation contributions. The Chairman does not receive any additional fees for being a member of a Board Committee.

NEDs receive a fixed fee which includes a base fee and additional fees for being the Chair or member of a Board Committee. Board and Committee fees are paid in the form of salary and statutory superannuation contributions. The Chairman and the NEDs do not receive any variable remuneration or other performance related incentives such as options or rights to shares, and no retirement benefits are provided.

For FY25, the Board approved a 5% increase to Chairman and base NED fees, along with a $4,000 increase to the RNC Chair fee. These changes were in line with market movements. No other committee fee changes were made.

The table below sets out the annualised base and committee fee structure inclusive of superannuation as it applied in FY25. NED fees were benchmarked against listed entities with similar revenues and market capitalisation as the Company. The benchmarking also considers the complexity of SGH's structure and the industry sectors in which we operate.

	Base Fee		Committee Chair Fees		Committee Member Fees	
Role	2025	2024	2025	2024	2025	2024
Chairman	$523,688	$498,750	–	–	–	–
Non-Executive Director	$198,450	$189,000	–	–	–	–
Audit & Risk	–	–	$80,000	$80,000	$40,000	$40,000
Remuneration & Nomination	–	–	$44,000	$40,000	$20,000	$20,000
Independent & Related Party[(a)]	–	–	–	–	–	–

(a) Effective 1 September 2022, fees paid to the IRPC committee were discontinued following the reduction of significant related party transactions and consequently meetings held.

6. Link Between Remuneration and SGH Performance

The Remuneration Framework of SGH is designed to reward superior performance including returns to shareholders. The table below shows SGH's performance in key areas for the last five financial years.

	2025	2024	2023	2022	2021
Statutory NPAT ($m)[(a)(c)]	$526.9	$522.1	$646.5	$607.4	$634.6
NPAT (excluding significant items) ($m)[(a)(b)]	$927.7	$914.1	$702.9	$686.1	$504.6
Significant items ($m)[(a)]	$(400.8)	$(392.0)	$(56.4)	$(78.7)	$130.0
Profit before significant items, net finance costs and tax (SGH underlying EBIT) ($m)	$1,537.4	$1,419.2	$1,186.5	$987.1	$792.1
Dividends declared per ordinary share	$0.62	$0.53	$0.46	$0.46	$0.46
Share price at financial year end	$54.07	$37.68	$24.65	$16.61	$20.35
Statutory basic EPS[(a)]	$1.29	$1.26	$1.64	$1.54	$1.84
EPS (excluding significant items)[(a)]	$2.27	$2.31	$1.80	$1.73	$1.46
Diluted EPS (excluding significant items)[(a)]	$2.26	$2.26	$1.78	$1.73	$1.45
Total Shareholder Return	46.3%	56.1%	53.2%	(15.8)%	22.3%
Relative Total Shareholder Return	37.9%	42.4%	38.9%	(10.1)%	(2.2)%
Short Term Incentive Outcomes					
KMP STI achievement against target (Average)	99.5%	118.5%	110.7%	95.7%	108.6%

(a) 2025, 2023 and 2022 figures are for continuing and discontinued operations.

(b) NPAT (excluding significant items) is a non-IFRS measure. This measure is applied consistently year on year and used internally by management to assess the performance of the business and hence is provided to enable an assessment of remuneration compared to SGH's performance. Refer to the Operating and Financial Review for a reconciliation to statutory net profit after tax.

Remuneration Report continued

STI Plan - KPI Summary

The KPI process is core to how SGH drives alignment on performance expectations and the delivery of key financial and strategic objectives to create shareholder value.

The FY25 KPIs for the MD&CEO and KMP Executives are based on the outcomes of the annual budget and strategic planning process that includes an in-depth review by the Board. The Board reviews the strategic focus and direction of SGH, taking into account market opportunity, the economic environment and shareholder expectations. This is a rigorous process which includes setting challenging performance targets for management and directly aligns executive incentives to the achievement of those targets. Where performance does not meet targets, executives derive no benefit from their variable incentive components. Conduct risk and behavioural alignment to SGH's Values are also considered when assessing individual outcomes.

The performance of each KMP Executive is measured against a balanced scorecard based on measurable KPI targets which are weighted to appropriately reflect the focus of each KMP Executive in driving the overall business strategy. KPIs are set across three main areas of focus namely Financial, Strategic and People, Sustainability & Safety priorities.

1. **Financial KPIs** Represent core value creation and financial discipline. These are derived from the SGH Board-approved budgets, ensuring they reflect strategic priorities and shareholder value creation.
2. **Strategic KPIs** Strategic KPIs encompass both financial and non-financial targets aimed at driving portfolio optimisation, enhancing operational efficiency, securing key customer and project wins, and improving operating leverage and productivity.

For SGH Executives, these KPIs are designed to foster long-term value creation by growing the SGH portfolio, maximising the performance of operating businesses, pursuing strategic opportunities, and managing complex initiatives.

For Business Unit CEOs, strategic objectives are tailored to the successful delivery of operational and strategic projects within their respective business units.

3. **People, Sustainability and Safety KPIs** These KPIs reflect SGH's commitment to a sustainable and responsible operating environment.
   - **People:** KPIs include progress on leadership succession, turnover and closing critical skill gaps, effective management of employee relations, employee engagement improvements, and achievement of diversity and inclusion goals.
   - **Sustainability:** Performance is measured against the Material Issues identified in SGH's sustainability strategy, with targets tailored to the responsibilities and impact areas of each KMP Executive.
   - **Safety:** Metrics focus on improvements in lead and lag safety indicators and promoting a 'Safety First' culture through early intervention and targeted initiatives.

Overall assessment outcomes vs. targets

1. **Financial Performance (Above stretch target) (50% weighting)**

Strong results with revenue and EBIT surpassing targets. Revenue grew by 1.3% to $10.7 billion, EBIT up 8.3% to $1.54 billion, driven by operational efficiency and cost control. ROCE exceeded targets, and Adjusted Net Debt to EBITDA improved to below 2.0x (10% reduction), demonstrating financial discipline and balance sheet strength.

2. **Strategic Priorities (On target) (35% weighting)**

Boral integration advanced successfully, delivering above-target EBIT and synergies. Ongoing cost and efficiency initiatives supported margin growth, while property optimisation unlocked value and positioned assets for future earnings.

3. **People, Sustainability & Safety (Below target) (15% weighting)**

Targeted workforce culture, development and optimisation strategies supported strong employee engagement, attraction/ retention of skilled labour along with increased female participation across all key roles. Key ESG targets advanced, including increased alternative fuel use and lower carbon products. There were operational improvements in safety lead and lag indicators across all business units with an overall 38% reduction in LTIFR and 31% reduction in TRIFR. However, following the incidents recorded at Boral and Coates, the Safety component was foregone for relevant executives resulting in an overall below target outcome for this performance category.

Executive KPI and performance outcomes are differentiated based on SGH and business unit financial performance in addition to performance against individual KPIs using a balanced scorecard approach. Each executive scorecard is assessed against key KPIs with outperformance applied based on SGH or business unit financial performance. SGH exceeded its financial stretch targets for FY25, although business unit outcomes were differentiated. Strategic KPIs were largely met with People and Sustainability outcomes delivered aligned with expectations. As a consequence of the two fatalities that occurred in the year, the RNC determined that SGH Executives and the relevant CEOs will not receive the safety related component of the STI for Boral and Coates.

Due to the commercial sensitivity of certain performance targets particularly as they relate to specific SGH or Business unit strategic outcomes, detailed targets have not been disclosed. All targets are substantive, measurable, and directly linked to the Company's strategic objectives and long-term value creation goals.

MD&CEO & SGH Executive Performance against FY25 KPIs

Scorecard Measure	Weighting/Performance
Financial	**50% (Above Target)**
For FY25, the financial measures were: – Underlying EBIT growth – Free Cash Flow – SGH debt management – ROCE Underlying EBIT reflects cost control, operational output, and performance efficiency. Free cash flow demonstrates effective conversion of earnings into cash, providing insight into cost discipline, efficiency, and the ability to fund growth or shareholder returns. Debt management reinforces prudent capital oversight, helping maintain balance sheet strength and flexibility. ROCE ensures capital is used efficiently to generate returns, supporting long-term value creation.	– Revenue of $10.7bn, up 1.3% in mixed market conditions. – EBIT margin of 14.3% up 93bp, on margin expansion at Boral and equity accounted earnings growth. – Operating cashflow of $1.95b, up 49% with EBITDA cash conversion over 90% in all three Industrial Services businesses. – Adjusted Net Debt to EBITDA ratio improved to below 2.0x, a 20% reduction on the prior comparative period, and comfortably within SGHs target range of <2.5x, demonstrating ongoing financial discipline and strengthened balance sheet resilience. – ROCE at 15.2% was delivered above target thresholds. FY25 final dividend of 32cps, brings total FY25 dividends to 62cps.
Strategic	**35% (At Target)**
Strategic initiatives focus on driving growth, operational delivery, and long-term value creation, including: – **Business operating effectiveness** and efficiency including business development, sales execution and effectiveness and focus on customer outcomes. – **Group transformation initiatives** focused on improving operational efficiency, digital enablement, and positioning SGH to unlock further asset value creation. – **Group-wide portfolio and capital optimisation** to enhance future returns and group investment decisions. – **Strategic growth initiatives** advancing both organic and inorganic opportunities aligned with SGH strengths.	– SGH delivered top decile TSR with earnings growth, cash conversion and deleveraging targets achieved in FY25. – Successfully progressed the integration of Boral, with synergies being realised and Boral's above target EBIT performance reflecting improved operational alignment and strategic focus. – Crux project development ongoing, initial development drilling completed on schedule. – Cost optimisation and efficiency initiatives delivered across all operating units, supporting margin improvement and sustainable performance in a dynamic operating environment. – Digital transformation and operational improvement programs delivered benefits across divisions, that support efficiency, customer value, and scalable growth. – Progress towards property optimisation across all operating businesses continue to unlock value, streamline SGH's asset base, and create future earnings potential through more strategic use of core and non-core assets.
People, Sustainability & Safety	**15% (Below Target following forfeiture of safety component)**
Key people goals focus on employee engagement, leadership succession, fostering a performance-driven culture, and workforce transformation/optimising capabilities. Sustainability and ESG targets drive environmental responsibility, social impact, and strong governance to support long-term value. Safety improvements are tracked using Lag (TRIFR and LTIFR) metrics as a mixture of lead indicators including Potential and Actual Serious Harm Incidents, safety awareness campaigns and initiatives to prevent injuries and psychosocial incidents.	– Improved employee engagement across all Business Units. Delivered executive succession strategies to manage key transitions and coverage across all key roles. Successfully deployed attraction & retention strategies to address turnover, critical skills shortages and chargeable roles. Increased gender representation in the workforce and manager roles across all business units. Employee relations and cost optimisation strategies successfully managed. – ESG targets set with initiatives delivering positive results including increasing alternative fuel sourcing and the development of lower carbon product offerings. – Safety component for SGH executives foregone. LTIFR reduced from 1.3 to 0.8 and TRIFR reduced from 4.5 to 3.1.

Remuneration Report continued

Business Unit CEO Performance against FY25 KPIs

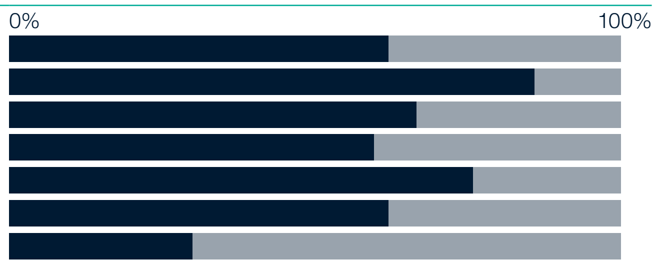
Scorecard Measure	Weighting/Performance
Financial	**50% (Above Target)**
For FY25, For FY25, financial measures for each operating business CEO were – Business Unit EBIT & Revenue growth – Operating Cash Flow & Working Capital Ratios – ROCE These measures demonstrate disciplined focus on growing the business while maintaining cost control, operational output, and performance efficiency.	**WesTrac** – Delivered EBIT of $638.6 million up 2.1% on prior period driven by revenue of $6.1 billion (3.8% increase on prior year). – Operating cash flow and working capital management above target, reflecting disciplined inventory practices and improved parts turnover. **Boral** – EBIT of $468.2 million, up 26.0% on prior comparative period with revenue of 3.6 billion (up 1.3% on prior year). – Strong above target cash generation and cash conversion. Above target ROCE. **Coates** – EBIT and cash flow below stretch targets. – Capex spend and cost control initiatives delivered ROCE within range.
Strategic	**35% (At Target)**
Strategic initiatives focus on enhancing operational delivery, customer value and long-term asset growth including: – **Business operating effectiveness** and efficiency including business development, sales execution and effectiveness and focus on customer outcomes. – Business development, sales focus, growing customer engagement and unlocking value within existing assets. – **Transformation and productivity initiatives** focused on improving operational efficiency, digital enablement, and organisational agility. Disciplined execution and delivery of strategy. – **Strategic growth initiatives** advancing both organic and inorganic opportunities aligned with SGH strengths.	**WesTrac** – Achieved gains in customer engagement and aftermarket servicing enhancements, service revenue, and parts delivery performance. – Operating costs have been reduced through targeted initiatives across workforce optimisation, supply chain efficiency, and warehouse operations. – Strategic investments in digital tools (e.g. Palantir) and operational systems (IDS) are delivering significant benefits and productivity improvements. **Boral** – Customer engagement growth and segment growth targets realised. – Solid progress on cost efficiencies, gross margin improvement and operational efficiency. Operational digital programs, including fleet telemetry and truck productivity enhancements are growing productivity. – Strategic projects including sales effectiveness, key site developments, standardisation of mine planning and resource extension efforts are being achieved. **Coates** – Improvements in customer delivery fulfillment targets achieved. Hub & Spoke network configuration continues to deliver scale efficiencies. – Cost reductions delivered targeted savings and efficiency gains. EBITDA %, People Costs remain within target ranges. – Digital strategy increasing productivity.
People, Sustainability & Safety	**15% (Between Target and Below Target)**
– Key people goals focus on employee engagement, diversity, Performance-driven culture, and optimising workforce capabilities. – Sustainability and ESG targets drive environmental responsibility, social impact, and strong governance to support long-term value. – Safety performance measures cover a range of proactive lead, incident-based lag, and compliance measures.	**WesTrac** – Progress made on addressing the critical skills gap and increasing female representation (increased to 21.1%). Increased engagement participation and results driving strong performance culture. – CO_2 intensity reduced by 8% year-on-year, demonstrating ongoing improvement in environmental performance. Solar installation on track at key sites with focus on electrification and low-emission technologies in mining equipment, supporting decarbonisation in key sectors. – TRIFR and LTIFR were better than the improvements set by the Board with both metrics down 34% and 33% vs prior period. **Boral** – Strong progress embedding performance culture along with maintaining gender pay parity and growing female participation to 15.6%. – Key ESG targets achieved. Alternative fuel usage and broader environmental initiatives are tracking at above target levels, supporting Boral's transition toward lower-carbon operations. Site rehabilitation, resource life extension, and land use optimisation are achieving milestones set. – Safety component for Boral has been forgone due to workplace fatality. Operational safety metrics TRIFR and LTIFR both reduced by 36% respectively on prior period.

People, Sustainability & Safety	**15% (Below Target following downward moderation of safety outcomes)**
	Coates – Delivery of cost optimisation and workforce productivity. Female participation increased to 24.7% following targeted employment strategies. Sales incentive plans supporting focus on revenue growth and customer. – Key ESG targets achieved. Coates has met its 2030 emissions intensity target five years early, with a 41% reduction achieved by FY25. This was supported by a 16% drop in energy use, 4% decline in fuel consumption, resulting in a 7% overall improvement in FY25. – Safety component for Coates has been forgone due to workplace fatality. Operational safety metrics TRIFR and LTIFR reduced by 37% and 60% respectively on prior period.

Executive KMP STI Outcomes for FY25

The table below provides details of the level of performance achieved against balanced scorecard KPIs and the resulting STI outcome awarded for FY25. In the table, a clear link is demonstrated between individual KMP Executive performance and STI outcomes.

KMP Executive	Percentage of Target STI Awarded	Percentage of Maximum STI Forfeited	Outcome Against Maximum STI Target
RK Stokes AO	106.6%	28.9%	
V Bansal	141.0%	6.0%	
G Bhalla	96.3%	27.6%	
RB Cotterill	89.8%	32.5%	
JE Croome	111.1%	16.5%	
RJ Richards	106.6%	28.9%	
MJ Vitlich	45%	66.2%	



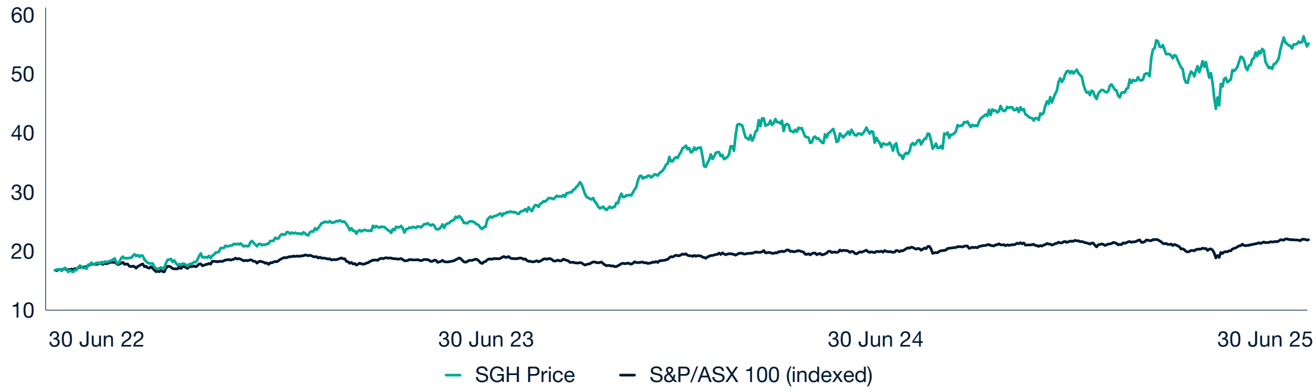
Target STI Max STI Forfeited

Remuneration Report continued

LTI Outcomes

The following graph shows SGH's share price relative to the performance of ASX100 over the performance period.

SGH share price vs S&P/ASX 100



FY23 LTI

The FY23 LTI award was tested following the end of the performance period on 30 June 2025. The Company's relative TSR was ranked at the 97th percentile of the comparator peer group comprising S&P/ASX100 companies (excluding financial services companies), resulting in 100% of the award vesting. Performance rights issued under the award will be converted to ordinary shares following SGH's results release to the market in August 2025.

Award	Performance Period	Performance Hurdle
FY23 LTI	1 July 23–30 June 25 – 3 years	Relative TSR

7. Summary of Executive Contracts

The key terms of the KMP Executives' contracts including the term of the contract, the period of notice required to terminate the contract (by either the Company or Executive) and any contractual termination payments are set out below.

KMP Executive	Contract Term	Notice period required by the Company	Notice period required by the Executive	Contractual termination payments
RK Stokes AO	On-going	6 months	6 months	No contractual termination payments
G Bhalla	On-going	6 months	6 months	No contractual termination payments
RB Cotterill	On-going	6 months	6 months	No contractual termination payments
JE Croome	On-going	6 months	6 months	No contractual termination payments
RJ Richards	On-going	6 months	6 months	No contractual termination payments
MJ Vitlich	On-going	6 months	6 months	No contractual termination payments
V Bansal	On-going	6 months	6 months	No contractual termination payments

NEDs

There are no formal employment contracts for NEDs that provide notice provisions or contractual termination payments. Each NED has a formal appointment letter agreed with the Company which confirms their appointment in accordance with the Constitution of the Company and provides information in relation to the structure and practices of the Board and the Company.

Hedging policy

The Company's Share Trading Policy prohibits employees (including KMP) from dealing in SGH shares, if the dealing is prohibited under the *Corporations Act 2001*. Therefore, in accordance with this policy, all KMP are prohibited from entering into arrangements in connection with SGH Limited shares which operate to limit the executives' economic risk under any equity-based incentive schemes.

The ability to deal with unvested rights is restricted in the relevant equity plan rules which apply to the options over shares in the Company which have been granted. The Company will continue to monitor the appropriateness of this approach.

Clawback and malus provisions

The Company maintains Clawback and malus provisions within the variable pay plans. If in the Board's opinion, an employee:

- acts fraudulently or dishonestly;
- is in breach of their obligations to the Company or another SGH company; or
- received awards based on financial accounts which are later restated.

The Board may determine that unvested performance rights lapse and deem that any vested but unexercised performance share rights also lapse.

8. KMP Equity Holdings

Equity granted as remuneration

Deferred share rights granted as remuneration

SGH offered certain KMP Executives the opportunity to participate in SGH's deferred STI share rights plan in respect of performance and awarded KMP Executives deferred share rights that vest after one year. Deferred Share Rights and Equity Retention Rights were also issued to certain KMP Executives that vest between two and three years. These rights are generally settled through an on-market purchase of SGH shares at the time of vesting. Details of the vesting profile of the deferred equity rights held by KMP Executives during FY25 under the STI and equity retention plans are detailed below.

Details of the vesting profile of the deferred share rights held by KMP Executives during FY25 under the STI plan are detailed below.

Deferred share rights

KMP	Grant date	Vesting date	Fair value per share at grant date	Held at 1 July 2024	Granted	Forfeited	Vested	Held at 30 June 2025
RK Stokes AO	1-Jul-24	1-Jul-25	$36.58	–	31,240	–	–	31,240
	1-Jul-23	1-Jul-24	$23.83	42,930	–	–	(42,930)	–
	1-Jul-22	1-Jul-24	$15.34	59,149	–	–	(59,149)	–
				102,079	**31,240**	**–**	**(102,079)**	**31,240**
V Bansal	1-Jul-24	1-Jul-27	$37.41	–	60,144[(a)]	–	–	60,144
	1-Jul-24	1-Jul-25	$36.58	–	30,752	–	–	30,752
	28-Jun-24	1-Jul-26	$35.88	28,028[(b)]	–	–	–	28,028
				28,028	**90,896**	**–**	**–**	**118,924**
G Bhalla	1-Jul-24	1-Jul-25	$36.58	–	8,544	–	–	8,544
	1-Jul-23	1-Jul-24	$23.83	11,648	–	–	(11,648)	–
	1-Jul-22	1-Jul-24	$15.34	14,717	–	–	(14,717)	–
				26,365	**8,544**	**–**	**(26,365)**	**8,544**
RB Cotterill	1-Jul-24	1-Jul-25	$36.58	–	2,024	–	–	2,024
				–	**2,024**	**–**	**–**	**2,024**
JE Croome	1-Jul-24	1-Jul-25	$36.58	–	15,417	–	–	15,417
	1-Jul-23	1-Jul-24	$23.83	18,004	–	–	(18,004)	–
	14-Oct-22	14-Oct-24[(c)]	$16.74	46,946	–	–	(46,946)	–
	1-Jul-22	1-Jul-24	$15.34	25,300	–	–	(25,300)	–
				90,250	**15,417**	**–**	**(90,250)**	**15,417**
RJ Richards	1-Jul-24	1-Jul-25	$36.58	–	14,798	–	–	14,798
	1-Jul-23	1-Jul-24	$23.83	20,335	–	–	(20,335)	–
	1-Jul-22	1-Jul-24	$15.34	28,079	–	–	(28,079)	–
				48,414	**14,798**	**–**	**(48,414)**	**14,798**
MJ Vitlich	1-Jul-24	1-Jul-25	$36.58	–	9,123	–	–	9,123
	1-Jul-23	1-Jul-24	$23.83	18,142	–	–	(18,142)	–
	1-Jul-22	1-Jul-24	$15.34	24,709	–	–	(24,709)	–
				42,851	**9,123**	**–**	**(42,851)**	**9,123**

(a) Following the compulsory acquisition of Boral, a special equity retention award equivalent of 150% of the Boral CEO's FAR was awarded in July 2024. Under the award 60,144 Equity Retention Rights convert to ordinary shares on 1 July 2027, subject to his ongoing employment with the SGH and no notice of separation up to an including this date.

(b) Reflects the FY25 SGH Equity Retention (make-whole) Award that was issued in FY24 in lieu of the one-third lapsed portion of the Boral FY23 LTI following compulsory acquisition. Vesting under this award is subject to continued employment over a two-year period, including no notice of termination up to and including 1 July 2026.

(c) Relates to a one-off equity retention award equivalent of 60% of Mr Croome's FAR. These rights vested after two years of continued employment in October 2024.

Remuneration Report continued

Performance rights granted as remuneration

SGH offered certain KMP Executives the opportunity to participate in SGH's LTI. A summary of the LTI plans is provided below.

SGH LTI awards

Grant	Performance Measure	Performance Period	Vest Date	Vesting Outcome
FY23	TSR	1 Jul 22 to 30 Jun 25	2025 (3 years)	100%
FY24	50% TSR and 50% EPS	1 Jul 23 to 30 Jun 26	2026 (3 years)	In progress
FY25	50% TSR and 50% EPS	1 Jul 24 to 30 Jun 27	2027 (3 years)	In progress

LTI awards are structured as rights to acquire ordinary shares in the Company at no cost or a cash-settled equivalent to the executive. Details of the vesting profiles of the performance rights held by KMP Executives during FY25 under the LTI plan are provided below.

Performance rights

			Fair Value per right at grant date[a]						
KMP	**Grant Date**	**Expiry Date**	**TSR Component**	**EPS Component**	**Held at 1 July 2024**	**Granted**	**Forfeited**	**Vested**	**Held at 30 June 2025**
V Bansal	1-Jul-24	1-Sep-27	$21.14	$35.71	–	42,824			42,824
	28-Jun-24	1-Jul-26	$33.47	$36.64	38,495[b]	–	–	–	38,495
					38,495	**42,824**	**–**	**–**	**81,319**
G Bhalla	1-Jul-24	1-Sep-27	$21.14	$35.71	–	20,698	–	–	20,698
	1-Jul-23	1-Sep-26	$13.73	$23.13	23,627	–	–	–	23,627
	1-Jul-22	1-Sep-25	$8.62	–	35,788	–	–	–	35,788
	1-Jul-21	1-Sep-24	$10.86	–	25,550	–	–	(25,550)	–
					84,965	**20,698**	**–**	**(25,550)**	**80,113**
RB Cotterill	1-Jul-24	1-Sep-27	$21.14	$35.71	–	18,557	–	–	18,557
	16-Apr-24	1-Sep-26	$35.13	$38.14	10,970	–	–	–	10,970
					10,970	**18,557**	**–**	**–**	**29,527**
JE Croome	1-Jul-24	1-Sep-27	$21.14	$35.71	–	34,259	–	–	34,259
	1-Jul-23	1-Sep-26	$13.73	$23.13	40,503		–	–	40,503
	1-Jul-22	1-Sep-25	$8.62	–	61,348	–	–	–	61,348
	1-Jul-21	1-Sep-24	$10.86	–	44,191	–	–	(44,191)	–
					146,042	**34,259**	**–**	**(44,191)**	**136,110**
RJ Richards	1-Jul-24	1-Sep-27	$21.14	$35.71	–	34,259	–	–	34,259
	1-Jul-23	1-Sep-26	$13.73	$23.13	48,604	–	–	–	48,604
	1-Jul-22	1-Sep-25	$8.62	–	73,617	–	–	–	73,617
	1-Jul-21	1-Sep-24	$10.86	–	57,850	–	–	(57,850)	–
					180,071	**34,259**	**–**	**(57,850)**	**156,480**
MJ Vitlich	1-Jul-24	1-Sep-27	$21.14	$35.71	–	28,549	–	–	28,549
	1-Jul-23	1-Sep-26	$13.73	$23.13	33,753	–	–	–	33,753
	1-Jul-22	1-Sep-25	$8.62	–	51,123	–	–	–	51,123
	1-Jul-21	1-Sep-24	$10.86	–	36,156	–	–	(36,156)	–
					121,032	**28,549**	**–**	**(36,156)**	**113,425**
Performance rights (cash settled)									
RK Stokes AO	1-Jul-24	1-Sep-27	$21.14	$35.71	–	81,366	–	–	81,366
	1-Jul-23	1-Sep-26	$13.73	$23.13	85,507	–	–	–	85,507
	1-Jul-22	1-Sep-25	$8.62	–	129,512	–	–	–	129,512
	1-Jul-21	1-Sep-24	$10.86	–	101,772	–	–	(101,772)	–
					316,791	**81,366**	**–**	**(101,772)**	**296,385**

No amount is paid or payable by KMP Executives in relation to these LTI grants.

Further details about the LTI plan are set out in section 4 of the Remuneration Report.

(a) Reflects the fair market value of LTI Rights calculated using a Monte Carlo simulation analysis.

(b) Reflects the FY24 SGH Equity LTI (make-whole) Award was issued in FY24 to the Boral CEO in lieu of the two thirds lapsed portion of the Boral FY24 LTI. Vesting under this award is subject to the same three-year performance conditions of the FY24 SGH LTI being a 50% rTSR and 50% EPS performance hurdle, with vesting determined in August 2026.

Equity granted as remuneration affecting future periods

The fair value of equity granted as remuneration is amortised over the service period and therefore remuneration in respect of equity grants may be reported in future years. The following table summarises the maximum value of these grants that will be reported in the remuneration tables in future years, assuming all vesting conditions are met. The minimum value of the grant is nil should vesting conditions not be satisfied.

Equity settled

KMP	2026 $	2027 $
RK Stokes AO	1,892,906	867,796
V Bansal	2,841,823	1,206,732
G Bhalla	540,122	220,751
RB Cotterill	517,487	197,927
JE Croome	948,089	365,394
RJ Richards	990,786	365,394
MJ Vitlich	624,884	304,496

Shareholdings and transactions

Movements in the holdings of ordinary shares and by KMP held directly, indirectly, beneficially and including their personally related entities are set out in the tables below.

Ordinary Shares

KMP	Held at 1 July 2024	Purchases and other changes during the year	Shares granted as remuneration during the year	Rights converted to shares during the year	Held at 30 June 2025
TJ Davis	104,000	–	–	–	104,000
RH Argaman OAM	12,500	35,000	–	–	47,500
SA Chaplain AM	35,860	–	–	–	35,860
KL Farrar	17,587	–	–	–	17,587
MG Johnson	5,000	–	–	–	5,000
CJ Mackay	11,521	–	–	–	11,521
DI McEvoy	32,860	–	–	–	32,860
WL Smith AO	55,109	–	–	–	55,109
KMP Executive					
RK Stokes AO	574,768	–	–	102,079	676,847
V Bansal	134,604	–	–	–	134,604
G Bhalla	32,927	(39,380)	–	51,915	45,462
RB Cotterill	–	–	–	–	–
JE Croome	96,553	(44,885)	–	134,441	186,109
RJ Richards	296,653	(143,015)	–	106,264	259,902
MJ Vitlich	100,266	(35,609)	–	79,007	143,664

Remuneration Report continued

9. KMP Related Party Transactions

A number of KMP, or their personally related entities, hold positions in other entities that can result in them having control or significant influence over those entities. A number of these entities transacted with the Company or its subsidiaries during the year.

SGH transacted with entities of which the Directors of the Company, were Directors or Officers (excluding equity accounted investees, which are disclosed in Note 32 of the Financial Statements) or otherwise had an interest.

The aggregate value of the related party transactions with Director and Director related entities was as follows:

	2025 $	2024 $
Revenue		
Equipment sales and hire	105,836	141,261
Total revenue	**105,836**	**141,261**
Expenses		
Lease of premises and related outgoings	4,024,688	3,833,744
Other net expense/(reimbursements)	–	74,506
Total expenses	**4,024,688**	**3,908,250**

During the year, the Independent & Related Party Committee (IRPC) reviewed five related party leases due to expire within the next 18 months. The IRPC required management to obtain independent market valuations of each site, and suitable alternate properties, in support of management's recommendations in relation to the proposed lease extension. As a result, four facilities were re-leased on revised arm's length terms, and one facility was subdivided to allow the re-lease of only a portion the facility with a commensurate reduction in the ongoing rental.

In addition, the related party landlord was requested to install solar panels at a number of sites, with incremental lease rentals agreed in accordance with the existing provisions of the leases.

Loans and other transactions with KMP

During the year ended 30 June 2025, Mr Ryan Stokes AO was a director on the Board of Seven West Media Limited and Beach Energy Limited, representing SGH Limited. Mr Ryan Stokes AO received director's fees by Seven West Media Limited for services. Under a consultancy agreement between SGH and Beach, SGH will nominate a company representative to act as a non-executive director. The SGH representative is currently Mr Ryan Stokes AO. Fees in respect of services provided by Mr Ryan Stokes AO in FY25 of $271,926 (2024: $132,635) are payable directly to SGH pursuant to this consultancy agreement. Mr Ryan Stokes AO does not receive any director fees or superannuation for his services as a director to Beach. Mr Richard Richards receives director's fees for his services provided to Beach Energy Limited. As the amounts are not paid or payable by SGH Limited, they have not been included in the remuneration disclosures.

Other director fees (SGH Appointed)	2025 $	2024 $
RK Stokes AO	151,068	145,659
RJ Richards	165,563	157,075

Other transactions with SGH

A number of Directors hold directorships in other entities. Several of these entities transacted with SGH on terms and conditions not more favourable than those available on an arm's-length basis.

10. Remuneration in Detail

A. Remuneration earned by KMP Executives in FY25 (non-statutory disclosures)

The remuneration detailed in this table is aligned to the current performance periods and therefore is particularly useful in assessing pay received in the current year and its alignment with long-term performance. The values in this table will not reconcile with those provided in the statutory disclosures in table 10.B. For example, table 10.B discloses the value of equity grants which may or may not vest in future years, whereas this table discloses the value of grants from previous years which vested in FY25.

KMP Executive	Year	Fixed Remuneration $(a)	STI Cash Bonus $(b)	STI Vesting $(c)	LTI Vesting $(d)(e)	Total $
Ryan Stokes AO MD&CEO	**2025**	**1,900,000**	**1,013,057**	**3,851,808**	**3,385,987**	**10,150,852**
	2024	1,900,000	1,142,850	1,003,621	–	4,046,471
V Bansal CEO, Boral	**2025**	**1,500,000**	**1,057,500**	**–**	**–**	**2,557,500**
	2024	1,500,000	1,125,000	4,132,617	2,839,636	9,597,253
G Bhalla CPO	**2025**	**725,000**	**348,973**	**994,846**	**857,081**	**2,925,900**
	2024	700,000	312,559	259,916	–	1,272,475
RB Cotterill COO	**2025**	**650,000**	**291,780**	**–**	**–**	**941,780**
	2024	650,000	74,035	–	–	724,035
JE Croome CE, WesTrac	**2025**	**1,200,000**	**666,460**	**3,670,571**	**1,745,896**	**7,282,927**
	2024	1,200,000	564,000	448,279	-	2,212,279
RJ Richards CFO	**2025**	**1,200,000**	**639,825**	**1,826,835**	**1,904,641**	**5,571,301**
	2024	1,200,000	541,350	607,094	-	2,348,444
MJ Vitlich CE, Coates	**2025**	**1,000,000**	**225,000**	**1,616,922**	**1,428,443**	**4,270,365**
	2024	1,000,000	333,750	329,204	–	1,662,954
Total Current KMP Executives	**2025**	**8,175,000**	**4,242,595**	**11,960,982**	**9,322,048**	**33,700,625**
	2024	8,150,000	4,093,544	6,780,731	2,839,636	21,863,911

(a) Fixed Remuneration is the annual contracted remuneration that includes base salary, superannuation and any amounts salary sacrificed unless otherwise stated.

(b) The STI Cash Bonus is for the year it has been earned, which is paid in the following year.

(c) STI vesting in FY25 is for the FY22 & FY23 deferred share rights which had holding restrictions lifted on 18 August 2024 (share price of $37.7336). For Mr Croome this also includes the vesting of a retention grant on 14 October 2024 (share price $43.3808).

(d) LTI vesting in FY25 was for the FY21 LTI plan that partially vested at 87.3% with a one year holding restriction (share price of $37.7336).

(e) The MD&CEO's vested LTI is cash-settled, using the same terms and conditions as for the performance rights that are equity-settled under the LTI plan. Refer Section 4 for further details.

Remuneration Report continued

B. Remuneration earned by KMP Executives in FY25 (statutory disclosures)

The following table sets out the audited remuneration details for the KMP Executives for the year ended 30 June 2025, calculated in accordance with statutory accounting requirements.

KMP Executive	Year	Salary & fees $	STI cash bonus $	Non-monetary benefits[(a)] $	Super-annuation benefits $	Termi-nation Benefits $	Long service & annual leave $	Perfor-mance rights $	Deferred shares/ share rights $	Cash settled equity – employee expense $[(b)]	Cash settled equity – re-fair value $[(c)]	Total $	Perfor-mance related rem %
RK Stokes AO MD&CEO	**2025**	**1,900,000**	**1,013,057**	**23,872**	**–**	**–**	**(26,110)**	**–**	**1,077,948**	**1,631,727**	**7,094,726**	**12,715,220**	**85%**
	2024	1,900,000	1,142,850	23,872	–	–	177,825	–	1,385,252	1,183,436	5,875,967	11,689,202	82%
V Bansal CEO, Boral	**2025**	**1,447,467**	**1,057,500**	**–**	**52,533**	**–**	**111,024**	**981,499**	**2,303,767**	**–**	**–**	**5,953,790**	**73%**
	2024	1,451,884	1,125,000	–	48,116	–	82,066	1,367,542	2,412,128	–	–	6,486,736	76%
G Bhalla CPO	**2025**	**690,081**	**348,973**	**18,479**	**29,932**	**–**	**48,092**	**417,848**	**327,514**	**–**	**–**	**1,880,919**	**58%**
	2024	667,605	312,559	18,488	27,399	–	12,395	317,700	370,285	–	–	1,726,431	58%
RB Cotterill COO	**2025**	**620,068**	**291,780**	**13,492**	**29,932**	**–**	**21,240**	**321,029**	**205,126**	**–**	**–**	**1,502,667**	**54%**
	2024	181,444	74,035	3,373	6,850	–	14,423	38,843	14,807	–	–	333,775	38%
JE Croome CE, WesTrac	**2025**	**1,164,094**	**666,460**	**23,705**	**29,932**	**–**	**83,794**	**706,538**	**713,451**	**–**	**–**	**3,387,974**	**62%**
	2024	1,172,601	564,000	24,934	27,399	–	88,064	546,033	1,018,728	–	–	3,441,759	62%
RJ Richards CFO	**2025**	**1,170,068**	**639,825**	**13,492**	**29,932**	**–**	**61,971**	**793,123**	**590,589**	**–**	**–**	**3,299,000**	**61%**
	2024	1,172,601	541,350	13,492	27,399	–	84,614	672,691	656,476	–	–	3,168,623	59%
MJ Vitlich CE, Coates	**2025**	**970,068**	**225,000**	**25,698**	**29,932**	**-**	**(29,615)**	**588,785**	**279,369**	**-**	**-**	**2,089,237**	**52%**
	2024	972,601	333,750	14,050	27,399	–	(2,436)	452,604	509,322	–	–	2,307,290	56%
Total Current KMP Executives	**2025**	**7,961,846**	**4,242,595**	**118,738**	**202,193**	**–**	**270,396**	**3,808,822**	**5,497,764**	**1,631,727**	**7,094,726**	**30,828,807**	
	2024	7,518,736	4,093,544	98,209	164,562	–	456,951	3,395,413	6,366,998	1,183,436	5,875,967	29,153,816	

(a) Non-monetary benefits include costs such as parking benefits or costs relating to Company events and the associated fringe benefits tax.

(b) These values have been calculated under accounting standards. The values may not represent the future value that the KMP Executive will receive, as the vesting of the performance rights and cash-settled equity is subject to the Company achieving pre-defined performance hurdles.

(c) Under AASB 2: Share Based Payments, the fair value of cash settled equity awards is re-measured each reporting period. The movement in the fair value of the cash settled equity awards is driven by the movement in share price since grant date. As a result, the fair value of the cash settled equity awards for Mr RK Stokes AO increased by $7,094,726. If the awards had been equity settled, the total remuneration reflected in the remuneration table would be $5,620,494 compared to $12,715,220.

C. Remuneration for Non-Executive Directors in FY25

The following table sets out the audited remuneration details for the Non-Executive Directors for the year ended 30 June 2025, calculated in accordance with statutory accounting requirements.

Non-Executive Director	Year	Salary & fees $	Non-monetary benefits $	Super-annuation benefits $	Total $
TJ Davis	**2025**	**493,756**	**–**	**29,932**	**523,688**
Chairman	2024	471,351	–	27,399	498,750
RH Argaman OAM	**2025**	**195,919**	**–**	**22,531**	**218,450**
Non-Executive Director	2024	188,288	–	20,712	209,000
SA Chaplain AM	**2025**	**298,450**	**–**	**–**	**298,450**
Non-Executive Director	2024	289,000	–	–	289,000
KL Farrar	**2025**	**253,318**	**–**	**29,132**	**282,450**
Non-Executive Director	2024	242,342	–	26,658	269,000
MG Johnson[(a)]	**2025**	**162,938**	**–**	**18,738**	**181,676**
Non-Executive Director	2024	–	–	–	–
CJ Mackay	**2025**	**238,450**	**–**	**–**	**238,450**
Non-Executive Director	2024	223,327	–	5,673	229,000
DI McEvoy	**2025**	**213,857**	**–**	**24,593**	**238,450**
Non-Executive Director	2024	206,306	–	22,694	229,000
WL Smith AO	**2025**	**231,794**	**–**	**26,656**	**258,450**
Non-Executive Director	2024	249,000	–	–	249,000
RA Uechtritz[(b)]	**2025**	**73,858**	**3,617**	**8,494**	**85,969**
Non-Executive Director	2024	188,288	–	20,712	209,000
Total Non-Executive Directors	**2025**	**2,162,340**	**3,617**	**160,076**	**2,326,033**
	2024	2,057,902	–	123,848	2,181,750

(a) Mr Johnson commenced as a Non-Executive Director on 26 September 2024.
(b) Mr Uechtritz retired from the Board on 14 November 2024.

End of audited Remuneration Report

Directors' Report

Indemnity

The Constitution of the Company provides an indemnity to any current or former Director and secretary of the Company against any liabilities incurred by that person, or arising out of, the discharge of duties as an officer of the Company or the conduct of the business of the Company, including associated legal costs defending any proceedings relating to that person's position with the Company in specified circumstances.

As permitted by the Constitution of the Company, the Company has entered into deeds of access, insurance and indemnity with each Director as at the end of the financial year.

No amounts were paid and no actions taken pursuant to these indemnities during the year.

Insurance Premiums

The Company has paid insurance premiums in respect of a directors' and officers' liability insurance contract insuring against certain liabilities (subject to exclusions) of all current and former officers of the Company and its subsidiaries, including all Directors named in this report, the Company Secretary and all persons concerned in, or taking part in the management of, the Company and its controlled entities, and former Directors and officers who have retired or relinquished their positions.

The insurance policies prohibit disclosure of the premiums paid in respect of those policies and the nature of the liabilities insured by the policies.

Non-Audit Services

During the year Deloitte Touche Tohmatsu, the Company's auditor, has performed certain other services in addition to their statutory duties.

The Board has considered the non-audit services provided during the year by the auditor and, in accordance with the advice received from the Audit & Risk Committee, is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Board in terms of the Company's formal Auditor Independence Policy to ensure that they do not impact the integrity and objectivity of the auditor; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 93.

Amounts paid or payable by SGH to the auditor, Deloitte Touche Tohmatsu, for non-audit services provided during the year are set out in Note 33 to the Financial Report.

Rounding Off

The Company is of a kind referred to in ASIC Instrument 2016/191 and in accordance with that Instrument, amounts in the Directors' Report and consolidated financial statements have been rounded off to the nearest whole number of millions of dollars and one place of decimals representing hundreds of thousands of dollars.

Signed for and on behalf of the Board of Directors and in accordance with a resolution of the Directors.

Terry James Davis
Chairman

Sally Annabelle Chaplain AM
Chair of the Audit & Risk Committee

Sydney
12 August 2025

Deloitte.

Deloitte Touche Tohmatsu
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Australia

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12 August 2025

The Board of Directors
SGH Limited
Level 30, 175 Liverpool Street
Sydney NSW 2000

Dear Board Members

Auditor's Independence Declaration to SGH Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of SGH Limited.

As lead audit partner for the audit of the financial report of SGH Limited for the financial year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) Any applicable code of professional conduct in relation to the audit.

Yours faithfully

DELOITTE TOUCHE TOHMATSU

H Fortescue
Partner
Chartered Accountants

Financial Report

Primary Statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2025

CONTINUING OPERATIONS	Note	2025 $m	2024 $m
Revenue	4	10,743.5	10,617.5
Other income		76.9	35.1
Share of results from equity accounted investees	11	18.7	(118.2)
Impairment of equity accounted investees	3	(266.9)	(135.3)
Net gain on disposal of controlled entities	31	–	76.3
Expenses excluding depreciation and amortisation	4	(8,968.6)	(8,902.0)
Profit before depreciation, amortisation, net finance expense and income tax		**1,603.6**	**1,573.4**
Depreciation and amortisation		(503.7)	(505.4)
Profit before net finance expense and income tax		**1,099.9**	**1,068.0**
Finance income	5	17.7	40.3
Finance expense	5	(343.4)	(342.5)
Net finance expense		**(325.7)**	**(302.2)**
Profit before income tax		**774.2**	**765.8**
Income tax expense	6	(284.1)	(243.7)
Profit for the year from continuing operations		**490.1**	**522.1**
Profit for the year from discontinued operations	31	36.8	–
Profit for the year		**526.9**	**522.1**
Profit for the year attributable to:			
Equity holders of the Company		522.9	464.4
Non-controlling interest		4.0	57.7
Profit for the year		**526.9**	**522.1**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Net change in fair value of financial assets at fair value through other comprehensive income		7.8	(17.4)
Income tax relating to items that will not be reclassified subsequently to profit or loss		(3.1)	4.4
Total items that will not be reclassified subsequently to profit or loss		**4.7**	**(13.0)**
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges: effective portion of changes in fair value	24	(22.8)	(9.9)
Foreign currency differences for foreign operations	24	0.1	(0.5)
Foreign currency translation reserve transferred to profit or loss	24	–	(13.6)
Income tax relating to items that may be reclassified subsequently to profit or loss	24	6.8	3.9
Total items that may be reclassified subsequently to profit or loss		**(15.9)**	**(20.1)**
Total comprehensive income for the year		**515.7**	**489.0**
Total comprehensive income for the year attributable to:			
Equity holders of the Company		511.7	431.5
Non-controlling interest		4.0	57.5
Total comprehensive income for the year		**515.7**	**489.0**

Statutory earnings per share (EPS)		$	$
From continuing operations			
Basic earnings per share	7	1.20	1.26
Diluted earnings per share	7	1.19	1.23
From continuing and discontinued operations			
Basic earnings per share	7	1.29	1.26
Diluted earnings per share	7	1.28	1.23

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the financial statements.

Primary Statements

Consolidated Statement of Financial Position
As at 30 June 2025

	Note	2025 $m	2024 $m
Current assets			
Cash and cash equivalents	18	176.6	654.3
Trade and other receivables	8	1,295.5	1,320.1
Contract assets	8	239.4	201.1
Inventories	10	1,861.4	1,991.1
Current tax assets^		–	25.9
Other current assets		79.1	151.0
Derivative financial instruments	22	60.9	8.4
Assets classified as held for sale		7.7	7.3
Total current assets		**3,720.6**	**4,359.2**
Non-current assets			
Other receivables	8	2.5	3.5
Inventories	10	386.9	346.8
Investments accounted for using the equity method	11	1,025.8	1,325.5
Other financial assets		62.9	66.1
Right of use assets	12	700.9	706.7
Property, plant and equipment	13	3,767.5	3,642.1
Producing and development assets	14	882.3	627.7
Intangible assets	15	2,217.8	2,220.4
Deferred tax assets	6	0.2	137.3
Other non-current assets		59.7	37.2
Derivative financial instruments	22	102.9	142.1
Total non-current assets		**9,209.4**	**9,255.4**
Total assets		**12,930.0**	**13,614.6**
Current liabilities			
Trade and other payables	9	1,201.4	1,459.7
Lease liabilities	12	81.2	73.9
Interest bearing loans and borrowings	20	458.2	701.6
Deferred income	4	364.3	519.3
Current tax liability		86.3	83.2
Provisions	16	152.2	187.6
Employee benefits	17	181.5	200.0
Derivative financial instruments	22	8.5	3.0
Total current liabilities		**2,533.6**	**3,228.3**
Non-current liabilities			
Other payables		4.0	7.9
Lease liabilities	12	926.5	916.2
Interest bearing loans and borrowings	20	3,900.7	4,284.9
Deferred tax liabilities	6	174.5	525.2
Provisions	16	504.5	439.4
Employee benefits	17	17.7	16.4
Derivative financial instruments	22	61.1	67.9
Total non-current liabilities		**5,589.0**	**6,257.9**
Total liabilities		**8,122.6**	**9,486.2**
Net assets		**4,807.4**	**4,128.4**
Equity			
Contributed equity	23	5,019.7	4,762.4
Reserves	24	(2,889.8)	(3,031.3)
Retained earnings^		2,647.6	2,368.9
Total equity attributable to equity holders of the Company		**4,777.5**	**4,100.0**
Non-controlling interest		29.9	28.4
Total equity		**4,807.4**	**4,128.4**

^ These comparative balances have been restated.
The Consolidated Statement of Financial Position is to be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity
For the year ended 30 June 2025

YEAR ENDED 30 JUNE 2025	Note	Contributed equity $m	Reserves $m	Retained earnings $m	Total $m	Non-controlling interest $m	Total equity $m
Balance as at 1 July 2024		**4,762.4**	**(3,031.3)**	**2,368.9**	**4,100.0**	**28.4**	**4,128.4**
Profit for the year		–	–	522.9	522.9	4.0	526.9
Net change in fair value of financial assets measured at fair value through OCI	24	–	7.8	–	7.8	–	7.8
Cash flow hedges: effective portion of changes in fair value	24	–	(22.8)	–	(22.8)	–	(22.8)
Foreign currency differences for foreign operations	24	–	0.1	–	0.1	–	0.1
Income tax on items of OCI	24	–	3.7	–	3.7	–	3.7
Total comprehensive income for the year		**–**	**(11.2)**	**522.9**	**511.7**	**4.0**	**515.7**
Transactions with owners recognised directly in equity							
Ordinary dividends paid	25	–	–	(244.2)	(244.2)	(2.5)	(246.7)
Shares issued	23	248.0	–	–	248.0	–	248.0
Acquisition of non-controlling interest	24	–	172.6	–	172.6	–	172.6
Treasury shares acquired	23	(24.8)	–	–	(24.8)	–	(24.8)
Shares vested and transferred to employees	23	34.1	(34.1)	–	–	–	–
Share based payments	24	–	14.2	–	14.2	–	14.2
Total contributions by and distributions to owners		**257.3**	**152.7**	**(244.2)**	**165.8**	**(2.5)**	**163.3**
Total movement in equity for the year		**257.3**	**141.5**	**278.7**	**677.5**	**1.5**	**679.0**
Balance as at 30 June 2025		**5,019.7**	**(2,889.8)**	**2,647.6**	**4,777.5**	**29.9**	**4,807.4**

YEAR ENDED 30 JUNE 2024	Note	Contributed equity $m	Reserves $m	Retained earnings $m	Total $m	Non-controlling interest $m	Total equity $m
Balance as at 1 July 2023^		**3,375.3**	**(1,526.6)**	**2,072.1**	**3,920.8**	**705.0**	**4,625.8**
Profit for the year		–	–	464.4	464.4	57.7	522.1
Net change in fair value of financial assets measured at fair value through OCI	24	–	(17.4)	–	(17.4)	–	(17.4)
Cash flow hedges: effective portion of changes in fair value	24	–	(9.6)	–	(9.6)	(0.3)	(9.9)
Foreign currency differences for foreign operations	24	–	(0.5)	–	(0.5)	–	(0.5)
Recycling of foreign currency translation	24	–	(13.6)	–	(13.6)	–	(13.6)
Income tax on items of OCI	24	–	8.2	–	8.2	0.1	8.3
Total comprehensive income for the year		**–**	**(32.9)**	**464.4**	**431.5**	**57.5**	**489.0**
Transactions with owners recognised directly in equity							
Ordinary dividends paid	25	–	–	(167.6)	(167.6)	(67.5)	(235.1)
Shares issued from convertible notes	23	44.7	–	–	44.7	–	44.7
Non-controlling interest on partial disposal of controlled entity without loss of control		–	24.1	–	24.1	30.2	54.3
Acquisition of non-controlling interest		1,371.5	(1,475.5)	–	(104.0)	(693.3)	(797.3)
Share based payments from controlled entity		–	(18.0)	–	(18.0)	(3.5)	(21.5)
Treasury shares acquired	23	(40.8)	–	–	(40.8)	–	(40.8)
Shares vested and transferred to employees	23	11.7	(11.7)	–	–	–	–
Share based payments		–	9.3	–	9.3	–	9.3
Total contributions by and distributions to owners		**1,387.1**	**(1,471.8)**	**(167.6)**	**(252.3)**	**(734.1)**	**(986.4)**
Total movement in equity for the year		**1,387.1**	**(1,504.7)**	**296.8**	**179.2**	**(676.6)**	**(497.4)**
Balance as at 30 June 2024		**4,762.4**	**(3,031.3)**	**2,368.9**	**4,100.0**	**28.4**	**4,128.4**

^ Retained earnings has been restated by $10.5 million.
The Consolidated Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

Primary Statements

Consolidated Cash Flow Statement
For the year ended 30 June 2025

	Note	2025 $m	2024 $m
Cash flows related to operating activities			
Receipts from customers		11,552.2	11,569.6
Payments to suppliers and employees		(9,670.4)	(10,299.5)
Dividends and distributions received from equity accounted investees	11	50.0	38.3
Other dividends received		19.2	2.9
Interest and other items of a similar nature received		15.9	40.1
Interest and other costs of finance paid		(332.5)	(294.7)
Income taxes paid		(202.8)	(235.7)
Restructure and transaction costs paid		(14.4)	(12.8)
Net operating cash flows	19	**1,417.2**	**808.2**
Cash flows related to investing activities			
Payments for purchases of property, plant and equipment		(526.1)	(525.7)
Proceeds from sale of property, plant and equipment		42.1	40.7
Payments for purchase of intangible assets		(4.2)	(2.6)
Proceeds from sale of producing and development assets, net of transaction costs		2.3	–
Payments for producing and development assets		(238.2)	(146.7)
Payments for other investments		(1.6)	(0.2)
Proceeds from sale of other financial assets		15.2	5.4
Proceeds from sale of other non-current assets		2.7	–
Proceeds from disposal of controlled entities, net of cash disposed and transaction costs	31	30.4	152.4
Loan repayment from equity accounted investee		0.3	–
Acquisition of controlled entities, net of cash acquired		(0.6)	(45.2)
Proceeds from partial disposal of controlled entity without loss of control	31	–	54.3
Net investing cash flows		**(677.7)**	**(467.6)**
Cash flows related to financing activities			
Payments for issue of shares		–	(0.1)
Ordinary dividends paid	25	(244.2)	(167.6)
Acquisition of non-controlling interest	31	(181.6)	(606.8)
Dividend paid to non-controlling interests		(2.5)	(67.5)
Proceeds from borrowings		2,202.3	3,141.3
Repayment of borrowings		(2,879.5)	(2,696.9)
Repayment of lease liabilities		(87.0)	(90.3)
Repurchase of Boral shares for Boral employee share plans		–	(34.3)
Purchase of treasury shares	23	(24.8)	(40.8)
Net financing cash flows		**(1,217.3)**	**(563.0)**
Net decrease in cash and cash equivalents		**(477.8)**	**(222.4)**
Cash and cash equivalents at beginning of the year		654.3	876.5
Effect of exchange rate changes on cash and cash equivalents		0.1	0.2
Cash and cash equivalents at end of the year	18	**176.6**	**654.3**

The Consolidated Cash Flow Statement is to be read in conjunction with the notes to the financial statements.

Basis of Preparation

1. Basis of Preparation

SGH Limited (the Company) is a for-profit company limited by shares and the shares are publicly traded on the Australian Securities Exchange (ASX). On 14 November 2024, following shareholder approval at the Annual General Meeting, the Company changed its name from Seven Group Holdings Limited to SGH Limited. The Company is domiciled in Australia.

These consolidated financial statements are in respect of the year ended 30 June 2025 and comprise the Company and its subsidiaries (together referred to as SGH) and SGH's interest in equity accounted investees.

The financial report was authorised for issue in accordance with a resolution of the Directors on 12 August 2025.

The financial report is a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The consolidated financial report of SGH complies with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).

The financial report is prepared on the historical cost basis except for the following items:

- financial instruments that are measured at amortised cost or fair value through other comprehensive income;
- derivative financial instruments are measured at fair value through profit or loss; and
- liabilities for cash-settled share based payments are measured at fair value through profit or loss.

The Company is of a kind referred to in ASIC Instrument 2016/191 and in accordance with that Instrument, amounts in the Directors' Report and consolidated financial statements have been rounded off to the nearest whole number of millions of dollars and one place of decimals representing hundreds of thousands of dollars unless otherwise stated.

Certain comparative amounts in this financial report have been reclassified to conform to the current year's presentation or to correct a misstatement.

(A) Material accounting policies

Note 1 sets out SGH's material accounting policies that relate to the financial statements as a whole. Where an accounting policy is specific to one note, the policy is described in the note to which it relates. This note also outlines new accounting policies and the expected impact on the financial position and performance of SGH.

The accounting policies set out in this financial report have been consistently applied by group entities and equity accounted investees.

(B) Critical accounting estimates and judgements

The preparation of financial statements requires that management make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that may have a financial impact on SGH and that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are incorporated and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are outlined in the relevant note.

(C) Functional and presentation currency

Items included in the financial statements of each of SGH's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial report is presented in Australian Dollars, which is the Company's functional and presentation currency.

(D) New or amended accounting policies

A number of new standards, amendments to standards and interpretations were effective for the current reporting period.

i) Amendments to AASB 2023-2 – Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules

The Organisation for Economic Co-operation and Development (OECD) Pillar Two rules are designed to ensure large multinational enterprises pay a minimum level of tax on the income arising in each of the jurisdictions in which they operate; and achieve a minimum effective tax rate of 15 per cent in each jurisdiction.

SGH is in scope of the Pillar Two rules as it has consolidated annual revenue in excess of EUR 750 million. Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which SGH operates and is effective in Australia for the financial year beginning 1 July 2024. SGH has performed an assessment as to the potential Pillar Two tax liability for the financial year ended 30 June 2025. Pillar Two did not have a material impact on the current tax expense of SGH for the financial year ended 30 June 2025.

SGH has adopted the amendments to AASB 112 in AASB 2023-2 Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules and has applied the mandatory temporary exemption to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

ii) Amendment to AASB 101 - Classification of Liabilities as Current or Non-Current (Deferred amendments)

The amendment to AASB 101 clarifies requirements for the presentation of financial liabilities in the Consolidated Statement of Financial Position as current or non-current depending on the rights that exist at the end of the reporting period. The amendment requires a liability to be classified as non-current if at the end of the reporting period the entity has the right to defer settlement of the liability for at least 12 months. The right must exist, have substance, and no longer needs to be unconditional. The classification is now based on rights to defer settlement rather than intention. The amendments also clarify what it means when it refers to the 'settlement' of a liability. These amendments applied from 1 July 2024, and did not have a material impact to SGH's financial report.

iii) AASB 2023-1 - Amendments to Australian Accounting Standards - Supplier Finance Arrangements

The amendment to AASB 107 and AASB 7 requires an entity to provide additional disclosures about its supplier finance arrangements. The additional information will enable users of financial statements to assess how supplier finance arrangements affect an entity's liabilities, cash flows and exposure to liquidity risk. The amendments require an entity to disclose the terms and conditions of the arrangements, the carrying amount of the liabilities that are part of the arrangements, the carrying amounts of those liabilities for which the suppliers have already received payment from the finance providers, the range of payment due dates and the effect of non-cash changes. This amendment did not impact SGH's financial report.

(E) New accounting standards

Amendments to Australian Accounting Standards

A number of new standards, amendments to standards and interpretations are effective for future reporting periods. These have not been applied in preparing this financial report. Those which may be relevant to SGH are set out below. SGH does not plan to adopt these standards early, however, they are not expected to materially impact SGH's results.

i) International Sustainability Standards

Following their approval on 20 September 2024, the AASB has published a voluntary AASB S1: General Requirements for Disclosure of Sustainability-related Financial Information (AASB S1) and mandatory AASB S2: Climate Related Disclosures (AASB S2). SGH will be required to comply with the requirements of AASB S2 in FY26 and prepare a sustainability report that complies with the new standard. Work continues to be undertaken to prepare for these climate-related financial disclosures.

Several other amendments to standards and interpretations will apply on or after 1 July 2025, and have not yet been applied, however they are not expected to materially impact SGH's results. While these Amendments introduce new disclosure requirements, they do not materially affect SGH's accounting policies or any of the amounts recognised in the financial statements.

Results for the Year

2. Operating segments

Recognition and measurement

Identification of reportable segments

SGH has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision maker) in assessing performance and in determining the allocation of resources.

An operating segment is a component of SGH that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of SGH's other components. All operating segments' operating results are regularly reviewed by SGH's executive management team and Board to make decisions about resources to be allocated to the segment and to assess its performance. From 1 July 2024, Allight is reported within the WesTrac segment reflecting the manner in which management now review the Allight operations.

Segment results that are reported to the executive management team and Board include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and head office expenses. Cash and cash equivalents, derivatives, interest bearing loans and borrowings and income tax assets and liabilities are also unallocated, except in the prior year for Boral, which were included within the Boral segment. These assets and liabilities for Boral are shown as unallocated from 1 July 2024 following the completion of SGH's compulsory acquisition of Boral.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, producing and development assets and intangible assets other than goodwill.

The operating segments are identified by management based on the manner in which products are sold, the nature of services provided and country of origin.

WesTrac	WesTrac is the authorised Caterpillar dealer in Western Australia, New South Wales and the Australian Capital Territory, providing heavy equipment sales and support to customers. Allight is a market leader in designing, manufacturing assembly, distribution and support of mobile lighting towers, distribution of FG Wilson generators and Perkins engines.
Boral	Boral is Australia's largest integrated construction materials company, producing and selling a broad range of materials, including quarry materials, cement, concrete, asphalt and recycled materials. Boral has operations in all Australian States and Territories.
Coates	Coates is Australia's largest general equipment hire company and provides a full range of general and specialist equipment to a wide variety of markets including engineering, building construction and maintenance, mining and resources, manufacturing, government and events.
Energy	Energy relates to SGH's wholly-owned interest in SGH Energy Pty Limited and SGH's equity accounted investment in Beach Energy Limited (Beach Energy). It also includes SGH's joint operation in the Bivins Ranch basin in Texas USA until its divestment in November 2024.
Media investments	Media investments relate to investments in listed and unlisted media organisations, including Seven West Media Limited and private equity investments in China.
Other investments	Other investments incorporates property, and in the prior year Sykes. SGH's investment in Sykes was disposed of on 5 December 2023.

SGH is domiciled in Australia and operates predominantly in Australia. Further details of other countries in which SGH operates is provided in this Note. Segment revenues are allocated based on the country in which the customer is located. Segment assets are allocated to countries based on where the assets are located.

The comparatives on the following pages have been restated to reflect Allight's operations being reviewed as part of the WesTrac segment rather than Other investments.

2. Operating segments (continued)

CONTINUING OPERATIONS	WesTrac^(a) 2025 $m	WesTrac^(a) 2024 $m	Boral^(a) 2025 $m	Boral^(a) 2024 $m	Coates(a) 2025 $m	Coates(a) 2024 $m	Energy 2025 $m	Energy 2024 $m	Media investments(b) 2025 $m	Media investments(b) 2024 $m	Other investments^(a) 2025 $m	Other investments^(a) 2024 $m	Total 2025 $m	Total 2024 $m
Segment revenue														
Building material sales	–	–	3,222.2	3,272.8	–	–	–	–	–	–	–	–	3,222.2	3,272.8
Product sales	2,214.2	1,974.5	–	–	0.7	5.3	–	–	–	–	–	31.1	2,214.9	2,010.9
Product support	3,856.7	3,873.5	–	–	1.7	4.9	–	–	–	–	–	0.8	3,858.4	3,879.2
Hire of equipment	28.7	25.7	–	–	1,038.3	1,132.1	–	–	–	–	–	–	1,067.0	1,157.8
Rendering of services	–	–	102.1	89.7	–	–	–	–	–	–	–	–	102.1	89.7
Contracting businesses	–	–	278.2	192.1	–	–	–	–	–	–	–	–	278.2	192.1
Oil, gas and condensate sales	–	–	–	–	–	–	0.7	2.7	–	–	–	–	0.7	2.7
Other	–	–	–	–	–	–	–	–	–	–	–	12.3	-	12.3
Sales to external customers	**6,099.6**	**5,873.7**	**3,602.5**	**3,554.6**	**1,040.7**	**1,142.3**	**0.7**	**2.7**	**–**	**–**	**–**	**44.2**	**10,743.5**	**10,617.5**
by geographic segment														
Australia	6,099.6	5,825.6	3,602.5	3,554.6	1,040.7	1,115.7	–	-	–	–	–	78.0	10,742.8	10,573.9
International	–	–	–	–	–	26.6	0.7	2.7	–	–	–	14.3	0.7	43.6
Segment result														
Segment EBITDA excluding Significant items(c)	727.0	705.8	691.9	598.9	485.7	528.0	131.9	98.6	42.1	25.4	(1.0)	2.0	2,077.6	1,958.7
Depreciation and amortisation	(88.4)	(81.1)	(223.6)	(227.3)	(196.2)	(201.3)	–	–	–	–	–	(0.6)	(508.2)	(510.3)
Segment EBIT excluding Significant items(d)	**638.6**	**624.7**	**468.3**	**371.6**	**289.5**	**326.7**	**131.9**	**98.6**	**42.1**	**25.4**	**(1.0)**	**1.4**	**1,569.4**	**1,448.4**
Other segment information														
Share of results of equity accounted investees included in segment EBIT	5.4	5.0	20.8	18.1	–	–	135.2	102.5	21.9	31.9	(0.1)	–	183.2	157.5
Significant items														
Impairment of assets	–	–	–	–	–	–	(240.3)	–	(23.9)	(134.3)	–	(1.0)	(264.2)	(135.3)
Acquisition and transformation costs	–	–	(6.0)	(14.4)	(12.1)	(6.7)	(2.7)	–	–	–	–	–	(20.8)	(21.1)
Share of equity accounted significant items	–	–	–	(16.3)	–	–	(148.3)	(245.2)	(16.2)	(14.2)	–	–	(164.5)	(275.7)
Fair value adjustments	–	–	11.9	(11.4)	–	–	–	–	–	–	–	–	11.9	(11.4)
Net gain on disposal of controlled entities	–	–	–	–	–	43.7	–	–	–	–	–	32.6	–	76.3
Property EBIT	–	–	(9.8)	–	–	–	–	–	–	–	–	4.6	(9.8)	4.6
Cleanaway lease option	–	–	15.0	–	–	–	–	–	–	–	–	–	15.0	–
Fair value movement on power agreement	–	–	(5.1)	(0.3)	–	–	–	–	–	–	–	–	(5.1)	(0.3)
Fair value movement from Boral acquisition	–	–	–	11.7	–	–	–	–	–	–	–	–	–	11.7
Capital expenditure	**(35.9)**	**(31.1)**	**(326.4)**	**(232.7)**	**(125.9)**	**(222.3)**	**(238.2)**	**(146.7)**	**–**	**–**	**–**	**(0.7)**	**(726.4)**	**(633.5)**
Equity accounted investments	46.6	42.0	103.6	97.1	-	-	780.7	1,069.7	89.7	111.4	5.2	5.3	1,025.8	1,325.5
Other segment assets(f)	3,544.1	3,762.1	4,490.2	4,871.7	2,564.4	2,583.4	882.1	628.3	62.9	66.2	17.8	17.8	11,561.4	11,929.5
Segment assets(e)(f)	**3,590.7**	**3,804.1**	**4,593.8**	**4,968.8**	**2,564.4**	**2,583.4**	**1,662.7**	**1,698.0**	**152.6**	**177.6**	**23.0**	**23.1**	**12,587.2**	**13,255.0**
Segment liabilities(f)	**(1,551.8)**	**(1,694.3)**	**(1,208.6)**	**(2,643.2)**	**(447.7)**	**(453.5)**	**(114.6)**	**(92.4)**	**–**	**–**	**(1.3)**	**(1.0)**	**(3,324.0)**	**(4,884.4)**

(a) Segment results above have been reduced in relation to the elimination of sales between SGH entities.

^ Comparative has been restated to align with current year presentation.

(b) Media investments comprise investments accounted for using the equity method and financial assets fair valued through other comprehensive income.

(c) Segment EBITDA comprises profit before depreciation and amortisation, net finance expense, income tax and significant items. Segment EBIT comprises profit before net finance expense, income tax and significant items.

(d) Segment EBITDA, EBIT and share of results of equity accounted investees excludes the share of results from equity accounted investees attributable to significant items.

(e) Coates segment assets includes assets classified as held for sale of $7.7 million (2024: $7.3 million) which relate to hire fleet assets available for immediate sale and are expected to be disposed of within 12 months.

(f) In the prior year, Boral segment assets/(liabilities) includes Boral's cash holdings, derivative financial instruments, interest bearing liabilities and tax balances.

Results for the Year continued

Analysis by geographical area

Revenue and non-current assets by geographical area	Segment revenue 2025 $m	Segment revenue 2024 $m	Non-current assets[a] 2025 $m	Non-current assets[a] 2024 $m
Australia	10,742.8	10,573.9	8,017.6	7,584.4
United Arab Emirates	–	9.2	–	–
Indonesia	–	26.6	–	–
United States of America	0.7	7.8	–	–
Total revenue and non-current assets	**10,743.5**	**10,617.5**	**8,017.6**	**7,584.4**

(a) Non-current assets excluding other financial assets, derivative financial instruments, investments accounted for using the equity method and deferred tax assets.

Major customer

SGH did not derive revenue greater than 10 per cent of total revenue from a single major customer in either the current or prior year.

Segment reconciliations

Reconciliation of segment EBIT to profit before income tax per Consolidated Statement of Profit or Loss	2025 $m	2024 $m
Segment net operating profit before net finance expense and income tax (EBIT)	1,569.4	1,448.4
Corporate operating costs	(32.0)	(29.2)
Share of significant items relating to results from equity accounted investees	(164.5)	(275.7)
Impairment of equity accounted investees	(266.9)	(135.3)
Net gain on disposal of controlled entities	–	76.3
Property EBIT	(9.8)	4.6
Cleanaway lease option	15.0	–
Producing and development asset impairment reversal	2.7	–
Remediation costs provided for non-current assets	(8.7)	–
Costs incurred in relation to the Boral takeover	–	(14.4)
Transformation and restructure costs	(12.1)	(6.7)
Fair value adjustments arising from acquisition of Boral	11.9	(11.4)
Fair value movement of power purchase agreement	(5.1)	(0.3)
Fair value movement of Boral compulsory share acquisition liability	–	11.7
Net finance expense	(325.7)	(302.2)
Profit before income tax per consolidated statement of profit or loss	**774.2**	**765.8**
Reconciliation of segment operating assets to total assets per Consolidated Statement of Financial Position[a]		
Segment operating assets^	12,587.2	13,255.0
Cash holdings	176.6	210.9
Deferred tax assets	0.2	13.7
Derivative financial instruments	163.8	123.2
Assets held at corporate level	2.2	11.8
Total assets per consolidated statement of financial position	**12,930.0**	**13,614.6**
Reconciliation of segment operating liabilities to total liabilities per Consolidated Statement of Financial Position[a]		
Segment operating liabilities	(3,324.0)	(4,884.4)
Interest bearing loans and borrowings – current	(458.2)	(701.6)
Interest bearing loans and borrowings – non-current	(3,900.7)	(3,408.3)
Current tax liability	(86.3)	(74.4)
Deferred tax liabilities	(174.5)	(300.0)
Derivative financial instruments	(69.6)	(55.7)
Liabilities held at corporate level	(109.3)	(61.8)
Total liabilities per consolidated statement of financial position	**(8,122.6)**	**(9,486.2)**

^ The comparative balance has been restated by $10.5 million.

(a) Boral's cash and cash equivalents, derivative financial instruments, interest bearing loans and borrowings and income tax assets and liabilities are shown as unallocated at 30 June 2025 following compulsory acquisition. At 30 June 2024, these assets and liabilities were shown within Segment operating assets and liabilities in the Boral segment.

3. Significant items

Profit before income tax includes the following income and expenses for which disclosure is relevant in explaining the underlying financial performance of SGH.

CONTINUING OPERATIONS	Note	2025 $m	2024 $m
Share of results from equity accounted investees attributable to significant items		(164.5)	(275.7)
Impairment of equity accounted investees	11	(266.9)	(135.3)
Producing and development asset impairment reversal	14	2.7	–
Remediation costs provided for non-current assets		(8.7)	–
Net gain on disposal of controlled entities		–	76.3
Property EBIT		(9.8)	4.6
Transformation and restructure costs		(12.1)	(6.7)
Fair value adjustments arising from acquisition of Boral		11.9	(11.4)
Fair value movement of power purchase agreement		(5.1)	(0.3)
Cleanaway lease option		15.0	–
Fair value movement of Boral compulsory acquisition liability		–	11.7
Costs incurred in relation to the Boral takeover		–	(14.4)
Total significant items before net finance expense and income tax – continuing operations		**(437.5)**	**(351.2)**
Significant items in net finance expense		(9.3)	(8.7)
Total significant items before income tax – continuing operations		**(446.8)**	**(359.9)**
Income tax benefit/(expense) on significant items		9.2	(32.1)
Total significant items – continuing operations		**(437.6)**	**(392.0)**
DISCONTINUED OPERATIONS			
Previously disposed businesses	31	36.8	–
Total significant items – discontinued operations		**36.8**	**–**

Share of results from equity accounted investees attributable to significant items relates to SGH's share of significant items included in the results of equity accounted investees. In the current and prior year, this mainly relates to Seven West Media's IT implementation costs and fair value adjustments relating to investments, redundancy and restructuring costs and provision for onerous contracts. It also includes SGH's share of Beach Energy's significant items for impairments recognised by Beach, restructuring, tariffs and tolls and loss on disposal of non-current assets, offset by insurance recoveries. In the prior year, it also included Seven West Media's gain on lease modification as well as the impairment of capitalised development costs within Penrith Lakes Development Corporation within Boral.

Impairment of equity accounted investees relates to the impairment of SGH's investment in the ordinary equity of Beach Energy and Seven West Media. In the prior year, it related to the impairment of SGH's investment in Seven West Media and an immaterial joint venture. Refer also to Note 11: Investments accounted for using the equity method.

Producing and development asset impairment reversal relates to the partial reversal of an impairment previously recognised on Bivins Ranch. The amount of reversal reflects the proceeds (net of transaction costs) received from the sale.

Remediation costs provided for non-current assets relates to significant and non-recurring costs which SGH has incurred or which it has a constructive obligation to pay in relation to non-current assets with the Boral and Energy segments.

Property EBIT relates to Boral's property segment. In the prior year, it related to the sale of properties (net of costs incurred) at Dianella in Perth WA. SGH does not consider this income stream to form part of its underlying operations.

Transformation and restructure costs relate to the restructuring and transformation program undertaken by Coates in the current and prior year.

Fair value adjustments on acquisition of Boral relates to the unwind of fair value purchase price accounting differences arising from SGH's initial recognition of its control of Boral.

Fair value movement of power purchase agreement relates to a mark-to-market movement in a power purchase agreement derivative contract in Boral.

Cleanaway lease option relates to funds received by Boral in consideration for an option to lease additional land at Deer Park.

In the prior year, Net gain on disposal of controlled entities related to the realised net gain on the disposal of Sykes and Coates Indonesia entities. Refer to Note 31: Acquisition and disposal of businesses for further detail. The Fair value movement of Boral compulsory acquisition liability related to the movement in the SGH share price between 30 May 2024, being the date of calling compulsory share acquisition and 30 June 2024 for the remaining Boral shares not yet acquired. Costs incurred in relation to the Boral takeover related to legal and advisory costs incurred by Boral in relation to the takeover as well as the accelerated amortisation on their employee share schemes as a result of the Boral board pro-rata vesting of entitlements in accordance with the plan rules.

Results for the Year continued

3. Significant items (continued)

Significant items in net finance expense includes the expense relating to the unwind of the discount on provisions recognised on the acquisition of Boral and fair value movement from remeasurement of cash-settled equity awards. In the prior year, it also included the costs of establishing the bridge acquisition facility.

Discontinued operations relates to the gain arising from completion settlements and other matters related to Boral's previously divested operations. Refer to Note 31: Acquisition and disposal of businesses further detail.

4. Revenue and expenditure

Accounting policy

Revenue from contracts with customers

Revenue from building material sales	Revenue from the sale of goods is recognised at the point in time the customer obtains control of the goods, which is typically at the time of delivery to the customer. Revenue earned from asphalt and spray seal services is recognised progressively over the period of time that the performance obligation is satisfied and the customer obtains control of the goods being provided in the contract, with SGH having a right to payment for performance to date. SGH predominantly uses the output method, based on volumes delivered, to determine the amount of revenue to recognise in a given period.
Revenue from product sales	Revenue associated with the sale of goods is recognised at the point in time when each performance obligation of the sale has been fulfilled and control of the goods has passed to the customer. Product and service warranties and training provided on new product sales are distinct performance obligations and part of the sale consideration is deferred and recognised over time as the performance obligation is met.
Revenue from product support	Revenue from product support is recognised in the accounting period in which the services are rendered. Revenue from contracts is recognised when distinct performance obligations under the contract are met. For maintenance and repair contracts (MARCs), an assessment is made on a contract by contract basis, except where a portfolio approach is adopted. The portfolio approach is applied to a group of contracts (or performance obligations) with similar characteristics where it is reasonably expected that the effects on the financial results are not materially different to the effects of applying the standard on a contract by contract basis. Under the portfolio approach, the MARCs have been deemed as a distinct performance obligation to continuously make available a fleet of machinery to a customer. WesTrac's MARCs are assessed to consider whether modifications or extensions create a separate contract for services. These obligations are recognised in deferred income and taken to revenue as the future service is provided.
Revenue from hire of equipment	The recognition of hire of equipment revenue commences on receipt of equipment by the customer which is when control passes. Revenue is recognised over the period of the hire agreement, which in the majority of cases is on a daily basis.
Revenue from rendering of services	Revenue from the rendering of logistics and lab services is allocated across each service or performance obligation based on their stand-alone selling price, and is recognised as the service or performance obligation is performed.
Contracting businesses	Revenue from concrete placing and asphalt businesses is recognised progressively over the period of time the performance obligation is satisfied and the customer obtains control of the goods being provided in the contract, with SGH having a right to payment for performance to date. The business predominantly uses the output method based on volumes delivered, to determine the amount of revenue to recognise in a given period. When estimating the transaction price, variable consideration is considered, which typically relates to claims or variations submitted in connection with the performance of a contract. Assumptions are made in order to determine the amount of variable consideration that can be recognised, including assessing whether the variable consideration is constrained. Claims and variations are included to the extent they are approved. Contracts with customers, particularly in concrete and asphalt, may contain revenue items for ancillary services such as mobilisation and demobilisation of plant, concrete testing and other related services. These services are typically combined into the core performance obligation of delivering concrete, or the supply and lay of asphalt. On occasion, ancillary services may be deemed to have a stand-alone value to the customer, and are accounted for as a separate performance obligation.
Revenue from sale of oil, gas and condensate	Revenue is derived from the sale of oil, gas and condensate and is recognised based on volumes sold under contracts with customers at the point in time where performance obligations are considered to be met. Generally, the performance obligation will be met when the product is delivered to a specified measurement point (gas) or point of loading/unloading (liquids).
Other revenue	Other revenue is recognised at the point in time that all performance obligations have been met. In the case of property sales, it is on completion of the contract and transfer of title.

4. Revenue and expenditure (continued)

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Revenue recognition – Contracting businesses and MARC

Contract revenues and expenses are recognised over time for each identified component of the contract. In determining revenue and expense, management uses judgement and makes assumptions and estimates regarding the work performed to date as a percentage of the total work to be performed and estimated revenues and expenses over the life of the contract. Contract variations are accounted for as modifications when they have been approved by the customer. Depending on the nature of the modification they are treated as either a separate performance obligation or a modification of an existing performance obligation. Determining the amount of variable consideration requires an estimate based on either the 'expected value' or the 'most likely amount'. The estimate of variable consideration can only be recognised to the extent it is highly probable that a significant revenue reversal will not occur in future.

CONTINUING OPERATIONS	2025 $m	2024 $m
REVENUE FROM CONTRACTS WITH CUSTOMERS		
Building material sales	3,222.2	3,272.8
Product sales	2,214.9	2,010.9
Product support	3,858.4	3,879.2
Hire of equipment	1,067.0	1,157.8
Rendering of services	102.1	89.7
Contracting business	278.2	192.1
Oil, gas and condensate	0.7	2.7
Other	–	12.3
Total revenue	**10,743.5**	**10,617.5**
EXPENDITURE EXCLUDING DEPRECIATION AND AMORTISATION		
Materials cost of inventory sold and used in product sales and product support	(4,412.4)	(4,246.6)
Materials cost of inventory sold and used in building materials, rendering of services and contracting	(2,316.1)	(2,515.8)
Repairs, maintenance and consumables used on equipment hire	(110.4)	(132.3)
Employee benefits	(1,221.3)	(1,215.4)
Other expenses	(908.4)	(791.9)
Total expenses excluding depreciation and amortisation	**(8,968.6)**	**(8,902.0)**

SGH disaggregates revenue by operating segment. Disaggregation of sales by geographic area is based on customer location. Refer to Note 2: Operating segments for revenue by operating segment and geographical split. As at 30 June 2025, SGH has remaining performance obligations to be recognised on MARCs with a duration of more than 12 months. SGH will recognise this revenue when the performance obligations are satisfied. The aggregate amount of the transaction price allocated to the remaining performance obligations is $368.1 million (2024: $400.1 million). Approximately 19 per cent (2024: 17 per cent) of remaining performance obligations are expected to occur within the next 12 months, with the remaining expected to occur over a period of up to nine years.

Other expenses includes $8.8 million (2024: $16.1 million) in relation to the net impairment loss on trade receivables. Refer to Note 21: Financial risk management for further detail.

Deferred income includes amounts relating to maintenance and repair contracts, customer deposits for advance payments for major machine deliveries and slot fees.

Results for the Year continued

5. Net finance expense

Accounting policy

Interest income includes interest on funds invested and is recognised in profit or loss as the income accrues.

Finance expense comprises interest payable on borrowings and lease liabilities calculated using the effective interest method, including borrowing costs, unwinding of discount on provisions and deferred consideration. Interest expense also includes the net fair value adjustment for cash-settled share-based payments.

CONTINUING OPERATIONS	2025 $m	2024 $m
FINANCE INCOME		
Interest income on bank deposits	14.2	39.9
Other	3.5	0.4
Total finance income	**17.7**	**40.3**
FINANCE EXPENSE		
Interest expense	(264.9)	(267.0)
Interest expense on lease liabilities	(62.5)	(60.9)
Amortisation of capitalised borrowing costs	(5.6)	(5.0)
Unwind of discount on provisions	(10.4)	(9.6)
Total finance expense	**(343.4)**	**(342.5)**
Net finance expense	**(325.7)**	**(302.2)**

Other finance income includes interest income received on swaps. Interest expense includes $7.1 million expense (2024: $5.9 million) in relation to the fair value movement for cash-settled share-based payments. Interest of $nil (2024: $nil) was paid to other parties and capitalised in respect of qualifying assets.

6. Income tax

On 4 July 2024, SGH completed its acquisition of all outstanding shares in Boral. Refer to Note 31: Acquisition and disposal of businesses for further detail. On the same date, Boral became part of SGH's tax-consolidated group. Joining SGH's tax-consolidated group resulted in the cost base of certain assets in Boral being reset for tax purposes. The reset of tax cost bases resulted in a net change of $262.1 million in the associated deferred tax assets and liabilities. This has been recognised in the acquisition reserve in the Consolidated Statement of Financial Position.

Accounting policy

Tax exposures

In determining the amount of current and deferred tax SGH takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes SGH to change its judgement regarding the adequacy of existing tax liabilities that will impact tax expense in the period if such a determination is made.

The Company and its wholly-owned Australian resident entities are part of a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity. The head entity within the tax-consolidated group is SGH Limited.

6. Income tax (continued)

CRITICAL ACCOUNTING ESTIMATE AND JUDGEMENT

SGH is subject to income taxes in Australia and jurisdictions where it has foreign operations. Judgement is required in determining the provision for income taxes and the tax cost base of assets and liabilities.

Management judgement is also applied in assessing the recoverability of revenue and capital losses recognised as deferred tax assets by SGH. Deferred tax assets have been recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities and joint ventures where the parent entity is able to control the timing of the reversal of the temporary differences and/or it is probable that the differences will not reverse in the foreseeable future.

Assumptions are made about the application of income tax legislation. These assumptions are subject to risk and uncertainty and there is a possibility that changes in circumstances will alter expectations which may impact the amount of deferred tax assets, liabilities and provision for income taxes recorded in the Consolidated Statement of Financial Position.

CONTINUING OPERATIONS	2025 $m	2024 $m
INCOME TAX EXPENSE		
Current tax expense	(249.3)	(304.0)
Deferred tax expense	(51.8)	59.9
Adjustment for prior years	17.0	0.4
Total income tax expense - continuing operations	**(284.1)**	**(243.7)**
RECONCILIATION BETWEEN TAX EXPENSE AND PRE-TAX STATUTORY PROFIT:		
Income tax using the domestic corporation tax rate 30%	(232.3)	(229.7)
Share of equity accounted investee's net profit/(loss)	4.3	(36.4)
Other assessable income	–	(31.5)
Non-assessable income	2.0	121.6
Non-deductible expenses	(1.7)	(9.9)
Fair value gain on acquisition of Boral Limited	0.3	–
Impairment of equity accounted investees	(80.1)	(65.8)
Recognition of deferred tax assets on revenue losses	3.5	10.3
Current year losses not tax effected	2.4	–
Adjustment for prior years	17.0	0.4
Difference in overseas tax rates	0.5	(2.7)
Total income tax expense – continuing operations	**(284.1)**	**(243.7)**
DEFERRED INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME		
Relating to financial assets at fair value through other comprehensive income[a]	(3.1)	11.8
Relating to cash flow hedge reserve	6.8	3.9
Total deferred income tax recognised in OCI	**3.7**	**15.7**
DISCONTINUED OPERATIONS		
INCOME TAX		
Current tax	–	–
Total income tax - discontinued operations	**–**	**–**
RECONCILIATION BETWEEN TAX AND PRE-TAX STATUTORY PROFIT:		
Income tax using the domestic corporation tax rate 30%	(11.0)	–
Current year (losses)/income not tax effected	9.6	–
Difference in overseas tax rates	1.4	–
Total income tax – discontinued operations	**–**	**–**

(a) The comparative includes amounts taken directly to equity.

Results for the Year continued

6. Income tax (continued)

YEAR ENDED 30 JUNE 2025	Opening balance $m	Recognised in profit $m	Recognised in OCI or equity $m	Acquisitions and other $m	Closing balance $m
DEFERRED TAX ASSETS AND LIABILITIES					
Investments	(73.3)	(0.2)	(3.1)	–	(76.6)
Derivative financial instruments	–	(2.5)	6.8	(1.6)	2.7
Inventories and receivables	(127.3)	(33.5)	–	116.5	(44.3)
Property, plant and equipment	(373.7)	(30.3)	–	174.2	(229.8)
Intangible assets	(166.5)	–	–	–	(166.5)
Trade and other payables	32.2	21.2	–	–	53.4
Provisions	248.5	(8.8)	–	–	239.7
Interest bearing loans and borrowings	110.4	7.0	–	–	117.4
Transaction costs deducted over five years	1.3	(0.2)	–	–	1.1
Unrealised foreign exchange	25.7	3.8	–	(27.0)	2.5
Other	(65.2)	(8.3)	–	(0.4)	(73.9)
Net deferred tax liability	**(387.9)**	**(51.8)**	**3.7**	**261.7**	**(174.3)**
Deferred tax asset					0.2
Deferred tax liability					(174.5)
Net deferred tax liability					**(174.3)**

YEAR ENDED 30 JUNE 2024	Opening balance $m	Recognised in profit $m	Recognised in OCI or equity $m	Acquisitions and other $m	Closing balance $m
DEFERRED TAX ASSETS AND LIABILITIES					
Investments	(104.2)	19.1	11.8	–	(73.3)
Derivative financial instruments	0.6	(4.5)	3.9	–	–
Inventories and receivables	(121.0)	(6.3)	–	–	(127.3)
Property, plant and equipment	(375.6)	1.9	–	–	(373.7)
Intangible assets	(166.5)	–	–	–	(166.5)
Trade and other payables	23.4	8.8	–	–	32.2
Provisions	239.1	9.4	–	–	248.5
Interest bearing loans and borrowings	108.3	2.1	–	–	110.4
Transaction costs deducted over five years	1.3	–	–	–	1.3
Unrealised foreign exchange	(10.6)	36.3	–	–	25.7
Other	(58.0)	(6.9)	–	(0.3)	(65.2)
Net deferred tax liability	**(463.2)**	**59.9**	**15.7**	**(0.3)**	**(387.9)**
Deferred tax asset					137.3
Deferred tax liability					(525.2)
Net deferred tax liability					**(387.9)**

There are no uncertain tax positions as at 30 June 2025.

As at 30 June 2025, SGH had not recognised:

- deferred tax assets of $773.7 million (2024: $353.5 million) for deductible temporary differences relating to unrealised tax benefits as it is not probable that future gains will be realised against which it could utilise the benefits;
- deferred tax asset of $882.0 million (2024: $748.2 million) for deductible temporary differences relating to Petroleum Resource Rent Tax credits;
- deferred tax assets of $102.7 million (2024: $110.9 million) for tax losses where recovery is not virtually certain; and
- deferred tax liabilities of $8.9 million (2024: $92.3 million) in respect of assessable temporary differences in relation to investments where management controls the timing of the reversal of the temporary difference and the temporary difference is not expected to reverse in the foreseeable future.

7. Earnings per share

Accounting policy

Underlying earnings per share is statutory earnings per share adjusted for significant items. The weighted average number of shares used to calculate underlying earnings per share is the same as the weighted average number of shares used to calculate statutory earnings per share.

	Basic		Diluted	
	2025 $	2024 $	2025 $	2024 $
STATUTORY EARNINGS PER SHARE				
From continuing operations	1.20	1.26	1.19	1.23
From discontinued operations	0.09	–	0.09	–
Statutory earnings per share – total	**1.29**	**1.26**	**1.28**	**1.23**

	2025 $m	2024 $m
EARNINGS RECONCILIATION BY CATEGORY OF SHARE – ORDINARY SHARES		
Net profit attributable to equity holders of the Company – continuing operations	486.1	464.4
Net profit attributable to equity holders of the Company – discontinued operations	36.8	–
Net profit attributable to equity holders of the Company – continuing and discontinued operations	**522.9**	**464.4**

	Note	2025 Million	2024 Million
WEIGHTED AVERAGE NUMBER OF SHARES			
Ordinary shares for basic earnings per share			
Issued shares as at 1 July		400.4	363.3
Shares issued – conversion of convertible notes		–	1.9
Shares issued – Boral takeover		6.6	35.2
Issued shares as at 30 June	23	**407.0**	**400.4**
Weighted average number of shares (basic) as at 30 June		406.6	368.3
Weighted average number of shares (diluted) as at 30 June[(a)]		408.4	376.9

(a) Weighted average number of shares adjusted for effect of share rights issued under employee share plans net of treasury shares. In the prior year, it also included shares issued under the Boral takeover post 30 June 2024. At 30 June 2025, there were 1.8 million potential ordinary shares that were dilutive (2024: 8.6 million).

	Basic		Diluted	
	2025 $	2024 $	2025 $	2024 $
UNDERLYING EARNINGS PER SHARE (NON-IFRS MEASURE)				
From continuing operations	2.27	2.31	2.26	2.26
Underlying earnings per share – total	**2.27**	**2.31**	**2.26**	**2.26**

Underlying earnings per share is a non-IFRS measure and is reconciled to statutory profit or loss as follows:

	2025 $m	2024 $m
UNDERLYING EARNINGS RECONCILIATION BY CATEGORY OF SHARE – ORDINARY SHARES		
Net profit attributable to equity holders of the Company	522.9	464.4
Less: significant items attributable to equity holders of the Company	400.8	385.9
Net underlying profit attributable to equity holders of the Company – continuing and discontinued operations	**923.7**	**850.3**

Operating Assets and Liabilities

8. Trade and other receivables and Contract assets

Accounting policy

Trade receivables are initially recognised at the fair value of the invoice sent to the customer and subsequently at the amounts considered recoverable less provision for expected credit loss allowance (amortised cost). Trade receivables are generally due for settlement no more than 30 to 60 days from the date of recognition with the exception of certain customers with alternative settlement terms.

SGH has an established credit policy under which new customers are analysed individually for creditworthiness before SGH's standard payment, delivery terms and conditions are offered. SGH's review includes external ratings, when available. Purchase limits are established for each customer and these limits are reviewed annually or upon request. Customers that fail to meet SGH's benchmark creditworthiness may transact with SGH upon lodging of a bank guarantee as a security document or on a strictly pre-paid (cleared funds) only basis.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. Under the expected credit loss model, an impairment provision for receivables is established based on the expected credit losses over the lifetime of the financial asset. The calculation of expected credit loss considers the impact of past events and current and future economic conditions. The amount of the loss allowance is recognised in profit or loss as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

	2025 $m	2024 $m
CURRENT		
Trade receivables	1,246.1	1,253.6
Other receivables	79.1	97.1
Loss allowance	(29.7)	(30.6)
Total trade and other receivables – current	**1,295.5**	**1,320.1**
Contract assets	239.6	202.2
Loss allowance	(0.2)	(1.1)
Total contract assets – current	**239.4**	**201.1**
NON-CURRENT		
Other receivables	2.5	3.5
Total other receivables – non-current	**2.5**	**3.5**

Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value. The creation and release of the allowance for expected credit loss has been included in other expenses in profit or loss. For further detail on SGH's expected exposure to credit risk refer to Note 21: Financial risk management.

Other receivables also includes amounts owing by associated entities, of which $7.2 million is current and $1.4 million is non-current (2024: $12.9 million and $2.5 million respectively).

Contract assets relate to revenue earned from ongoing service contracts in WesTrac and Boral. As such, the balances of this account vary and depend on the number of ongoing refurbishment services at the end of the year.

9. Trade and other payables

	2025 $m	2024 $m
CURRENT		
Trade payables	554.5	586.7
Other payables	174.2	154.6
Other payables - cash settled share based payments	12.5	3.4
Accrual for Boral share purchases through compulsory share acquisition	–	334.8
Accruals	460.2	380.2
Total trade and other payables – current	**1,201.4**	**1,459.7**

SGH's trade payables and other payables are due to mature within one year. Due to the short term nature of these payables their carrying value is assumed to approximate their fair value.

Payments received in advance of services being rendered by Boral are recognised as contract liabilities within trade payables of $33.8 million (2024: $28.1 million), with the majority expected to be recognised as revenue in the next financial year.

The Company has entered into a Deed of Cross Guarantee with certain subsidiaries as described in Note 30: Controlled entities. Under the terms of the Deed, the Company has guaranteed the repayment of all current and future creditors in the event that any of the entities party to the Deed are wound up. Details of the consolidated financial position of the Company and parties to the Deed are set out in Note 30.

10. Inventories

Accounting policy

Inventories are measured at the lower of cost and net realisable value. Cost is based on the actual costs, with the exception of exchange component inventory and parts inventory for which cost is based on weighted average cost, and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location. Net realisable value is determined on the basis of SGH's normal selling pattern. Expenses for marketing, selling and distribution to customers are estimated and are deducted to establish net realisable value. For land development projects, cost includes the cost of acquisition, development and holding costs during development. Costs incurred after completion of development are expensed as incurred.

CRITICAL ACCOUNTING ESTIMATE AND JUDGEMENT

Management is required to make judgements regarding writedowns to determine the net realisable value of inventory.
These writedowns consider factors such as the age and condition of goods, machine population in service for parts as well as recent market data and rights to return parts to original equipment manufacturers, to assess the estimated future demand for the goods.

	2025 $m	2024 $m
CURRENT		
Raw materials – at cost	100.9	104.4
Work-in-progress – at cost	237.4	238.2
Finished goods		
– at cost	1,505.9	1,636.0
– at net realisable value	17.2	10.7
Total finished goods	1,523.1	1,646.7
Land development projects	–	1.8
Total inventories – current	**1,861.4**	**1,991.1**
NON-CURRENT		
Land development projects	386.9	346.8
Total inventories – non-current	**386.9**	**346.8**

Land development projects includes $3.2 million (2024: $1.1 million) of development costs capitalised during the year.

Operating Assets and Liabilities continued

11. Investments accounted for using the equity method

Accounting policy

Investments accounted for using the equity method comprise investments in associates and joint ventures (equity accounted investees).

Under the equity method, where SGH has in substance an ownership interest as a result of transactions giving access to returns associated with ownership, such as equity settled swaps, SGH takes into account eventual exercise of potential voting rights in determining ownership interest.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Control, joint control or significant influence

Significant judgement and assumptions are made in determining whether an entity has control, joint control or significant influence over another entity and the type of the joint arrangement. In considering the classification, management considers whether control, significant influence or joint control exists, the nature and structure of the relationship and other facts and circumstances.

Beach Energy Limited (Beach Energy)

SGH holds a 30.0 per cent (2024: 30.0 per cent) interest in Beach Energy and has two representative directors on the Beach Energy board, one of whom is the Chairman of Beach Energy. SGH continues to classify its investment as an associate. SGH has the ability to significantly influence, but not control or jointly control, the financial and operating decisions through its investment and board representation.

Seven West Media Limited (Seven West Media)

SGH has classified its investment in Seven West Media as an associate based on its 40.2 per cent (2024: 40.2 per cent) ownership interest and equivalent voting rights. SGH has one representative director on the Seven West Media board. Management have concluded that SGH has the ability to significantly influence, but not control or jointly control, the financial and operating decisions of Seven West Media.

Impairment of investments accounted for using the equity method

In accordance with AASB 136: Impairment of Assets, the recoverable amount of assets is the greater of its value in use (VIU) and its fair value less cost of disposal (FVLCD). In determining the amount of impairment for equity accounted investees that are listed, the fair value being below the carrying value is a prima facie indicator of impairment. An asset's VIU is calculated by estimating the present value of future cash flows that are in line with past performance and realistic budgets using an asset specific discount rate. These calculations also require the use of assumptions regarding profit margins, growth rates, discount rates and terminal value. Where sufficient reliable and contemporaneous information is available to support a VIU assessment any impairment will be calculated against this VIU compared to the current carrying value. Where no such information is currently available, SGH will rely upon the listed observable price as its FVLCD.

				OWNERSHIP INTEREST	
Investee	Principal activities	Country of incorporation	Balance date	2025 %	2024 %
ASSOCIATES					
Beach Energy Limited	Oil and gas exploration, development, production	Australia	30 Jun	30.0	30.0
Bitumen Importers Australia Pty Limited[(a)]	Bitumen importer	Australia	30 Jun	50.0	50.0
ConnectSydney Pty Ltd[(a)]	Road maintenance	Australia	30 Jun	38.5	38.5
Energy Power Systems Australia Pty Ltd	Distribution and rental of Cat engine products	Australia	30 Jun	40.0	40.0
Flyash Australia Pty Ltd[(a)]	Fly ash collection	Australia	31 Dec	50.0	50.0
Mo's Mobiles Pty Limited	Mobile phone retailer	Australia	30 Jun	25.0	25.0
Penrith Lakes Development Corporation Limited[(a)]	Property development	Australia	30 Jun	40.0	40.0
Seven West Media Limited	Media	Australia	30 Jun	40.2	40.2
South Australian Road Services Pty Limited[(a),(b)]	Road maintenance	Australia	30 Jun	–	50.0
South East Asphalt Pty Limited[(a)]	Asphalt road maintenance	Australia	30 Jun	50.0	50.0
Sunstate Cement Limited[(a)]	Cement manufacturer	Australia	30 Jun	50.0	50.0
JOINT VENTURES					
Flagship Property Holdings Pty Limited	Property management	Australia	31 Dec	46.6	46.6
Kings Square Pty Ltd	Property development	Australia	30 Jun	50.0	50.0
Kings Square No. 4 Unit Trust	Property development	Australia	30 Jun	50.0	50.0

(a) Ownership interest reflects Boral's ownership, of which SGH has a 100 per cent (2024: 95.1 per cent) interest.
(b) On 9 September 2024, SGH divested its 50.0 per cent interest in South Australian Road Services Pty Limited.

The country of incorporation of the above associates and joint ventures is also their principal place of business.

	2025 $m	2024 $m
INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD		
Investments in associates		
Beach Energy Limited	780.7	1,069.7
Seven West Media Limited	89.7	111.4
Individually immaterial associates	150.2	139.1
Investments in joint ventures		
Individually immaterial joint ventures	5.2	5.3
Total investments accounted for using the equity method	**1,025.8**	**1,325.5**

Beach Energy is a listed oil and gas exploration, development and production company based in Australia with investments in the resource industry. SGH's investment in Beach Energy is held for strategic purposes and is disclosed within the Energy segment.

Seven West Media is the leading listed national multi-platform media business based in Australia. SGH's investment in Seven West Media is held for strategic purposes and disclosed within the Media investments segment.

	2025 $m	2024 $m
SHARE OF RESULTS FROM EQUITY ACCOUNTED INVESTEES		
Investments in associates		
Beach Energy Limited	(13.1)	(142.7)
Seven West Media Limited	5.7	17.7
Individually immaterial associates	26.2	6.8
Investments in joint ventures		
Individually immaterial joint ventures	(0.1)	–
Total share of results from equity accounted investees	**18.7**	**(118.2)**

	2025 $m	2024 $m
MARKET VALUES OF LISTED INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD		
Beach Energy Limited		
Book value	780.7	1,069.7
Market value	903.9	1,016.9
Seven West Media Limited		
Book value	89.7	111.4
Market value	89.7	111.4

An impairment of $243.0 million (2024: $nil) relating to SGH's investment in Beach Energy has been recognised during the year. In addition, $23.9 million (2024: $134.3 million) relating to SGH's investment in Seven West Media was recognised in profit or loss during the year. In the prior year, a further $1.0 million impairment expense was recognised in relation to an immaterial joint venture. These amounts are disclosed within Significant items.

During the year, SGH received cash dividends and distributions from equity accounted investees of $50.0 million (2024: $38.3 million).

Operating Assets and Liabilities continued

11. Investments accounted for using the equity method (continued)

The summarised financial information for SGH's material associates is detailed below. The information disclosed reflects the amounts presented in the financial statements of the relevant associate and not SGH's share of those amounts.

	ASSOCIATE BEACH ENERGY		ASSOCIATE SEVEN WEST MEDIA	
	2025 $m	2024 $m	2025 $m	2024 $m
SUMMARISED FINANCIAL INFORMATION OF INVESTEES (100%)				
Summarised Statement of Financial Position				
Current assets				
Cash and cash equivalents	172.2	172.0	110.5	54.5
Other current assets	502.1	513.6	438.9	410.6
Total current assets	674.3	685.6	549.4	465.1
Non-current assets				
Goodwill	–	6.1	–	–
Intangible assets	16.6	20.5	727.3	718.1
Other non-current assets	4,590.8	4,787.0	288.3	294.7
Total non-current assets	4,607.4	4,813.6	1,015.6	1,012.8
Current liabilities				
Financial liabilities[(a)]	329.6	12.4	30.5	15.6
Other current liabilities	634.3	369.4	326.2	314.7
Total current liabilities	963.9	381.8	356.7	330.3
Non-current liabilities				
Financial liabilities[(a)]	241.9	30.2	543.8	500.0
Other non-current liabilities	916.0	1,774.7	249.3	244.1
Total non-current liabilities	1,157.9	1,804.9	793.1	744.1
Net assets	**3,159.9**	**3,312.5**	**415.2**	**403.5**
SGH's share (%)	30.02%	30.02%	40.20%	40.20%
SGH's share of net assets	948.6	994.4	166.9	162.2
Share of impairment not recognised as previously impaired	–	–	571.0	571.0
Adjustment to align accounting policies	–	–	(18.5)	(18.5)
Share of rights issue not taken up	–	–	(125.2)	(125.2)
Change in ownership interest	73.3	73.3	153.0	153.0
Impairment	(243.0)	–	(670.3)	(646.4)
Other	1.8	2.0	12.8	15.3
Carrying amount	**780.7**	**1,069.7**	**89.7**	**111.4**
Summarised Statement of Comprehensive Income				
Revenue	2,106.0	1,859.1	1,353.3	1,416.0
Depreciation and amortisation	(452.3)	(408.7)	(129.7)	(132.2)
Net interest expense	(39.1)	(33.3)	(39.6)	(39.2)
Income tax benefit/(expense)	15.1	179.1	(13.9)	(21.8)
(Loss)/profit for the year	(43.8)	(475.3)	16.6	45.3
Other comprehensive income	0.9	(1.0)	(6.2)	(19.0)
Total comprehensive income for the year	**(42.9)**	**(476.3)**	**10.4**	**26.3**
Dividends received by SGH	**34.2**	**27.4**	**–**	**–**

(a) Financial liabilities excluding trade and other payables and provisions.

12. Right of use assets and lease liabilities

Accounting policy

SGH assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgement about whether the contract is dependent on an identified asset, whether SGH obtains substantially all the economic benefits from the use of that asset, and whether SGH has the right to direct the use of the asset.

SGH as a lessee

SGH recognises a right of use asset and a lease liability at the lease commencement date which is the date that the underlying asset is available for use by the lessee.

The right of use asset is initially measured at cost, comprising the initial lease liability, any lease payments already made less lease incentives received, initial direct costs and any dilapidation or restoration costs. The right of use asset is subsequently depreciated on a straight line basis over the shorter of the lease term or the useful life of the underlying asset. The right of use asset is tested for impairment if there are any indicators of impairment.

The lease liability is measured at the present value of the lease payments using an appropriate discount rate. Lease payments can include fixed payments, variable payments that depend on a specified rate or index, extension option payments or purchase options if SGH is reasonably certain to exercise the option and termination payments if the lease term reflects SGH exercising a break option.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured with a corresponding adjustment to the right of use asset when there is a change in future lease payments resulting from a rent review, a change in an index or rate such as inflation, or a change in SGH's assessment of whether it is reasonably certain to exercise a purchase or extension option or not exercise a break option.

Leases of low value assets and short term leases of 12 months or less are expensed to the profit or loss, as are variable payments dependent on performance or usage, 'out of contract' payments and non-lease service components.

SGH as a lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Where SGH is an intermediate lessor, the sub-lease classification is assessed with reference to the head lease right of use asset. Amounts due from lessees under finance leases are recorded as receivables at the amount of SGH's net investment into the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on SGH's net investment in the lease. Rental income from operating leases is recognised on a straight line basis over the term of the lease.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Management exercises judgement in determining the likelihood of exercising break or extension options in determining the lease term. Break and extension options are included to provide operational flexibility should the economic outlook for an asset be different to expectations. At commencement of the lease, break or extension options are not normally considered reasonably certain to be exercised, unless there is a valid business reason otherwise.

Operating Assets and Liabilities continued

12. Right of use assets and lease liabilities (continued)

Movement in right of use assets

YEAR ENDED 30 JUNE 2025	Land and buildings $m	Plant and equipment $m	Hire fleet $m	Motor vehicles $m	Total $m
Carrying amount at beginning of the year	**598.6**	**30.0**	**2.8**	**75.3**	**706.7**
Additions	8.6	0.2	0.7	34.9	44.4
Modifications	54.0	0.2	2.3	8.4	64.9
Impairment	(4.7)	–	–	(0.2)	(4.9)
Disposals	(0.3)	(0.2)	(0.4)	(0.7)	(1.6)
Depreciation	(66.7)	(5.2)	(3.2)	(31.0)	(106.1)
Transfers	–	(2.5)	–	–	(2.5)
Carrying amount at end of the year	**589.5**	**22.5**	**2.2**	**86.7**	**700.9**
At cost	1,122.9	40.3	19.0	191.7	1,373.9
Accumulated depreciation	(533.4)	(17.8)	(16.8)	(105.0)	(673.0)
Total right of use assets	**589.5**	**22.5**	**2.2**	**86.7**	**700.9**
YEAR ENDED 30 JUNE 2024					
Carrying amount at beginning of the year	**606.6**	**35.1**	**3.1**	**67.0**	**711.8**
Additions	13.8	2.6	0.9	31.6	48.9
Modifications	49.7	–	3.0	10.8	63.5
Impairment	(0.5)	–	–	(0.3)	(0.8)
Disposals	(1.6)	(0.8)	(0.2)	(3.6)	(6.2)
Depreciation	(65.7)	(7.4)	(4.0)	(30.0)	(107.1)
Amounts disposed in sale of business	(3.8)	–	–	(0.5)	(4.3)
Transfers	0.1	0.5	–	0.3	0.9
Carrying amount at end of the year	**598.6**	**30.0**	**2.8**	**75.3**	**706.7**
At cost	1,071.1	49.6	24.9	172.4	1,318.0
Accumulated depreciation	(472.5)	(19.6)	(22.1)	(97.1)	(611.3)
Total right of use assets	**598.6**	**30.0**	**2.8**	**75.3**	**706.7**

	Note	2025 $m	2024 $m
Amounts recognised in profit or loss			
Depreciation expense on right of use assets		106.1	107.1
Interest expense on lease liabilities	5	62.5	60.9
Expense relating to short-term leases		68.2	78.9
Expense relating to leases of low value assets		20.3	9.3
Total amounts recognised in profit or loss		**257.1**	**256.2**
Lease liabilities			
Amounts due for settlement within 12 months (shown under current liabilities)		81.2	73.9
Amounts due for settlement after 12 months (shown under non-current liabilities)		926.5	916.2
Total lease liabilities		**1,007.7**	**990.1**
Lease Liabilities (undiscounted) maturity analysis:			
Not later than one year		143.7	136.6
Later than one year but not later than two years		128.0	124.2
Later than two years but not later than five years		315.1	303.4
Later than five years but not later than 10 years		390.8	375.9
Later than ten years but not later than 20 years		581.1	616.7
Later than 20 years		46.9	49.3
Total undiscounted lease liabilities		**1,605.6**	**1,606.1**

13. Property, plant and equipment

Accounting policy

Property, plant and equipment is measured at historical cost less accumulated depreciation and impairment losses.

Freehold land is not depreciated. The cost of improvements to or on leasehold properties is amortised over the shorter of the unexpired period of the lease or the estimated useful life of the improvement to SGH.

Depreciation on the following assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings	10 – 100 years
Leasehold improvements	1 – 25 years
Hire fleet	3 – 13 years
Plant and equipment	2 – 20 years

Mineral reserves, licences and quarry stripping assets are depreciated over the expected life of the identified resources, having regard to existing licence term, using the units of production method.

Mineral reserves, licences and quarry stripping	1 – 100+ years

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimation of useful lives of assets has been based on historical experience. In addition, the condition of assets is assessed at least annually and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Movement in property, plant and equipment

YEAR ENDED 30 JUNE 2025	Freehold land and buildings $m	Leasehold improve-ments $m	Mineral reserves, licences and quarry stripping $m	Hire fleet $m	Plant and equipment $m	Total $m
Carrying amount at beginning of the year	**1,091.6**	**62.6**	**353.0**	**1,026.0**	**1,108.9**	**3,642.1**
Additions	19.2	9.2	62.8	149.6	281.9	522.7
Transfer	21.7	4.3	17.6	34.0	(54.0)	23.6
Disposals	(1.1)	(0.2)	–	(27.3)	(1.0)	(29.6)
Depreciation	(24.1)	(7.3)	(36.7)	(168.9)	(154.3)	(391.3)
Carrying amount at end of the year	**1,107.3**	**68.6**	**396.7**	**1,013.4**	**1,181.5**	**3,767.5**
At cost	1,362.3	158.6	747.1	2,017.8	3,898.4	8,184.2
Accumulated depreciation	(255.0)	(90.0)	(350.4)	(1,004.4)	(2,716.9)	(4,416.7)
Total property, plant and equipment	**1,107.3**	**68.6**	**396.7**	**1,013.4**	**1,181.5**	**3,767.5**

Operating Assets and Liabilities continued

13. Property, plant and equipment (continued)

YEAR ENDED 30 JUNE 2024	Freehold land and buildings $m	Leasehold improve-ments $m	Mineral reserves, licences and quarry stripping $m	Hire fleet $m	Plant and equipment $m	Total $m
Carrying amount at beginning of the year	**1,076.7**	**67.0**	**292.6**	**940.0**	**1,121.6**	**3,497.9**
Additions	3.6	3.6	55.5	272.1	226.5	561.3
Transfer	35.9	(0.1)	38.3	19.7	(71.4)	22.4
Disposals	(2.5)	–	–	(22.0)	(2.7)	(27.2)
Depreciation	(22.1)	(7.9)	(33.4)	(167.1)	(160.0)	(390.5)
Exchange differences	–	–	–	0.3	0.1	0.4
Amounts disposed in sale of business	–	–	–	(17.0)	(3.7)	(20.7)
Other[(a)]	–	–	–	–	(1.5)	(1.5)
Carrying amount at end of the year	**1,091.6**	**62.6**	**353.0**	**1,026.0**	**1,108.9**	**3,642.1**
At cost	1,321.3	148.0	667.4	2,068.5	3,834.6	8,039.8
Accumulated depreciation	(229.7)	(85.4)	(314.4)	(1,042.5)	(2,725.7)	(4,397.7)
Total property, plant and equipment	**1,091.6**	**62.6**	**353.0**	**1,026.0**	**1,108.9**	**3,642.1**

(a) Other includes net transfer from inventory, impairments and reclassifications.

14. Producing and development assets

Accounting policy

Producing and development assets are carried at historical cost less accumulated depreciation.

Development costs

Expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, including any unsuccessful development or delineation wells, is capitalised within development assets.

Depreciation/amortisation

Producing oil and gas properties are depreciated/amortised on a unit of production basis over the total proved developed and undeveloped reserves of the field concerned, except in the case of assets whose useful life is shorter than the lifetime of the field, in which case the straight-line method is applied.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Assessment of recoverable amount and key assumptions used

Producing and development asset valuations are based on the expected production profile of reserves and resources and various estimates and assumptions. Where an indicator is identified, for the purposes of assessing impairment the recoverable amount of an asset or cash generating unit (CGU) is based on the greater of its FVLCD and its VIU, using a discount rate specific to the asset. Where the carrying value is less than the recoverable value, an impairment is expensed in the profit or loss.

The estimated future cash flows for the VIU calculation are based on various estimates, the most significant of which are reserves, future production profiles, commodity prices, operating costs and any future development costs necessary to produce the resources.

The cash flow projections for Longtom reflect the expected production profile of reserves and resources, processing and tolling costs, assumed capital expenditure required to maintain the asset and a long-term gas price assumption. The post-tax discount rate applied to the forecast cash flows is based on the weighted average cost of capital adjusted for risks where appropriate including the functional currency of the asset and the risk profile of the country in which the asset operates.

The cash flow projections for the Crux Joint Operation (Crux JO) include assumptions on the expected production profile of reserves and resources, tolling revenue expected referable to third party processing of their reserves via Crux infrastructure, facility design, project development cost (including input price escalation), a long-term oil price assumption and discount rate. A Brent oil price is used to estimate a long-term LNG price and post-tax discount rate applied to the estimated future cash flows.

Project development costs

Estimates of project development costs are integral to cash flow projections. SGH's best estimate of project development costs is made with reference to internally derived cost estimates or joint venture project development budgets. These estimates and budgets require assumptions to be made regarding cost of construction and installation of surface and subsurface assets, including design, engineering, procurement and input price escalation, labour and vessel availability and the project schedule. The project schedule may require modification for items including, but not limited to, task dependencies, changes in scope, seasonable weather factors and timing of regulatory approvals. Cash flow projections include a level of cost contingency to account for project uncertainty. An adverse change to SGH's estimates of project development costs, if it were to occur, may require an adjustment to the carrying amount of producing and development assets.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Estimates of quantity and quality of reserves and resources

The estimated quantity and quality of reserves and resources are integral to the calculation of amortisation expense and the assessment of the recoverable amount of assets. Estimated reserve and resource quantities and quality is based on interpretations of geological and geophysical models and assessments of technical feasibility and commercial viability of future production. These estimates require assumptions to be made regarding future development and production costs, commodity prices and exchange rates. The estimates of reserves and resources may change from period to period, and as additional geological data is generated or obtained from the operator during the course of the operations. Reserves and resource estimates are prepared in accordance with relevant guidelines, including SPE-PRMS guidelines prepared by the Society of Petroleum Engineers.

Pipeline and gas processing availability

The Longtom gas and condensate field is connected to the Patricia Baleen pipeline and the Orbost Gas Plant. The estimated cash flows are predicated on achieving contractual access to this infrastructure in order to transport and process gas and condensate produced by the field. Discussions in respect of securing access to these facilities are ongoing, and should this not be secured, it is reasonably possible that an adjustment to the carrying amount of the Longtom asset of $119.6 million (2024: $119.6 million) could be required.

Estimation of commodity prices

SGH's best estimate of future commodity prices is made with reference to internally derived forecast data, current spot prices, external market analyst forecasts and forward curves. Future commodity price assumptions impact the recoverability of carrying values and are reviewed at least annually.

Climate change

Current climate change legislation is considered in estimating future cash flows including the impact of current climate change legislation, including the Safeguard Mechanism. Climate change risks may result in a proportion of reserves becoming incapable of economic extraction, demand for hydrocarbons decreasing due to policy, regulation including carbon pricing, legal, technological, market or societal responses to climate change and physical aspects related to extreme weather events or climate change. SGH continues to monitor climate related policy and its impact on the Financial Report.

SGH's operating interests in producing and development assets are held through SGH's wholly-owned subsidiaries as follows:

- the Longtom VIC/L29 gas and condensate field located in the Gippsland Basin off the coast of Victoria through SGH Energy VICP54 Pty Limited; and
- the Crux AC/L10 gas and condensate project located in the Browse Basin off the coast of Western Australia through SGH Energy WA Pty Limited.

Movement in producing and development assets

	2025 $m	2024 $m
Carrying amount at beginning of the year	**627.7**	**476.5**
Additions	254.6	151.2
Disposals[(a)]	–	–
Carrying amount at end of the year	**882.3**	**627.7**
At cost	890.6	772.2
Accumulated depreciation	(8.3)	(23.3)
Accumulated impairment	–	(121.2)
Total producing and development assets	**882.3**	**627.7**

(a) In November 2024, SGH divested its investment in the Bivins Ranch oil and gas asset located in the Texas Panhandle region of the United States. The Bivins Ranch asset was previously fully impaired. An impairment reversal of $2.7 million was recognised on disposal, reflecting the proceeds (net of transaction costs) received from the sale. Refer to Note 3: Significant items.

		UNINCORPORATED INTEREST	
Asset	Operator of joint operation	2025 %	2024 %
Crux AC/L10	Shell Australia Pty Ltd	15.5	15.5
Bivins Ranch	Presidio Petroleum LLC	–	11.2

The Crux AC/L10 natural gas and condensate field is off the coast of Western Australia. The Crux asset is a primary source of back fill gas supply to the Shell Operated Prelude floating LNG facility (Prelude) with which Crux has a documented processing agreement. Both the Prelude and Crux projects are operated by Shell Australia.

Operating Assets and Liabilities continued

14. Producing and development assets (continued)

Impairment assessment

As at 30 June 2025, SGH performed a review for indicators of impairment of its producing and development assets in accordance with AASB 136: Impairment of Assets. SGH Energy has entered into a Memorandum of Understanding (MOU) with the infrastructure owner to potentially bring Longtom back into production. Whilst the MOU is progressing against key milestones, the lack of a binding agreement to date on access to third-party facilities to transport and process gas and condensate in relation to the Longtom asset was considered an indicator of impairment. Accordingly, a full impairment test was also conducted, with the recoverable value of Longtom assessed utilising a VIU discounted cash flow model. No impairment indicator was identified for the Crux JO project.

The estimated future cash flows for the VIU calculation for Longtom are based on various estimates, the most significant of which are resources, production profiles, commodity prices, operating costs, tolling and processing arrangements, any future development costs necessary to produce the reserves, the capital cost of bringing the asset into production and timing of production.

The estimated Longtom cash flows are predicated on achieving contractual access to infrastructure to transport and process gas and condensate produced by the field with discussions ongoing with the infrastructure owner. The value of future cash flows were estimated using the assumptions below which have regard to observable market data including forward curves, external market forecasts and specific target market supply/demand dynamics. The following assumptions were used in the assessment of the recoverable amount at 30 June 2025:

- uncontracted long-term East Coast gas price assumption of $15/GJ indexed at 2.5 per cent;
- Brent oil price of US$72/bbl;
- AUD/USD exchange rate of A$/US$0.65;
- weighted average cost of capital of 8.02 per cent (2024: 9.1 per cent); and
- restart of production in FY29.

The recoverable amount of the Longtom asset has been assessed using these updated estimates and, based on this assessment, there is no impairment required as at 30 June 2025.

Longtom sensitivity analysis

In the event circumstances vary from the assumptions used in the impairment assessment, the recoverable amount of the Longtom asset could change and result in adjustment to the carrying amount of the asset. Sensitivity analysis has been performed applying the following possible changes in key assumptions:

- Reserves – 10 per cent decrease in reserves;
- Gas and oil price assumptions – 10 per cent decrease in oil and gas pricing assumption;
- Post-tax discount rate – one per cent increase in post-tax discount rate; and
- Deferred restart of Longtom production by four years.

Based on sensitivity analysis performed, no reasonable change in the key assumptions above would give rise to an impairment of the Longtom asset at 30 June 2025. Should infrastructure access not ultimately be secured by ~2058, it is reasonably probable that an adjustment to the carrying amount of the Longtom asset would be required. The key assumptions (including access, restart and key economic variables) used in the impairment model were reviewed by an independent oil and gas expert in the year ended 30 June 2024, who concluded that the critical assumptions were reasonable.

Contingent liabilities in respect of joint venture operations are detailed in Note 26: Contingent liabilities and development expenditure commitments and capital commitments in respect of joint venture operations are detailed in Note 27: Commitments.

15. Intangible assets

Accounting policy

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of SGH's share of the net identifiable assets of the acquired subsidiary/equity accounted investee at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets.

Goodwill is not amortised, but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains or losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to CGUs (or groups of CGUs) for the purpose of impairment testing. Each of those CGUs (or groups of CGUs) represents SGH's investment in each country of operation by each operating segment.

Distribution networks

The distribution networks of SGH are considered by the Directors to be identifiable intangible assets.

The Directors are of the opinion that the distribution networks have an indefinite useful life, and as such the distribution networks are not subject to amortisation but rather are tested annually for impairment or more frequently if events or changes in circumstances indicate impairment. The basis for the classification of indefinite life is that the dealership agreements do not require specific renewal over set intervals thus the distribution rights continue uninterrupted unless a cause to terminate is triggered.

Brand names

Brand names have been assessed as having an indefinite useful life and as a result are not amortised. Instead, brand names are tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and are carried at cost less accumulated impairment losses.

Impairment of intangible assets

Goodwill and intangible assets that have an indefinite life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its FVLCD and its VIU. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Non-financial assets other than goodwill that have been impaired are reviewed for possible reversal of the impairment at each reporting date. Impairment losses are recognised in profit or loss unless the asset has previously been revalued, in which case the impairment is recognised as a reversal to the extent of that previous revaluation with any excess recognised in profit or loss.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Dependency on key suppliers

WesTrac is dependent on Caterpillar to maintain its authorisation as an authorised dealer of Caterpillar equipment and parts in Western Australia and New South Wales/Australian Capital Territory. WesTrac has maintained a strong relationship with Caterpillar and although WesTrac expects this relationship to continue, as is customary in dealer agreements with Caterpillar, the dealer agreement can be terminated by either party upon 90 days notice at any time.

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. This has not in the past proven to be an impediment to WesTrac.

Management judgement is required to estimate the impact of the loss of key suppliers on future earnings, supporting existing goodwill and intangible assets.

Impairment of intangible assets

In accordance with AASB 136: Impairment of Assets, the recoverable amount of an asset or CGU is the greater of its FVLCD and its VIU. In the absence of quoted market prices, an asset's or CGU's FVLCD or VIU is calculated by estimating the present value of future cash flows using an asset specific discount rate. These calculations also require the use of assumptions regarding profit margins, growth rates, discount rates and terminal value.

Operating Assets and Liabilities continued

15. Intangible assets (continued)

Movement in intangible assets

YEAR ENDED 30 JUNE 2025	Goodwill $m	Distribution network $m	Brand names $m	Other[a] $m	Total $m
Carrying amount at beginning of the year	**1,656.7**	**328.8**	**207.6**	**27.3**	**2,220.4**
Additions	–	–	–	4.0	4.0
Amortisation	–	–	–	(6.3)	(6.3)
Impairment	–	–	–	(0.7)	(0.7)
Transfers	–	–	–	0.4	0.4
Carrying amount at end of the year	**1,656.7**	**328.8**	**207.6**	**24.7**	**2,217.8**
At cost	2,385.1	328.8	207.6	100.3	3,021.8
Accumulated impairment	(728.4)	–	–	(0.7)	(729.1)
Accumulated amortisation	–	–	–	(74.9)	(74.9)
Total intangible assets	**1,656.7**	**328.8**	**207.6**	**24.7**	**2,217.8**
YEAR ENDED 30 JUNE 2024					
Carrying amount at beginning of the year	**1,652.4**	**328.8**	**207.6**	**33.4**	**2,222.2**
Additions	4.3	–	–	1.8	6.1
Disposals	–	–	–	(0.1)	(0.1)
Amortisation	–	–	–	(7.8)	(7.8)
Carrying amount at end of the year	**1,656.7**	**328.8**	**207.6**	**27.3**	**2,220.4**
At cost	2,385.1	328.8	207.6	95.9	3,017.4
Accumulated impairment	(728.4)	–	–	–	(728.4)
Accumulated amortisation	–	–	–	(68.6)	(68.6)
Total intangible assets	**1,656.7**	**328.8**	**207.6**	**27.3**	**2,220.4**

(a) Other includes the following finite lived intangibles; intellectual property, contracts from acquisition (useful life 5 years) and software (useful life 4–10 years).

Impairment of intangible assets

Impairment tests for goodwill, distribution network and brand names

Goodwill, distribution network and brand name costs are allocated to SGH's CGUs identified according to the appropriate operating segment. A segment level summary of the allocation is presented below.

YEAR ENDED 30 JUNE 2025	Goodwill $m	Distribution network $m	Brand names $m	Total $m
WesTrac	98.2	326.8	–	425.0
Boral	504.3	–	81.2	585.5
Coates	1,054.2	2.0	126.4	1,182.6
Total goodwill, distribution network and brand names	**1,656.7**	**328.8**	**207.6**	**2,193.1**
YEAR ENDED 30 JUNE 2024				
WesTrac	98.2	326.8	–	425.0
Boral	504.3	–	81.2	585.5
Coates	1,054.2	2.0	126.4	1,182.6
Total goodwill, distribution network and brand names	**1,656.7**	**328.8**	**207.6**	**2,193.1**

Goodwill, distribution network and brand names

The carrying amount of goodwill and other indefinite life intangibles is tested for impairment annually at 30 June and whenever there is an indicator that the asset or CGU may be impaired. Where an asset or CGU is deemed to be impaired, it is written down to its recoverable amount. The recoverable amount is based on value-in-use calculations. These recoverable amount calculations use discounted cash flow projections based on financial budgets and forecasts approved by management. Cash flow projections utilised for value-in-use financial budgets cover a five year period with a growth rate used to extrapolate cash flow projections for subsequent years.

Key assumptions used for value-in-use calculations

	2025 Growth rate[(a)] %	2025 Discount rate (pre-tax) %	2024 Growth rate[(a)] %	2024 Discount rate (pre-tax) %
WesTrac	2.0	11.5	2.0	12.0
Boral	2.5	12.5	2.5	13.0
Coates	2.0	13.0	2.0	13.7

(a) The weighted average growth rate used to extrapolate cash flows beyond the budget or forecast period.

Growth rate assumptions have been determined with reference to historical company experience and expectations of long-term operating conditions. The growth rates do not exceed long-term industry growth rates for the industry in which the business operates. Discount rate assumptions above reflect SGH's estimate of the time value of money and specific risks to the relevant segments and the countries in which they operate. In determining appropriate discount rates, consideration has been given to the estimated Weighted Average Cost of Capital for SGH, adjusted for business specific risks to the CGU.

Sensitivity analysis

Based on sensitivity analysis performed no reasonable change in the key assumptions above would give rise to an impairment for WesTrac, Boral or Coates.

16. Provisions

Accounting policy

Provisions are recognised when SGH has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required on settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities assumed in a business combination where the fair value of contingent liabilities of the acquiree are present obligations arising from a past event and the fair values can be reliably estimated, even if it is not probable that an outflow of resources will occur, are included in provisions.

Restoration and environmental rehabilitation	A provision for restoration or decommissioning is recognised when there is a legal or constructive obligation to do so. A corresponding restoration or decommissioning asset is created equivalent to the amount of the provision. The amount recognised is the estimated cost of restoration, discounted to its net present value. This is reassessed each year in accordance with local conditions and requirements. The restoration and environmental rehabilitation provision comprises mainly: – rehabilitation obligations for decommissioning, removal and repair of site and restoration of quarries; – remediation obligations for any identified environmental contamination of sites owned by SGH, or contamination that SGH has caused, to enable ongoing use of the land as an industrial property or future development; – makegood provisions included in the lease agreements for which SGH has a legal or constructive obligation; and restoration and decommissioning costs associated with environmental obligations.
Claims	A provision is raised for liabilities arising from the ordinary course of business in relation to claims against SGH, including self-insurance, workers compensation insurance, legal and other claims. Where recoveries are considered virtually certain in respect of such claims, these are included in other receivables.
Other	Other provisions includes provisions for: – rationalisation and restructuring which are recognised when steps have been taken to implement a detailed plan, including discussions with affected personnel, with employee related costs recognised over the period of any required future service; – onerous contracts in which the unavoidable cost of meeting the obligations under the contract exceeds the economic benefit expected to be received; and – unfavourable contracts acquired in a business combination where the fair value of contracts are unfavourable when compared with current market terms.

Operating Assets and Liabilities continued

16. Provisions (continued)

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Restoration and environmental rehabilitation

Management is required to make judgements regarding content level of disturbance, remaining asset life, removal method, future legislation, reclamation activities required, engineering estimating methodologies, future removal technologies and discount rates to determine the present value of the cash flows.

Most of these decommissioning events are many years in the future and the precise requirements that have to be met when the removal event occurs are uncertain. Changes in the estimates of restoration cost are dealt with prospectively by recording an adjustment to the provision and a corresponding adjustment to the restoration asset.

Oil and gas

SGH holds provisions for the future removal costs of oil and gas production facilities and pipelines at different stages of the development, construction and end of their economic lives. The provision includes the following costs:

- the basis of the restoration provision for assets, including those with approved decommissioning plans or general directions issued by the regulator can differ from the judgements outlined above. Whilst the provisions reflect SGH's best estimate based on current knowledge and information, further studies and detailed analysis of the restoration activities for individual assets will be performed near the end of their operational life and/or when detailed decommissioning plans are required to be submitted to the relevant regulatory authorities. Elements composed of steel, or steel and concrete, with hydrocarbons removed such as sub-sea pipelines and other infrastructure have previously been accepted in other international offshore jurisdictions (i.e. North Sea and the Gulf of Mexico) to be decommissioned in-situ where it has been demonstrated there is an acceptable impact to the environment and to current and future marine users (i.e. fishing, shipping and other activities). Actual costs and cash outflows can materially differ from the current estimate as a result of changes in laws and regulations and/or their application, prices, discovery and analysis of site conditions, public expectations, further studies, timing of and time taken to complete restoration and changes in removal technology. SGH estimates the additional cost would lead to an increase in the provision of approximately $35.0 million (2024: $23.0 million).
- these uncertainties may result in actual costs and cash outflows differing from amounts included in the provision recognised as at 30 June 2025. The timing and amount of future costs relating to decommissioning and environmental liabilities are reviewed annually, together with the inflation and discount rates.
- for non-operated joint venture assets, the provision recorded represents SGH's share of the relevant Joint Venture operator estimate as responsibility for the restoration will reside with the operator who has the best knowledge and understanding of the assets. SGH regularly assesses the operator estimates with the assistance of experts appointed by SGH.

Actual costs and cash outflows can materially differ from the current estimate as a result of changes in regulations and their application, prices, analysis of site conditions, further studies, timing of restoration, achievability of restoration efficiencies (such as joint campaigning or use of vessels in the vicinity) and changes in removal technology.

The discount rate used to determine the present value of future cash flows was 4.0 per cent (2024: 4.0 per cent), based on applicable government bonds with a tenure aligned to the tenure of the liability. If the discount rate was decreased by 0.5 per cent, it would lead to an increase in the provision of approximately $8.5 million (2024: $6.7 million).

Quarries

SGH holds provisions for the future rehabilitation costs of quarries. SGH's provision includes cost of demolition of quarry plant and equipment and rehabilitation of pits.

Alternate end-use outcomes, such as earth exchange or landfill, is considered in the calculation of the rehabilitation provision. This is based on a range of factors, including whether a current approval for earth exchange or landfill is in place, the location of the quarry, ABS data supporting expected long-term urban development, and underlying demand for earth exchange or landfill over a time period. Whilst SGH believe that the mitigation of outflows is probable, in the event that the expected earth exchange or land fill mitigation of outflows are not fully realised or available, SGH estimates this would lead to an increase to the provision of approximately $80.0 million (2024: $80.0 million).

Actual costs and cash outflows can materially differ from the current estimate as a result of changes in regulations and their application, prices, analysis of site conditions, further studies, timing of demolition and restoration, potential for site for earth exchange or landfill and changes in removal or restoration technology.

The discount rate used to determine the present value of future cash flows was 4.0 per cent (2024: 4.0 per cent), based on applicable government bonds with a tenure aligned to the tenure of the liability. If the discount rate was decreased by 0.5 per cent it would lead to an increase to the provision of approximately $12.5 million (2024: $14.2 million).

Movement in provisions

YEAR ENDED 30 JUNE 2025	Restoration and environmental rehabilitation $m	Claims $m	Other $m	Total $m
Balance at beginning of the year	**298.9**	**77.3**	**250.8**	**627.0**
Amounts provided for	18.9	4.2	112.7	135.8
Amounts used	(8.9)	(14.9)	(75.8)	(99.6)
Release of provision	(16.4)	–	(0.9)	(17.3)
Exchange differences	0.4	–	–	0.4
Unwind of discount	8.2	–	2.2	10.4
Balance at end of the year	**301.1**	**66.6**	**289.0**	**656.7**
Current	2.9	40.4	108.9	152.2
Non-current	298.2	26.2	180.1	504.5
Total provisions	**301.1**	**66.6**	**289.0**	**656.7**
YEAR ENDED 30 JUNE 2024				
Balance at beginning of the year	**305.3**	**76.1**	**190.7**	**572.1**
Amounts provided for	12.9	35.4	89.4	137.7
Amounts used	(7.8)	(9.2)	(8.7)	(25.7)
Release of provision	(19.0)	(25.0)	(22.7)	(66.7)
Unwind of discount	7.5	–	2.1	9.6
Balance at end of the year	**298.9**	**77.3**	**250.8**	**627.0**
Current	16.1	51.1	120.4	187.6
Non-current	282.8	26.2	130.4	439.4
Total provisions	**298.9**	**77.3**	**250.8**	**627.0**

17. Employee benefits

Accounting policy

Employee benefits

Employee benefits include provisions for annual leave and long service leave and their associated on-costs.

The current provision for long service leave includes all unconditional entitlements where employees have completed the required service period and those where employees are entitled to pro-rata payments in certain circumstances. The majority of the amount is presented as current, since SGH does not have an unconditional right to defer settlement. However, based on past experience, SGH does not expect all employees to take the full amount of accrued long service leave or require payment within the next 12 months.

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms of maturity and currency that match, as closely as possible, the estimated future cash outflows.

	2025 $m	2024 $m
CURRENT		
Annual leave	94.1	93.7
Long service leave	86.8	86.5
Other employee benefits	0.6	19.8
Total employee benefits – current	**181.5**	**200.0**
NON-CURRENT		
Long service leave	17.7	16.4
Total employee benefits – non-current	**17.7**	**16.4**

Superannuation contributions

SGH makes contributions on behalf of employees to defined contribution superannuation funds. The amount recognised as an expense was $145.6 million (2024: $134.9 million) for the year.

Operating Assets and Liabilities continued

17. Employee benefits (continued)

Share based payments

The fair value of options granted under the Company's cash-settled option plan is recognised as an employee benefit expense with a corresponding increase in liability. The expense and the liability incurred are measured at the fair value of the liability. The liability is recorded within Other payables.

The fair value at grant date is independently determined using Black-Scholes and Binomial option pricing models that take into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity remeasures the fair value of the options, with any changes in value recognised in the profit or loss as a finance expense.

The fair value of equity-based entitlements settled in equity instruments is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is estimated at grant date and recognised over the period during which the employees become unconditionally entitled to the equity instrument.

The amount recognised as an expense is adjusted to reflect the actual number of entitlements that vest, except where forfeiture is only due to share prices not achieving the threshold for vesting.

The amounts recognised as an expense for equity-settled share-based payments during the year was $14.2 million (2024: $9.3 million) and is included within Employee benefits expense. A further $1.6 million (2024: $1.2 million) was recognised in relation to cash-settled share-based payments and is included within Employee benefits expense and Other payables.

For further detail on the deferred shares under SGH's Short-Term Incentive (STI) plan and the performance rights under SGH's Long-Term Incentive (LTI) plan refer pages 75 to 78 of the Remuneration Report, and in the table below.

YEAR ENDED 30 JUNE 2025

Plan	Grant date	Expiry/ Vesting date	Fair value	Balance at start of year	Granted	Forfeited	Vested	Balance at end of year
Deferred shares								
Operations Supervisor 1B	1 Apr 25	1 Oct 26	$50.12	–	1,265	(115)	–	1,150
Operations Supervisor 1A	1 Apr 25	1 Oct 25	$50.12	–	842	(77)	–	765
Operations Supervisor 1B	1 Jul 24	1 Oct 26	$36.58	–	17,130	(1,642)	–	15,488
Operations Supervisor 1A	1 Jul 24	1 Oct 25	$36.58	–	17,130	(1,642)	–	15,488
Boral CEO Retention	1 Jul 24	1 Jul 27	$37.41	–	60,144	–	–	60,144
FY24 STI	1 Jul 24	1 Jul 25	$36.58	–	193,630	(11,408)	–	182,222
FY25 SGH Equity Retention	28 Jun 24	1 Jul 26	$35.88	28,028	–	–	–	28,028
FY25 SGH Equity Retention	4 Jun 24	1 Jul 26	$37.53	110,538	–	(51,013)	–	59,525
Retention Plan	22 Dec 23	22 Dec 25	$34.23	4,761	–	–	–	4,761
FY23 STI	1 Jul 23	1 Jul 24	$23.83	180,272	–	–	(180,272)	–
Retention Plan	14 Oct 22	14 Oct 24	$16.74	55,655	–	–	(55,655)	–
FY22 STI	1 Jul 22	1 Jul 24	$15.34	241,176	–	–	(241,176)	–
Total				**620,430**	**290,141**	**(65,897)**	**(477,103)**	**367,571**
Performance rights								
FY25 LTI – TSR	18 Feb 25	1 Sep 27	$44.91	–	9,450	–	–	9,450
FY25 LTI – EPS	18 Feb 25	1 Sep 27	$52.68	–	9,450	–	–	9,450
FY25 LTI – TSR	1 Jul 24	1 Sep 27	$21.14	–	269,753	(22,064)	–	247,689
FY25 LTI – EPS	1 Jul 24	1 Sep 27	$35.71	–	269,752	(22,064)	–	247,688
FY24 SGH Equity LTI	28 Jun 24	1 Sep 26	$33.47	19,248	–	–	–	19,248
FY24 SGH Equity LTI	28 Jun 24	1 Sep 26	$36.64	19,247	–	–	–	19,247
FY24 SGH Equity LTI	4 Jun 24	1 Sep 26	$34.74	68,038	–	(22,370)	–	45,668
FY24 SGH Equity LTI	4 Jun 24	1 Sep 26	$37.86	68,037	–	(22,370)	–	45,667
FY24 LTI – TSR	18 Mar 24	1 Sep 26	$35.13	5,485	–	–	–	5,485
FY24 LTI – EPS	18 Mar 24	1 Sep 26	$38.14	5,485	–	–	–	5,485
FY24 LTI – TSR	1 Jul 23	1 Sep 26	$13.73	169,710	–	(5,854)	–	163,856
FY24 LTI – EPS	1 Jul 23	1 Sep 26	$23.13	169,710	–	(5,853)	–	163,857
FY23 LTI	1 Jul 22	1 Sep 25	$8.62	497,069	–	(13,495)	–	483,574
FY22 LTI	1 Jul 21	1 Sep 24	$10.86	373,029	–	–	(373,029)	–
Total				**1,395,058**	**558,405**	**(114,070)**	**(373,029)**	**1,466,364**

Plan	Grant date	Vesting date	Balance at start of year	Granted	Forfeited	Vested	Balance at end of year
Boral equity							
TSR[(a)]	30 Jun 22	1 Sep 24	137,464	–	–	(137,464)	–
TSR[(a)]	1 Sep 21	1 Sep 24	188,777	–	–	(188,777)	–
Total			**326,241**	**–**	**–**	**(326,241)**	**–**

(a) Includes the vesting of performance rights approved by SGH shareholders at the Annual General Meeting on 14 November 2024, as required by the Corporations Act 2001.

YEAR ENDED 30 JUNE 2024

Plan	Grant date	Expiry/ Vesting date	Fair value	Balance at start of year	Granted	Forfeited	Vested	Balance at end of year
Deferred shares								
FY25 SGH Equity Retention[(a)(c)]	28 Jun 24	1 Jul 26	$35.88	–	28,028	–	–	28,028
FY25 SGH Equity Retention [(a)(c)]	4 Jun 24	1 Jul 26	$37.53	–	110,538	–	–	110,538
Retention Plan	22 Dec 23	22 Dec 25	$34.23	–	4,761	–	–	4,761
FY23 STI	1 Jul 23	1 Jul 24	$23.83	–	183,996	(3,724)	–	180,272
Retention Plan	14 Oct 22	14 Oct 24	$16.74	65,435	–	(9,780)	–	55,655
FY22 STI	1 Jul 22	1 Jul 24	$15.34	243,159	–	(1,983)	–	241,176
FY21 STI	1 Jul 21	1 Jul 23	$19.25	161,180	–	–	(161,180)	–
Total				**469,774**	**327,323**	**(15,487)**	**(161,180)**	**620,430**

Plan	Grant date	Expiry/ Vesting date	Fair value	Balance at start of year	Granted	Forfeited	Vested	Balance at end of year
Performance rights								
FY24 SGH Equity LTI [(b)(c)]	28 Jun 24	1 Sep 26	$33.47	–	19,248	–	–	19,248
FY24 SGH Equity LTI [(b)(c)]	28 Jun 24	1 Sep 26	$36.64	–	19,247	–	–	19,247
FY24 SGH Equity LTI [(b)(c)]	4 Jun 24	1 Sep 26	$34.74	–	68,038	–	–	68,038
FY24 SGH Equity LTI [(b)(c)]	4 Jun 24	1 Sep 26	$37.86	–	68,037	–	–	68,037
FY24 LTI – TSR	18 Mar 24	1 Sep 26	$35.13	–	5,485	–	–	5,485
FY24 LTI – EPS	18 Mar 24	1 Sep 26	$38.14	–	5,485	–	–	5,485
FY24 LTI – TSR	1 Jul 23	1 Sep 26	$13.73	–	197,536	(27,826)	–	169,710
FY24 LTI – EPS	1 Jul 23	1 Sep 26	$23.13	–	197,535	(27,825)	–	169,710
FY23 LTI – TSR	1 Jul 22	1 Sep 25	$8.62	575,531	–	(78,462)	–	497,069
FY22 LTI – TSR	1 Jul 21	1 Sep 24	$10.86	381,843	–	(8,814)	–	373,029
FY21 LTI – TSR	1 Jul 20	1 Sep 23	$11.46	369,067	–	(46,842)	(322,225)	–
Total				**1,326,441**	**580,621**	**(189,769)**	**(322,225)**	**1,395,058**

(a) Anew SGH Equity Retention Award was issued in lieu of the one third lapsed portion of the Boral FY23 LTI - TSR rights. Vesting under this award is subject to continued employment over a two-year period, including no notice of termination up to and including 30 June 2026.

(b) A new FY24 SGH Equity LTI Award was issued in lieu of the two thirds lapsed portion of the Boral FY24 LTI - TSR and Boral FY24 LTI - EPS rights. Vesting under this award is subject to SGH relative TSR and EPS performance hurdles with vesting determined in August 2026.

(c) The number of SGH Equity Awards allocated was determined in accordance with the terms of the SGH Takeover Offer being the number of lapsed Boral rights x $6.25 / $40.77 (being the Boral and SGH share price respectively communicated in the Takeover Offer).

Operating Assets and Liabilities continued

17. Employee benefits (continued)

YEAR ENDED 30 JUNE 2024

Plan	Grant date	Expiry/ Vesting date	Balance at start of year	Granted	Forfeited	Vested	Balance at end of year
Boral equity							
FY24 LTI – TSR[a]	1 Sep 23	4 Jun 24	–	951,044	(661,493)	(289,551)	–
FY24 LTI – EPS[a]	1 Sep 23	4 Jun 24	–	951,044	(661,493)	(289,551)	–
FY23 – Deferred STI[b]	1 Sep 23	4 Jun 24	–	842,178	(93,199)	(748,979)	–
CFO Sign-on[c]	30 Jan 23	30 Jan 25	92,969	–	(92,969)	–	–
FY23 LTI – TSR – CEO[b]	10 Oct 22	4 Jun 24	548,507	–	(182,835)	(365,672)	–
CEO Sign-on[d][e]	10 Oct 22	4 Jun 24	262,992	–	–	(262,992)	–
CEO Sign-on[d][e]	10 Oct 22	4 Jun 24	262,992	–	–	(262,992)	–
FY23 LTI – TSR[b]	1 Sep 22	4 Jun 24	2,560,544	–	(1,081,751)	(1,478,793)	–
Deferred equity	30 Jun 22	1 Jan 24	20,750	–	–	(20,750)	–
Deferred equity	1 Jan 22	1 Jan 24	28,496	–	–	(28,496)	–
TSR[f]	30 Jun 22	1 Sep 24	137,464	–	–	–	137,464
TSR[f]	1 Sep 21	1 Sep 24	188,777	–	–	–	188,777
ROFE	30 Jun 22	1 Sep 23	212,536	–	–	(212,536)	–
TSR	30 Jun 22	1 Sep 23	1,156,874	–	–	(1,156,874)	–
ROFE	1 Sep 20	1 Sep 23	291,878	–	–	(291,878)	–
TSR	1 Sep 20	1 Sep 23	1,588,598	–	–	(1,588,598)	–
Total			**7,353,377**	**2,744,266**	**(2,773,740)**	**(6,997,662)**	**326,241**

Pursuant to SGH's compulsory acquisition of Boral, the Boral Board considered and resolved to vest all of the deferred share rights issued under Boral's FY23 STI plan and vest a pro-rata number of Boral's unvested performance rights issued under Boral's FY23 and FY24 LTI plans respectively. The Board considered time served and performance to date when determining the LTI vesting outcomes that resulted in two thirds of the FY23 Boral LTI to vest and one third of the FY24 Boral LTI to vest. The remaining rights lapsed and are dealt with as part of the SGH make whole awards included in the Seven Group Holdings Bidders statement for the acquisition of Boral. In addition to vesting of the deferred STI and partial vesting of the LTI, the Boral CEO's Sign-on retention award vested in full in line with his contractual arrangements that provided for full vesting in the event of a change in control and delisting event and the Boral CEO no longer reports to the Board.

(a) Following the compulsory acquisition of Boral by SGH on 4 June 2024, the Boral Board vested one third of the FY24 LTI – TSR and FY24 LTI – EPS rights. The remaining rights lapsed and employees were granted FY24 SGH Equity LTI Awards as part of the SGH make whole awards set out in the SGH Bidders Statement.

(b) Following the compulsory acquisition of Boral by SGH on 4 June 2024, the Boral Board vested two thirds of the FY23 LTI – TSR rights. The remaining rights lapsed and employees were granted SGH Equity Retention Awards as part of the SGH make whole awards set out in the SGH Bidders Statement.

(c) CFO Sign-on award lapsed following the resignation of the Boral CFO in January 2024.

(d) Following the compulsory acquisition of Boral by SGH on 4 June 2024, CEO Sign-on awards and FY23 – Deferred STI were vested in full by the Boral Board.

(e) Following the completion of the compulsory acquisition and to encourage retention of the Boral CEO over the transition period, a special equity retention award equivalent of 150% of the Boral CEO's Fixed Remuneration was awarded in July 2024. Under the award, 60,144 SGH share rights convert to ordinary shares on 1 July 2027, subject to his ongoing employment and no notice of separation up to and including this date.

(f) Under the Corporations Act vesting of these rights is subject to shareholder approval at an Annual General Meeting.

Cash Management

18. Cash and cash equivalents

Accounting policy

Bank balances includes cash on hand and deposits held at call with financial institutions. Call deposits include other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

	2025 $m	2024 $m
Bank balances	167.9	380.8
Call deposits	8.7	273.5
Cash and cash equivalents	**176.6**	**654.3**

19. Notes to the cash flow statement

	2025 $m	2024 $m
Reconciliation of profit for the year to net cash flows related to operating activities		
Profit for the year	**526.9**	**522.1**
Income tax expense	284.1	243.7
Income taxes paid	(202.8)	(235.7)
Depreciation and amortisation:		
Right of use assets	106.1	107.1
Property, plant and equipment	391.3	390.5
Intangible assets	6.3	7.8
Capitalised borrowing costs amortised	5.6	5.0
Employee share movements in equity	14.2	9.3
Gain on sale of property, plant and equipment	(15.9)	(17.2)
Gain on disposal of discontinued operations	(30.4)	–
Net gain on disposal of controlled entities	–	(76.3)
Impairment of equity accounted investees	266.9	135.3
Fair value adjustments arising from acquisition of Boral	–	84.0
Fair value movement of Boral compulsory acquisition liability	–	(11.7)
Share of results from equity accounted investees	(18.7)	118.2
Dividends and distributions received from equity accounted investees	50.0	38.3
Unwind of interest on convertible note and exchangeable bond	–	6.1
Accrual for Boral share purchases through compulsory share acquisition	334.8	(334.8)
Accrued investing flows for property, plant and equipment and other investments	(25.6)	(212.3)
Other	2.8	(4.0)
Movement in:		
Trade and other receivables	(12.7)	124.6
Inventories	89.6	(490.1)
Other assets	49.4	38.7
Trade and other payables and deferred income[(a)]	(417.2)	305.2
Provisions and employee benefits	12.5	54.4
Net operating cash flows	**1,417.2**	**808.2**

(a) The movement in Trade and other payables contains a decrease in liabilities in relation to the completion of Boral share purchases through compulsory share acquisition. This movement has been included as a reconciling item in the above table as it is not an operating cash flow. In the prior year, the accrual for Boral share purchases had been recorded and as such there was a corresponding increase in trade and other payables and reconciling item in the above table.

Cash Management continued

20. Interest bearing loans and borrowings

Accounting policy

Borrowings are classified as current liabilities unless SGH has an unconditional right to defer settlement for at least 12 months after the reporting date.

	2025 $m	2024 $m
CURRENT		
Interest bearing liabilities	0.2	701.5
Fixed term US dollar notes and bonds	458.0	–
Convertible note	–	0.1
Total interest bearing loans and borrowings – current	**458.2**	**701.6**
NON-CURRENT		
Interest bearing liabilities	1,291.6	1,258.1
Fixed term US dollar notes and bonds	2,660.5	3,095.5
Fair value adjustment – cross currency swaps	(33.5)	(54.0)
Less: capitalised borrowing costs net of accumulated amortisation	(17.9)	(14.7)
Total interest bearing loans and borrowings – non-current	**3,900.7**	**4,284.9**

At 30 June 2025, SGH had available undrawn borrowing facilities of $1,715.7 million (2024: $1,148.2 million). SGH's interest bearing liabilities (including derivatives) as at 30 June 2025 had a weighted average interest rate of 5.2 per cent (2024: 5.7 per cent) including margins and unused line fees.

Details of the fair values of each of the borrowings as well as SGH's exposure to interest rate, foreign currency and liquidity risk related to interest bearing loans and borrowings is disclosed in Note 21: Financial risk management.

Interest bearing liabilities

Current interest bearing liabilities include WesTrac and Boral's US Private Placement (USPP) tranches due in late FY26, and SGH's short-term working capital facilities. In the prior year, it also included the remaining convertible note which matured in March 2025 and the $700.0 million bridge facility, which was fully repaid in July 2024.

Non-current interest bearing liabilities include amounts drawn from SGH's revolving syndicated loan facility and subsidiary debt issued as USPP and 144A notes.

Syndicated loan facility

The syndicated loan facility comprises four tranches. The facility is unsecured and is supported by guarantees by the Company and certain subsidiaries within SGH.
Tranche A - provides a $578.0 million limit until September 2028;
Tranche B - provides a $1,010.0 million limit and its maturity was extended during the year from September 2027 to February 2030;
Tranche C - provides a $300.0 million limit and its maturity was extended during the year from April 2027 to February 2032; and
Tranche D - provides a limit of $600.0 million until July 2030.

Convertible note

In March 2025, the final remaining convertible note was repaid at its face value of $100,000.

Fixed term US dollar notes

The Private Placement notes are unsecured and issued in US Dollar and Australian Dollar. The US144A notes are issued in US Dollars. Principal and coupon payments for the US Dollar denominated notes issued by WesTrac, Boral and Coates are hedged by cross currency interest rate swaps. SGH has issued USPP notes denominated in US currency of US $1,153.0 million (2024: US$1,153.0 million) and A$1,052.8 million (2024: A$1,052.8 million) with maturities ranging from 2026 to 2041. US144A notes total US$200.0 million (2024: US$200.0 million), maturing in 2028. Interest is payable half yearly in arrears.

The amount and maturity of the notes, including the effective hedge position, is summarised below.

Notes	Agreement	2025 Amount US$m	2025 Spot amount A$m	2024 Amount US$m	2024 Spot amount A$m	2025 Hedge amount A$m	Interest rate (incl. margin) %	Maturity date
US$ private placement notes								
WesTrac Series C	2011	75.0	114.5	75.0	113.2	73.1	5.78%	7 Jun 26
WesTrac Series D	2011	100.0	152.7	100.0	151.1	97.4	5.67%	7 Jul 26
WesTrac Series A	2020	75.0	114.5	75.0	113.2	115.2	7.01%	7 Jul 27
WesTrac Series B	2020	75.0	114.5	75.0	113.2	115.2	7.19%	7 Jul 32
WesTrac Series C	2024	71.0	108.4	71.0	107.2	112.0	7.84%	7 Jan 36
Boral Series A	2018	41.0	62.7	41.0	61.9	59.9	4.16%	1 May 27
Boral Series B	2018	24.0	36.6	24.0	36.2	35.1	4.31%	1 Mar 30
Boral Series C	2018	225.0	343.5	225.0	339.7	329.0	4.05%	16 Apr 26
Boral Series B	2020	100.0	152.7	100.0	151.1	146.3	4.58%	28 May 27
Coates Series A	2022	125.0	190.8	125.0	188.7	171.9	3.84%	12 Jan 29
Coates Series B	2022	108.0	164.9	108.0	163.0	148.5	4.17%	12 Jan 32
Coates Series C	2022	134.0	204.6	134.0	202.3	184.2	4.38%	12 Jan 34
US$ 144A notes								
Boral Series B	2017	200.0	305.3	200.0	301.9	303.4	4.75%	1 May 28
Total US$ Notes		**1,353.0**	**2,065.7**	**1,353.0**	**2,042.7**	**1,891.2**	**4.98%**	
A$ private placement notes								
WesTrac Series E	2011	–	48.8	–	48.8	48.8	7.96%	7 Jul 41
WesTrac Series C	2020	–	230.0	–	230.0	230.0	4.27%	7 Jul 30
WesTrac Series A	2021	–	75.0	–	75.0	75.0	3.12%	23 Aug 31
WesTrac Series A	2024	–	178.0	–	178.0	178.0	7.24%	7 Jan 31
WesTrac Series B	2024	–	121.0	–	121.0	121.0	7.73%	7 Jan 36
Coates Series D	2022	–	140.0	–	140.0	140.0	3.76%	12 Jan 29
Coates Series E	2022	–	130.0	–	130.0	130.0	4.09%	12 Jan 32
Coates Series F	2022	–	130.0	–	130.0	130.0	4.30%	12 Jan 34
Total A$ Notes		**–**	**1,052.8**	**–**	**1,052.8**	**1,052.8**	**5.17%**	

Reconciliation of liabilities arising from financing activities

Changes in SGH's liabilities arising from financing activities, including both cash and non-cash changes, are detailed below. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in SGH's consolidated cash flow statement from financing activities.

	2024 $m	Financing cash flows $m	Effect of exchange rates $m	Other[a] $m	2025 $m
INTEREST BEARING LOANS AND BORROWINGS					
Interest bearing liabilities	1,959.6	(668.3)	–	0.5	1,291.8
Fixed term US dollar notes and bonds	3,095.5	–	23.0	–	3,118.5
Convertible notes	0.1	(0.1)	–	–	–
Capitalised borrowing costs	(14.7)	(8.8)	–	5.6	(17.9)
Fair value adjustment	(54.0)	–	–	20.5	(33.5)
Total interest bearing loans and borrowings	**4,986.5**	**(677.2)**	**23.0**	**26.6**	**4,358.9**
LEASE LIABILITIES					
Lease liabilities	990.1	(87.0)	–	104.6	1,007.7
Total lease liabilities	**990.1**	**(87.0)**	**–**	**104.6**	**1,007.7**
Total	**5,976.6**	**(764.2)**	**23.0**	**131.2**	**5,366.6**

(a) Other includes non-cash fair value adjustment on cross currency swaps. Refer to Note 12: Right of use assets and lease liabilities for further detail on leases.

Financial Assets and Liabilities

21. Financial risk management

Overview

Risk management policies are established to identify and demonstrate that SGH understands and manages risk and seeks to ensure that there is consistency to the methods used in assessing, monitoring and communicating risks so that risk management efforts are aligned with SGH's strategic and business objectives.

SGH has exposure to the following risks through the normal course of its operations and from its use of financial instruments:

(a) Market risk

(b) Liquidity risk

(c) Credit risk

The following presents information, both qualitative and quantitative, about SGH's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Accounting policy

SGH classifies its investments in the following categories: financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income (FVTOCI) and amortised cost financial assets. The classification depends on SGH's business model for managing the financial asset as well as its contractual cash flow characteristics. Management determines the classification of its investments at initial recognition. In the case of financial assets classified as FVTOCI, this designation is irrevocable.

Financial assets at fair value through other comprehensive income

SGH's existing listed and unlisted equity securities have been designated as financial assets at fair value through OCI.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are either financial assets held for trading which are acquired principally for the purpose of selling with the intention of making a profit or financial assets that are managed and have their performance regularly evaluated by management and the Directors on a fair value basis. Derivatives are also categorised as held for trading unless they are designated as hedges.

Recognition and de-recognition

Regular purchases and sales of investments are recognised on trade date – the date on which SGH commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and SGH has transferred substantially all the risks and rewards of ownership.

Subsequent measurement

Financial assets at fair value through profit or loss and financial assets at FVTOCI are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category, are presented in the profit or loss within other income or other expenses in the period in which they arise. Dividend income from financial assets is recognised in the profit or loss as other income.

Gains or losses arising from changes in the value of financial assets at FVTOCI category are taken to the fair value through OCI reserve. In accordance with AASB 9, any gain or losses realised on the sale of these assets remain in the fair value reserve rather than being transferred to the profit or loss.

At the reporting date SGH held the following financial instruments:

	Note	2025 $m	2024 $m
Financial assets/(liabilities)			
Cash and cash equivalents	18	176.6	654.3
Financial assets/(liabilities) carried at amortised cost			
Trade and other receivables and Contract assets	8	1,537.4	1,524.7
Trade and other payables (excluding accruals)		(745.2)	(749.2)
Fixed term US dollar notes	20	(3,118.5)	(3,095.5)
Fair value adjustment relating to US dollar notes	20	33.5	54.0
Convertible notes and Exchangeable bond	20	–	(0.1)
Interest bearing loans and borrowings	20	(1,291.8)	(1,959.6)
Financial assets carried at fair value through other comprehensive income			
Unlisted equity securities	22	62.9	66.1
Derivative financial instruments designated and effective and carried at fair value through profit or loss			
Derivative financial assets	23	163.8	150.5
Derivative financial liabilities	23	(69.6)	(70.9)
Total financial assets and financial liabilities		**(3,250.9)**	**(3,425.7)**

(a) Market risk

SGH is exposed to market risk through foreign exchange, interest rate, equity price, commodity price and energy price risk.

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

SGH is exposed to fluctuations in foreign currency, predominantly in United States Dollar (USD).

SGH will seek to minimise exposure to foreign exchange risk by initially seeking contracts effectively denominated in AUD where possible. Where this is not possible SGH will manage foreign exchange risk as follows:

- in certain circumstances SGH invoices customers in USD. Where SGH invoices in USD it may seek to match the USD receipt with USD denominated vendor payments. As a result, an economic hedge is created by minimising exposure to changes in the AUD/USD exchange rate. Payments and receipts are made from and to SGH's USD denominated bank account.
- external forward contracts and options are used to manage foreign exchange risk. Contracts are entered into on a transaction by transaction basis to hedge specific purchases, sales and borrowings.

SGH's foreign exchange risk from recognised assets and liabilities arises primarily from long-term USD denominated borrowings (refer to Note 20: Interest bearing loans and borrowings). SGH effectively hedges its long-term foreign denominated borrowings using a combination of designated forward exchange contracts and cross currency swaps. At times, the Company may choose to hold cash positions in USD to hedge against anticipated weakening in the AUD.

The financial statements for foreign group companies that have a functional currency different from Australian Dollars are translated into Australian Dollars on consolidation. Exchange differences arising from the translation are taken to reserves and as such the individual account balances of the SGH companies are excluded from the table below.

Excluding assets and liabilities for SGH's foreign entities translated, SGH's exposure to foreign currency risk was as follows, based on notional amounts other than derivative financial instruments which are shown at fair value:

FOREIGN CURRENCY RISK	2025 US$m	2024 US$m
Cash and cash equivalents	17.8	57.8
Trade and other receivables	63.6	161.3
Trade and other payables	(64.5)	(262.9)
Borrowings	(1,353.0)	(1,353.0)
Unlisted equity securities	41.2	43.8
Derivative financial instruments	46.2	73.6
Closing exchange rates [(a)]	0.6550	0.6624

(a) Closing rate per the Reserve Bank of Australia at 4pm (AEST) on 30 June 2025.

Financial Assets and Liabilities continued

21. Financial risk management (continued)

As at 30 June 2025, the closing AUD/USD exchange rate was 0.6550 (2024: 0.6624) as reported by the Reserve Bank of Australia. A foreign currency sensitivity of +/- five per cent has been selected and is considered reasonable given the historical AUD/USD exchange rates prevailing in the year ended 30 June 2025. During the year, the average AUD/USD exchange rate was 0.6482 (2024: 0.6556) and traded within a range of 0.5975 to 0.6932 (2024: 0.6278 to 0.6889).

At 30 June 2025, had the AUD/USD exchange rate moved by five per cent, with all other variables held constant, post tax profit/(loss) and equity would have been affected as illustrated in the table below:

JUDGEMENT OF REASONABLY POSSIBLE MOVEMENTS	2025 Profit/(loss) $m	2025 Equity $m	2024 Profit/(loss) $m	2024 Equity $m
AUD to USD +5%	2.3	(10.0)	3.8	0.1
AUD to USD -5%	(2.6)	13.3	(4.3)	0.4

A sensitivity of five per cent is considered reasonable given the current level of prices and the volatility observed both on a historical basis and market expectations for future movements.

Adverse versus favourable movements are determined relative to the net underlying exposure. An adverse movement in exchange rates implies an increase in SGH's foreign currency exposure leading to deterioration in SGH's financial position. A favourable movement in exchange rates implies a decrease in SGH's foreign currency exposure and an improvement in SGH's financial position.

SGH's exposure to other foreign exchange movements is not material.

(ii) Interest rate risk

SGH's exposure to interest rate risk arises from AUD cash deposits and short to medium term borrowings which are at variable interest rates in AUD. Generally, long-term fixed rate borrowings are obtained in the USA and Australia, while shorter term variable borrowings are denominated in Australian currency and expose SGH to interest rate risk. SGH manages this risk by using derivative financial instruments including interest rate swaps and collars to hedge interest rate exposure.

As at 30 June 2025, 69 per cent (2024: 48 per cent) of SGH's total borrowings were subject to fixed interest rates or were effectively hedged with derivative financial instruments.

At 30 June 2025, SGH had the following mix of financial assets and liabilities exposed to Australian and United States variable interest rate risk.

	2025 $m	2024 $m
Financial assets		
Cash and cash equivalents	18.0	650.7
	18.0	**650.7**
Financial liabilities		
Interest bearing liabilities	(1,332.9)	(2,600.5)
	(1,332.9)	**(2,600.5)**

The following table shows the annualised impact on profit or loss and equity of interest bearing assets and liabilities if floating interest rates at balance date had been one per cent (100 basis points) higher or lower for the year, with all other variables held constant.

	2025 Profit/(loss) $m	2025 Equity $m	2024 Profit/(loss) $m	2024 Equity $m
If interest rates were 1% (100 basis points) higher with all other variables held constant – increase/(decrease)	(25.3)	(5.3)	(13.8)	(9.6)
If interest rates were 1% (100 basis points) lower with all other variables held constant – increase/(decrease)	25.3	5.8	13.8	10.1

(iii) Commodity and energy price risk

Commodity price risk is the risk that SGH is exposed to fluctuations in commodity prices. SGH has an operating interest in oil and gas assets located in Australia and the United States of America. These investments expose SGH to commodity price risk from fluctuations in the prices of oil, natural gas and other condensates and natural gas liquids (NGLs). SGH does not currently hedge its exposure to energy price risk relating to the future sale of these energy products. SGH is exposed to price risk relating to the purchase of electricity, diesel, natural gas, coal, clinker and other oil and gas based products. SGH hedges a portion of these exposures using fixed price contracts, swaps and options.

The following table shows the impact on the profit or loss and equity of SGH if commodity prices at balance date had been 10.0 per cent higher or lower, with all other variables held constant (2024: 10.0 per cent). A sensitivity of 10.0 per cent is considered a reasonable estimate of a short-term commodity price dislocation.

	2025 Profit/(loss) $m	2025 Equity $m	2024 Profit/(loss) $m	2024 Equity $m
If commodity prices were 10% higher with all other variables held constant – increase/(decrease)	–	12.0	–	10.7
If commodity prices were 10% lower with all other variables held constant – increase/(decrease)	–	(13.7)	–	(10.7)

(b) Liquidity risk

Liquidity risk refers to the risk that SGH is unable to meet its financial commitments as and when they fall due.

SGH employs a prudent liquidity risk management approach. This involves maintaining a large amount of liquid reserves (cash deposits, listed shares and available credit lines) that can be drawn or sold at short notice to meet SGH's financial commitments. Management monitors SGH's ongoing cash flow requirements on a daily basis. Due to the dynamic nature of the underlying businesses, SGH aims to maintain flexibility in funding by keeping credit lines committed and available.

Financing arrangements

SGH had access to the following undrawn borrowing facilities at the reporting date:

FLOATING RATE	2025 $m	2024 $m
Expiring within one year	270.1	253.2
Expiring beyond one year	1,005.6	895.0
	1,275.7	**1,148.2**

ADDITIONAL LIQUIDITY		
Cash and cash equivalents	176.6	654.3
Unutilised short dated lines of credit	7.7	9.1
	184.3	**663.4**

Financial Assets and Liabilities continued

21. Financial risk management (continued)

Maturities of financial liabilities

The table below analyses SGH's financial liabilities (including derivative financial instruments) into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. Gross cash flows include principal, coupon and premium (on put options) payments at contracted rates. The amounts disclosed are the contracted undiscounted cash flows.

Subject to continued compliance with facility terms, the facilities may be drawn at any time. The average maturity for drawn facilities is 4.8 years (2024: 4.1 years) and 3.2 years (2024: 2.3 years) for undrawn facilities.

YEAR ENDED 30 JUNE 2025	Within 1 year $m	Between 1 and 2 years $m	Between 2 and 5 years $m	Over 5 years $m	Total contractual cash flows $m	Carrying amount $m
Trade and other payables (excluding accruals)	741.2	4.0	–	–	745.2	745.2
Borrowings – variable rate						
– principal (including derivative)	74.5	97.9	949.9	715.2	1,837.5	1,840.2
– coupon interest and derivative	80.3	94.4	247.6	32.1	454.4	–
Borrowings – fixed rate						
– principal (including derivative)	329.0	206.3	499.6	1,357.5	2,392.4	2,419.7
– coupon interest and derivative	141.8	106.7	251.4	252.5	752.4	–
	1,366.8	**509.3**	**1,948.5**	**2,357.3**	**6,181.9**	**5,005.1**
YEAR ENDED 30 JUNE 2024						
Trade and other payables (excluding accruals)	741.3	7.9	–	–	749.2	749.2
Borrowings – variable rate						
– principal (including derivative)	701.4	73.5	1,470.6	265.9	2,511.4	2,521.3
– coupon interest and derivative	141.4	110.3	177.5	81.4	510.6	–
Borrowings – fixed rate						
– principal (including derivative)	0.1	–	311.9	2,097.3	2,409.3	2,394.5
– coupon interest and derivative	115.3	115.3	345.8	480.5	1,056.9	–
	1,699.5	**307.0**	**2,305.8**	**2,925.1**	**7,237.4**	**5,665.0**

(c) Credit risk

Credit risk is the risk of financial loss to SGH if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from SGH's receivables, cash and cash equivalents and investment securities.

SGH's maximum exposure to credit risk at the reporting date was:

	Note	2025 $m	2024^ $m
Cash and cash equivalents	18	176.6	654.3
Trade and other receivables and Contract assets	8	1,537.4	1,524.7
Derivative financial instruments	22	163.8	150.5
		1,877.8	**2,329.5**

^ Comparative has been restated to align to current year presentation.

SGH's and the Company's exposure to credit risk is predominately in Australia.

Expected credit loss and ageing – trade receivables

SGH's exposure to expected credit loss and ageing in relation to trade receivables is outlined below.

The ageing analysis of these trade receivables is as follows:

	2025 $m	2024 $m
Past due 1–30 days	127.1	142.0
Past due 31–60 days	28.9	19.7
Past due 61–90 days	11.2	7.7
> 91 days	20.3	21.1
Total trade receivables past due	**187.5**	**190.5**

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2025 $m	2024 $m
Balance at beginning of the year	30.6	24.4
Impairment loss recognised in profit or loss	8.8	16.1
Impairment loss reversed in profit or loss	(4.0)	–
Receivables expensed as uncollectable during the year	(5.7)	(9.4)
Amounts disposed in relation to disposal of businesses	–	(0.5)
Balance at end of the year	**29.7**	**30.6**

In certain circumstances SGH enters into guarantees as part of ordinary trading operations. These guarantees are included within financial guarantees in Note 26: Contingent liabilities.

(d) Fair value measurements

Financial instruments measured at fair value

The fair value of:

- financial instruments traded in active markets are based on quoted market prices at the reporting date. The quoted market prices used for financial assets held by SGH are the closing bid prices for the assets. SGH has elected that the fair value adjustments on SGH's listed and unlisted equity securities recorded in other comprehensive income and not subsequently reclassified to profit or loss.
- forward foreign exchange contracts are determined using quoted forward exchange rates at the reporting date.
- interest rate swaps and collars and cross currency interest rate swaps are calculated using the present value of the estimated future cash flows of these instruments.
- commodity and energy derivatives are determined using quoted commodity prices and forward rates at the reporting date.
- equity derivatives are calculated based on the closing bid price of the underlying equities.

Financial instruments not measured at fair value

The interest rates used to discount estimated cash flows relating to the fixed term US dollar notes were 4.0 to 5.8 per cent (2024: 5.5 to 6.7 per cent) and are based on the government yield curve at the reporting date plus an adequate credit spread.

SGH uses various methods in estimating the fair value of a financial instrument. The methods comprise:

- Level 1 – fair value is estimated using quoted prices in active markets.
- Level 2 – fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices).
- Level 3 – fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The methods used in estimating fair value of financial assets and liabilities are disclosed on the following page.

Financial Assets and Liabilities continued

21. Financial risk management (continued)

	Note	Level in fair value hierarchy	2025 Carrying amount $m	2024 Carrying amount $m
Financial assets measured at fair value				
Unlisted equity securities		3	62.9	66.1
Forward foreign exchange contracts	22	2	5.4	2.8
Commodity swaps and options	22	2/3	8.0	9.1
Cross currency interest rate swaps	22	2	150.4	138.6
			226.7	**216.6**
Financial assets not measured at fair value				
Cash and cash equivalents	18	–	176.6	654.3
Trade and other receivables and Contract assets	8	–	1,537.4	1,524.7
			1,714.0	**2,179.0**
Financial liabilities measured at fair value				
Forward foreign exchange contracts	22	2	4.1	1.5
Commodity swaps and options	22	2	14.1	1.5
Cross currency interest rate swaps	22	2	42.5	56.6
Interest rate swaps	22	–	8.9	11.2
			69.6	**70.8**
Financial liabilities not measured at fair value				
Trade and other payables (excluding accruals)		–	745.2	749.2
Fixed term US dollar notes	20	2	3,118.5	3,095.5
Fair value adjustment relating to US dollar notes	20	–	(33.5)	(54.0)
Convertible note	20	2	–	0.1
Other borrowings	20	2	1,291.8	1,959.6
			5,122.0	**5,750.4**

The carrying amount approximates fair value except for the fixed term US dollar notes where the fair value was $3,142.9 million (2024: $3,000.2 million).

There were no transfers between the fair value hierarchy levels during the year.

Valuation techniques – Level 3

Unlisted equity securities

Unlisted equity securities comprise SGH's investment in an unlisted investment fund (investment fund), which is accounted for as a financial asset measured at fair value through other comprehensive income. Whilst this investment fund invests in both foreign listed and unlisted equity securities, the investment is not quoted in an active market and accordingly the fair value of this investment is included within Level 3 of the hierarchy.

Audited information is obtained from the investment fund regarding the fair value of the investment. SGH recognises any movement in the fair value of the investment in equity through the fair value reserve. The methodology followed by the investment fund in fair valuing its underlying investments is outlined below.

Valuation process for Level 3 valuations

The valuation of unlisted equity securities is performed on a quarterly basis by the investment fund's manager and reviewed by their investment committee. The valuations are also subject to quality assurance procedures performed within the investment fund.

The fund's investment committee considers the appropriateness of the valuation methods and inputs, and may request that alternate valuation methods are applied to support the valuations arising from the method chosen. The investment fund presents the valuation results on a quarterly basis to SGH.

Reconciliation – Level 3

The following table shows a reconciliation of movements in the fair value of unlisted equity securities categorised within Level 3.

	2025 $m	2024 $m
Balance at the beginning of the year	66.1	96.2
Contributions, net of capital returns	(13.6)	(10.7)
Fair value gain/(losses)	10.4	(19.4)
Balance at the end of the year	**62.9**	**66.1**

(e) Capital management

SGH manages its capital to safeguard SGH's ability to continue as a going concern and to maintain an optimal capital structure while maximising shareholder value. As such, the Board regularly reviews SGH's capital structure in order to take advantage of favourable costs of capital and returns on assets. SGH maintains a diversified capital base with a mixture of equity and debt funding. Equity funding comprises ordinary shares.

SGH's dividend policy is to distribute cash from operating activities after financing costs, subject to the retention of adequate cash reserves to capitalise on investment opportunities. Dividends are franked to the greatest extent possible.

Refer to Note 25: Dividends for details of dividends paid and proposed but not provided for during the year.

22. Derivative financial instruments

Accounting policy

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

SGH designates certain derivatives as either:

– hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges); or
– hedges of the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

SGH documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. SGH also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months. It is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in profit or loss within interest expense, together with changes in the fair value of the hedged fixed rate borrowings attributable to interest rate risk. The gain or loss relating to the ineffective portion is recognised in the profit or loss within other income or other expenses.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity using a recalculated effective interest rate.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income in the cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other income or other expenses.

Amounts accumulated in other comprehensive income are recycled in the profit or loss in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in profit or loss within interest expense.

The gain or loss relating to the effective portion of forward foreign exchange contracts hedging export sales is recognised in profit or loss within sales. However, when the forecast transaction that is hedged results in the recognition of a non financial asset (for example, inventory or property, plant and equipment), the gains and losses previously deferred in other comprehensive income are transferred from other comprehensive income and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in profit or loss as a cost of goods sold in the case of inventory, or as depreciation in the case of property, plant and equipment.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in other comprehensive income at that time remains in other comprehensive income and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in other comprehensive income is immediately transferred to profit or loss.

Interest rate swaps

SGH's policy is to hedge a portion of its interest bearing liabilities from exposure to changes in interest rates. The gain or loss from remeasuring the hedging instruments to fair value is deferred in equity in the hedge reserve and reclassified into profit or loss when the hedged interest expense is recognised. To the extent that the hedge is ineffective or undesignated, the fair value movement is recognised as fair value through profit or loss.

Forward foreign exchange contracts

SGH has entered into forward foreign currency exchange contracts to hedge USD denominated debt in conjunction with cross currency swaps. From time to time SGH also enters into forward foreign exchange contracts to hedge certain known trading commitments and capital expenditure predominantly denominated in US Dollars. The terms of these commitments are generally shorter than one year.

Commodity swaps

SGH uses commodity futures, swaps and options to hedge a component of exposure to commodity and energy price risk. The maximum permitted term for a hedge transaction is three years.

Financial Assets and Liabilities continued

22. Derivative financial instruments (continued)

	2025 $m	2024 $m
CURRENT ASSETS		
Cross currency interest rate swaps	54.1	–
Forward foreign exchange contracts	4.9	2.8
Commodity swaps and options	1.9	5.6
	60.9	**8.4**
NON-CURRENT ASSETS		
Cross currency interest rate swaps	96.3	138.6
Forward foreign exchange contracts	0.5	–
Commodity swaps and options	6.1	3.5
	102.9	**142.1**
CURRENT LIABILITIES		
Forward foreign exchange contracts	(3.2)	(1.5)
Commodity swaps and options	(5.3)	(1.5)
	(8.5)	**(3.0)**
NON-CURRENT LIABILITIES		
Forward foreign exchange contracts	(0.9)	–
Cross currency interest rate swaps	(42.5)	(56.7)
Interest rate swaps	(8.9)	(11.2)
Commodity swaps and options	(8.8)	–
	(61.1)	**(67.9)**
Net derivative financial instruments	**94.2**	**79.6**

SGH is a party to derivative financial instruments in the normal course of business in order to hedge exposure to fluctuations in interest rates, foreign exchange rates, commodity and energy prices in accordance with SGH's financial risk management policies. SGH also enters into equity derivatives from time to time to hedge the value of listed investments or to gain exposure to certain market sectors. Refer to Note 21: Financial risk management for further details.

Derivatives that do not qualify for hedge accounting

Certain derivative instruments may not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss.

Cross currency swaps

SGH has obligations to repay the principal and interest relating to USD denominated debt. SGH enters into cross currency swap contracts to hedge these obligations.

At 30 June 2025, SGH held various types of derivative financial instruments that were designated as cash flow hedges of future forecast transactions. These were hedging of:

- future foreign currency operational payments by forward exchange contracts;
- future foreign currency principal and coupon payments by forward exchange contracts;
- future commodity payments by forward exchange contracts;
- future foreign currency capital expenditure by forward exchange contracts; or
- future interest payments by interest rate derivative contracts.

			Carrying amount		Change in value	
HEDGE ACCOUNTING 30 JUNE 2025	Notional amount of hedging instrument & hedged item	Hedge rates	Assets $m	Liabilities $m	Hedging instrument $m	Hedged item $m
Cash flow hedges						
Foreign exchange contracts	AUD 278.7	AUD/USD 0.62-0.69	5.4	(4.1)	2.5	(2.5)
Cross currency and interest rate swaps	AUD 2,518.2	AUD/USD 0.64-1.03 3.36%-6.96%	150.2	(17.9)	77.5	(90.9)
USD diesel costs – commodity swaps	AUD 89.6	USD/Barrel 77.35-94.89	1.3	(5.0)	(8.0)	8.0
USD coal costs – commodity swaps	AUD 7.0	USD/MT 124.75-136.55	–	(0.7)	(0.2)	0.2
Electricity costs – commodity swaps and options	AUD 26.9	AUD/MWh 47.25-132	1.7	(0.2)	(0.8)	0.8
Fair value hedges						
Cross currency interest rate swaps	AUD 400.9	AUD/USD 0.65-1.03	–	(27.7)	(13.2)	(15.1)
Interest on USD borrowings – interest rate swaps	AUD 152.7	6.95%-6.97%	–	(5.6)	5.6	(5.6)

Capital Structure

23. Capital

Accounting policy

Contributed equity

Ordinary shares, convertible notes and other equity securities are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in other comprehensive income and presented as contributed equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs is recognised as a deduction from equity.

Treasury shares

Treasury shares consist of shares held in trust for SGH's executives in relation to employee equity benefits.

	2025 $m	2024 $m
CONTRIBUTED EQUITY		
406,998,167 ordinary shares, fully paid (2024: 400,343,655)	5,050.6	4,802.6
692,913 treasury shares, fully paid (2024: 1,001,045)	(30.9)	(40.2)
Balance at end of the year	**5,019.7**	**4,762.4**
MOVEMENT IN ORDINARY SHARES		
Balance at beginning of the year	4,802.6	3,382.2
Shares issued during the year – Boral takeover - 6,654,512 (2024: 35,153,902)	248.0	1,371.5
Shares issued during the year – convertible notes - nil (2024: 1,929,165)	–	44.7
Transfer of convertible notes within contributed equity	–	4.2
Balance at end of the year	**5,050.6**	**4,802.6**
MOVEMENT IN TREASURY SHARES		
Balance at beginning of the year	(40.2)	(11.1)
Shares vested and transferred to employees	34.1	11.7
On-market share acquisition	(24.8)	(40.8)
Balance at end of the year	**(30.9)**	**(40.2)**

The Company does not have authorised share capital or par value in respect of its issued shares. All issued shares are fully paid. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Company, ordinary shareholders rank after creditors and are fully entitled to any proceeds on liquidation.

Ordinary shares

During the year, the Company issued 6,654,512 SGH shares as a result of the completion of the acquisition of Boral (2024: 35,153,902 SGH shares issued). Refer to Note 31: Acquisition and disposal of businesses for further detail.

Convertible notes

On 5 March 2018, the Company issued 3,500 convertible notes (Notes) at a nominal value of $350.0 million and paying a cash coupon of 2.2 per cent per annum. The Notes were listed on the Singapore Exchange. The remaining one Note matured in March 2025 at its nominal value. During the prior year, 463 Notes were converted, resulting in 1,929,165 ordinary shares being issued at $24 per share. At 30 June 2025, no Notes remain (2024: one Note).

Treasury shares

The Company acquired 542,000 shares on market for $24.8 million (2024: 1,025,000 shares on market for $40.8 million) to satisfy employee share scheme obligations in future periods.

24. Reserves

Nature and purpose of reserves

Acquisitions reserve	The acquisitions reserve is used to record the difference between the fair value of consideration paid for the non-controlling interest of subsidiaries and the book value of those subsidiaries' share of net assets at date of acquisition.
Equity benefits reserve	The equity benefits reserve is used to record the value of equity benefits provided to employees as part of their remuneration.
Common control reserve	The acquisition of WesTrac Group by the Company during the period ended 30 June 2010 was accounted for as a common control transaction. As a consequence, the difference between the fair value of the consideration paid and the existing book values of assets and liabilities of the WesTrac Group was debited to a common control reserve. Upon disposal of all interests in WesTrac Group by SGH this reserve would be transferred to retained earnings.
Hedge reserve	The hedge reserve records the effective portion of the cumulative net change in fair value of hedging instruments related to cash flow hedged transactions that have not yet occurred.
Fair value through OCI reserve	SGH has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income under AASB 9. The net change in the fair value of financial assets measured at fair value through other comprehensive income (FVTOCI) will be shown in this reserve and not be subsequently reclassified to profit or loss.
Foreign currency translation reserve	The foreign currency (FX) translation reserve records the foreign currency differences arising from the translation of the financial statements of foreign operations.
Equity reserve	The equity reserve records the difference arising on the Exchangeable bond embedded option to convert the liability into equity.

YEAR ENDED 30 JUNE 2025	Acquisitions reserve $m	Equity benefits reserve $m	Common control reserve $m	Hedge reserve $m	Fair value through OCI reserve $m	FX translation reserve $m	Equity reserve $m	Total $m
As at 1 July 2024	**(2,440.6)**	**(34.3)**	**(642.6)**	**(13.2)**	**87.8**	**(10.9)**	**22.5**	**(3,031.3)**
Fair value movement on financial assets measured at FVTOCI	–	–	–	–	10.3	–	–	10.3
Deferred tax effect of net gain on financial asset measured at FVTOCI	–	–	–	–	(3.1)	–	–	(3.1)
Net loss on cash flow hedges	–	–	–	(22.8)	–	–	–	(22.8)
Tax effect of net loss on cash flow hedges	–	–	–	6.8	–	–	–	6.8
Movement in reserves of equity accounted investees	–	–	–	–	(2.5)	0.4	–	(2.1)
Acquisition of non-controlling interest	172.6	–	–	–	–	–	–	172.6
Currency translation differences	–	–	–	–	–	(0.3)	–	(0.3)
Share based payments	–	14.2	–	–	–	–	–	14.2
Share based payments vested	–	(34.1)	–	–	–	–	–	(34.1)
As at 30 June 2025	**(2,268.0)**	**(54.2)**	**(642.6)**	**(29.2)**	**92.5**	**(10.8)**	**22.5**	**(2,889.8)**

Capital Structure continued

24. Reserves (continued)

YEAR ENDED 30 JUNE 2024	Acquisitions reserve $m	Equity benefits reserve $m	Common control reserve $m	Hedge reserve $m	Fair value through OCI reserve $m	FX translation reserve $m	Equity reserve $m	Total $m
As at 1 July 2023	**(989.2)**	**(13.9)**	**(642.6)**	**(7.4)**	**100.8**	**3.2**	**22.5**	**(1,526.6)**
Fair value movement on financial assets measured at FVTOCI	–	–	–	–	(14.5)	–	–	(14.5)
Deferred tax effect of net gain on financial asset measured at FVTOCI	–	–	–	–	4.4	–	–	4.4
Net loss on cash flow hedges	–	–	–	(9.6)	–	–	–	(9.6)
Tax effect of net loss on cash flow hedges	–	–	–	3.8	–	–	–	3.8
Movement in reserves of equity accounted investees	–	–	–	–	(2.9)	(0.7)	–	(3.6)
Acquisition of non-controlling interest	(1,475.5)	–	–	–	–	–	–	(1,475.5)
Non-controlling interest on partial disposal of controlled entity without loss of control	24.1	–	–	–	–	–	–	24.1
Recycling of FX translation reserve	–	–	–	–	–	(13.6)	–	(13.6)
Currency translation differences	–	–	–	–	–	0.2	–	0.2
Share based payments from controlled entity	–	(18.0)	–	–	–	–	–	(18.0)
Share based payments	–	9.3	–	–	–	–	–	9.3
Share based payments vested	–	(11.7)	–	–	–	–	–	(11.7)
As at 30 June 2024	**(2,440.6)**	**(34.3)**	**(642.6)**	**(13.2)**	**87.8**	**(10.9)**	**22.5**	**(3,031.3)**

25. Dividends

YEAR ENDED 30 JUNE 2025	Date of payment	Franked/ unfranked	Amount per share	Total $m
DIVIDENDS PAID				
Ordinary shares				
Final dividend in respect of 2024 year	2 Sep 24	Franked	$0.30	122.1
Interim dividend	10 Apr 25	Franked	$0.30	122.1
				244.2
Subsequent event				
Current period final dividend on ordinary shares proposed but not provided for				
Ordinary shares				
Final dividend in respect of 2025 year	10 Oct 25	Franked	$0.32	130.2
Balance of franking account at 30%				**597.5**

YEAR ENDED 30 JUNE 2024				
DIVIDENDS PAID				
Ordinary shares				
Final dividend in respect of 2023 year	13 Oct 23	Franked	$0.23	83.6
Interim dividend	12 Apr 24	Franked	$0.23	84.0
				167.6
Ordinary shares				
Final dividend in respect of 2024 year	2 Sep 24	Franked	$0.30	122.1
Balance of franking account at 30%				**450.4**

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends. The impact on the dividend franking account of dividends proposed after the balance sheet date but not recognised as a liability is to reduce it by $55.8 million (2024: $52.3 million).

Unrecognised Items

26. Contingent liabilities

The nature of SGH's and equity accounted investees' activities are such that, from time to time, claims are received or made by SGH. The Directors are of the opinion that no claims are expected to have a material adverse effect on the financial statements of SGH and as such do not require disclosure as a contingent liability.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Environmental risk and regulation

SGH and the industries in which it operates are subject to a broad range of environmental laws, regulations and standards (including certain licensing requirements) including air, soil and water quality, waste handling and disposal. This could expose SGH to legal liabilities or place limitations on the development of its operations. In addition, there is a risk that property utilised by SGH from time to time may be contaminated by materials harmful to human health (such as hazardous chemicals). In these situations SGH may be required to undertake remedial works on contaminated sites and may be exposed to third party compensation claims and other environmental liabilities. Management judgement is therefore required to estimate the impact of such factors on future earnings supporting existing goodwill and intangible assets.

Performance guarantees

Performance guarantees of $114.5 million (2024: $113.2 million) relate to guarantees provided to customers in support of equipment and contract performance.

Financial guarantees

SGH has issued a number of financial guarantees to third parties for various operational and financing purposes, totalling $32.2 million (2024: $33.4 million). To the extent that the Directors expect these third party guarantees to be called upon, a provision has been recorded in the Consolidated Statement of Financial Position as at 30 June 2025.

SGH has entered into a number of financial guarantees in relation to subsidiary debt facilities and other financing arrangements.

Bank guarantees

SGH has granted indemnities to banks to cover bank guarantees given on behalf of controlled entities to a maximum exposure of $37.4 million (2024: $44.6 million).

Indemnities

The Company has provided a limited indemnity in relation to potential claims on Directors of acquired subsidiaries prior to them becoming part of SGH. This obligation has been partially insured.

Environmental contingent liabilities

SGH's activities involve the extraction of resources as well as the processing and subsequent handling of materials that could contaminate the environment. As a consequence of these activities, SGH has incurred and may continue to incur costs associated with closure, remediation, aftercare and monitoring. Provisions have been recognised for the sites where obligations are known to exist, and the cost can be reliably measured. However, additional costs may be incurred due to factors outside SGH's current knowledge or control, such as changes in the laws and regulations that govern land use and environmental protection across the various jurisdictions in which SGH operates.

Boral shareholder class action

Boral continues to defend two shareholder class action proceeds filed against it in the Federal Court of Australia by Maurice Blackburn and Phi Finney McDonald which are currently being case-managed together. It is not possible to determine the ultimate impact, if any, of the proceedings on Boral. Boral, in conjunction with its insurer, continues to vigorously defend the proceedings.

Unrecognised Items continued

27. Commitments

	2025 $m	2024 $m
Capital expenditure commitments		
Payable:		
Not later than one year	154.0	160.8
Later than one year but not later than five years	1.4	4.6
	155.4	**165.4**
Leasing commitments		
Payable:		
Not later than one year	12.8	–
Later than one year but not later than five years	78.4	–
More than five years	147.3	–
	238.5	**–**
Development and exploration expenditure commitments		
Payable:		
Not later than one year	117.3	95.1
Later than one year but not later than five years	32.9	111.8
	150.2	**206.9**
The above commitments include development and exploration expenditure commitments relating to joint venture operations in relation to Crux:		
Not later than one year	98.6	95.1
Later than one year but not later than five years	32.9	93.1
	131.5	**188.2**
Other commitments		
Payable:		
Not later than one year	1.2	1.1
	1.2	**1.1**

Leasing commitments relate to the purchase of plant and equipment and equipment leasing commitments. In March 2025, Boral entered into a lease arrangement with SSR for the delivery of rail services commencing from August 2025. The arrangement is expected to run for 12 years. Further variable lease charges will be recognised on a usage basis.

Development commitments relate to joint operations for Crux. Exploration expenditure commitments relate to exploration permits WA-377P (cancelled 22 December 2020). Estimates for future development and exploration expenditure commitments are based on joint venture estimated contracted development costs and estimated exploration costs determined in current dollars translated into Australian dollars on an undiscounted basis. The exploration obligations may vary significantly as a result of renegotiations with relevant parties, including regulators in relation to any Good Standing agreement on expired or cancelled permits.

Other commitments includes SGH's commitment to invest in an unlisted investment fund.

28. Events subsequent to balance date

Other than as outlined below, there has not arisen in the interval between 30 June 2025 and the date of this Report any other event that would have had a material effect on the Financial Statements as at 30 June 2025.

On 1 July 2025, SGH announced that Mr Vik Bansal, Chief Executive Officer & Managing Director (MD&CEO) of Boral, will step down from his current role in early 2026. At the conclusion of his role as Boral MD&CEO, Mr Bansal will be appointed to the SGH Board as a Non-Executive Director.

On 3 August 2025, as part of Beach Energy's annual reserves assessment process, Beach recognised net revisions to 2P reserves of 12.8MMboe which was mainly attributable to outcomes from the Beharra Springs Deep 3 development well and smaller revisions to Otway and Cooper Basin. As a consequence of these revisions, coupled with the fall in global commodity prices and higher capital expenditure for future development activities, Beach recognised a total pre-tax impairment charge of $667.9 million against petroleum assets. A further $6.1 million of impairment was recorded against goodwill, resulting in a total pre-tax impairment charge of $674.0 million ($473.6 million post tax).
As an adjusting event, SGH's share of this impairment charge has been equity accounted in the Consolidated Statement of Financial Position for the year ended 30 June 2025 and reported as a Significant item.

Group Structure

28. Events subsequent to balance date (continued)

Movement in share prices of listed investments

Subsequent to year end, there has been movement in the share prices of listed investments and as a result, the value of SGH's investments have varied from what is presented in this financial report. The market value of listed investments at 11 August 2025 compared to their market value at 30 June 2025 is outlined below.

	Market value	
	11 August 2025 $m	30 June 2025 $m
Listed investments accounted for using the equity method	983.3	993.6

29. Parent entity disclosures

As at and throughout the year ended 30 June 2025 the parent company was SGH Limited. The individual financial statements for the parent entity show the following aggregate amounts.

	COMPANY	
	2025 $m	2024 $m
Financial position of parent entity at end of the year		
Current assets	2,818.5	2,496.9
Total assets	5,849.7	5,528.1
Current liabilities	112.1	80.7
Total liabilities	123.8	92.3
Total equity of the parent entity comprising of:		
Contributed equity	5,019.7	4,762.4
Reserves	5.8	29.5
Retained earnings	700.4	643.9
Total shareholders equity	**5,725.9**	**5,435.8**
Result of the parent entity		
Profit for the year	300.7	554.7
Total comprehensive income for the year	**300.7**	**554.7**
Other information		
Contingent liabilities of the parent entity[(a)]	135.7	137.1

(a) Relates to financial guarantees provided to third parties by the parent entity for subsidiary debt facilities and other financing arrangements. These facilities are held by entities that are outside of the Deed of Cross Guarantee disclosed in Note 30: Controlled entities.

Parent entity guarantees in respect of debts of its subsidiaries

The parent entity has entered into a Deed of Cross Guarantee with the effect that the Company guarantees debts with certain subsidiaries. Further details of the Deed of Cross Guarantee and the subsidiaries subject to the Deed are disclosed in Note 30: Controlled entities.

In addition to the contingent liabilities shown above, the parent entity guarantees a number of debt facilities held by various controlled entities who are part of the Deed of Cross Guarantee.

Group Structure continued

30. Controlled entities

	Notes	Country of incorporation	OWNERSHIP INTEREST 2025 %	2024 %
PARENT ENTITY				
SGH Limited	(a)(b)	Australia		
SUBSIDIARIES				
All Hire Pty Limited		Australia	100	100
Allen's Asphalt Pty Ltd	(c)	Australia	100	95
Allight Holdings Pty Limited	(a)	Australia	100	100
Allight Pty Limited	(a)	Australia	100	100
AllightSykes SA (Proprietary) Limited		South Africa	100	100
Allplant Services Pty Limited		Australia	100	100
Alsafe Premix Concrete Pty Ltd	(c)	Australia	100	95
Australian Highway Plant Services Pty Limited		Australia	100	100
Barnu Pty Ltd.	(c)	Australia	100	95
Bayview Pty Limited	(c)	Australia	100	95
Bayview Quarries Pty Limited	(c)	Australia	100	95
Bitumax Pty. Limited	(c)	Australia	100	95
Bitupave Ltd	(c)	Australia	100	95
Boral Bricks Pty Ltd	(c)	Australia	100	95
Boral Bricks Western Australia Pty Ltd	(c)	Australia	100	95
Boral Building Materials Pty Limited	(c)	Australia	100	95
Boral Building Products Limited	(c)	Australia	100	95
Boral Cement Limited	(c)	Australia	100	95
Boral Concrete (1992) Limited	(c)	Thailand	100	95
Boral Construction Materials Group Ltd	(c)	Australia	100	95
Boral Construction Materials Ltd	(c)	Australia	100	95
Boral Construction Related Businesses Pty Ltd	(c)	Australia	100	95
Boral Contracting Pty Ltd	(c)	Australia	100	95
Boral Corporate Services Pty Limited	(c)	Australia	100	95
Boral Finance Pty Limited	(c)	Australia	100	95
Boral Holdings Inc.	(c)	USA	100	95
Boral Insurance Pty Limited	(c)	Australia	100	95
Boral International Pty Limited	(c)	Australia	100	95
Boral Investments BV	(d)(e)	Netherlands	–	95
Boral Investments Pty Limited	(c)	Australia	100	95
Boral IP Holdings (Australia) Pty Limited	(c)	Australia	100	95
Boral Limited	(c)	Australia	100	95
Boral Masonry Ltd	(c)	Australia	100	95
Boral Precast Holdings Pty Ltd	(c)	Australia	100	95
Boral Recycling Pty Limited	(c)	Australia	100	95
Boral Resources (Country) Pty. Limited	(c)	Australia	100	95
Boral Resources (NSW) Pty Ltd	(c)	Australia	100	95
Boral Resources (QLD) Pty. Limited	(c)	Australia	100	95
Boral Resources (SA) Limited	(c)	Australia	100	95
Boral Resources (VIC.) Pty. Limited	(c)	Australia	100	95
Boral Resources (W.A.) Ltd	(c)	Australia	100	95
Boral Shared Business Services Pty Ltd	(c)	Australia	100	95
Boral Transport Limited	(c)	Australia	100	95
Boral USA	(c)(e)	USA	–	95
C7 Pty Limited	(a)	Australia	100	100
Coates Fleet Pty Limited		Australia	100	100
Coates Group Holdings Pty Limited		Australia	100	100
Coates Group Pty Limited		Australia	100	100
Coates Hire (NZ) Limited		New Zealand	100	100
Coates Hire Access SPV Pty Limited		Australia	100	100
Coates Hire Holdco SPV Pty Limited		Australia	100	100
Coates Hire Limited		Australia	100	100
Coates Hire Operations Pty Limited		Australia	100	100

	Notes	Country of incorporation	OWNERSHIP INTEREST 2025 %	2024 %
Coates Hire Overseas Investments Pty Limited		Australia	100	100
Coates Hire Traffic Solutions Pty Limited		Australia	100	100
Concrite Pty Ltd	(c)	Australia	100	95
Covol Fuels No.2, LLC	(c)(e)	USA	–	95
Dandenong Quarries Pty. Limited	(c)	Australia	100	95
Davegale Pty Limited	(c)	Australia	100	95
De Martin & Gasparini Contractors Pty Limited	(c)	Australia	100	95
De Martin & Gasparini Pty Limited	(c)	Australia	100	95
De Martin & Gasparini Pumping Pty Limited	(c)	Australia	100	95
De Martin & Gasparini Queensland Pty Limited	(c)	Australia	100	95
Direct Target Access Pty Limited	(a)	Australia	100	95
Dunmore Sand & Soil Pty. Limited	(c)	Australia	100	95
DWB (NH) Pty Limited		Australia	100	100
FGW Pacific Pty Limited		Australia	100	100
Flexi Industrial Services Pty Limited		Australia	100	100
Found Concrete Pty Ltd	(c)	Australia	100	95
Headwaters Energy Services Corp.	(c)(e)	USA	–	95
Hebburn Pty Limited		Australia	100	100
Industrial Investment Holdings Pty Limited		Australia	100	100
Kimlin Holdings Pty Limited		Australia	100	100
Manooka Holdings Pty Limited	(a)	Australia	100	100
Miltonstar Pty Limited	(a)	Australia	100	100
Nahi Pty Limited		Australia	100	100
National Hire Equipment Pty Limited		Australia	100	100
National Hire Facilitation Pty Limited	(a)	Australia	100	100
National Hire Finance Pty Limited		Australia	100	100
National Hire Group Limited	(a)	Australia	100	100
National Hire Operations Pty Limited		Australia	100	100
National Hire Properties Pty Limited		Australia	100	100
National Hire Trading Pty Limited		Australia	100	100
Ned Finco Pty Limited		Australia	100	100
Network Investment Holdings Pty Limited	(a)	Australia	100	100
Point Pty Limited	(a)	Australia	100	100
PT AllightSykes		Indonesia	100	100
Pump Rentals Pty Limited	(a)	Australia	100	100
Q-Crete Premix Pty Ltd	(c)	Australia	100	95
Realtime Reporters Pty Limited		Australia	100	100
Road Surfaces Group Pty. Ltd.	(c)	Australia	100	95
Sand Supplies Newco Py Ltd	(f)	Australia	100	–
Seven (National) Pty Limited	(a)	Australia	100	100
Seven (WAN) Pty Limited		Australia	100	100
Seven Broadcast Properties Trust		–	100	100
Seven Custodians Pty Limited	(a)	Australia	100	100
Seven Entertainment Pty Limited		Australia	100	100
Seven Media Group Pty Limited	(a)	Australia	100	100
Seven Network (United States) Inc		USA	100	100
Seven Network International Limited	(a)	Australia	100	100
Seven Network Investments Pty Limited	(a)	Australia	100	100
Seven Network Limited	(a)	Australia	100	100
Seven Network Nominees Pty Limited	(a)	Australia	100	100
Seven Resources Pty Limited	(a)	Australia	100	100
SGH Communications Pty Limited		Australia	100	100
SGH Energy (No 1) Pty Limited		Australia	100	100
SGH Energy (No 2) Pty Limited		Australia	100	100
SGH Energy Aust. Pty Limited		Australia	100	100
SGH Energy NTP66 Pty Ltd		Australia	100	100
SGH Energy Pty Ltd		Australia	100	100
SGH Energy VICP54 Pty Ltd		Australia	100	100

Group Structure continued

30. Controlled entities (continued)

			Ownership interest	
	Notes	Country of incorporation	2025 %	2024 %
SGH Energy VICP56 Pty Ltd		Australia	100	100
SGH Energy WA Pty Ltd		Australia	100	100
SGH Energy WA377P Pty Ltd		Australia	100	100
SGH Equity Incentive Trust		–	100	100
SGH Productions Pty Limited	(a)	Australia	100	100
Sitech (WA) Pty Limited		Australia	51	51
Sitech Solutions Pty Limited		Australia	51	51
SmartTech USA, Inc		USA	51	51
SMG Executives Pty Limited		Australia	100	100
SMG FINCO Pty Limited	(a)	Australia	100	100
SNZ Pty Limited	(a)	Australia	100	100
Specialised Investments Pty Limited		Australia	100	100
Tallglen Pty Limited	(a)	Australia	100	100
The DWB Trust		–	100	100
Tru Blu Hire Australia Pty Limited		Australia	100	100
WA Regional Asset Holdings Pty Limited		Australia	100	100
Warrah Engineering Pty Limited		Australia	100	100
WesTrac Holdings Pty Limited	(a)	Australia	100	100
WesTrac Pty Limited		Australia	100	100

(a) Pursuant to ASIC Corporations (Wholly-Owned Companies) Instrument 2016/785 these controlled entities are relieved from the *Corporations Act 2001* requirements for the preparation, audit and lodgement of financial reports.
(b) On 14 November 2024, Seven Group Holdings Limited changed its name to SGH Limited following shareholder approval at the Company's 2024 Annual General Meeting.
(c) This company was acquired as part of the Boral acquisition. SGH holds a 100 per cent interest (2024: 95.1 per cent interest in Boral including acceptances to 30 June 2024).
(d) This company was deregistered in May 2025.
(e) This company was deregistered during the year.
(f) This company was incorporated in February 2025.

Deed of Cross Guarantee

Pursuant to ASIC Corporations (Wholly-Owned Companies) Instrument 2016/785 (Instrument) the wholly-owned controlled entities marked (a) in the preceding table are relieved from the *Corporations Act 2001* requirements for preparation, audit and lodgement of financial reports and Directors' reports.

It is a condition of the Instrument that the Company and each of the wholly-owned controlled entities (marked (a)) enter into a Deed of Cross Guarantee. The effect of the Deed is that the Company guarantees to each creditor payment in full of any debt in the event of winding up of any of the parties to the Deed under certain provisions of the *Corporations Act 2001*. If a winding up occurs under other provisions of the *Corporations Act 2001*, the Company will only be liable in the event that after six months any creditor has not been paid in full. The subsidiaries have also given similar guarantees in the event that the Company is wound up.

A combined statement of comprehensive income and combined statement of financial position, comprising the Company and controlled entities which are a party to the Deed, after eliminating all transactions between parties to the Deed of Cross Guarantee, are set out below.

	COMBINED	
	2025 $m	2024 $m
STATEMENT OF COMPREHENSIVE INCOME		
Revenue	55.2	100.4
Other income	537.1	656.0
Share of results from equity accounted investees	(7.5)	(125.0)
Impairment of equity accounted investees	(266.9)	(135.3)
Expenses excluding depreciation and amortisation	(72.7)	(120.7)
Depreciation and amortisation	(2.8)	(2.7)
Profit before net finance expense and tax	**242.4**	**372.7**
Net finance expenses	(133.4)	(142.1)
Profit before tax	**109.0**	**230.6**
Income tax benefit	38.4	99.6
Profit for the year	**147.4**	**330.2**
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss:		
Net change in financial assets measured at fair value through other comprehensive income	(7.3)	(2.8)
Income tax on items of other comprehensive income	1.5	(8.0)
Total items that will not be reclassified subsequently to profit or loss	**(5.8)**	**(10.8)**
Items that may be reclassified subsequently to profit or loss:		
Foreign currency differences for foreign operations	0.5	(0.7)
Total items that may be reclassified subsequently to profit or loss	**0.5**	**(0.7)**
Total comprehensive income for the year	**142.1**	**318.7**
MOVEMENT IN RETAINED EARNINGS		
Retained profits at beginning of the year	1,305.6	1,143.0
Profit for the year	147.4	330.2
Dividends paid during the year	(244.2)	(167.6)
Retained earnings at end of the year	**1,208.8**	**1,305.6**

Group Structure continued

30. Controlled entities (continued)

	COMBINED	
	2025 $m	2024 $m
STATEMENT OF FINANCIAL POSITION		
Current assets		
Cash and cash equivalents	18.9	93.8
Trade and other receivables	9.1	7.3
Inventory	11.1	–
Other current assets	2.1	6.1
Derivative financial instruments	–	0.9
Total current assets	**41.2**	**108.1**
Non-current assets		
Investments in controlled entities	6,716.5	6,626.9
Investments accounted for using the equity method	875.5	1,186.4
Right of use assets	6.7	6.8
Property, plant and equipment	0.8	0.8
Intangible assets	0.2	0.6
Total non-current assets	**7,599.7**	**7,821.5**
Total assets	**7,640.9**	**7,929.6**
Current liabilities		
Trade and other payables	55.1	394.1
Lease liabilities	2.1	1.4
Interest bearing loans and liabilities	–	700.1
Loans from related parties	1,104.4	484.9
Derivative financial instruments	0.7	–
Current tax liabilities	46.0	73.3
Provisions	57.1	66.6
Total current liabilities	**1,265.4**	**1,720.4**
Non-current liabilities		
Other payables	4.0	7.9
Interest bearing loans and liabilities	1,278.2	1,251.7
Deferred tax liabilities	56.1	47.4
Derivative financial instruments	3.3	–
Lease liabilities	5.1	5.5
Provisions	8.2	8.1
Total non-current liabilities	**1,354.9**	**1,320.6**
Total liabilities	**2,620.3**	**3,041.0**
Net assets	**5,020.6**	**4,888.6**
Equity		
Issued capital	5,019.7	4,762.4
Reserves	(1,207.9)	(1,179.4)
Retained earnings	1,208.8	1,305.6
Total equity	**5,020.6**	**4,888.6**

31. Acquisition and disposal of businesses

Completion of compulsory acquisition of Boral

On 4 July 2024, SGH via its controlled entity Network Investment Holdings Pty Limited, completed its acquisition of all outstanding ordinary shares in Boral Limited. As a result, 6,654,512 SGH shares were issued and cash consideration of $85.9 million was paid for the remaining Boral shares not already owned. In addition, transaction related costs of $95.7 million were paid during the year.

Discontinued operations – Boral's divested businesses

During the year, SGH received deferred consideration and tax settlements, and recorded additional liabilities, in relation to Boral's previously divested businesses.

	2025 $m	2024 $m
Profit for the year from discontinued operations		
Profit before income tax	36.8	–
Profit for the year from discontinued operations	**36.8**	**–**
Profit for the year from discontinued operations attributable to:		
Equity holders of the Company	36.8	–
Profit for the year from discontinued operations	**36.8**	**–**
Cash flows from discontinued operations		
Net operating cash flows[(a)]	21.5	2.8
Net investing cash flows	30.4	–
Net financing cash flows	–	–
Net cash flows from discontinued operations	**51.9**	**2.8**

(a) Net operating cash flows relates to the receipt of US Federal taxes from Boral's previously discontinued operations.

Disposal of controlled entities - prior year

Coates Indonesia

On 2 April 2024, the sale of the following controlled entities to Mitsubishi Corporation was completed.

PT Coates Hire Indonesia
PT Coates Services Indonesia

The total consideration for the sale was $64.4 million, resulting in a net gain on sale of $43.7 million being recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income and net cash receipts of $62.8 million recognised in the Consolidated Cash Flow Statement. Included within the gain is $11.6 million for amounts reclassified from foreign currency translation reserve, offset by transaction costs of $5.9 million. The results from the disposed operations are immaterial to SGH and are included within the Coates segment in the prior year.

Sykes

On 5 December 2023, the sale of the following controlled entities to Atlas Copco Sickla Holding AB was completed.

AllightPrimax FZCO
Primax USA Inc
Sykes Group Pty Limited
Sykes New Zealand Limited
Sykes Fleet Services Pty Limited

The total consideration for the sale was $100.8 million, resulting in a net gain on sale of $32.6 million being recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income and net cash receipts of $89.6 million recognised in the Consolidated Cash Flow Statement. Included within the gain is $2.2 million for amounts reclassified from foreign currency translation reserve, offset by transaction costs of $4.2 million. The results from the disposed operations are immaterial to SGH and are included within the Other Investments segment in the prior year.

Disposal of one per cent interest in Boral - prior year

On 30 August 2023, a wholly-owned subsidiary completed the sale of 11.1 million Boral Limited shares at an average price of $4.90 per share. This reduced SGH's ownership interest in Boral by one per cent to 71.6 per cent. However, subsequent to this transaction, SGH has acquired the remaining shares in Boral. There was no recognition of gains or losses in SGH's earnings as a result of the disposal transaction as the reduction in ownership was reflected as an increase in the non-controlling interest. The net proceeds on disposal of $54.3 million were received in cash. The difference between the disposal proceeds and the amount transferred to non-controlling interests has been recognised directly in equity.

Other

32. Related party disclosures

Key Management Personnel compensation

Detailed remuneration disclosures, including movements in equity holdings for Key Management Personnel, are disclosed in the Remuneration Report section of the Director's Report. The aggregate compensation made to SGH's Key Management Personnel is set out below:

	2025 $000	2024 $000
Short-term employee benefits	14,490	14,285
Post-employment benefits	362	309
Termination benefits	–	–
Other long-term employee benefits	270	426
Share-based payments (equity-settled and cash-settled)	18,033	17,066
Total key management personnel compensation	**33,155**	**32,086**

Director related party transactions

Details of related party transactions with director related entities are outlined on page 88. No Director has entered into a material contract with SGH in the current or prior year other than those disclosed in the Remuneration Report or this note.

Other transactions with related parties

A number of Directors and KMP of the Company hold directorships in other entities. Several of these entities transacted with SGH on terms and conditions no more favourable than those available on an arm's length basis. Consulting fees of $475,000 (2024: $475,000) were paid to a related party, Mr KM Stokes AC, for strategic consulting advice.

Subsidiaries

Interests in subsidiaries are set out in Note 30: Controlled entities.

Other related party transactions

The aggregate value of transactions between SGH and its equity accounted investees is outlined below.

	2025 $m	2024 $m
Revenue – Associates	57.0	42.6
Other income – Associates	0.3	0.1
Other expenses – Associates	(133.7)	(139.2)
Outstanding balances arising from transactions with equity accounted investees:		
Trade and other receivables – Associates	8.6	15.4
Trade and other payables – Associates	(2.8)	(1.7)
Interest bearing loans and borrowings – Joint venture	(6.1)	–
Contingent liabilities at year end, arising from transactions with equity accounted investees:		
Financial guarantees (refer to Note 26: Contingent liabilities)	–	–

33. Auditor's remuneration

The Company's external auditor is Deloitte Touche Tohmatsu (Deloitte). The external auditor is only appointed to assignments additional to their statutory audit duties where they are able to maintain their audit independence. All amounts payable to the auditors of the Company were paid by SGH subsidiaries.

Amounts received or due and receivable by auditors of the Company are set out below.

	2025 $000	2024 $000
Deloitte and related network firms		
Audit or review of financial reports	1,725	1,794
Other assurance and agreed-upon procedures under other legislation or contractual arrangements	30	71
Other services:		
Taxation services[(a)]	11	481
Other advisory services[(b)]	–	162
Total auditor's remuneration	**1,766**	**2,508**

(a) In the prior year, Taxation services relate to compliance, advice provided to Boral in relation to the takeover by Network Investment Holdings Pty Limited and advice and compliance provided in respect of discontinued operations.

(b) In the prior year, Other advisory services relates to services provided in relation to verification of the proforma financial statements contained in the Boral Bidder Statement.

Consolidated entity disclosure statement

Entity	Entity type	BODY CORPORATES Place formed or incorporated	BODY CORPORATES % held	TAX RESIDENCY Australian resident	TAX RESIDENCY Foreign jurisdiction for tax purposes[a]
PARENT ENTITY					
SGH Limited	Body corporate	Australia	–	Australian	–
SUBSIDIARIES					
All Hire Pty Limited	Body corporate	Australia	100	Australian	–
Allen's Asphalt Pty Ltd	Body corporate	Australia	100	Australian	–
Allight Holdings Pty Limited	Body corporate	Australia	100	Australian	–
Allight Pty Limited	Body corporate	Australia	100	Australian	–
AllightSykes SA (Proprietary) Limited	Body corporate	South Africa	100	No	South Africa
Allplant Services Pty Limited	Body corporate	Australia	100	Australian	–
Alsafe Premix Concrete Pty Ltd	Body corporate	Australia	100	Australian	–
Australian Highway Plant Services Pty Limited	Body corporate	Australia	100	Australian	–
Barnu Pty Ltd.	Body corporate	Australia	100	Australian	–
Bayview Pty Limited	Body corporate	Australia	100	Australian	–
Bayview Quarries Pty Limited	Body corporate	Australia	100	Australian	–
Bitumax Pty. Limited	Body corporate	Australia	100	Australian	–
Bitupave Ltd	Body corporate	Australia	100	Australian	–
Boral Bricks Pty Ltd	Body corporate	Australia	100	Australian	–
Boral Bricks Western Australia Pty Ltd	Body corporate	Australia	100	Australian	–
Boral Building Materials Pty Limited	Body corporate	Australia	100	Australian	–
Boral Building Products Limited	Body corporate	Australia	100	Australian	–
Boral Cement Limited	Body corporate	Australia	100	Australian	–
Boral Concrete (1992) Limited	Body corporate	Thailand	100	No	Thailand
Boral Construction Materials Group Ltd	Body corporate	Australia	100	Australian	–
Boral Construction Materials Ltd	Body corporate	Australia	100	Australian	–
Boral Construction Related Businesses Pty Ltd	Body corporate	Australia	100	Australian	–
Boral Contracting Pty Ltd	Body corporate	Australia	100	Australian	–
Boral Corporate Services Pty Limited[b]	Body corporate	Australia	100	Australian	–
Boral Finance Pty Limited	Body corporate	Australia	100	Australian	–
Boral Holdings Inc.	Body corporate	USA	100	No	USA
Boral Insurance Pty Limited	Body corporate	Australia	100	Australian	–
Boral International Pty Limited	Body corporate	Australia	100	Australian	–
Boral Investments Pty Limited	Body corporate	Australia	100	Australian	–
Boral IP Holdings (Australia) Pty Limited	Body corporate	Australia	100	Australian	–
Boral Limited	Body corporate	Australia	100	Australian	–
Boral Masonry Ltd	Body corporate	Australia	100	Australian	–
Boral Precast Holdings Pty Ltd	Body corporate	Australia	100	Australian	–
Boral Recycling Pty Limited	Body corporate	Australia	100	Australian	–
Boral Resources (Country) Pty. Limited	Body corporate	Australia	100	Australian	–
Boral Resources (NSW) Pty Ltd	Body corporate	Australia	100	Australian	–
Boral Resources (QLD) Pty. Limited[c]	Body corporate	Australia	100	Australian	–
Boral Resources (SA) Limited	Body corporate	Australia	100	Australian	–
Boral Resources (VIC.) Pty. Limited[d]	Body corporate	Australia	100	Australian	–
Boral Resources (W.A.) Ltd	Body corporate	Australia	100	Australian	–
Boral Shared Business Services Pty Ltd	Body corporate	Australia	100	Australian	–
Boral Transport Limited	Body corporate	Australia	100	Australian	–
C7 Pty Limited	Body corporate	Australia	100	Australian	–
Coates Fleet Pty Limited	Body corporate	Australia	100	Australian	–
Coates Group Holdings Pty Limited	Body corporate	Australia	100	Australian	–
Coates Group Pty Limited	Body corporate	Australia	100	Australian	–
Coates Hire (NZ) Limited	Body corporate	New Zealand	100	No	New Zealand
Coates Hire Access SPV Pty Limited	Body corporate	Australia	100	Australian	–
Coates Hire Holdco SPV Pty Limited	Body corporate	Australia	100	Australian	–
Coates Hire Limited	Body corporate	Australia	100	Australian	–
Coates Hire Overseas Investments Pty Limited	Body corporate	Australia	100	Australian	–
Coates Hire Operations Pty Limited	Body corporate	Australia	100	Australian	–

Entity	Entity type	BODY CORPORATES: Place formed or incorporated	BODY CORPORATES: % held	TAX RESIDENCY: Australian resident	TAX RESIDENCY: Foreign jurisdiction for tax purposes[a]
Coates Hire Traffic Solutions Pty Limited	Body corporate	Australia	100	Australian	–
Concrite Pty Ltd	Body corporate	Australia	100	Australian	–
Dandenong Quarries Pty. Limited	Body corporate	Australia	100	Australian	–
Davegale Pty Limited	Body corporate	Australia	100	Australian	–
De Martin & Gasparini Contractors Pty Limited	Body corporate	Australia	100	Australian	–
De Martin & Gasparini Pty Limited	Body corporate	Australia	100	Australian	–
De Martin & Gasparini Pumping Pty Limited	Body corporate	Australia	100	Australian	–
De Martin & Gasparini Queensland Pty Limited	Body corporate	Australia	100	Australian	–
Direct Target Access Pty Limited	Body corporate	Australia	100	Australian	–
Dunmore Sand & Soil Pty. Limited	Body corporate	Australia	100	Australian	–
DWB (NH) Pty Limited	Body corporate	Australia	100	Australian	–
FGW Pacific Pty Limited	Body corporate	Australia	100	Australian	–
Flexi Industrial Services Pty Limited	Body corporate	Australia	100	Australian	–
Found Concrete Pty Ltd	Body corporate	Australia	100	Australian	–
Hebburn Pty Limited	Body corporate	Australia	100	Australian	–
Industrial Investment Holdings Pty Limited	Body corporate	Australia	100	Australian	–
Kimlin Holdings Pty Limited	Body corporate	Australia	100	Australian	–
Manooka Holdings Pty Limited	Body corporate	Australia	100	Australian	–
Miltonstar Pty Limited	Body corporate	Australia	100	Australian	–
Nahi Pty Limited	Body corporate	Australia	100	Australian	–
National Hire Equipment Pty Limited	Body corporate	Australia	100	Australian	–
National Hire Facilitation Pty Limited	Body corporate	Australia	100	Australian	–
National Hire Finance Pty Limited	Body corporate	Australia	100	Australian	–
National Hire Group Limited	Body corporate	Australia	100	Australian	–
National Hire Operations Pty Limited	Body corporate	Australia	100	Australian	–
National Hire Properties Pty Limited	Body corporate	Australia	100	Australian	–
National Hire Trading Pty Limited	Body corporate	Australia	100	Australian	–
Ned Finco Pty Limited	Body corporate	Australia	100	Australian	–
Network Investment Holdings Pty Limited	Body corporate	Australia	100	Australian	–
Point Pty Limited	Body corporate	Australia	100	Australian	–
PT AllightSykes	Body corporate	Indonesia	100	No	Indonesia
Pump Rentals Pty Limited	Body corporate	Australia	100	Australian	–
Q-Crete Premix Pty Ltd	Body corporate	Australia	100	Australian	–
Realtime Reporters Pty Limited	Body corporate	Australia	100	Australian	–
Road Surfaces Group Pty. Ltd.	Body corporate	Australia	100	Australian	–
Sand Supplies Newco Pty Ltd	Body corporate	Australia	100	Australian	–
Seven (National) Pty Limited	Body corporate	Australia	100	Australian	–
Seven (WAN) Pty Limited	Body corporate	Australia	100	Australian	–
Seven Broadcast Properties Trust	Trust	Australia	–	Australian	–
Seven Custodians Pty Limited	Body corporate	Australia	100	Australian	–
Seven Entertainment Pty Limited	Body corporate	Australia	100	Australian	–
Seven Media Group Pty Limited	Body corporate	Australia	100	Australian	–
Seven Network (United States) Inc	Body corporate	USA	100	No	USA
Seven Network International Limited	Body corporate	Australia	100	Australian	–
Seven Network Investments Pty Limited	Body corporate	Australia	100	Australian	–
Seven Network Limited	Body corporate	Australia	100	Australian	–
Seven Network Nominees Pty Limited	Body corporate	Australia	100	Australian	–
Seven Resources Pty Limited	Body corporate	Australia	100	Australian	–
SGH Communications Pty Limited	Body corporate	Australia	100	Australian	–
SGH Energy (No 1) Pty Limited	Body corporate	Australia	100	Australian	–
SGH Energy (No 2) Pty Limited	Body corporate	Australia	100	Australian	–
SGH Energy Aust. Pty Limited	Body corporate	Australia	100	Australian	–
SGH Energy NTP66 Pty Ltd	Body corporate	Australia	100	Australian	–
SGH Energy Pty Ltd	Body corporate	Australia	100	Australian	–
SGH Energy VICP54 Pty Ltd	Body corporate	Australia	100	Australian	–
SGH Energy VICP56 Pty Ltd	Body corporate	Australia	100	Australian	–

Entity	Entity type	BODY CORPORATES Place formed or incorporated	BODY CORPORATES % held	TAX RESIDENCY Australian resident	TAX RESIDENCY Foreign jurisdiction for tax purposes[(a)]
SGH Energy WA Pty Ltd	Body corporate	Australia	100	Australian	–
SGH Energy WA377P Pty Ltd	Body corporate	Australia	100	Australian	–
SGH Equity Incentive Trust	Trust	Australia	–	Australian	–
SGH Productions Pty Limited	Body corporate	Australia	100	Australian	–
Sitech (WA) Pty Limited	Body corporate	Australia	51	Australian	–
Sitech Solutions Pty Limited	Body corporate	Australia	51	Australian	–
SmartTech USA, Inc	Body corporate	USA	51	No	USA
SMG Executives Pty Limited	Body corporate	Australia	100	Australian	–
SMG FINCO Pty Limited	Body corporate	Australia	100	Australian	–
SNZ Pty Limited	Body corporate	Australia	100	Australian	–
Specialised Investments Pty Limited	Body corporate	Australia	100	Australian	–
Tallglen Pty Limited	Body corporate	Australia	100	Australian	–
The DWB Trust	Trust	Australia	–	Australian	–
Tru Blu Hire Australia Pty Limited	Body corporate	Australia	100	Australian	–
WA Regional Asset Holdings Pty Limited	Body corporate	Australia	100	Australian	–
Warrah Engineering Pty Limited	Body corporate	Australia	100	Australian	–
WesTrac Holdings Pty Limited	Body corporate	Australia	100	Australian	–
WesTrac Pty Limited	Body corporate	Australia	100	Australian	–

During the year, Boral Investments BV, Boral USA, Covol Fuels No.2, LLC and Headwaters Energy Services Corp were deregistered.

(a) Foreign jurisdiction for tax purposes outlines the foreign jurisdiction in which the entity is a resident for tax purposes where applicable.
(b) Boral Corporate Services Pty Ltd is the Trustee for Board Executive Share Plan and the Boral Employee Share Scheme trusts.
(c) Boral Resources (QLD) Pty Ltd is a participant in the Lytton joint venture which is proportionately consolidated.
(d) Boral Resources (VIC) Pty Ltd is a participant in the Heatherton and Delta joint ventures which are proportionately consolidated.

Directors' Declaration

For the year ended 30 June 2025

1. In the opinion of the Directors of SGH Limited (the Company):

   (a) the consolidated financial statements and notes that are set out on pages 95 to 154 are in accordance with the *Corporations Act 2001*, including:

   (ii) giving a true and fair view of SGH's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and

   (iii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. As at the date of this declaration, there are reasonable grounds to believe that the Company and the group entities identified in Note 30 will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee between the Company and those group entities pursuant to the ASIC Corporations (Wholly-owned Companies) Instrument 2016/785.
3. The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Managing Director & Chief Executive Officer and the Chief Financial Officer for the financial year ended 30 June 2025.
4. In the opinion of the Directors, the attached Consolidated Entity Disclosure Statement is true and correct.
5. The Directors draw attention to Note 1 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:

Terry James Davis
Chairman

Sally Annabelle Chaplain AM
Chair of the Audit & Risk Committee

Sydney

12 August 2025

Independent Auditor's Report

Deloitte Touche Tohmatsu
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Independent Auditor's Report to the Members of SGH Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of SGH Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the consolidated entity disclosure statement and the directors' declaration .

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report continued

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Recoverability of producing and development assets As disclosed in Note 14, the Group has producing and development assets of $882.3 million, comprising the carrying amount of the Longtom asset and the Crux Joint Operation. Management has identified an indicator of impairment in respect of the Longtom asset in the current year, and as a result has carried out impairment testing to assess the recoverable amount at 30 June 2025. No indicator of impairment has been identified in respect of the Crux Joint Operation asset. Where an indicator of impairment is identified, management is required to exercise significant judgement in determining the assumptions to be utilised when assessing the recoverable amount of producing and development assets, including: • Commercial operating assumptions including production profile of expected reserves and resources, facility design, project development cost (including price escalation), pipeline and gas processing availability and market demand; • Future commodity prices; • Climate change related risk and the impact this may have on asset useful lives and future capital expenditure and carbon offset requirements; and • Discount rates applied to forecast cash flows to estimate the recoverable amount of the assets.	Our procedures performed in conjunction with our valuation specialists included, but were not limited to: • Critically evaluating management's assessment in accordance with the specific requirements of AASB 136 *Impairment of Assets* for each producing and development asset as at 30 June 2025 including: o Evaluating management's process to assess for indicators of impairment of producing and development assets, including testing design and implementation of the relevant controls; o Reviewing minutes of meetings of those charged with governance and performing inquiries with executive management to understand the basis for the commercial operating assumptions and agreeing to supporting documentation where relevant; o Challenging key inputs and assumptions used in valuation models with reference to any impact of current economic, regulatory and industry factors, including climate change related risk and comparing management's forecast future commodity prices, inflation and discount rates to market observable assumptions and third party reports; o Agreeing forecast cash flows, including estimated capital expenditure, to Operator and Board approved forecasts for each producing and development asset; and o Performing sensitivity analyses in respect of key assumptions. • Assessing the adequacy and appropriateness of the related disclosures in the notes to the financial statements, including relevant sensitivities.

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and

- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report continued

Deloitte.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of SGH Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Deloitte.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

H Fortescue
Partner
Chartered Accountants

Sydney, 12 August 2025

Shareholder Information

Substantial Shareholders – Ordinary Shares

The number of ordinary shares held by the Substantial Shareholders based on the most recent notifications contained in SGH's Register of Substantial Shareholders as at 22 July 2025 are as follows:

Shareholder	Number of Shares	% Held*
KM Stokes; North Aston Pty Limited, Wroxby Pty Limited, Tiberius (Seven Investments) Pty Limited and Ashblue Holdings Pty Limited; Tiberius Pty Limited, Redlake Pty Limited and Tiberius group entities; Australian Capital Equity Pty Limited, Clabon Pty Limited and Australian Capital Equity Pty Limited group entities**	207,304,349	50.93
AustralianSuper Pty Ltd***	20,375,267	5.01

* Based on the number of ordinary shares on issue at 22 July 2025.
** Based on number of shares disclosed in the Notice of Change of Interests of Substantial Holder given to ASX on 4 July 2024.
*** Based on number of shares disclosed in the Notice of Initial Substantial Holder given to ASX on 12 August 2024.

Distribution of Ordinary Shares

Category (Number of shares)	Ordinary Shareholders
1 – 1,000	39,658
1,001 – 5,000	6,324
5,001 – 10,000	690
10,001 – 100,000	356
100,001 – and over	44
Total Number of Holders	47,072
Number of Holdings less than a Marketable Parcel	693

Twenty Largest Ordinary Shareholders

Name of Shareholder	No. of Shares	% Held
North Aston Pty Limited	137,841,807	33.87
Ashblue Holdings Pty Limited	69,462,342	17.07
HSBC Custody Nominees (Australia) Limited	66,077,527	16.24
J P Morgan Nominees Australia Pty Limited	59,315,188	14.57
Citicorp Nominees Pty Limited	22,925,381	5.63
BNP Paribas Nominees Pty Ltd	7,743,634	1.90
Certane CT Pty Ltd	1,435,072	0.35
Boral Limited	1,314,423	0.32
National Nominees Limited	885,774	0.22
Netwealth Investments Limited	791,132	0.19
Mutual Trust Pty Ltd	477,382	0.12
UBS Nominees Pty Ltd	350,472	0.09
IOOF Investment Services Limited	339,882	0.08
Uechtritz Foundation Pty Ltd	273,069	0.07
Mr Barry Martin Lambert	264,547	0.06
Ryan Kerry Stokes	170,848	0.04
Sylvania Pty Ltd	170,000	0.04
First Samuel Ltd	166,553	0.04
Eneber Investment Company Limited	160,938	0.04
Elphinstone Holdings Pty Ltd	156,498	0.04
Total Twenty Largest Ordinary Shareholders	**370,322,469**	**90.99**

Voting Rights

Ordinary Shares

On a show of hands, every member present in person or by proxy or attorney, or being a corporation, present by its representative, shall have one vote. On a poll, every member present in person or by proxy or attorney, or being a corporation, present by its representative, shall have one vote for every share held.
It is SGH's policy that all substantive resolutions at a meeting of security holders are decided by a poll rather than a show of hands.

Stock Exchange Listing

SGH is listed with the Australian Securities Exchange Limited and the home exchange is Sydney.

SGH's listing on the Singapore Exchange ended on 6 March 2025, following redemption of the final Senior Unsecured Convertible Note (issued on 5 March 2018).

Investor Information

Shareholder Inquiries

Investors seeking information regarding their shareholding or dividends or wishing to advise of a change of address should contact the Share Registry at:

Boardroom Pty Limited
Level 8
210 George Street
Sydney NSW 2000

GPO Box 3993
Sydney NSW 2001

Telephone: (02) 9290 9600

Alternatively, visit the online service at boardroomlimited.com.au.

Boardroom Pty Limited has an online service for investors called InvestorServe. This enables investors to make online changes, view balances and transaction history, as well as obtain information about recent dividend payments and download various forms to assist in the management of their holding. To use this service, visit the Boardroom Pty Limited website or www.investorserve.com.au.

For other general inquiries visit the website at www.sghl.com.au.

Tax File Number Information

SGH is obliged to record Tax File Numbers or exemption details provided by shareholders. While it is not compulsory for shareholders to provide a Tax File Number or exemption details, SGH Limited is obliged to deduct tax from unfranked dividends paid to investors resident in Australia who have not supplied such information. Forms are available upon request from the Share Registry or shareholders can submit their Tax File Number via the Boardroom website.

The CHESS System

SGH Limited operates under CHESS – Clearing House Electronic Subregister System – an Australian Securities Exchange system which permits the electronic transfer and registration of shares. Under CHESS, SGH issues a Statement of Holdings to investors, instead of share certificates, and the statement will quote the Holder Identification Number (HIN). The HIN number should be quoted on any correspondence investors have with the Share Registry.

SGH will maintain investors' holdings in an Issuer Sponsored facility, which enables investors to maintain their holding without the need to be tied to any particular stockbroker.

Company Information

Company Secretary

Warren Walter Coatsworth

Share Registry

Boardroom Pty Limited
Level 8
210 George Street
Sydney NSW 2000

Auditor

Deloitte Touche Tohmatsu
Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000

Legal Advisors

Herbert Smith Freehills
ANZ Tower
161 Castlereagh Street
Sydney NSW 2000

Corporate Directory

Head Office and Registered Office

SGH Limited
ABN: 46 142 003 469
Level 30, 175 Liverpool Street
Sydney NSW 2000
02 8777 7574

Key Operating Businesses

WesTrac WA
128–136 Great Eastern Highway
South Guildford WA 6055
08 9377 9444

WesTrac NSW
1 WesTrac Drive
Tomago NSW 2322
02 4964 5000

WesTrac ACT
78 Sheppard Street
Hume ACT 2620
02 6290 4500

Allight
12 Hoskins Road
Landsdale WA 6065
08 9302 7000

Boral
Level 3, Triniti 2
39 Delhi Road
North Ryde NSW 2113
02 9220 6300

Coates – Head Office
Level 1, 201 Coward Street
Mascot NSW 2020
13 15 52

Coates – East Business Unit
6 Greenhills Avenue
Moorebank NSW 2170
13 15 52

Coates – South Business Unit
120 South Gippsland Highway
Dandenong VIC 3175
13 15 52

Coates – North Business Unit
56–61 Meakin Road
Meadowbrook QLD 4131
13 15 52

Coates – West Business Unit
18 Wheeler Street
Belmont WA 6104
13 15 52

SGH Energy
Suites 323/325 St Kilda Rd Towers
1 Queens Road
Melbourne VIC 3004
03 7053 1149