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The Directors
Southern Cross Media Group Limited
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3 November 2025

Dear Directors

Part One – Independent Expert's Report

1 Introduction

On 30 September 2025, Southern Cross Media Group Limited (**Southern Cross** or the **company**) announced that it had entered into a Scheme Implementation Deed (**SID**) with Seven West Media Limited (**Seven**) in relation to a proposed merger between the parties by way of a scheme of arrangement (**Proposed Merger**).

The Proposed Merger is to be affected by way of a scheme of arrangement pursuant to Part 5.1 of the *Corporations Act 2001* (Cth) (**Corporations Act**) (the **Scheme**). If implemented, holders of Seven Shares (**Seven Shareholders**) will receive 0.1552 Southern Cross shares (**New Southern Cross Shares**) for every Seven Share (**Scheme Consideration**) held by them on the Record Date.[1]

Upon the implementation of the Proposed Merger, Southern Cross shareholders and Seven shareholders would own 50.1% and 49.9% of the Combined Group, respectively.[2]

Southern Cross is listed on the Australian Securities Exchange (**ASX**) and is an Australian media company focused on audio content. Southern Cross creates, distributes and monetises audio content on broadcast (AM, FM and DAB+ radio) and digital networks. The company's business segments include Broadcast Radio, comprising metro and regional radio, Digital Audio and Corporate. Southern Cross owns a portfolio of radio stations across FM, AM, and DAB+ radio under the Triple M and Hit network brands throughout Australia and operates the LiSTNR digital audio app, offering free digital audio content. As at 29 September 2025, the last trading day prior to the announcement of the Proposed Merger, Southern Cross had a market capitalisation of $202.1 million.[3]

Seven is an Australian media company with presence in content production across broadcast TV, publishing and digital. Seven is home to a portfolio of Australian media assets including the Seven Network

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[1] 7.00pm on the second Business Day after the Effective Date or such other date as agreed in writing by Seven and Southern Cross.

[2] Based on the assumption that Southern Cross issues 238,874,606 New Southern Cross Shares as part of the Scheme Consideration, the total Southern Cross Shares on issue on implementation of the Scheme (Implementation) will be 478,773,755 Southern Cross Shares, of which Southern Cross Shareholders will own 239,899,149 Southern Cross Shares.

[3] Calculated as closing price on 29 September 2025 of $0.840 multiplied by 239,899,149 ordinary fully paid shares.

(and its affiliate channels 7two, 7mate, 7flix and 7Bravo), 7plus, 7NEWS.com.au, The West Australian, The Sunday Times, PerthNow, The Nightly, and Streamer. As at 29 September 2025, Seven had a market capitalisation of $215.5 million.[4]

The implementation of the Proposed Merger will create a leading integrated media company with extensive reach across metropolitan and regional Australia (the **Combined Group**). The Combined Group will be one of the largest Australian media companies, with combined revenue of approximately $1.8 billion.[5]

Completion of the Proposed Merger requires only Seven Shareholder approval of the Scheme and is subject to the satisfaction of a number of other conditions precedent. One of these conditions' precedent is that an independent expert appointed by Southern Cross issues an independent expert's report which concludes that the Scheme is in the best interests of Southern Cross Shareholders (other than Excluded Shareholders)[6]. Further details in relation to the Proposed Merger and the conditions precedent in relation to the Scheme are outlined in Section 5 of this report.

Accordingly, The Directors of Southern Cross (**Southern Cross Directors**) have appointed Kroll Australia Pty Ltd (**Kroll**) to prepare an independent expert's report setting out whether, in our opinion, the Scheme is in the best interests of Southern Cross Shareholders (other than Excluded Shareholders). This report sets out Kroll's opinion as to the merits or otherwise of the Proposed Merger. Whilst Southern Cross Shareholders are not required to vote with respect to the Proposed Merger, a copy of this report will be sent to Southern Cross Shareholders in the week commencing 3 November 2025.

Further information regarding Kroll, as it pertains to the preparation of this report, is set out in Appendix 1 of this report.

Kroll's Financial Services Guide is contained in Part Two of this report.

2 Scope of report

In the case of the Proposed Merger, an independent expert's report is not legally required in relation to Southern Cross nor are Southern Cross Shareholders required to vote on the Proposed Merger.

Although our report is not being prepared in order to assist Southern Cross Shareholders in forming an opinion as to whether to vote for or against the Proposed Merger and, therefore, is not consistent with the purpose of most independent expert's reports, Kroll has prepared this report in accordance with the guidance for independent expert's reports provided by the Australian Securities and Investments Commission (**ASIC**). As such in undertaking our work, we have referred to guidance provided by ASIC in its Regulatory Guides, in particular, Regulatory Guide 111 'Content of expert reports' (**RG 111**), which outlines the principles and matters which it expects a person preparing an independent expert's report to consider and Regulatory Guide 112 'Independence of experts' (**RG 112**).

RG 111 provides for some flexibility in the basis of the assessment of fairness depending on the particular circumstances of the transaction. RG 111.31 states that, "the expert may need to assess whether a scrip takeover is in effect a merger of entities of equivalent value when control of the merged entity will be shared equally between the 'bidder' and the 'target'. In this case, the expert may be justified in using an equivalent approach to valuing the securities of the 'bidder' and the 'target'". This alternative analysis is generally referred to as a "merger of equals" analysis and typically involves comparison of the exchange ratio with the relative contributions of each set of shareholders across a range of parameters (e.g. security price, estimated fundamental value and earnings).

Further details of the relevant technical requirements, and the basis of assessment in forming our opinion and the reasons for considering the Proposed Merger a merger of equals are set out in Sections 6.1 and 6.2 of this report.

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[4] Calculated as closing price on 29 September 2025 of $0.140 multiplied by 1,539,140,502 ordinary fully paid shares.

[5] Southern Cross ASX announcement, "Southern Cross and SWM Merger Announcement". 30 September 2025.

[6] An Excluded Shareholders are, any Southern Cross Shareholder who is a member of the Seven Group or any Southern Cross Shareholder who holds any Seven Shares on behalf of, or for the benefit of, any member of the Seven Group and does not hold Southern Cross Shares on behalf of, or for the benefit of, any other person.

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3 Opinion

3.1 Background

Southern Cross operates a portfolio of radio stations across FM, AM, and DAB+ radio under the Triple M and Hit network brands throughout Australia and operates the LiSTNR digital audio app, offering free digital audio content.

Southern Cross has had a strong market leadership position within the Australian broadcast radio market for a significant period of time, with the Triple M brand operating for over 40 years. However, in recent years, the Australian, and global, media landscape has undergone significant structural changes with consumers moving away from traditional media towards on-demand, digital audio products (including podcasts and music streaming) allowing advertising to be targeted at specific customer cohorts.

This has led to Southern Cross experiencing substantial declines in its traditional broadcast revenues and earnings and to pivot towards the digital audio market, whilst maintaining its market position in traditional broadcast radio. Cost management has become an important focus for Southern Cross in the face of weaker revenues, with disciplined cost programs resulting in declining expenses in recent years. Simultaneously, Southern Cross has had success with significant user growth achieved in its LiSTNR digital audio platform, with the digital audio segment reporting its first year of positive earnings in FY25, noting that this required significant investment in Southern Cross' technology platform since 2021. The success with the LiSTNR platform has resulted in an improved growth outlook for Southern Cross in the face of the weaker outlook for traditional media assets.

In spite of its digital audio success, Southern Cross remains a relatively small player within the wider Australian media landscape, with revenues in FY25 of $421.9 million[7] and little ability to share its content across a broader platform. Relative to global competitors in the audio space such as Spotify and Apple, and even local media players such as Nine Entertainment Co. Holdings Limited (**Nine**), News Corporation (**News Corp**) and Seven, Southern Cross does not benefit from significant scale.

As a result, Southern Cross has been active, and vocal, in recent years around its desire for media consolidation in order to achieve sufficient scale and achieve associated benefits such as synergies. Southern Cross previously engaged with ARN Media Ltd (**ARN**), and Australian Community Media (**ACM**) in 2023 and 2024 over separate proposals, however both proposals did not proceed due to the bidder withdrawing due to potential regulatory concerns or the offer not representing sufficient value for Southern Cross Shareholders. In the second half of 2025, Southern Cross was rumoured to be a potential M&A target in financial press prior to the announcement of the Proposed Merger on 29 September 2025.[8,9]

Seven has also confronted similar market pressures and strategic challenges. Seven's core FTA broadcast TV market has faced significant structural declines in recent years, with the FTA broadcast TV market arguably more impacted than the Australian broadcast radio market. As a result, Seven has sought to pivot towards its digital broadcast video on-demand (**BVOD**) platform, 7plus, which has provided a growth platform. 7plus has grown its revenues from $127.0 million to $166.0 million over the past two years at a CAGR of 14.3%. This growth in 7plus has somewhat buffered significant declines in Seven's FTA broadcast TV revenues. Similar to Southern Cross, Seven has been in support of media consolidation within Australia recently.

It is in this context that Kroll has assessed the Scheme.

3.2 Summary of opinion

In our opinion, we consider the Scheme is in the best interests of Southern Cross Shareholders (other than Excluded Shareholders), in the absence of a superior proposal.

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[7] Excluding discontinued operations.
[8] The Australian, Nine eyes Southern Cross after Domain cash windfall. 24 August 2025.
[9] The Australian, Southern Cross back in focus for media consolidation play. 25 September 2025.

In arriving at our opinion on whether the Scheme is in the best interests of Southern Cross Shareholders (other than Excluded Shareholders), Kroll has considered whether the Scheme is fair and reasonable.

Fairness

In our assessment of fairness, we have assessed the Proposed Merger as a 'merger of equals', rather than as a control transaction, principally as the proposed ownership shares in the Combined Group (50.1%/49.9%) is within the bounds of what is normally considered a 'merger of equals'. Refer to Section 6.2 of this report for an analysis of the factors that are relevant to the decision as to whether to adopt a 'merger of equals' analysis and control transaction analysis.

In adopting a merger of equals analysis, we have assessed whether the Proposed Merger is fair to Southern Cross Shareholders (other than Excluded Shareholders) by comparing the relative contribution of value by the shareholders of Southern Cross and Seven to the share of the Combined Group that they each receive and by considering whether Southern Cross Shareholders as a whole are, on balance, better off, or at least not worse off, if the Proposed Merger proceeds than if it does not.

Following completion of the Proposed Merger, Southern Cross Shareholders and Seven Shareholders will hold approximately 50.1% and 49.9% of the Combined Group, respectively. The proposed proportionate ownership in the Combined Group that will be held by Southern Cross Shareholders falls within the range of the ratio of underlying equity value contribution that Southern Cross Shareholders are making to the Combined Group. Therefore, we consider **the financial terms of the Scheme are fair to Southern Cross Shareholders (other than Excluded Shareholders).**

Southern Cross Shareholders (and Seven Shareholders) are expected to benefit from the synergies generated as a result of combining the two companies, including cost synergies (estimated annualised full run-rate of $25.0 million to $30.0 million per annum (pre-tax basis, full run-rate) expected to be achieved over an 18 to 24 month period from the implementation of the Proposed Merger). Our analysis of the underlying equity value contributed by Southern Cross Shareholders compared to the underlying equity value of the Combined Group (inclusive of synergies) that they will receive indicates that Southern Cross Shareholders should benefit from an increase in the underlying value of their shares (on an equivalent basis). This analysis supports our opinion that **the financial terms of the Scheme are fair to Southern Cross Shareholders (other than Excluded Shareholders).**

Reasonableness

In accordance with RG 111, a proposed transaction is reasonable if it is fair. **As we have assessed the Scheme to be fair, it is also reasonable.** However, irrespective of the requirement to conclude the Scheme is reasonable, we have also considered a range of other factors that are relevant to an assessment of the reasonableness of the Scheme from the perspective of Southern Cross Shareholders.

Should the Proposed Merger be completed, the Combined Group will be a larger and more diversified company relative to Southern Cross, with pro forma FY25 total revenues and EBITDA (pre-synergies) of $1,961 million and $233 million, respectively, and net assets of $394 million.

The Proposed Merger will bring together two complementary businesses with both Southern Cross and Seven owning media businesses across free-to-air (**FTA**) TV, radio, streaming, audio, digital and publishing assets. Their combination will result in an integrated multi-media platform which is expected to have strong reach across the Australian advertising market.

The Proposed Merger provides for a number of strategic benefits relative to Southern Cross stand-alone which are not directly quantifiable (refer to Section 3.3.3 and 10.2 of this report), including:

- a more diversified portfolio, with operations across TV, radio, print and digital platforms servicing major market segments;
- an ability to leverage audience crossover to improve content and user experience, also offering advertisers with improved analytics and targeted marketing;
- an ability to leverage content offering complementary programming across the combined platforms;
- with the Combined Group's greater diversification and size an enhanced ability to withstand structural shifts in the advertising market and mitigate the impact of cyclical downturns in any single market;

- other potential benefits of scale including likely improved negotiating power with suppliers and customers and improved offerings to advertisers through its greater national presence and brand strength; and
- access to a greater depth of management, governance and media talent.

3.3 Fair and reasonable

3.3.1 Fairness based on a comparison of the contribution of Southern Cross Shareholders to the share of the Combined Group that they are receiving

The merger ratio is fair

Underlying valuation of Southern Cross and Seven

In order to assess the fairness of the Scheme to Southern Cross Shareholders on a merger of equals basis, Kroll has compared the underlying value contributed to the Combined Group by Southern Cross Shareholders to the share of the Combined Group that will be owned by Southern Cross Shareholders following completion of the Proposed Merger.

We consider the primary method for assessing the value of Southern Cross Shares and Seven Shares to be on the basis of direct market evidence, based on their share market trading up until 29 September 2025, the day prior to the announcement of the Proposed Merger. This effectively reflects the value of their shares on a stand-alone, minority basis, representing the price at which the respective shareholders could reasonably expect to realise the value of their investment in the absence of the Proposed Merger, subject to any company or sector-specific events that have occurred since 29 September 2025. We have not considered share trading post the announcement of the Proposed Merger since trading over this period will reflect the terms of the Proposed Merger and Kroll is not aware of any material developments between 30 September 2025 and 31 October 2025 that would materially affect either the Southern Cross or Seven share prices.

On this basis Kroll has assessed the underlying equity value of Southern Cross on a minority, stand-alone basis to be in the range of $179.9 million to $215.9 million, and the underlying equity value of Seven on a minority, stand-alone basis to be in the range of $200.1 million to $246.3 million.

As our valuation is on the basis of a merger of equals analysis, the assessed value represents the underlying stand-alone value of a portfolio interest in Southern Cross and Seven and in that respect, excludes a premium for control and the value of the synergies that may be available to acquirers of Southern Cross and Seven.

The earnings multiples implied by the valuation of the equity of Southern Cross and Seven are summarised in the following tables.

Southern Cross Implied Multiples

	Parameter ($ millions)	Implied Multiples	
		Low	High
Value of Southern Cross' operating business (minority basis)[1]		**360.8**	**396.8**
FY25 Underlying EBITDA (actual)[2]	69.2	5.2	5.7
FY26 EBITDA (mid-point of guidance)	80.5	4.5	4.9
FY26 EBITDA (broker forecast)	79.1	4.6	5.0
FY27 EBITDA (broker forecast)	75.9	4.8	5.2

Source: Kroll analysis.
Notes:
1. Kroll's calculation of Southern Cross' operating business value is detailed in Section 11.2.3 of this report.
2. FY25 Underlying EBITDA of $71.1 million is shown less other income of $1.9 million which relates to net gain on disposal of assets.

Seven Implied Multiples

	Parameter ($ millions)	Implied Multiples	
		Low	High
Value of Seven's operating business (minority basis)[1]		**639.0**	**685.2**
FY25 Underlying EBITDA (actual)[2]	155.1	4.1	4.4
FY26 EBITDA (guidance)[3]	161.0	4.0	4.3
FY26 EBITDA (broker forecast)[4]	157.0	4.1	4.4
FY27 EBITDA (broker forecast)[4]	153.2	4.2	4.5

Source: Kroll analysis.
Notes:
1. Kroll's calculation of Seven's operating business value is detailed in Section 11.3.3 of this report.
2. FY25 Underlying EBITDA is shown less other income ($2.8 million) and share of net profit from equity accounted investees ($0.8 million).
3. Kroll has adopted $161 million as FY26 guidance for Seven (refer to Section 9.4.2 of this report).
4. FY26 and FY27 broker consensus EBITDA have been lowered by $2.2 million to reflect the impact of recurring non-operating items (dividend income ($1.4 million) and share of net profit from equity accounted investees ($0.8 million)) which were included in Seven's FY25 underlying EBITDA.

The multiples implied by our adjusted range of values per share have been cross-checked against EBITDA multiples at which listed Australian media companies are trading and select comparable transactions involving Australian media companies. As additional evidence we have also compared our assessed values for Southern Cross and Seven shares against broker target prices.

Assessment of the merger ratio

Pursuant to the underlying valuations set out previously, Kroll has assessed the contribution by Southern Cross Shareholders to the aggregate estimated underlying equity value of the Combined Group (excluding synergies) as follows.

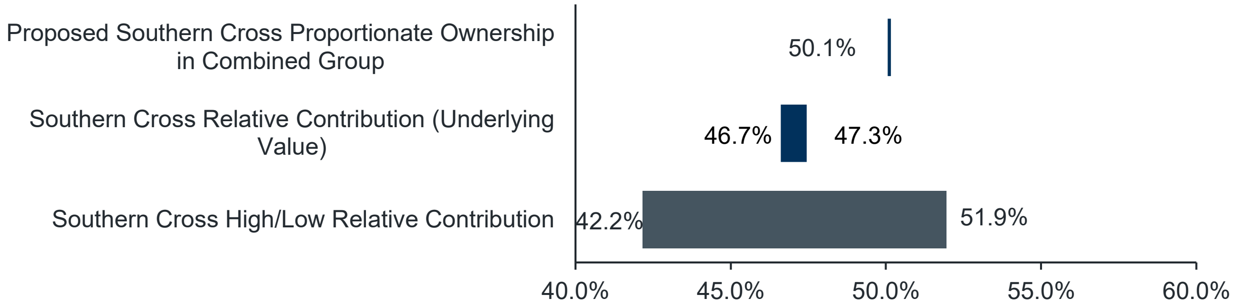
Relative Contribution by Underlying Equity Value ($ millions)

	Underlying Equity Value	
	Low	High
Southern Cross (equity value)	179.9	215.9
Seven (equity value)	200.1	246.3
Combined Group (aggregate)	**380.0**	**462.2**
Relative underlying value contributed		
Southern Cross Shareholders	***47.3%***	***46.7%***
Seven Shareholders	52.7%	53.3%

Source: Kroll analysis.

A comparison of our assessed relative contribution of underlying value by Southern Cross to the Combined Group, to the proposed approximate 50.1% proportionate ownership percentage (i.e. based on the merger ratio) by Southern Cross Shareholders in the Combined Group is illustrated as follows.

Fairness Assessment



Source: Kroll analysis.
Notes:
1. The 50.1% proposed Southern Cross proportionate ownership in the Combined Group is approximate.
2. The Southern Cross High/Low Relative Contribution represents the relative contribution range implied when Southern Cross' 'Low' equity value ($179.9 million) is compared with Seven's 'High' equity value ($246.3 million) (42.2%) and vice-versa (51.9%).

Kroll considers that, under a merger of equals analysis, the Scheme should be considered fair if the proportionate ownership of the Combined Group that Southern Cross Shareholders are receiving is greater than or falls within the range of relative contribution that Southern Cross Shareholders are making to the Combined Group.

Kroll's analysis indicates that Southern Cross Shareholders are contributing approximately 46.7% (based on the high end of the valuation range for Southern Cross and Seven) to 47.3% (based on the low end of the valuation range for Southern Cross and Seven) of the aggregate estimated underlying value of the Combined Group, compared to the approximately 50.1% of the Combined Group that they will receive. The range of Southern Cross relative contribution is fairly narrow as a result of similar valuation ranges between the low and high selected equity values for each business of approximately 20%.

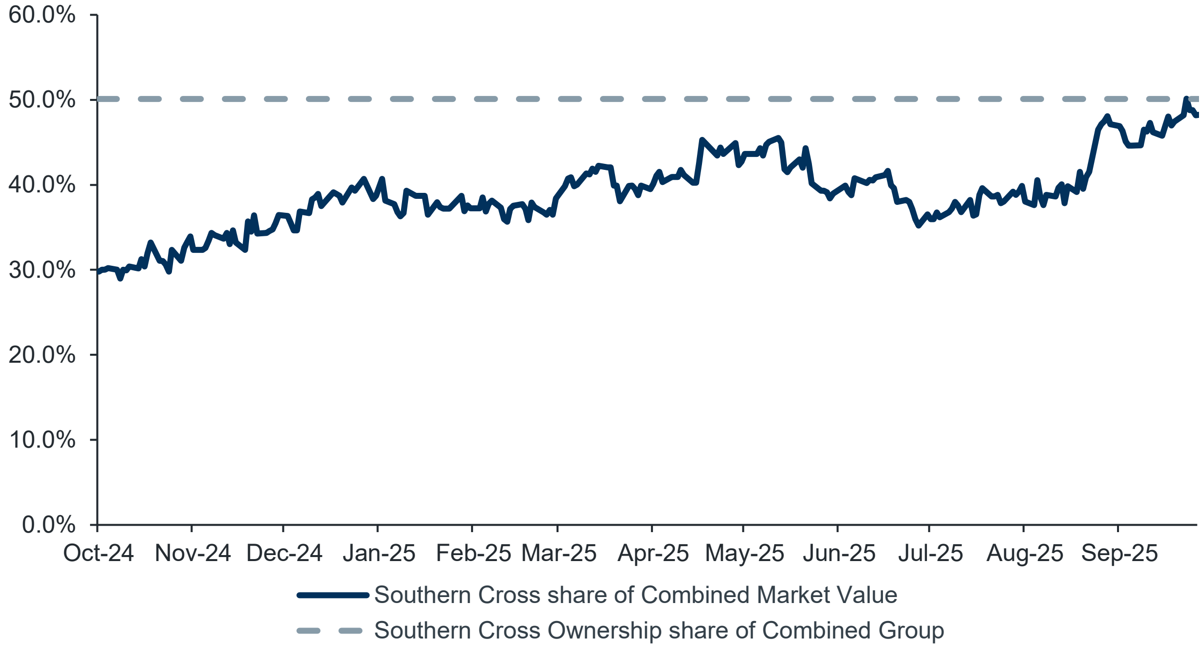
Kroll considers that the value per share for Southern Cross and Seven could fall anywhere in the range of assessed values. If the Southern Cross 'Low' valuation is compared to the 'High' valuation for Seven, Southern Cross' relative contribution decreases to 42.2% (minimum value contribution ratio), with the reverse scenario implying a Southern Cross relative contribution of 51.9% (maximum value contribution ratio).

As the proposed proportionate ownership in the Combined Group held by Southern Cross Shareholders following the implementation of the Scheme falls within the range of the underlying value contribution to the Combined Group, **the Scheme is fair to Southern Cross Shareholders on a merger of equals basis.**

Assessment of the merger ratio based on share market value

In addition, Kroll has considered Southern Cross' relative contribution to the aggregate share market value of the two companies (based on daily share closing prices) over the 12 months preceding the 30 September 2025 announcement of the Proposed Merger compared to the proposed proportionate share of the Combined Group to be received by Southern Cross Shareholders (50.1%), is illustrated in the following chart. Refer to Sections 8.8 and 9.8 of this report for share price performance analysis of Southern Cross and Seven.

Southern Cross' Share of Combined Market Value



Source: S&P Capital IQ, Kroll Analysis.

Kroll's analysis of the relative contributions of market value made by Southern Cross and Seven shareholders across various periods up to the announcement of the Proposed Merger illustrates that Southern Cross Shareholders over this period have a lower share of Combined Group's Market Value compared to the proportionate share they are receiving (50.1%) under terms of the Proposed Merger. However, there was an increasing contribution from Southern Cross in the 12 months preceding the announcement of the Proposed Merger, with a notable increase in implied contribution in the one-month period leading up to the announcement as a result of a positive re-rating of the Southern Cross share price, in conjunction with a decline in the Seven share price following the release of both companies' FY25 results.

As at 29 September 2025, the last trading day prior to the announcement of the Proposed Merger, Southern Cross' closing share price was $0.84 and Seven's closing share price was $0.14. Based on these share prices, the analysis indicates that the implied Proposed Merger ratio compares favourably.

3.3.2 Fairness based on whether Southern Cross Shareholders are better off as a result of the Proposed Transaction

In order to assess the fairness based on whether Southern Cross Shareholders are better off as a result of the Proposed Transaction, Kroll has compared the indicative value that Southern Cross Shareholders will hold in the Combined Group following the implementation of the Proposed Merger to the value of the Southern Cross Shares contributed on a pre-Merger Proposal basis.

The indicative value of a Combined Group share has been assessed using a sum-of-the-parts approach, which includes:

- the assessed value of Southern Cross' equity on a stand-alone, minority basis (refer to Section 11.2 of this report);
- the assessed value of Seven's equity on a stand-alone, minority basis (refer to Section 11.3 of this report); and
- the assessed value of identified synergies (refer to Section 11.4.2 of this report).

The analysis is as follows.

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Value Contributed / Value Post Proposed Merger Analysis ($ millions)

	Underlying Value Low	Underlying Value High
Southern Cross Equity Value Contributed	**179.9**	**215.9**
Equity Value Contributed per Southern Cross Share[1]	$0.75	$0.90
Indicative Southern Cross Value post Proposed Merger		
Southern Cross (Underlying equity value)	179.9	215.9
Seven (Underlying equity value)	200.1	246.3
Add: Value of cost synergies[2]	87.5	105.0
Combined Group Underlying equity value (including synergies)	**467.5**	**567.2**
Southern Cross Shareholders' Share of the Combined Group (approximately 50.1%)	**234.2**	**284.2**
Indicative equity value Received per Southern Cross Share	$0.98	$1.18
Indicative increase in value (including synergies) (%)[3]	**30.2%**	**31.6%**

Source: Kroll analysis.
Notes:
1. Calculated as the equity value divided by 239.9 million Southern Cross Shares on issue.
2. Kroll's assessment of value of the cost synergies is discussed in Section 11.4.2 of this report.
3. Value received is calculated as Southern Cross' Share (approximately 50.1%) of the Combined Group underlying equity value divided by the Southern Cross equity value contributed expressed as a percentage change.
4. Changes in value are indicative estimates only and may not be representative of resulting changes in value arising from completion of the Proposed Merger.

The analysis indicates that Southern Cross Shareholders should benefit from an increase in the underlying value of their shares following the implementation of the Proposed Merger inclusive of the value of any synergies derived from the Combined Group. In this regard, we note that there are significant risks associated with the realisation of the synergies, as well as potential upside opportunities that have not been quantified, including the revenue synergies which are typically less certain than cost synergies.

In relation to the realisation of the estimated cost synergies, there are risks associated with both the delivery and timing. These include the possibility that the synergies achieved may be lower than anticipated, that there may be delays in achieving those synergies, or that implementation costs may be higher than expected. Mitigating factors include that the quoted synergies are, in the view of Southern Cross' management, conservative and take into account a degree of execution risk. Kroll has also assessed the level of synergies to be reasonable in the context of other comparable Australian media transactions in the past decade.

As to the indicative value that Southern Cross Shareholders will hold in the Combined Group following the implementation of the Scheme is greater than the value they contribute, **the Scheme is also fair to Southern Cross Shareholders based on the value of the Combined Group Shares.**

3.3.3 Reasonableness

In accordance with RG 111, a proposed transaction is reasonable if it is fair. **As we have assessed the Scheme to be fair, it is also reasonable.** However, irrespective of the requirement to conclude the Scheme is reasonable, we have also considered a range of other factors that are relevant to an assessment of the reasonableness of the Scheme from the perspective of Southern Cross Shareholders.

The Proposed Merger will allow Southern Cross Shareholders to share in earnings accretion generated by the Combined Group

The following table illustrates the earnings per share (**EPS**) accretion that Southern Cross Shareholders would have experienced in FY25, in line with the pro forma historical financial performance (refer to Section 10.3 of this report). The following table also details the EPS accretion inclusive of the midpoint of the Combined Group's estimated synergy range ($27.5 million annual pre-tax cost synergies) on the basis that these synergies were fully realised immediately and tax effected in FY25.

Combined Group's FY25 Accretion analysis[1]

	Southern Cross	Combined Group[2]	Absolute Change	% Change
Without synergies				
FY25 EPS (Actuals)[3]	6.3¢	17.2¢	10.9¢	173.3%
With synergies[4]				
FY25 EPS (Actuals)[3]	6.3¢	24.7¢	18.4¢	291.7%

Source: Southern Cross & Seven ASX Announcements, Seven Scheme Booklet; Kroll analysis.
Notes:
1. Assumes Proposed Merger was completed prior to 1 July 2024.
2. Combined Group EPS has been calculated relative to the Combined Group pro forma NPAT pre significant items and discontinued operations.
3. Southern Cross EPS is calculated relative to Southern Cross' fully paid ordinary shares of Southern Cross of 239.9 million shares. The Combined Group EPS assumes an additional 238.9 million shares are issued to Seven Shareholders, representing total Combined Group shares of 478.8 million shares.
4. The accretion analysis with synergies assumes $27.5 million of cost synergies are realised.

The Combined Group's pro forma FY25 EPS of 17.2 cents (assuming nil cost synergies) is significantly higher than Southern Cross' FY25 EPS of 6.3 cents. This represents an absolute increase of 10.9 cents or 173.3% compared to Southern Cross on a standalone basis, primarily driven by Seven's higher FY25 earnings than Southern Cross relative to value contribution (refer to Sections 8.4 and 9.4 of this report).

The Combined Group's pro forma FY25 EPS of 24.7 cents (assuming immediate realisation of annual pre-tax cost synergies of $27.5 million, tax effected) is significantly higher than Southern Cross' FY25 EPS of 6.3 cents. This represents an absolute increase of 18.4 cents or 291.7% compared to Southern Cross on a standalone basis, primarily driven by Seven's higher FY25 earnings than Southern Cross (refer to Sections 8.4 and 9.4 of this report).

We note, however, that statutory EPS in the first year following completion would be negatively impacted by transaction and integration costs and that the achievement of synergies is expected to take 18 to 24 months to be realised.

In addition, the lower cash conversion of the Combined Group (refer to Section 10.5 of this report) compared to Southern Cross (refer to Section 8.6 of this report) may mean that whilst EPS is highly accretive not all of this benefit will result in higher distributions.

Enhanced financial scale

Relative to Southern Cross on a standalone basis, the Combined Group will have enhanced financial scale with pro forma revenue of approximately $1,961 million and underlying EBITDA of approximately $233 million (excluding synergies).

Southern Cross' Shareholders will benefit from exposure to a larger, more diversified asset base with greater earnings and financial flexibility. The Combined Group will have improved financial capacity and market positioning to fund investments in digital platforms, content creation, and technology infrastructure tempered by and constraints arising from its higher leverage.

The Proposed Merger may also generate additional benefits, including greater diversification of earnings (refer to Section 3.3.3 of this report) and improved access to capital markets, potentially leading to lower borrowing costs.

Transaction costs are not insignificant

The costs to implement the Proposed Merger are meaningful. If the Proposed Merger is completed (i.e. the Scheme is Implemented) the Combined Group is expected to incur external transaction costs of approximately $17.8 million (pre-tax) in relation to the Proposed Merger. If the Proposed Merger is not completed, Southern Cross expects that transaction related costs of approximately $3.0 million (excluding GST and disbursements). These transaction costs are primarily payable to Southern Cross' financial, legal, tax and accounting advisors, and the independent expert.

The Proposed Merger provides a number of non-financial strategic benefits

The Proposed Merger provides for a number of strategic benefits that are expected to benefit Southern Cross Shareholders but are not directly quantifiable.

Diversification

Following the Proposed Merger, the Combined Group will have greater diversification across media platforms, audience base and content offerings than Southern Cross on a standalone basis. Possible benefits of diversification may include:

- **multi-platform presence:** the Combined Group will have a more diversified media portfolio than Southern Cross standalone, with operations across TV, radio, print and digital platforms servicing major market segments;
- **broader audience base:** the Combined Group will be well-positioned to attract and grow high-value audiences, particularly within the high-value 25 to 54 age demographic, where both Southern Cross and Seven hold strong positions. The Proposed Merger will also result in a broader and more diversified audience base across metropolitan and regional markets than Southern Cross operating on a standalone basis;
- **digital ecosystem integration:** by combining LiSTNR and 7plus, the Combined Group will create a comprehensive digital ecosystem that offers on-demand free video and audio content. The integration is expected to leverage audience crossover to improve content and user experience, also offering advertisers with improved analytics and targeted marketing;
- **unified content strategy:** the Combined Group will be better positioned to leverage content offering complementary programming across the combined platforms, supported by a cohesive content strategy that combines news, sports and entertainment under a single streamlined offering;
- **enhanced competitive positioning:** as competition intensifies due to digitisation and the continued rise of international streaming platforms, the Combined Group will be better positioned to compete with global digital platforms by offering advertisers access to audiences across multiple media formats within a unified Australian media group, with improved campaign targeting, reach, and efficiency; and
- **reduced earnings volatility and enhanced market resilience**: the diversified nature of the Combined Group is expected to enhance its ability to withstand structural shifts in the advertising market and mitigate the impact of cyclical downturns in any single market. This mitigates Southern Cross' exposure to the radio and audio markets, and is expected to provide improved resilience against structural challenges facing traditional media business relative to Southern Cross on a standalone basis.

Scale

Following the Proposed Merger, the Combined Group will have greater scale than Southern Cross on a standalone basis. Possible benefits of scale may include:

- **enhanced bargaining power:** increased scale of the Combined Group is likely to improve negotiating power with advertisers, content suppliers, and distribution partners than Southern Cross on a standalone basis; and
- **national presence and brand strength:** the Combined Group's expanded network will strengthen market visibility and its ability to secure national advertising contracts.

Additional growth opportunities

Aside from the aforementioned strategic benefits that are available to the Combined Group, Southern Cross management believes there are additional incremental opportunities that are not available to a stand-alone Southern Cross. These include focused news and sports coverage, cross platform promotions and improved audience analytics through shared data and insights.

Greater depth of talent

The Combined Group is expected to have access to a greater depth of management, governance and media talent to draw upon by bringing together the quality of the workforce across both Southern Cross and Seven.

Liquidity and potential for a share market re-rating

The Combined Group is likely to have greater relevance to equity investors through increased scale relative to Southern Cross on a standalone basis. Based on the share prices of Southern Cross Shares and Seven Shares as at 31 October 2025, the pro forma market capitalisation of the Combined Group would have been approximately $414.3 million.[10] This will position the Combined Group closer to the S&P/ASX 300 Index (subject to free float).

Presently, trading of both Southern Cross Shares and Seven Shares are liquid (refer to Sections 8.8.3 and 9.8.3 of this report for further analysis). While Southern Cross and Seven have reasonable broker coverage, Seven (covered by 10 brokers) has wider coverage relative to Southern Cross (covered by five brokers). The larger market capitalisation of the Combined Group is expected to result in an increased daily trading volume for the Combined Group in comparison to Southern Cross on a standalone basis.

Additionally, the Proposed Merger increases the free float and is likely to increase the liquidity of the Combined Group. The larger size of Combined Group is likely to have greater broker coverage relative to Southern Cross on a stand-alone basis, reduce the impact of substantial shareholdings, attract the interest of institutional shareholders leading to a potential positive market re-rating, noting that scale is a factor in determining trading multiples for Australian media companies (refer to Sections 11.2.3, 11.3.3 and 11.4.3 for commentary on comparable companies).

Change in dividend policy

We note that Southern Cross has historically paid dividends and targets a payout ratio of between 65% and 85% of underlying NPAT. In contrast, Seven has not paid dividends in recent years likely impacted by its higher leverage. Although the Combined Group may benefit from increased scale and potential synergies, there is no certainty that Southern Cross Shareholders will receive a similar or greater amount of dividend income following implementation of the Proposed Merger, compared to what they might have received as shareholders of Southern Cross in its current form.

The future dividend policy of the Combined Group will be determined by its board having regard to factors such as general business conditions, the operating results and financial condition of the Combined Group, future funding requirements compliance with debt facilities, capital management initiatives, taxation considerations, including the availability of franking credits, any contractual, legal or regulatory restrictions on the payment of dividends by the Combined Group, and other factors that the board may consider relevant. As such, there is a risk, noting also the potential impact of the higher leverage, that dividends may be lower or less consistent than Southern Cross' historical practice. Over time the ability to pay dividends should likely improve as cost synergies are realised.

The Combined Group is expected to have higher gearing than Southern Cross on a standalone basis

Following implementation of the Proposed Merger, the Combined Group is expected to have higher gearing as a result of the higher debts from Seven. On a pro forma basis, the Combined Group is expected to be in a net debt position of $689.5 million (including lease liabilities), significantly higher than Southern Cross' net debt position as at 30 June 2025 of $191.4 million (including lease liabilities). This results in Southern Cross' gearing ratio increasing from 47.4% as at 30 June 2025 to 63.6% (refer to Sections 8.5 and 10.4 of this report for further analysis). Excluding lease liabilities, the Combined Group would have had a net debt position of $381.3 million and a gearing ratio of 49.2% as at 30 June 2025, which compares to a Southern Cross stand-alone gearing ratio (excluding lease liabilities) of 24.1%.

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[10] Calculated as the aggregate of the market capitalisation of Southern Cross (based on closing share price of $0.85 as at 31 October 2025 multiplied by 239,839,149 fully paid ordinary shares) and market capitalisation of Seven (closing share price of $0.138 as at 31 October 2025 multiplied by 1,539,140,502 fully paid ordinary shares).

Change in risk profile

In the course of conducting the Combined Group's business operations, the Combined Group will be exposed to a variety of risks. A number of these risks are, or will be, risks to which Southern Cross Shareholders are already exposed. However, the nature of the Combined Group's business will differ from that of Southern Cross as a standalone business and Southern Cross Shareholders may be subject to additional risks in respect of the Combined Group.

In particular, Southern Cross Shareholders will have risk exposures arising from the new Management and Board of the Combined Group. In addition, key risks that may impact Southern Cross Shareholders resulting from the Proposed Merger include:

- exposure to the declining broadcast FTA TV and newspaper markets, which have faced structural challenges in recent years due to changing consumer preferences and reallocation of advertising spend away from traditional media assets, with these pressures being more significant for broadcast FTA TV than broadcast radio (refer to Section 7.4 of this report);
- competition pressures within the broadcast FTA TV industry, with no assurance Seven will maintain its current market share; and
- operations within the regulated FTA TV environment that may be impacted by changes in government policy, regulation or legislation affecting companies holding broadcast TV licenses.

A detailed discussion of the risk factors relating to the Combined Group can be found in Section 8 of the Seven Scheme Booklet (**Seven Scheme Booklet**), which will be available on the Seven investor website.[11]

Integration risks

There is a risk that the Combined Group will not successfully combine the businesses of Southern Cross and Seven in an efficient and effective manner, including that key employees may depart during the integration process, that the anticipated benefits (e.g. broader audience, unified content strategy, revenue and cost synergies) of the Proposed Merger may not be realised fully, or at all, or may take longer to materialise or cost more than expected such that the value of Combined Group Shares is adversely affected. There is also risk integration costs may be greater than anticipated, cost synergies may not be fully realised or may be delayed.

3.3.4 Other considerations

Change in Board and management structure

The Combined Group's proposed Board of Directors (the **Combined Group Board**) will initially comprise eight members including Jeff Howard, as the Combined Group Chief Executive Officer and Managing Director. This will comprise five representatives from Seven and three representatives from Southern Cross.

Kerry Stokes will become Chair of the Board until end of February 2026 when he will retire from the Board and not be replaced. Heith Mackay-Cruise is a nominee of Southern Cross and will become Chair of the Board from the end of February 2026.

Accordingly, from the end of February 2026, the Combined Group Board will comprise three non-executive representatives from each of Southern Cross and Seven, in addition to the Combined Group Managing Director and Chief Executive Officer.

Ido Leffler has indicated his intention to continue on the Board of the Combined Group through the acquisition and retire from the Board on 30 June 2026. Refer to Section 10.6 of this report for further details on the Combined Group Board and management.

The Scheme is subject to the satisfaction of certain conditions

The Scheme is subject to the satisfaction of certain conditions, which, if not satisfied, will result in the Scheme not being implemented. In particular, regulatory approval is required from the Australian

[11] Seven Scheme Booklet can be found at https://sevenwestmedia.com.au/investors/

Competition and Consumer Commission (**ACCC**), Australian Communications and Media Authority (**ACMA**), Australian Securities and Investments Commission (**ASIC**) and ASX. The ACCC commenced an informal review in relation to the Proposed Merger on 15 October 2025 and the announcement of the ACCC's findings are expected to be released on 18 December 2025.

Implementation of the Proposed Merger also requires approval by Seven Shareholders. If the Scheme does not proceed, the Proposed Merger will not be implemented.

In addition to the above, the Scheme is subject to other conditions including confirmation from independent experts that the Scheme is in the best interests of both Southern Cross and Seven Shareholders, change of control consents from Seven's lenders, Court approval, ASX quotation of New Southern Cross Shares, and the absence of any material adverse change or other prescribed occurrences. Further details on conditions precedent can be found in Section 5.2 of this report and Section 4.3 of the Seven Scheme Booklet.

3.3.5 Consequences if the Scheme does not proceed

In the event that the Scheme is not approved, or any conditions precedent prevent the Scheme from being Implemented, Southern Cross will continue to operate in its current form and remain listed on the ASX. Current Southern Cross Shareholders will remain Southern Cross Shareholders. As a consequence:

- Southern Cross will continue to operate as a standalone entity with management continuing to implement the financial and operating strategies it had in place prior to the announcement of the Proposed Merger;
- Southern Cross Shareholders will continue to be exposed to the risks and benefits associated with an investment in Southern Cross, including the risks and benefits associated with the Australian radio and digital audio markets which includes the potential for further structural declines for broadcast radio operators. However, Southern Cross Shareholders will not benefit from the expected financial, strategic, and other benefits associated with the Proposed Merger;
- the price of Southern Cross Shares traded on the ASX may fall (in the absence of a superior proposal for Southern Cross), to the extent that the market price of Southern Cross Shares to some degree reflects an assumption that the Proposed Merger will be completed, although it is difficult to predict with any certainty what the change in price may be;
- Southern Cross may be liable to pay a $2.2 million reimbursement fee payable to Seven depending on the circumstances of the termination including if Southern Cross exercises its right to terminate the SID in respect of a Superior Proposal under its Fiduciary Right. Further information regarding Southern Cross' Fiduciary Right, reimbursement fees and the parties' rights to terminate the Proposed Merger can be found in Section 5.3 of this report and Sections 12,13 and 14 of the SID; and
- Southern Cross will incur an estimated $3.0 million (excluding GST and disbursements) of one-off transaction costs in relation to the Transaction (these costs will be incurred by Southern Cross irrespective of whether or not the Scheme is Implemented).

4 Other matters

Our report has been prepared in accordance with the relevant provisions of the Corporations Act and other applicable Australian regulatory requirements and has been prepared for the sole benefit of Southern Cross and its directors in connection with the Proposed Merger, in order to satisfy Southern Cross' condition precedent associated with the Scheme. We do not assume any responsibility or liability to any other party as a result of reliance on this report for any other purpose.

Our report may be disclosed (on a no-reliance basis) to Southern Cross Shareholders. This report constitutes general financial product advice and has been prepared without taking into consideration the individual circumstances of Southern Cross Shareholders. This advice therefore does not consider the financial situation, objectives or needs of individual Southern Cross Shareholders.

Our opinion is based solely on information available as at the date of this report. This information, and our limitations and reliance on information section, are set out in Appendix 2 of this report. We note that we have not undertaken to update our report for events or circumstances arising after the date of this report other than those of a material nature which would impact upon our opinion.

References to financial years have been abbreviated to 'FY' and references to half years have been abbreviated to 'H'. For Southern Cross, Seven and the Combined Group, the financial year is the 12 months to 30 June, and half years are the six months to 31 December. All currencies are Australian dollars unless otherwise specified.

Kroll has prepared a Financial Services Guide as required by the Corporations Act. The Financial Services Guide is included at the end of this report.

The above opinion should be considered in conjunction with, and not independently of, the information set out in the remainder of this report, including the appendices.

Yours faithfully

Ian Jedlin	Celeste Oakley
Authorised Representative	Authorised Representative

Independent Expert Report
and
Financial Services Guide
In relation to the Proposed Merger of Southern Cross Media Group Limited with Seven West Media Limited

Table of Contents

5 The Proposed Merger

5.1 Overview

On 30 September 2025, Southern Cross announced that it had entered into a SID with Seven in relation to the Proposed Merger between the parties by way of a scheme of arrangement.

Under the Proposed Merger, Seven Shareholders will receive 0.1552 Southern Cross Shares for every Seven share they own. Upon completion of the Proposed Merger, Southern Cross Shareholders and Seven Shareholders would own 50.1% and 49.9% of the Combined Group respectively.

The Southern Cross Board considers that the Scheme is in the best interests of Southern Cross Shareholders.

5.2 Scheme Conditions

Implementation of the Scheme is subject to a number of conditions as set out in Section 3 of the SID. The Scheme will not become Effective[12] unless each of the conditions precedent to the Scheme are satisfied (or alternatively, waived in the case of certain conditions precedent that are capable of being waived).

In summary, these include:

- certain regulatory approvals, including from the ACCC, ACMA, ASIC and the ASX;
- approval of the Scheme by Seven Shareholders at the Scheme Meeting;
- an independent expert issuing a report which concludes that the Scheme is in the best interests of Seven Shareholders (and not changing or withdrawing the conclusion);
- an independent expert in respect of Southern Cross which concludes that the Scheme is in the best interests of, Southern Cross Shareholders (other than Excluded Shareholders) (and not changing or withdrawing the conclusion);
- approval of the Supreme Court of New South Wales in respect of the Scheme;
- no restraints or other prohibitions on the Scheme;
- neither Seven nor Southern Cross being affected by a prescribed occurrence, regulated event or material adverse change;
- the New Southern Cross Shares to be issued pursuant to the Scheme are approved for official quotation by ASX by 8.00am on the Second Court Date;[13] and
- Seven obtaining the relevant consent and/or waivers under, in accordance with its existing financing facility.

5.3 Exclusivity and termination provisions

The SID also includes certain exclusivity provisions that apply to both Southern Cross and Seven including “no shop”, “no talk” (subject to fiduciary exception), a notification obligation and matching right. Southern Cross’ fiduciary exception enables Southern Cross, if a superior proposal is received on or prior to the Southern Cross Fiduciary Right Date,[14] to terminate the SID if certain conditions are met. Further details of the exclusivity provisions are contained in Section 12 of the SID.

Southern Cross Shareholders should also be aware that the SID may be terminated in certain circumstances as detailed in Section 14 of the SID. In certain circumstances, a reimbursement fee and

[12] As defined in the Scheme of Arrangement Schedule 1.

[13] The first day on which an application made to the Court for an order under paragraph 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard

[14] Representing the earlier of i) two weeks after registration of the Seven Scheme Booklet with ASIC, and ii) four weeks after the issue of Southern Cross’ Independent Expert Report.

reverse reimbursement fee (each for an amount of 1% of the implied equity value of Seven) may also be payable in certain circumstances agreed in the SID.

If the SID is terminated, the Proposed Merger will not proceed.

6 Scope of the report

6.1 Purpose

In the case of the Proposed Merger, an independent expert's report is not legally required in relation to Southern Cross nor are Southern Cross Shareholders required to vote on the Proposed Merger.

The Proposed Merger includes a scheme of arrangement under Section 411 of the Corporations Act which requires approval of Seven Shareholders. Although Southern Cross Shareholders are not participants to the Scheme, a condition under the Scheme is that an independent expert appointed by Southern Cross issues an Independent Expert's Report which concludes that the Scheme is in the best interests of, Southern Cross Shareholders (other than Excluded Shareholders). It is in this context that Kroll's independent expert's report has been prepared.

6.2 Basis of assessment

We have referred to guidance provided by ASIC in its Regulatory Guides, in particular, RG 111, which outlines the principles and matters which it expects a person preparing an independent expert's report to consider when providing an opinion on whether a scheme of arrangement is in the best interests of the shareholders of a company.

Southern Cross is the bidder of Seven, and as a result, ASIC's guidance in RG 111 does not strictly apply since it only applies to companies that are the 'target' in a transaction, rather than the 'bidder'. Kroll has, however, considered the substance of the transaction, rather than the form of the transaction. Given that Southern Cross and Seven will share the interests in the Combined Group roughly evenly, Kroll has essentially undertaken an analysis of the Proposed Merger adopting the guidance in RG 111 as if Southern Cross was the 'target' in the transaction and Seven is the 'bidder'.

RG 111 distinguishes between the analysis required for control transactions and other transactions. RG 111.18 states that where a scheme of arrangement is used as an alternative to a takeover bid to give effect to a control transaction, the form of analysis undertaken by the expert should be substantially the same as for a takeover bid. That form of analysis considers whether the transaction is 'fair and reasonable' and, as such, incorporates issues as to value. In relation to control transactions. RG 111.10 to 12 states:

- 'fair and reasonable' is not regarded as a compound phrase;
- an offer is 'fair' if the value of the offer price or consideration is equal to or greater than the value of the securities subject to the offer;
- the comparison should be made assuming 100% ownership of the 'target' and irrespective of whether the consideration is scrip or cash;
- the expert should not consider the percentage holding of the bidder or its associates in the target when making this comparison; and
- an offer is 'reasonable' if it is 'fair'. An offer might be 'reasonable' if, despite being 'not fair', the expert believes that there are sufficient reasons for shareholders to accept the offer in the absence of any higher bid before the close of the offer.

RG 111.13 sets out the factors an expert might consider in assessing whether an offer is reasonable:

- the bidder's pre-existing voting power in securities in the target;
- other significant shareholding blocks in the target;
- the liquidity of the market in the target's securities;
- taxation losses, cash flow or other benefits through achieving 100% ownership of the target;

- any special value of the target to the bidder, such as particular technology, etc;
- the likely market price if the offer is unsuccessful; and
- the value to an alternative bidder and likelihood of an alternative offer being made.

RG 111.20 states that if an expert would conclude that a proposal was ‘fair and reasonable’ if it was in the form of a takeover bid, it will also be able to conclude that the scheme is ‘in the best interests’ of members of the company.

RG 111.21 states that if an expert would conclude that a proposal was ‘not fair but reasonable’ if it was in the form of a takeover bid, it is still open to the expert to also conclude that the scheme is ‘in the best interests’ of the members of the company.

Merger of equals analysis

RG 111 provides for some flexibility in the basis of the assessment of fairness depending on the particular circumstances of the transaction. RG 111.31 states that, “the expert may need to assess whether a scrip takeover is in effect a merger of entities of equivalent value when control of the merged entity will be shared equally between the ‘bidder’ and the ‘target’. In this case, the expert may be justified in using an equivalent approach to valuing the securities of the ‘bidder’ and the ‘target’”. This alternative analysis is generally referred to as a “merger of equals” analysis and typically involves comparison of the exchange ratio with the relative contributions of each set of shareholders across a range of parameters (e.g. security price, estimated fundamental value and earnings).

In the case of a ‘merger of equals’, the merger will be in the best interests of shareholders if they are likely to be better off if the merger proceeds than if it does not. This requires consideration of the overall commercial effect of the Proposed Merger, the circumstances that have led to the proposal and the alternatives available. It is necessary to weigh up the advantages and disadvantages of the Proposed Merger and form an overall view as to whether shareholders are likely to be better off if the Proposed Merger is implemented than if it is not. If the advantages outweigh the disadvantages and shareholders are likely to be better off, then the Proposed Merger is in the best interests of shareholders.

In forming our opinion as to whether the Proposed Merger can be characterised more appropriately as a ‘merger of equals’, factors we have considered include:

- whether the Proposed Merger is structured as a merger of equals;
- the proportional ownership of the Combined Group (as between Southern Cross Shareholders and Seven Shareholders) on the basis of the Proposed Merger ratio (i.e. the extent to which it suggests that there is a “change of control” in favour of either party under the Proposed Merger);
- the relative contribution of Southern Cross Shareholders and Seven Shareholders to the Combined Group across a range of parameters (e.g. fundamental value, share market value and earnings);
- whether any shareholders will obtain a controlling stake in the Combined Group;
- the proposed board and management composition of the Combined Group;
- the nature of the underlying businesses of Southern Cross and Seven; and
- the relative size and nature of Southern Cross and Seven.

Assessment as to whether the Proposed Merger is a ‘merger of equals’

From the perspective of Southern Cross Shareholders, the following factors support a merger of equals analysis:

- the Proposed Merger has been structured and announced by Southern Cross and Seven as a “merger of equals”;
- the Scheme Consideration is a full scrip offer (with no cash alternative), as opposed to a cash offer where shareholders are selling ‘control’ and do not retain any ongoing exposure;
- Southern Cross Shareholders will hold approximately 50.1% of the Combined Group and Seven Shareholders will hold approximately 49.9% of the Combined Group immediately upon completion of

the Proposed Merger. This proportional ownership is within the bounds of other merger of equals transactions and suggests that there has not been a "change of control" in favour of Seven under the Proposed Merger;

- a critical issue for Southern Cross Shareholders is whether a shareholder obtains control of the Combined Group through the Proposed Merger. In this respect, based on current shareholdings as at 31 October 2025, Section 10.8 of this report indicates that whilst Kerry Stokes is expected to have a 20.2% substantial interest, no shareholder will have majority control. While Kerry Stokes and Seven Group Holdings Limited (**SGH**) will initially have two board seats, this will reduce to one from March 2026, resulting in no substantial shareholder having significant influence over the Combined Group Board. Therefore, Southern Cross Shareholders retain the opportunity to receive a control premium for their shareholding interests at some point in the future;
- the board of the Combined Group will be drawn from both Southern Cross and Seven. The Combined Group Board will, post February 2026, consist of seven directors, consisting of three directors designated by Southern Cross and four directors designated by Seven. Jeff Howard the current CEO of Seven will be the Managing Director and CEO of the Combined Group and John Kelly, the current CEO of Southern Cross will assume the role of Group Managing Director, Audio;
- Southern Cross and Seven are highly complementary businesses and the Proposed Merger will create a leading integrated media company with extensive reach across metropolitan and regional Australia. Given the structure of the Proposed Merger (specifically, the all-scrip Scheme Consideration and Proposed Merger ratio), it is expected that both Southern Cross Shareholders and Seven Shareholders will mutually benefit from the realisation of such synergies and that there are mutual interests in combining the companies; and
- based on the last traded share prices prior to the announcement of the Proposed Merger, Southern Cross had a market capitalisation of approximately $202.1 million and Seven had a market capitalisation of approximately $215.5 million. The relative size contribution of the companies (48.4% and 51.6% respectively) based on their market capitalisations at the time of announcement is within the bounds of other merger of equals transactions and has also been reflected in the proposed proportional ownership of the Combined Group by Southern Cross Shareholders and Seven Shareholders.

6.3 Transaction costs

If the Proposed Merger is completed (i.e. the Scheme is Implemented) the Combined Group is expected to incur external transaction costs of approximately $17.8 million (pre-tax) in relation to the Proposed Merger.

If the Proposed Merger is not completed, Southern Cross expects to incur transaction related costs of approximately $3.0 million (excluding GST and disbursements). These transaction costs are primarily payable to Southern Cross' financial, legal, tax and accounting advisors, and the independent expert.

7 Industry

7.1 Overview

The media and entertainment industry encompasses a broad range of audio and visual formats. Popular formats within the broader industry include broadcast radio, streamed radio and music, podcasts, news, audiobooks, television (**TV**), BVOD, subscription-based video on demand services (**SVOD**), and user-generated content found on platforms such as TikTok and Instagram. FTA radio and TV represent traditional media formats, distinct from the newer digital media formats including BVOD, SVOD, digital radio, music streaming and podcasts. FTA formats, alongside BVOD and user-generated content are free to access, with media platform owners receiving revenues predominantly through advertising. Certain SVOD and streaming formats are subscription based, with ad-supported and ad-free models commonly available to consumers.

Our discussion of the media and entertainment industry focuses primarily on audio and TV formats given the relative importance of audio to Southern Cross and TV to Seven. Kroll notes that print media contributes only a small percentage of Seven's revenues (refer to Section 9.3 of this report) and therefore limited commentary has been provided on print media.

FTA radio and TV broadcaster revenue is driven primarily by the sale of advertising inventory. Advertising expenditure has been significantly impacted by technological change and shifts in consumer behaviours in recent years. The proliferation of digital channels has created structural challenges for incumbent media platforms within this industry, creating new ways for advertisers to reach consumers beyond the traditional media formats, such as FTA radio and TV. Advertising via digital media platforms has consequently experienced strong growth while traditional media platforms have experienced challenges. As a result, media and entertainment businesses have been forced to adjust the range and style of their content to keep consumers engaged and as such retain advertising revenues.

7.2 Radio

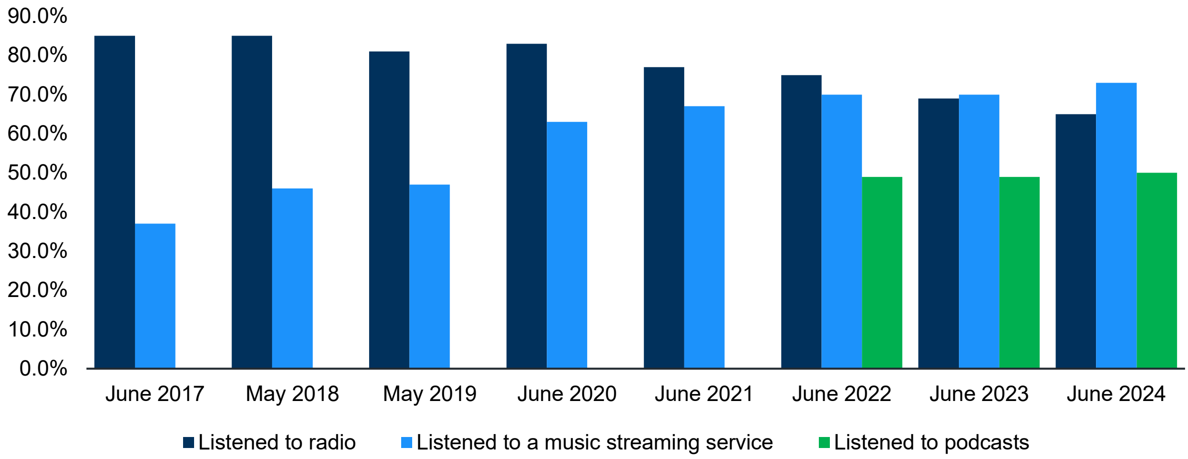
7.2.1 Overview

Radio stations in Australia are FTA services that can operate under a number of different licenses. Providers of radio services include commercial providers, national broadcasters and community radio broadcasters. Broadcast mediums have historically been limited to amplitude modulation (**AM**), frequency modulation (**FM**) and, more recently, digital radio (**DAB+**) stations through portable and car radios. However, modern technologies, such as smartphones, have improved the accessibility and reach of radio, and given rise to new forms, such as streamed radio that provides the opportunity for more targeted advertising. Major owners of radio networks in Australia include Southern Cross, ARN, Nine and Nova Entertainment Pty Ltd (**NOVA**).

7.2.2 Audience size and trends

Australia has a strong radio listenership, however, the proportion of the Australian population that listens to FTA radio each week has been declining in recent years, as shown in the following chart.

Weekly audio content consumption by Australians (% of all Australians aged 18 or over)



Source: ACMA. How we watch and listen to content. December 2024.

Conversely, streaming services (e.g. Spotify) have grown in popularity, with 73% of Australians reporting they have listened to a music streaming service at least once in the past week in June 2024 (up from 70% in 2023).[15]

The greater accessibility of other audio content such as music streaming and podcasts has resulted in a declining share of radio listeners. The Australian radio broadcasting sector revenue is expected to grow at a CAGR of 0.5% from 2025 to 2030.[16]

7.3 FTA TV

7.3.1 Overview

TV broadcasting in Australia has experienced significant structural change in recent years with advancements in technology resulting in consumers now having greater access to on-demand video media and entertainment through the internet. This has been a key factor in the rise in BVOD, SVOD and online video platforms and a corresponding decline in broadcast FTA TV, especially with the increasing ownership of smart TVs and devices.

FTA TV in Australia is tightly contested, with five main broadcasters competing for viewers' attention. These broadcasters are split into two groups, national broadcasters (ABC and SBS) and commercial broadcasters (Seven, Nine and Network 10).

7.3.2 Audience size and trends

Similar to radio, broadcast FTA TV remains popular within Australia, with 46% of the adult Australian population reporting they had watched broadcast TV over the seven days to June 2024, however, this had fallen from 52% in 2023.[17] The broadcast FTA TV audience engagement differs between geographies, with Australians living in regional areas more likely to watch broadcast FTA TV (53%) than those in metropolitan areas (43%).

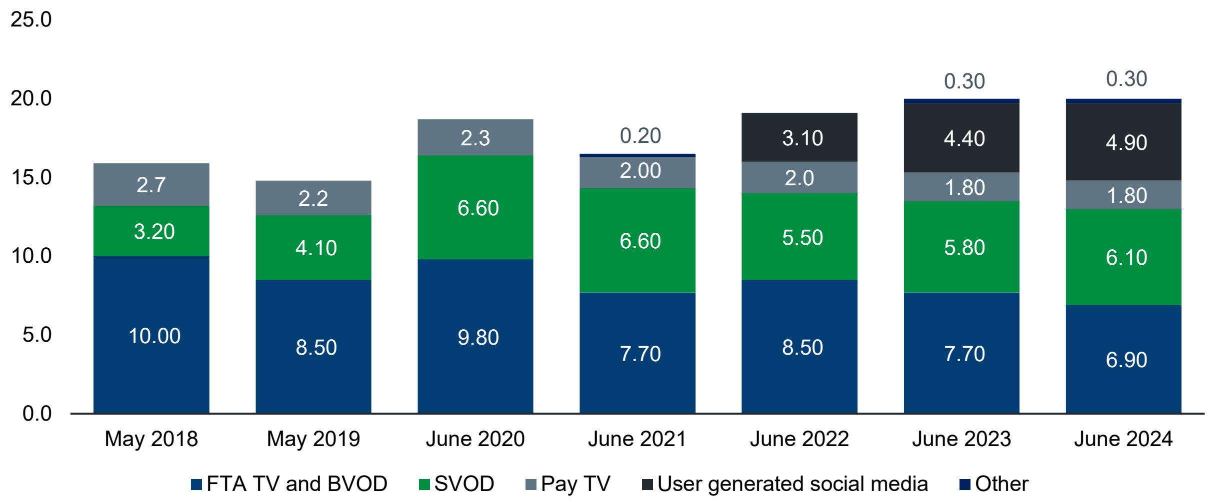
Additionally, there are significant differences in TV and visual media consumption between different generations of Australians, as discussed in Section 7.4 of this report.

In recent years, there have been ongoing changes in TV consumption trends by Australians, with the average Australian spending fewer hours a week consuming traditional broadcast FTA TV content, however, BVOD platforms, such as 7plus and 9Now, have increased in popularity, offsetting part of the

[15] ACMA. How we watch and listen to content. December 2024.
[16] IBISWorld. Radio Broadcasting in Australia. April 2025.
[17] ACMA. How we watch and listen to content. December 2024.

decline in broadcast FTA TV content consumption. Growth in the amount of time spent watching SVOD content has increased over this period, alongside the amount of user-generated social media style content. Trends in the average time spent watching various types of visual content is seen in the following chart.

Average time (hours) spent watching video content in the past 7 days by Australians (aged 18 or over)



Source: ACMA. How we watch and listen to content. December 2024.

In addition, the greater accessibility to other visual content has led to an expectation of flat revenue growth within the FTA TV broadcasting market in Australia over 2025 to 2030.[18]

7.4 Industry trends

Australian consumers continue to benefit from a greater range of alternatives for content consumption. Ongoing adaptation to the trends and demands of consumers will remain critical as media consumption changes and advertisers chase their target audiences. Some key trends and drivers for the Australian media industry are discussed as follows.

7.4.1 Technological developments

Technology has changed the way in which Australians interact with both audio and visual broadcasters, causing significant structural changes to the media and entertainment industry. As of 2019, 90% of Australians owned a smartphone which, alongside cheaper mobile phone data and significant increases in average download speeds in the past decade,[19] has led to greater internet access for Australians. In 2022, Australia was ranked third in the world for the number of 5G connected devices per capita.[20] This rise in smartphone ownership and data availability has led to the widespread creation and adoption of different audio and visual media.

Standard TV ownership in Australia fell to 28% in 2024 from 30% in 2023, with smart TVs replacing standard TVs. 80% of households are reported to have a smart TV (up from 78% in 2023).[21] This increase in smart TV ownership has increased the use of BVOD and SVOD. This trend was highlighted by the fact that the average Australian (over the six months to 30 June 2024) used 4.3 different online services to watch visual content, up from 3.6 different sources in 2023.[22] There are signs, however, that the growth in SVOD may be constrained in the near term. The average Australian in 2024 was spending $63 per month on digital

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[18] IBISWorld. FTA TV Broadcasting in Australia. August 2025.
[19] Deloitte. Mobile Nation. 2019.
[20] Deloitte. Mobile Nation. 2022.
[21] ACMA. How we watch and listen to content. December 2024.
[22] ACMA. How we watch and listen to content. December 2024.

entertainment subscriptions, with 35% of Australians exceeding their target monthly budget[23] and 75% of Australians concerned about the growing cost of subscriptions.[24]

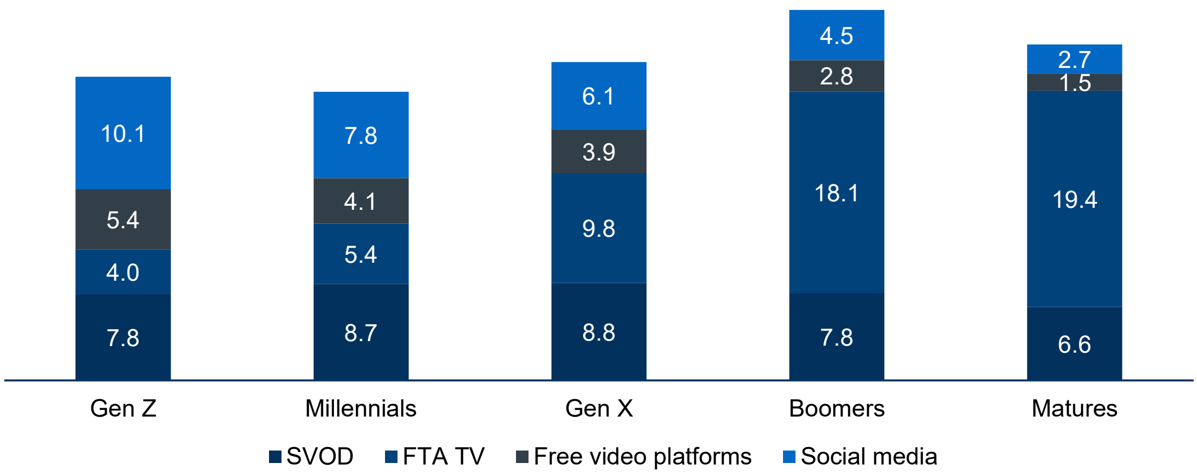
7.4.2 Generational trends

There are significant differences in audio and visual consumption between generations including the volume of time spent consuming media and the type of content consumed. The different generations of Australians can be defined by age as follows:

- "**Gen Z**": 16-24 years old;
- "**Millennials**": 25 to 38 years old;
- "**Gen X**": 39-55 years old;
- "**Boomers**": 56-74 years old; and
- "**Matures**": 75+ years old.

Visual and audio media consumption across these generations varies. There appears to be a decrease in the quantity of video media and entertainment being consumed across the generations. However, this excludes social media, which is more popular with Gen Z and Millennials. The following chart highlights the high degree of engagement young Australians have with social media platforms, against older Australians which consume more traditional media such as FTA TV.

Weekly visual form media consumption by generations including social media (hours)



Source: Deloitte. Media & Entertainment Consumer Insights. 2024.
Note: FTA TV includes BVOD.

The composition and engagement of various demographics to media consumption is important because target audience sentiment towards advertisements is a driver of advertiser spend on various platforms. Younger generations are more receptive to advertisements via their top platform, with 70% of Gen Z reporting that they are influenced by social media compared to 37% of Matures being influenced by FTA.[25] The average Australian consumer is most willing to engage with ads on smartphones (40%), followed by TV (30%).[26]

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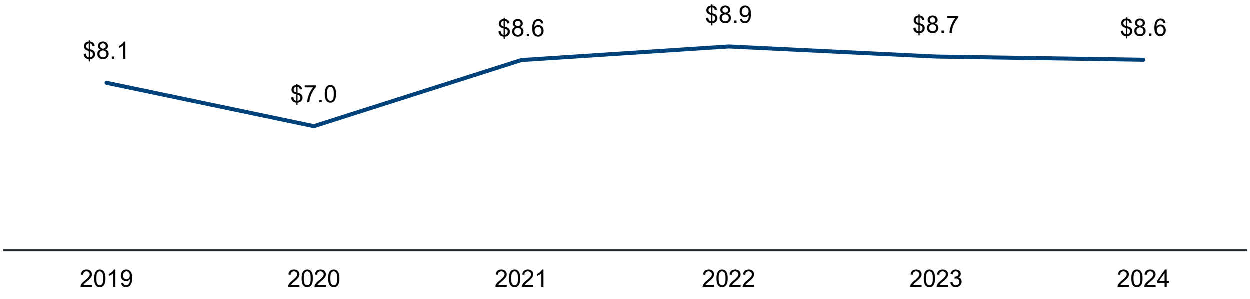
[23] Deloitte. Media & Entertainment Consumer Insights. 2024.
[24] Deloitte. Media & Entertainment Consumer Insights. 2024.
[25] Deloitte. Media & Entertainment Consumer Insights. 2024.
[26] Deloitte. Media & Entertainment Consumer Insights. 2024.

7.4.3 Advertising

Advertising is the main source of revenue for the media sector. As a result, the strength of advertiser demand is a key driver of revenue and earnings for FTA TV and radio asset owners. Advertising spend in Australia is shown in the following chart.

Australian Advertising Spend ($ billions)



Source: Guideline Standard Media Index. February 2025.
Note: Data shown as calendar years.

The Australian advertising market rebounded quickly following the COVID-19 Pandemic and overall, has grown at a CAGR of 1.3% from 2019 to 2024, with total spend surpassing $9 billion in FY25.[27] This modest growth has occurred alongside a structural shift in media buying, with agencies doubling their investment in digital and outdoor media over the last 10 years, with digital media accounting for 46% of the total spend in FY25.[28]

The structural shift in media buying has been driven by technological change and increased segmentation of the market due to changing consumer needs (refer to Sections 7.2, 7.3 and 7.4 of this report), which have splintered advertising across platforms. While digital advertising has experienced strong growth, more traditional media platforms have struggled. The impact is particularly evident in the TV market, where TV advertising revenue in FY24 was $3.3 billion, an 8.1% decline compared to the same period in FY23. Metropolitan and commercial FTA TV advertising spend were impacted the most (down 12.0% and 8.1% respectively), however BVOD showed a 12.7% growth in advertising revenue. [29] This growth is driven by the increasing popularity of BVOD platforms such as 7plus and 9Now.

Importantly for advertising, broadcast FTA TV and radio struggle to cater advertising to individual audience members, due to the traditional FTA one-to-many distribution model. This is distinct from BVOD, SVOD and digital audio platforms, such as LiSTNR and Spotify, which are able to customise advertising campaigns to specific cohorts of customers. This provides a key advantage for digital platform owners when selling advertising inventory to advertisers. Moreover, research has shown that almost 90% of consumers prefer personalised ads, leading to these consumers being more likely to engage with the advertised product or service.[30]

With strong growth in certain pockets of the Australian advertising markets, such as video and digital audio advertising over FY25,[31] FTA broadcasters, will need to consider how to improve their appeal to advertisers in the face of a more diverse advertising landscape, with greater options for advertising across various media platforms.

7.5 Regulation

Radio and TV broadcasters are primarily regulated by ACMA under the Broadcasting Services Act 1992. An overview of key regulations is provided in the following table.

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27 Guideline Standard Media Index. August 2025. FY25 represents 12 months to June 2025.
28 Mediaweek. Australian ad market hits record $9bn, but Television and News Publishing take a major blow in SMI Guideline report. 5 August 2025.
29 Think TV. Total TV advertising market records $3.3 billion in ad revenue for FY24. 13 August 2024.
30 Interactive Advertising Bureau (IAB). Consumer privacy research. January 2024.
31 IAB Australia. Internet Advertising Revenue Report. June 2025.

Current FTA TV and Radio Regulations

Regulation	Radio	TV
Licence fee	Commercial broadcasters pay licence fees based on geographic location and the number and power level of spectrum transmitters used. Noting that these license fees are currently suspended pending finalisation of a government review.	
Anti-siphoning	Pay TV broadcasters are unable to purchase rights to broadcast events considered important and/or culturally significant unless they have also been purchased by an FTA broadcaster. Events included on the anti-siphoning list include the Olympics, Melbourne Cup, and the Australian Open.	
Australian content quota	Radio broadcasters have more nuanced local content regulations which is dependent on the geography, and size of listenership of the station.	TV broadcasters must ensure that 55% of their content is Australian content from 6am to midnight. This is determined on both a points basis, where certain types of Australian content is worth more at certain times, as well as on total broadcast time.
One/two to a market rule	A person must not be in a position to exercise control of more than two commercial radio broadcasting licences in the same licence area.	A person must not be in a position to exercise control of more than one commercial TV broadcasting licence in the same licence area.
Gambling and alcohol advertising restrictions	Varying state to state, restrictions are in place around the advertising of gambling, alcohol, and tobacco products. These restrictions ensure certain content cannot be advertised either at all or during specific times.	
Independent Voices test	The “voices test” refers to a regulatory framework under the Broadcasting Services Act that governs media ownership in Australia. It ensures media diversity by requiring a minimum number of independent media “voices” (i.e. owners of TV, Radio and Print) in a given market. For Regional markets, this is a minimum of 4 independent voices and for Metropolitan markets this is a minimum of 5 independent voices.	

Source: ACMA.

Despite their direct competition, SVOD and other newer competitors to FTA broadcasters are regulated differently, with some overlap such as advertising restrictions. A key difference is the requirement for Australian content. To comply with the transmission quotas in the Broadcasting Services Act 1992, FTA broadcasters must show 55% of Australian content between 6am and midnight on primary channels.[32] However, SVOD providers have historically operated without mandatory local content obligations, with advocates for this regulatory change asking for 20% local content requirements, whilst the platforms believe 2% would be more appropriate.[33] Following concerns that local content quotas might breach Australia’s free trade agreement with the United States (**US**), the Australian Government has delayed any proposed legislative changes.[34] Increased regulatory burden on streaming services has the potential to push subscription prices up and drive consumers towards FTA and BVOD platforms.

32 ACMA. Australian content on commercial TV.
33 ABC. Australian film and TV industry calling on content quotas to revitalise struggle local scene. 30 August 2025.
34 ABC. Federal Government quietly shelves plan for local content requirements. 6 November 2024.

8 Profile of Southern Cross

8.1 Background

Southern Cross Media Group Limited previously operated under the name Macquarie Media Group (**MMG**), founded in 2004 as a subsidiary of Macquarie Group (**ASX: MQG**). MMG acquired RG Capital, an ASX - listed Australian radio business primarily focused on regional radio stations, in June 2004. [35] MMG began expanding into TV broadcasting in 2006 with the acquisition of a 13.8% interest in Southern Cross Broadcasting Australia Pty Limited (**Southern Cross Broadcasting**), acquiring 10 million shares at $16.50 per share for $195 million.[36]

On 3 July 2007, MMG announced the acquisition of Southern Cross Broadcasting for a total value of $1.35 billion. MMG retained Southern Cross Broadcasting's regional television TV assets, Southern Cross Television (affiliated with the Seven Network), Southern Cross Ten (affiliated with Network Ten) and Tasmanian Digital Television (a joint venture with WIN Corporation)[37] and on-sold the radio assets to Fairfax Media for $480 million.

In December 2009, MMG was renamed Southern Cross Media Group as part of a corporate structure conversion where the company moved from a triple-stapled structure to a single ASX-listed company.[38]

In April 2011, Southern Cross Media Group acquired the Austereo Group via an off market takeover.[39] In July 2011, Southern Cross Media and Austereo merged to form Southern Cross Austereo.

In order to capitalise on the growing digital audio environment and consumer demand for digital audio products, in February 2021, Southern Cross launched LiSTNR, a curated and personalised app offering radio, podcasts, music and news (refer to Section 8.3.4 of this report). LiSTNR was positioned to leverage Southern Cross' existing audio content, combined with new content partnerships to deliver a premium on-demand audio experience. Over the subsequent years, Southern Cross began to focus its strategic investments on the company's audio and LiSTNR platforms in order to capitalise on the revenue growth available in digital audio advertising markets (refer to Section 8.2 of this report for a discussion of Southern Cross' strategy).

On 18 October 2023, ARN and Anchorage Capital Partners Pty Limited (**ACP**) made a non-binding indicative offer to acquire Southern Cross through a scheme of arrangement. After ACP withdrew from the proposal due to a worsening outlook for regional TV and Southern Cross contractual obligations identified during the due diligence period, the Southern Cross board rejected the alternative ARN proposal in May 2024.[40]

On 17 December 2024, Southern Cross announced that it had signed a heads of agreement for the sale of its television TV licenses in the three aggregated markets of Queensland, southern New South Wales and Victoria (3-Agg Markets) to Network Ten, with the sale being completed on 1 March 2025.[41] Southern Cross expected to receive gross consideration in the range of $15 to $20 million over the five years following the completion of the sale.[42] Subsequently, on 6 May 2025, it was announced that Southern Cross had executed a binding agreement for the sale of the remaining TV assets to Seven for $3.75 million.[43] The sale of Southern Cross' remaining television TV assets resulted in the company having a sole operational focus on audio content.

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35 MQG ASX Announcement. "Macquarie Bank Group announces intention to acquire RG Capital Radio", 3 June 2004.
36 Sydney Morning Herald, "Macquarie takes stake in Southern Cross", 18 November 2006.
37 SXL ASX Announcement, "Macquarie Media Group proposed acquisition", 3 July 2007.
38 MCQ ASX Announcement, "MMHL Extraordinary General Meeting", 14 April 2009.
39 Sydney Morning Herald, "Southern Cross to raise $471m for Austereo takeover", 6 April 2011.
40 SXL ASX Announcement, "Non-binding indicative proposal to acquire Southern Cross" ,19 October 2023
41 SXL ASX Announcement, "Appendix 4E and Financial Report", 25 August 2025.
42 SXL ASX Announcement, "Southern Cross to sell 3-Agg television licenses to Network 10", 17 December 2024.
43 SXL ASX Announcement, "SWM Media to Acquire Southern Cross Remaining TV Assets", 6 May 2025.

8.2 Strategy[44]

Southern Cross' core expertise is in audio content creation, distribution and monetisation with an emphasis on delivering localised content as a key differentiator to scaled international competitors. These international operators include global streaming platforms such as Spotify, which offer broad, algorithm-driven audio experiences that prioritise scale and personalisation over localised content.

The company is now entering the final phase of multi-year strategy, where the Digital First Transformation has been a core strategic focus. Southern Cross' strategy in recent years has been focused on enabling a refurbished broadcast radio business equipped with the right technology to produce, distribute, and monetise its flagship radio network brands across multiple markets throughout Australia.

Over the next two years, prior to the announcement of the Proposed Merger, Southern Cross has indicated it would focus on:[45]

- continuing to grow and monetise the 'audience that matters' (refer to following commentary);
- evolving its operating model to leverage prior investments; and
- driving earnings growth and improving margins.

The 'audience that matters' for Southern Cross is the 25 to 54 age demographic due to the fact that more than 70% of advertising briefs are targeted at this audience segment. Strategically, both Southern Cross' flagship brands target different demographics within the 'audience that matters', with Triple M skewed towards males in this age bracket, whereas Hit is skewed towards females in this age bracket. Refer to Section 8.3.3 of this report for further discussion of Southern Cross' broadcast radio operations.

Southern Cross also maintains a distinctive strategic approach in regional markets, embracing a "Proudly National, Fiercely Local" philosophy that aims to balance broad reach and scale with local content and engagement.

8.3 Operations

8.3.1 Overview

Southern Cross owns 104 radio stations across FM, AM, and DAB+ radio under the Triple M and Hit network brands in 53 markets throughout Australia and provides national sales representation for 56 other non-owned regional radio stations.[46] The company operates the LiSTNR digital audio platform, offering free digital audio content including Southern Cross' FM, AM, and DAB+ radio stations, sport, music, podcasts and news.

8.3.2 Operating segments

Southern Cross operates under three segments:

- **Broadcast Radio:** comprising of two complementary FTA radio networks that operate across metropolitan and regional radio markets, as well as other related businesses;
- **Digital Audio:** consists of the group's digital platform, LiSTNR; and
- **Corporate:** comprises group wide centralised functions which cannot be clearly attributed to either broadcast radio or digital audio segments.

8.3.3 Broadcast Radio

The broadcast radio segment consists of two radio brands, the Triple M Network and the Hit Network, operating across Australian capital cities and regional Australia. Under these networks Southern Cross

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44 SXL ASX Announcement, "Appendix 4E and Financial Report", 25 August 2025.
45 SXL ASX Announcement, "Appendix 4E and Financial Report", 25 August 2025.
46 SXL ASX Announcement, "2025 Earnings Call", August 2025. Southern Cross Website.

owns 104 radio stations across FM, AM, and DAB+ radio and provides sales representation for regional radio stations.

As a result of Southern Cross' considerable geographic footprint across Australia, Southern Cross operates both metropolitan and regional advertising sales teams. Key customers for Southern Cross' broadcast radio operations include advertising agencies across Australia, which represent the majority of Southern Cross' broadcast radio advertising revenues, particularly for Southern Cross' metropolitan radio stations. Examples of key advertising agencies in Australia include WPP Group plc, Publicis Groupe S.A., Omnicom Media Group Inc. and Dentsu Inc. Southern Cross also receives advertising revenues on a direct basis, with businesses able to engage directly with Southern Cross to purchase advertising inventory on Triple M or Hit stations.

Southern Cross Broadcast Radio brands

The following section sets out Southern Cross' key broadcast radio brands, target audience and commercial metropolitan radio audience share metrics.

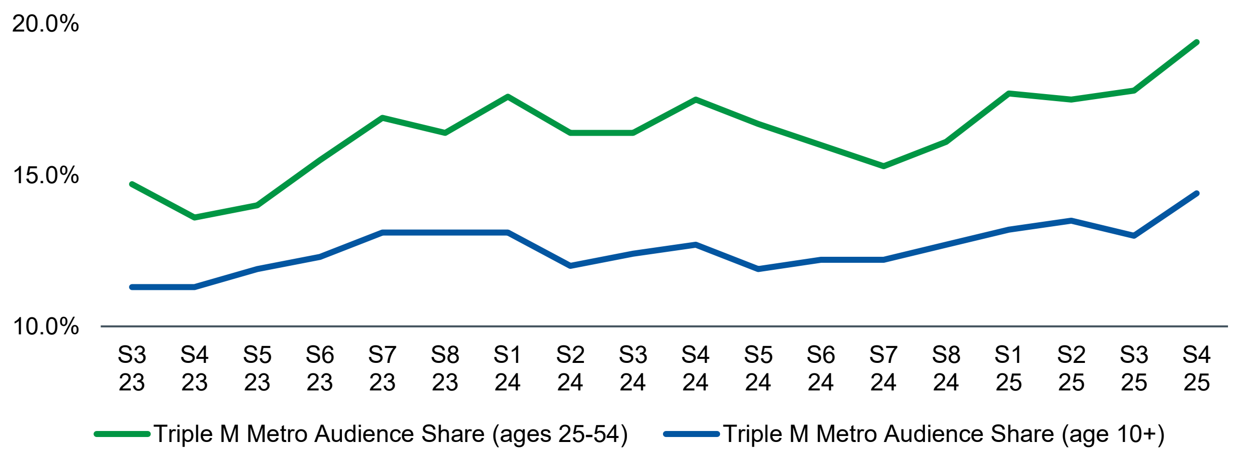
Triple M network

Triple M has been one of Australia's most recognisable radio brands for over 40 years, launching in 1980. With 51 stations across Australia, Triple M reaches more than 4.9 million radio and on-demand listeners each week.[47]

As part of Southern Cross' strategic focus on the 'audience that matters', Triple M's target audience primarily consists of males aged 25 to 54. Triple M specialises in providing sporting content, particularly across Australian Football League (**AFL**) and National Rugby League (**NRL**) through formats such as live commentary of games and analysis typically hosted by AFL and NRL personalities and experts. Sport content features heavily in popular shows such as The Rush Hour, The Midweek Rub, and Dead Set Legends. In addition to sport content, Triple M's stations also focus on rock music.

Triple M has experienced recent growth in market share, particularly within the 'audience that matters' demographic of 25 to 54 year olds. This is evidenced by Triple M holding 19.4% of the 25 to 54 year old Australian metropolitan radio audience share as at July 2025, despite holding only 14.4% of the total 10+ aged Australian metropolitan radio audience share. The recent success of Triple M's market share is seen in the following chart that tracks audience share across both the Australian wider metropolitan commercial radio audience and the 'audience that matters' cohort between 2023 to 2025.

Triple M Metropolitan Radio Audience Share since 2023



Source: GFK data, Southern Cross Management.
Notes:
1. Data is from the five major Australian metropolitan capital cities.
2. S3 23 indicates the third survey of 2023 and S4 25 indicates the fourth survey of 2025.

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[47] Southern Cross Website.

Hit network

The Hit network is Australia's largest radio network, entertaining an audience of more than 5.7 million Australians each week.[48]

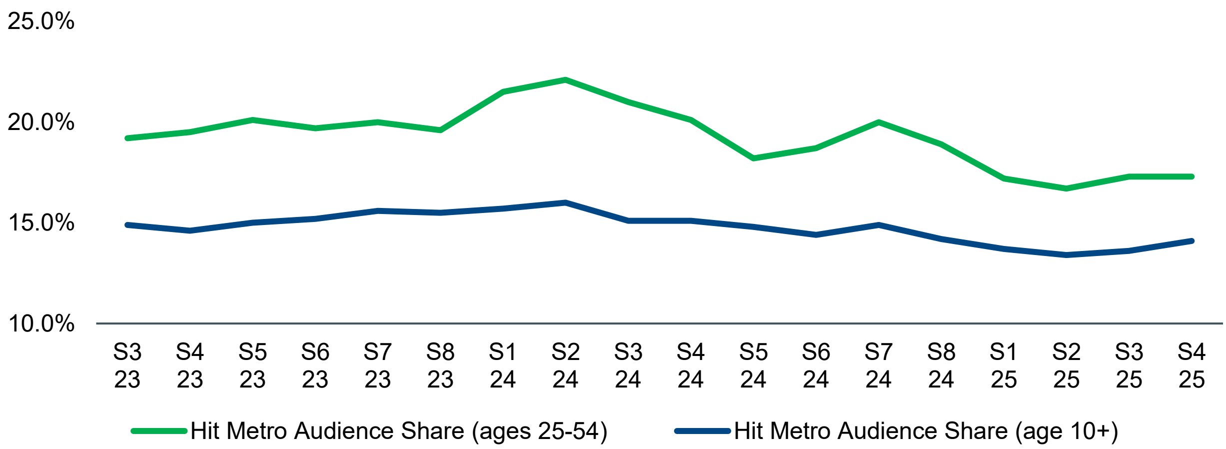
The Hit network operates 53 stations across Australia, with the majority operating under the Hit brand. However, certain key Hit network stations operate under different station names across Australia including:

- 2dayFM in Sydney;
- The Fox in Melbourne;
- B105 in Brisbane; and
- SAFM in South Australia.

As part of Southern Cross' strategic focus on the 'audience that matters', the Hit network's target audience primarily consists of females aged 25 to 54. The Hit network specialises in providing contemporary hit music and entertainment-driven programming. The network blends chart-topping music with talk segments, celebrity interviews and lifestyle content from a range of flagship shows including Carrie & Tommy and Fifi, Fev & Nick. While music remains a central element of programming, Hit's integration of pop culture commentary and listener interaction caters to a broader female audience seeking upbeat and relatable radio.

Similar to Triple M, the Hit network performs better within the 'audience that matters' demographic of 25 to 54 year olds relative to its general market share position. However, the Hit network has experienced some market share declines in the 'audience that matters' from 22.1% in early 2024 to 19.2% as at July 2025. This share of the 'audience that matters' exceeds its metropolitan (age 10+) market share of 14.1% as at July 2025, which has remained relatively stable over the past two years. The Hit network's market share is seen in the following chart that tracks audience share across both the Australian metropolitan commercial radio audience and the 'audience that matters' cohort between 2023 to 2025.

Hit Network Metropolitan Commercial Radio Audience Share since 2023



Source: GFK data, Southern Cross Management.
Notes:
1. Data is from the five major Australian metropolitan capital cities.
2. S3 23 indicates the third survey of 2023 and S4 25 indicates the fourth survey of 2025.

Southern Cross' strategic focus on the 'audience that matters' has been successful over recent years, with Southern Cross holding a nine percentage point gap to its nearest major radio competitors. Southern Cross' combined share (Triple M and Hit) relative to key competitors, Nova and ARN, is shown in the following graph.

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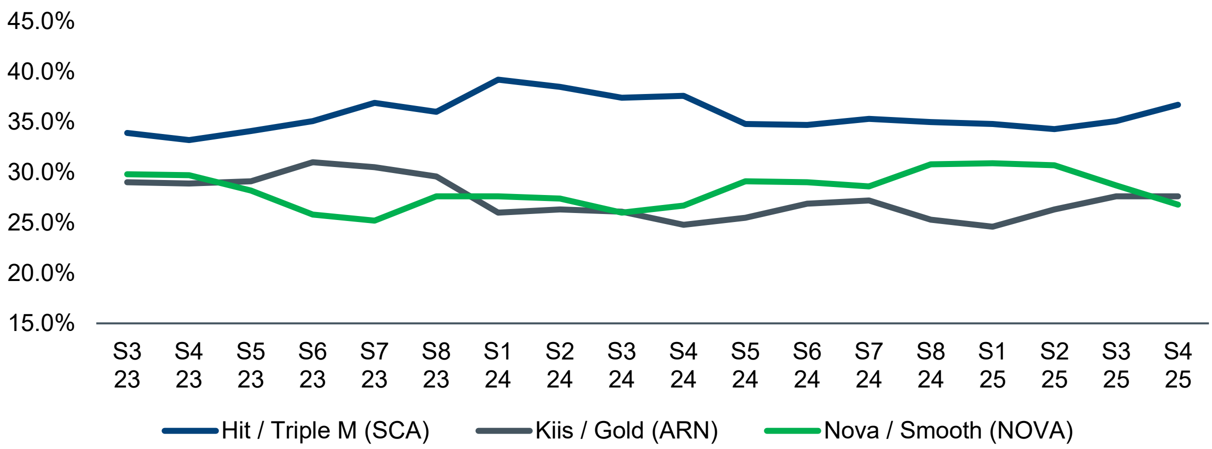
[48] Southern Cross Website.

Major Radio Network Metropolitan Commercial Radio Audience Share (25 to 54 age demographic) since 2023



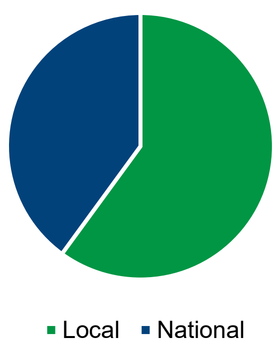
Source: GFK data, Southern Cross Management.
Notes:
1. Data is from the five major Australian metropolitan capital cities.
2. S3 23 indicates the third survey of 2023 and S4 25 indicates the fourth survey of 2025.

Southern Cross' success relative to its competitors has been evidenced by growth in this market share differential from approximately four percentage points in mid-2023 to nine percentage points as at July 2025. However, this audience share has not fully translated to revenue share with Southern Cross' revenue share of metropolitan commercial radio sitting below its share of the 'audience that matters'. Across FY25, Southern Cross held approximately 28.3% of total metropolitan radio revenue share, up from 27.1% in FY23 and FY24,[49] however significantly below its average FY25 'audience that matters' metropolitan commercial radio audience share in FY25 of 35.1%.

Broadcast Radio regional operations

In line with its strategic focus on regional markets, Southern Cross operates a number of regional based sales teams for its regional radio stations. The following diagram illustrates that in FY25 a majority (60.0%) of regional advertising revenue was sourced from Southern Cross' local sales teams distinct from the metropolitan-based sales teams.

Southern Cross FY25 Regional Radio Advertising Split



Source: Southern Cross FY25 Results Presentation.
Note: National represents ad revenue originating from metropolitan-based sales teams. Local presents ad revenue originating from regionally based sales teams.

Southern Cross' strong presence in regional Australia has been strengthened by Southern Cross launching the Boomtown Collective in 2019 which was aimed to connect advertisers with the regional Australia

[49] Southern Cross Management. Calculated as Southern Cross Metro Radio Revenues divided by r and Audio (**CRA**) Metro Radio Market Size.

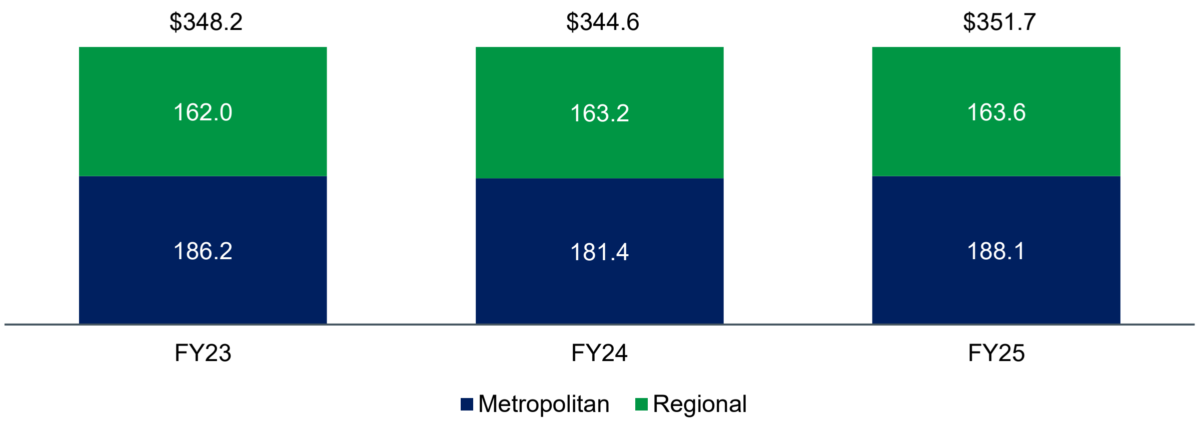
population. Boomtown Collective illustrates the reach and return on investment in regional 'Boomtown' advertising campaigns. Southern Cross manages the collective, with other owners including Win Network, Seven, ARN and News Corp.

Southern Cross also provides sales representation for 56 regional radio stations, selling advertising space on those stations to national advertisers and brands, handling the process of pitching, negotiating ad placements and budget allocation, allowing regional stations to access a wider pool of advertising revenue and leverage the expertise of Southern Cross. Southern Cross' Broadcast Radio segment also includes other revenues associated with Southern Cross providing local TV sales representation to Network 10.[50]

Advertising spend

In FY25, 53.5% of Southern Cross total broadcast radio advertising revenue was derived from the metropolitan market. Southern Cross' split of broadcast radio advertising revenue between metropolitan and regional radio stations is shown as follows.

Southern Cross Broadcast Radio Advertising Revenue by Market ($ millions)



Source: Southern Cross Results Presentations, Southern Cross Management.

8.3.4 Digital Audio

Southern Cross' digital audio segment consists of the LiSTNR platform. LiSTNR is a digital audio platform that offers consumers a curated and personalised app offering radio, podcasts, music and news. As noted in Section 8.1 of this report, LiSTNR was launched in February 2021 in response to growth in digital audio consumption and it is aimed at leveraging Southern Cross' existing audio content alongside new content partnerships to deliver a premium on-demand audio experience.

Southern Cross' strategy with LiSTNR has been successful with significant growth achieved in users over the last four years, as seen in the following chart.

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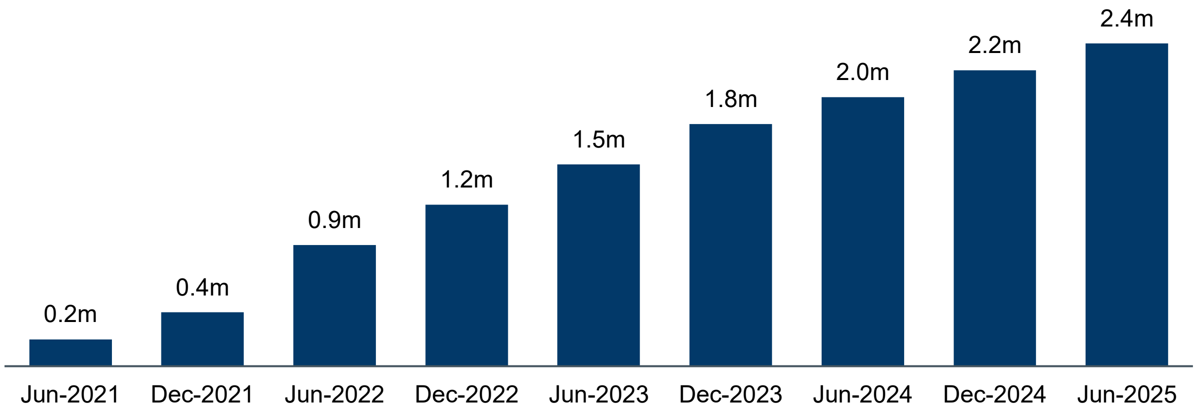
[50] As part of the divestment of regional TV licenses to Network Ten, Southern Cross entered into an agreement to continue selling TV advertising to local clients in the regional markets of Queensland, Southern NSW and Victoria for a total annual fee of $5.8 million per annum.

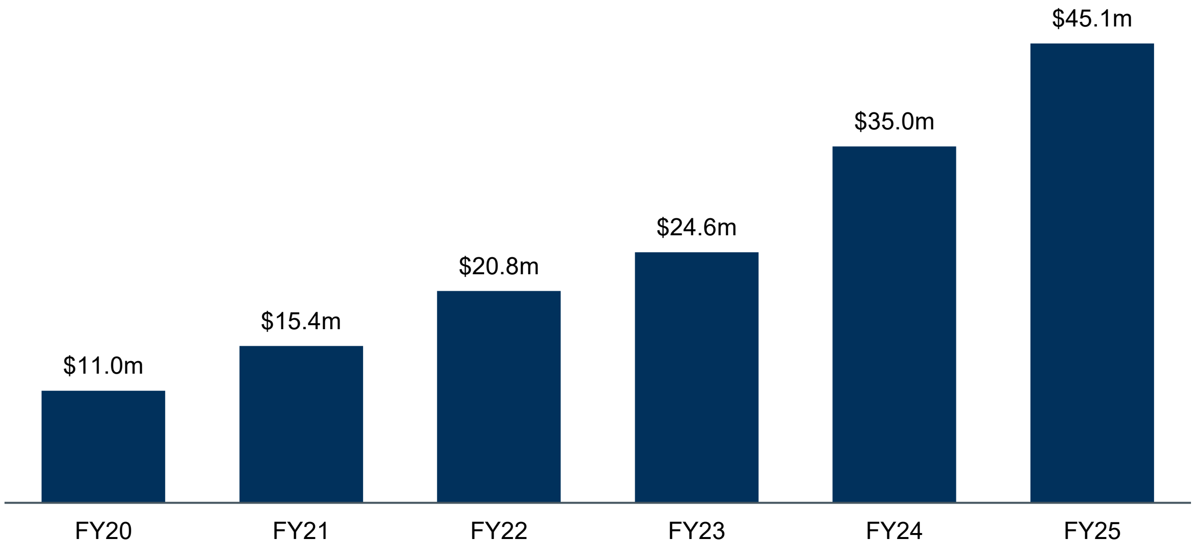
LiSTNR user growth



Source: Southern Cross Results Presentations, Southern Cross Management.

LiSTNR user growth increased from 0.2 million in June 2021 to 2.4 million in June of 2025, which represents reflects a CAGR of 86.1% in users over this period. This has led to significant digital revenue growth for Southern Cross, as noted in the following chart. Refer to Section 8.4 of this report for further commentary on Southern Cross' recent historical financial performance.

Southern Cross digital audio revenue



Source: Southern Cross Results Presentations, Southern Cross Management.

As noted in Section 7.4.3 of this report, digital audio platforms are better able to target specific cohorts of customers due to the greater data insights available to digital audio platform owners relative to traditional radio. Southern Cross' LiSTNR platform collects data directly from the audience, providing Southern Cross advanced analytics for advertiser targeting. This targeted advertising is enabled by an Instream advertising product that enables personalised advertisements during live radio and LiSTNR's AdTech Hub that provides personalised advertisements based on real-time data like weather, user location and device type. Southern Cross' market success with technology investments in LiSTNR was evidenced in FY25 by 217% growth achieved in the volume of advertising inventory delivered with the help of the AdTech Hub.

KROLL

8.3.5 Licenses, partnerships and agreements

Southern Cross operates under commercial radio broadcasting licences regulated by ACMA, including media ownership rules, local content obligations and advertising standards.[51]

Southern Cross has radio broadcast rights for sports content, including:

- AFL rights through 2027;
- Cricket Australia rights through the 2030/2031 season; and
- NRL rights through 2027.

Southern Cross also operates key licensing and partnership agreements for its LiSTNR business including with Hamish and Andy, podcasters who reach an audience of over 800,000 listeners monthly, and Sirius XM, an American-based audio company, to provide access to popular podcasts such as The Mel Robbins Show and Smartless for Australian listeners and advertisers.

8.4 Financial performance

8.4.1 Historical financial performance

The following table summarises the financial performance of Southern Cross for FY23, FY24 and FY25.

Southern Cross Financial Performance ($ millions)

	FY23 Audited[1]	FY24 Audited[1]	FY25 Audited[1]
Total revenue	**504.3**	**401.9**	**421.9**
Revenue related expenses	(126.1)	(78.7)	(87.2)
Non-revenue related expenses	(301.0)	(270.2)	(263.5)
Underlying EBITDA[2,3]	**77.2**	**52.9**	**71.1**
Depreciation and amortisation	(29.2)	(28.1)	(30.0)
EBIT[4]	**48.1**	**24.8**	**41.1**
Net finance costs	(16.8)	(18.0)	(18.3)
Underlying profit before tax (PBT)	**31.3**	**6.8**	**22.8**
Non-recurring items	(4.0)	(336.5)	(12.2)
Profit before tax (PBT) for continuing operations	**27.3**	**(329.7)**	**10.6**
Tax expense	(8.1)	98.6	(4.2)
Profit after tax for continuing operations	**19.1**	**(231.1)**	**6.4**
Profit from discontinued operations	-	6.5	2.8
Profit / (loss) for the year	**19.1**	**(224.6)**	**9.2**
Performance Statistics[5]			
Revenue growth	*(3.9%)*	*(20.3%)*	*5.0%*
Revenue related expenses growth	*(3.6%)*	*(37.6%)*	*10.8%*
Revenue related expenses % of total revenue	*25.0%*	*19.6%*	*20.7%*
Non-revenue related expenses growth	*(2.6%)*	*(10.2%)*	*(2.5%)*
Non-revenue related expenses % of total revenue	*59.7%*	*67.2%*	*62.5%*
EBITDA margin (underlying)	*15.4%*	*13.2%*	*16.9%*
EBITDA growth (underlying)	*(8.2%)*	*(31.9%)*	*34.2%*

Source: Southern Cross Annual Reports and Results Presentations, Kroll analysis.
Notes:
1. Figures in FY23 have been presented as reported including earnings related to the TV segment. FY24 and FY25 figures are shown excluding discontinued operations.
2. EBITDA is earnings before interest, taxes, depreciation and amortisation.
3. Underlying EBITDA excludes non-recurring items and share of net profit of equity accounted investments.
4. EBIT is earnings before interest and taxes.

51 ACMA website. TV and radio broadcasters.

Notes continued

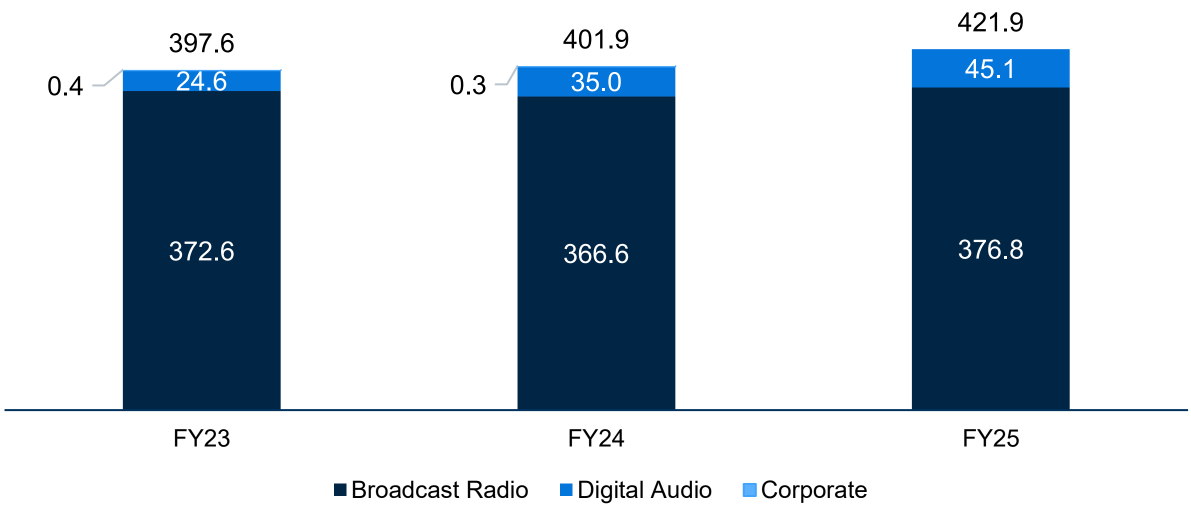
5. FY23 performance metrics are calculated using FY22 figures not shown in the table. EBITDA statistics are calculated using underlying EBITDA as stated in the table.
6. Figures may not add due to rounding.

In relation to Southern Cross' consolidated financial performance summarised above, we note:

- the decline in total revenue in FY24 primarily relates to the sale of the TV assets in FY25, which is reported as discontinued operations from FY24. Revenues from continuing operations rose by 5.0% to $421.9 million in FY25 driven by growth in Broadcast Radio and strong Digital Audio growth;

Further analysis on Southern Cross' segment revenues from continuing operations by segment is presented as follows:

Revenue from Continuing Operations by Segment ($ millions)

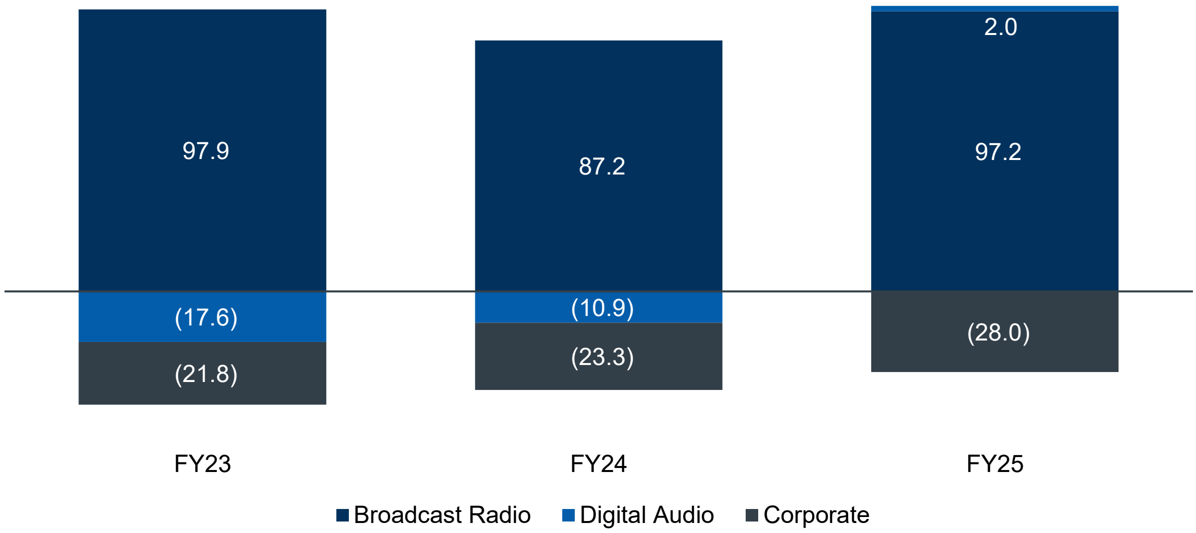


Source: Southern Cross Annual Reports, Kroll analysis.
Note: Revenues from continuing operations excludes the discontinued TV segment.

- in relation to Southern Cross' segment revenues, we note:
  - Southern Cross' revenue is largely derived from the Broadcast Radio segment, which contributed 89.3% of total revenue in FY25, with Digital Audio accounting for the remaining 10.7%. Digital Audio's share of total revenue (exclusive of the divested TV segment) increased from 6.2% in FY23 to 10.7% in FY25 driven by its strong growth over the period. Digital Audio revenue grew by 42.2% in FY24 and 28.9% in FY25 (a CAGR of 35.4% from FY23 to FY25) driven by strong user growth and advertiser demand for LiSTNR advertising inventory. Refer to Section 8.3.4 of this report for analysis of the growth in Southern Cross' digital audio business. In contrast, Broadcast Radio revenues grew at a CAGR of 0.4% over the same period; and
  - Broadcast Radio revenues are primarily comprised of metropolitan radio and regional radio advertising revenues. Broadcast radio revenues declined by 1.6% in FY24 driven by a weaker market environment. In FY25, broadcast radio revenues grew by 2.8% predominantly as a result of an increase in Southern Cross' metropolitan broadcast radio market share (refer to Section 8.3.3 of this report) and positive changes to Southern Cross' sales strategy. Broadcast Radio revenues in FY25 were aided by a local TV sales representation agreement signed with Network TV (refer to Section 8.3.3 of this report);
- revenue related expenses include commissions, license fees, cost of integrated advertising campaigns and the cost of revenue share agreements related to Digital Audio Content. Revenue related expenses grew by 10.8% in FY25 and increased as a percentage of revenue from 19.6% in FY24 to 20.7% in FY25 respectively. The higher revenue related expenses were driven by additional costs needed to support revenue share growth, including content and sales activations, increased promotions and advertising campaigns across segments, together with additional sales incentives;

- non-revenue related expenses include salary and wages costs, costs of content creation, corporate overheads, technology systems and infrastructure. Non-revenue related expenses (on a continuing operations basis) grew 2.2% in FY24, driven by strategic investments in the implementation of the LiSTNR customer data platform. Between FY24 and FY25, non-revenue related expenses fell 2.5%, primarily due to a disciplined approach to cost management across Broadcast Radio and Digital Audio segments, largely offsetting the impact of inflation;
- EBITDA from continuing operations (excluding TV EBITDA) grew at a CAGR of 10.3% between FY23 and FY25 largely driven by reduction in losses from Digital Audio operations. Further analysis on segment EBITDA is presented as follows:

EBITDA from Continuing Operations by Segment ($ millions)



Source: Southern Cross Annual Reports, Kroll analysis.
Note: Revenues from continuing operations excludes the discontinued TV segment.

  - Broadcast Radio EBITDA decreased by 10.9% in FY24 driven by lower revenue and higher expenses with revenue-related expenses increasing by 3.9% due to increases in music licensing & costs of sales. In FY25, segment EBITDA improved by 11.5%, supported by a 2.8% increase in revenue and a 1.9% reduction in non-revenue-related expenses, reflecting savings from cost-out initiatives;
  - Digital Audio EBITDA loss decreased by 38.0% in FY24 driven by the aforementioned 42.2% increase in segment revenues whereas total segment expenses only increased by 8.8% over the period. In FY25, the Digital Audio Segment recorded positive EBITDA for the first time, reflecting both revenue growth and a 6.3% decrease in non-revenue related expenses partially offset by a 59.2% increase in revenue related expenses due to increased demand for integrated campaigns; and
  - corporate costs have increased at a CAGR of 13.3% between FY23 and FY25.
- significant items are shown in the following table:

Southern Cross Non-recurring Items before Tax ($ millions)

	FY23 Audited	FY24 Audited	FY25 Audited
Restructuring charges	(2.5)	(4.2)	(9.4)
Impairment	-	(326.1)	(0.4)
M&A and other costs	(1.5)	(6.2)	(2.4)
Net non-recurring items before tax	**(4.0)**	**(336.5)**	**(12.2)**

Source: Southern Cross Annual Reports; Kroll analysis.

- in FY23 and FY25 significant items are primarily related to restructuring charges;

- the impairment in FY24 related to the Broadcast Radio segment due to observed market pressures, independent estimates of broadcast radio growth rates showing declines over the forecast period, and a consequent reduction in the long-term growth rates; and
- in FY25, Southern Cross recorded a $0.4 million impairment expense in FY25 relating to the impairment of unlisted securities.

Southern Cross' earnings per share and dividends per share are set out as follows:

Southern Cross Earnings per share and Dividends (cents)

	FY23 Audited	FY24 Audited	FY25 Audited
Weighted average number of ordinary shares (millions)	239.9	239.9	239.9
Earnings per share from continuing operations excl. significant items (reported, basic) (cents)	4.7[1]	1.9	6.3
Dividend per share (cents)	6.8	1.0	4.0
Dividend payout ratio excl. impairments	85.4%	65.1%	99.6%

Source: Southern Cross Annual Reports; Kroll analysis.
Note 1: FY23 basic EPS excluding significant items includes the discontinued TV operating segment.

In relation to Southern Cross' historical earnings per share and dividends summarised above, we note:

- Southern Cross dividend has varied depending on earnings volatility, market conditions and debt considerations, with a policy to distribute between 65% to 85% of underlying NPAT while maintaining the leverage ratio below FY25 levels;
- Southern Cross paid out dividends of 6.8 cents in FY23 at a payout ratio excluding impairments of 85.4%, however FY24 saw a sharp 85.3% reduction in dividends to 1.0 cents per share, reflecting Southern Cross' NPAT losses driven by asset impairments and weak advertising markets;
- Southern Cross did not pay a final FY24 or interim FY25 dividend, as the Southern Cross board prioritised debt reduction and liquidity during this period of weak markets and inflationary pressures; and
- after not paying an interim dividend in FY25, Southern Cross' board identified it had an intention to resume dividends once leverage and earnings visibility improved. FY25's final dividend, totalling 4.0 cents per share was a result of improved trading and operating conditions.

8.4.2 Outlook and priorities

In conjunction with the release of its FY25 results on 25 August 2025, Southern Cross provided the following FY26 guidance:

- revenue in the range of $435 million to $440 million;
- revenue related costs to be represent approximately 20% of revenue and non-revenue related costs under $270 million;
- capex to be around $10 million;
- leverage ratio of less than 1.0 times and dividends within the 65-85% target payout range; and
- underlying EBITDA in the range of $78 to $83 million.

Southern Cross re-affirmed its FY26 guidance in a trading update provided on 16 October 2025, where it noted that 1Q26 revenues were up 4.7% relative to the prior corresponding period.

8.4.3 Broker consensus

As far as Kroll is aware, Southern Cross is followed by five brokers, of which two are financial advisers on the Proposed Merger and have, therefore, been excluded from our analysis. Of the remaining three brokers, all have published reports following the release of Southern Cross' FY25 results on 25 August 2025. Further detail is provided in Appendix 4 of this report.

Southern Cross Broker Consensus ($ millions)

	Actual	Forecast		
	FY25	FY26	FY27	FY28
Total revenue	**421.9**	**436.6**	**444.8**	**452.9**
Operating expenses	(350.8)	(357.5)	(368.9)	(381.9)
Underlying EBITDA	**71.1**	**79.1**	**75.9**	**71.0**
D&A	(30.0)	(29.3)	(29.6)	(31.0)
EBIT	**41.1**	**49.8**	**46.3**	**40.0**
Net finance costs	(18.3)	(15.3)	(12.5)	(11.0)
Underlying PBT	**22.8**	**34.5**	**33.8**	**29.0**
Non-recurring items	(12.2)	-	-	-
PBT for continuing operations	**10.6**	**34.5**	**33.8**	**29.0**
Profit after tax for continuing operations	**6.4**	**23.6**	**23.7**	**20.4**
Per share metrics				
Normalised EPS (cents)	*6.3*	*9.8*	*10.0*	*8.4*
DPS (cents)	*4.0*	*8.0*	*7.0*	*6.0*
Growth				
Revenue growth	*5.0%*	*3.5%*	*1.9%*	*1.8%*
Underlying EBITDA growth	*34.2%*	*11.3%*	*(4.1%)*	*(6.4%)*
Normalised EPS growth (%)	*231.6%*	*74.6%*	*2.0%*	*(16.0%)*
Performance Statistics				
Underlying EBITDA margin	*16.9%*	*18.1%*	*17.1%*	*15.7%*

Source: Southern Cross Broker Reports; Kroll analysis.
Note: Numbers shown are medians.

8.5 Financial position

The following table summarises the financial position of Southern Cross as at 30 June 2024 and 30 June 2025.

Southern Cross Financial Position ($ millions)

	As at 30 June 2024 Audited	As at 30 June 2025 Audited
Receivables and other current assets[1]	105.4	96.1
Payables and other current liabilities	(67.1)	(69.2)
Net working capital	**38.2**	**26.9**
Investments	5.8	2.8
Right of use assets	104.7	97.8
Property, plant, and equipment	63.2	50.8
Intangible assets	391.5	389.7
Other non-current assets	9.7	13.2
Deferred income (non-current)	(84.2)	(81.9)
Provisions	(3.9)	(7.4)
Net derivative financial instruments	0.5	(0.1)
Net tax liability	(87.5)	(88.2)
Total funds employed	**438.0**	**403.6**
Cash and cash equivalents	10.5	35.4
Borrowings	(117.5)	(102.8)
Lease liabilities	(128.3)	(124.1)
Net debt (including lease liabilities)	**(235.3)**	**(191.4)**
Net assets	**202.8**	**212.3**
Total equity attributable to equity holders	**202.8**	**212.3**
Net working capital as a percentage of revenue	*9.5%*	*6.4%*
Number of shares at period end (millions)	*239.9*	*239.9*
Net assets per ordinary share (cents)[2]	*85.0*	*88.0*
Gearing[3]	*53.7%*	*47.4%*

Source: Southern Cross Annual Reports and Results Presentations, Kroll analysis.
Notes:
1. Includes other payables (current), provisions (current) and deferred income (current).
2. Net assets per ordinary share is calculated as net assets/number of shares at period end.
3. Gearing ratio is calculated as (net debt /(net debt + total equity).
4. Numbers in the table may not add due to rounding.

In relation to the financial position of Southern Cross as at 30 June 2025 we note:

- a majority of assets are represented by intangible assets such as radio broadcasting licenses and advertising relationships rather than investment in physical infrastructure or inventory;
- receivables and other current assets and non-current receivables and other non-current assets include contingent consideration estimated to be worth as at 30 June 2025, $3.8 million and $8.9 million respectively, relating to the sale of TV assets to Network Ten during FY25;
- investments relate to investments accounted for using the equity method and financial assets at fair value through profit or loss. The 52.6% decrease in value from 30 June 2024 to 30 June 2025 was primarily attributable to the disposal of investments relating to the sale of the TV assets;
- Southern Cross’ FY25 cash position was strengthened by the sale of the remaining television assets to Seven for a gross cash consideration of $3.75 million on 30 June 2025;
- right of use assets consist of leased premises, IT equipment and vehicles. $92.2 million of the $97.8 million right of use assets as at 30 June 2025 are associated with premises, down from $97.7 million in FY24;

- non-current deferred income relates to a 20 year contract (with an option to extend for a further 10 years) with the Australian Traffic Network (**ATN**) to broadcast advertising tags provided by ATN attached to news and traffic reports;
- non-current provisions totalled $7.4 million as at 30 June 2025 and included a $3.6 million provision relating to a termination fee arising from the divestment of the TV assets to Network Ten in FY25. This provision is non-operating in nature.
- intangible assets remained relatively consistent between 30 June 2024 and 30 June 2025, and primarily consist of broadcasting licenses and brands and trademarks with net carrying amounts as of 30 June 2025 of $321.4 million and $48.9 million respectively; and
- as at 30 June 2025, Southern Cross' gearing (including lease liabilities) was 47.4%. Refer to Section 8.5.1 for further commentary on Southern Cross' borrowings.

8.5.1 Borrowings

As at 30 June 2025, borrowings included $103.0 million drawn from its bank facility and ($0.2) million of borrowing costs. The following table summarises the current financing arrangements of Southern Cross as at 30 June 2025.

Southern Cross Borrowings ($ millions)

Type of facility	Currency	Maturity Date	Facility Limit	Drawn	Undrawn
ANZ Banking Group Overdraft Facility	AUD	April 2026	25.0	-	25.0
Committed Syndicated Debt Facility	AUD	January 2028	160.0	(103.0)	57.0
Bank Facilities			**185.0**	**(103.0)**	**82.0**
Borrowing costs				0.2	
Borrowings				**(102.8)**	

Source: Southern Cross Annual Reports; Kroll analysis.

In relation to Southern Cross' financing arrangements we note:

- the vast majority of Southern Cross' financing arrangements relate to a secured $160.0 million committed syndicated debt facility of which $103.0 million was drawn as at 30 June 2025. Security over the facility includes fixed and floating charges over assets including intangibles, PPE, and receivables. The facility has an average variable interest rate of 6.1% and matures in January 2028;
- Southern Cross has a $25 million undrawn overdraft facility which is renewable on an annual basis; and
- additionally, the company's financing arrangements includes a working capital facility utilised for the provision of bank guarantees as security for the Group's rental properties.

As at 30 June 2025, Southern Cross was compliant with all debt covenants as illustrated in the following table.

Southern Cross Credit Metrics as at 30 June 2025

Credit Metric	Actual	Covenant
Operating leverage ratio[1]	1.1x	3.5x
Interest cover ratio[2]	9.4x	3.0x

Source: Southern Cross Investor Presentation; Kroll analysis.
Notes:
1. Calculated as net senior debt divided by EBITDA (calculated in accordance with debt agreements).
2. Calculated as EBITDA divided by net interest expense (calculated in accordance with debt agreements).

8.6 Cash flow

The following table summarises the cash flow statement of Southern Cross for FY23, FY24 and FY25.

Southern Cross Cash Flow Statement ($ millions)

	FY23 Audited	FY24 Audited	FY25 Audited
Underlying EBITDA (continuing operations)	**77.2**	**52.9**	**71.1**
Change in operating assets and others[1]	(14.1)	(16.5)	(4.3)
Operating cash flow (pre-interest and tax)	**63.1**	**36.4**	**66.8**
Interest received	1.1	0.3	0.6
Tax paid	(7.4)	(2.3)	(2.0)
Net cash from operating activities	**56.8**	**34.5**	**65.4**
Net proceeds for property, plant and equipment	(8.3)	3.3	1.0
Net proceeds for intangibles	(13.0)	(13.0)	(7.8)
Dividends received from equity accounted investments	1.1	0.9	0.3
Net proceeds for unlisted equity securities	(0.2)	0.7	(0.2)
Proceeds for sale of discontinued operations	-	-	3.8
Net cash used in investing activities	**(20.5)**	**(8.2)**	**(3.0)**
Net proceeds for borrowings	(10.0)	-	(15.0)
Payment of lease liabilities	(6.5)	(7.4)	(8.1)
Buyback of ordinary shares	(21.3)	-	-
Dividends paid	(23.3)	(7.7)	-
Refinancing costs paid	-	-	(0.7)
Interest paid	(11.8)	(13.7)	(13.7)
Net cash used in financing activities	**(72.9)**	**(28.7)**	**(37.5)**
Cash balance at beginning of the period	**49.5**	**13.0**	**10.5**
Net increase / (decrease) in cash and cash equivalents	(36.5)	(2.4)	24.9
Cash balance at end of the period	**13.0**	**10.5**	**35.4**
Statistics			
Cash conversion %[2]	73.6%	65.1%	91.9%
Operating cash conversion %[3]	*87.6%*	*67.2%*	*112.4%*

Source: Southern Cross Annual Reports and Results Presentations, Kroll analysis.
Notes:

1. Relates to movements in net operating assets and liabilities, share based-payments, cash movements relating to significant and non-recurring items, and cash movements in discontinued operations.
2. Calculated as net cash from operating activities/ underlying EBITDA (continuing operations).
3. Operating cash conversion is a Southern Cross management metric and is shown in line with the Southern Cross Results Presentations. It is calculated as Net Cash from Operations/Underlying Consolidated EBITDA (management calculations).
4. Figures may not add due to rounding.

In relation to the cash flows of Southern Cross, we note:

- in FY23, cash flow generated from operating activities and cash balances were mainly used to acquire intangible assets and property, plant and equipment, repay borrowings, buy back shares and pay dividends;
- in FY24, lower earnings resulted in lower cash generated from operating activities. Operating cash conversion declined to 67.2% from 87.6% in FY23. This was partially offset by lower capital expenditure reflecting the conclusion of Southern Cross' digital investment cycle and non-core asset sales. As a result, dividends were curtailed; and
- in FY25, net cash flows from operating activities increased by 89.6%, driven by revenue growth, strong cost management despite inflationary pressures and improved working capital efficiency that

saw a $9.3 million reduction in accounts receivables and $4.5 million increase in payables. Cash conversion was strong at 112.4% due to a focus on cash collections and the run-off of TV receivables. Cash balances increased from $10.5 million to $35.4 million and $15.0 million of borrowings were repaid. No final FY24 or interim FY25 dividends were paid during FY25 as Southern Cross focused on deleveraging. However, Southern Cross declared a fully franked final dividend of 4 cents per share for FY25, which was paid on 7 October 2025 and, therefore, not included in the FY25 cash flow statement.

8.7 Capital structure and ownership

As at 31 October 2025, Southern Cross had the following securities on issue:

- 239,899,149 fully paid ordinary shares; and
- 6,140,113 unvested performance rights.

8.7.1 Ordinary shareholders

As at 3 October 2025, Southern Cross had 8,085 registered shareholders with the top 20 largest shareholders accounting for 72.7% of Southern Cross shares. These comprised institutional investors, strategic investors, custodians and nominees, individuals as well as other investors. Southern Cross has a number of substantial shareholders with a significant retail investor base, with retail investors (investors holding less than 50,000 shares) accounting for approximately 96.5% of shareholders and 11.5% of shares on issue.

As at 31 October 2025, the substantial shareholders are:

Southern Cross substantial shareholders as at 31 October 2025

Substantial Shareholder	Date of Notice	Number of Shares	Percentage
ARN Media Limited	21 June 2023	35,505,074	14.8%
Thorney Opportunities (and Associates)	5 June 2024	34,586,950	14.4%
Spheria Asset Management Pty Ltd	23 September 2025	33,293,117	13.9%
Sandon Capital Pty Ltd	22 September 2025	27,012,511	11.3%
Pinnacle Investment Management Group Limited	24 September 2025	25,928,446	10.8%

Source: ASX Announcements, Southern Cross.

8.7.2 Southern Cross Performance Rights

From FY26, Southern Cross operates an Executive Incentive Scheme, which includes both Short-Term Incentive (**STI**) and Long-Term Incentive (**LTI**) components. Under these plans, performance rights (**Performance Rights**) are granted annually to eligible executives and key employees, subject to performance-related vesting criteria and continued employment.

Performance rights issued under the Employee and Executive Incentive Plan and are designed to align executive performance with shareholder outcomes.

As a result of the Proposed Merger, Southern Cross' performance rights will experience the following treatment:

- FY23 grants, which have already vested, will have the holding restriction removed (previous holding restriction was 30 June 2027);
- FY25 grants will have EPS testing on implementation and performance rights will be vested based on EPS achievement with a holding restrictions of 12 months from the Implementation Date; and
- no change to FY26 grants.

Southern Cross Performance Rights as at 31 October 2025

	Vested	Unvested	Total
LTI grant			
FY23	541,281	-	541,281
FY24	-	-	-
FY25	-	2,176,685	2,176,685
FY26	-	3,963,428	3,963,428
Total	**541,281**	**6,140,113**	**6,681,394**

Source: Southern Cross management.

8.8 Share price performance

In assessing Southern Cross' share price performance, we have:

- analysed Southern Cross' price and volume performance from 1 July 2022 to 31 October 2025;
- compared Southern Cross' share price movement to the ASX 200 index;
- compared Southern Cross' share price movement to key comparables, including Seven, Nine and ARN;
- compared Southern Cross' market capitalisation value to Seven relative to the Proposed Merger ratio; and
- assessed the VWAP and trading liquidity of Southern Cross Shares for the 12-month period ended 29 September 2025.

8.8.1 Recent share market trading

The trading price and volume of Southern Cross shares from 1 July 2022 to 31 October 2025 is set out as follows.

Southern Cross Trading Price and Volume from 1 July 2022 to 31 October 2025

Source: S&P Capital IQ, Kroll analysis.

Over the course of 2023 and 2024, the Southern Cross share price experienced a general downward trend, before recovering some of the losses during the twelve months to 29 September 2025. Within this period there have been notable fluctuations in the share price, largely as a result of M&A activity.

The Southern Cross share price declined in August 2022 following underwhelming FY22 results, with statutory EBITDA down 32.0% to $85.6 million due to higher expenses and a weak advertising market.

From August 2022 until 3 February 2023, the share price increased by 37.1% following a trading update on 21 October 2022 that highlighted gains by Southern Cross in broadcast radio market share across five metro capitals and a record cumulative audience.

The Southern Cross share price experienced a steady 36.1% decline from $1.19 on 6 February 2023 to $0.76 on 19 June 2023 as a result of broader market conditions surrounding escalating interest rate expectations, media sector headwinds as a result of weaker consumer sentiment and Southern Cross' 1H23 underperformance. Despite digital audio revenue growth of 37.5%, digital investment costs resulted in 1H23 statutory EBITDA declining by 7.3% relative to 1H22.

The share price rallied on the acquisition by ARN in June 2023 of a 14.8% equity interest in Southern Cross at $1.08 per share, a 42.1% premium to Southern Cross' last traded price of $0.76.

On 17 August 2023, Southern Cross reported FY23 financial results, which resulted in a 19.8% share price decline between 16 August 2023 and 17 October 2023 to close at $0.73. The decline was driven predominantly by:

- speculation that ARN would not lodge a takeover bid for Southern Cross, with Morningstar noting that any acquisition would be highly conditional, not least of all requiring approval from the competition and media regulators,[52] reinforcing investor scepticism;
- Southern Cross reported revenues of $504.3 million, a decrease of 3.9% on the FY22 revenues with digital audio growth of 36.2% unable to offset the 1.2% decline in broadcast radio revenues and 15.5% declines in regional TV revenues; and
- a soft TV market, with regional TV revenues impacted by a fall in affiliate network ratings and increased competitive pressures particularly relating to the advertising inventory sales.

On 18 October 2023, ARN and ACP made a non-binding indicative offer to acquire Southern Cross through a scheme of arrangement[53] for $0.94 per share, representing 0.753 ARN shares and 29.6 cents in cash.[54] The Southern Cross share price increased by 18.5% to close at $0.87. From 19 October 2023 until 10 May 2024, Southern Cross shares traded in a higher range of $0.93 to $1.05. Several key events likely contributed to the increase, including:

- on 10 November 2023, an unsolicited proposal was received by ACM proposing the merger of Southern Cross and the regional publications and digital assets of ACM. The proposal was rejected by Southern Cross on 15 November 2023;
- the release of 1H24 results on 29 February 2024, which reported EBITDA declines of 32.5% relative to 1H23, driven by weaker revenues and higher operating costs due to the high inflation environment. However, Southern Cross reported digital advertising revenues had grown at a CAGR of 30% since FY19; and
- a further revision of the non-binding indicative proposal from ARN and ACP on 15 March 2024, which consisted of an increase to the share exchange ratio to 0.870 ARN shares and 29.6 cents cash per Southern Cross share, implying a value of $1.04 per Southern Cross share. [55]

Between May and October 2024, Southern Cross' share price exhibited an overall downward trend, despite several short-term rebounds. During this period, Southern Cross' share price moved from a high closing price of $0.97 to a low of $0.46 on 10 October 2024. This decline was likely driven by a combination of key events, including:

- ACP notifying ARN, on 13 May 2024, that it was withdrawing from the proposal due to a worsening outlook for regional TV and Southern Cross contractual obligations identified during the due diligence

[52] Morningstar. Southern Cross Media: Takeover Bid Is Opportunistic. 19 October 2023.

[53] SXL ASX Announcement, "Non-binding indicative proposal to acquire Southern Cross" ,19 October 2023

[54] Under the indicative proposal, the indicative value of the scrip portion of the deal is $0.643 based on the last closing price of ARN of $0.855 on 17 October 2025.

[55] SXL ASX Announcement, "A1N: Update on Non-Binding Indicative Proposal to Acquire Southern Cross" ,15 March 2024

period. Although ARN's sought an alternative proposal this was rejected by the Southern Cross Board; and

- the release of FY24 results on 29 August 2024, with downward share price movements reflecting the markets dissatisfaction with Southern Cross' operating performance as the company missed guidance for the third consecutive reporting period and saw total revenue decrease by 4.9%.

The Southern Cross share price experienced a strong recovery between October 2024 and 16 May 2025, during which Southern Cross' share increased from $0.46 on 10 October 2024 to $0.76 on 16 May 2025, an increase of 65.2%. Key events that contributed to Southern Cross' improved share price performance over this period include:

- Southern Cross announcing in December 2024 that it has signed heads of agreement for the sale of its TV licenses in the 3-Agg Markets to Network 10. Southern Cross subsequently announced in May 2025 the sale of the remaining TV assets to Seven; and
- release of 1H25 results on 27 February 2025, that emphasised strong operating momentum for digital audio, with revenues increasing 42.0% to $22.1 million and a 2.2% growth in broadcast radio revenue. Due to the improved results, the Southern Cross share price rose from a close of $0.65 on 27 February to a close of $0.70 on 28 February, an 8.5% increase.

Southern Cross has experienced shareholder register changes over 2025, which has also resulted in shareholder activism. From April 2025, Sandon Capital Pty Ltd (**Sandon Capital**) begun its investor activism efforts, seeking board renewal and progressively increasing its ownership stake in Southern Cross.

From 19 May to 30 June 2025, Southern Cross shares decreased from $0.73 to $0.54, a 26.0% decline. This steep decline was potentially driven by a combination of the aforementioned investor activism, Ubique Asset Management Pty Ltd.'s reduction in holdings and cautious investor sentiment.

From 1 July to 29 September, the last day prior to the announcement of the Proposed Merger, saw an increase in Southern Cross share price of 55.6% from $0.54 to $0.84. This rally can likely be attributed to a combination of the following:

- ongoing market sentiment surrounding potential corporate activity involving Southern Cross. Over the past three months, Southern Cross has been reported to have been a candidate for a takeover, with the Australian newspaper reporting potential interest in Southern Cross in August and September 2025;[56,57] and
- the release of FY25 results on 25 August saw a 26.5% increase in share price from close on 22 August at $0.66 to close on 25 August at $0.84. The sharp increase was driven by the digital audio segment being EBITDA and cash flow positive, continued cost management across the group, and the final, fully franked, 4.0 cents per share dividend.

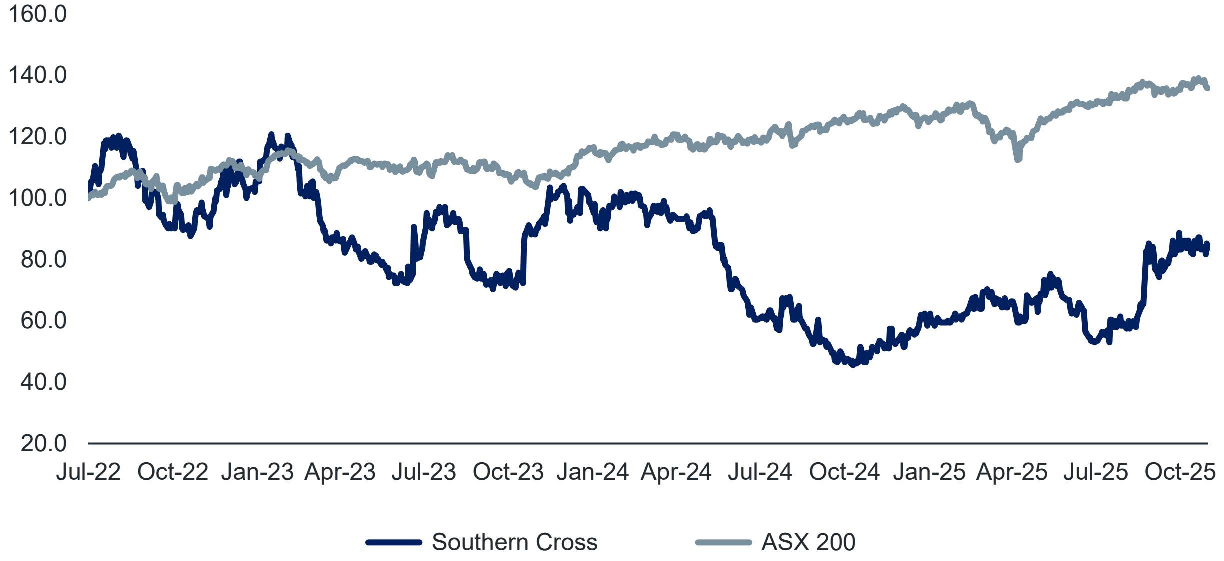
The Southern Cross share price closed at $0.84 on 29 September 2025, the last close prior to the announcement of the Proposed Merger.

8.8.2 Relative share price performance

The following chart sets out the relative performance of Southern Cross relative to the ASX 200 over the period from 1 July 2022 to 31 October 2025.

[56] The Australian, Nine eyes Southern Cross after Domain cash windfall. 24 August 2025.
[57] The Australian, Southern Cross back in focus for media consolidation play. 25 September 2025.

Southern Cross Share Price Performance relative to ASX 200



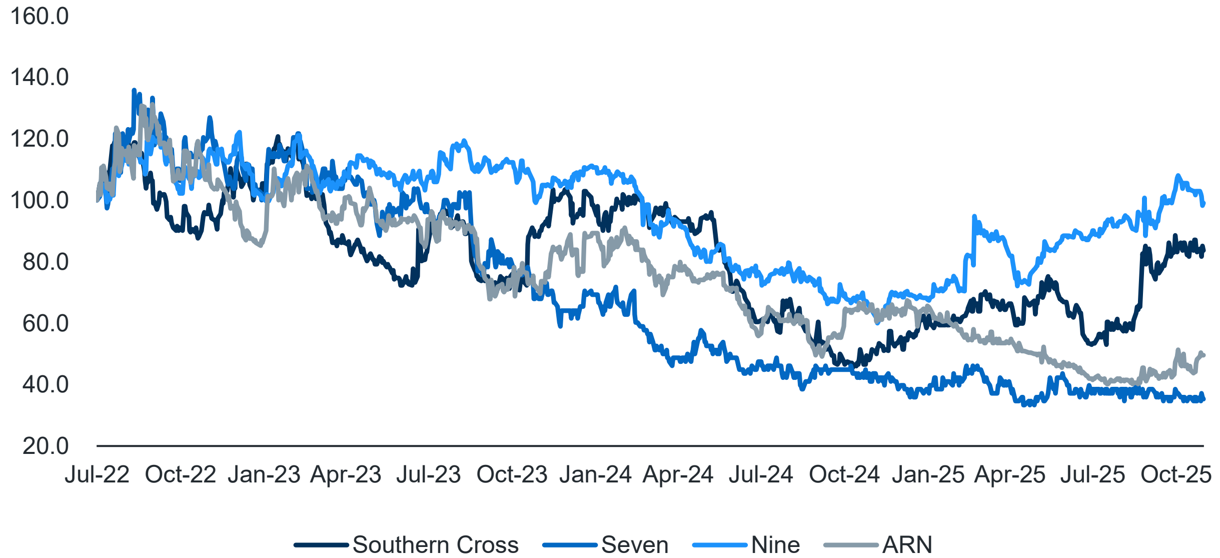
Source: S&P Capital IQ, Kroll analysis.

Overall, the Southern Cross share price underperformed the ASX 200 reflecting the challenging industry conditions.

In addition, share price volatility can largely be explained by M&A activity. The Southern Cross share price outperformed in June 2023 when ARN acquired a 14.8% interest in Southern Cross, then underperformed. The Southern Cross share price outperformed in October 2023 when ARN and ACP proposed an acquisition of Southern Cross, in November 2023 coinciding with the proposed merger by ACM and in March 2024 when the ARN/ACP consideration was increased. The Southern Cross share price underperformed in June 2024 when the ARN/ACP proposal was withdrawn.

Due to the absence of a standard Australian media companies index, Kroll has compared the performance of Southern Cross relative to its peer group comprising Seven, Nine, and ARN over the period from 1 July 2022 to 31 October 2025 as follows.

Southern Cross Share Price Performance Relative to Comparable Companies



Source: S&P Capital IQ, Kroll analysis.

Throughout the period from July 2022 to September 2025, the broader media industry experienced sustained negative pressures, as well as broader market uncertainty stemming from rising interest rates and inflationary pressures, which adversely impacted advertising dependent media companies.

From February 2023 until July 2023, Southern Cross' share price underperformed relative to all three of its peers, before outperforming and underperforming in various periods from June 2023 to June 2024 coinciding with M&A activity.

From mid-2023 until October 2024, the relative share price performance reflects the underperformance of broadcast radio and TV. Southern Cross performed relatively consistently to ARN, which also focuses on radio, and Seven, which has an FTA TV focus. In addition, Nine continued to outperform the peer group, likely supported by its more diversified revenue streams and stronger digital performance due to its equity ownership in Domain. Nine's outperformance in February 2025 reflects the benefit of CoStar's offer to acquire Domain whilst underperformance in September 2025 reflects the distribution of the proceeds from the sale to Nine shareholders through the payment of a $0.49 special dividend.

From November 2024, Seven and ARN continued to decline, due to structural industry shifts, including declining FTA TV audiences and intensifying competition from streaming platforms. In contrast, Southern Cross and Nine began to recover from their lows, supported by improving investor sentiment and stronger digital revenue growth. Investor sentiment towards Southern Cross was positive, driven by market sentiment regarding a potential M&A activity alongside its strategic shift towards embracing the markets digital evolution by investing heavily in LiSTNR and discontinuing TV operations.

Southern Cross' relative contribution to the aggregate share market value of the proposed the Combined Group since July 2022, compared to the proposed proportionate share of the Combined Group to be received by Southern Cross Shareholders, is depicted in the following chart. Refer to Section 8.8.1 of this report for share price performance analysis of Southern Cross.

Southern Cross share of Combined Market Value of the Combined Group

Source: S&P Capital IQ, Kroll Analysis.
Note: Merger Ratio shown is 50.1% as presented in the SID.

8.8.3 Liquidity

An analysis of the volume of trading in Southern Cross shares, including the VWAP for various periods up to 29 September 2025, the last trading day before the announcement of the Proposed Merger, is set out as follows.

Southern Cross Liquidity up to 29 September 2025

Period	Price ($) Low	High	VWAP	Cumulative volume ($ millions)	Cumulative value ($ millions)	Percentage of Shares Outstanding	Percentage of Free Float[58]
1 day	0.81	0.84	0.82	0.1	0.1	0.1%	0.2%
1 week	0.81	0.87	0.84	0.9	0.8	0.4%	1.1%
1 month	0.74	0.88	0.80	12.2	9.7	5.1%	14.5%
3 months	0.53	0.88	0.68	34.5	23.4	14.4%	41.3%
6 months	0.52	0.88	0.67	59.3	39.7	24.7%	71.0%
12 months	0.45	0.88	0.63	97.5	61.4	40.6%	116.6%

Source: Iress, Kroll analysis.

In the 12 months to 29 September 2025, 40.6% of Southern Cross shares (116.6% of free float) were traded. This level of trading indicates that Southern Cross shares are liquid, despite significant substantial shareholder ownership.

9 Profile of Seven

9.1 Background

Seven was established in 2011 when West Australian Newspapers Holdings Limited (**WAN**) reached an agreement with SGH to acquire Seven Media Group for an enterprise value of approximately $4.1 billion.[59] At the time, WAN was Australia's third largest newspaper publisher, maintaining a leading position in the West Australian market through its cornerstone masthead, The West Australian newspaper (**The West**), alongside a portfolio of regional newspapers, nine radio licences, online media, and specialised classified and publishing businesses.

Seven Media Group was one of Australia's largest diversified media groups, with the Seven Network, one of the country's highest-rating FTA TV networks, the Pacific Magazines business (Australia's second largest magazine publisher), and a 50% equity interest in the online platform Yahoo!7, an early digital joint venture with Yahoo! Australia. The 2011 transaction created Seven West Media, a national, multi-platform media business with a diversified portfolio of broadcast FTA TV, newspaper, magazine, online and other media assets with extensive exposure to the Australian advertising market and significant audience reach across the Australian population.[60]

Over the subsequent decade, Seven refocused the business towards its core broadcast TV, publishing and digital segments, while divesting other non-core assets, including:

- in November 2017, it launched its BVOD platform, 7plus, replacing the earlier PLUS7 catch-up service operated in partnership with Yahoo!7.[61] 7plus has since become a central pillar of Seven's digital strategy, providing advertisers with incremental reach and data-driven targeting capabilities;[62]
- in April 2019, the divestment of its 50% interest in Yahoo7 for $20.75 million;[63]
- in October 2019, announced an agreement to sell Pacific Magazines for a cash consideration of $40 million (pre-adjustments and leave provisions), representing an FY19 EV/EBITDA multiple of 4.9 times;[64] and

[58] Free float is calculated as the total number of shares outstanding as at 31 October 2025 (239,899,149 shares), less shares held by substantial shareholders, including ARN (35,505,074 shares), Thorney Opportunities (and Associates) (34,586,950 shares), Spheria Asset Management Pty Ltd (33,293,117 shares), Sandon Capital (27,012,511 shares), and Pinnacle Investment Management Group Limited (25,928,446 shares).
[59] Seven Group Holdings Limited ASX announcement, "Sale of Seven Media Group to West Australian Newspapers Holdings to create new diversified media company, SWM Media", 21 February 2011.
[60] WAN ASX Announcement, "WAN Entitlement and Public Offer Prospectus", 21 February 2011.
[61] Seven ASX Announcement, "SWM Media Update on Yahoo7 Joint Venture Agreement", 14 June 2017.
[62] Seven News & Media, "Seven launches 7plus", 27 October 2017.
[63] Seven ASX Announcement, "Seven completes sale of stake in Yahoo7", 10 April 2019.
[64] Seven News & Media, "Agreement to sell Pacific Magazines", 21 October 2019.

- also in October 2019, divestment of its Western Australia radio assets (the Redwave radio network) to Southern Cross for cash consideration of $28 million, representing an FY19 EV/EBITDA multiple of 8.0 times.[65]

Seven has since pursued a series of acquisitions to consolidate its national footprint. In December 2021, Seven acquired Prime Media Group for a cash consideration of approximately $131.9 million. The Prime Media Group operated broadcast FTA TV networks PRIME7 and GWN7, which primarily broadcast the Seven Network's programming under a long-standing program supply agreement with Seven, to a viewing area that covered northern and southern NSW, the ACT, Victoria, the Gold Coast, and all of regional WA.[66]

In November 2023, Seven acquired a 14.9% shareholding in ARN and entered into a cash-settled equity swap for an additional 5.0% interest, bringing its total economic exposure to 19.9%. More recently, in July 2025, Seven completed the acquisition of Southern Cross' TV assets for $3.75 million, including TV licences and associated assets in Tasmania, Darwin, Spencer Gulf, Broken Hill, Mt Isa and remote central and eastern Australia. The licences acquired previously broadcasted the Seven Network TV signal under the affiliate agreement with Southern Cross.

From FY23 onward, Seven faced declining revenue and profitability due to weakened advertising conditions and intensifying competition from global streaming platforms. In response, Seven implemented a cost-out program, initially targeting $25 million in annualised cost savings for FY24 (announced at the November 2023 AGM). This program was subsequently expanded to deliver $108 million of annualised savings in FY25, which the company confirmed as fully executed in its FY25 results.

In June 2024, Seven announced a new operating model for FY25 designed to support a refreshed strategy. Under the new operating model, each division operates as an individually accountable and transparent profit centre but will also work collaboratively to drive company-wide benefits. Seven states that the aim of the structure is to improve its ability to deliver on its digital future, positioning the company to fully address the revenue growth opportunity in the BVOD and broader digital advertising market.[67]

9.2 Strategy

Seven's strategy is guided by its ambition to 'build a better media business'. Its strategic priorities include:

- **deliver a digital future** that underpins growth in revenue. This includes driving 7plus performance by capturing transitioning broadcast viewers and attracting new younger digital viewers. Key focuses for 7plus include driving growth in daily active users and generating greater live and VOD minutes on the platform through enhanced user experience, content and discoverability, as well as maximising monetisation through data;
- **optimise traditional assets** to create a sustainable future for TV and publishing assets. Initiatives includes delivering benefits of Phoenix total TV trading platform (inventory optimisation), progressing regulatory agendas, and driving innovative audience value propositions to generate incremental revenue (e.g. AFL ancillary revenues);
- **manage costs responsibly** generating strong cash flow by aggressively managing costs without compromising content and editorial quality. This includes ongoing cost initiatives to mitigate cost inflation, evolving the operating model to drive productivity and cost efficiencies, and continuing to adopt artificial intelligence solutions automating workflows; and
- **find new revenue streams and business opportunities** to add monetisable audiences to Seven's platforms.

As part of its ongoing strategy, Seven has also set the following objectives for FY26:

- to grow revenue and earnings;
- for 7plus revenue growth to offset broadcasting declines; and

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[65] Seven ASX Announcement, "Merger of SWM Media and Prime Media, and Divestment of WA Radio Assets", 18 October 2019.
[66] Prime Media Group Notice of Extraordinary General Meeting, 22 November 2021.
[67] Seven ASX Announcement, "FY24 Full Year Results Release", 14 August 2024.

- to grow cash flow and reduce leverage (net debt / EBITDA) to target a range of 1.0 to 1.5 times.

9.3 Operations

Seven operates a diversified media business encompassing broadcast TV, digital streaming, and publishing. Its portfolio includes the Seven Network, one of Australia's largest broadcast FTA TV networks, alongside associated BVOD digital platform 7plus. Seven also operates several print and online publishing platforms, including 7news.com.au, The West Australian, The Sunday Times, PerthNow, The Nightly and Streamer.

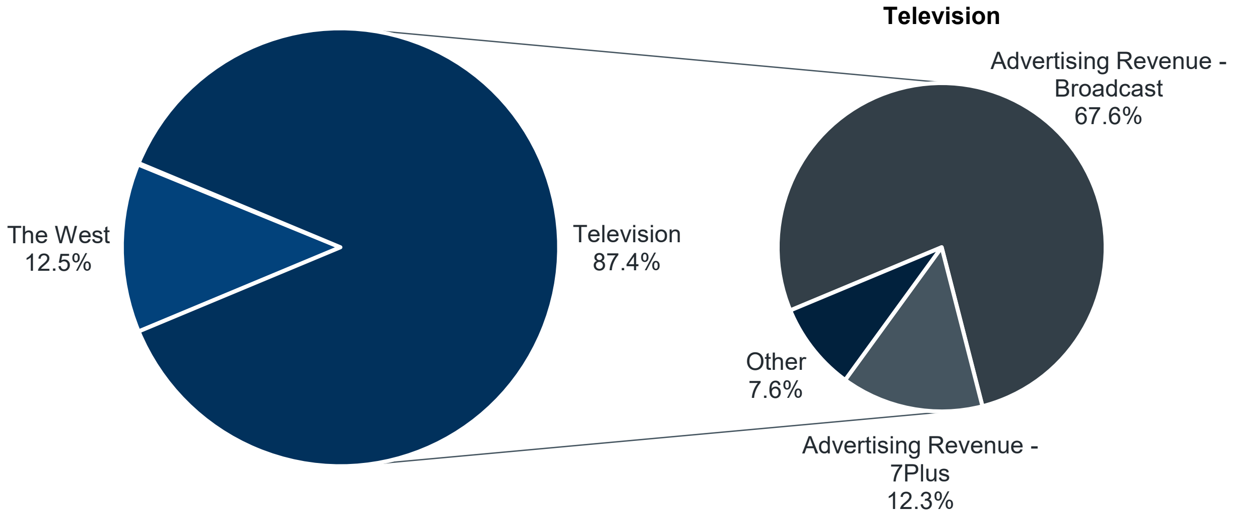
9.3.1 Operating segments

Seven reports three core operating segments:

- **Television**: production and operation of commercial TV programming and stations as well as distribution of programming content across platforms in Australia and around the world. This segment includes both traditional broadcasting and digital platforms;
- **The West**: print and digital publishing activities in Western Australia; and
- **Other Business and New Ventures**: made up of equity accounted investments, other business operations and other ventures.

Seven's revenue contribution by operating segment is shown as follows.

Seven Operating Segment FY25 Revenue Contribution[1,2]

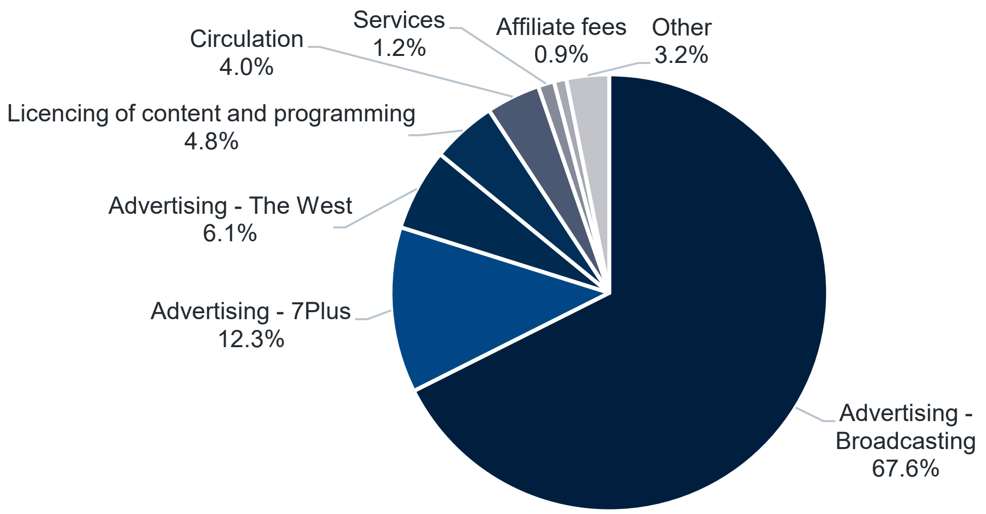


Source: Seven FY25 Annual Report.
Notes
1. Includes revenue, other income and share of net profit of equity accounted investees
2. Other Business and New Ventures represent 0.1% of FY25 revenue contribution and is not shown.

The Television segment remains the primary revenue contributor, accounting for 87.4% of Seven's revenue in FY25. Within this segment, revenue is primarily generated through broadcast advertising (67.6%), with a smaller but growing contribution from advertising on 7plus (12.3%). In FY25, The West contributed 12.5% of revenue, primarily from print advertising, while revenue from Other Business and New Ventures is negligible at 0.1%.

Contribution by revenue stream for FY25 is depicted in the following chart.

Seven FY25 Revenue Contribution by Revenue Stream



Source: Seven; Kroll analysis.

Seven's revenue is primarily derived from:

- advertising, with broadcast advertising remaining the largest source of revenue despite declines in recent years, which has been somewhat offset by rapid growth in digital advertising through 7plus. Newspaper print advertising in The West and other newspapers remains a stable source of revenue;
- content licencing, including program sales and distribution rights licencing; and
- circulation and publishing, including revenues from the distribution and sale of newspapers.

The company also generates small revenue contributions from affiliate fees earned through the transmission of network channels, rendering of services (primarily printing contracts), as well as other revenue in the form of rental income and dividends.

9.3.2 Television

The Seven Network is one of Australia's largest broadcast FTA TV networks and remains the core driver of group performance. The network includes the primary Seven channel and multichannels 7two, 7mate, 7flix and 7Bravo, distributed to a national audience primarily through traditional FTA broadcasting and complemented by live and BVOD distribution on Seven's digital platform, 7plus. Together, these channels and platforms deliver a comprehensive mix of content from live sport, entertainment, and news, to a national audience.

Seven Network Broadcast and Digital Portfolio

Source: Seven.

Seven's broadcast and digital portfolio includes:

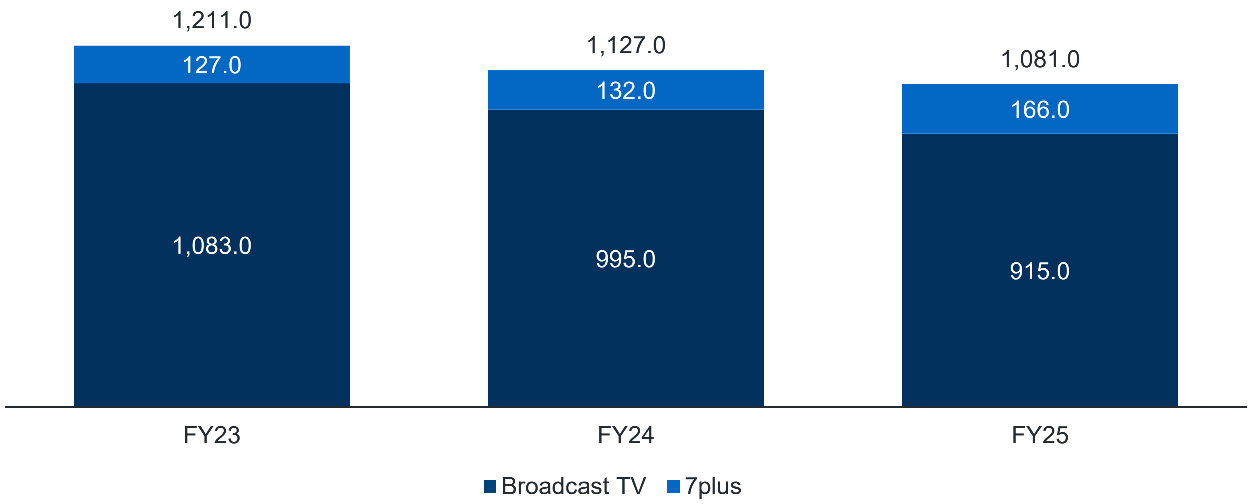
- **Channel 7:** Seven's primary channel, offering a broad mix of news, sport, and entertainment programming, including flagship shows such as 7NEWS, Sunrise, Home and Away, The Voice, and major sporting events like AFL and cricket;

- **7two:** offers lifestyle, drama, and factual entertainment targeting viewers aged 25 and over, with a focus on British and Australian programming;
- **7mate:** delivers male-oriented content including reality TV, sports, and action series, with a strong emphasis on AFL and motorsports;
- **7flix:** provides general entertainment and movies, catering to younger audiences with a mix of drama, comedy, and reality shows;
- **7Bravo:** features premium reality and entertainment content from NBCUniversal, including The Real Housewives, Below Deck, and The Kelly Clarkson Show; and
- **7plus:** Seven's free streaming platform offering live and on-demand access to its broadcast channels, exclusive digital-first content, and major sports coverage.

Segment performance

While broadcast TV advertising remains the primary generator of revenue, these revenues have declined in recent years due to weaker total TV advertising markets and declining audiences. However, growth in digital advertising is increasingly offsetting the broadcast decline. This trend is illustrated in the following chart.

Seven TV Advertising Revenue



Source: Seven; Kroll analysis.
Note: TV advertising revenue contributions by TV and 7plus are not disclosed for FY23 and prior years.

While Seven's TV advertising revenue has steadily declined since FY23, the pace of overall TV advertising contraction slowed from 6.9% in FY24 to 4.1% in FY25. While broadcast advertising declined by 8.0% in FY25, this decline was largely mitigated by 7plus advertising growth of 25.8%, albeit off a smaller base.

Audiences and share

The Seven Network maintains one of the largest national FTA audiences, reaching more than 17 million people nationally across the Seven broadcast signals and 7plus. In FY25, Seven reported a 40.4% total TV revenue share,[68] representing its fifth consecutive year of revenue share growth up from 37.4% in FY20.[69,70] Seven Network simultaneously was rated as the number one network for national audience share for the fifth consecutive year in FY25.[71]

68 Seven ASX Announcement, "FY25 Full Year Results Investor Presentation", 12 August 2025.
69 Consistent share growth year on year FY20 to FY25, excluding incremental share growth on Seven in FY22 (Olympic Games).
70 Seven ASX Announcement, "FY20 Full Year Results Investor Presentation", 25 August 2020.
71 Seven FY25 Annual Report.

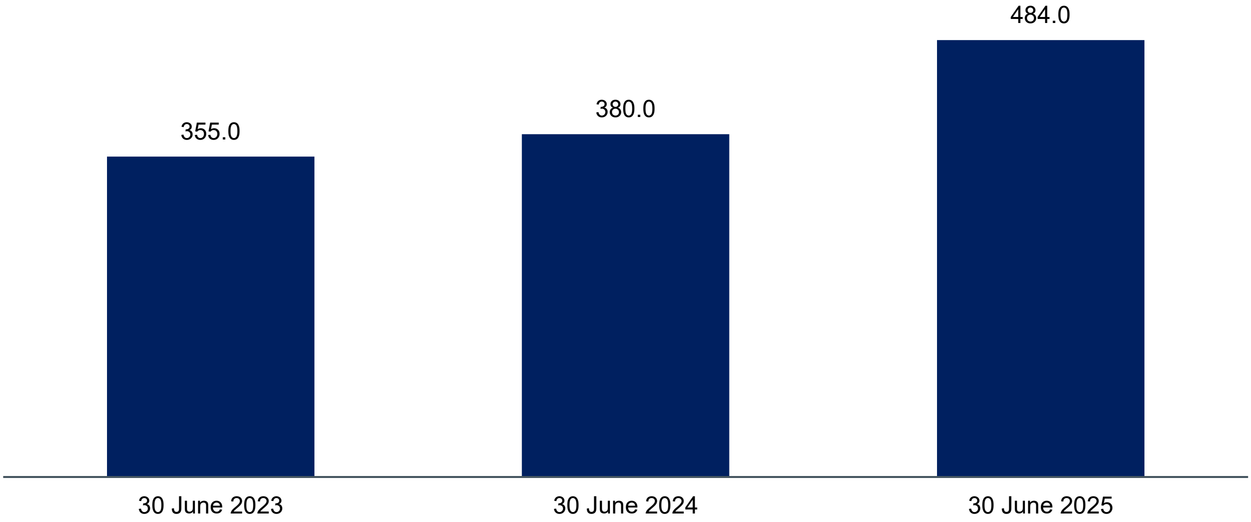
The COVID-19 pandemic accelerated the structural shift away from broadcast TV toward live streaming and BVOD consumption (including 7plus), as well as greater fragmentation across SVOD services. However, Seven's FY25 data indicates stabilisation and early signs of recovery in TV's audience as the 7plus scale compounds. Seven's total audience grew by 1.1% in FY25, including 1.5% growth in the high value category (i.e. those aged between 25 and 54), as a 2% decline in broadcast TV was offset by a 41% growth on 7plus (including a 62% increase in live and 21% increase in BVOD streaming).

The growth in 7plus has strategic significance for Seven. BVOD viewing enables more precise audience advertising targeting and frequency control, offering advertisers higher engagement and return on spend than traditional broadcast.

Digital

7plus continues to underpin growth within the TV segment. In FY25, digital active users (**DAUs**) increased 27% and total streaming minutes rose 41%, driving revenue growth of 26% (41% for 2H25). Growth in 7plus digital daily active users is shown in the following chart.

7plus Digital Daily Active Users ('000s)



Source: Seven FY25 Investor Presentation.

Seven's priorities for 7plus include:

- growing DAUs;
- increasing live and BVOD minutes through improved user experience, content and discoverability; and
- maximising monetisation through data, allowing for targeted ad delivery (activation) to provide a yield uplift and increase revenue earned per viewer (or streaming minute).

To enable this strategy, Seven's platform collects data from registered 7plus users. It is then able to provide agencies with access to consumer insights generated by this data, enabling advertisers to target specific audiences rather than buying advertising on broadcast which goes to broader demographics.[72]

In March 2025 Seven introduced Phoenix, a trading system that allows advertisers to plan, buy, and measure advertising campaigns across broadcast TV and 7plus in a unified way. Phoenix allows advertisers to buy against combined 'total TV' reach and frequency, with unified pricing and reporting, allowing advertisers to buy 'audiences' across all of Seven's channels rather than certain time slots on certain channels, improving efficiency of spend for the buyer and also increasing yield for Seven.[73] Since

72 Seven, 7REDiQ shifts insights from hindsight to foresight, 13 November 2024.
73 Mediaweek, Meet Phoenix, Seven's total TV trading system, 18 October 2023.

launch, Phoenix has produced substantial efficiencies for Seven, however, the bulk of the financial impact of these efficiencies is likely to be seen in FY26 and beyond.

Content and rights

The Seven Network's content strategy is focused on premium sport, entertainment and national news:

- **premium sport**: including long term rights for the AFL through 2031 (including expanded digital rights to strengthen 7plus), rights with Cricket Australia to broadcast Australian Test Matches held in Australia and Big Bash League (**BBL**) matches through to 2030/31, as well as exclusive rights to numerous other sports including Supercars and the NFL;
- **entertainment**: including flagship programs such as The Voice, The 1% Club, Farmer Wants A Wife and Home and Away; and
- **news**: including 7NEWS and Sunrise.

Seven has also partnered with NBCUniversal for content that underpins the 7Bravo channel and associated digital content on 7plus.

9.3.3 The West

The West Australian Newspapers business is a leading multi-platform news provider in Western Australia, delivering content across print, digital, and associated services. Its portfolio comprises:

- **print publications:** including The West Australian (weekday and weekend editions), The Sunday Times, 18 regional newspapers, and 11 suburban titles; and
- **digital platforms:** including The Nightly (thenightly.com.au), Western Australia's leading news websites (thewest.com.au and perthnow.com.au), The Game sports tipping platform (thegame.com.au) and Community Sports Streaming service (streamer.com.au).

The West primarily generates revenue through advertising and circulation. Advertising revenue is derived from the sale of space within printed publications, while circulation revenue is generated through the distribution and sale of newspapers to third-party consumers. In FY25, these two revenue streams accounted for approximately 48.8% and 32.0% of The West segment's total revenue, respectively. The remaining revenue of the West is generated through rendering of services (9.6%), licensing of content and production (4.8%) and other (4.7%).

Print Publications

Between FY23 and FY25, the average number of readers of The West Australian weekday edition increased by 1.7%, rising from 358,000 to 364,000. In contrast, The West Australian weekend edition experienced a 9.7% decline, falling from 497,000 to 449,000, while The Sunday Times recorded a 5.3% decrease in readership, from 418,000 to 396,000. This results in total decline of 5.0% in combined print readership over the three-year period, characterised by a sustained reduction in print-based audience and revenue streams, consistent with broader structural shifts in the publishing industry.[74]

Digital Platforms

The West has continued to strengthen its digital presence, delivering consistent growth across its platforms. For the month of June 2025, these platforms achieved 54.5 million monthly page views and attracted 4.7 million unique users, a 4.4% increase from June 2024, underscoring their reach and engagement. A key driver of this expansion was the launch of The Nightly in February 2024 that saw a 31% year-on-year increase in audience numbers, the fastest growing news brand in audience in the 12 months to June 2025.

This growth translated into strong financial performance, with digital and circulation revenue streams collectively increasing by 14.5% in FY25.

[74] Seven FY25 Annual Report.

9.3.4 Other Business and New Ventures

The Other Business and New Ventures segment includes equity-accounted investees, other business operations, and strategic ventures, and is subject to ongoing review by the management to ensure alignment with Seven's strategic objectives.

Seven's ventures portfolio comprises investments in the following, through a combination of shares and convertible notes:

- **Listed Entities:** ARN Media Limited, Raiz Invest Limited and Mad Paws Holdings Limited; and
- **Unlisted Entities:** View Media Group Pty Ltd, Open Insurance Technologies Pty Ltd, CarExpert Enterprises Pty Ltd, Willed Technologies Pty Ltd, Institchu Holdings Pty Ltd and Aura Labs Pty Ltd.

As at 30 June 2025, Seven's Ventures portfolio is valued at $78.4 million, with the largest investment being ARN, valued at $28.6 million.

9.4 Financial performance

9.4.1 Historical financial performance

The financial performance for Seven from FY23 to FY25 is summarised in the following table.

Seven Group Financial Performance ($ millions)

	FY23 Audited	FY24 Audited	FY25 Audited
Revenue	1,487.3	1,413.7	1,350.5
Other income	0.2	2.3	2.8
Share of net profit of equity accounted investees	0.4	(0.7)	0.8
Total revenue	**1,487.9**	**1,415.2**	**1,354.2**
Operating expenses	(1,208.1)	(1,228.2)	(1,195.5)
Underlying EBITDA[1]	**279.7**	**187.0**	**158.7**
Depreciation and amortisation	(41.5)	(36.3)	(42.4)
EBIT[2]	**238.3**	**150.7**	**116.2**
Net finance costs	(35.2)	(39.2)	(39.6)
Profit before tax and significant items	**203.1**	**111.4**	**76.6**
Significant items before tax[3]	(7.0)	(44.3)	(46.1)
Profit before tax	**196.0**	**67.1**	**30.5**
Tax expense	(50.3)	(21.8)	(13.9)
Statutory net profit after tax	**145.7**	**45.3**	**16.6**
Performance Statistics			
Revenue growth	*(3.3%)*	*(4.9%)*	*(4.5%)*
Operating expenses growth	*0.9%*	*1.7%*	*(2.7%)*
Underlying EBITDA margin	*18.8%*	*13.2%*	*11.7%*
Underlying EBITDA growth	*(18.2%)*	*(33.2%)*	*(15.2%)*

Source: Seven Annual Reports (comparative period data if restated), Seven Scheme Booklet; Kroll analysis.
Notes:
1. EBITDA is earnings before significant items, net finance costs, taxes, depreciation and amortisation.
2. EBIT is earnings before significant items, net finance costs and tax
3. Significant items as identified by Seven and described in futher detail in the following analysis.
4. Figures may not add due to rounding.

We note the following in respect of the group financial performance of Seven from FY23 to FY25:

- as noted in Section 7.4.1 of this report, the Australian TV advertising market has undergone a structural change with reduced advertising demand and spending on traditional media platforms such as broadcast TV. Against this backdrop, Seven has recorded revenue declines since FY23, with revenue declining 4.9% in FY24, primarily attributable to the contraction of the broader Australian total TV market by 8.2%, despite a 1.7% increase in Seven's market share to 40.2%. Revenue declined by 4.5% in FY25, with continued weakness in the TV advertising market, evidenced by a 3.2% contraction in the broader Australian total TV market and reduced affiliate fees;

- a breakdown of other income is shown in the following table:

Seven Other Income ($ millions)

	FY23 Audited	FY24 Audited	FY25 Audited
Dividends received	-	2.2	1.4
Sundry income	0.1	0.0	1.3
Net gain on disposal of property, plant and equipment and investments	0.1	0.0	0.1
Total other income	**0.2**	**2.3**	**2.8**

Source: Seven Annual Reports; Kroll analysis.
Note: 0.0 indicates greater than zero and less than 0.1.

  - other income primarily relates to dividends received from investments under the Other Business and New Ventures segment as described in Section 9.3.4 of this report. Sundry income of $1.3 million in FY25 primarily relates to a settlement dividend and recoupment of prior costs in relation to a one-off matter;

- operating expenses increased by 1.7% in FY24, primarily reflecting higher content and production costs, including entertainment and tentpole programming,[75] partially offset by a reduction in sports rights costs due to the absence of major events in the prior year, as well as cost-out initiatives that delivered $25 million in savings during 2H24. In FY25, operating expenses declined by 2.7%, supported by the implementation annualised cost savings from the FY24 and FY25 cost-out programs, which outstripped the impact of inflationary pressures;

- significant items are shown in the following table:

Seven Significant Items ($ millions)

	FY23 Audited	FY24 Audited	FY25 Audited
Net income/(costs) related to investments	12.5	(17.3)	(29.1)
Major IT project implementation costs	(21.5)	(19.3)	(14.5)
Programming valuation adjustments	-	(14.9)	(2.2)
Restructuring costs	-	(10.2)	(0.3)
Net gain on change in lease terms	-	14.5	-
Settlement of dispute	-	3.0	-
Net gain on assets disposed	2.0	-	-
Total significant items before tax	**(7.0)**	**(44.3)**	**(46.1)**

Source: Seven Annual Reports; Kroll analysis.

  - net income/(costs) related to investments reflect fair value revaluations on Seven's Other Business and New Ventures portfolio. In FY23, this includes fair value gains on financial assets and acquisition costs. In FY24, fair value losses were primarily attributable to its investment in ARN, while fair value losses in FY25 were primarily driven by View Media Group revaluations and transaction costs associated with the acquisition of Southern Cross TV assets and licences;
  - Major IT project implementation costs relate to the rollout of Software as a Service (SaaS) systems expected to benefit future operations. In FY23 and FY24, these costs were attributable to Phoenix, while FY25 includes both Phoenix and Project Quantum (payroll system replacement);
  - programming valuations adjustments in FY24 reflected both an increase in the onerous contract provision for future TV content and the write-off of programming that was no longer considered recoverable. In FY25, adjustments primarily related to an increase in the onerous contract

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75 Tentpole programming refers to TV broadcasting surrounding major, high-profile shows or events.

provision and the reassessment of the carrying value of programming that had previously been written off;

- restructuring costs in FY24 were associated with Seven's cost management program, including the cost reduction measures announced at the FY23 Annual General Meeting in November 2023 and the introduction of a new operating model in June 2024. The costs in FY25 were incurred in relation to additional initiatives aimed at further streamlining Seven's cost base; and
- net gain on change in lease term in FY24 relates to the shortening of expected lease term of one of Seven's significant leases, as Seven secured an alternative lease arrangement within the same area.

Seven's earnings per share and dividends per share are set out as follows:

Seven Earnings per Share and Dividends (cents)

	FY23 Audited	FY24 Audited	FY25 Audited
Weighted average number of ordinary shares (millions)	1,549.2	1,540.4	1,539.6
Earnings per share (reported, basic)	9.4	2.9	1.1
Earnings per share from continuing operations excl. significant items (reported, basic)	9.3	5.1	3.7
Dividend per share	-	-	-
Shares bought back ($ millions)	15.0	3.9	-

Source: Seven Annual Reports; Kroll analysis.

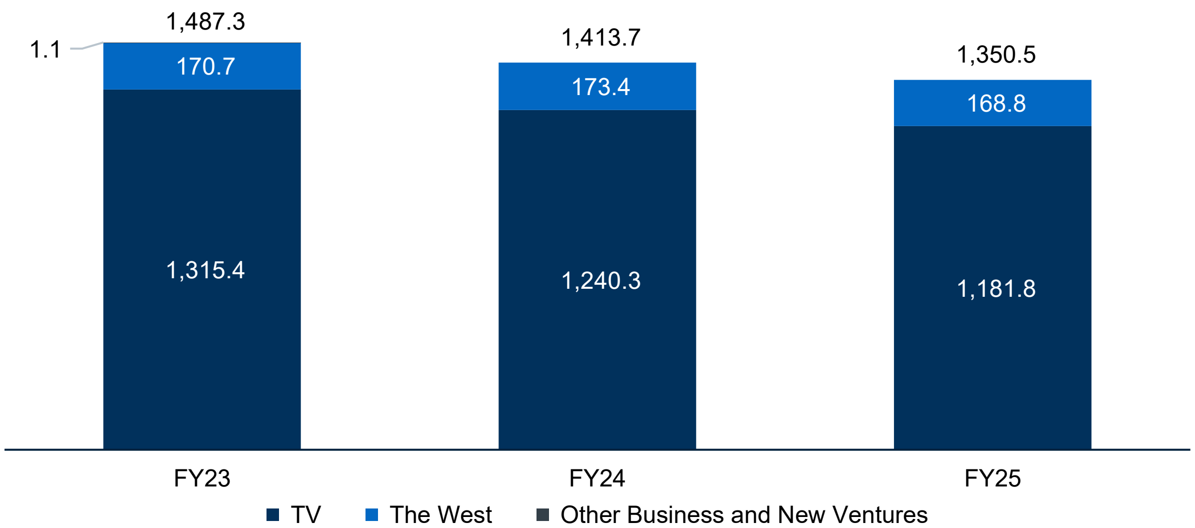
In relation to Seven's historical earnings per share and dividends summarised above, we note:

- earnings per share has declined consistently from FY23 in line with the decline in NPAT over the period; and
- the Seven Board did not declare any dividends for the period between FY23 and FY25.

Segment historical financial performance

SWM's revenue by segment is illustrated as follows:

Revenue by Segment ($ millions)

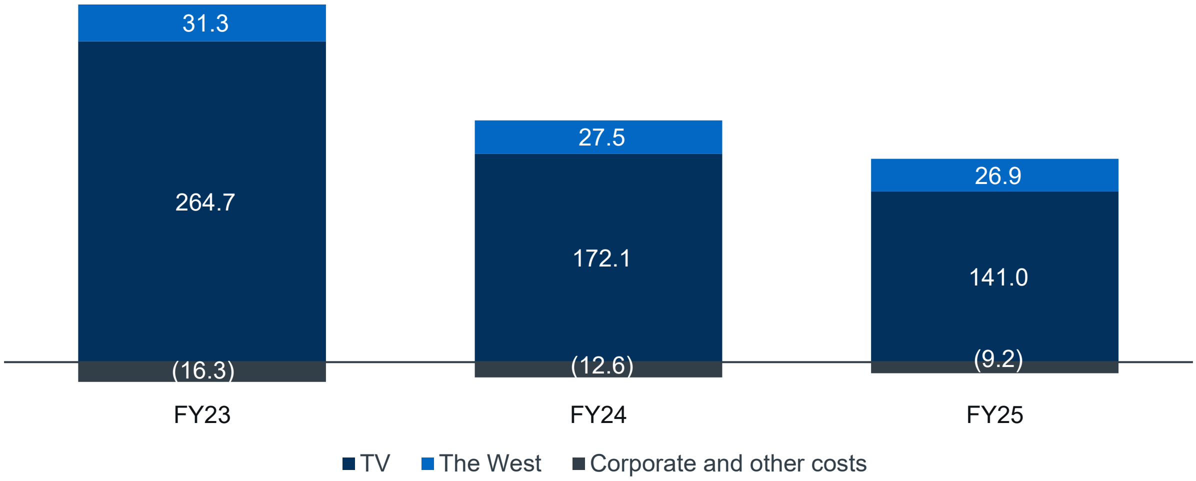


Source: Seven Annual Reports; Kroll analysis.
Note: The West's revenue of $173.4 million in FY24 includes $1.4 million generated by Other Business and New Ventures, which was reclassified under The West following reassessment of activities in FY25.

- total revenue declined at a CAGR of 3.2% between FY23 and FY25, falling 9.2% from $1,487.3 million in FY23 to $1,350.5 million in FY25, primarily driven by the declining Television revenue, with revenues from The West relatively stable;

- Television revenue declined at a CAGR of 3.5% between FY23 and FY25, falling 10.2% from $1,135.4 million in FY23 to $1,181.8 million, primarily a result of reduced advertising demand on broadcast TV and the ongoing contraction in the broader Australian total TV market, partially offset by growth in the 7plus BVOD platform. Within the Television segment, broadcast TV revenue declined at a CAGR of 5.5%, while 7plus revenue grew at a CAGR of 9.3%, reflecting the migration of advertising spend from traditional media platforms to digital advertising, as discussed in Section 7.4.3 of this report;
- The West performance has been relatively stable between FY23 and FY25, with revenue decline in newspapers circulation mostly offset by cost decline and strong growth in digital audiences and the launch of new digital products;
- Television's share of total revenue declined from 88.4% in FY23 to 87.5% in FY25, underpinned by softening advertising demand on traditional broadcast TV. Conversely, The West's share of total revenue increased from 11.5% to 12.5%, supported by growth in digital subscriptions and home delivery sales; and
- revenue contribution from the Other Business and New Ventures segment has historically been negligible. In addition, based on a reassessment of operating segments that occurred in FY25, amounts previously reported in Other Business and New Ventures were reclassified to The West in FY25. In FY25, the remaining income from the Other Business and New Ventures segment is recorded as Other Income consistent with accounting standards and the nature of the income received;
- Seven's EBITDA by segment since FY23 is illustrated as follows:

EBITDA by Segment ($ millions)



Source: Seven Annual Reports; Kroll analysis.
Note: Corporate and Other Costs represent the residual EBITDA, calculated as the difference between underlying EBITDA and the aggregate EBITDA of the Seven (TV) and The West.

- between FY23 and FY24, underlying EBITDA declined by 33.2% to $187.0 million, primarily attributable to a 35.0% decline in TV EBITDA, primarily driven by the ongoing weakness in the broader Australian total TV market. The West EBITDA declined by 12.1% to $27.5 million over the same period;
- between FY24 and FY25, the rate of underlying EBITDA decline moderated, with EBITDA decreasing by 15.2% to $158.7 million, underpinned by the delivery of cost-out initiatives and improved digital revenue performance, particularly from the 7plus platform; and
- Seven's EBITDA margin has declined year on year, falling from 18.8% in FY23 to 13.2% in FY24 and 11.7% in FY25, indicating a sustained deterioration in profitability driven by revenue contraction, partially offset by the delivery of cost-out initiatives.

9.4.2 Outlook and priorities

In conjunction with the release of its FY25 results on 12 August 2025, Seven provided the following outlook and priorities for FY26:

- targeting FY26 EBITDA to exceed consensus of $161 million;
- deliver operating expenses (excluding depreciation and amortisation) at least in line with plan (i.e. between $1,235 million and $1,245 million or better); and
- improve cash flow and reduce leverage to target range (1 to 1.5 times Net Debt (excluding lease liabilities)/ EBITDA).

9.4.3 Broker consensus

As far as Kroll is aware, Seven is followed by ten brokers, of which two are financial advisers on the Proposed Merger and have, therefore, been excluded from our analysis. Of the remaining eight brokers, all have published reports following the release of Seven's FY25 results on 11 August 2025. Further detail is provided in Appendix 4 of this report.

Seven Broker Consensus ($ millions)

	Actual	Forecast		
	FY25	FY26	FY27	FY28
Total revenue	**1,354.2**	**1,394.3**	**1,392.5**	**1,387.9**
Operating expenses	(1,195.5)	(1,235.2)	(1,237.1)	(1,233.3)
Underlying EBITDA	**158.7**	**159.2**	**155.4**	**154.6**
D&A	(42.4)	(39.2)	(41.7)	(41.5)
EBIT	**116.2**	**120.0**	**113.7**	**113.1**
Net finance costs	(39.6)	(39.0)	(34.0)	(31.7)
Profit before significant items and tax	**76.6**	**81.0**	**79.7**	**81.4**
Underlying NPAT before significant items	**57.0**	**57.3**	**55.7**	**59.5**
Per share metrics				
Normalised EPS (cents)	*3.7*	*3.7*	*3.6*	*3.8*
Growth				
Revenue growth	*(4.5%)*	*3.0%*	*(0.1%)*	*(0.3%)*
Underlying EBITDA growth	*(15.2%)*	*0.3%*	*(2.4%)*	*(0.5%)*
EPS Growth (%)	*(27.5%)*	*0.0%*	*(4.1%)*	*(7.0%)*
Performance Statistics				
EBITDA Margin	*11.7%*	*11.4%*	*11.2%*	*11.1%*

Source: Seven Broker Reports; Kroll analysis.
Note: Numbers shown are medians.

9.5 Financial position

The following table summarises the financial position of Seven as at 30 June 2024 and 30 June 2025.

Seven Financial Position ($ millions)

	As at 30 June 2024 Audited	As at 30 June 2025 Audited
Trade and other receivables	229.6	234.5
Program rights and inventories	161.8	188.9
Other current assets	19.1	15.5
Trade and other payables	(179.0)	(198.3)
Current provisions	(82.8)	(84.3)
Other current liabilities	(42.4)	(42.4)
Net working capital	**106.3**	**113.9**
Equity accounted investments	16.1	16.9
Right of use assets	53.3	85.6
Property, plant and equipment	116.4	101.7
Intangibles	718.1	727.3
Other non-current financial assets	108.9	78.4
Other assets	0.1	5.8
Non-current provisions	(39.5)	(30.4)
Non-current trade and other payables	(5.2)	(4.2)
Tax liabilities	(209.8)	(210.3)
Total funds employed	**864.6**	**884.6**
Cash and cash equivalents	54.5	110.5
Borrowings	(355.9)	(397.1)
Lease liabilities	(159.8)	(182.8)
Net debt (including lease liabilities)	**(461.1)**	**(469.4)**
Net assets	**403.5**	**415.2**
Total equity attributable to equity holders	**403.5**	**415.2**
Net working capital as a percentage of revenue	*7.5%*	*8.4%*
Number of shares at period end (millions)	*1,539.1*	*1,539.1*
Net assets per ordinary share (cents)	*26*	*27*
Leverage[1]	*1.6x*	*1.8x*
Gearing[2]	*53.3%*	*53.1%*

Source: Seven Annual Reports; Kroll analysis.
Notes:
1. Leverage is calculated as (net debt (excluding lease liabilites) / EBITDA).
2. Gearing is calculated as (net debt / (net debt + total equity)).
3. Figures may not add due to rounding.

In relation to the financial position of Seven as at 30 June 2025, we note:

- net working capital increased by $7.6 million from $106.3 million as at 30 June 2024 to $113.9 million as at 30 June 2025, mainly driven by a $27.1 million increase in program rights and inventories, partially offset by a $19.3 million increase in trade and other payables. Net working capital as at 30 June 2025 is primarily comprised of trade and other receivables, program rights and inventories, trade and other payables and other liabilities. Program rights and inventories of $188.8 million include purchased TV program rights of $73.7 million, produced program rights (including sports) of $102.3 million, and $12.9 million of inventories comprising newsprint, paper, finished goods, raw materials, and work-in-progress. Other current liabilities comprises $42.4 million of deferred income;

- right of use assets increased by $32.3 million to 30 June 2025, primarily driven by $37.2 million in building leases, and $1.2 million of remeasurements of existing lease contracts;
- equity accounted investments of $16.9 million as at 30 June 2025 primarily relates to a 50.0% ownership interest in TX Australia Pty Limited (a transmitted facilities provider) and a 33.3% ownership interest in Oztam Pty Limited (a ratings service provider). Other equity accounted investments relates to ownership interests in entities operating across various sectors, including online health directories, playout and content managements services, television network provision and broadcast support services;
- as at 30 June 2025 a majority of assets ($727.3 million) are represented by intangible assets, including $670.3 million in acquired television licences, and $34.0 million in goodwill acquired as part of business combinations;
- other non-current financial assets of $78.4 million as at 30 June 2025 relates to investments in listed and unlisted entities that form the Other Business and New Ventures segment, comprising of ARN Media Limited, View Media Group Limited, RAIZ Invest Limited, Open Money Group Pty Limited and a portfolio of other SWM Ventures.
- total provisions totalled $114.7 million as at 30 June 2025, comprising of $84.3 million of current provisions and $30.4 million of non-current provisions. The following table details the carrying amounts of Seven's provisions as at 30 June 2025.

Seven Provisions ($ millions)

	Current	Non-current	Total
Employee Benefits	63.0	5.7	68.7
Redundancy & Restructuring	0.6	-	0.6
Onerous Contracts	2.4	10.2	12.5
Make Good Provisions	18.4	14.6	32.9
Total provisions	**84.3**	**30.4**	**114.7**

- net debt (excluding lease liabilities) of $301.4 million as at 30 June 2024 reduced by $14.8 million to $286.6 million as at 30 June 2025. However, leverage increased from 1.6x to 1.8x in FY25, primarily driven by a decline of 15.2% in EBITDA over the period. Refer to Section 9.5.1 for further commentary on Seven's borrowings.

9.5.1 Borrowings

Seven's borrowings as at 30 June 2025 of $397.1 million consists of current borrowings of $20.0 million and non-current borrowings of $380.0 million, net of unamortised refinancing costs of $2.9 million. The following table summarises the current financing arrangements of Seven as at 30 June 2025.

Seven Financing arrangements ($ millions)

Type of facility	Currency	Maturity Date	Facility Limit	Drawn	Undrawn
Secured Revolving Syndicated Facility	AUD	8 November 2027	525.0	(380.0)	145.0
Trade Finance Facility	AUD	Open ended	20.0	(20.0)	-
Bank Facilities			**545.0**	**(400.0)**	**145.0**
Borrowing costs				(2.9)	
Borrowings				**(397.1)**	

Source: Seven Annual Reports; Kroll analysis.

In relation to Seven's financing arrangements, we note:

As at 30 June 2025, the facilities are subject to a weighted average interest rate of 6.82%.

Secured Revolving Syndicated Facility

The secured revolving syndicated facilities are subject to bi-annual testing in relation to:

- a leverage ratio (net debt/EBITDA);

- interest cover ratio (EBITDA/net interest); and
- EBITDA and Gross Asset Group Guarantor coverage test.

In the event of a covenant breach, the secured borrowings amount would become immediately due and payable.

As at 30 June 2025, Seven was compliant with all debt covenants in relation to the secured revolving syndicated facilities.

Trade Facility

SVM has access to a $20.0 million uncommitted trade facility. As at 30 June 2025, this facility has been fully drawn for short-term working capital purposes.

ANZ Multi-option Facility

Seven has access to a $10.4 million multi-option facility with Australia and New Zealand Banking Group Limited. As at 30 June 2025, $9.7 million of this facility had been utilised for the provision of bank guarantees.

9.6 Cash flow

The following table summarises the cash flow statement of Seven for FY23, FY24 and FY25.

Seven Cash Flows ($ millions)

	FY23 Audited	FY24 Audited	FY25 Audited
Underlying EBITDA	**279.7**	**187.0**	**158.7**
Onerous Contracts	(42.0)	(39.0)	(2.0)
Major IT projects	(22.0)	(19.0)	(15.0)
Change net working capital and others[1]	(20.7)	(50.0)	(29.7)
Operating cash flow (pre-interest and tax)	**195.1**	**79.0**	**112.0**
Net finance costs[2]	(32.0)	(30.2)	(37.6)
Tax paid	(85.6)	11.5	(12.9)
Net cash from operating activities[3]	**77.4**	**60.3**	**61.6**
Payments for purchases of property, plant and equipment	(35.6)	(15.3)	(13.1)
Payments for intangibles	(3.9)	(9.8)	(12.2)
Proceeds from sale of other assets	7.4	-	-
Payments for other financial assets[4]	-	(68.5)	(1.0)
Payment for purchase of controlled entities	(8.0)	-	(3.8)
Other investing activities[5]	0.6	0.9	-
Net cash used in investing activities	**(39.4)**	**(92.6)**	**(30.0)**
Payments for share buyback	(15.0)	(3.9)	-
Payments made for own shares	(1.9)	-	-
Proceeds from borrowings	200.0	240.0	120.0
Repayment of borrowings	(190.0)	(190.0)	(80.0)
Payment of refinancing costs	-	(2.7)	-
Payment of lease liabilities	(11.6)	(14.0)	(15.6)
Net cash used in financing activities	**(18.5)**	**29.5**	**24.4**
Opening cash and cash equivalents	**37.9**	**57.4**	**54.5**
Change in cash	19.5	(2.9)	56.0
Closing cash and cash equivalents	**57.4**	**54.5**	**110.5**
Statistics			
Cash conversion %[6]	*27.7%*	*32.2%*	38.8%

Source: Seven Annual Reports; Kroll analysis.
Notes:
1. Relates to movement in net working capital and other movements and cash movement relating to significant and non-recurring items.
2. Finance costs less interest received.
3. Cash receipts from customers and dividends from other investments less payments to suppliers and employees.
4. Other financial assets represent equity investments in listed and unlisted entities comprising of ARN Media Limited, View Media Group Limited, RAIZ Invest Limited, Open Money Group Pty Limited and a portfolio of other Seven Ventures.
5. Other investing activities include Payments for equity accounted investees, Proceeds from sale of investments and Loans paid to investees.
6. Calculated as net cash from operating activities / Underlying EBITDA.
7. Numbers may not add due to rounding.

In relation to the cash flows of Seven, we note:

- in FY23, Seven reported strong earnings however operating cash flows were impacted by onerous contracts related to the cricket agreement, major IT projects and a significant catch up tax payment. As a result, Seven's cash conversion ratio was low at 27.7%. Cash flows from operations were predominantly used for capex relating to Project Phoenix (refer to Section 9.3.2 of this report), acquisition of PPE primarily in relation to Seven's consolidation of operations into the Sydney Eveleigh office, as well as a $15 million share buyback. Cash balances increased by $19.5 million and no dividends were paid in FY23;

- in FY24, underlying EBITDA declined by 33.2%. Onerous contracts and major IT project expenditure in relation to Project Pheonix resulted in a significant drag on operating cash, offset partially by a tax refund of FY23 PAYG monthly instalments. Seven's cash conversion ratio improved marginally to 32.2%. Investing cash outflows increased significantly by 135.0% relative to FY23, primarily relating to Seven's investment in ARN, which was funded by an increase in net debt drawdowns. Cash balances declined by $2.9 million and no dividends were paid in FY24; and
- in FY25, earnings continued to decline, however operating cash flows improved as a result of a significant decline in onerous contract related cash payments. IT project spend declined by 21.0% as cash spend relating to Seven's Project Phoenix eased. Seven's cash conversion ratio improved to 38.8%. Cash flows from investing activities normalised in FY25 without major payments for financial assets. Higher net debt drawdowns of $40 million aided the cash balance as at 30 June 2025, which increased by $56.0 million relative to the prior year. No dividends were paid in FY25.

9.7 Capital structure and ownership

As at 31 October 2025, Seven had the following securities on issue:[76]

- 1,539,140,502 fully paid ordinary shares;
- 25,356,038 performance rights; and
- 334,257 share rights.

9.7.1 Ordinary shareholders

As at 15 October 2025, Seven had 12,394 registered shareholders with the top 20 largest shareholders accounting for 80.0% of Seven shares. These comprised Mr Kerry Stokes and associated entities, senior management, institutional investors, custodians and nominees, individuals as well as other investors. Seven has a significant shareholding associated with Kerry Stokes, alongside a strong retail investor (investors holding 100,000 or fewer shares) base accounting for approximately 95.5% of shareholders and 6.3% of shares on issue.

As at 31 October 2025, the substantial shareholders are:

Seven substantial shareholders as at 31 October 2025

Substantial Shareholders	Date of Notice	Number of shares[1]	Percentage
Mr Kerry Stokes[2]	7 March 2025	622,255,884	40.4%
SGH Limited[2]	19 December 2023	618,711,654	40.2%
Australian Capital Equity Pty Limited[2]	5 December 2023	618,711,654	40.2%
Spheria Asset Management Pty Ltd	3 October 2024	151,511,660	9.8%
Collins St Asset Management ATF Collins St Value Fund	2 October 2024	92,210,039	6.0%

Source: ASX Announcements, Seven.
Notes:
1. Includes Restricted Shares.
2. Of the total 40.4% shareholding held by Kerry Stokes, 40.2% is held through in the name of Network Investment Holdings Pty Limited. This stake is reflected in the holdings of SGH Limited and Australian Capital Equity Pty Ltd, which collectively own 618,711,654 shares.

[76] Seven Scheme Booklet.

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9.7.2 Seven Performance Rights

Seven operates an Equity Incentive Plan, which includes both Short-Term Incentive (**STI**) and Long-Term Incentive (**LTI**) components. Under the LTI plan, Performance Rights are granted annually to eligible executives and key employees at nil cost. These rights entitle the holder to convert the rights to restricted shares in Seven, subject to meeting performance and vesting conditions based on Relative Total Shareholder Return (**TSR**), EPS growth, and a Transformation hurdle. Individual performance may also be considered in determining vesting outcomes. These performance Rights do not carry dividend or voting rights prior to vesting and are equity-settled.

Under the Proposed Merger, Seven is required to procure that there are no performance rights in existence on the Business Day before the Scheme Record Date. As a result of the Proposed Merger, Seven's performance rights will experience the following treatment:

- 100% of the FY24 grants will lapse;
- 32.5% of the FY25 grants will vest with a holding restriction to 30 June 2028; and
- 100% of the non-executive director (**NED**) share plan will vest.

Seven Performance Rights as at 31 October 2025

	Vested	Unvested	Total
Performance Rights Plan			
FY24	-	5,891,059	5,891,059
FY25	-	19,464,979	19,464,979
Total	**-**	**25,356,038**	**25,356,038**
NED share plan	-	279,750	279,750

Source: Seven FY25 Annual Report, Seven.

9.8 Share price performance

In assessing Seven's share price performance, we have:

- analysed Seven's price and volume performance from 1 July 2022 to 31 October 2025;
- compared Seven's share price movement to the ASX 200 index; and
- compared Seven's share price movement to key comparable companies, including Southern Cross, Nine and ARN; and
- assessed the VWAP and trading liquidity of Southern Cross Shares for the 12-month period ended 29 September 2025, the last trading day prior to the announcement of the Proposed Merger.

9.8.1 Recent share market trading

The trading price and volume of Seven shares from 1 July 2022 to 31 October 2025 is set out as follows:

Seven Share Price and Volume from 1 July 2022 to 31 October 2025

Source: S&P Capital IQ; Kroll analysis.

Since August 2022, the Seven share price has experienced a progressive downward trend, primarily driven by the cyclical and structural downturn in the FTA TV advertising market as discussed in Section 7.4 of this report. This structural weakness has impacted Seven's earnings and resulted in multiple negative re-ratings of the stock over the period, with Seven's share price showing greater stability since mid-2024.

On 16 August 2022, Seven released its FY22 results which reported EBITDA of $342 million, the strongest results in six years and above guidance of $335 to $340 million. The result was underpinned by robust growth from 7plus, supported by significant advertising demand generated by the 2020 Tokyo Olympics Games (which occurred in 2021 due to the COVID-19 pandemic), as well as the impacts of the Prime Media Group acquisition. Following the announcement, the Seven share price rose from $0.39 on 1 July 2022 to close at a high of $0.53 on 17 August 2022, the highest closing price recorded within the analysis period. This share price movement was aided by an on-market share buyback announced at the FY22 results release.

Between late August 2022 and August 2023, SWL's share price progressively declined from $0.50 to close at a low of $0.30. Key events that caused movements in the Seven share price over this period include:

- announcement of the 1H23 results on 14 February 2023, reporting EBITDA of $205.0 million, a 4.8% decline compared to 1H22, reflecting the normalisation of earnings following the one-off impact of the 2020 Tokyo Olympics Games in the prior year. In the same announcement it was noted that there were early indications that the broader Australian total TV market could decline by a high single digit in 2H23. In the week following the release of the results, Seven's share price declined by 10.0%, moving the share price from $0.45 to close at $0.41; and
- announcement of FY23 results on 16 August 2023, reporting EBITDA of $279.7 million, a 18.2% decline compared to FY22, primarily attributed to a 7.9% contraction in the broader Australian total TV market, partially offset by a 17% growth in digital earnings. Following the announcement, Seven's share price fell 6.3% from $0.40 to closing at $0.38, before declining further to $0.30 on 24 August 2023, representing a cumulative decline of 25.6% from the pre-FY23 results level.

Between September 2023 and August 2024, Seven's share price declined more rapidly, from $0.35 to close at a low of $0.15 on 14 August 2024. The downward movement was likely the result of continued cyclical weakness in the broader Australian total TV market and delays in capital returns, both of which weighed on investor sentiment and contributed to share price pressure. Key events that occurred during this period include:

- on 13 November 2023, Seven announced the purchase of a 14.9% strategic equity interest in ARN at $1.10 per share, alongside a cash-settled equity swap for an additional 5.0% exposure, which was positioned to strengthen Seven's presence in the media sector;
- announcement of 1H24 results on 13 February 2024, which reported EBITDA of $124.2 million, a 39.4% decline compared to 1H23, primarily attributed to the 9.1% decline in the broader Australian total TV market during the half year. Following the announcement, Seven's share price declined by 10.9% from $0.28 closing at $0.25 on 14 February 2024. The downward pressure to the Seven share price continued over the following weeks, with the share price continued declining a further 29.1 % to close at a low of $0.20 on 19 April 2024. During the period, specifically on 15 March 2024, Seven experienced heavy trading activity, likely reflecting investor repositioning in response to ongoing earnings pressure; and
- announcement of FY24 results on 14 August 2024, reporting EBITDA of $187.0 million, a 33.2% decline compared to FY23. The decline is primarily attributed to a 7% reduction in advertising revenue resulting from an 8.2% contraction in the broader Australian total TV market, despite delivering $25 million of cost savings. On 13 August 2024, the day prior to the release of FY24 results, Seven's share price fell 8.8% from $0.17 to close at $0.15, with a muted reaction on the results day, suggesting the earnings decline had largely been anticipated by the market.

From 14 August 2024 to 29 September 2025, Seven's share price has traded in a narrower range of $0.13 to $0.18 relative to prior periods potentially reflecting greater market consensus on Seven's valuation. On 11 February 2025, Seven announced its 1H25 results, reporting EBITDA of $92.4 million, a decline of 25.6% compared to the prior corresponding period. Despite the weaker result, the share price increased by 6.1%, reflecting that soft trading conditions were largely anticipated and priced in by the market.

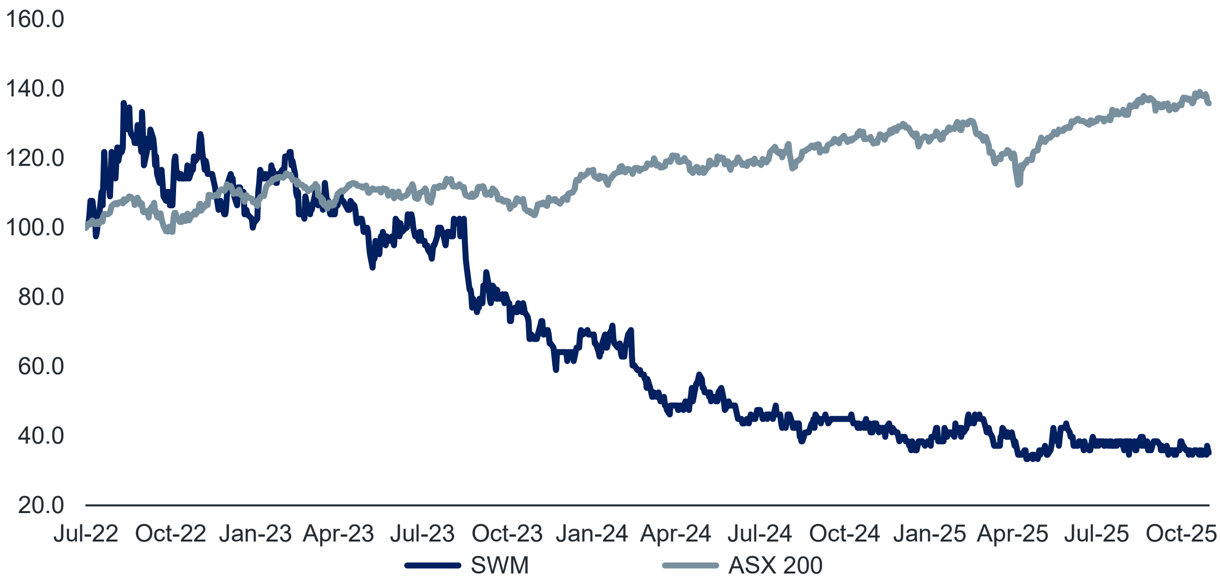
In the weeks following, Seven's share price fell to $0.13 on 14 April 2025, marking its lowest level since September 2020. On 6 May 2025, Seven disclosed that it had entered into a binding agreement with Southern Cross to acquire TV licences and associated assets in Tasmania, Darwin, Spencer Gulf, Broken Hill, Mt Isa, and Remote Central and Eastern Australia for $3.75 million in cash.

On 12 August 2025, Seven released its FY25 results, reporting EBITDA of $158.7 million, down 15.2% from FY24. The decline was primarily driven by a 3.2% contraction in the broader Australian total TV market, partially offset by growth in 7plus and a 2% decline in operating costs following cost-out initiatives that delivered $108 million of cost savings. Following the release of FY25 results, the share price declined by 6.7% from $0.15 to close at $0.14 on 29 September 2025, the day prior to the announcement of the Proposed Merger.

9.8.2 Relative share price performance

The following chart sets out the relative performance of Seven relative to the ASX 200 over the period from 1 July 2022 to 31 October 2025.

Seven Share Price Performance relative to ASX 200



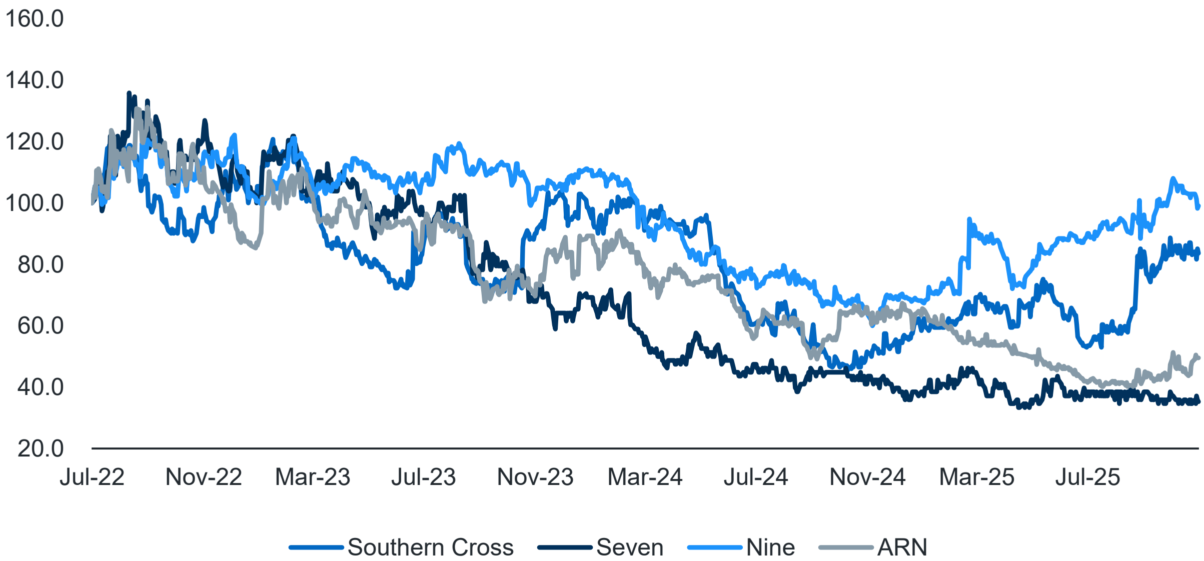
Source: S&P Capital IQ; Kroll Analysis

Overall, the Seven share price underperformed the ASX 200 reflecting the challenging industry conditions.

The Seven share price outperformed the ASX 200 in July 2022 when Seven recorded its strongest earnings in six years. From August 2023 onwards, Seven performance started to diverge from the ASX 200, and underperformed the ASX 200 to a greater extent in August 2023, February 2024 and August 2024 following a series of earnings declines as a result of the softening advertising demand in traditional broadcast TV markets.

Due to the absence of a standard Australian media companies index, Kroll has compared the performance of Seven relative to its peer group comprising Southern Cross, Nine, and ARN over the period from 1 July 2022 to 31 October 2025 as follows.

Seven Share Price Performance Relative to Comparable Companies



Source: S&P Capital IQ; Kroll analysis.

Between July 2022 and March 2023, Seven's share price tracked broadly in line with Nine and ARN while outperforming Southern Cross, albeit with slightly greater fluctuations. This period coincided with broader market uncertainty stemming from rising interest rates and inflationary pressures, which adversely impacted advertising-dependent media companies.

From mid-2023 onwards, Seven began to diverge more significantly from its peers. The underperformance accelerated following a series of earnings downgrades primarily as a result of softening advertiser demand for traditional broadcast TV. During this period, Nine continued to outperform the peer group, likely supported by its more diversified revenue streams and stronger digital performance with its equity ownership in Domain.

From November 2024 onwards, a clear divergence emerged within the peer group. Nine and Southern Cross began to recover, supported by improving investor sentiment and stronger digital revenue growth, while Seven and ARN continued to decline due to their heavier reliance on traditional media formats. The performance gap widened progressively, with Seven recording the steepest fall. This persistent underperformance was driven by structural industry shifts, including declining advertiser demand for traditional broadcast TV markets and intensifying competition from streaming platforms. The divergence potentially underscores ongoing investor concerns regarding Seven's strategic positioning and its ability to adapt to an evolving media landscape.

9.8.3 Liquidity

An analysis of the volume of trading in Seven shares, including the VWAP for various periods up to 29 September 2025, the last trading day before the announcement of the Proposed Merger, is set out as follows.

Seven Liquidity up to 29 September 2025

Period	Price ($)			Cumulative volume ($ millions)	Cumulative value ($ millions)	Percentage of Shares Outstanding	Percentage of Free Float[77]
	Low	High	VWAP				
1 day	0.14	0.14	0.14	0.3	0.0	0.0%	0.0%
1 week	0.14	0.14	0.14	5.2	0.7	0.3%	0.8%
1 month	0.14	0.15	0.14	25.5	3.6	1.7%	3.8%
3 months	0.14	0.16	0.14	82.4	11.9	5.4%	12.2%
6 months	0.13	0.17	0.14	213.7	30.9	13.9%	31.8%
12 months	0.13	0.19	0.15	492.9	75.8	32.0%	73.2%

Source: Iress, Kroll analysis.

In the 12 months to 29 September 2025, 32.0% of Seven shares (73.2% of free float) were traded. This level of trading indicates that Seven shares are liquid, despite significant substantial shareholder ownership.

[77] Free float is calculated as the total number of shares outstanding as of 31 October 2025 (1,539,140,502 shares), excluding shares held by substantial shareholders, including Kerry Stokes (622,255,884 shares), Spheria Asset Management Pty Ltd (151,511,660 shares) and Collins St Asset Management (92,210,039 shares).

10 Profile of the Combined Group

10.1 Overview

Under the Proposed Merger, the businesses of Southern Cross and Seven will be combined to create a leading integrated TV, audio and digital platform. The Combined Group's businesses are considered complementary with Southern Cross and Seven owning media businesses across FTA TV, radio, streaming, audio, digital and publishing. Their combination will result in an integrated multi-media platform which is expected to have strong presence across the Australian advertising market.

The Combined Group will have an extensive scale and reach across Australian metropolitan and regional markets. In the major metropolitan markets, the Combined Group will connect with audiences through the Seven network and its affiliate channels and the Triple M and Hit radio networks. In regional markets the Combined Group will benefit from increased scale and reach by virtue of Seven's broadcast coverage across every state and territory, coupled with Southern Cross' extensive regional footprint which includes 78 owned radio licences, and sales representation for 56 local stations.

As noted in Section 7.4 of this report, digital media has had strong growth recently across live and streamed video and audio content. The Combined Group will be well positioned to leverage the strength and momentum of its 7plus and LiSTNR digital platforms.

A detailed description of the profile of the Combined Group can be found in Section 7.1 of the Seven Scheme Booklet.

10.2 Strategic rationale

The Combined Group will be one of Australia's leading TV, radio, audio and digital platforms with the Combined Group's brands benefitting from strong positions with key Australian audience demographics.

The Combined Group is considered by Southern Cross management to be well positioned to realise a wide range of strategic and financial benefits by:

- **creating an integrated multi-media platform** which can deliver content to audiences through both traditional and digital media channels (FTA TV and radio, streaming, audio, digital and publishing);
- **attracting and growing high value audiences that matter** by combining platforms to create an integrated company with extensive audience reach;
- **leveraging digital, video, audio and publishing content across the combined platforms** with the benefit of an aligned strategy that promotes news, sport and entertainment under a single offering;
- **creating an accessible and scalable solution for advertisers and agencies** to connect with high value audiences across all media to improve campaign targeting, reach and efficiency;
- **harnessing data and insights** across platforms to drive cross promotion and growth;
- **delivering operational and financial strength** to support the funding of organic and inorganic growth opportunities and capital management initiatives;
- **realising $25 million to $30 million of pre-tax cost synergies**; and
- **improving market scale, financial profile, free float, liquidity and investor relevance** to align with both Southern Cross and Seven's stated strategic position of being in support of media consolidation in Australia.

Southern Cross management believes there are additional incremental opportunities that would not be available to a stand-alone Southern Cross. These include focused news and sports coverage, cross platform promotions and improved audience analytics through shared data and insights.

10.3 Pro forma historical financial performance

10.3.1 Historical financial performance

The pro forma consolidated financial performance for the Combined Group for FY25 is summarised in the following table.

Combined Group's Consolidated Financial Performance ($ millions)

	FY25 Pro Forma
Revenue and other income	1,960.9
Revenue related costs	(326.0)
Operating expenses	(1,402.4)
Share of profit from equity accounted associates	0.8
EBITDA	**233.4**
Depreciation and amortisation	(74.7)
EBIT	**158.7**
Net finance costs	(57.9)
Profit before tax	**100.8**
Income tax expense	(18.2)
Profit after income tax pre-significant items and discontinued operations	**82.6**
Discontinued operations	2.0
Significant items	(57.9)
Net profit after tax (Statutory)	**26.9**

Source: Seven Scheme Booklet.

The Combined Group pro forma historical financial information has been prepared for illustrative purposes to provide Southern Cross Shareholders with an indication of the financial performance and financial position of the Combined Group as if the Scheme had been implemented prior to the commencement of the relevant financial year. The basis of preparation and pro forma adjustments can be found in Section 7.5 of the Seven Scheme Booklet and adjustments are summarised below:

- adjustments have not been made to reflect the trading of Southern Cross and Seven after 30 June 2025, potential synergies, transaction costs incurred, additional depreciation and amortisation and any potential tax impacts as a result of the implementation of the Scheme;
- discontinued operations reflects partially reversing the presentation of Southern Cross' regional TV assets historically presented as discontinued operations in the 2025 Southern Cross financial statements upon the sale of these assets to two different acquirers, Seven and Network Ten. As post-implementation the regional TV assets sold to Seven will now represent a continuing business in the Combined Group, the results of these specific TV assets for FY25 have been restated and included within continuing operations of the Combined Group Pro Forma Historical Income Statement. Regional TV assets sold to Network Ten and any impact of this transaction continue to be included as discontinued operations or significant items as disclosed by Southern Cross previously; and
- no transaction costs related to the Scheme are reflected. An adjustment has been made to remove for the transaction costs incurred as part of the regional Television transaction between the parties resulting in an increase of $1.2 million in EBITDA (with a $0.3 million in income tax impact) and a reduction of $0.5 million of costs in significant items. This adjustment has a $1.4 million net profit after tax benefit.

10.3.2 Dividend policy

Following implementation of the Proposed Merger, the payment of future dividends will be a function of a number of factors including general business conditions, the operating results and financial condition of the Combined Group, future funding requirements, compliance with debt facilities, capital management initiatives, taxation considerations, including the availability of franking credits, any contractual, legal or regulatory restrictions on the payment of dividends by the Combined Group, and other factors that the Southern Cross Board may consider relevant.

Refer to Section 8.4.1 of this report for further information in relation to the dividend policy and dividend history of Southern Cross.

10.3.3 Guidance

No guidance has been provided for the Combined Group. As far as Kroll is aware, no brokers have provided financial forecasts for the Combined Group.

10.4 Pro forma historical financial position

The following table summarises the pro forma financial position of the Combined Group as at 30 June 2025.

Combined Group's Pro Forma Financial Position ($ millions)

	As at 30 June 2025 Pro Forma
Receivables and other current assets[1]	536.2
Payables and other current liabilities[2]	(243.7)
Net working capital	**292.5**
Non-current receivables and other non-current assets	118.5
Non-current payables and other non-current liabilities	(4.2)
Property, plant, and equipment	153.8
Intangible assets	907.7
Deferred income	(128.3)
Provisions	(142.8)
Deferred tax liability	(298.5)
Right of use assets	184.6
Total funds employed	**790.8**
Cash and cash equivalents	118.6
Borrowings	(499.9)
Lease liabilities	(308.2)
Net cash / (debt) (including lease liabilities)	**(689.5)**
Net assets	**393.7**
Total equity	**393.7**
Net working capital as a percentage of revenue	14.9%
Gearing[3]	63.6%

Source: Seven Scheme Booklet.
Notes:
1. Receivables and other current assets consists of trade and other receivables, program rights and inventories and other assets.
2. Payables and other current liabilities consists of trade and other payables and derivative financial instruments.
3. Gearing is calculated as (net debt / (net debt + total equity)).
4. Numbers may not add due to rounding.

The Combined Group pro forma historical financial information has been prepared for illustrative purposes to provide Southern Cross Shareholders with an indication of the financial performance and financial position of Combined Group as if the Scheme had been implemented prior to the commencement of the relevant financial year. The basis of preparation and pro forma adjustments can be found in Section 7.5 of the Seven Scheme Booklet and adjustments are summarised below:

- the Combined Group pro forma historical statement of financial position has been prepared on the basis that Implementation of the Scheme and associated transaction costs occurred as at 30 June 2025. Accordingly, an estimated $17.8 million of transaction costs is recognised as a reduction in the cash balance and a corresponding increase of $17.8 million in the accumulated deficit;

- no adjustments have been made to reflect the trading of Southern Cross and Seven after 30 June 2025, the finalisation of the acquisition accounting (including determining the appropriate purchase price allocation, including the fair value of all assets and liabilities acquired in accordance with the relevant accounting standards) and resetting of tax cost bases of Southern Cross following implementation, including recognition of the associated deferred tax assets and liabilities, in accordance with relevant accounting standards; and
- Southern Cross presents equity accounted investments and other investments within one line as 'investments', whilst these assets are disclosed separately for Seven. This adjustment aligns the Seven presentation to Southern Cross, with a $95.2 million increase in investments, offset by a $78.4 million and $16.9 million reduction in other financial assets and equity accounted investments respectively. This adjustment has no net asset impact.

10.4.1 Gearing

On completion of the Proposed Merger, based on the Combined Group's pro forma cash and cash equivalents of $118.6 million and $808.1 million in pro forma debt (inclusive of lease liabilities) as at 30 June 2025, the Combined Group would have had a net debt position of $689.5 million. The Combined Group's gearing ratio inclusive of lease liabilities is 63.6%. Excluding lease liabilities, the Combined Group would have had a net debt position of $381.3 million and a gearing ratio of 49.2% as at 30 June 2025.

10.5 Pro forma cash flow

The following table summarises the Combined Group's pro forma historical statement of cash flows:

Combined Group Pro Forma Statement of Cash Flows ($ millions)

	FY25 Pro Forma
EBITDA	**233.4**
Change net working capital and others	(55.6)
Operating cash flow (pre-interest and tax)	**177.8**
Net finance costs	2.8
Tax paid	(15.0)
Net cash from operating activities	**165.6**
Payments for purchases of property, plant and equipment	(12.1)
Payments for intangibles	(20.0)
Payment of investments	(1.1)
Dividends received[2]	1.6
Net cash used in investing activities	**(31.6)**
Proceeds from borrowing	25.0
Payment of lease liabilities	(23.7)
Dividends paid	(9.6)
Finance costs paid	(54.2)
Net cash used in financing activities	**(62.5)**
Net cash flow	**71.5**
Statistics	
Cash conversion %[1]	*71.0%*

Source: Seven Scheme Booklet.
Note: Calculated as net cash from operating activities / EBITDA.

The basis of preparation and pro forma adjustments for the Combined Group pro forma historical statement of cash flows can be found in Section 7.5 of the Seven Scheme Booklet and adjustments are summarised below:

- the pro forma adjustments in respect of the Seven purchase of Southern Cross Regional TV assets on 30 June 2025 does not have a net cash flow impact on the Combined Group Pro Forma Historical Statement of Cash Flows as any deal proceeds and equal cash outflows in relation to the transaction offset on aggregation; and
- dividends are recognised within investing activities by Southern Cross, whereas Seven historically included dividends within operating cashflows. This adjustment aligns Seven's historical disclosure to Southern Cross' approach. There is no net cash flow impact of these adjustments with a $1.4 million reduction in operating cashflows and a $1.4 million increase in investing cashflows.

10.6 Board of Directors and management of the Combined Group

The Combined Group Board will initially comprise eight members including Jeff Howard, as the Combined Group Chief Executive Officer and Managing Director. This will initially comprise five representatives from Seven and three representatives from Southern Cross.

Kerry Stokes will become Chair of the Board until end of February 2026 when he will retire from the Board and not be replaced. Heith Mackay-Cruise is a nominee of Southern Cross and will become Chair of the Board from the end of February 2026.

Accordingly, from the end of February 2026, the Combined Group Board will comprise three non-executive representatives from each of Southern Cross and Seven, in addition to the Combined Group Chief Executive Officer and Managing Director.

Ido Leffler has indicated his intention to continue on the Board of the Combined Group through the acquisition and retire from the Board on 30 June 2026. The proposed Combined Group Board is set out in the following table:

Combined Group's Board of Directors

Board of Directors	Position	Company
Kerry Stokes	Chair and nominee of Seven (until end-February 2026)	Seven
Heith Mackay-Cruise	Chair-elect (and Chair from end-February 2026) and nominee of Southern Cross	Southern Cross
Ryan Stokes	Nominee of SGH Ltd	Seven
Michael Malone	Nominee of Seven	Seven
Jeff Howard	Managing Director and Chief Executive Officer	Seven
Ido Leffler	Nominee of Southern Cross	Southern Cross
Teresa Dyson	Audit & Risk Committee Chair and nominee of Seven	Seven
Marina Go	Remuneration & Nomination Committee Chair and nominee of Southern Cross	Southern Cross

Source: Southern Cross Proposed Merger ASX Announcement.

Jeff Howard, the current Chief Executive Officer of Seven, will become the Combined Group Chief Executive Officer and the current Southern Cross Chief Executive Officer, John Kelly, will become the Southern Cross Group Managing Director, Audio.

Further details regarding the Combined Group's executive team will be agreed at a later stage.

10.7 Accretion analysis

The following table illustrates the earnings per share (EPS) accretion that Southern Cross Shareholders would have experienced in FY25, in line with the pro forma historical financial performance (refer to Section 10.3 of this report). The following table also details the EPS accretion inclusive of the midpoint of the Combined Group's estimated synergy range ($27.5 million annual pre-tax cost synergies) on the basis that these synergies were fully realised immediately and tax effected in FY25.

Combined Group's FY25 Accretion analysis[1]

	Southern Cross	Combined Group[2]	Absolute Change	% Change
Without synergies				
FY25 EPS (Actuals)[3]	6.3¢	17.2¢	10.9¢	173.3%
With synergies[4]				
FY25 EPS (Actuals)[3]	6.3¢	24.7¢	18.4¢	291.7%

Source: Southern Cross & Seven ASX Announcements, Seven Scheme Booklet; Kroll analysis.
Notes:
1. Assumes Proposed Merger was completed prior to 1 July 2024.
2. Combined Group EPS has been calculated relative to the Combined Group pro forma NPAT pre significant items and discontinued operations.
3. Southern Cross EPS is calculated relative to Southern Cross' fully paid ordinary shares of Southern Cross of 239.9 million shares. The Combined Group EPS assumes an additional 238.9 million shares are issued to Seven Shareholders, representing total Combined Group shares of 478.8 million shares.
4. The accretion analysis with synergies assumes $27.5 million of cost synergies are realised.

The Combined Group's pro forma FY25 EPS of 17.2 cents (assuming nil cost synergies) is significantly higher than Southern Cross' FY25 EPS of 6.3 cents. This represents an absolute increase of 10.9 cents or 173.3% compared to Southern Cross on a standalone basis, primarily driven by Seven's higher FY25 earnings than Southern Cross (refer to Sections 8.4 and 9.4 of this report).

The Combined Group's pro forma FY25 EPS of 24.7 cents (assuming immediate realisation of annual pre-tax cost synergies of $27.5 million, tax effected) is significantly higher than Southern Cross' FY25 EPS of 6.3 cents. This represents an absolute increase of 18.4 cents or 291.7% compared to Southern Cross on a standalone basis, primarily driven by Seven's higher FY25 earnings than Southern Cross (refer to Sections 8.4 and 9.4 of this report).

We note, however, that statutory EPS in the first year following completion would be negatively impacted by transaction and integration costs and that the achievement of synergies is expected to take 18 to 24 months to be realised.

10.8 Capital structure and ownership

10.8.1 Share capital

As at 31 October 2025, there are 239,899,149 Southern Cross Shares on issue. If the scheme is implemented, Southern Cross will issue New Southern Cross Shares to applicable Seven Shareholders and the total number of Southern Cross Shares on issue will increase.

The total number of New Southern Cross Shares that Southern Cross will issue under the Proposed Merger to Seven Shareholders is 238,874,605, subject to rounding. Accordingly, the number of Southern Cross Shares on issue following the Proposed Merger will be approximately 478,773,754.

10.8.2 Ownership

Upon implementation of the Proposed Merger, Southern Cross Shareholders will own 50.1% of the Combined Group, with Seven Shareholders owning the remaining 49.9%.

Based on Substantial Shareholder Notices lodged on the ASX by 31 October 2025, the holders of 5% or more of the issued capital of the Combined Group would be:

Substantial Shareholder	Percentage
SGH Limited	20.2%
Spheria Asset Management Pty Ltd.	11.9%
Thorney Investment Group Australia Pty Ltd.	7.5%
ARN Media Ltd.	7.4%
Sandon Capital Pty Ltd.	5.7%
Pinnacle investment Management Group	5.4%

Source: Seven Scheme Booklet.

10.9 Liquidity and share market rating

The Combined Group is likely to have greater relevance to equity investors through increased scale relative to Southern Cross on a standalone basis. Based on the share prices of Southern Cross Shares and Seven Shares as at 31 October 2025, the pro forma market capitalisation of the Combined Group would have been approximately $414.3 million.[78] This will position the Combined Group closer to the S&P/ASX 300 Index (subject to free float).

Presently, trading of both Southern Cross Shares and Seven Shares are liquid (refer to Sections 8.8.3 and 9.8.3 of this report for further analysis). While Southern Cross and Seven have reasonable broker coverage, Seven (covered by 10 brokers) has wider coverage relative to Southern Cross (covered by five brokers). The larger market capitalisation of the Combined Group is expected to result in an increased daily trading volume for the Combined Group in comparison to Southern Cross on a standalone basis.

Additionally, the Proposed Merger increases the free float and is likely to increase the liquidity of the Combined Group. The larger size of the Combined Group is likely to have greater broker coverage relative to Southern Cross on a stand-alone basis, reduce the impact of substantial shareholdings, attract the interest of institutional shareholders leading to a potential positive market re-rating, noting that scale is a factor in determining trading multiples for Australian media companies (refer to Sections 11.2.3, 11.3.3 and 11.4.3 for commentary on comparable companies).

10.10 Changes in risk profile for Southern Cross Shareholders

There is a risk that integration costs may be greater than anticipated, cost synergies may not be fully realised or may be delayed such that integration, compensation and transaction costs need to be funded. If the Combined Group cannot successfully combine the businesses of Southern Cross and Seven in an efficient and effective manner, the anticipated benefits and synergies of the transaction may not be realised fully, or at all, or may take longer to materialise or cost more than expected such that the value of Combined Group Shares is adversely affected.

We note key risks that may impact Southern Cross Shareholders resulting from the Proposed Merger include:

- exposure to the declining broadcast FTA TV and newspaper markets, which have faced structural challenges in recent years with a change in consumer preferences and reallocation of advertising spend away from traditional media assets (refer to Section 7.4 of this report). Kroll notes the broadcast FTA TV markets have faced a steeper decline in recent years relative to broadcast radio;
- competition pressures within the broadcast FTA TV industry, with no assurance Seven will maintain its current market share; and
- operations within the regulated FTA TV environment that may be impacted by changes in government policy, regulation or legislation affecting companies holding broadcast TV licenses.

[78] Calculated as the aggregate of the market capitalisation of Southern Cross (based on closing share price of $0.85 as at 31 October 2025 multiplied by 239,839,149 fully paid ordinary shares) and market capitalisation of Seven (closing share price of $0.138 as at 31 October 2025 multiplied by 1,539,140,502 fully paid ordinary shares).

A detailed discussion of the risk factors relating to the business and operations of the Combined Group can be found in Section 8 of the Seven Scheme Booklet.

11 Valuation Analysis

11.1 Approach

The purpose of our valuation of Southern Cross and Seven is to enable a comparison of the relative contribution of value by the shareholders of Southern Cross and Seven to the share of the Combined Group that they each receive, and to determine whether Southern Cross Shareholders are better off as a consequence of the Proposed Merger. These valuations represent Kroll's assessment of the underlying value of Southern Cross and Seven on the basis of 'fair value'.

The generally accepted definition of 'fair value' (and that applied by us in forming our opinion) is the value agreed in a hypothetical transaction between a knowledgeable, willing, but not anxious buyer and a knowledgeable, willing, but not anxious seller, acting at arm's length. 'Fair value' excludes 'special value', which is the value over and above the value that a particular buyer, which can achieve synergistic or other benefits from the acquisition, may be prepared to pay.

Fair value is commonly derived by considering direct market evidence and in its absence one or more of the following valuation approaches:

- income approach;
- the market approach; or
- cost approach.

These approaches are discussed in further detail in Appendix 3. The decision as to which approach to adopt will depend on various factors including the availability and quality of information, the maturity of the asset or business and the actual practice adopted by purchasers of the type of asset or business involved. A secondary methodology is often adopted as a cross-check to ensure the reasonableness of the outcome, with the valuation conclusion ultimately being a judgement derived through an iterative process.

As noted in Section 6.2 of this report, in substance, the Proposed Merger does not result in a change of control for Southern Cross Shareholders, however, it does result in a change in the underlying economic interests held by Southern Cross Shareholders. In such circumstances, RG 111 contemplates that a 'merger of equals' analysis is appropriate.

Consequently, in assessing the fairness of the Proposed Merger, Kroll has undertaken a 'merger of equals' analysis. That is, Kroll has adopted an equivalent analysis approach whereby we have compared the assessed value of Southern Cross' equity on an equivalent basis to the assessed value of Seven's equity. Kroll has assessed value the equity of each company on a minority, stand-alone basis.

In addition, in order to assess whether Southern Cross Shareholders are better off as a consequence of the Proposed Merger, we have compared the value of Southern Cross Shares (pre-Merger Proposal) on a minority interest basis with the indicative value of a Combined Group Share (taking into account the expected synergies), on a minority basis. This assessment essentially informs shareholders as to whether the value of the Combined Group Shares that they will hold is greater than the value of the Southern Cross Shares that they are contributing.

In summary, we have undertaken the following:

- a valuation of Southern Cross Shares (refer to Section 11.2 of this report);
- a valuation of Seven Shares (refer to Section 11.3 of this report); and
- a valuation of the Combined Group including synergies (refer to Section 11.4 of this report).

11.1.1 Selection of valuation methodology

We consider the primary method for assessing the value of Southern Cross Shares and Seven Shares to be on the basis of direct market evidence, based on their share market trading up until 29 September 2025, the day prior to the announcement of the Proposed Merger. This effectively reflects the value of their shares on a stand-alone, minority basis, representing the price at which the respective shareholders could reasonably expect to realise the value of their investment in the absence of the Proposed Merger, subject to any company or sector-specific events that have occurred since 29 September 2025. We have not considered share trading post the announcement of the Proposed Merger since trading over this period will reflect the terms of the Proposed Merger.

An alternative approach is to undertake a fundamental valuation of the Combined Group and then apply a discount to reflect a portfolio interest. However, Kroll has not adopted this methodology because the consensus view of a liquid market is likely to be a more reliable indicator of value that a Southern Cross or Seven Shareholder can obtain than a valuation undertaken by a single valuer, particularly given the minority nature of the Southern Cross and Seven Shares being valued. The efficient market hypothesis suggests that market prices incorporate all publicly available information on the business, its future earnings and risks at that point in time.

Kroll has considered whether there are any reasons that the trading prices over this period are not reflective of the fair value of the Southern Cross and Seven shares (e.g. due to temporary market mispricing, illiquidity or an absence of relevant market sensitive information regarding the companies or transaction in the public domain). Kroll has undertaken the following:

- analysed trading in Southern Cross and Seven's shares prior to the announcement of the Proposed Merger on 30 September 2025;
- considered the performance of Southern Cross and Seven's Shares relative to the market;
- considered the liquidity of Southern Cross and Seven shares over various periods prior to the announcement of the Proposed Merger;
- reviewed publicly available information relating to Southern Cross, Seven and the Proposed Merger; and
- considered whether there are any subsequent company-specific or industry-related events that would mean the trading in Southern Cross or Seven shares over this period is no longer reflective of the relative prices at which the companies could be expected to trade in the absence of the Proposed Merger.

In summary, Kroll is not aware of any reasons that trading prices over this period are not reflective of the fair value of the Southern Cross and Seven Shares. During the period analysed, there is no temporary market mispricing, Southern Cross and Seven Shares are liquid and there is no abnormal trading and there is an informed market with sufficient publicly available information (including broker coverage) on Southern Cross and Seven. In addition, Kroll is not aware of any subsequent company-specific or industry-related events that would mean the trading in Southern Cross or Seven shares over this period is no longer reflective of the relative prices at which the companies could be expected to trade in the absence of the Proposed Merger.

Cross-check

In order to cross-check the range of assessed values derived from our analysis of trading in Southern Cross and Seven Shares, we have:

- compared the multiples implied by our range of assessed values to multiples at which comparable listed entities are trading;
- considered transaction evidence from comparable Australian media transactions, however, note these transactions generally incorporate a premium for control, whereas Kroll's valuations have been undertaken on a minority interest basis; and
- compared our assessed values to broker target prices.

Combined Group

Kroll has taken a 'sum of the parts' approach to the indicative valuation of the Combined Group, by adding the equity values of Southern Cross and Seven, to the value of the cost synergies. Ideally, we would assess trading prices of Southern Cross post announcement of the Proposed Merger, however, we note that there are reasons why this analysis may not be appropriate at present, which include:

- the Proposed Merger is subject to regulatory approvals, including from the ACCC, ACMA and ASIC (refer to Section 5.2 of this report for discussion of Scheme conditions), potentially resulting in some market scepticism with respect to the completion of the Proposed Merger such that the value of the synergies is not fully reflected in the share prices of Southern Cross and Seven; and
- Southern Cross has engaged with other parties, including ARN and ACM, in recent years. Each of these proposals failed to result in completed transactions. Southern Cross Shareholders, and other market participants, may be waiting to see relevant approvals before trading reflects full benefits of the Proposed Merger.

11.2 Valuation of Southern Cross

11.2.1 Summary

Our valuation of Southern Cross Shares in the range of $0.75 to $0.90 is equivalent to a stand-alone value of the equity in Southern Cross of $179.9 million to $215.9 million (minority basis). The selected value range is based on trading in Southern Cross Shares following the release of FY25 financial results on 25 August 2025, up until the announcement of the Proposed Merger. This reflects the prices at which minority parcels of Southern Cross Shares traded on the share market and as such, these prices do not include a control premium.

Kroll has cross-checked the assessed value of a Southern Cross Share by comparing the historical and forecast multiples of EBITDA implied by our selected value range for Southern Cross Shares to market evidence derived from comparable listed Australian media companies.

Kroll's assessed range of values per Southern Cross Share is summarised in the following table:

Southern Cross Valuation Summary ($ millions)

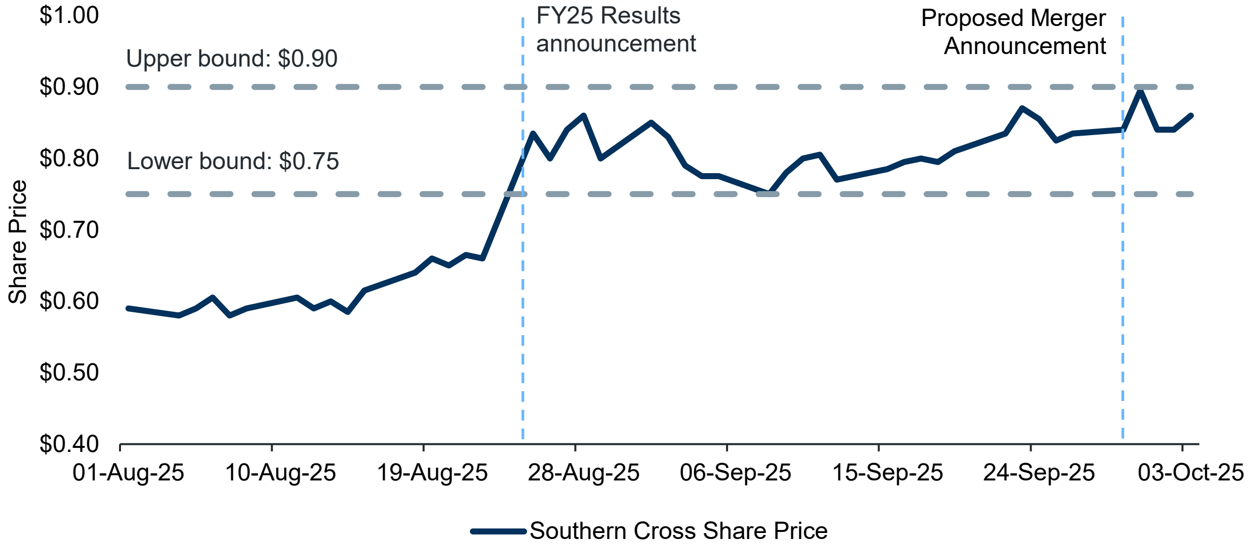
	Section Reference	Low	High
Value of Southern Cross Shares (minority basis)	11.2.2	$0.75	$0.90
Diluted number of Southern Cross Shares outstanding	8.7	239.9	239.9
Value of Southern Cross' equity (minority basis)		**179.9**	**215.9**

Source: Kroll analysis.

Kroll has considered trading in Southern Cross Shares over 2025, however with particular focus on the period from 25 August 2025 to 29 September 2025. This period of trading reflects market pricing once investors were fully informed by the FY25 financial results of Southern Cross' most recent financial performance and the outlook in the period, and prior to the announcement of the Proposed Merger. In our view, this represents the most appropriate period on which to base our assessment, given that Southern Cross' share price had re-rated to reflect improved operating momentum in its digital audio segment, including the segment's first year of positive earnings (refer to Section 8.4 of this report), as well as a substantial uplift in declared dividends (versus FY24) and updated guidance for FY26, which were viewed positively by the market.

The following chart illustrates the range of selected values per share relative to recent trading in Southern Cross Shares.

Southern Cross Selected Value Range per Share between 1 August 2025 and 29 September 2025



Source: S&P Capital IQ, Kroll analysis.

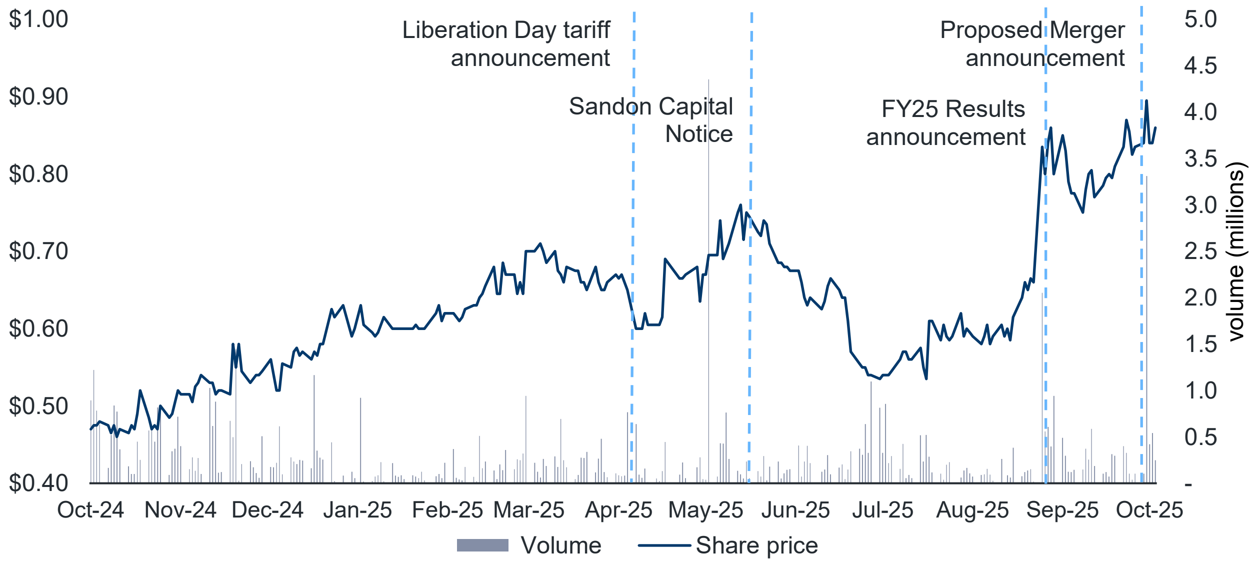
The selected value range for shares in Southern Cross of $0.75 to $0.90 covers the majority of trading in Southern Cross Shares following the release of the FY25 financial results on 25 August 2025, up until the announcement of the Proposed Merger on 29 September 2025. The low end of the value range aligns with the lowest closing price of the period of $0.75 as at 8 September 2025 (slightly higher than the intraday low of $0.735 reached on 9 September 2025), while the high end of the selected value range is marginally higher than the highest close for the period of $0.87 reached on 23 September 2025 (and the intraday high of $0.88 reached on 29 August 2025). From 25 August 2025 to 29 September 2025, Southern Cross Shares traded at a VWAP of $0.80.

11.2.2 Share trading

Trading in Southern Cross Shares prior to the announcement of the Proposed Merger

The trading price and volume of Southern Cross Shares over the 12 months preceding the 30 September 2025 announcement of the Proposed Merger is illustrated in the following chart.

Trading in Southern Cross Shares between 1 October 2024 and 29 September 2025



Source: S&P Capital IQ, Kroll analysis.

In relation to the performance of Southern Cross Shares between 1 October 2024 and 29 September 2025, we note:

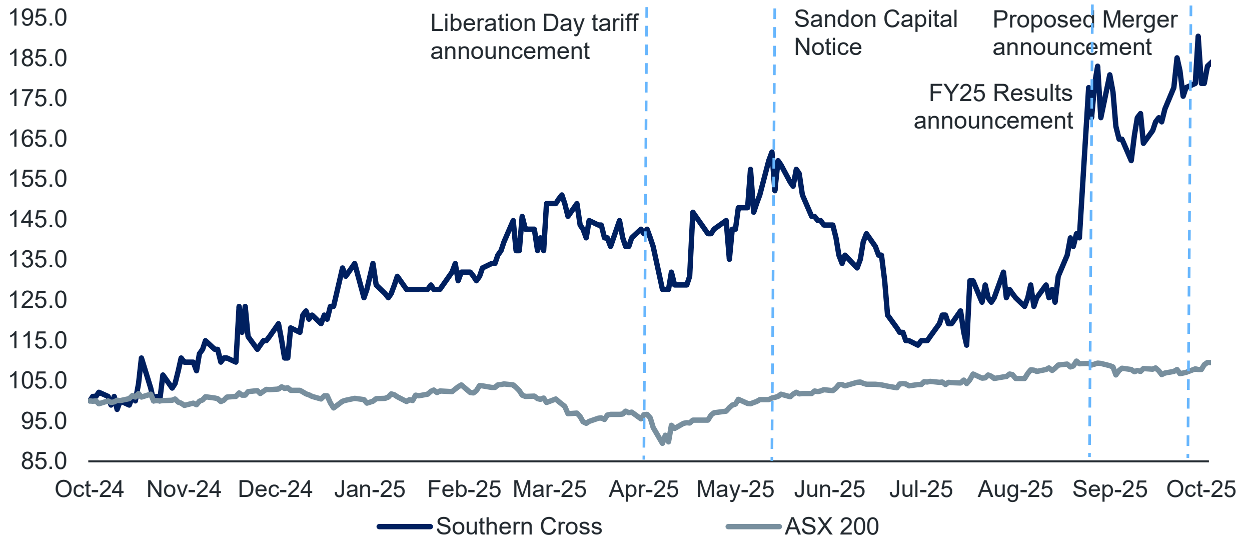
- over the period analysed, Southern Cross Shares exhibitied a strong upward trend, with the share price increasing by approximately 78.7%, rising from $0.47 on 1 October 2025 to close at $0.84 on 29 September 2025. The increase primarily reflected improving financial results, positive operating momentum in the Company's digital audio segment, the divestment of its TV operating segment, and market speculation regarding potential corporate activity;
- while the share price experienced a few short-term periods of decline during the year, these movements were linked to temporary factors that are no longer considered material to the share price performance. These included:
  - a period of decline in April 2025, whereby the share price weakened in line with broader market volatility following the 'Liberation Day' tariff announcements by the US. The decline was relatively short-lived, with the share price recovering quickly in line with the broader market to around $0.76 in May 2025; and
  - a further period of softness occurred after 12 May 2025, when Southern Cross announced it had received shareholder notices from Sandon Capital seeking to move resolutions to spill the board at the next general meeting. Subsequent disclosures that Sandon Capital had increased its holding contributed to further declines, with the share price reaching a low of $0.535 on 30 June 2025. However, these developments are no longer considered as consequential to Southern Cross' share price, as the governance uncertainty has since subsided given that the company retains broader shareholder support.
- following the release of Southern Cross' FY25 financial results in August 2025, Southern Cross' share price strengthened significantly, rising sharply by 26.5% to close at $0.84 on 25 August 2025. The increase reflected renewed investor confidence, underpinned by positive sentiment toward the digital audio segment's return to EBITDA and cash flow positivity, an appreciable increase in dividends declared to 4.0 cents per share in FY25 (from 1.0 cents per share in FY24) and a 13.2% increase in FY26 EBITDA guidance (FY26 EBITDA midpoint guidance of $80.5 million relative to $71.1 million FY25 underlying EBITDA); and
- following the release of the FY25 results, and up to 29 September 2025, the last trading day prior to the announcement of the Proposed Merger, the Southern Cross share price stabilised and traded within a range of $0.75 to $0.87.

Refer to Section 8.8.1 of this report for further commentary on Southern Cross' share price performance.

Performance of Southern Cross Shares relative to the market prior to the announcement of the Proposed Merger

The performance of Southern Cross Shares relative to the ASX 200 Index between 1 October 2024 and 29 September 2025 is illustrated as follows.

Southern Cross Share Trading Relative to the ASX 200 Index between 1 October 2024 and 29 September 2025



Source: S&P Capital IQ, Kroll analysis.

In relation to the performance of Southern Cross Shares relative to the ASX 200 Index between 1 October 2024 and 29 September 2025, we note that Southern Cross Shares significantly outperformed the ASX 200 Index by approximately 70.7% over the analysed period. Southern Cross' performance during this time, which increased by approximately 78.7%, primarily reflects a combination of company-specific factors as outlined previously in this section. The ASX 200 Index increased by approximately 8.0% over the same period. Consequently, only a small portion of the increase in Southern Cross' share price can be attributed to an increase in the broader share market.

Southern Cross' performance relative to the market was particularly strong from 13 August 2025, coinciding with the release of its FY25 results. Until the commencement of the sharp increase, Southern Cross' share price had increased by 24.5% from 1 October 2024 to 14 August 2025, compared to an 8.1% increase for the ASX 200 Index over the same period. Since that point, the Southern Cross share price has significantly re-rated, underpinned by the FY25 financial results, and has maintained its relative strength up to the 29 September 2025 pre-announcement date of the Proposed Merger.

Southern Cross liquidity

As discussed in Section 8.8.3 of this report, notwithstanding its 34.8% of free float,[79] based on the share trading in the 12 months to the announcement of the Proposed Merger, Southern Cross Shares are liquid. There was sufficient liquidity in the market for Southern Cross Shares prior to the announcement of the Proposed Merger to suggest that recent performance and expectations were reflected in trading prices.

Over the period analysed, Kroll considers there to be no obvious reason to conclude there was any abnormal trading activity in Southern Cross Shares. The step up in trading activity in Southern Cross Shares generally corresponded with the broader market volatility, as well as investors reactions toward company-specific events including announcement of the financial results. Excluding the trading volumes immediately preceding or following these events, trading activity in Southern Cross shares has remained relatively stable.

Publicly available information on Southern Cross and the Proposed Merger

We consider that there is an informed market with sufficient information on Southern Cross since:

- as Southern Cross is publicly listed, any information that would have a material impact on its share price should have been disclosed to the market. Whilst not to the level available within the company,

[79] Free float is calculated as the total number of shares outstanding as at 31 October 2025 (239,899,149), less the total number of shares held by substantial holders (156,326,098), divided by the total number of shares outstanding. Refer to Section 8.7.1 of this report for further details on Southern Cross' substantial shareholders.

this level of public disclosure provides the market with an understanding of Southern Cross' financial performance, strategy and outlook, enabling market participants to make informed decisions regarding an investment in Southern Cross; and

- Southern Cross is covered by five brokers (noting two of these brokers are advisors to the Proposed Merger) which provides market participants with additional information including commentary, forecasts, target prices and recommendations.

Subsequent events

In addition, Kroll is not aware of any subsequent company-specific or industry-related events relating to Southern Cross that would mean the trading in Southern Cross or Seven shares over this period is no longer reflective of the relative prices at which the companies could be expected to trade in the absence of the Proposed Merger.

11.2.3 Cross-check

In order to cross-check our selected valuation range for Southern Cross Shares, we have compared the implied EBITDA multiples to share market evidence derived from listed Australian media companies.

Southern Cross valuation summary

Kroll's assessed range of values per Southern Cross Share of $0.75 to $0.90 implies the following value of the operating business of Southern Cross.

Southern Cross Valuation Summary ($ millions)

	Section Reference	Low	High
Value of Southern Cross Shares (minority basis)	11.2.2	$0.75	$0.90
Diluted number of Southern Cross Shares outstanding	8.7	239.9	239.9
Value of Southern Cross' equity (minority basis)		**179.9**	**215.9**
Net debt[1]	-	192.3	192.3
Enterprise value of Southern Cross (minority basis)		**372.7**	**408.7**
Market value of equity accounted investments	8.5	(2.8)	(2.8)
Non-operating provisions	8.5	3.6	3.6
Contingent consideration	8.5	(12.7)	(12.7)
Value of Southern Cross' operating business (minority basis)		**360.8**	**396.8**

Source: Kroll analysis; Southern Cross Management.
Note:
1. Net debt is shown as at 30 September 2025, inclusive of lease liabilities and adjusted for impact of the proposed treatment of Southern Cross' performance rights and the $9.6 million dividend paid to Southern Cross Shareholders in early October 2025.

Implied multiples for Southern Cross

The value derived from share trading implies the following multiples of earnings.

Southern Cross Implied Multiples

	Parameter ($ millions)	Implied Multiples	
		Low	High
Value of Southern Cross' operating business (minority basis)		**360.8**	**396.8**
FY25 Underlying EBITDA (actual)[1]	69.2	5.2	5.7
FY26 EBITDA (mid-point of guidance)	80.5	4.5	4.9
FY26 EBITDA (broker forecast)	79.1	4.6	5.0
FY27 EBITDA (broker forecast)	75.9	4.8	5.2

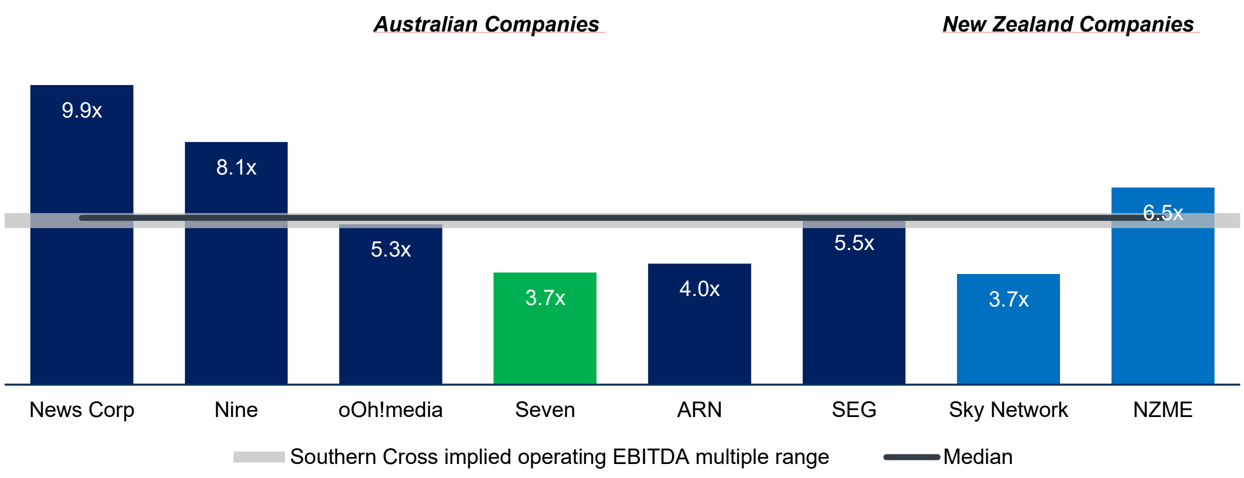
Source: Kroll analysis.
Note:
1. FY25 Underlying EBITDA of $71.1 million is shown less other income of $1.9 million which relates to net gain on disposal of assets.

Comparison of implied multiples for Southern Cross with multiples for comparable companies

The following charts set out the implied last twelve-month (**LTM**) and forward forecast year (**FY+1**) EBITDA multiples relative to comparable listed media companies. We note that the trading multiples of the listed comparable Australian and New Zealand companies reflect the value of minority portfolio interests (i.e. excluding any premium for control) and are, therefore, consistent with the valuation basis adopted for Southern Cross.

Southern Cross' implied multiple of 5.2 to 5.7 times FY25 Underlying EBITDA relative to the LTM EBITDA multiples for the comparable companies is illustrated as follows.

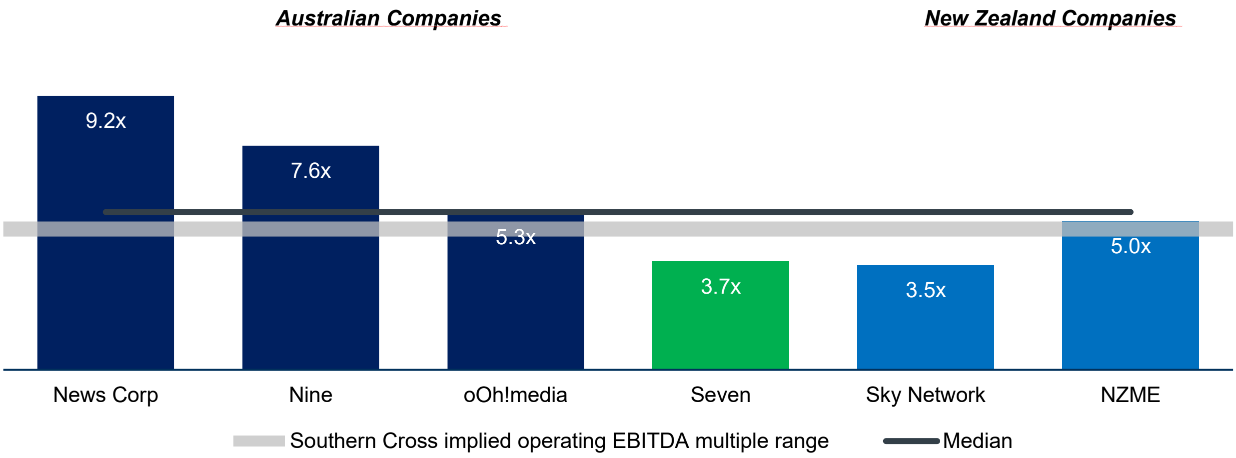
Southern Cross Implied LTM EBITDA Multiples relative to Comparable Companies



Source: S&P Capital IQ, Company filings; Kroll analysis.
Notes:
1. Median shown excludes Seven. Refer to Appendix 5 of this report.
2. Seven's LTM trading EBITDA multiple is as at 29 September 2025, while the LTM EBITDA trading multiples for the remaining Australian and New Zealand companies are as at 31 October 2025.
3. Nine has been adjusted to remove the impact of its ownership of Domain, which was sold in 2025.

Southern Cross' implied multiple of 4.5 to 4.9 times FY26 EBITDA relative to the FY+1 EBITDA multiples for the comparable companies is illustrated as follows.

Southern Cross Implied FY+1 EBITDA Multiples relative to Comparable Companies



Source: S&P Capital IQ, Company filings; Kroll analysis.
Notes:
1. Median shown excludes Seven. Refer to Appendix 5 of this report.
2. Sports Entertainment Group (**SEG**) is not covered by any brokers and therefore Kroll is unable to calculate forward multiples.
3. Seven's FY+1 trading EBITDA multiple is as at 29 September 2025, while the FY+1 EBITDA trading multiples for the remaining Australian and New Zealand companies are as at 31 October 2025.
4. Nine has been adjusted to remove the impact of its ownership of Domain, which was sold in 2025.

The implied multiples are reasonable, having regard to the following:

- the positive re-rating of Southern Cross over 2025 as a result of improved financial and operating performance in FY25, which has led to an improved outlook particularly for Southern Cross' digital audio segment;
  - brokers are guiding towards a material improvement in earnings for FY26 (broker consensus FY26 EBITDA of $79.1 million, an 11.3% increase on FY25), which is at the lower end of Southern Cross' FY26 EBITDA guidance range of $78.0 million to $83.0 million. This compares favourably with flat or negative growth forecasts for some peers, including Seven ((1.4)% CAGR). These factors have contributed to a material re-rating in Southern Cross' share price and trading multiples since August 2025; and
  - from FY26, we note that broker consensus forecasts indicate a progressive decline in Underlying EBITDA of approximately 5.0% CAGR to FY28, suggesting that FY26 may represent a near-term earnings peak with some brokers forecasting near-term earnings margin compression for Southern Cross. Accordingly, while the FY25 multiples appear elevated relative to some peers given the strong re-rate in the share price, the FY26 implied multiples appear modest due to the expected one-off uplift in forecast earnings and the expectation of earnings normalisation thereafter. This compression in the forward multiple is indicative of the peak in earnings profile, rather than evidence of undervaluation.
- relative to the broader peer set, which indicates an LTM EBITDA multiple range of 3.7 times to 9.9 times, and a FY+1 EBITDA multiple range of 3.5 times to 9.2 times, Southern Cross' implied multiples are positioned around the median. This alignment reflects a balanced assessment of its improving digital growth prospects, offset by its relatively small scale and diversification. The high end of the range is represented by companies that are typically larger and more diversified (such as News Corp (market capitalisation of $23.8 billion), Nine ($1.8 billion) and oOh!Media Limited (**oOh!Media**) ($741 million)), or by companies with a stronger growth outlook, while the low end of the range is represented by smaller and less diversified companies, or those that have a weaker growth outlook (such as Seven and ARN). Scaled businesses, such as News Corp and Nine, trade at higher multiples due to their larger revenue bases and market positions, which help to buffer structural headwinds in the traditional media markets and offset costs;

- Southern Cross holds a leading share of the metropolitan and regional radio audience, competing primarily with ARN. While both companies exhibit similar earnings margins, Southern Cross' greater network reach, stronger digital integration, and favourable audience mix supports a modest valuation premium to ARN's LTM trading multiple of 4.0 times; and
- the implied multiples are broadly consistent with that of NZME (6.5 times LTM EBITDA, 5.0 times FY+1 EBITDA), which holds a strong market position in the New Zealand radio sector, comparable to Southern Cross' position in Australia. NZME is also of comparable market scale, with a market capitalisation of $193.0 million, however, has more diversified operations across publishing and digital real estate services. NZME is forecast to grow at a 3-year EBITDA CAGR of 9.5%.

Comparison of implied multiples for Southern Cross with multiples from comparable transactions

As noted in Section 11.1 of this report, comparable transactions typically attract a premium for control, whereas Kroll has valued Southern Cross on a minority interest basis. Nevertheless, Kroll has considered comparable Australian media transactions. Given the significant structural changes that have occurred within the media industry over the last few years, however, earlier transactions are less useful. Kroll notes that the most relevant transaction for Southern Cross is the acquisition of Grant Broadcasters Pty Ltd (**Grant Broadcasters**) in 2021 by HT&E Ltd (**HT&E**). Grant Broadcasters was a regional radio broadcaster owning 53 radio stations, having comparability to Southern Cross. Adjusting for the impact of synergies on earnings (such that the multiples are effectively on a minority basis consistent with our valuation of Southern Cross, the transaction occurred at an implied historical multiple of 5.5 times (including the impact of synergies). This multiple is consistent with the multiples for Southern Cross that are implied by our primary valuation approach of 5.2 to 5.7 times historical EBITDA and, therefore, supports our valuation range for Southern Cross.

11.2.4 Comparison to broker target prices

As a further valuation cross-check, we have compared our selected valuation range for Southern Cross Shares to current broker target prices.

Since the release of FY25 results and prior to the announcement of the Proposed Merger, three brokers, who are not advisers to the Proposed Merger, provided a target price for Southern Cross. The target prices are in a relatively wide range of $0.65 to $1.08, with a median of $0.90. Kroll's selected value range of $0.75 to $0.90 per Southern Cross Share falls within the middle of the range of broker target prices, further supporting our assessed valuation.

11.3 Valuation of Seven

11.3.1 Summary

Our valuation of Seven Shares in the range of $0.13 to $0.16 is equivalent to a stand-alone value of the equity in Seven of $200.1 million to $246.3 million (minority basis). The selected value range is based on trading in Seven Shares up to the announcement of the Proposed Merger. This reflects the prices at which minority parcels of Seven Shares traded on the share market and as such, these prices do not include a control premium.

Kroll has cross-checked the assessed value of a Seven Share by comparing the historical and forecast multiples of EBITDA implied by our selected value range for shares in Seven to market evidence derived from comparable listed Australian media companies.

Kroll's assessed range of values per Seven Share is summarised in the following table:

Seven Valuation Summary ($ millions)

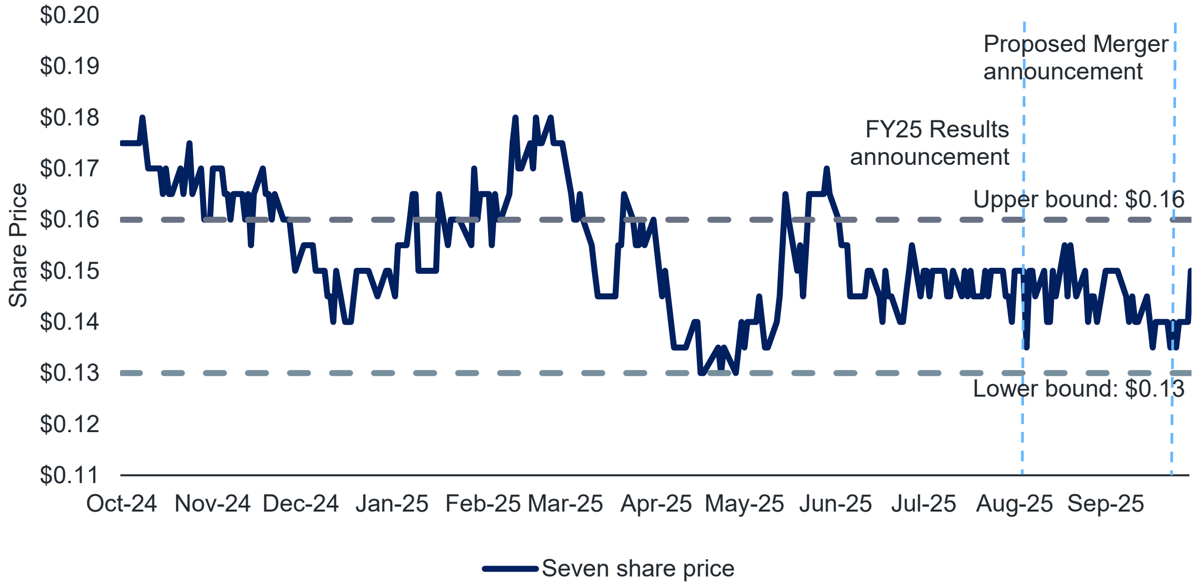
	Section Reference	Low	High
Value of Seven Shares (minority basis)	11.3.2	$0.13	$0.16
Diluted number of Seven Shares outstanding	9.7	1,539.1	1,539.1
Value of Seven's equity (minority basis)		**200.1**	**246.3**

Source: Kroll analysis.

Kroll has considered trading in Seven Shares over 2025, however with particular focus on the period from 11 August 2025 to 29 September 2025. This period of trading reflects marking pricing once investors were fully informed of Seven's FY25 results and updated FY26 outlook. In particular, trading during this period incorporated the market's most recent assessment of ongoing challenges in the FTA television segment, and advertising industry more broadly, offset by Seven's results on cost efficiencies and continued growth in digital and streaming revenues.

The following chart illustrates the range of selected values per share relative to recent trading in Seven Shares.

Seven Selected Value Range per Share between 1 October 2024 and 29 September 2025



Source: S&P Capital IQ, Kroll analysis.

Following the release of the FY25 financial results on 11 August 2025, up until the announcement of the Proposed Merger on 29 September 2025, Seven Shares traded in a relatively narrow range of $0.14 to $0.16. The selected value range for shares in Seven of $0.13 to $0.16 covers all of the trading in Seven Shares over this period.

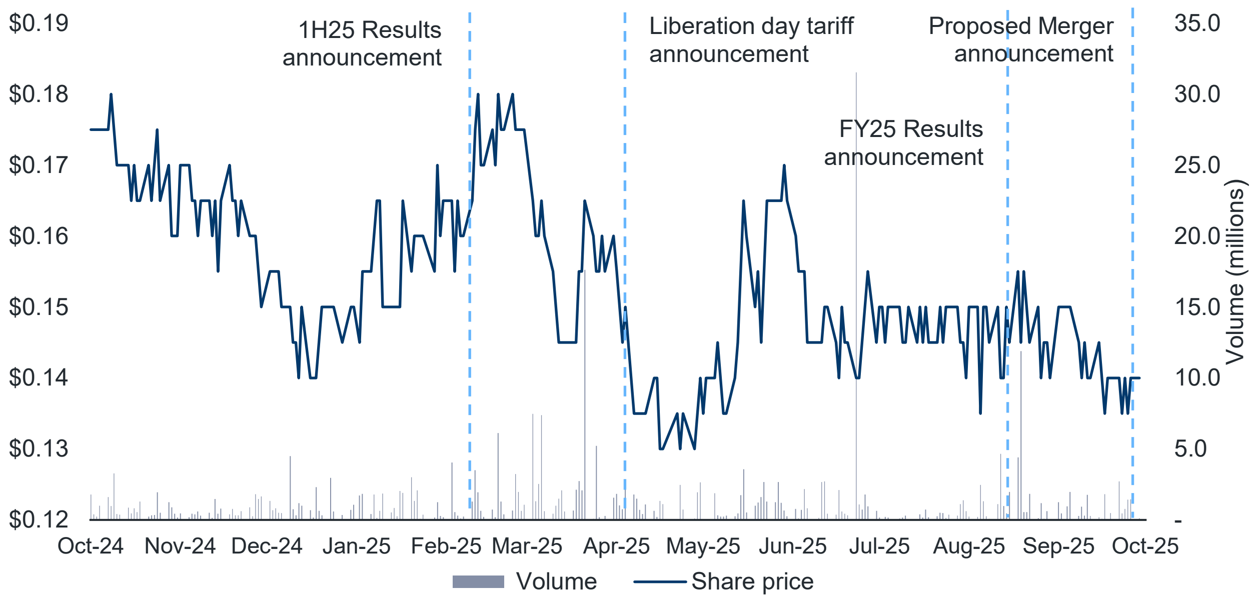
We also note that the selected value range covers the majority of trading activity in Seven Shares since March 2025, encompassing a longer period of market performance. Seven Shares traded at VWAPs of $0.14 over the 1-month, 3-month, and 6-month periods, and at a VWAP of $0.15 over the 12-month period, supporting Kroll's assessed value range. Therefore, in Kroll's opinion, the selected value range of $0.13 to $0.16 is appropriate to reflect the value of Seven Shares on a stand-alone, minority basis.

11.3.2 Share trading

Trading in Seven Shares prior to the announcement of the Proposed Merger

The trading price and volume of Seven Shares over the 12 months preceding the 30 September 2025 announcement of the Proposed Merger is illustrated in the following chart.

Trading in Seven Shares between 1 October 2024 and 29 September 2025



Source: S&P Capital IQ, Kroll analysis.

In relation to the performance of Seven Shares between 1 October 2024 and 29 September 2025, we note:

- over the period analysed, Seven's share price declined by 20.0% from $0.175 on 1 October 2024 to close at $0.14 on 29 September 2025. During this time, the share price generally traded in a downward trend. The decline primarily reflected ongoing earnings downgrades as a result of structural challenges affecting FTA TV broadcasters (refer to Sections 9.3 and 9.4 of this report) and factors specific to Seven including its high gearing levels and absence of dividends paid over the period;
- following the announcement of 1H25 results on 11 February 2025, the Seven share price increased by 6.1% to close at $0.18, despite the results showing a 25.6% decline in earnings compared to 1H24 This short-term increase indicates that the weaker results were largely anticipated by the market, and investors were encouraged by the company's commentary around cost-reduction initiatives and stablisation in advertising conditions;
- the rebound proved temporary, and by 12 March 2025 the share price had declined to $0.145 with no company-specific ASX announcements during this period, however, the movement may have been consistent with a post-results reassessment of earnings prospects following the 1H24 results that highlighted continued softness in the total TV advertising market. By April 2025 the share price decreased to $0.13, its lowest level since September 2020, amid the broader market sell off triggered by the Liberation Day tariff announcement in the US. Sentiment improved briefly in May 2025, with the share price recovering to $0.17 on 29 May 2025 alongside a broader market recovery;
- between 29 May 2025 and 6 June 2025, Seven's share price declined by 14.7% from $0.17 to $0.145. There were no company-specific ASX announcements during this period. The decline appears consistent with weaker industry data for May advertising bookings and a softening advertising outlook reported in early June, which weighed on traditional broadcast media equities.[80] According to Standard Media Index (SMI) data, total advertising bookings across Australia's advertising market declined by 7.2% in May 2025 relative to the prior year, reflecting softening demand in the FTA television segment. These factors are consistent with the broader structural and cyclical headwinds discussed in Sections 9.3 and 9.4; and

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[80] Sources: "Australian ad market faces 7.2% decline in May 2025 amid shifts in media spend", Guideline SMI/MI-3, 2 July 2025. "WPP Media Cuts 2025 global advertising revenue growth forecast to 6% on trade concerns", Reuters, 10 June 2025.

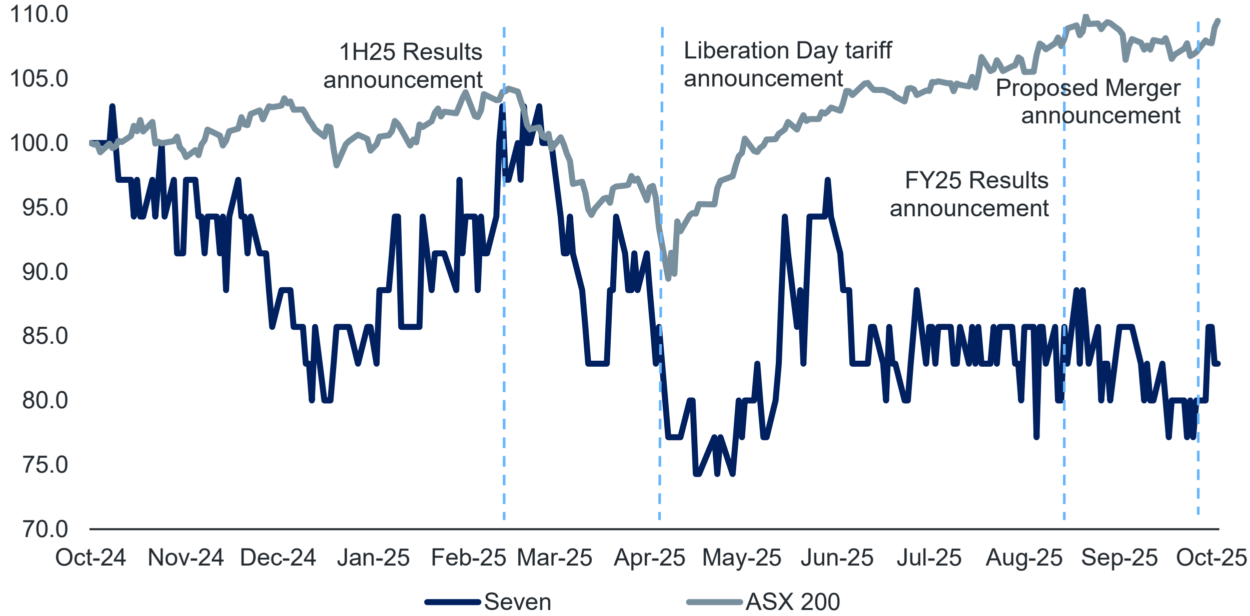
- Seven's share price remained relatively stable through June and July 2025, trading in a relatively narrow range of $0.14 to $0.16, before declining by 6.7% on 12 August 2025 to close at $0.14 following the release of the FY25 results, which reported EBITDA of $158.7 million, 15.2% lower than FY24. The weaker result and limited visibility on near-term earnings growth weighed on investor sentiment, with the share price trading in the range of $0.135 to $0.16 up to 29 September, the last trading day prior to the announcement of the Proposed Merger.

Refer to Section 9.8.1 of this report for further commentary on Seven's share price performance.

Performance of Seven Shares relative to the market prior to the announcement of the Proposed Merger

The performance of Seven Shares relative to the ASX 200 Index between 1 October 2024 and 29 September 2025 is illustrated as follows.

Performance of Seven Shares Relative to ASX 200 between 1 October 2024 and 29 September 2025



Source: S&P Capital IQ, Kroll analysis.

In relation to the performance of Seven Shares relative to the ASX 200 Index between 1 October 2024 and 29 September 2025, we note that Seven Shares have generally underperformed the ASX 200 throughout the period, reflecting both company-specific factors and broader structural headwinds facing the FTA broadcast TV industry. Over this period, Seven's share price declined by 20.0%, whereas the ASX 200 Index increased by approximately 8.0%, resulting in material relative underperformance by Seven.

The underperformance gap widened notably between November and December 2024, with continued investor caution toward traditional media equities. This was followed by a period of relative outperformance in January and February 2025, as Seven's share price recovered ahead of the release of its 1H25 results on 11 February 2025, effectively closing the performance gap.

Seven Shares' relative performance weakened again through March and April 2025, as the broader market advanced while investor sentiment toward media companies softened. This coincided with soft signals from the advertising market and possibly a reassessment of growth prospects following the 1H25 results.

During May 2025 onward, Seven's share price increased alongside the market, although it ultimately failed to maintain its recovery through June 2025. Following the release of its FY25 results in August 2025, the share price has remained range-bound.

Seven liquidity

As discussed in Section 9.8.3 of this report, notwithstanding its 43.7% free float,[81] based on the share trading in the 12 months to the announcement of the Proposed Merger, Seven Shares are liquid. There was sufficient liquidity in the market for Seven Shares prior to the announcement of the Proposed Merger to suggest that recent performance and expectations were reflected in trading prices.

Over the period analysed, Kroll considers there to be no obvious reason to conclude there was any abnormal trading activity in Seven Shares. The step up in trading activity in Seven Shares generally corresponded with the broader market volatility, as well as investors reactions toward company-specific events including announcement of the financial results. Excluding the trading volumes immediately preceding or following these events, trading activity in Seven Shares has remained relatively stable.

Publicly available information on Seven and the Proposed Merger

We consider that there is an informed market with sufficient information on Seven since:

- Seven is publicly listed and therefore any information that would have a material impact on its share price should have been disclosed to the market. Seven is also required to disclose significant events to the market as and when they occur. Whilst not to the level available within the company, this level of public disclosure provides the market with an understanding of Seven's financial performance, strategy and outlook, enabling market participants to make informed decisions regarding an investment in Seven; and
- Seven is covered by ten brokers (noting two of these brokers are advisors to the Proposed Merger) which provides market participants with additional information including commentary, forecasts, target prices and recommendations.

Subsequent events

In addition, Kroll is not aware of any subsequent company-specific or industry-related events relating to Seven that would mean the trading in Southern Cross or Seven shares over this period is no longer reflective of the relative prices at which the companies could be expected to trade in the absence of the Proposed Merger.

11.3.3 Cross-check

In order to cross-check our selected valuation range for Seven Shares, we have compared the implied EBITDA multiples to share market evidence derived from listed Australian media companies.

Seven valuation summary

Kroll's assessed range of values per Seven Share of \$0.13 to \$0.16 implies the following value of the operating business of Seven.

[81] Free float is calculated as the total number of shares outstanding as at 31 October 2025 (1,539,140,502), less the total number of shares held by substantial holders (865,977,583), divided by the total number of shares outstanding. Refer to Section 9.7.1 of this report for further details on Seven's substantial shareholders.

Implied Value of Seven's Operating Business

	Section Reference	Low	High
Value of Seven Shares (minority basis)	11.3.2	$0.13	$0.16
Diluted number of Seven Shares outstanding	9.7	1,539.1	1,539.1
Value of Seven's equity (minority basis)		**200.1**	**246.3**
Net debt[1]	-	495.9	495.9
Enterprise value of Seven (minority basis)		**696.0**	**742.2**
Market value of equity accounted investments	9.5	(16.9)	(16.9)
Other financial assets[2]	-	(86.1)	(86.1)
Provision for redundancy & restructuring	9.5	0.6	0.6
Provision for onerous contracts	9.5	12.5	12.5
Make good provisions	9.5	32.9	32.9
Value of Seven's operating business (minority basis)		**639.0**	**685.2**

Source: Kroll analysis; Seven Management.
Notes:
1. Net debt is shown as at 30 September 2025, inclusive of lease liabilities and adjusted for impact of the proposed treatment of Seven's performance rights.
2. Value shown as at 30 September 2025. Increases relative to the 30 June 2025 balance relate to increases in the value of Seven's ASX-listed financial assets.

Implied multiples for Seven

The value derived from share trading implies the following multiples of earnings.

Seven Implied Multiples

	Parameter ($ millions)	Implied Multiples	
		Low	High
Value of Seven's operating business (minority basis)		**639.0**	**685.2**
FY25 Underlying EBITDA (actual)[1]	155.1	4.1	4.4
FY26 EBITDA (guidance)[2]	161.0	4.0	4.3
FY26 EBITDA (broker forecast)[3]	157.0	4.1	4.4
FY27 EBITDA (broker forecast)[3]	153.2	4.2	4.5

Source: Kroll analysis.
Notes:
1. FY25 Underlying EBITDA is shown less other income ($2.8 million) and share of net profit from equity accounted investees ($0.8 million).
2. Kroll has adopted $161 million as FY26 guidance for Seven (refer to Section 9.4.2 of this report).
3. FY26 and FY27 broker consensus EBITDA have been lowered by $2.2 million to reflect the impact of recurring non-operating items (dividend income ($1.4 million) and share of net profit from equity accounted investees ($0.8 million)) which were included in Seven's FY25 underlying EBITDA.

Comparison of implied multiples for Seven with multiples for comparable companies

The following charts set out the implied LTM and FY+1 EBITDA multiples relative to comparable listed media companies.

Seven's implied multiple of 4.1 to 4.4 times FY25 Underlying EBITDA relative to the LTM EBITDA multiples for the comparable companies is illustrated as follows.

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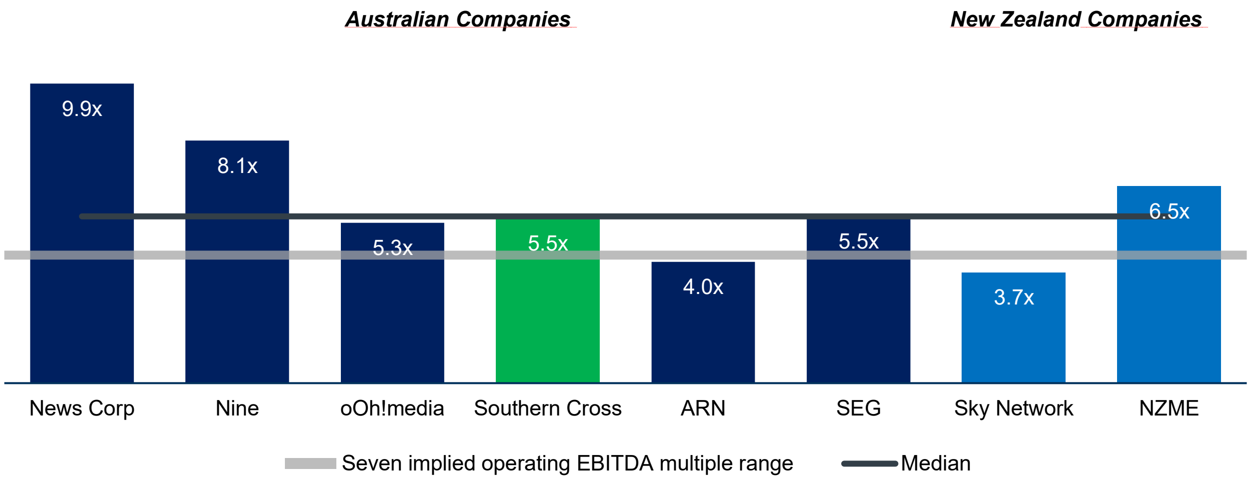
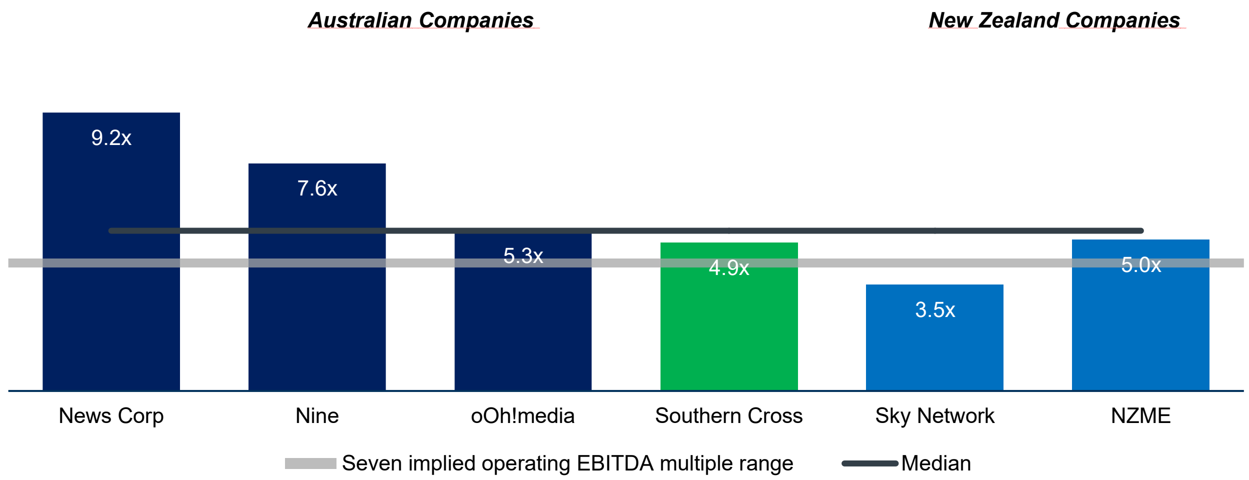
Seven Implied LTM EBITDA Multiples relative to Comparable Companies



Source: S&P Capital IQ, Company filings; Kroll analysis.
Notes:
1. Median shown excludes Southern Cross. Refer to Appendix 5 of this report.
2. Southen Cross' LTM trading EBITDA multiple is as at 29 September 2025, while the LTM EBITDA trading multiples for the remaining Australian and New Zealand companies are as at 31 October 2025.
3. Nine has been adjusted to remove the impact of its ownership of Domain, which was sold in 2025.

Seven's implied multiple of 4.0 to 4.3 times FY26 EBITDA (based on guidance) relative to the FY+1 EBITDA multiples for the comparable companies is illustrated as follows.

Seven Implied FY+1 EBITDA Multiples relative to Comparable Companies



Source: S&P Capital IQ, Company filings; Kroll analysis.
Notes:
1. Median shown excludes Southern Cross. Refer to Appendix 5 of this report.
2. SEG is not covered by any brokers and therefore Kroll is unable to calculate forward multiples.
3. Southern Cross' FY+1 trading EBITDA multiple is as at 29 September 2025, while the FY+1 EBITDA trading multiples for the remaining Australian and New Zealand companies are as at 31 October 2025.
4. Nine has been adjusted to remove the impact of its ownership of Domain, which was sold in 2025.

The implied multiples are reasonable, having regard to the following:

- relative to the peer set, which indicates a LTM EBITDA multiple range of 3.7 times to 9.9 times, and a FY+1 EBITDA multiple range of 3.5 times to 9.2 times, Seven's implied multiples on both a LTM and FY+1 basis sit toward the lower end of this range and below the medians. We consider that this is appropriate given Seven's operating and structural characteristics. As discussed in Section 11.2.3 of this report, the high end of the range is represented by companies that are typically larger and more diversified or by companies with a stronger growth outlook, while the low end of the range is represented by smaller and less diversified companies, or those that have a weaker growth outlook;

- Seven's business remains heavily weighted toward FTA broadcast television advertising, which continued to face structural audience fragmentation and soft advertising demand. While Seven has achieved cost efficiencies and is expanding its 7plus BVOD platform, the digital contribution is not yet of sufficient scale to materially offset ongoing declines in broadcast TV earnings, which is observable in forecasts of declining earnings by Seven's brokers, with broker consensus expectations for Seven's EBITDA to decline at a CAGR of 1.4% from FY25 to FY28 (refer to Appendix 5 of this report). These dynamics justify Seven trading at a discount to more diversified peers, such as Nine and oOh!Media, which derive a greater share of revenue from subscription or digital channels. Additionally, Seven's multiples are potentially depressed by its higher gearing levels, and lack of dividends paid in recent years (refer to Sections 9.4 and 9.5 of this report);
- operationally, Seven is most comparable to Nine, given both operate leading Australian broadcast networks supported by BVOD platforms (9Now and 7plus) and both have substantial print media segments. Nine is, however, substantially larger (market capitalisation of $1.8 billion), with broader diversification, significantly higher earnings growth expected (CAGR of 5.6%) and greater exposure to subscription and digital revenue streams, which underpin its materially higher trading multiples relative to Seven;
- similarly, Seven's multiples are below those of Southern Cross. Arguably, structural challenges in the broadcast radio market are less significant at present than in the broadcast TV market, which results in a stronger near-term growth outlook for Southern Cross (FY25 to FY28 EBITDA CAGR of 2.5%, compared to (1.4)% for Seven). Southern Cross' LTM and FY+1 trading multiples of 5.5 and 4.9 times are higher than Seven's implied multiples, which Kroll deems reasonable given the near-term outlook, and significantly higher earnings margins for Southern Cross (16.9% LTM EBITDA margin, compared to 11.7% for Seven).

Comparison of implied multiples for Seven with multiples from comparable transactions

Kroll notes that the most relevant transaction for Seven is the acquisition of Prime Media Group (**Prime**) in 2021 by Seven. Prime was a regional TV network owner, facing similar structural challenges to Seven at a broadly similar time. Adjusting for the impact of synergies on earnings (such that the multiples are effectively on a minority basis consistent with our valuation of Seven, the transaction occurred at an implied historical multiple of 3.3 times. This multiple sits slightly below the multiples for Seven that are implied by our primary valuation approach of 4.1 to 4.4 times historical EBITDA. Noting that Seven is a significantly larger and scaled business relative to Prime, this transaction supports our valuation range for Seven.

11.3.4 Comparison to broker target prices

As a further valuation cross-check, we have compared our selected valuation range for Seven Shares to current broker target prices.

Since the release of FY25 results, eight brokers, who are not advisers to the Proposed Merger, have provided a target price for Seven. The target prices range between $0.13 to $0.30 with a median of $0.16, noting that six of eight brokers have price targets between $0.13 and $0.17. This broker evidence supports Kroll's selected valuation range of $0.13 to $0.16.

11.4 Valuation of the Combined Group

11.4.1 Summary of value

Upon implementation of the Proposed Merger, the Scheme Consideration exchanged by Southern Cross shareholders will represent minority interests in Southern Cross shares. Accordingly, any valuation of the Combined Group shares should be undertaken on a minority interest basis.

The indicative value of a Combined Group share has been assessed using a sum-of-the-parts approach, which includes:

- the assessed value of Southern Cross' equity on a stand-alone, minority basis (refer to Section 11.2 of this report);
- the assessed value of Seven's equity on a stand-alone, minority basis (refer to Section 11.3 of this report); and
- the assessed value of identified synergies (refer to Section 11.4.2 of this report).

The indicative value of the Combined Group's equity has been divided by the expected number of diluted Combined Group Shares to arrive at an assessed value per share.

Combined Group Valuation Summary ($ millions)

	Section Reference	Low	High
Assessed value of Southern Cross' equity on a stand-alone, minority basis	11.2	179.9	215.9
Assessed value of Seven's equity on a stand-alone, minority basis	11.3	200.1	246.3
Assessed value of synergies	11.4.2	87.5	105.0
Indicative Value of the Combined Group's equity (minority basis, inclusive of synergies)		**467.5**	**567.2**
Diluted number of Combined Group Shares	10.8.1	478.8	478.8
Indicative equity value per Combined Group Share		**$0.98**	**$1.18**

Source: S&P Capital IQ, Kroll analysis.

The multiples implied by our assessed value range per Combined Group Share has been cross-checked against the trading multiples of listed media peers to ensure that the range is consistent with prevailing market evidence.

11.4.2 Synergies

The synergies announced in relation to the Proposed Merger include cost synergies of $25 to $30 million per annum (pre-tax basis, full run-rate) expected to be achieved over a 18 to 24 month period following the implementation of the Proposed Merger. The implementation costs associated with the announced synergies have not been disclosed.

Kroll is of the view that the cost synergies have been prepared on a reasonable basis. In establishing this view, Kroll has undertaken various enquiries in relation to the synergies, including holding discussions with Southern Cross management regarding the assumptions underlying the cost synergies. We have also benchmarked these synergies against comparable transactions.

In forming this judgement, Kroll notes:

- in developing the cost synergies, Southern Cross and Seven undertook a side-by-side analysis of core cost structures including overlapping functions, the geographical footprint of real estate, and duplication of corporate costs in order to determine a reasonable estimate of synergies;
- in August 2025, Southern Cross and Seven management held a joint session in which the assumptions supporting the cost synergies were discussed. In this respect, we note that the estimate of cost synergies is viewed as conservative and takes into account a reasonable degree of execution risk; and
- the estimated cost synergies are consistent with the degree of synergies that were expected to be achieved in mergers and acquisitions involving Australian media companies in the past decade. As shown in the following table, the synergies identified for the Combined Group, measured relative to the target's earnings and revenue base, fall below the ranges that were expected to be achieved in precedent comparable transactions. In addition, synergies for the Combined Group fall within the range of synergies that may be expected where measured relative to the target's enterprise value. Further detail on the comparable transactions can be found in Appendix 4 of this report.

Cost synergies

Date	Target	Target EV ($m)[1]	Synergies Disclosed ($m)[2,3]	Synergies as % of EV	Synergies as % of target EBITDA[4]	Synergies as % of target revenue	Merger
Sep 25	**Seven**	**589.4**	**27.5**	**4.7%**	**17.3%**	**2.0%**	**Yes**
Nov 21	Grant Broadcasters Pty Ltd	307.5	20.0	6.5%	56.3%	19.9%	No
Nov 21	Prime Media Group	121.9	7.5	6.2%	26.0%	4.4%	No
Aug 19	Macquarie Media Limited	272.0	10.0	3.7%	47.5%	7.6%	Yes
Jul 18	Fairfax Media Limited	2,494.3	50.0	2.0%	22.8%	3.0%	Yes
Apr 15	Fairfax Media Limited	141.0	12.5	8.9%	245.1%	12.8%	Yes
Median		**289.7**	**16.3**	**5.4%**	**36.7%**	**6.0%**	**n.a.**

Source: Capital IQ. Kroll analysis.
Notes:
1. Target EV is calculated based on the consideration for the target company as at the transaction completion except for Seven which is shown as at 29 September 2025.
2. Synergies shown are presented on a per annum basis.
3. If synergies were presented as a range, Kroll has adopted the mid-point of the stated synergy estimates.
4. Target EBITDA is shown relative to historical EBITDA for the target company.

- the cost synergies have been reviewed and approved by the Southern Cross Board; and
- the synergies announced are cost-related only. Revenue synergies, which are typically less certain than cost synergies, have been excluded from the synergy estimate.

Valuation of cost synergies

Kroll has assessed the value of the synergies to be in the range of $87.5 million to $105 million. The build-up of this assessment is summarised as follows.

Synergies value assessment

	Low	High
Cost synergies expected to be achieved per annum	**25.0**	**30.0**
EBITDA multiple selected for the cost synergies	3.5	3.5
Value of the cost synergies ($ millions)	**87.5**	**105.0**

Source: Kroll analysis.

Kroll notes that the selected EBITDA multiple applied to the cost synergies of 3.5 times sits below the trading ranges of both Southern Cross and Seven. The 3.5 EBITDA multiple selected reflects an approximate risk weighted discount of 20.9% relative to the implied FY+1 weighted average implied multiples for Southern Cross and Seven (refer to Sections 11.2.3 and 11.3.3 of this report). This risk weighting takes into account the following:

- the risk that synergies are not be fully realised. For example, McKinsey research into mergers highlighted that only 30% of mergers analysed achieved over 90% of the revenue synergies estimated.[82] Kroll notes the $25 million to $30 million synergies outlined in this Proposed Merger relate only to cost savings, not revenue benefits. However, there are risks associated with delivery of the synergies;
- the synergies are not expected to be achieved for 18 to 24 months post Implementation of the Proposed Merger and delays may result in the synergies not being achieved in the stated time frame;

[82] McKinsey. McKinsey on Finance. Number 10, 2004.

- implementation costs will be incurred to achieve the synergies; and

11.4.3 Cross-check

In order to cross-check our selected valuation range for Combined Group Shares, we have compared the implied EBITDA multiples to share market evidence derived from listed Australian media companies.

Combined Group valuation summary

Kroll's assessed range of values for the Combined Group's operating business is in the range of $1,105.1 million to $1,204.8 million.

Value of the Combined Group's Operating Business

	Section Reference	Low	High
Assessed value of the Combined Group's equity (minority basis, inclusive of synergies)		**467.5**	**567.2**
Combined Group net debt[1]	-	688.7	688.7
Transaction cost adjustment	6.3	17.8	17.8
Enterprise value of the Combined Group (minority basis, inclusive of synergies)		**1,174.0**	**1,273.7**
Southern Cross' market value of equity accounted investments	8.5	(2.8)	(2.8)
Southern Cross' non-operating provisions	8.5	3.6	3.6
Southern Cross' contingent consideration	8.5	(12.7)	(12.7)
Seven's Market value of equity accounted investments	9.5	(16.9)	(16.9)
Seven's Other financial assets[2]	-	(86.1)	(86.1)
Seven's Provision for redundancy & restructuring	9.5	0.6	0.6
Seven's Provision for onerous contracts	9.5	12.5	12.5
Seven's Make good provisions	9.5	32.9	32.9
Value of the Combined Group's operating business (minority basis, inclusive of synergies)		**1,105.1**	**1,204.8**

Source: Kroll analysis; Southern Cross Management; Seven Management.
Notes:
1. Net debt is shown as at 30 September 2025, inclusive of lease liabilities and adjusted for impact of the proposed treatment of Southern Cross' and Seven's performance rights.
2. As at September 2025.

Implied multiples for the Combined Group

The value of the Combined Group's operating business (on a minority basis, including synergies) implied the following multiples of earnings.

Combined Group Implied Multiples

	Parameter ($ millions)	Implied Multiples	
		Low	High
Value of the Combined Group's operating business (minority basis, including synergies)		**1,105.1**	**1,204.8**
FY25 pro forma EBITDA	232.6[1]	4.8	5.2
FY25 pro forma EBITDA (with synergies)	260.1[2]	4.2	4.6

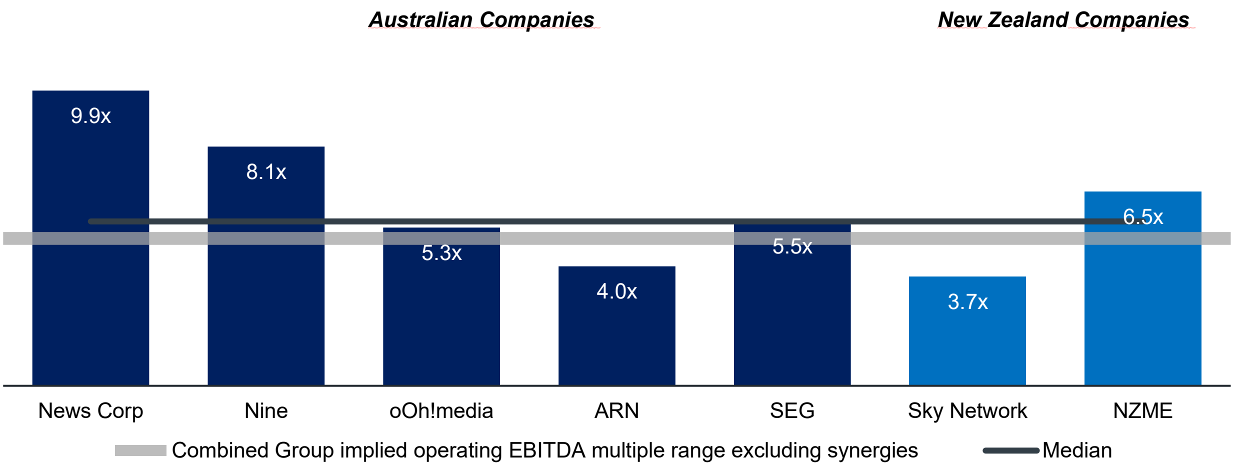
Source: Kroll analysis.
Notes:
1. Pro forma EBITDA has adjustments for Southern Cross' TV related revenues and transaction costs. Pro forma EBITDA is shown less $0.8 million relating to share of profit from equity accounted associates. Refer to Section 10.3 of this report.
2. Calculated by adding the midpoint of per annum synergies ($27.5 million) estimate to $232.6 million.

Comparison of implied multiples for the Combined Group with multiples for comparable companies

The following charts set out the implied LTM EBITDA multiples (with and without synergies) relative to comparable listed media companies. We note that the trading multiples of the listed comparable companies reflect the value of minority portfolio interests (i.e. excluding any premium for control) and are therefore consistent with the valuation basis adopted for the Combined Group.

The Combined Group's implied multiple of 4.8 to 5.2 times pro forma FY25 EBITDA (excluding synergies) relative to the LTM EBITDA multiples for the comparable companies is illustrated as follows.

Combined Group's LTM EBITDA Multiples relative to Comparable Companies



Source: S&P Capital IQ, Company filings; Kroll analysis.
Note: Nine has been adjusted to remove the impact of its ownership of Domain, which was sold in 2025.

The implied multiple for the Combined Group of 4.2 to 4.6 times LTM EBITDA is slightly below the median multiple for the comparable companies of 5.5 times and below the LTM EBITDA multiple for Southern Cross on a stand-alone basis of 5.2 to 5.7 times. This is reasonable since:

- the implied multiples for the Combined Group will reflect a blend of the multiples for Southern Cross and Seven. Kroll notes that on a stand-alone basis (as at 29 September 2025), Seven has a lower multiple (3.7 times LTM EBITDA) than Southern Cross (5.5 times LTM EBITDA) as a result of its lower earnings growth outlook (a 3 year CAGR of (1.4)%) relative to Southern Cross (a 3 year CAGR of 2.5%) (refer to Appendix 5 of this report), higher gearing and the fact it has not declared dividends in recent years. These factors result in lower multiples for the Combined Group relative to Southern Cross on a stand-alone basis; and
- the impact of the aforementioned factors is expected to be partially offset over time by the expected benefits realised from the synergies (subject to timing, costs and achievement of these synergies), and the greater scale and diversification of the Combined Group. The Combined Group is expected to have a pro forma market capitalisation of approximately $414.3 million,[83] which sits beneath Kroll's assessed value of the Combined Group's equity (inclusive of synergies) of $467.5 million to $567.2 million.

Relative to the EBITDA multiples observed for the three most comparable listed media companies (Nine, ARN, and oOh!Media), the Combined Group's implied FY25 EBITDA multiple range (including synergies) sits above ARN, but below Nine and oOh!Media. This is reasonable since the Combined Group will:

- have significantly greater scale than ARN (market capitalisation of $173.7 million), but it will remain smaller relative to Nine (market capitalisation of $1.8 billion);
- the improved earnings growth outlook for the Combined Group (inclusive of synergies) relative to Southern Cross and Seven as stand-alone entities. Inclusive of synergies, Kroll estimates that

[83] Calculated as the aggregate of the market capitalisation of Southern Cross (based on closing share price of $0.85 as at 31 October 2025 multiplied by 239,839,149 fully paid ordinary shares) and market capitalisation of Seven (closing share price of $0.138 as at 31 October 2025 multiplied by 1,539,140,502 fully paid ordinary shares).

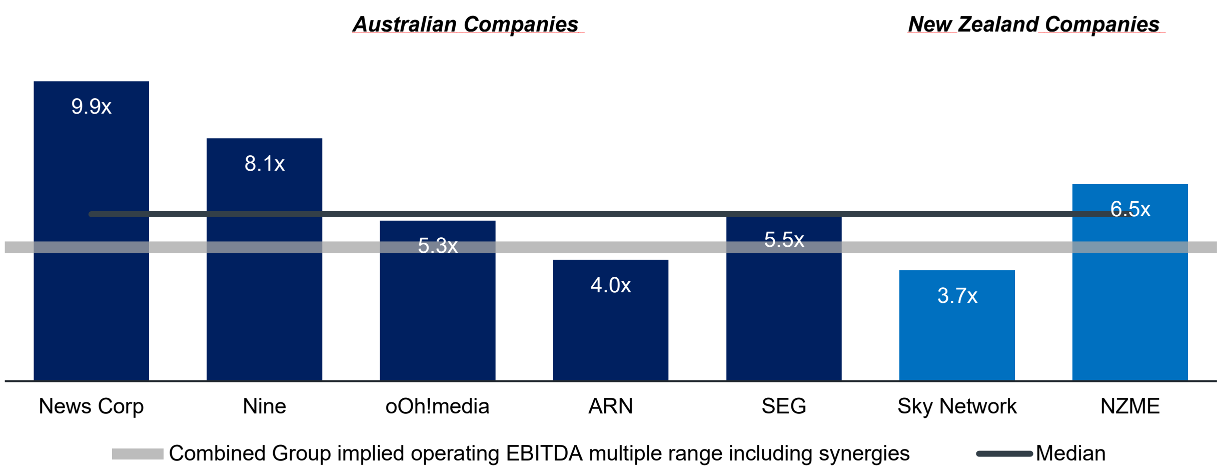
Combined Group earnings will grow at a CAGR of 3.3% from FY25 to FY28.[84] This compares to an expectation of Combined Group earnings (excluding synergies) to decline at a CAGR of 0.6% over the same period;

- despite digital momentum, the Combined Group will continue to derive a large share of earnings from FTA television and radio, both of which face challenges with regard to total advertising spend. oOh!media is exposed to the out-of-home segment, which continues to capture incremental ad dollars, which would justify a higher multiple for oOh!media;
- the Combined Group will be more diversified in its product offerings than ARN, with platform exposures across broadcast TV, radio, BVOD, print and digital audio (refer to Section 10.2 of this report for more information). As a larger, diversified business, the Combined Group will have reduced reliance on a single media platform and has the ability to benefit from a wider earnings base.

Consequently, we consider that the share market evidence derived from the media companies supports our selected valuation range for the Combined Group.

The Combined Group's implied multiple of 4.2 to 4.6 times pro forma FY25 EBITDA (including synergies) relative to the LTM EBITDA multiples for the comparable companies is illustrated as follows.

Combined Group's LTM EBITDA Multiples (inclusive of synergies) relative to Comparable Companies



Source: S&P Capital IQ, Company filing; Kroll analysis.

The implied multiples for the Combined Group (including synergies) of 4.2 to 4.6 times LTM EBITDA are materially lower than the median for the comparable companies (5.5 times) and lower than the implied multiples for the Combined Group (excluding synergies) of 4.8 to 5.2 times LTM EBITDA. This is because the multiples already take into account the realisation of the synergies and, therefore, will not reflect the benefit of the realisation of synergies over time. In addition, the value of the Combined Group reflects a risk-weighted value for the synergies, whereas pro forma EBITDA has been adjusted to include the full impact of the synergies.

Comparison of implied multiples for the Combined Group with multiples from comparable transactions

Kroll notes that the historical EBITDA multiples (including synergies) implied by the acquisitions of the radio business, Grant Broadcasters (5.5 times) and FTA TV business, Prime (3.3 times), sit either side of the multiples for the Combined Group that are implied by our primary valuation approach of 4.2 to 4.6 times historical EBITDA (including synergies). These transactions support our valuation range for the Combined Group.

[84] Calculated by adding Southern Cross and Seven broker consensus earnings, in addition to the cost synergies ($27.5 million midpoint).

Appendix 1 – Kroll disclosures

Qualifications

The individuals with overall responsibility for preparing this report on behalf of Kroll are Celeste Oakley and Ian Jedlin. Celeste holds a Bachelor of Economics, a Bachelor of Laws and a CFA designation. Ian is an Associate and Accredited Business Valuation Specialist of the Institute of Chartered Accountants Australia and New Zealand, a graduate of the Financial Services Institute of Australasia and holds a Master of Commerce from the University of New South Wales. Both Celeste and Ian have extensive experience in the provision of corporate financial advice, including specific advice on valuations, mergers and acquisitions, as well as the preparation of independent expert reports.

Disclaimers

It is not intended that this report should be used or relied upon for any purpose other than as an expression of Kroll's opinion as to whether the Scheme is in the best interests of Southern Cross Shareholders (other than Excluded Shareholders). Kroll has prepared this report for the sole benefit of Southern Cross and its directors in connection with the Proposed Merger, in order to satisfy a condition precedent under the Scheme transaction documents. This report must not be used or relied on by any other person or for any other purpose without Kroll's prior consent, except that it may be disclosed (on a no-reliance basis) to Southern Cross Shareholders. Kroll expressly disclaims any liability to Southern Cross, or any other person who relies or purports to rely on the report for any other purpose other than that stated above.

Other than this report, Kroll has had no involvement in the preparation of any document prepared in respect of the Proposed Merger. As such, Kroll takes no responsibility for the content of any documents prepared in respect of the Proposed Merger (other than this report).

Independence

Kroll considers itself to be independent in accordance with the requirements of Regulatory Guide 112. In considering independence, it is noted that Kroll does not have, and has not had within the previous two years, any business or professional relationship with Southern Cross Media Group Limited or Seven West Media Limited or any other related party, or any financial or other interest that could reasonably be regarded as capable of affecting our ability to provide an unbiased opinion in relation to the Scheme. Kroll's only role with respect to the Proposed Merger has been the preparation of this report.

Kroll will receive a fixed fee of $350,000 (excluding GST and out of pocket expenses) for the preparation of this report. This fee is not contingent on the conclusions reached or the outcome of the Scheme Meeting. Kroll will receive no other benefit for the preparation of this report.

Declarations

Southern Cross has provided an indemnity to us for any claims arising out of any misstatement or omission in any material or information provided to us in the preparation of this report.

During the course of this engagement, Kroll provided draft copies of this report to management of Southern Cross for comment as to factual accuracy, as opposed to opinions, which are the responsibility of Kroll alone. Extracts of this report pertaining only to factual matters relating to Seven were also provided to management of Seven for comments as to factual accuracy only. Changes made to this report as a result of those reviews have not altered the methodology or opinions of Kroll as stated in this report.

The engagement has been conducted in accordance with professional standard APES 225 "Valuation Services" issued by the Accounting Professional & Ethical Standards Board (**APESB**).

Kroll is authorised by Millinium Capital Managers Limited, Australian Financial Services Licence no. 284336, to provide the following financial services as their Corporate Authorised Representative:

- provide financial product advice in respect of the following classes of financial products:
- interests in managed investment schemes including investor directed portfolio services; and
- securities;

with respect to retail clients and wholesale clients.

Consents

Kroll consents to the inclusion of this report in the form and context in which it is to be issued to Southern Cross Shareholders. Neither the whole nor any part of this report or its attachments or any reference thereto may be included or attached to any other document without the prior written consent of Kroll as to the form and context in which it appears.

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Appendix 2 – Limitations and reliance on information

Limitations and reliance on information

Kroll's opinion is based on prevailing economic, market, business and other conditions at the date of this report. However, the factors impacting these conditions continue to evolve and can change over relatively short periods of time. The impact of any subsequent changes in these conditions on the global economy and financial markets generally, and the assets being valued specifically, could impact upon value in the future, either positively or negatively. We note that we have not undertaken to update our report for events or circumstances arising after the date of this report other than those of a material nature which would impact upon our opinion.

Our report is also based on financial and other information provided by Southern Cross and its advisers and Seven. Southern Cross has been responsible for ensuring that information provided by it and its representatives is not false or misleading or incomplete. Southern Cross has represented in writing to Kroll that to its knowledge, the information provided is complete and not incorrect or misleading in any material respect. Complete information is deemed to be information which at the time of completing this report should have been made available to Kroll and would have reasonably been expected to have been made available to Kroll to enable us to form our opinion. We have no reason to believe that any material facts have been withheld from us.

In forming our opinion, we have relied upon the truth, accuracy and completeness of any information provided or made available to us without independently verifying such information. Nothing in this report should be taken to imply that Kroll has in any way carried out an audit of the books of account or other records of Southern Cross or Seven for this report. It is understood that the accounting information that was provided was prepared in accordance with generally accepted accounting principles including the Australian equivalents to International Financial Reporting Standards, as applicable.

In addition, we have also had discussions with the respective management of Southern Cross and Seven in relation to the nature of their business operations, specific risks and opportunities, historical results and prospects for the foreseeable future in relation to each of Southern Cross and Seven. This type of information has been evaluated through analysis, inquiry and review to the extent considered necessary or practical as part of the information used in forming our opinion and is comprised of the opinions and judgements of management. Kroll does not warrant that its procedures and inquiries have identified all matters that a more extensive analysis might disclose as they did not include verification work nor an audit or review engagement in accordance with standards issued by the Auditing and Assurance Standards Board or equivalent body.

An important part of the information used in forming an opinion of the kind expressed in this report is comprised of the opinions and judgement of management. This type of information was also evaluated through analysis, inquiry and review to the extent practical. Such information is often not capable of external verification or validation.

The statements and opinions included in this report are given in good faith and in the belief that such statements and opinions are not false or misleading.

Disclosure of information

In preparing this report, Kroll has had access to all financial information considered necessary in order to provide the required opinion. Southern Cross and Seven have requested Kroll limit the disclosure of certain information relating to each of Southern Cross and Seven. This request has been made on the basis of the commercially sensitive and confidential nature of the operational and financial information of the operating entities comprising Southern Cross and Seven. As such the information in this report, unless otherwise indicated, has been limited to the type of information that is regularly placed into the public domain by Southern Cross and Seven.

Sources of information

In preparing this report we have been provided with and considered the following sources of information:

Publicly available information

- Seven Scheme Booklet;
- results presentations and annual reports for Southern Cross and Seven for FY23, FY24 and FY25;
- ASX announcements, press releases, media and analyst presentations and other public filings by Southern Cross and Seven including information available on its website;
- broker reports and press articles regarding Southern Cross, Seven and the media industry;
- results presentations, annual reports, press releases and other public filings relating to comparable companies and comparable transactions;
- various industry reports; and
- information sourced from Refinitiv, Iress and S&P Capital IQ.

Non-public information

- Southern Cross Board papers and other internal briefing papers prepared by Southern Cross and its advisors; and
- other confidential documents, presentations and workpapers.

In addition, we have had discussions with, and obtained information from, senior management of both Southern Cross and Seven in relation to factual information.

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Appendix 3 – Valuation methodologies

The purpose of the valuation methodology adopted is, in the absence of direct market evidence, to provide an estimate of value using methodologies that rely on other sources of evidence. Consistent with International Valuation Standards, valuation methodologies applicable to assets or businesses can be categorised under three approaches: market approach, income approach and cost approach.

These approaches have application in different circumstances. The decision as to which approach to adopt will depend on various factors including the availability and quality of information, the maturity of the business and the actual practice adopted by purchasers of the type of asset or business involved.

Market approach

The market approach is based on comparing the asset or business to identical or comparable assets or businesses for which there is available price information. It is commonly adopted where:

- the asset or business or similar assets or businesses are actively publicly traded (**market comparable methodology**);
- there are frequent and/or observable transactions in comparable assets or businesses (**comparable transactions methodology**); and
- there is substantial operating history and a consistent earnings trend.

The market comparable methodology indicates the value of a business by comparing it to publicly traded companies in similar lines of business. An analysis of the trading multiples of comparable companies yields insight into investor perceptions and, therefore, the value of the subject company. The multiples are evaluated and compared based on the relative growth potential and risk profile of the subject company vis-a-vis the publicly traded comparable companies. The multiples derived for comparable quoted companies are generally based on security prices reflective of the trades of small parcels of securities. As such, multiples are generally reflective of the prices at which portfolio interests change hands.

The comparable transaction methodology indicates value based on exchange prices in actual transactions. This process essentially involves the comparison and correlation of the subject company with other similar businesses recently sold or currently offered for sale. Considerations such as timeframe of transaction, premiums, and conditions of sale are analysed, and the observed transaction multiples are subjectively adjusted to indicate a value for the subject company.

A key step in both methods is determining the appropriate unit of comparison. In a business valuation common units of comparison include, revenue, EBITDA, EBIT, net profit after tax and book values. The choice will typically depend on the industry and characteristics of the subject asset.

Rule-of-thumb valuation benchmarks are sometimes considered to be an application of the market approach. They generally should not be given substantial weight unless market participants place particular reliance on them.

Income approach

Under an income approach the value of an asset is determined by converting future cash flows to a current value. It is commonly adopted when:

- the income producing ability is the critical element affecting value from a market participant perspective;
- future cash flows can be estimated on a reasonable basis; and
- there is not a substantial operating history or there is a variable pattern of cash flow, or the asset has a finite life.

The most common methodology adopted is the discounted cash flow (**DCF**) methodology. It has a strong theoretical basis and benefits by explicitly estimating future cash flows, allowing it to be used in a variety of circumstances, whether that be a start-up or an established business. It also allows for various scenarios and/or sensitivities to be modelled. Under a DCF methodology, forecast cash flows are discounted back to the valuation date resulting in a present value for the asset. Where there is an explicit forecast period a terminal value will typically be included, representing the value of the asset at the end of this period, which is also discounted back to the valuation date to give an overall value for the business. The rate at which the future cash flows are discounted (the discount rate) should reflect not only the time value of money, but also the risk associated with the asset or business' future operations. Whilst discount rates are generally determined from observable data, substantial judgement is required in their determination. Further, the cash flows themselves also require considerable judgement in their preparation, placing significant importance on the quality of the underlying cash flow forecasts and the determination of an appropriate discount rate in order for a DCF methodology to produce a sensible valuation figure.

DCF's can also be extremely sensitive to what may be considered small changes in various assumptions and the longer the forecast period the more difficult it is in general to forecast cash flows with sufficient reliability. As such, it is important to adequately understand the basis and risks associated with the various assumptions used to derive the cash flow forecasts and recognise the impact it can have on resulting values including the value range. Notwithstanding, DCF methodologies are widely used and benefit from the rigour associated with the preparation of future cash flows.

Cost approach

Under a cost approach the value of an asset is determined having regard to the cost to replace or reproduce the asset. The most common methodologies include:

- the replacement cost;
- the reproduction cost method; and
- the summation method.

A cost based approach is most appropriate for businesses where the value lies in the underlying assets and not the ongoing operations of the business (e.g. real estate holding companies).

A premium is added, if appropriate, to the marked-to-market net asset value, reflecting the profitability, market position and the overall attractiveness of the business. The net asset value, including any premium, can be matched to the 'book' net asset value, to give a price to net assets, which can then be compared to that of similar transactions or quoted companies.

A net asset approach is also useful as a cross-check to assess the relative riskiness of the business (e.g. through measures such as levels of tangible asset backing).

Appendix 4 – Broker Consensus

Southern Cross

A summary of the most recent broker forecasts for Southern Cross following the announcement of its FY25 results on 25 August 2025 is provided as follows.

Southern Cross Broker Forecast Revenue ($ millions), Underlying EBITDA ($ millions), EBIT ($ millions), Profit After Tax for continuing operations ($ millions), Normalised EPS (cps) and DPS (cps)

	Date of report	Revenue				Underlying EBITDA				EBIT			
		FY25	FY26	FY27	FY28	FY25	FY26	FY27	FY28	FY25	FY26	FY27	FY28
Broker 1	1-Oct-25	421.9	438.1	454.1	472.4	71.1	79.2	83.4	88.7	41.1	51.2	56.0	61.8
Broker 2	30-Sep-25	421.9	436.6	444.8	452.9	71.1	79.1	75.9	69.8	41.1	49.8	46.3	39.9
Broker 3	27-Aug-25	421.9	434.7	432.3	429.6	71.1	77.8	74.2	70.9	41.1	47.8	43.7	40.4
Low		**421.9**	**434.7**	**432.3**	**429.6**	**71.1**	**77.8**	**74.2**	**69.8**	**41.1**	**47.8**	**43.7**	**39.9**
High		**421.9**	**438.1**	**454.1**	**472.4**	**71.1**	**79.2**	**83.4**	**88.7**	**41.1**	**51.2**	**56.0**	**61.8**
Median		**421.9**	**436.6**	**444.8**	**452.9**	**71.1**	**79.1**	**75.9**	**70.9**	**41.1**	**49.8**	**46.3**	**40.4**
Mean		**421.9**	**436.5**	**443.7**	**451.6**	**71.1**	**78.7**	**77.8**	**76.5**	**41.1**	**49.6**	**48.7**	**47.4**

	Date of report	Profit After Tax for continuing operations				Normalised EPS (cps)				DPS (cps)			
		FY25	FY26	FY27	FY28	FY25	FY26	FY27	FY28	FY25	FY26	FY27	FY28
Broker 1	1-Oct-25	6.4	23.6	28.5	33.8	6.3	9.8	11.9	14.1	4.0	8.0	7.0	5.9
Broker 2	30-Sep-25	6.4	25.3	23.7	18.5	6.3	11.0	10.0	8.0	4.0	8.0	8.0	6.0
Broker 3	27-Aug-25	6.4	22.6	21.3	20.4	6.3	9.3	8.7	8.4	4.0	7.4	7.0	6.7
Low		**6.4**	**22.6**	**21.3**	**18.5**	**6.3**	**9.3**	**8.7**	**8.0**	**4.0**	**7.4**	**7.0**	**5.9**
High		**6.4**	**25.3**	**28.5**	**33.8**	**6.3**	**11.0**	**11.9**	**14.1**	**4.0**	**8.0**	**8.0**	**6.7**
Median		**6.4**	**23.6**	**23.7**	**20.4**	**6.3**	**9.8**	**10.0**	**8.4**	**4.0**	**8.0**	**7.0**	**6.0**
Mean		**6.4**	**23.8**	**24.5**	**24.2**	**6.3**	**10.0**	**10.2**	**10.2**	**4.0**	**7.8**	**7.3**	**6.2**

Source: Broker reports; Kroll Analysis.

Seven

A summary of the most recent broker forecasts for Seven West following the announcement of its FY25 results on 12 August 2025 is provided as follows.

Seven Broker Forecast Revenue ($ millions), EBITDA ($ millions), EBIT ($ millions), Underlying NPAT excluding significant items ($ millions) and Normalised EPS (cps)

	Date of report	Revenue				EBITDA				EBIT			
		FY25	FY26	FY27	FY28	FY25	FY26	FY27	FY28	FY25	FY26	FY27	FY28
Broker 1	30-Sep-25	1,354.2	1,403.0	1,409.0	1,417.0	158.7	161.7	157.6	154.6	116.2	121.4	117.4	115.4
Broker 2	30-Sep-25	1,354.2	1,396.0	1,395.0	1,387.0	158.7	160.0	169.0	181.0	116.2	120.0	128.0	140.0
Broker 3	22-Aug-25	1,354.2	1,286.6	1,228.5	1,180.5	158.7	150.3	145.0	131.5	116.2	110.3	104.6	91.5
Broker 4	12-Aug-25	1,354.2	1,410.9	1,379.0	1,376.2	158.7	170.4	155.7	157.7	116.2	127.2	111.8	113.1
Broker 5	12-Aug-25	1,354.2	1,404.0	1,421.0	1,423.0	158.7	163.0	161.0	155.0	116.2	121.0	122.0	117.0
Broker 6	12-Aug-25	1,354.2	1,392.6	1,389.9	1,387.9	158.7	155.7	150.7	146.2	116.2	115.3	110.3	105.8
Broker 7	12-Aug-25	1,354.2	1,388.7	1,416.4	1,423.3	158.7	151.0	155.1	137.8	116.2	109.2	113.7	97.5
Broker 8	12-Aug-25	1,354.2	1,362.7	1,343.0		158.7	158.3	147.7		116.2			
Low		**1,354.2**	**1,286.6**	**1,228.5**	**1,180.5**	**158.7**	**150.3**	**145.0**	**131.5**	**116.2**	**109.2**	**104.6**	**91.5**
High		**1,354.2**	**1,410.9**	**1,421.0**	**1,423.3**	**158.7**	**170.4**	**169.0**	**181.0**	**116.2**	**127.2**	**128.0**	**140.0**
Median		**1,354.2**	**1,394.3**	**1,392.5**	**1,387.9**	**158.7**	**159.2**	**155.4**	**154.6**	**116.2**	**120.0**	**113.7**	**113.1**
Mean		**1,354.2**	**1,380.6**	**1,372.7**	**1,370.7**	**158.7**	**158.8**	**155.2**	**152.0**	**116.2**	**117.8**	**115.4**	**111.5**

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	Date of report	Underlying NPAT excluding significant items				Normalised EPS (cps)			
		FY25	FY26	FY27	FY28	FY25	FY26	FY27	FY28
Broker 1	30-Sep-25	57.0	58.8	58.3	59.5	3.7	3.8	3.8	3.8
Broker 2	30-Sep-25	57.0	59.0	66.0	76.0	3.7	4.0	4.0	5.0
Broker 3	22-Aug-25	57.0	56.6	55.1	53.6	3.7	3.6	3.5	3.7
Broker 4	12-Aug-25	57.0	57.6	52.1	61.0	3.7	3.7	3.4	4.0
Broker 5	12-Aug-25	57.0	56.0	61.0	62.0	3.7	3.6	4.0	4.0
Broker 6	12-Aug-25	57.0	57.3	55.7	54.1	3.7	3.7	3.6	3.6
Broker 7	12-Aug-25	57.0	48.7	50.8	40.6	3.7	3.2	3.3	2.6
Broker 8	12-Aug-25	57.0				3.7	4.0	3.0	
Low		**57.0**	**48.7**	**50.8**	**40.6**	**3.7**	**3.2**	**3.0**	**2.6**
High		**57.0**	**59.0**	**66.0**	**76.0**	**3.7**	**4.0**	**4.0**	**5.0**
Median		**57.0**	**57.3**	**55.7**	**59.5**	**3.7**	**3.7**	**3.6**	**3.8**
Mean		**57.0**	**56.3**	**57.0**	**58.1**	**3.7**	**3.7**	**3.6**	**3.8**

Source: Broker reports; Kroll Analysis.

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Appendix 5 – Market Evidence

Comparable companies

The following table sets out trading multiples, as at 31 October 2025, for companies that are broadly comparable to Southern Cross and Seven.

Comparable Broadcasting and Media Companies

Company name[1]	Country	Market Capitalisation ($ million)	Enterprise value ($ million)[2]	EBITDA Margin	EBITDA multiple			3-year EBITDA CAGR
				LTM[3]	LTM[3]	FY+1[3]	FY+2[3]	FY to FY+3
Southern Cross[4]	**Australia**	**201.5**	**390.2**	**16.9%**	**5.5**	**4.9**	**4.9**	**2.5%**
Seven[4]	**Australia**	**215.3**	**589.4**	**11.7%**	**3.7**	**3.7**	**3.8**	**(1.4%)**
Australian Companies								
News Corp	Australia	23,849.5	24,057.5	18.7%	9.9	9.2	8.4	5.1%
Nine[5]	Australia	1,837.3	2,747.3	15.0%	8.1	7.6	7.2	5.6%
oOh!Media	Australia	740.8	1,676.5	46.0%	5.3	5.3	7.5	(5.6%)
ARN[6]	Australia	173.7	318.0	22.2%	4.0	n.a.	n.a.	n.a.
SEG[7]	Australia	78.6	77.1	12.6%	5.5	n.a.	n.a.	n.a.
New Zealand Companies								
Sky Network[8]	New Zealand	494.3	535.9	19.1%	3.7	3.5	3.3	5.2%
NZME[8]	New Zealand	193.0	278.5	17.5%	6.5	5.0	5.0	9.5%
Median[9]				**18.7%**	**5.5**	**5.3**	**7.2**	**5.2%**
Mean[9]				**21.6%**	**6.2**	**6.1**	**6.3**	**4.0%**

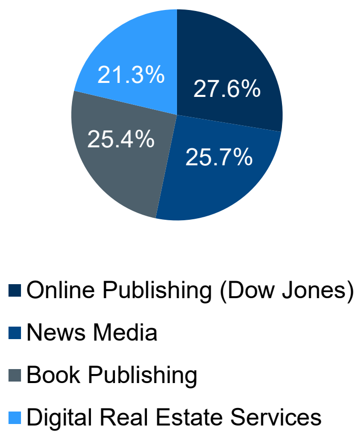
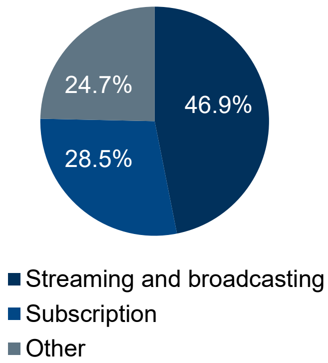
Source: Company reports, Capital IQ; Kroll analysis.
Notes:
1. For all comparable companies, the LTM data is presented relative to 30 June 2025. News Corp, ARN and NZME reports a financial year ending 31 December. Therefore there FY+1 and FY+2 multiples are year-ending 31 December 2025 and 31 December 2026, respectively.
2. Enterprise value is determined by adjusting for equity accounted investments, financial assets, and other investments to reflect the value of the operating business.
3. Data presented is on post AASB-16 basis.
4. Market data presented for Southern Cross and Seven is as at 29 September 2025, date prior to the public announcement of the Proposed Merger. EBITDA CAGR's for Southern Cross and Seven have been calculated relative to their average broker consensus EBITDA estimates (refer to Appendix 4 of this report)
5. Nine's Enterprise value and EBITDA multiples exclude the associated debt and EBITDA, respectively, of Domain Holdings, following its sale in August 2025.
6. ARN's FY+1 and FY+2 multiples are distorted by the pending sale of ARN's Cody Outdoor division and have therefore been removed.
7. SEG has no broker coverage, and therefore, no forward multiples.

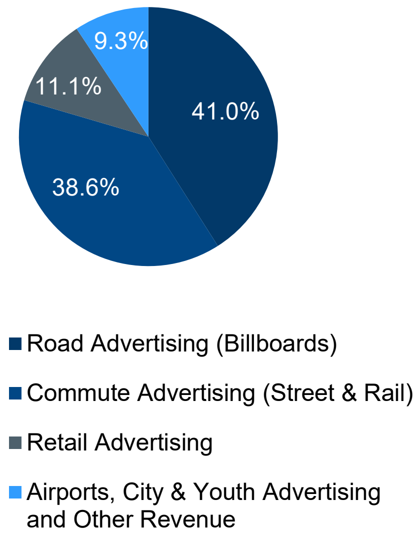
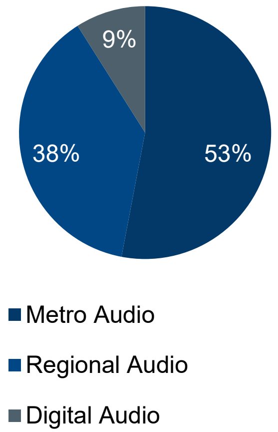
8. Both NZME Limited and Sky Network TV Limited are dual listed on the NZSE and ASX, and News Corp is dual listed on the ASX and NASDAQ.
9. The median and mean calculation excludes data for Southern Cross and Seven.

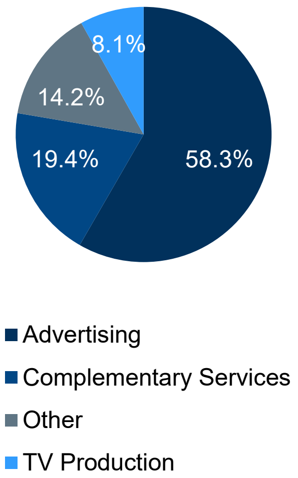
Summary of market evidence

The following table presents the business description for the selected comparable companies along with business description, revenue split and key brands / platforms.

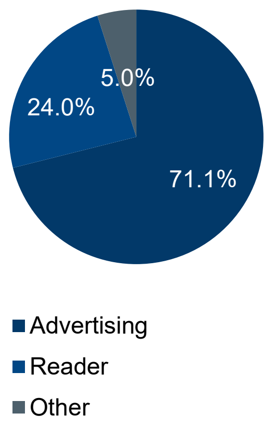
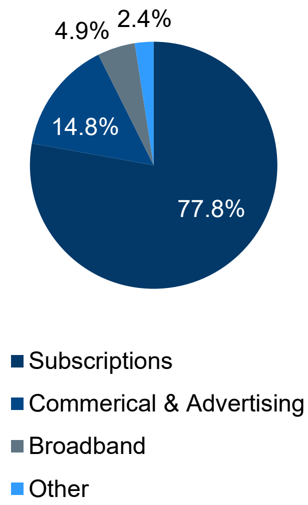
Australian Companies

Company	Business Desciption	Revenue Split[1]	Key Brands / Platforms
News Corp	News Corp is a global media and information services company headquartered in New York, operating primarily in the US, Australia, and the UK. It engages in news and information publishing, digital real estate services, book publishing, and professional information solutions, with operations organised into segments: Dow Jones, News Media, Book Publishing, Digital Real Estate Services, and Other. In FY25, the company reported total revenue of USD$8.5 billion.		The Wall Street Journal (news publication), The Times (news publication), The Australian (news publication), HarperCollins (book publisher), REA Group (real estate).
Nine	Nine is an Australian media company operating across TV broadcasting, video-on-demand streaming, radio, and publishing. The company produces and distributes content through FTA TV networks, subscription streaming services, and digital platforms. It also manages print and digital news publications and provides advertising solutions across multiple media formats. In FY25, Nine reported total revenue of $2.7 billion.		Nine Network (TV broadcaster), 9Now (BVOD), Stan (SVOD), The Sydney Morning Herald (news publication), The Age (news publication).

<table>
<tr><th>Company</th><th>Business Desciption</th><th>Revenue Split[1]</th><th>Key Brands / Platforms</th></tr>
<tr><td>oOh!media</td><td>oOh!media is an OOH advertising company operating across Australia and New Zealand, managing a network of over 35,000 digital and static asset locations including roadsides, retail centres, airports, train stations, and street furniture. In CY24, oOh!media reported revenue of $635.6 million.</td><td>
</td><td>Roadside Billboards (outside advertising), Retail (in-store media), Airport (travel advertising), Transit (transport advertising), Junkee Media (youth publisher)</td></tr>
<tr><td>ARN</td><td>ARN operates 58 radio stations, 46 DAB+ stations, and a national digital audio network. The company provides broadcast radio, digital audio, and podcast services. It also owns an outdoor advertising business in Hong Kong, contributing to its diversified media operations. In FY25, ARN reported group revenue of $365.6 million.</td><td>
</td><td>KIIS (contemporary radio network), GOLD (classic radio network), CADA (radio station & digital radio), iHeartRadio (streaming platform)</td></tr>
</table>

Company	Business Desciption	Revenue Split[1]	Key Brands / Platforms
SEG	SEG is an Australian company engaged in sports media and entertainment, operating across radio broadcasting, TV production, digital platforms, and live events. The company's activities are organised into segments including Media Australia, Complementary Services, and Sports Teams. In FY25, the company reported revenue of $110.2 million.		SEN (Sports radio network), SEN App (digital streaming platform)

New Zealand Companies

Company	Business Desciption	Revenue Split	Key Brands / Platforms
NZME	NZME is an integrated media company based in New Zealand, operating across audio broadcasting, publishing, and digital real estate services. Its activities include terrestrial and digital radio, print and online news, and property marketplace operations. In CY24, NZME reported revenue of NZD$345.9 million.		New Zealand Herald (news publication), BusinessDesk (business news), OneRoof (property platform), iHeartRadio (audio streaming).
Sky Network	Sky Network is a New Zealand-based media company providing pay television, FTA broadcasting, streaming services, and broadband. Its operations include satellite TV, on-demand streaming platforms, and advertising solutions. In FY25, the company reported revenue of NZD$750.7 million.		Sky TV (pay TV), Neon (SVOD), Sky Sport Now (Sports SVOD), Prime (free TV).

Source: S&P Capital IQ, Company filling; Kroll analysis.
Note: The revenue breakdown shown in the above tables may differ from figures in the company's annual report, as it reflects adjustments made by Kroll.

Comparable transactions

The following table sets out key comparable media transactions.

Comparable Media Transactions

Announcement Date	Target	Acquirer	Percentage Acquired	Enterprise Value (100%) (A$ million)	EBITDA Multiples				Synergies as % of Enterprise Value	Synergies as % of EBITDA (Historical)
					Unadjusted		Including Synergies			
					Historical	Forecast	Historical	Forecast		
Comparable transactions in Australia										
12 Nov 21	Grant Broadcasters	HT&E	100%	307.5	8.7	n.a.	5.5	n.a.	6.5%	56.3%
1 Nov 21	Prime	Seven	100%	121.9	4.2	4.4	3.3	3.4	6.2%	26.0%
12 Aug 19	Macquarie Media Limited	Nine	45.6%[1]	272.0	12.9	n.a.	8.8	n.a.	3.7%	n.a.
26 Jul 18	Fairfax Media	Nine	100%	2,494.3	11.4	8.6	7.7	7.3	2.0%	18.2%
29 Mar 17	Northern NSW TV	WIN Corporation	100%	55.0	5.5	n.a.	n.a.	n.a.	n.a.	n.a.
1 Apr 15	Fairfax Radio Network	Macquarie Radio Network	54.5%	141.0	27.7	15.8	8.0	6.6	8.9%	245.1%
30 Jan 15	Radio 96FM	ARN	100%	78.0	8.9	n.a.	n.a.	n.a.	n.a.	n.a.

Source: S&P Capital IQ, Mergermarket; Company filling, Other Independent Expert Reports; Kroll analysis.
Note 1: The acquirer held a 54.4% equity interest in the target company prior to the transaction.

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Grant Broadcasters / HT&E

On 12 November 2021, ARN, a wholly owned subsidiary of HT&E, entered into an agreement to acquire Grant Broadcasters for an implied enterprise value of $307.5 million. Grant Broadcasters operate as a regional radio broadcaster in Australia owning 53 radio stations and under the terms of the transaction, ARN acquired the radio and digital operations owned by Grant Broadcasters. The acquisition was expected to generate material revenue synergies in excess of $20 million per annum within three years. The transaction occurred at an implied historical EBITDA of 8.7 times.

Prime */ Seven*

On 1 November 2021, Seven entered into an agreement to acquire Prime at an implied enterprise value of approximately $121.9 million, which represented a 57% premium to Prime's pre-announcement share price. Prime was an Australian based media company that owned regional television networks in Eastern and Western Australia. The acquisition aimed to create a wholly owned premium broadcast, video, and news network across Australia, delivering annual cost synergies of $5.0 million to $10.0 million, expected to be fully realised within 12 to 18 months after acquisition completion. The transaction implied a historical EBITDA multiple of 4.2 times.

Macquarie Media Limited / Nine

On 12 August 2019, Nine announced its acquisition of Macquarie Media Limited, with the implied enterprise value of approximately $275.4 million. Nine, which already held a 54.5% stake inherited through its merger with Fairfax Media, acquired the remaining 45.5% for $113.9 million at $1.46 per share. Macquarie Media Limited is a commercial talk radio network, operating metropolitan stations including 2GB in Sydney, 3AW in Melbourne, 4BC in Brisbane, and 6PR in Perth. The company also managed Macquarie Sports Radio and provided syndicated content through Macquarie Media Syndication and Satellite Music Australia to regional affiliates. The acquisition aimed to deliver scale across television, digital, publishing, and radio, with expected cost synergies of approximately than $10 million annually. The transaction implied historical EBITDA of 12.9 times.

*Fairfax Media Limited (**Fairfax**) / Nine*

On 26 July 2018, Nine announced its merger with Fairfax via a SID, in a transaction valued at approximately $2.5 billion. Fairfax was one of Australia and New Zealand's largest media companies, with operations spanning newspapers, digital platforms, radio, and real estate services. At the time of the merger, Fairfax had over 5,000 staff and generated annual revenue of approximately $1.7 billion AUD. The deal created Australia's largest integrated media company, combining Nine's FTA television network, digital platforms (9Now, Stan), and advertising assets with Fairfax's leading mastheads (The Sydney Morning Herald, The Age, AFR), Domain real estate platform, and Macquarie Media radio interests. The merger aimed to deliver greater scale, and annual cost synergies were estimated at over $50 million. The transaction implied a historical EBITDA of 11.4 times and forecasted EBITDA of 8.6 times.

Northern NSW TV / WIN Corporation

WIN Corporation on 29 March 2017 agreed to acquire Australian-based Northern NSW TV for a consideration of $55 million from Southern Cross. Under the terms of the transaction, $45 million was paid on completion, whilst the remaining $10 million was paid on the first anniversary of the completion. The Northern NSW TV comprised the regional broadcast license and associated infrastructure serving the Northern New South Wales market, which includes major population centers such as Newcastle, Tamworth, Taree, the Northern Rivers, and the Gold Coast. The transaction occurred at an implied historical EBITDA of 5.5 times.

Fairfax Radio Network Pty / Macquarie Radio Network Limited

On 1 April 2015, Macquarie Radio Network Limited acquired a controlling 54.5% stake in Fairfax Radio Network Pty Limited from Fairfax Media Limited, with the transaction implying an enterprise value of $141.0 million. At the time of the acquisition, Fairfax Radio Network operated seven metropolitan stations, including leading talk stations 2UE, 3AW, 4BC, and 6PR, as well as music stations Magic 1278 and Magic 882, and 96FM in Perth, alongside digital and DAB+ services. The acquisition was expected to deliver benefits ranging between $10 million to $15 million per annum. The transaction occurred at an implied historical EBITDA of 27.7 times and a forecast multiple of 15.8 times, respectively.

Radio 96FM / ARN

On 30 January 2015, APN News & Media Limited (owner of ARN) agreed to acquire Perth-based radio station 96FM from Fairfax Media Limited for $78 million. Radio 96FM was a commercial FM radio station in Perth. Before the acquisition, it broadcasted on 96.1 MHz with an adult rock format, featuring a mix of classic and contemporary rock music. The station also provided local news and syndicated shows, and engages audiences through on-air promotions, and digital streaming. The transaction enabled ARN to establish a five-capital-city network (Sydney, Melbourne, Brisbane, Adelaide, Perth) and integrate 96FM into its KIIS network, strengthening its national advertising proposition. The transaction occurred at an implied historical EBITDA of 8.9 times.

Part Two – Financial Services Guide

What is an FSG?

This Financial Services Guide ("FSG") is an important document that provides you with information to help you decide whether to use our financial services.

This FSG contains information on:

- who we are;
- who our authorised representatives are;
- how we can be contacted;
- certain financial services that we can offer you;
- how we, our authorised representatives and other parties involved in providing the financial services are paid in relation to the financial services we offer; and
- details of how you can make a complaint about us or the financial services we provide.

Who we are?

Kroll Australia Pty Ltd (ACN 116 738 535), ("We", "us" and "Kroll") is authorised to provide retail financial services on behalf of Millinium Capital Managers Limited (ACN 111 283 357) ("Millinium"), Australian Financial Services License ("AFSL") no. 284336, as a Corporate Authorised Representative ("CAR"). We have also appointed Ms. Celeste Oakley and Mr. Ian Jedlin as an authorised representative to Millinium's AFSL (our "Authorised Representative"). All authorised representatives of Kroll are authorised representatives of Millinium. We aim to provide quality financial products and services to investors. Kroll acts on its own behalf when providing financial services.

Kroll has been engaged by Southern Cross Media Group Limited ("Client") to prepare an independent expert's report ("Report") in connection with the Proposed Merger with Seven West Media Limited. The Client will provide our Report to you.

Our details

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Our Authorised Representatives

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ASIC authorised representative: No. 000404117
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Celeste Oakley
ASIC authorised representative: No. 001309836
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Authorised Financial Services

Kroll is authorised by Millinium to provide the following financial services as their CAR:

- provide financial product advice in respect of the following classes of financial products:
- interests in managed investment schemes including investor directed portfolio services; and
- securities,
- with respect to retail clients and wholesale clients.

This FSG only relates to the provision of general advice by Kroll.

Personal Advice

Neither we nor our authorised representatives can provide you with personal advice. Personal advice is advice that takes into account your objectives, financial situation and needs. Where you are referred to a financial planner for personal advice, they will make reasonable enquiries to understand your personal objectives, financial situation and needs. Their personal advice, and any relevant warnings, will be provided to you in their Statement of Advice ("SOA").

Remuneration

Kroll charges fees for preparing reports. These fees will usually be agreed with, and paid by, the Client. Fees are agreed on either a fixed fee or a time cost basis. In this instance, the Client has agreed to pay Kroll $350,000 (excluding GST and out of pocket expenses) for preparing the Report. Kroll and its officers, representatives, related entities and associates ("Personnel") will not receive any other fee or benefit in connection with the provision of the Report. All Personnel that provide general advice on our behalf in providing services are on contract to us and receive a salary or payments in accordance with their respective contracts. They may also receive a bonus, but it is not related to the general advice provided in the Report.

Kroll may provide professional services, including consultancy, business intelligence, transfer pricing and financial advisory services, to the person who engaged us and receive fees for those services Kroll and any of its associated entities may at any time provide professional services to financial product issuers in the ordinary course of business.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of, the Client or has other material financial interests in the transaction.

Complaint Redressal

If you have a complaint, please let either Kroll or the Authorised Representative know. Formal complaints should be sent in writing to Complaints Officer, Kroll, Level 32, 85 Castlereagh St, SYDNEY, NSW 2000. If you have difficulty in putting your complaint in writing, please telephone the Complaints Officer on 02 8286 7227 and they will assist you in documenting your complaint. If the complaint cannot be settled in the first instance by Kroll, you should contact Millinium via the contact details set out below:

In writing:

Dispute Resolution Officer
Millinium Capital Managers Limited
GPO Box 615
Sydney, NSW, 2000

When your complaint is received by Millinium it will be entered onto Millinium's complaints register. All details of the complaint will be sent to the Disputes Resolution Officer who will investigate the circumstances of the complaint. If the Disputes Resolution Officer is unable to reach a satisfactory resolution of the complaint within thirty (30) business days of receipt, you should contact Australian Financial Complaints Authority ("AFCA"). The details are:

In writing:
https://www.afca.org.au/make-a-complaint
Telephone
1300 56 55 62 (local call rate)
Email
info@afca.orga.au
Website
www.afca.org.au

Please note that AFCA can currently only deal with claims for compensation up to $1,085,000. Monetary limits and the AFCA terms of reference do change from time to time. Current details can be obtained from the AFCA website listed above.